September 24, 2020

The Honorable Ted Lieu  
403 Cannon House Office Building  
Washington, DC 20515

RE: H.R. 7671, the Small Business Comeback Act

Dear Representative Lieu:

The City of Beverly Hills SUPPORTS H.R. 7671, the Small Business Comeback Act, bipartisan legislation introduced by Representatives Filemon Vela (D-TX) and Lance Gooden (R-TX). The legislation, endorsed by the Beverly Hills Chamber of Commerce and the International Franchise Association (IFA), would create a Small Business Recovery Fund intended to supplement the U.S. Small Business Administration’s Paycheck Protection Program (PPP) and other provisions of the CARES Act.

The Small Business Comeback Act is designed to be more flexible than the PPP, which requires at least 60 percent of grant funds be spent on wages. Allowable expenses under H.R. 7671 include rent, federal, state and local tax obligations, certain debt obligations, insurance premiums and employee benefits such as health care. Sponsors of the bill argue it improves upon the framework used in the PPP because it is designed to provide greater flexibility to the businesses who were harmed by mandated pandemic related closures. Moreover, the fund would simplify online applications by offering an immediate decision and direct deposit of funds within 15 days.

The bill prioritize support for businesses that serve rural and low- and moderate-income communities and women- and minority-owned businesses. Other requirements under the measure, an eligible entity must:

1. Be in an impaired sector as defined by the Small Business Administrator;
2. Have significant operations in, and a majority of its employees based in, the United States; and
3. Continue to pay salaries or wages to employees who tested positive for COVID-19 or were exposed to COVID-19 in the workplace.

In closing, the City of Beverly Hills urges you to support H.R. 7671 and legislative efforts to include the bill language in the next COVID-19 relief package.

Sincerely,

Lester J. Friedman  
Mayor, City of Beverly Hills