April 8, 2020

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

The Honorable Chuck Schumer
Democratic Leader
U.S. Senate
Washington, D.C. 20510

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

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

Dear Majority Leader McConnell, Democratic Leader Schumer, Speaker Pelosi, and Republican Leader McCarthy:

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 to express our sincere appreciation for the bipartisan legislation that both bodies have passed to aid the U.S. economy, particularly small businesses, during the crisis caused by the coronavirus. As Congress looks towards another substantial, bipartisan effort to ensure that the U.S. economy returns strong after the immediate effects of this crisis are over, ABC urges you to include important modifications to current policies that assist small businesses and maintain employment for millions of hardworking Americans.

ABC is encouraged by recent efforts to provide additional funding to the current Paycheck Protection Program that provides forgivable loans to our nation’s small businesses. We are also hopeful that Congress will consider several essential changes that should be made to the program to further assist small businesses in the construction industry and across organizations that are vital to the U.S. economy.

Currently, the CARES Act allows for some non-profits to apply for the PPP but excludes 501(c)(6) organizations, such as national, state, and local associations, from accessing these loans. Associations provide critical jobs to hundreds of thousands of Americans throughout the country and provide vital services to their members, especially during this difficult time for our nation. Allowing 501(c)(6) organizations to benefit from PPP loans will ensure that these associations can continue their important work and help Americans maintain their jobs and health and retirement benefits.

Additionally, we have concerns with the formula that sets the loan amount at 2.5 times the average monthly payroll for small businesses and provides only eight weeks of payroll coverage. This current eight-week period has been eclipsed by the scale of this crisis, as we have already seen important construction projects in numerous states and cities shut down until this virus is contained.

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The original proposal for the CARES Act envisioned four months of payroll coverage and a broader formula that included rent and other operating expenses such as utility payments and healthcare costs. ABC encourages Congress to revisit this issue any subsequent coronavirus relief effort to provide small businesses with the additional resources they need to effectively keep their businesses intact and keep employees on payroll.

Many small businesses have been forced to shut down their operations to effectively mitigate the harmful impacts of this pandemic, and ABC and our members recognize the importance of slowing the spread of this virus and providing a safe workplace for our employees. However, we cannot let these businesses fail as the recovery of our economy will hinge on the survival and success of small businesses. ABC believes that these improvements to the PPP will ensure that more Americans remain employed during the national health crisis and small businesses have the resources to lead the economic comeback once the crisis is over.

We thank you for your leadership and hope both Republicans and Democrats can continue to work together to address the critical needs of our nation during this difficult time.

Sincerely,

Kristen Swearingen
Vice President, Legislative & Political Affairs