



1201 F St NW #200
Washington, D.C. 20004

1-800-552-5342
NFIB.com

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Dear Senator:

On behalf of NFIB, the nation's leading small business advocacy organization, I write in strong support of the *Continuing the Paycheck Protection Program Act* offered by Senators Marco Rubio and Susan Collins. This amendment would provide necessary and targeted financial assistance to small businesses for the purposes of keeping workers employed and keeping their doors open during the ongoing public health crisis. **A vote to advance the *Continuing the Paycheck Protection Program Act* amendment will be considered an NFIB Key Vote for the 116th Congress.**

The Paycheck Protection Program (PPP) has been a vital financial assistance tool to over 5 million small businesses, helping these businesses maintain employees and assisting with expenses such as rent, utilities, and mortgage interest.¹ Unfortunately, the negative economic consequences of COVID-19 on small businesses have lasted longer than Congress anticipated when the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* was enacted in late March.

The amendment allocates more than \$250 billion in funds to allow for second PPP loans for small businesses if they demonstrate 35% revenue loss in a quarter this year. NFIB supports allowing small businesses to receive second PPP loans. The opportunity for second PPP loans would significantly help small businesses who continue to be negatively impacted by economic disruptions of COVID-19.

Additionally, the amendment expands the definition of PPP expenses to include certain operational expenditures, property damage costs, certain supplier costs, and worker protection expenditures, as well as allows small business borrowers to select a flexible covered period to utilize their PPP loan funds. NFIB supports expanding eligible expenses to help small businesses cover essential reopening and operational expenses and providing flexibility regarding timing of PPP expenditures.

The amendment also simplifies the PPP loan forgiveness process, allowing small businesses who received a loan of \$150,000 or less to attest to a good faith effort to comply with PPP loan requirements and obtain forgiveness. NFIB supports providing a more efficient way to demonstrate compliance and receive forgiveness as the vast majority of small business owners have exhausted their PPP funds and are preparing to apply for forgiveness.

¹ *Summary of cumulative Paycheck Protection Program data*, Small Business Administration, August 4, 2020, <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program>.

Economic conditions are putting significant stress on the financial health of many small business owners struggling to balance lower sales with fixed expenses and longer-term sustainability. More than one-in-five (21%) small business owners report that they will have to close their doors if current economic conditions do not improve over the next six months.² With the realization that lower than average sales are likely for months to come, many small business owners urgently need additional financial assistance. According to NFIB's most recent survey, 49% of small business owners who received PPP loan and/or an Economic Injury Disaster Loan (EIDL) anticipate needing additional financial support in the next 12 months.³

There is bipartisan agreement to provide a targeted second round of PPP loans to small businesses. NFIB urges Congress to set aside disagreements on other policies and pass legislation to help small business owners immediately.

NFIB strongly supports the *Continuing the Paycheck Protection Program Act* amendment and a vote to advance the legislation will be considered an NFIB Key Vote for the 116th Congress.

Sincerely,



Kevin Kuhlman
Vice President, Federal Government Relations
NFIB

² COVID-19 Small Business Survey (11) (PPP, EIDL, Unemployment Insurance, and the Economy), NFIB Research Center, August 18, 2020, <https://assets.nfib.com/nfibcom/Covid-19-11-Questionnaire-and-Write-up-FINAL.pdf>

³ COVID-19 Small Business Survey (12) (PPP, EIDL, the Economy, and Payment Deferrals), NFIB Research Center, September 30, 2020, <https://assets.nfib.com/nfibcom/Covid-19-12-Questionnaire-and-Write-up-FINAL-web-version.pdf>