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May 13, 2020

The Honorable Steven T. Mnuchin Secretary Department of the Treasury 1500 Pennsylvania Avenue, NW Washington, D.C. 20220 The Honorable Jovita Carranza Administrator Small Business Administration 409 3rd Street, SW Washington, DC 20416

Dear Secretary Mnuchin and Administrator Carranza:

Thank you for your excellent work during these challenging times, particularly as it relates to implementation of the Paycheck Protection Program (PPP). As you know, Congress explicitly included language within the Coronavirus Aid, Relief, and Economic Security (CARES) Act to allow 501(c)(3) and 501(c)(19) entities to be eligible for PPP loans. It has come to my attention that certain veteran service organizations which are in essence 501(c)(19)s are being denied the ability to participate in PPP due to having a parent non-profit structured as a 501(c)(4). I am writing to request that you work to find a solution to allow these entities, which are de facto 501(c)(19)s, to be eligible for PPP.

The Veterans of Foreign Wars (VFW) perform services to veterans and their families in states across our nation, and this is certainly the case in Montana. The Montana VFWs offer a wide range of assistance programs aimed at helping veterans of every generation. That means providing free professional help filing or appealing VA claims, offering scholarships for post-secondary education or providing emergency financial relief. When times get tough, the Montana VFW is there for veterans.

To help local VFWs meet their obligations and continue serving their communities, I urge you to swiftly make this change. These organizations are struggling to survive and make payroll. Organizations that meet the criteria of 501c19s should be eligible to participate in PPP, as Congress intended.

We thank you in advance for your prompt consideration of this request.

Sincerely,

STEVE DAINES United States Senator