

























September 29, 2023

The Honorable Kevin McCarthy Speaker United States House of Representatives Washington, D.C.

The Honorable Hakeem Jeffries Democrat Leader United States House of Representatives Washington D.C. The Honorable Charles Schumer Majority Leader US Senate Washington. D.C.

The Honorable Mitch McConnell Republican Leader US Senate Washington D.C.

Dear Speaker McCarthy, Leader Jeffries, Majority Leader Schumer and Leader McConnell,

We write to you on behalf of the undersigned organizations, which represent millions of businesses, to express our deep concerns regarding ongoing negotiations to fund the federal government beyond the end of the 2023 fiscal year.

We collectively represent millions of small business owners and entrepreneurs who stand to suffer severe consequences to their livelihoods in the event of a government shutdown. We urge Congress to take swift action to reach a bipartisan solution to fund the government and avoid a shutdown that would cause unnecessary harm to small businesses that continue to grapple with rising costs and a challenging post pandemic economy.

Aside from the broader economic ramifications, the effects of a government shutdown would be felt by small businesses immediately; whether they are engaged in government contracts, receive federal loans or assistance, or if they rely on federal data for day to day activities. The 2018 government shutdown <u>delayed over \$2 billion</u> in federal loans to small businesses as the Small Business Administration was unable to make new loans. Delays such as these disrupt not only

the day to day operations of small businesses, but they put budgets in limbo, resulting in business owners putting off necessary purchases or hiring additional staff. The impacts of government shutdowns are especially damaging for small businesses because they don't have the same resources as large companies to absorb even short term losses. Most small businesses operate on tight, carefully planned budgets and even minor disruptions can threaten stability.

In addition to the pain that government shutdowns inflict, bad faith, partisan negotiations to resolve the budget also harm businesses. Unresolved budgets make it difficult for small business owners to prepare and plan ahead, and to collaborate with the federal government. It also places immense pressure on businesses who need to apply for federal relief, certifications, licenses, and any other service that requires the assistance of the federal government. For several years, Congress has relied on Continuing Resolutions (CR) as a quick fix to fund the government when a budget can't be agreed upon. While this strategy can work for temporary relief, it cannot be a long term solution.

With that being said, we strongly urge Congress to work expeditiously to reach a bipartisan solution to both fund the government and avoid a shutdown. We also encourage Congressional leadership to work with Appropriators to pass all Appropriations 12 bills and stop the practice using CRs for a long term funding strategy.

We thank you in advance for your consideration and continued support of America's small businesses.

Sincerely,

Angela Dingle
Acting President and Chief Executive Officer
Women Impacting Public Policy (WIPP)

Keith Hall
President & Chief Executive Officer
National Association For The Self Employed (NASE)

Chiling Tong
President & Chief Executive Officer
National Asian/Pacific Islander American Chamber of Commerce and Entrepreneurship
(National ACE)

Dr. Janis Shinkawa Chair-Elect National Association of Women Business Owners (NAWBO) Justin Nelson
President & Chief Executive Officer
National LGBT Chamber of Commerce (NGLCC)

Ramiro Cavazos President & Chief Executive Officer United States Hispanic Chamber of Commerce (USHCC)

Ron Busby President & Chief Executive Officer United States Black Chambers, Inc. (USBC)

Tanya Hughes Interim Chief Executive Officer Association for Enterprise Opportunity (AEO)

Corinne Goble Chief Executive Officer Association of Women Business Centers (AWBC)

Eddie Monroy
Executive Director
NextGen Chamber of Commerce

Karen Kerrigan President & Chief Executive Officer Small Business & Entrepreneurship Council

Todd McCracken
President & Chief Executive Officer
National Small Business Association (NSBA)

Ying McGuire President & Chief Executive Officer National Minority Supplier Development Council (NMSDC)