

April 6, 2020

The Honorable Nancy Pelosi, Speaker U.S. House of Representatives 1236 Longworth House Office Building Washington, D.C. 20515

The Honorable Kevin McCarthy, Minority Leader U.S. House of Representatives 2468 Rayburn House Office Building Washington, D.C. 20515 The Honorable Mitch McConnell, Majority Leader United States Senate 317 Russell Senate Office Building Washington, D.C. 20510

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

RE: Tech Associations Should be Eligible for Paycheck Protection Program

Dear Speaker Pelosi and Leaders McConnell, McCarthy and Schumer:

On behalf of the Technology Councils of North America (TECNA), we strongly urge Congress to act swiftly to allow trade and membership associations to access the Paycheck Protection Program (PPP) under the CARES Act. We believe this can be done in a technical correction bill or through Administrative rule-making.

TECNA is grateful to Congress and the Administration for current CARES Act provisions that allow 501(c)(6) organizations to access certain aid through an employee retention tax credit (Section 2301) and Economic Injury Disaster Loans (EIDL; Section 1110). But providing our members access to the PPP is critical.

TECNA member associations are active in 35 states and serve over 20,000 tech firms and hundreds of thousands of employees across the U.S. Technology councils are critical drivers of job creation and economic growth in states and regions throughout the U.S. Our members are the force behind supporting growth companies, entrepreneurs, start-ups, access to capital and establishing hubs for innovation. TECNA members offer a wide range of workforce development programs that provide key training and certifications to tech industry employees. Our members also have dynamic programs to develop the talent pipeline in elementary, secondary and higher education systems.

With nearly 12 million workers, tech employment accounts for nearly 8 percent of the nation's work force. The median tech occupation wage is over \$80,000, 92 percent higher than the median national wage for all occupations. Exports of U.S. tech industry products is estimated at \$340 billion, a critical indicator of economic strength. Overall, the tech sector has an estimated direct economic impact of \$1.8 trillion, or about 10 percent of the total U.S. economy, making it a critical industry. And as we navigate through this devastating pandemic, technology innovation will be a key part of the solution.

Now, more than ever, the tech industry is relying on our member associations for their survival. Our members have already incurred financial losses due to cancelled programs and events and anticipate further losses in revenues, as the tech industry addresses their own economically precarious circumstances.

We urge that you take immediate action to allow all 501(c)(6) organizations access to the Payment Protection Program.

Thank you in advance for supporting this urgent request. I can be reached at <u>tjemal@tecna.org</u> or 949-636-8946 to answer any questions you or your staff may have.

Sincerely,

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Timothy Jemal Executive Director

Signatories listed below carbon copy line.

CC:

The Honorable Steven Mnuchin Secretary U.S. Department of the Treasury 1500 Pennsylvania Avenue, N.W. Washington, D.C. 20220 The Honorable Jovita Carranza Administrator Small Business Administration 409 3rd Street, S.W. Washington, D.C. 20416

Signatories

Alabama **Tech Birmingham** Arizona Arizona Technology Council (AZTC) California California Technology Council (CTC) Tech San Diego Colorado Colorado Technology Association (CTA) Connecticut Connecticut Technology Council (CTC) Florida Florida Technology Council Palm Beach Tech Association Tamp Bay Tech TechLauderdale Georgia Technology Association of Georgia (TAG) Computer Measurement Group (CMG) Idaho Idaho Tech Council (ITC) Illinois Illinois Technology Association (ITA) 1871

Indiana Indiana Technology & Innovation Association TechPoint Iowa Technology Association of Iowa (TAI) Kansas FlagshipKansas.Tech **KC Tech Council** Kentucky Technology Association of Louisville Kentucky (TALK) Missouri Mid-America Technology Alliance KC Tech Council Massachusetts Massachusetts Technology Leadership Council (MassTLC) Maryland Maryland Tech Council (MTC) Minnesota Minnesota High Tech Association (MHTA) Montana Montana High-Tech Business Alliance

New Hampshire NH Tech Alliance **New Jersey** New Jersey Tech Council (NJTC) New York New York Tech Alliance Tech Rochester Nevada Nevada Technology Association **New Mexico** New Mexico Technology Council (NMTC) **North Carolina** North Carolina Technology Association (NC TECH) North Dakota Technology Council of North Dakota Ohio GCP Tech **Ohio IT Association** Oregon Technology Association of Oregon (TAO)

Pennsylvania Philadelphia Alliance for Capital and Technologies (PACT) Pittsburgh Technology Council Tech Council of Central Pennsylvania Rhode Island Tech Collective South Carolina Tech Association of South Carolina Tennessee Chattanooga Technology Council Greater Nashville Technology Council **Greater Memphis IT Council** Knoxville Technology Council Texas **Tech Titans** Utah Utah Technology Council Virginia Northern Virginia Technology Council Roanoake-Blacksburg Technology Council Washington Washington Technology Industry Association (WTIA) Wisconsin Wisconsin Technology Council (WTC)