



April 10, 2020

The Honorable Ami Bera  
LHOB 1727  
New Jersey Avenue SE  
Washington, DC 20515

The Honorable Doris Matsui  
RHOB 2311  
Capitol Street SE  
Washington, DC 20515

***RE: Associations Need More Federal Emergency Relief to Survive Coronavirus Impact***

Dear Congressmembers Beri and Matsui:

The undersigned associations whose employees live and work in your district urge you to include Internal Revenue Code Section (Section) 501(c)(6) organizations, such as trade and professional associations, as eligible for emergency support in the next coronavirus aid package.

Our community is extremely grateful the Administration and Congress took swift action to help businesses, nonprofits, and millions of Americans withstand the coronavirus pandemic, which jeopardizes our collective livelihood, welfare, and safety. Provisions within the Coronavirus Aid,

Relief and Economic Security (CARES) Act will prove vital to help stabilize our economy and keep Americans safe. However, while Section 501(c)(3) charitable nonprofit organizations are eligible for assistance through the Paycheck Protection Program (CARES Act; Section 1102), the CARES Act does not provide critically needed emergency funds to trade and professional associations in desperate need of support. There are over 62,000 501(c)(6) organizations in the United States that directly employ over 1,000,000 Americans, including many in your district.

These critical organizations create industry and professional standards and disseminate essential information and resources to people in need – particularly during times of crisis. Many more Americans who provide services to professional associations also depend on the viability of the undersigned organizations.

We are alarmed that trade and professional associations were seemingly removed from a previous draft of the CARES Act in which they had access to the Paycheck Protection Program. Countless associations are in dire need of these funds for their economic survival – and their members now, more than ever, rely on associations for critical support during these unprecedented times. Associations of all sizes, varied functions and disparate industries comprise Section 501(c)(6). These organizations are already relied upon to help coordinate federal resources to combat the coronavirus pandemic, and they require staff to fulfill this duty. Associations now face, however, unprecedented financial losses from event cancellations. Most associations also anticipate further losses in dues revenues, as members address their own economically precarious circumstances by cutting expenses, including association membership. Without support, Section 501(c)(6) organizations will be unable to continue to provide the services upon which so many rely.

Meeting cancellations alone have dealt a staggering blow to associations. According to the Professional Convention Management Association, conferences and events account for roughly 35 percent of total annual revenue for associations. According to a recent survey conducted by the American Society of Association Executives (ASAE) Research Foundation:

- 29% of respondents face \$100,001-\$500,000 in current and projected losses due to cancellations;
- 16% face \$501,000-\$1,000,000 in current and projected losses;
- 10% face more than \$1,000,000 in current and projected losses;

Many associations have little or no financial cushion to carry them through these times. Further, expected losses due to reduced membership and stunted programming, among other significant issues, compound this potentially catastrophic situation for associations.

Thank you for your consideration and continued support of our country during this challenging time. If you have questions regarding any aspect of this urgent request for critically needed support for the association sector, please contact Rock Zierman at the California Independent Petroleum Association at 916 447-1177.

Sincerely,

**California Independent Petroleum Association**

**California Association of Marriage and Family Therapists**

**California Association of Boutique & Breakfast Inns (CABBI)**

**California Attractions and Parks Association**

**California Black Chamber of Commerce**

**California Building Industry Association**

**California Dental Association**

**California Fairs Alliance**

**California Hotel and Lodging Association**

**California Manufacturers & Technology Association**

**California Natural Gas Producers Association**

**California Natural Gas Vehicle Coalition**

**California Thoroughbred Trainers Association**

**California Travel Association**

**CampCalNOW**

**Western Fairs Association**