



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

1-800-552-5342
NFIB.com

April 23, 2020

Dear Representative:

On behalf of NFIB, the nation's leading small business advocacy organization, I write in support of H.R. 266, the *Paycheck Protection Program and Health Care Enhancement Act*. This legislation would provide a much-needed infusion of funding to the Paycheck Protection Program (PPP) and the Economic Injury Disaster Loan (EIDL) program. **H.R. 266 will be considered an NFIB Key Vote for the 116th Congress.**

The *Paycheck Protection Program and Health Care Enhancement Act* provides an additional \$310 billion in PPP loan guarantees, \$50 billion in EIDL funding, and \$10 billion in EIDL Emergency Grant funding. These programs have been unable to issue or process new loan and grant applications since funding was exhausted last week.

COVID-19 and government responses to the pandemic have created unprecedented disruption and anxiety for small business owners, with 92% of small business owners reporting a negative impact on their businesses as a result of the pandemic.¹ Half of small business owners will not be able to operate their businesses under current conditions in one to two months.² Small businesses and their employees need additional financial assistance, and they need it urgently.

There is significant demand for both the PPP and EIDLs. Nearly three-quarters (74%) of small business owners applied for PPP forgivable loans and 26% of those who had not yet applied were in the process of applying when funding was exhausted last week.³ Two-fifths (40%) of small business owners successfully applied for EIDLs and 9% of those who had not yet applied were in the process of applying when the Small Business Administration stopped accepting applications last week.⁴ More than three-quarters (77%) of small business owners who applied for EIDLs also applied for Emergency Grants associated with the loans.⁵

¹ Holly Wade, *COVID-19 Impact on Small Business: Part 3*, NFIB Research Center, April 2, 2020, <https://www.nfib.com/assets/Final-Coronavirus-write-up-pt-3-1.pdf>.

² *Ibid.*

³ Holly Wade, *Covid-19 Small Business Loans (PPP and EIDL)*, NFIB Research Center, April 20, 2020, <https://www.nfib.com/assets/Covid-19-survey-loans-2.pdf>.

⁴ *Ibid.*

⁵ *Ibid.*

Success of these lending programs will ultimately be measured by delivery of the funds to small business owners who need the financial assistance the most. Only 20% of PPP applicants have received a loan, only 1% of EIDL applicants have received a loan, and only 10% of EIDL applicants requesting the Emergency Grant have received funds.⁶ Additional funding will improve the delivery percentages and NFIB will continue to monitor delivery success.

In addition to delivery of these crucial funds, further flexibility would improve the utility of the PPP and help small business owners weather this unprecedented crisis. NFIB will follow the implementation of the *CARES Act* and the *Paycheck Protection Program and Health Care Enhancement Act* and provide recommendations to Congress on proposals to benefit the Main Street economy.

NFIB strongly supports the *Paycheck Protection Program and Health Care Enhancement Act* and urges its immediate passage to provide urgent financial assistance to small business owners. **NFIB will consider H.R. 266 as a Key Vote for the 116th Congress.**

Sincerely,

A handwritten signature in cursive script that reads "Kevin Kuhlman".

Kevin Kuhlman
Senior Director, Federal Government Relations
NFIB

⁶ *Ibid.*