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December 7, 2020

**To:** The Honorable Bob Menendez

**From:** Sal Risalvato, Executive Director, NJ Gasoline, Convenience Store, Automotive Association

**Re:** COVID-19 Relief Package

I would like to once again thank you and your colleagues for your continued advocacy on behalf of New Jersey's residents and businesses during these unprecedented times.

It is critical that Congress pass pandemic relief for small businesses before the end of this year. We know that enacting a bill will require bipartisan compromise. The release of a proposal from a bipartisan group of Senate and House members as well as the revisions to the Senate GOP proposal provide an opening to break the current impasse.

The New Jersey Gasoline, Convenience Store, Automotive Association (NJGCA), which represents nearly one thousand independent small businesses statewide, encourages you to push for a bipartisan agreement that can pass this year. As part of that agreement, please make three critical changes to the PPP, a program which has been a tremendous benefit to the small businesses we represent. One, allow affected small businesses to take a second draw of the PPP. For our members, even though their businesses are not suffering nearly as badly as they were in April, they still have not fully recovered and have been suffering with lower revenues ever since March.

Two, ensure that the expenses covered by a PPP loan are still tax deductible. Current IRS guidelines have said that businesses will not be able to deduct costs covered by a PPP. This is a time when we need to be giving small businesses all the help we can, not making filing their taxes next year even more complicated and costly. Third, expand the PPP to allow for 501(c)(6)s to apply for one. Nonprofit groups like NJGCA have been excluded from PPP despite offering valuable services and information to small businesses throughout this crisis, while also taking a hit to our revenues caused by the pandemic and shutdowns. Phase 2 and 3 of the NJ Economic Development Authority's (EDA) grant program (funded by the CARES Act) have included 501(c)(6)s without issue.

Finally, we also ask that you support the inclusion of some form of liability protection provisions such as the Senate's "Safe to Work Act."

The cost of Congress failing to act could be catastrophic for New Jersey: According to recent Census Bureau polling, 36.6% expect to lose employment income in the next month. To compound matters, this December 26<sup>th</sup>, unemployment benefits for approximately over 420,000 individuals in New Jersey will expire. Additionally, roughly 3 out of every 10 small businesses that were open in New Jersey at the beginning of 2020 are now closed. As of November 16, about 31.2% of New Jersey's small businesses were closed compared to January, according to TrackTheRecovery.org -- a Harvard University-based data project tracking the economic impact of the pandemic.

Your efforts to complete a pandemic relief bill prior to the end of the year will save countless small businesses and families across New Jersey.

We stand ready to assist in any way to help enact pandemic relief in the coming weeks.

Sincerely,



Sal Risalvato  
Executive Director  
NJ Gasoline, C-Store, Automotive Association

