

July 9, 2020

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

The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, DC 20515 The Honorable Chuck Schumer Democratic Leader U.S. Senate Washington, DC 20510

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

Dear Representative:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 69 chapters representing more than 21,000 members, I am writing in support of the Recharge and Empower Local Innovation and Entrepreneurs Fund (RELIEF) for Main Street Act (S. 3742/H.R. 6907).

The RELIEF for Main Street Act would provide much-needed funding to ensure that minority-owned small businesses and small businesses in underserved communities have the resources they need to continue operations during the health and economic crisis caused by COVID-19. While the Paycheck Protection Program has served as a critical lifeline for many small businesses in the construction industry, ABC remains concerned that efforts to provide funding through the traditional banking system to many of our minority contractors has fallen short and it is clear that a different approach is needed to assist these impacted businesses in our communities.

As a <u>recent study</u> has shown, minority-owned businesses have been disproportionately impacted by COVID-19, with Black-owned businesses facing a 41% decrease, Latinx business owners falling by 32%, and Asian business owners dropping by 26%. By comparison, 22% of all businesses and 17% of White-owned businesses have closed over the same time period during the COVID-19 pandemic. This issue is a major concern for ABC and our minority contractors that have struggled to obtain needed financial assistance through current government programs offered during this crisis.

The approach taken through the RELIEF for Main Street Act would provide an alternative to the PPP that would allocate funding directly to our states, cities and counties, which are closest to the problems at hand and understand the unique needs in their communities. Further, this new program will beef up current local relief funds that are already offering support to small businesses impacted by the ongoing crisis.

As Congress continues negotiations for the additional relief package to assist the country through this unprecedented time, ABC urges the inclusion of the RELIEF for Main Street Act in these efforts to help ensure equality in access to critical government funding for our nation's businesses.

Sincerely,

Kristen Swearingen

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Vice President, Legislative & Political Affairs