



April 8, 2020

The Honorable Robert Menendez  
528 Hart Senate Office Building  
Washington, DC 20510

The Honorable Cory Booker  
717 Hart Senate Office Building  
Washington, DC

The Honorable Mikie Sherrill  
1208 Longworth House Office Building  
Washington, DC 20515

Dear Senator Menendez, Senator Booker and Representative Sherrill,

On behalf of the membership of Financial Executives International (FEI), I write again to urge you to include all 501(c) organizations, including 501(c)(6) trade and professional associations, to receive expanded Small Business Administration (SBA) loans in the legislation to add additional funding to the Paycheck Protection Plan created by the CARES Act that will be taken up later this week.

Our members are grateful Congress included funds through expanded Small Business Administration (SBA) loans to Internal Revenue Code Section (Section) 501(c)(3) nonprofit organizations, among others; however, we are deeply concerned that the definitions put forth in the CARES Act do not expressly include other 501(c) organizations, such as trade, professional and membership associations.

Based in Morristown, New Jersey, FEI is a professional association representing the interests of more than 10,000 chief financial officers, treasurers, controllers, chief tax officers and other senior financial executives from over 8,000 companies throughout the United States. Like many businesses including 501(c) organizations, FEI has been impacted by the COVID-19 pandemic. Associations – large and small – face severe layoffs and the threat of bankruptcy during this crisis. Without any fault of their own, associations lose their ability to provide for constituents and employees due to lost production and lost revenues on account of massive event cancellations.

Section 501(c) organizations play an important role in training America's workforce, creating industry and professional standards, and disseminating essential information and resources to people in need, particularly during times of crisis. Associations and Section 501(c) organizations are already needed to help coordinate federal resources, and they require staff to fulfill this duty. Without support, however, and due to unprecedented financial loss from event cancellations, associations will be unable to meet this critical obligation.

To ensure all Section 501(c) organizations are included in crucial stimulus funding to combat COVID-19, we request Congress reconsider its limitation that includes only Section 501(c)(3) within the definition of "nonprofit organization" for SBA loan eligibility. Without this financial support, innumerable associations and other Section 501(c) organizations will fail.

We also take this opportunity to reiterate our proposal for a pandemic risk insurance program (PRIP). This measure ("Pandemic Risk Insurance Act of 2020"; PRIA) would mandate that businesses who demonstrate significant business interruption and sharp decline in present and future revenue would be insured in case of a possible pandemic or epidemic. This measure would create a federal "backstop," much like the Terrorism Risk Insurance Act (TRIA), for insurance claims related to a pandemic or epidemic. The specific purpose of pandemic risk insurance would be to provide for a federal loss-sharing program for certain insured losses resulting from a certified pandemic/epidemic. Following are additional, proposed details for PRIA:

1. This measure would create the PRIP, a three-year program to provide a government reinsurance backstop in the case of pandemic health epidemic/pandemic.
2. For purposes of this measure, an epidemic is defined as the occurrence in a community or region of cases of an illness, specific health-related behavior, or health-related events clearly in excess of normal expectancy. A pandemic is defined as an epidemic occurring worldwide, or over a very wide area, crossing international boundaries and usually affecting a large number of people.
3. When the Secretary of Treasury, in consultation with the Secretary of Health and Human Services, the Secretary of Homeland Security and the Attorney General, certify that an "epidemic" or "pandemic" event has occurred within the confines of the United States, then this measure will immediately take effect. Thank you for your consideration and continued support of our country during this challenging time. If you have questions regarding this urgent request for critically needed support for the association sector, please contact me at [andrej@financialexecutives.org](mailto:andrej@financialexecutives.org) or (973) 765-1001.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrej Suskavcevic". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Andrej Suskavcevic  
President & CEO