W. GREGORY STEUBE 17TH District, Florida Judiciary Oversight & Reform Veterans' Affairs



Washington Office 521 Cannon House Office Building Washington, DC 20515 (202) 225-5792

> Punta gorda office 226 Taylor St. #230 Punta Gorda, FL 33950

Congress of the United States

House of Representatives Washington, DC 20515

August 3, 2020

The Honorable Marco Rubio Chairman, Committee on Small Business and Entrepreneurship United States Senate Washington, D.C 20510

Dear Chairman Rubio:

We commend your proposal to provide relief to 501(c)(6) nonprofit organizations, such as trade and professional associations, chambers of commerce, and destination marketing organizations (DMOs) with 300 or fewer employees by granting them eligibility in the Paycheck Protection Program (PPP) through the Continuing Small Business Recovery and Paycheck Protection Program Act.

There are more than 62,700 registered Internal Revenue Code Section 501(c)(6) organizations nationwide that provided at least \$18.3 billion in wages last year, according to the Bureau of Labor Statistics. In Florida, there are 1,574 revenue-generating 501(c)(6)s that paid more than \$600 million in 2019 wages. More than two-thirds of the state's 501(c)(6)s have annual budgets of \$500,000 or less, 170 have budgets of \$500,000 - \$1 million, and 160 have budgets of \$1 million - \$3 million.

501(c)(6) organizations play a fundamental role for their industries and professions by bringing together community business leaders, providing education and professional development for America's workforce; creating product and safety standards for everything from food packaging to new building construction; defining and advance standards for professional certification and codes of ethics in a wide range of professional fields; and openly sharing ideas at live events around the world – including at top ranked destinations in Florida, such as Orlando and Miami.

The 501(c)(6) community continues to suffer immense financial harm from the COVID-19 crisis due to business closures and event cancellations, and Florida is no exception to that. To that end, we have cosponsored H.R. 6697, the Local Chamber, Tourism, and 501(c)(6) Protection Act of 2020. This bipartisan legislation, which has more than 120 supporters in the House of Representatives, would expand PPP eligibility to all 501(c)(6) organizations and DMOs with 300 or fewer employees, like your bill.

H.R. 6697 would also prevent the compensation of registered federal lobbyists from inclusion in any PPP recipient's loan calculation – the same language passed by the House in the HEROES Act – providing an important guardrail against Congress subsidizing lobbying activities.

House leadership on both sides of the aisle support access to PPP for the 501(c)(6) community, and we hope that your Senate colleagues will do the same. Thank you for your respectful consideration and continued support of our state and country during this difficult time.

Sincerely,

W. Gregory Steube Member of Congress

men Art

Darren Soto Member of Congress

Neal P. Dunn, M.D. Member of Congress

Ross Spano Member of Congress

Brian Mast Member of Congres

Cc: Ranking Member Benjamin Cardin, Senator Susan Collins, Senator Jeanne Shaheen, Senator Rick Scott