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July 29, 2020

The Honorable Steven Mnuchin, Secretary United States Department of the Treasury Washington, D.C. 20220

The Honorable Mitch McConnell Senate Majority Leader United States Senate S-230, US Capitol Washington, DC 20510

The Honorable Charles E Schumer Senate Minority Leader United States Senate S-221, US Capitol Washington, DC 20510 The Honorable Nancy Pelosi Speaker of the House United States House of Representatives H-222, US Capitol Washington, DC 20510

The Honorable Kevin McCarthy House Minority Leader United States House of Representatives H-204, US Capitol Washington, DC 20510

Dear Secretary Mnuchin, Republican Leader McConnell, Minority Leader Schumer, Speaker Pelosi, and Minority Leader McCarthy:

Thank you for your work to date producing rapid and multiple pieces of legislation addressing many of the economic, public health and health system consequences regarding the continued spread of coronavirus (COVID-19). We wrote in March requesting your help in securing legislation to include financial relief for tax-exempt associations such as ours in future COVID-19 legislative packages.

We are encouraged to see that the Senate has included two provisions in the HEALS Act related to non-profit associations eligibility for financial relief. The first is a provision in the Continuing Small Business Recovery and Paycheck Protection Program Act, that would expand eligibility to receive a Paycheck Protection Program loan to certain 501 (c)(6) non-profit organizations. We are also grateful for the inclusion in the *American Workers, Families, and Employers Assistance Act* a provision that revises the Employee Retention Tax Credit requirements and allows non-profit organizations to apply for relief under both programs. Similar provisions were included in the HEROES Act as well.

We write to request your support for keeping these provisions in the final Senate version of the HEALS Act, and that they be incorporated into the final version of the next COVID-19 legislation agreed to by the House and Senate.

Founded in 1967, the Society of Teachers of Family Medicine is a national community of academic leaders committed to developing an accomplished family medicine workforce, prepared to serve as the foundation of America's health care system. Our members include physicians, PAs, nurse practitioners, behavioral health specialists, researchers, nurses and other health care professionals, health system executives, administrators, fellows, residents, students, and others involved in the

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STFM, like many non-profit associations, relies on income from our educational conferences and dues to run our organizations. Travel restrictions, reduced continuing medical education (CME) funds, as well as restrictions on leave and crisis-level work hours have had a great impact on our ability to conduct our meetings and attract dues income through membership retention. This is occurring at the same time that we are providing increased support, much of it free, to academic family physicians to help them navigate changes in telehealth, provision of care, and education of medical students and residents. Unfortunately, we anticipate our 2021 finances will be worse than 2020.

- We anticipate at least a \$300K deficit at year end on our \$5 million budget, and more in 2021.
- All our income streams have reduced significantly. Meetings make up more than a third of our budget and we've had to move two of our three conferences, including our annual meeting, our major source of income, to virtual.
- We had planned to hire two more staff and are unable to do so because of finances.

A survey of family medicine department chairs in medical schools showed two-thirds have already experienced budget cuts this year and over fifty percent have already been told there will be more cuts in 2021. Approximately two-thirds also expect not to be able to attend in person conferences next year.

We appreciate the inclusion of these provisions in the draft HEALS Act as we need the ability to apply for and receive <u>both</u> the PPP money and the employee retention tax credit in order to keep staff employed in the coming year. We ask for your continued support for inclusion of these provisions in the final legislation so that we can continue supporting the training of family physicians, currently on the front lines of this epidemic.

If you have any questions, please contact Hope Wittenberg, Director, Government Relations, at 202-986-3309 or hwittenberg@stfm.org.

Sincerely,

Tricia Elliott, MD President

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Stacy Brungardt, CAE Executive Director and CEO

Hacy H. Brungardt

ⁱ Section 113. Eligibility of 501(c)(6) Organizations for Loan Under the Paycheck Protection Program

ii Sec. 211. Enhanced employee hiring and retention Payroll tax credit