

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

SUZANNE P. CLARK
PRESIDENT

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April 10, 2020

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

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20510

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

The Honorable Chuck Schumer
Democratic Leader
United States Senate
Washington, DC 20510

Dear Speaker Pelosi and Leaders McConnell, McCarthy, and Schumer:

We urge Congress to quickly bolster its commitment to the survival of small businesses across America by renewing funding for the Economic Injury Disaster Loan (EIDL) program and increasing funding for the Paycheck Protection Program (PPP).

The U.S. Chamber of Commerce applauds Congress for swift bipartisan action on three laws in three weeks to provide Americans with aid during the coronavirus pandemic. These pandemic response bills show Congress at its best.

Small businesses were a major focus of the third law, the CARES Act. While Congress provided help for businesses large and small on an unprecedented scale, Congress underestimated the pandemic's toll on small businesses. A total of 54% of all small businesses report they are closed or could close within the coming weeks, according to a U.S. Chamber-MetLife survey released last Friday. And, as of today, EIDL resources are maxed out and PPP is approaching its limit.

The \$10 billion EIDL program is intended to help small businesses cope with the pandemic by allowing them to meet pressing non-payroll expenses and to prepare to rebuild operations. Small businesses started applying for EIDLs on March 16 for loans up to a \$2 million cap coupled with, if necessary, an immediate \$10,000 emergency grant. The typical loan request is \$200,000.

Starting yesterday, SBA informed small businesses that loans will be rationed to a maximum of \$15,000 per applicant. Such limited economic relief will be insufficient for a great many main street employers.

We are concerned that the PPP faces a similar fate in the near future. PPP allows businesses to pay their employees' wages and benefits and covers costs like rent and utilities throughout the pandemic. This tool is particularly important because it enables

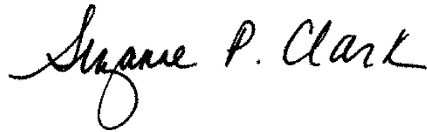
businesses to keep paying workers even if workers cannot work. Paychecks are better than unemployment checks.

PPP is on target to reach its \$349 billion limit. In the one week since PPP launched, 250,000 small businesses and sole proprietorships have sought in excess of \$100 billion. Today, independent contractors, many gig economy workers, and self-employed individuals — a group that makes up over 80% the small business population — are able to access PPP. Without an infusion of resources, PPP is unlikely to meet outstanding needs for a large number of small businesses.

Since the CARES Act became law, the Chamber has hosted more than 200 virtual sessions with tens of thousands of small businesses, to encourage them to secure the financial relief Congress promised. The gratitude they have for Congress's help is balanced by their understandable sense of fear and uncertainty.

Small businesses need Congress to act. No family and no business should be bankrupted by the temporary economic disruption caused by the coronavirus pandemic. Congress's urgent action is needed to replenish EIDL and to bolster PPP, and to help small businesses survive.

Sincerely,

A handwritten signature in black ink that reads "Suzanne P. Clark". The signature is written in a cursive, flowing style.

Suzanne P. Clark

cc: Members of the United States Congress