



April 6, 2020

Rob Nichols  
President and CEO  
American Bankers Association  
1120 Connecticut Ave NW  
Washington, DC 20036

Greg Baer  
President & CEO  
Bank Policy Institute  
600 13th Street NW, Suite 400  
Washington, DC 20005

Dear Mr. Nichols and Mr. Baer,

Thanks to each of you for your leadership in providing critical financial support as our nation navigates the response to COVID-19. On March 27, the President signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. The nonprofit sector is committed to ensuring that an essential, yet often overlooked, segment of our infrastructure receives access to the SBA 7(a) loan provisions of the CARES Act. We need your partnership to make this happen.

Independent Sector, a nonpartisan membership organization representing hundreds of nonprofits, foundations, and corporate giving programs, calls those who administer the loans and directly impact the recipients of 7(a) loans to prioritize nonprofits as loan recipients, recognizing them as essential to our nation's recovery.

Nonprofits play an indispensable role in meeting the needs of our communities and supporting our economy in times of crisis. Even as this public health crisis has shut down vast portions of our economy, nonprofit organizations continue to serve on the frontlines to meet a wide range of needs in our communities, from providing meals to families, to offering emergency child care, to identifying emergency financial support for those who've lost their jobs in recent weeks.

The economic consequences of COVID-19 are staggering for all sectors of our economy. The nonprofit sector – the third largest workforce in our nation that contributes over five percent to the national GDP – is especially vulnerable because of what we expect to be precipitous declines in charitable giving and earned revenues as a result of the COVID-19 pandemic. We are, therefore, extraordinarily dependent upon equitable access to the financial assistance provisions of the CARES Act, especially the Paycheck Protection Program, Economic Injury Disaster Loans, and the Coronavirus Economic Stabilization Act Program.

**Jeffrey L. Bradach**, *Chair*  
The Bridgespan Group

**Fred Blackwell**, *Vice Chair*  
The San Francisco Foundation

**Sonya Camplon**, *Secretary*  
Campion Advocacy Fund

**Jennifer Reedy**, *Treasurer*  
Bush Foundation

**Sarah Kastellec**, *At-Large Member*  
National Indian Child Welfare Association

**Daniel J. Cardinall**, *President and CEO*  
Independent Sector

**Nicole Anderson**  
AT&T Foundation

**Antony Chiang**  
Dogwood Health Trust

**Jim Clark**  
Boys & Girls Club of America

**Marco A. Davis**  
Congressional Hispanic Caucus Institute

**Jim Gibbons**

**Ron Kagan**  
Detroit Zoological Society

**Larry Kramer**  
The William and Flora Hewlett Foundation

**Janine Lee**  
Southeastern Council of Foundations

**Terry Mazany**  
Community Foundation for Greater Atlanta

**Michael McAfee**  
PolicyLink

**Diane Melley**  
The Philadelphia Foundation

**Stacey D. Stewart**  
March of Dimes

**Henry Timms**  
Lincoln Center

**David Williams**  
Deloitte LLP

The Honorable  
**John W. Gardner (1912-2002)**  
Founding Chair

**Brian O'Connell (1930-2011)**  
Founding President and  
President Emeritus

Small nonprofits, especially those operating in underserved areas, often have limited banking relationships, which may make it difficult for them to successfully navigate the loan process. Further, many banks are only extending loans to existing customers. This also may impede small nonprofits from obtaining a loan due to their prior bank history. In short, there is real concern that charities, particularly those that are led by people of color and/or serving communities of color or tribal communities, may find themselves shut out of the process to secure financial resources that are critical to their survival.

We cannot let this happen. Independent Sector stands ready, with our nonprofit and philanthropic partners, to work with government and private financial institutions to devise and deploy strategies that ensure there is equitable access to SBA 7(a) loans for all nonprofits that qualify, consistent with the intent and provisions of the CARES Act.

We need to get this right. By working together in partnership, we believe that we will. We urge you to support and include nonprofits as you administer SBA 7(a) loans and help make a difference in our communities.

Sincerely,

A handwritten signature in black ink, appearing to read "Dan Cardinali".

Dan Cardinali  
President and CEO  
Independent Sector