April 10, 2020

The Honorable Mitch McConnell  
Majority Leader, U.S. Senate  
U.S. Capitol, S-230  
Washington, DC 20510

The Honorable Chuck Schumer  
Minority Leader, U.S. Senate  
U.S. Capitol, S-221  
Washington, DC 20510

The Honorable Marco Rubio  
Chairman, Committee on Small Business &  
Entrepreneurship  
U.S. Senate  
428A Russell Senate Office Building  
Washington, DC 20510

The Honorable Ben Cardin  
Ranking Member, Committee on Small  
Business & Entrepreneurship  
U.S. Senate  
509 Hart Senate Office Building  
Washington, DC 20510

Dear Leader McConnell, Leader Schumer, Chairman Rubio, and Ranking Member Cardin,

Thank you for your bipartisan leadership to provide necessary and timely economic assistance to our nation’s employees and employers in an effort to address the dire consequences of the COVID-19 pandemic. Our nation’s small business communities, especially those in our rural communities in Kansas, stand well-positioned to and have already benefited from the increased access to federal resources through the Small Business Administration’s (SBA) 7(a) loan program under the Paycheck Protection Program and updates to the Economic Injury Disaster Loan (EIDL) program amended by the recently enacted Coronavirus Aid, Relief, and Economic Security (CARES) Act. In fact, the new law rightfully provided temporary eligibility flexibility to allow more nonprofit organizations to participate in these programs. However, I urge Senate leadership and the Senate Committee on Small Business & Entrepreneurship to include local and state chambers of commerce, covered by Section 501(c)(6) of the Internal Revenue Code, and related entities that focus on supporting small businesses in their communities as eligible recipients under the Paycheck Protection Program and the EIDL Program in the next legislative vehicle pertaining to the COVID-19 response.

As mentioned, the CARES Act amended the SBA’s existing 7(a) loan program to create a new Paycheck Protection Program that among other helpful provisions increased the eligible entity categories to participate and utilize these SBA resources. The law specifically included non-profit organizations covered by Section 501(c)(3) and Section 501(c)(19) under the Internal Revenue Code to access the Paycheck Protection Program’s funding opportunities. Separately, there have been conflicting interpretations of whether chambers of commerce can access the amended EIDL Program as well. While including these types of organizations as eligible entities to access the mentioned relief mechanisms provided by the law is appropriate and necessary given the circumstances, this is a significant lost opportunity to provide federal support to the
local and state chambers of commerce that are oftentimes the primary source of information and expertise to small businesses in their community. From assisting small business members in navigating the tumultuous economic conditions of a pandemic to providing hands-on guidance on how to access increasingly confusing federal program resources, like these SBA’s programs, local and state chambers of commerce as described in Section 501(c)(6) are deserving of Congress’s immediate attention for inclusion.

Given the various types of organizations that fall within the statutory category of Section 501(c)(6), I understand initial hesitations to expand the eligibility pool for these SBA programs too widely and putting at risk access to the significant, yet finite, resources provided in the law meant to be directed towards small businesses communities that are so vital to the economic welfare of the nation. That being said, the focused inclusion of local and state chambers of commerce that promote the common economic interest of a community would only further support the small businesses that the new program is primarily intended to serve by providing financial flexibility to these community business leaders for payroll and other critical costs for survival.

Congress must provide immediate relief to chambers of commerce that remain a vital source of information, coordination, and assistance to our local business communities, especially in light of the dire economic circumstances that our small business find themselves in. Their survival will be key to not only surviving the current COVID-19 pandemic but also improving the economy as the nation pushes towards recovery. Please contact my staff with any questions or concerns, and thank you for your consideration.

Sincerely,

Jerry Moran
United States Senator