

# Congress of the United States

## Washington, DC 20515

April 22, 2020

The Honorable Jovita Carranza  
Administrator  
Small Business Administration  
409 3rd Street, S.W.  
Washington, DC 20416

Dear Administrator Carranza:

We write to ask that you immediately modify the eligibility requirements for the Paycheck Protection Program under the CARES Act so that nonprofits and cultural institutions, regardless of size, are able to participate in the program by either removing the 500 employee cap for nonprofits or, if the cap is retained, that for purposes of determining whether a nonprofit employer falls below the 500 cap, the number of employees be determined on an FTE basis. Currently, eligibility is available for nonprofits and cultural institutions with 500 or fewer employees—counting each individual, full time or part time.

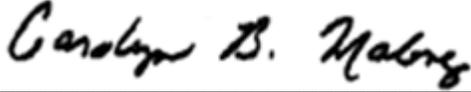
Like the small businesses and workers who already qualify for the program, the COVID-19 pandemic is having a devastating impact on nonprofits and cultural institutions. Charitable nonprofits and cultural institutions in our districts and across the nation are making significant cuts to their revenues while the pandemic continues to jeopardize future access to capital, with some being forced to lay off employees in order to give their organizations a chance to survive the crisis. For example, in March 2020, Nonprofit New York surveyed their member organizations about the impact of COVID-19 on their organizations. Of respondents, 85% had to cancel programs or events, 70% experienced reduced revenue, 63% experienced a disruption of services, and over half expect a drop in revenue as a result of COVID-19.

Modifying the eligibility requirements would also benefit struggling communities and alleviate some of the burden on government resources, as many charitable organizations are in the position to not only bring back furloughed staff but also hire additional employees to address the growing needs for their services. Nonprofits and cultural institutions are on the frontlines of dealing with the immediate and long-term consequences of this pandemic. Their employees are the backbone of the food banks, shelters, domestic violence services, houses of worship, early care and education centers, after-school facilities, and more that are being called on to feed, house, and care for people whose lives have been disrupted by closures, job loss, and sickness. Regardless of size, the needs and realities of nonprofits and cultural institutions on the frontlines are the same.

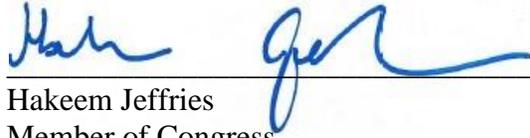
The Paycheck Protection Program will be critical for nonprofits and cultural institutions to continue to ensure that critical staff and programs can stay in place amid the pandemic and survive the

economic crisis we're facing. Accordingly, we ask that you immediately modify the eligibility requirements for the program so that nonprofits and cultural institutions of all sizes can participate.

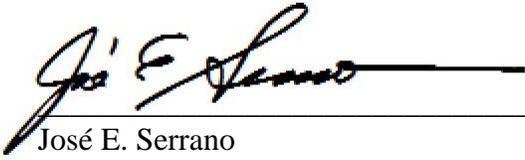
Sincerely,



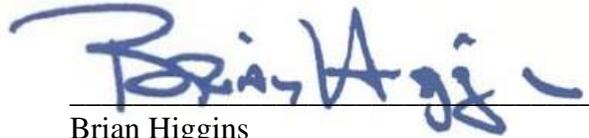
Carolyn B. Maloney  
Member of Congress



Hakeem Jeffries  
Member of Congress



José E. Serrano  
Member of Congress



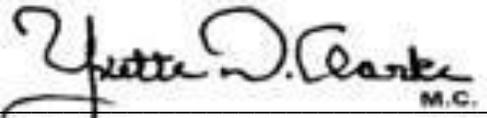
Brian Higgins  
Member of Congress



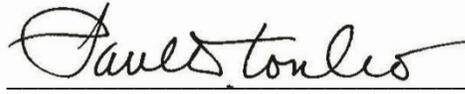
Sean Patrick Maloney  
Member of Congress



Max Rose  
Member of Congress



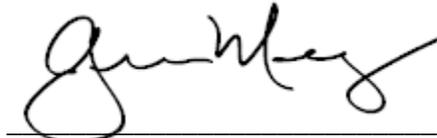
Yvette D. Clarke  
Member of Congress



Paul Tonko  
Member of Congress

/s/

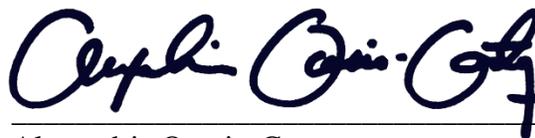
Tom R. Suozzi  
Member of Congress



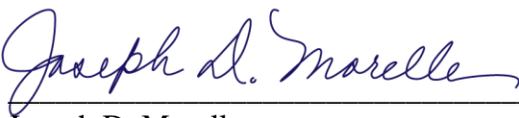
Grace Meng  
Member of Congress



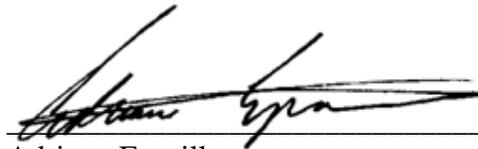
Kathleen M. Rice  
Member of Congress



Alexandria Ocasio-Cortez  
Member of Congress



Joseph D. Morelle  
Member of Congress



Adriano Espaillat  
Member of Congress



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Antonio Delgado  
Member of Congress