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COMMITTEES: SPECIAL COMMITTEE ON AGING, CHARMAN APPROPRIATIONS HEALTH, EDUCATION, LABOR, AND PENSIONS SELECT COMMITTEE ON INTELLIGENCE

April 11, 2020

The Honorable Jovita Carranza Administrator U.S. Small Business Administration 409 3rd Street S.W. Washington, D.C. 20416

Dear Administrator Carranza:

As a key author of the Keeping American Workers Paid and Employed Act and the Paycheck Protection Program (PPP) contained within it, I thank you for the work that you are doing to help this program succeed in its mission to deliver meaningful assistance to America's small employers and their employees, so that they can be positioned to quickly rebound from the impacts of the COVID-19 pandemic.

A key to the success of this program is the active engagement of the thousands of chambers of commerce, business leagues, and similar entities organized under section 501(c)(6) to promote the common interests of their members. These associations represent literally millions of small businesses around our country, and play an essential role in distilling and distributing information on the relief small businesses need to weather the current crisis. Shut-downs and social distancing have required the cancelation of events they count on to generate the revenue they need to operate, and they cannot turn to their membership for increased funding in the midst of the economic crisis. Without timely financial support, the organizations that support small businesses in a myriad of industries may not survive.

These associations are organized under section 501(c)(6) of the Internal Revenue Code, and it is my understanding that they are eligible for the Emergency Injury Disaster Loan (EIDL) program and the grants made available through section 1110 of the Keeping American Workers Paid and Employed Act. Unfortunately, however, some have applied only to be told they are not eligible for this assistance.

It is my understanding that 501(c)(6) organizations in other states have been advised that they are eligible for assistance under section 1110. I urge the SBA to issue clear guidance affirming that 501(c)(6) organizations are eligible for the EIDL program, including the grants under section 1110, to the extent funds are not used for advocacy purposes.

Thank you for your attention to this important matter and for your ongoing efforts to help ensure that our country's small employers have the resources they need to pay their workers and keep them on the payroll.

Sincerely,

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Susan M. Collins United States Senator