

May 21, 2020

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Pelosi and Leader McCarthy:

We are writing to express our strong support for the recently introduced “Paycheck Protection Flexibility Act,” sponsored by Representatives Dean Phillips and Chip Roy. The legislation would provide enhancements to the Paycheck Protection Program (PPP) that serves as the lifeblood to thousands of small businesses, and we hope it is swiftly considered and passed.

This is the worst economic downturn for small businesses of the 21st Century. According to the recent U.S. Census Bureau Small Business Pulse Survey, 89.9% of small businesses have been negatively affected by the COVID-19 pandemic. Therefore, we can be confident this will be a long, multi-year recovery, and relief tools need to be flexible and accessible to businesses for months ahead. While many of our members have sought and received needed funding from the PPP since Congress enacted the Coronavirus Aid, Relief, and Economic Securities (CARES) Act, we have seen that the program’s requirements remain too limiting and are handcuffing many small business PPP recipients.

The aptly named Paycheck Protection Flexibility Act would significantly improve the PPP by 1) allowing loan forgiveness for expenses outside of the eight-week period, 2) striking the restrictive 75%/25% rule on loan proceed use, 3) expanding loan terms beyond two years, 4) ensuring full access to payroll tax deferment for businesses that take PPP loans, and 5) extending the June 30, 2020 rehiring deadline to respond to the workforce effects of enhanced Unemployment Insurance. Taken as a whole, these provisions would empower small businesses to have the autonomy to make their own decisions about how best to meet their obligations to stay in their physical location, retain and hire employees, protect their workers and consumers, and save their businesses.

Again, for the sake of our small business members, we urge the U.S. House of Representatives to quickly consider and approve the Paycheck Protection Flexibility Act. We commend Representatives Phillips and Roy for their responsiveness to the small business community’s needs, and we will be energetically supporting the measure at this precarious time in U.S. economic history.

Thank you for considering our views.

Sincerely,

American Hotel and Lodging Association
Asian American Hotel Owners Association
Associated General Contractors
Coalition of Franchisee Associations

Economic Innovation Group
International Council of Shopping Centers
International Franchise Association
International Foodservice Distributors Association
National Association for the Self-Employed
National Association of Wholesaler-Distributors
National Association of Women Business Owners
National Council of Chain Restaurants
National Federation of Independent Business
National Franchisee Association
National LGBT Chamber of Commerce
National Restaurant Association
National Retail Federation
National Small Business Association
Page 30 Coalition
Professional Beauty Association
The Real Estate Roundtable
Small Business & Entrepreneurship Council
Small Business Majority
Small Business Roundtable
U.S. Black Chambers, Inc.
U.S. Chamber of Commerce
U.S. Hispanic Chamber of Commerce
U.S. Travel

CC: Members of the U.S. House of Representatives