



April 14, 2020

The Honorable Mitch McConnell  
Majority Leader, U.S. Senate

The Honorable Charles Schumer  
Minority Leader, U.S. Senate

The Honorable Nancy Pelosi  
Speaker  
U.S. House of Representatives

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives

**Re: CARES Act of 2020 Amendments Necessary to Provide COVID-19 Disaster Relief for Critical Infrastructure Businesses to Preserve the U.S. Economy and Promote a Fully Functional Restart**

The undersigned organizations represent the nation’s automotive repair and maintenance service and supply businesses designated by the Department of Homeland Security as “critical infrastructure,” the vast majority of which are small businesses. The CARES Act was a positive step in the right direction, and we are grateful for it. However, several critical aspects of the programs it provides either do not go far enough or miss key factors. Massive, permanent job losses due to employer bankruptcy will follow.

If you agree that all reasonable steps must be taken to revive America’s economy as fast as possible, we urge you to support the following CARES Act relief plan upgrades.

- **The Paycheck Protection Program (PPP)** is a bandage where stiches are ultimately required. We urge you to expand the PPP as follows:
  - **Extend the maximum PPP loan amounts to include 3 months after each state’s stay-home order is lifted so that small businesses can regain full operational patronage.** Although automotive maintenance is a necessity for vehicle safety and longevity, many consumers are more frightened of COVID-19 than stalling on a highway. Some aren’t

leaving home for anything. It may also take them months of post-stay-home order worktime before they are able to spend money to maintain their cars.

- **Increase the size of the PPP fund for forgivable loans** to the current estimated need of \$1 trillion and reinstate the \$500 million gross revenue cap so that funding will be available for the small businesses that truly have no other way to cover costs.
- **Require the Small Business Administration to follow the PPP statutory loan repayment time limit of 10 years for unforgiven amounts versus the 2-year limit imposed in the PPP Interim Final Rule effective April 2, 2020.** This change will make the difference between recovery and bankruptcy especially if congress fails to add significant coverage for business mortgage and lease payments (see below).
- **Add a “Workplace Preservation Program” to cover small business mortgage and lease costs thereby ensuring employees have a place to work during and after the COVID-19 crisis.** Payroll is only one hurdle faced by the smallest small businesses. Many businesses like fast lubes, coffee shops, and dry cleaners, have much higher mortgage/lease impact because they require many small facilities with a small number of employees onsite. Their business models depend on streamlined services and convenient locations. The PPP, however, only allows up to 25% of the loan to be forgivable with regard to mortgage/rent. Having been created to focus on payroll protection, that makes sense, but we now need forgivable “Workplace Preservation Program” loans to cover mortgage/rent costs in order to stay in business so that covering payroll remains a relevant concern. No place of business, no business, no employees, no payroll.
- **Business Interruption Insurance must cover COVID-19 as a “dangerous condition” or other covered natural disaster.** If that cannot be accomplished due to state contract law complications, impose a new federal fee on every insurance company with active policies claiming to provide “business interruption insurance” and/or currently selling or that in the future sells “business interruption insurance” in the United States, which will go to a Federal Pandemic Bailout Fund for businesses denied insurance coverage on paid policies for pandemic-related business interruption.

We thank you in advance for your attention to this crucial matter.

Sincerely,

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