

Vince Malta

2020 President

Bob Goldberg

Chief Executive Officer

ADVOCACY GROUP

William E. Malkasian

Chief Advocacy Officer / SVP

Shannon McGahn

SVP Government Affairs

July 1, 2020

The Honorable Kevin Cramer
United States Senate
400 Russell Senate Office Building
Washington, DC 20510

The Honorable Bob Menendez
United States Senate
528 Hart Senate Office Building
Washington, DC 20510

The Honorable Thom Tillis
United States Senate
113 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Kyrsten Sinema
United States Senate
317 Hart Senate Office Building
Washington, DC 20510

Dear Senators Cramer, Menendez, Tillis, and Sinema:

On behalf of the 1.4 million members of the National Association of REALTORS®, thank you for introducing S. 4117, the “Paycheck Protection Small Business Forgiveness Act.” This bill would provide important relief for the smallest Paycheck Protection Program (PPP) borrowers, making it easier for them to reopen and participate in the economic recovery following the COVID-19 pandemic.

Small businesses and independent contractors have been hit especially hard by the pandemic, as safety measures put in place to protect the public have necessarily meant reducing their operations or closing entirely, and in many cases required them to let their employees go temporarily. The PPP loans provide an important lifeline to these businesses, allowing them to keep employees paid and meet other debt obligations, such as paying their rent or mortgage interest and utilities. However, the program is complicated, and applications for forgiveness represent a challenge to many borrowers who have not needed to seek aid in the past and do not have accountants or attorneys on staff to assist them – which most small business owners and independent contractors do not.

The Paycheck Protection Small Business Forgiveness Act simplifies this issue by forgiving PPP loans that are below \$150,000. These borrowers represent independent contractors and the smallest of small businesses – those most vulnerable to the economic damage that COVID-19 is wreaking. For example, an independent contractor can receive a maximum PPP loan amount of \$20,833 – based on having net earnings of \$100,000 in 2019, which is much higher than the average. These borrowers may struggle to afford outside help to ensure they are properly filling out the forgiveness application forms; if they do them on their own and make an error, they could be on the hook for the full loan amount, something they did not count on. Forgiving loans of less than \$150,000 is a common-sense



solution which will allow those small businesses to focus their time and energy on reopening and boosting the economy, instead of on filling out pages and pages of complicated forms.

Again, thank you for introducing this important legislation which will provide further relief to small businesses, who play an integral role in the nation's economy. We look forward to continuing to work with you to see it passed into law.

Sincerely

A handwritten signature in black ink, appearing to read "Vince Malta", written in a cursive style.

Vince Malta
2020 President, National Association of REALTORS®