

July 30, 2020

The Honorable Nancy Pelosi
Speaker of the House
1236 Longworth House Office Building
Washington, DC 20515

The Honorable Kevin McCarthy
House Minority Leader
2468 Rayburn House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Senate Majority Leader
317 Russell Senate Office Building
Washington, DC 20510

The Honorable Charles Schumer
Senate Minority Leader
322 Hart Senate Office Building
Washington, DC 20510

RE: *The Continuing Small Business Recovery and Paycheck Protection Program Act*

Dear Speaker Pelosi, Leader McConnell, and Minority Leaders McCarthy and Schumer:

On behalf of the American Society of Plastic Surgeons (ASPS), I am writing in support of the *Continuing Small Business Recovery and Paycheck Protection Program Act* (S. 4321), which we understand may be incorporated in the *HEALS Act* currently being discussed in the Senate. Senators Marco Rubio (R-FL) and Susan Collins' (R-MN) legislation would extend eligibility for the Paycheck Protect Program (PPP) to include certain Internal Revenue Code Section 501 (c)(6) organizations. These entities, particularly non-profit medical associations, have been financially devastated by the public health emergency (PHE). As the largest association of plastic surgeons in the world, ASPS represents and provides valuable services to more than 7,000 plastic surgeon members, and we employ 104 hardworking Americans at our offices in Arlington Heights, IL and Dallas, TX. ASPS's top priority is to support our physician members and to advance quality care to plastic surgery patients by encouraging high standards of training, ethics, physician practice, and research.

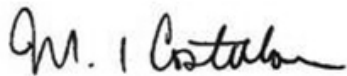
We appreciate Congress' continued support of small businesses and especially the medical community during this public health emergency. While the PPP has helped many of our members' plastic surgery practices weather current financial challenges, we are grateful for additional refinements provided in this legislation that would help 501(c) 6 organizations, like our Society, that have been hard-hit by the economic damage of the pandemic. We specifically applaud the inclusion of 501(c)(6) organizations with up to 300 employees. Additionally, we strongly support allowing 501(c)(6) organizations to fully participate in the program without any special limitations on loan or forgiveness amounts beyond those applicable to all borrowers. Our businesses are also economic contributors, and so we appreciate the ability to access the support necessary to maintain our workforce.

During public health emergencies, medical associations are relied on by physicians, state and federal agencies, and stakeholders to ensure a strong and coordinated response. Unfortunately, like many

501(c)(6) non-profit organizations, our Society has been hard-hit by the economic damage of the pandemic and we fear that, without the financial support other small employers have been able to access via the PPP, our ability to continue our work towards PHE management will be compromised. From March to May 2020, ASPS saw a \$2.3 million dollar revenue decrease from the same period the previous year. We are forecasting in overall \$4.6 million operating revenue decrease in our FY2021 (July 1, 2020 – June 30, 2021), a nearly 15% reduction year-over-year. To date, we have been able to forestall staff layoffs, furloughs, and salary reductions through extreme cost-saving measures and by spending operating cash reserves. This legislation is sorely needed, and we believe it will help us remain financially viable and will directly improve the livelihoods of our staff.

ASPS supports this critical legislation because it will help ensure the solvency of medical associations so they can continue to serve our nation's physicians and patient population during this health crisis. We look forward to working with you to advance this legislation and please let us know if we can be a resource to you during these challenging times. If you need additional information or have any questions, please don't hesitate to contact Patrick Hermes, Director of Advocacy and Government Relations, at phermes@plasticsurgery.org or (847) 228-3331.

Sincerely,

A handwritten signature in black ink that reads "M. Costelloe". The signature is written in a cursive, flowing style.

Michael Costelloe, JD
Executive Vice President, American Society of Plastic Surgeons

CC: Senator Marco Rubio
Senator Susan Collins
Senator Dick Durbin
Senator Tammy Duckworth
Senator John Cornyn
Senator Ted Cruz
Congressman Raja Krishnamoorthi
Congressman Marc Veasey