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**National Association of Federally-Insured Credit Unions**

May 22, 2020

The Honorable Mitch McConnell  
Majority Leader  
United States Senate  
Washington, D.C. 20510

The Honorable Charles E. Schumer  
Minority Leader  
United States Senate  
Washington, D.C. 20510

**Re: Support for S. 3833, the *Paycheck Protection Program Extension Act***

Dear Leader McConnell and Leader Schumer:

I write to you today on behalf of the National Association of Federally-Insured Credit Unions (NAFCU) to express our support for Congressional efforts to modify the Small Business Administration's (SBA) Paycheck Protection Program (PPP) in S. 3833, the *Paycheck Protection Program Extension Act*. As you are aware, credit unions are working on the front lines with their members during these times of economic uncertainty. NAFCU advocates for all federally-insured not-for-profit credit unions that, in turn, serve 120 million consumers with personal and small business financial service products.

The bipartisan efforts in S. 3833 to extend the 8-week period to use PPP loans and modify the terms of what the loans can be used for will provide important relief to small businesses. Due to various state guidelines regarding the closure of non-essential businesses, many PPP borrowers have not been able to exhaust PPP funds in the given covered period, potentially affecting their ability to have their PPP loans forgiven. In addition to the economic hardship small businesses have faced and the uncertainty of their future viability, they remain concerned that they will be saddled with an outstanding loan balance without an extension of the covered period. Additionally, the clarifications to the lender hold harmless provision will provide important protections for credit unions and other community institutions who are working hard to assist small businesses with PPP loans. Credit unions made every effort to offer PPP loans to small businesses in their communities despite the limited guidance at the outset of the PPP program. An explicit hold harmless provision provides credit unions with the confidence to make loan forgiveness decisions. We thank Chairman Rubio, Ranking Member Cardin and Senators Collins and Shaheen for their leadership in this effort and urge the Senate to clear the measure in timely fashion.

Finally, considering the importance of the PPP for the survival of small businesses during this pandemic, we urge you to continue to support this program both in funding and improvements as they are needed.

We thank you for the opportunity to share our thoughts and look forward to continuing to work with you on pandemic relief and economic recovery. Should you have any questions or require any additional information, please contact me or Lewis Plush, NAFCU's Associate Director of Legislative Affairs, at 703-842-2263 or [lplush@nafcu.org](mailto:lplush@nafcu.org).

Sincerely,

Brad Thaler  
Vice President of Legislative Affairs

cc: Members of the United States Senate