

United States Senate

April 20, 2020

The Honorable Mitch McConnell
Senate Majority Leader
U.S. Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Charles Schumer
Democratic Leader
U.S. Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Majority Leader McConnell and Leader Schumer:

I am writing to you regarding the eligibility of nonprofits for the Paycheck Protection Program (PPP) established under the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (Public Law 116-136).

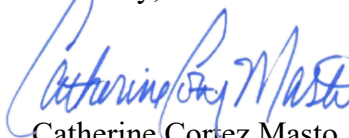
As you know, the CARES Act expanded eligibility for the SBA's loan guarantee program to 501(c)3 nonprofits with under 500 employees. However, other types of nonprofit entities, such as 501(c)4 and 501(c)6 organizations, remain ineligible for relief under the PPP. I am deeply concerned that without access to any relief, many of these nonprofits, which are often professional organizations, small business associations, tourism and hospitality leagues, local chambers of commerce, and social welfare groups, may be forced to shut down operations and payroll.

Nevada is uniquely reliant on a robust tourism, hospitality, recreation and entertainment economy. Many of these ineligible nonprofits in my state are involved in travel and hospitality promotion and outreach, the industries hardest hit by the COVID-19 crisis. Nevada's businesses heavily rely on our local chambers of commerce and destination marketing organizations who can respond to their unique needs in our diverse urban areas and remote rural communities.

I recognize the need for Congress and the Administration to provide for appropriate guardrails to ensure this relief is used for operating costs and payroll, rather than lobbying or other extraneous expenses. I look forward to working with you and our local community organizations to address these concerns constructively and in a way that ensures economic relief measures will assist our hardest hit nonprofits and those that play critical roles in supporting local economies and communities.

Thank you for your consideration. I appreciate your attention to this matter.

Sincerely,



Catherine Cortez Masto
United States Senator