



November 30, 2020

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

The Honorable Mitch McConnell  
Majority Leader  
U.S. Senate  
Washington, DC 20510

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Charles E. Schumer  
Minority Leader  
U.S. Senate  
Washington, DC 20510

Dear Speaker Pelosi and Leaders McConnell, Schumer, and McCarthy:

I am writing on behalf of the Sustainable Business Network of Greater Philadelphia (SBN), a network to support the nearly 100,000 local independent businesses based across the region, regarding the urgent need for pandemic relief to assist our small business community. Our members practice and measure success by the triple bottom line of people, planet, and profitability, and are deeply committed to rebuilding our economy with equity and climate resilience. However, despite herculean efforts to innovate, operate safely, and continue providing vital goods, services, and jobs to keep our economy afloat, many small businesses are unlikely to survive the pandemic and its dire economic consequences without additional federal COVID-19 relief package(s).

As you know, the small business community is the backbone of our economy. Research consistently shows that thriving independent business communities are linked to higher incomes, less economic inequality, more tax revenues, stronger community cohesion and wellbeing, and improved environmental sustainability.<sup>1</sup> In Pennsylvania, small businesses represent 99.6 percent of all private sector employers, and nearly half of all workers in the Commonwealth are employed by a small business.<sup>2</sup> In order to prevent total economic and social collapse amid this pandemic, civil unrest, and an ongoing climate crisis, our local independent businesses need you to negotiate and pass a relief package before the end of the 2020 calendar year.

The need for an additional relief package is clear – not just for the businesses in our region, but across the country. According to the U.S. Bureau of Labor Statistics, the United States has 10.1 million fewer jobs now than in March 2020, just as the pandemic's economic impacts began to take hold. The number of long-term unemployed Americans, representing those unemployed for 27 weeks or longer, continues to climb, recently reaching 2.6 million.<sup>3</sup> Furthermore, 163,735 U.S. businesses have closed since the beginning of the pandemic (March 1), and almost 60 percent or 100,000 of those businesses report being permanently closed.<sup>4</sup> In addition, this devastation is particularly acute for business owners and workers from historically marginalized or underrepresented backgrounds, who have disproportionately suffered from the fallout of the pandemic.

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<sup>1</sup> Donahue, M. (2018, July). *Why Care about Independent, Locally Owned Businesses?* Retrieved from <https://ilsr.org/why-care-about-independent-locally-owned-businesses/>

<sup>2</sup> Sustainable Business Network of Greater Philadelphia. (2020). *Vision for a Just, Green, and Thriving Economy*. Retrieved from <https://www.sbnphiladelphia.org/wp-content/uploads/2020/02/SBN-Vision2020-webrevised.pdf>

<sup>3</sup> Bureau of Labor Statistics, U.S. Department of Labor. (2020, November). *The Employment Situation - October 2020* (USDL-20-2033). Retrieved from <https://www.bls.gov/news.release/pdf/empst.pdf>

<sup>4</sup> Yelp. (2020, September). *Yelp: Local Economic Impact Report*. Retrieved from <https://www.yelpeconomicaverage.com/business-closures-update-sep-2020>

While we appreciate the unprecedented support and resources for small businesses earlier this year, they have proven insufficient for the duration and breadth of the economic need. We urge you to take swift, bipartisan action on a new relief package that will alleviate the most pressing needs of small businesses and their employees. The following measures – many of which exist in pending legislation that you have supported – would enable our small businesses to avoid permanent closure over the hardest months to come, and make the long road to economic recovery a little less challenging:

- Allow the hardest hit small businesses to take a second draw on the Paycheck Protection Program (PPP), as suggested in provisions of the Continuing Small Business Recovery and Paycheck Protection Program Act and Prioritized Paycheck Protection Program (P4) Act;
- Expedite PPP loan forgiveness, particularly for the smallest and most vulnerable businesses, as proposed through the Paycheck Protection Small Business Forgiveness Act;
- Provide targeted relief for small businesses that have suffered significant losses, such as those covered under the Real Economic Support That Acknowledges Unique Restaurant Assistance Needed To Survive (RESTAURANTS) Act and businesses in the clean energy and green infrastructure industries;
- Direct significant financial resources to business owners from historically marginalized and underrepresented backgrounds and to those operating within underserved communities through Community Development Financial Institutions (CDFIs) and community banks, and ensure that those resources are fully accessible to those businesses;
- Allow full tax deductibility for PPP recipients, thereby eliminating any unexpected and substantial tax increases for small business owners;
- Increase funding for CDFIs to promote economic revitalization in distressed communities;
- Allow second-draw low- to no-interest loans, eliminate caps, and increase funding for the Economic Injury Disaster Loan Program; and
- Enhance the Small Business Administration 7(a) loan program by providing increased federal loan guarantees and maximum loan sizes, as well as reduced fees, all of which were critical programmatic changes that accelerated economic recovery after the Great Recession.

We recognize that there are many critical needs that require immediate attention and resources. However, a failure to act on behalf of the small business community at this time will represent an endorsement of its collapse. The inclusion of these measures for small businesses in a pandemic relief package before the end of the calendar year will at least provide some economic stability and the foundation for recuperating job losses and rebuilding our economy, staving off the need for an even larger relief package in the future. We call on you to find and expedite a bipartisan solution that delivers the relief that our economy desperately needs.

Thank you for your prompt attention to our concerns. Please contact me at [anna@sbnphiladelphia.org](mailto:anna@sbnphiladelphia.org) if you have questions or wish to further discuss these details.

In partnership,



Anna Shipp  
Executive Director  
Sustainable Business Network of Greater Philadelphia

cc: Senator Robert Casey, Jr.; Senator Patrick Toomey; Representative Brendan Boyle; Representative Dwight Evans; Representative Brian Fitzpatrick; Representative Chrissy Houlahan; Representative Mary Gay Scanlon