

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

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July 16, 2020

The President
The White House
Washington, DC 20500

The Honorable Nancy Pelosi
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
United States Senate
Washington, DC 20510

Dear Mr. President, Speaker Pelosi, and Majority Leader McConnell:

The U.S. Chamber of Commerce and its members applaud the Administration and Congress for the actions taken this spring to mitigate the direct and indirect economic effects of the coronavirus on the American people. We are especially grateful for the bipartisan approach that led to the enactment of the CARES Act and related legislation.

We have not yet beaten the coronavirus or achieved the economic recovery we all desire. Additional support is needed from the government to curtail the pandemic and to support individuals, families, and employers through this unprecedented downturn.

With the benefit of our experience to date and fresh data, Congress should enact proposals that are timely, temporary, and targeted to current needs. The Chamber urges policymakers to be judicious in their approach. While it is critical Congress provide meaningful assistance to the unemployed; to employers who continue to be negatively impacted by social distancing requirements; and to state and local governments, it is also critical to avoid counterproductive policies that will delay economic recovery or diminish long-term growth.

Over the past several months, the Chamber has conferred with its members of all sizes across all industries as well as state and local chambers from every state and territory through formal working groups and daily in-depth discussions. Based on their detailed input on how to get their sectors and communities through this crisis, we urge you to enact targeted and temporary measures that address the following five key areas:

1. Liability Protection Against Unwarranted Lawsuits;
2. Support for Small and Midsize Employers;
3. Support for Childcare and K-12 Schools;
4. Unemployment and Job Training, and
5. State and Local Assistance

Each of these areas is discussed in depth below. Attached, you also will find a list of additional detailed actions that we urge Congress and the Administration to consider. Addressing these five areas, as well as those outlined in the appendix, will ensure that employers of all sizes and across all sectors have the support necessary to navigate this evolving and difficult period.

Thank you all for your leadership. The Chamber looks forward to working with you to help our nation as we confront this challenge together.

Sincerely,

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

Thomas J. Donohue
CEO
U.S. Chamber of Commerce

Liability Protections Against Unwarranted Lawsuits

As if the pandemic and the economic downturn were not enough, employers are confronting the possibility of unwarranted lawsuits related to COVID that threaten their ability to operate and the economy's ability to recover. The Chamber calls on Congress to pass timely, temporary, and targeted liability relief that will provide employers, healthcare providers, non-profits, and educational institutions a safe harbor from these types of lawsuits when they make good-faith efforts to follow applicable public health guidelines.

This is a critical issue for a wide range of employers from distillers who switched to producing hand sanitizers, to manufacturers that transformed their operations to construct personal protective equipment (PPE) and ventilators, to front line medical professionals treating the afflicted, to pharmaceutical companies that are expediting research into cures, to essential businesses that remained open, to colleges that are returning to school this Fall, to businesses that are just now reopening and seeing customers for the first time in months.

A safe-harbor will ensure that bad actors can be held accountable while simultaneously protecting those entities who are working to follow public health guidance. Specifically, the Chamber calls on Congress to put in place temporary protections for the duration of the pandemic crisis and response that cover:

- Businesses and other entities that work to follow government guidelines against COVID-19 exposure claims.
- Healthcare providers and facilities on the front lines of the COVID-19 response.
- Manufacturers that repurposed production and distribution to provide PPE, sanitizers, and other needed countermeasures.

Support for Small and Mid-Size Employers

Employers across the country continue to struggle with the economic fallout caused by the coronavirus. The impact, however, is not the same across industries. As of June, some sectors of the economy have essentially restored all the jobs lost since February. Other sectors – particularly those most impacted by closures and social distancing requirements where remote work is not possible – have faced catastrophic revenue and job loss. As part of the CARES Act, Congress appropriately provided broad-based support for employers through the Paycheck Protection Program (PPP), the Economic Injury Disaster Loan (EIDL) program, the Main Street Lending Facilities, the Employee Retention Tax Credit, and other tax provisions.

At this time, it is appropriate for Congress to take a more targeted approach: closing the gaps that existed in the CARES Act programs and providing additional relief for those businesses that cannot return to more normal operations as a result of the social distancing requirements necessary to prevent the spread of COVID-19.

Specifically, the Chamber urges Congress to consider the following proposals:

Closing the CARES Act Gaps:

- While the PPP was intended to assist all small business employers, including non-profits, non-profits who are not organized as 501(c)(3) organizations have been excluded from the program. Congress should extend the deadline for applying for PPP funds through the end of the year and make all non-profit employers eligible to apply for a loan.
- Congress should also make the PPP loan forgiveness process easier for the smallest small businesses by automatically forgiving loans under \$150,000 or \$250,000.
- The CARES Act prohibited an employer from receiving both a PPP loan and an employee retention tax credit. While no-employer should be able to receive a PPP loan and a tax credit for the same expense, allowing PPP borrowers to access employee retention tax credits after exhausting their PPP loans will help small businesses who continue to face constrained revenue.
- In too many cases, small businesses in low-income and rural areas, as well as those without traditional banking relationships – including minority-owned businesses had difficulty accessing the PPP. The bipartisan Recharge and Empower Local

Innovation and Entrepreneurs Fund (RELIEF) for Main Street Act would provide \$50 billion to seed and scale locally relief programs for small employers. The Chamber urges Congress to pass this initiative.

- Replenish the SBA's Economic Injury Disaster Loan (EIDL) program and require SBA to remove the \$150,000 loan cap for the program that is authorized to provide loans up to \$2 million.

Providing Additional Relief for Employers:

- Congress can build on the aid provided in the CARES Act to help employers address urgent liquidity needs, including by allowing the monetization of additional tax attributes like general business credits. This would provide businesses timely access to tax benefits existing on their books. In addition, Congress should provide tax relief for losses due to the Coronavirus pandemic; and modify international tax provisions to maximize the benefits of CARES Act tax relief.
- The CARES Act created an Employee Retention Tax Credit (ERTC) that provided an effective \$5,000 refundable tax credit to employers negatively impacted by the economic fallout from the pandemic. Congress should increase the size of the credit, make the credit more flexible by allowing small and midsize employers to claim the credit irrespective of whether the employee is "providing services," and expanding the universe of eligible employers by reducing the reduction in gross receipts required to access the credit. Congress can simultaneously make the expanded credit more targeted by reducing the benefit for employers who are experiencing less of a revenue loss.
- While the CARES Act mostly focused on aiding small businesses with their payroll costs, for many, their fixed expenses, like rent, are a significant burden. At the same time, revenue is constrained as a result of social distancing requirements. Congress should consider a modest addition to the ERTC for ERTC eligible employers to cover a limited amount of fixed costs.
- As part of the CARES Act, numerous tax provisions were enacted on a temporary basis to help businesses address liquidity issues. Given the expected time required to return to the pre-pandemic economy, a further extension of these tax provisions is warranted.

Childcare and K-12 Schools

The ability of many parents to return to work is dependent on schools physically reopening and childcare being available. Reopening must be safe and should be guided by public health officials. Congress should provide critical financial assistance to aid in a safe reopening.

It is worth noting that under the CARES Act and the Families First Coronavirus Response Act, parents may be eligible for federally-funded unemployment or paid leave if their child is unable to attend in-person school or childcare. Making investments now to ensure the safe reopening of schools and childcare centers will likely reduce federal spending in other areas.

K-12 Schools: A safe-reopening will require numerous operational modifications for schools, including health screening, testing, contact tracing, enhanced cleaning, and physical modifications. Schools did not budget for these expenses. At the same time, local education agencies face significant budget shortfalls as a result of the economic downturn. Some local deficits have been so substantial that teachers are receiving layoff notices even though social distancing guidelines would indicate that more teachers are needed in the school building, not fewer. Not only will this immediately impact reopening plans, but it can also affect learning over the long-term. As we learned from the Great Recession, it took years for education budgets to recover. It was not until the 2015-16 school year that per-pupil education spending returned to the 2008-09 level.

Congress should provide funding to local education agencies to offset the direct costs of COVID-related safety modifications and general support to help offset a portion of lost locally generated revenue.

Childcare: Childcare providers face similar challenges as schools: increased costs associated with implementing public health measures and forgone revenue as a result of capacity and occupancy limits. Also, many childcare providers are small businesses with thin margins and limited access to both capital and safety supplies like hand-sanitizer and personal protective equipment.

Congress should provide targeted funding to offset a portion of the direct costs of COVID-related safety modifications and limited subsidies when occupancy limits constrain provider revenue.

Unemployment and Job Training

Over 17 million Americans are currently unemployed. The vast majority – 13.4 million – have been unemployed from between 5 and 26 weeks. While the economy has begun to recover, and this number will fall as millions continue to return to work, unemployment will remain elevated for some time as some jobs will not return, and some employers will permanently close. The Congressional Budget Office estimates that the unemployment rate will be above 7% through the fourth quarter of 2021, more than twice the rate at the end of 2019. This warrants continued support for the unemployed, but it is critical that Congress take a more targeted approach to supporting the unemployed. Specifically, the additional \$600 weekly unemployment benefit must be significantly revised, and Congress should support job training for those whose jobs will not return.

Unemployment Benefits: The \$600 in supplemental weekly unemployment benefits is causing significant distortions in the labor market. A recent study found that two-thirds of beneficiaries earn more on unemployment than they made while working. One-fifth earn at least double what they earned working, and the median replacement rate is 134%. The Congressional Budget Office has said that if this additional funding is extended for another six months, then five out of six beneficiaries would receive more from unemployment than what they could expect to earn working. Compensating someone more for not working than they can earn working discourages work, makes it harder for employers to bring back furloughed employees, and ultimately holds back economic recovery.

At the same time, given the elevated levels of unemployment and that regular state unemployment benefits replace, on average, about 45% of an individual's prior earnings, completely withdrawing the \$600 risks significant individual hardship as well as a drop in consumption that holds back economic recovery.

The Chamber urges a middle-ground approach along the lines recently suggested by former Obama and Bush economic advisors, namely:

- Provide a variable supplement to state unemployment benefits designed to replace 80 to 90% of individual's prior covered wages (after taking into account that payroll taxes are not collected on U.I. benefits) up to a maximum federal benefit of an additional \$400 per week;
- For states unable to initially adjust their computer systems to calculate a replacement rate, provide a flat amount equal to half the maximum benefit (e.g., \$200) per week for up to three months to provide time for computer system upgrades; and
- Phase down the additional benefit based on a state's unemployment, providing the maximum benefit (\$400) for unemployment rates above 15% and eliminating the bonus when unemployment falls below 7%.

Job Training: Measured in the number of jobs lost and share of pre-COVID jobs lost, unemployment is heavily concentrated in specific sectors of the economy, such as:

Sector	Jobs Lost Since February	Share of February Jobs Lost
Clothing and clothing accessories stores	522	40%
Leisure and hospitality	4,827	29%
Administrative and support services	1,281	14%
Motion picture and sound recording industries	244	53%
Air transportation	132	26%
Transit and ground passenger transportation	194	38%
Department stores	172	16%
Miscellaneous store retailers	142	17%
Rental and leasing services	117	20%

In some states, job losses are even more concentrated. Take, for example, the Leisure and Hospitality Industry, in three states and the District of Columbia job losses from March to May in this industry make up more than 50% of all job losses. In another 30 states, losses in this industry account for more than one-third of all lost jobs.

Many of these jobs will not return in the near-term, meaning that some of the previously employed will need to find employment in a new sector. Thankfully job postings remain relatively stable in specific sectors. Helping the unemployed quickly identify jobs in growing sectors and providing support for any necessary job training will be critical to avoiding long-term unemployment for millions.

Congress should provide funding to states based on their unemployment rates to implement rapid reskilling programs and to connect the unemployed with jobs in new sectors. Governors should be given maximum flexibility to structure programs in such a way as to ensure that training is focused on existing or emerging local employment opportunities, initiate public-private partnerships, and support a wide range of skilling activities, including apprenticeships and credentialing.

Principles that must guide any new investment:

- **Simplicity**: Funding is straightforward and simple and free of the constraints of current programs under the Workforce Innovation and Opportunity Act (WIOA), such as eligible training provider lists.
- **Speed**: Resources must flow quickly to states and then to local communities.
- **Training**: Funding must support training as opposed to employment services more broadly.

- **In-Demand Skills:** Employer-led training is critical to meeting in-demand skills. Financing should prioritize employer-led initiatives at the local level to ensure training is aligned to industry needs and in-demand skills. Without direct employer involvement, no program can ensure training is delivering the skills required for available jobs.
- **Short-term:** Flexibility to allow for short-term training programs that lead to in-demand, validated competencies based on real-time, localized, labor market information.
- **More Providers:** Must allow for a far more extensive range of training provider options – including those which offer courses exclusively online.

State and Local Assistance:

Just as the pandemic caused a sudden, unanticipated drop in business receipts, it has done the same for state and local government revenue. Absent additional federal assistance, state and local outlays and employment will have to be quickly cut, deepening, and lengthening the economic downturn.

For example, states collect approximately \$50 billion a year in motor fuel taxes, which fund infrastructure construction. The sudden drop in driving reduced gas consumption and, thus, gas taxes and, if undressed, will result in a significant decrease in construction spending. This will be repeated across a wide swath of state and local government programs. While state and local revenue will recover as the economy does, there will be a delay, and much of the lost revenue will be permanently forgone.

At the same time, state and local governments will also face new and increased costs as a result of the coronavirus. This will include direct costs such as measures to implement greater social distancing, as well as increased public benefit costs as a result of the recession.

The combination of falling revenue, rising costs, and balanced budget requirements will put significant and sustained stress on state and local budgets. This is already showing up in the monthly jobs reports. Since February, state government employment has already fallen by 284,000 or just over five percent, and local government employment has fallen by 1.2 million or eight percent. As we learned during the Great Recession, it can take years for state and local governments to recover.

The Chamber urges Congress to provide timely, targeted, and temporary support to state and local governments. Unfortunately, the proposals for state and local aid unveiled to date are not targeted and will result in many jurisdictions receiving more support than they likely require, while potentially shortchanging others. Under the formulas used in the House-passed Heroes Act (which utilize a minimum distribution plus formulas based on COVID cases and unemployment), it is possible that some states will receive aid over the next year

that exceeds a year's worth of their general-fund budget. Other states will receive substantially less. Aid will not reflect actual costs or foregone revenue. While reducing the overall amount of spending will reduce the cost of taxpayers, it will do nothing to address that the aid is poorly targeted.

The amount of revenue a state or local government loses will depend on the type of economic activity in the jurisdiction and its revenue structure. Jurisdictions heavily dependent on sectors that were fully shuttered and are slow to return will face more profound losses. Jurisdictions that rely on sales tax revenue will face different challenges than those who rely more heavily on income or property taxes, for example.

In April, Moody's Analytics released a stress test of state budgets. Under the severe scenario, state tax revenue shortfall through the fiscal year 2021 across all fifty states totaled \$172 billion or 19.5 percent of revenue. However, there is significant variation between the states, with a low of 8.2 percent revenue shortfall and a high 79.6 percent.

Congress should work to apportion aid in a manner that (1) reimburses state and local governments for direct COVID response costs and (2) replaces a portion, say 90 percent, of forgone revenue based on the difference between quarterly pre-COVID revenue projections and actual receipts (or receipts in the corresponding quarter in 2019). Replacing only a portion of the lost revenue will encourage shared sacrifice and economization. Providing support on a quarterly basis will ensure that as the economy and state revenue recovers, aid is reduced. This approach may not be possible for local aid, in which case Congress should create clear parameters to ensure aid is directly tied to actual, realized losses.

Appendix

To complement the priorities outlined in our letter, the U.S. Chamber encourages the following actions by Congress and the Administration to ensure a swift and durable economic recovery.

Employers and Employees

Protect defined benefit plans.

- Preserve cash flow as businesses emerge from this crisis through the following:
 - Extend the required amortization period of the unfunded status from 7 to 15 years.
 - Defer the scheduled phase-out of interest rate stabilization from 2021 to 2026.
 - Increase the minimum stabilized rate to at least 95% rather than 90% of the average during the first five years of the phase-out.
 - Change the 25-year average to a 30-year average.
 - Set a floor interest rate for each of the segment rates.
- Provide a PBGC variable-rate premium holiday for 2020 and lower variable rate premiums after 2020 to \$250 to preserve cash flow for businesses that voluntarily elect to maintain defined benefit plans.
- Provide a 2021 contribution holiday to provide businesses with needed cash flow as they recover. *[Although the CARES Act provided a contribution holiday for single-employer defined benefit plan sponsors for 2020, some plan sponsors did not have a required minimum contribution for 2020 but will for 2021].*
- To ensure CARES Act implementation aligns with Congressional intent, clarify that the due date for 2020 contributions under Section 3608 of the CARES Act is January 4, 2020, based on the application of Internal Revenue Code Section 7503.
- Address the multiemployer funding crisis, which is significantly worsened by the COVID-19 pandemic, by establishing a partition program for troubled plans, shoring up the Pension Benefit Guarantee Corporation's (PBGC) multiemployer programs, and enacting meaningful structural reforms, such as zone rule changes, that will reform the system rather than harm it.

Preserve defined contribution plans and account balances.

- Provide plan sponsors with temporary relief from safe-harbor non-discrimination testing to encourage employers to maintain their plans and to prevent unnecessary distributions.

Extend employee benefit filings or action deadlines.

- The Department of the Treasury/Internal Revenue Service should delay any employee benefit filings or actions due on and after July 15, 2020, to align with the time outlined in DOL Notice 2020-1 (namely, 60 days after the end of the coronavirus National Emergency).

Allow pre-approved defined contribution plans additional time to adopt plan documents.

- For pre-approved defined contribution plans that receive their opinion letters in 2020, adopting employers generally have two years to adopt the restated plan document (the current start date is anticipated to be August 1, 2020). Many employers do not have the capacity to do this at this time, and the Department of the Treasury/Internal Revenue Service should either extend the two years by one additional year or delay the program start date until April 1, 2021.

Adjust notice requirements of the WARN Act.

- Recognize forced closings due to the coronavirus pandemic as unforeseeable circumstances under the WARN Act to relieve affected businesses of having to satisfy the Act's notice requirements.

Provide additional relief to Reimbursable Employers.

- Increase the unemployment benefit reimbursements to 501(c)(3) organizations, government agencies, and Indian Tribes from 50% to 100%. Non-profit organizations need immediate relief from debilitating unemployment insurance bills to maintain operations. States must be afforded the flexibility to award grants to non-profits retroactively so that organizations that have paid their unemployment bills are reimbursed.

Temporarily suspend changes to contributing employer's experience ratings.

- Employers can expect to see a significant increase in unemployment insurance taxes in 2021 unless Congress takes action to ensure that states do not charge benefits against contributing employer's accounts during the COVID-19 pandemic.

Replenish State Unemployment Insurance Trust Funds without penalty.

- Allow States to access Title XII grants interest-free through 2021 with the possibility of loan forgiveness.

Avoid expansions of liability exposure.

- Oppose attempts to increase liability exposure by encouraging class action litigation or by limiting the availability and enforcement of pre-dispute arbitration clauses. As our nation addresses this public health emergency, now is not the time to encourage litigation. Businesses and consumers need to focus their resources on preserving the health and economic well-being of our country rather than falling into a litigation trap that will do

nothing to help solve this crisis. Accordingly, we encourage you to refrain from any attempts to increase liability exposure, such as by encouraging class action litigation or limiting the availability and enforceability of pre-dispute arbitration clauses.

- Provide a safe harbor for businesses to provide independent contractors with PPE, cleaning supplies, safety training, and limited financial support without creating an employment relationship. Likewise, ensure that providing such services to franchisees will not be considered evidence of a joint employer relationship.

Health and Technology

Address the Digital Divide and the Homework Gap.

- Provide funding to ensure all Americans have access to the broadband networks necessary to telecommute, learn, visit the doctor, and engage in e-commerce. Now more than ever, Americans are relying on these critical networks. Timely, targeted, and temporary funding should be distributed through general appropriations, be non-duplicative, and technologically neutral. The Chamber prefers that these programs be standalone outside of the current universal service requirements to ensure that the Federal Communications Commission has the flexibility to quickly provide funding to those who need it during the emergency.
- Provide permitting relief to give both wireline and wireless broadband providers certainty. A national strategy with appropriate permitting regimes will allow federal funding for broadband to get unserved Americans online in a timely manner. The Chamber has suggested language to provide relief for wireline providers pertaining to pole attachments, franchise transfers, and shot clocks. Additionally, legislation such as the STREAMLINE Act, sponsored by Senators Thune and Schatz, would go a long way toward enabling wireless broadband to be deployed.

Strengthen health care protections.

- Establish an employer-provided health insurance continuation subsidy for workers who involuntarily lost their jobs between the period that began on March 1, 2020, and ends 60 days after the announced end of the COVID-19 National Emergency (EBSA Relief Period).
- Provide for a 90 percent reduction in the premium otherwise payable by specific involuntarily terminated individuals and their families who elect COBRA continuation health coverage under the provisions of the Internal Revenue Code (Code), the Employee Retirement Income Security Act of 1974 (ERISA), and the Public Health Service Act (PHS Act).
 - The premium reduction should also apply to temporary continuation coverage elected under the Federal Employees Health Benefits Program (FEHBP) and to

continuation health coverage under State programs that provide for coverage comparable to COBRA continuation coverage.

- An assistance-eligible individual is generally an individual (1) who is a qualified beneficiary as the result of an involuntary termination during the period from March 1, 2020, through 60 days after the announced end of the COVID-19 National Emergency, (2) who is eligible for COBRA continuation coverage at any time during that period, and (3) who elects the coverage. Group health plans must generally treat assistance-eligible individuals who pay 12 percent of the premium otherwise payable for COBRA continuation coverage as having paid the full amount of the premium.

Permit additional flexibility on provider repayments.

- While the six months advance payments for hospitals, and the three months advance payments for surgery centers through the CARES Act has been incredibly helpful, the terms of the loan program must be revised given the continued financial strain on providers.
 - Extend the initial loan repayment period to a minimum of 2-3 years before an interest rate is charged.
 - Currently, the interest-free repayment period ends in April 2021.
 - Reduce the interest rate that applies once the interest-free repayment period ends to 1% (in line with federal lending rates).
 - Currently, providers face a 10.25% interest rate on any remaining loan balances after April 2021.
 - Withhold only 25% of Medicare payments to providers until the loan fully repaid rather than 100% starting in August of 2020

Extend telemedicine opportunities.

- Allow participation in the CARES Act-provided funding for a temporary telehealth program for all hospitals, including hospitals structured as for-profit entities, that demonstrate their ability to serve patients in places with need. Telemedicine programs are helping doctors and hospitals treat patients in ways to reduce potential contact with those exposed to COVID-19.

Enhance health detection through wastewater monitoring.

- Support wastewater monitoring programs to enhance health detection capabilities. Global and U.S. studies have shown that the COVID-19 virus is present in wastewater since it is discharged in the feces of individuals who have the virus, including those who are asymptomatic. Wastewater can provide valuable information as a leading indicator for national, state, and local government decision-makers. Utilities currently collect samples, but more technical analysis is needed, supported by appropriate federal programs and investments from either EPA or DHS/FEMA.

Business Operations

Provide targeted tax relief and incentives.

- Provide tax relief for remote worker issues stemming from the Coronavirus pandemic.
- Prevent the sunset of specific tax provisions, such as expensing of R&E and the use of EBITDA in interest deductibility calculations, to assist in recovery and drive long term growth.

Leverage opportunities for life insurance to expand economic investment.

- Remove outdated requirements in the tax code that do not reflect today's low-interest-rate environment, thereby impeding capital for long-term investments in the U.S. economy.

Avoid artificial impairments in housing.

- Oppose provisions which would extend moratoriums on foreclosures and eviction to include all renters and homeowners even if those properties are not financed by federal programs. Expanding these policies to properties with financing not backed by the federal government would impose an untenable financial liability on housing providers.

Avoid artificial impairments to critical infrastructure liquidity.

- Oppose any artificial extension of the emergency declaration aimed at preventing legitimate recovery efforts. Creditors who have been providing goods and services at discounted or zero cost during the pandemic should be permitted to commence reasonable accounts receivable recovery efforts once the President's emergency declaration has ended, consistent with all applicable consumer protection rules and regulations. Any artificial extensions of the emergency period by Congress would be counterproductive to recovery and would impose unnecessary stress upon the liquidity and continued reliable operations of critical infrastructure providers and other essential businesses.

Enhance access to capital for small businesses.

- Provide small businesses with capital to ensure a path forward from closure through reopening to self-sustainability. Existing small business loan and grant assistance must provide latitude for owners struggling with phased-in reopening requirements. Government financial assistance should be accompanied by support from SBCDs, Women Business Centers, Veteran Business Outreach Centers, SCORE, Minority Development Centers, and other government-sponsored resource partners. Legislative opportunities include:
 - Expedited payments for small business government contracting performance

- Increased training funding for SBA-managed SCORE, SBDCs, and Women Business Centers, and MBDA-managed Minority Development Centers

Strengthen financial services for consumers and businesses.

- Enact the SECURE Notarization Act (S 3533 and HR 6364) to ensure that lenders can close loans in a way that keeps our consumers safe from harm, is consistent across the United States, and results in a security instrument that will be accepted and recorded by all recording offices. The ability to notarize documents in a non-face-to-face meeting is currently subject to a complex patchwork of state laws and local recoding traditions that can't accommodate these unprecedented emergency conditions.
- Enact the E-SIGN Modernization Act (S 4159) to streamline how consumers consent to receiving electronic documents like bank statements, account information, and contracts.
- Provide flexibility under Section 171 of the Dodd-Frank Act (the "Collins Amendment") to ensure that leverage requirements do not prevent banks from accepting customer deposits and supporting economic recovery. [See Chamber [letter](#) to Congress on May 12, 2020]

Ensure equitable and extended access to CARES Programs and Federal Reserve facilities.

- Amend affiliation rules for determining revenue and employee count across affiliates and portfolio companies in determining eligibility for the Federal Reserve lending facilities. While the affiliation rules may be prudent for SBA 7(a) loans in normal circumstances, these are extraordinary times that call for broader inclusion of eligible companies to access loans and lending facilities.
- Clarify that insurance companies are included in the CARES Act definition of "financial institutions" for purposes of optional relief from accounting rules regarding Troubled Debt Restructurings (TDR).
- Grant optional CECL and TDR relief until the end of 2020 to provide certainty for affected institutions. The CARES Act provided this relief until either the end of 2020 or the end of the health crisis, whichever came first. Due to the uncertainty regarding when the Administration could potentially end the health crisis designation, many affected institutions have still been complying with CECL and TDR accounting just in case.

Create a lending facility that is secured to accounts receivable.

- The Federal Reserve, with the support of the Treasury Department, should use its authority under Section 13(3) of the Federal Reserve Act to create a lending facility that is secured to accounts receivable. Because of these extraordinary economic conditions, businesses that generally receive payment for goods or services within 30 days are now experiencing significant slowdowns in payments of 90 days or more. These delays have caused smaller businesses to hesitate to take on normal business risks and have caused an acute constriction of the supply chain—endangering America's economic recovery at a

time when increasing economic activity is a crucial goal of policymakers and businesses alike.

Supply Chain, Trade, and Government Operations

Provide fair treatment to customs brokers working on behalf of bankrupt importers.

- Enact legislation like H.R. 2261, the Customs Business Fairness Act, that will make a technical correction to the bankruptcy laws ensuring that customs brokers do not incur risk and liability for repaying of customs duties, taxes, and fees they advance to CBP on behalf of an importer client when the client files for bankruptcy. This legislation is critical now to protect customs brokers from creditors seeking to recoup funds from the enormous number of importing businesses filing for bankruptcy.

Ensure services at ports of entry are not interrupted.

- Ensure there is no interruption in services by the U.S. Customs and Border Protection at our ports of entry. The U.S. economy relies on the safe and efficient movement of goods and people across our borders. However, the enormous drop in trade and travelers at our ports of entry due to the coronavirus, particularly air traffic, is creating massive deficits in CBP's border operations budget that may force cuts in service if left unaddressed. It is critical that CBP have the budgetary resources to support the American public and business community as international travel and trade increases.

Ensure the solvency of U.S. Citizenship and Immigration Services.

- Provide emergency funding to ensure the agency responsible for administering our nation's lawful immigration system will not run out of money and need to furlough a significant amount of its employees. USCIS plays an indispensable role in ensuring our nation's security and Congress must ensure the agency can continue to operate at this time, as this agency's operations are critical to the needs of businesses that rely upon foreign nationals to meet their workforce needs. Congress should require USCIS to adopt policies that will improve the cost-efficiency associated with the processing of immigration benefit requests, as well as expand access to premium processing services to generate new revenue for the agency, as conditions for obtaining emergency funds.

Provide additional administrative grants to States.

- States are still in need of additional staff, equipment, and updated computer systems to respond to the unprecedented number of unemployment insurance claims. Updated systems and increased staff will allow states to respond in a more accurate and timely fashion.

Support Cybersecurity assistance to State and Local Governments.

- Enact legislation to assist state and local governments with cybersecurity. These governments are under siege by an unprecedented number of cyberattacks perpetrated by malicious actors, costing taxpayers' substantial sums and threatening constituents' privacy. These attacks have increased exponentially since March 2020 as a result of the coronavirus pandemic.

Protect critical supply chains.

- Delay the implementation of Sec. 889, part B (F.Y. 2019 NDAA) to August 13, 2021. If part B is implemented as written, many businesses with international and domestic operations will be forced to halt their work, providing vital products and services to agencies, such as defense technologies and personal protective equipment, that are needed to fight COVID-19.

Ensure continued construction/operation of transportation networks.

- Target funding for airports and surface transportation networks to ensure these critical investments are not harmed or delayed by the loss of revenue caused by the pandemic.

Provide relief from tariffs for American businesses and consumers.

- Extend payment deferral of certain tariffs identified in the President's April 19 executive order for an additional six months. The Chamber welcomed the President's April 19 executive order allowing firms to defer payment of certain tariffs for 90 days under some circumstances. Still, very few firms benefited from this liquidity-enhancing measure due to tight deadlines. A six-month extension is a limited period compared to other tax deferrals granted in the CARES Act.
- Suspend tariffs for the next 90 days on the medical supplies identified by the U.S. International Trade Commission in its May 4 report on imports relevant to U.S. pandemic response. The Administration has emergency authorities that would allow this action. Lifting tariffs on medical supplies would help America's health care workers and first responders stay safe by assisting them in obtaining medical supplies speedily and economically. This action would also facilitate a safe resumption of normal economic activity, given the wide range of industries that will rely on these imports to operate safely in the months ahead.
- Automatically extend all the exclusions to the Section 301 tariffs that are slated to lapse in the coming months. In granting these exclusions, USTR concluded that product availability from non-Chinese sources was limited; that tariffs would cause severe economic harm to the requestor or other U.S. interests; and that the products involved were not strategically important to Chinese industrial programs. These conclusions are unlikely to have changed materially in the past year. Under these circumstances, U.S.

businesses should be spared this administrative burden and the uncertainty regarding whether exclusion will be renewed.

Ensure effective implementation of the USMCA.

- Make technical corrections to the USMCA Implementation Act approved by Congress earlier this year to ensure the North American Development Bank (NADB) can continue to operate now that the new trade agreement has entered into force. An adjustment to the merchandise processing fee is also required.

Enhance global cooperation.

- Include emergency resources to respond to the global economic, health, and humanitarian consequences of the pandemic. Recognizing the global reach of COVID-19 and the grim reality that its toll elsewhere will directly impact Americans in all walks of life, these additional resources are needed to assist in the prevention, identification, and treatment of COVID-19 overseas. As we chart a path toward economic recovery, these funds will help ensure American companies continue to have access to consumers abroad, maintain their global competitiveness, and don't lose market share to our global competitors.

Provide Certainty for International Students at U.S. Universities

- Recent U.S. Immigration and Customs Enforcement policy changes affecting certain student visa programs have caused much consternation for American institutions of higher education and their students. While we appreciate that the Administration recently abandoned a very ill-conceived policy proposal, newly issued guidance documents create uncertainty for some international students seeking to attend U.S. colleges in the upcoming academic year. Congress must ensure that all international students set to attend American universities will be able to matriculate this academic year so they can pursue their dreams in the U.S.