



March 24, 2020

The Honorable Steven Mnuchin  
Secretary of the Treasury  
Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

The Honorable Mitch McConnell, Majority Leader  
United States Senate  
317 Russell Senate Office Building  
Washington, DC 20510

The Honorable Charles Schumer, Minority Leader  
United States Senate  
322 Hart Senate Office Building  
Washington, DC 20510

The Honorable Nancy Pelosi, Speaker  
United States House of Representatives  
1236 Longworth House Office Building  
Washington, DC 20515

The Honorable Kevin McCarthy, Minority Leader  
United States House of Representatives  
2468 Rayburn House Office Building  
Washington, DC 20515

Dear Secretary Mnuchin, Speaker Pelosi, Leaders McConnell, Schumer and McCarthy,

On behalf of the membership of Financial Executives International (FEI), I write 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 outlined in the most recent Senate COVID-19 relief proposal.

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 this critical legislation do not expressly include other 501(c) organizations, such as trade, professional and membership associations.

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 at the end.

Andrej Suskavcevic  
President & CEO