April 8, 2020

United States Senate
Washington, D.C. 20510

Dear Senator,

On behalf of the National Society of Professional Engineers, I am writing to urge you to include Section 501(c)(6) organizations in future funding for small businesses. Specifically, we would like to see these organizations eligible for the proposed additional funds for the Paycheck Protection Program.

As it currently stands, trade and professional associations, like NSPE, are unable to take full advantage of the economic relief opportunities available to small businesses. When the CARES Act was signed into law, it limited availability of the Paycheck Protection Program to Section 501(c)(3) organizations. However, Section 501(c)(6) organizations are equally impacted by the financial difficulties created by this global crisis. Indeed, NSPE has already felt the impact. For example, NSPE’s largest revenue source, constituting 36% of operating revenues, immediately dropped to zero, due to the pandemic-driven closure of certification testing facilities across the country. Other revenue sources have been negatively impacted as members are unable to renew their membership due to personal financial distress. Moreover, the value of invested financial reserves has dropped precipitately.

NSPE’s ability to remain in operations is in serious jeopardy. This impacts not only the employees of NSPE, who face layoffs and pay reductions if relief cannot be secured, but the public health, safety and welfare mission of our not-for-profit organization. The dedicated employees at NSPE and other 501(c)(6) organizations need the assistance that is available to other nonprofits and small businesses through the Paycheck Protection Program and similar programs.

NSPE is not alone in experiencing financial hardship as a result of the Covid-19 crisis. On April 2, 2020, NSPE, along with thousands of other associations, signed on to a letter sent by ASAE to congressional leadership. The letter advocated for $25 billion in aid for associations that face financial losses from cancelled conferences and events, the inclusion of associations to access small business interruption loans, and a pandemic risk insurance program.

As Congress continues to rapidly respond to the coronavirus pandemic and considers sending additional funding toward the Paycheck Protection Program, NSPE requests that Section 501(c)(6) organizations be included in all available
funding opportunities. If you have any questions, please direct them to Stephanie Hamilton, government relations manager, at shamilton@nspe.org.

Sincerely,

David Martini, PE, F.NSPE
President