



December 3, 2020

TO: CA Congressional Delegation and CA Senators

SUBJECT: FEDERAL RELIEF FOR SMALL BUSINESSES DUE TO COVID-19 PANDEMIC

Dear CA Senators and Representatives:

The California Chamber of Commerce and other organizations listed below represent small businesses throughout California in every industry of the economy and provide hundreds of thousands of jobs that support California workers and their families. We are requesting immediate federal relief to save small businesses in our state who are fighting to survive in the midst of the COVID-19 pandemic.

In California, small businesses are struggling to make payroll and a significant number are closing altogether. As recently reported in the Los Angeles Times, California's small business revenue was down by 29.3% in November compared with January 2020, and the number of small businesses open has dropped by 28.8%. With the most recent surge in COVID19 infection that has pushed our hospitals to their maximum capacity, Governor Newsom has issued a renewed shelter in place order that we believe will be catastrophic to the remaining small businesses throughout the state.

Many small businesses depend upon the higher volume of sales during the holiday season to help them throughout the year. Depending upon the product or service they provide, small businesses are either operating at limited capacity or completely shut down and those expected sales will never materialize. To address this emergency, we request the following actions to be taken immediately.

First, extend and expand the Paycheck Protection Program (PPP) to provide small businesses with much needed, non-taxable, financial relief. The PPP successfully helped small businesses avoid shutting down as a result of the initial shelter in place orders and can provide that same relief now. We would urge you to allow small businesses to utilize the funding received under the PPP for all businesses related expenses while still allowing the business to qualify for loan forgiveness and to make PPP revenues tax exempt.

Second, we request forgiveness of the federal loan California has received for unemployment benefits, which is now approximately \$20 billion and expected to grow as a result of the recent shelter in place order. California employers will ultimately be responsible for paying this loan back through a reduced Federal Unemployment Insurance Tax Act (FUTA) credit. This essentially is a tax increase on all employers, including small businesses that can least afford it.

Third, we respectfully request that any federal stimulus and aid package include emergency financial support for 501(c)(6) associations, such as state and local chambers of commerce. As the businesses they serve lose revenue, so will these important organizations. Many small businesses rely on these organizations to provide critical information and support during this pandemic and therefore it is essential for these organizations to receive relief.

We appreciate your immediate attention to our request and your efforts to help save the small businesses in California.

Sincerely,

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California Chamber of Commerce

Alhambra Chamber of Commerce Alpine County Chamber of Commerce Arcata Chamber of Commerce Bear Valley Adventure Company Bear Valley Music Festival Benicia Chamber of Commerce Berkeley Chamber of Commerce Big Bear Chamber of Commerce Bishop Area Chamber of Commerce & Visitors Bureau Brawley Chamber of Commerce Brea Chamber of Commerce Carlsbad Chamber of Commerce Carmel Chamber of Commerce Catalina Island Tourism Authority Century City Chamber of Commerce Chino Valley Chamber of Commerce **Claremont Chamber of Commerce** Clovis Chamber of Commerce Corona Chamber of Commerce Coronado Chamber of Commerce Crescent City/Del Norte Chamber of Commerce & Del Norte Visitor Bureau **Cupertino Chamber of Commerce Cutthroat Brewing Company LLC** Dana Point Chamber of Commerce David Griffith - Alpine County Dist 5 Supervisor **Dublin Chamber of Commerce** El Centro Chamber of Commerce & Visitors Bureau El Dorado County Chamber of Commerce Escondido Chamber of Commerce Fortuna Chamber of Commerce Freemont Chamber of Commerce Fresno Chamber of Commerce Gilroy Chamber of Commerce **Glendale Chamber of Commerce Glendora Chamber of Commerce** Greater Bakersfield Chamber of Commerce Greater Coachella Valley Chamber of Commerce Greater Concord Chamber of Commerce Greater Conejo Valley Chamber of Commerce Greater Riverside Chambers of Commerce Greater San Fernando Valley Chamber of Commerce Greater Stockton Chamber of Commerce Greater Tehachapi Chamber of Commerce Hawthorne Chamber of Commerce Imperial Valley Joint Chambers of Commerce Industry Business Council Laguna Niguel Chamber of Commerce Lake Elsinore Valley Chamber of Commerce LAX Coastal Chamber of Commerce Lompoc Valley Chamber of Commerce Long Beach Area Chamber of Commerce Los Angeles Area Chamber of Commerce Los Gatos Chamber of Commerce Mad Dog Cafe Madera Chamber of Commerce Manhattan Beach Chamber of Commerce Mendocino Coast Chamber of Commerce Monrovia Chamber of Commerce Montebello Chamber of Commerce

Monterey Peninsula Chamber of Commerce North Orange County Chamber North San Diego Business Chamber Norwalk Chamber of Commerce Oceanside Chamber of Commerce Orange County Business Council **Oxnard Chamber of Commerce** Paradise Ridge Chamber of Commerce Pleasanton Chamber of Commerce Rancho Cordova Chamber of Commerce Rancho Mirage Chamber of Commerce Regional Chamber of Commerce - San Gabriel Valley **Ridgecrest Chamber of Commerce Roseville Area Chamber of Commerce** Sacramento Metropolitan Chamber of Commerce San Clemente Chamber of Commerce San Francisco Chamber of Commerce San Leandro Chamber of Commerce San Rafael Chamber of Commerce San Ramon Chamber of Commerce Santa Ana Chamber of Commerce Santa Fe Springs Chamber of Commerce & industrial League, Inc. Santa Maria Chamber of Commerce Santa Rosa Metro Chamber of Commerce Santa Paula Chamber of Commerce South County Chambers of Commerce South County Economic Coalition California Southern Black Chamber of Commerce Sunnyvale Silicon Valley Chamber of Commerce The Newport Beach Chamber of Commerce The Silicon Valley Organization **Torrance Area Chamber of Commerce Trinity County Chamber of Commerce** Truckee Chamber of Commerce Ventura Chamber of Commerce Vista Chamber of Commerce West Hollywood Chamber of Commerce West Valley - Warner Center Chamber of Commerce Whittier Area Chamber of Commerce Yorba Linda Chamber of Commerce Yucca Valley Chamber of Commerce