

Charlie Oppler

2021 President

Bob Goldberg

Chief Executive Officer

ADVOCACY GROUP

Shannon McGahn

Chief Advocacy Officer

April 22, 2021

The Honorable Ben Cardin
U.S. Senate
509 Hart Senate Office Building
Washington, DC 20510

The Honorable Tammy Baldwin
U.S. Senate
709 Hart Senate Office Building
Washington, DC 20510

The Honorable Angus King
U.S. Senate
133 Hart Senate Office Building
Washington, DC 20510

The Honorable Roger Marshall
U.S. Senate
B33 Russell Senate Office Building
Washington, DC 20510

The Honorable James Lankford
U.S. Senate
316 Hart Senate Office Building
Washington, DC 20510

The Honorable Susan Collins
U.S. Senate
413 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Rob Portman
U.S. Senate
448 Russell Senate Office Building
Washington, DC 20510

Dear Senators Cardin, Lankford, Baldwin, Collins, King, Portman, and Marshall:

On behalf of the more than 1.4 million members of the National Association of REALTORS® (NAR), thank you for introducing S. 1249, the PPP Flexibility for Farmers, Ranchers, and the Self-Employed Act. This legislation makes important adjustments to the SBA's Paycheck Protection Program (PPP) to improve its equity for "Schedule C filer" borrowers who initially were not eligible for loan amounts that accurately reflected their income or losses due to the COVID-19 pandemic.

NAR's membership includes a large number of independent contractors, sole-proprietors, and self-employed individuals, a group known as "Schedule C filers" in the PPP. The SBA loans have been an important lifeline, allowing them to cover business expenses and maintain their own income while their business activities were put on hold to comply with health and safety requirements. Giving Schedule C filers access to PPP loans was an important move by Congress to protect these important economic drivers, but initially they had to use their "net profits" when calculating loan amounts, which subtracts business expenses from the total amount and left them eligible for a lower percentage of their actual income than other businesses with employees who simply use payroll costs.



In March, President Biden made an important improvement to the PPP, allowing Schedule C filers the option to use their gross income - which does not require subtracting business expenses from it - to calculate their loan amounts instead of net profits. However, the changes were not retroactive and thus did not apply to earlier PPP borrowers, leaving many with lower PPP loans than they would currently qualify for simply because they applied before March 2021. This legislation corrects that inequity, giving those earlier PPP borrowers a means to receive the difference in the loan amount they would qualify under the new rules.

Thank you again for addressing the needs of independent contractors, sole proprietors, and the self-employed with this important legislation. We look forward to working with you to see it passed into law.

Sincerely,

A handwritten signature in black ink, appearing to read "Charlie Oppler", with a long horizontal flourish extending to the right.

Charlie Oppler
2021 President, National Association of REALTORS®