



United States Senate

April 15, 2020

The Honorable Steven Mnuchin  
Secretary of the Treasury  
1500 Pennsylvania Ave., NW  
Washington, DC 20220

The Honorable Jerome H. Powell  
Chairman, Board of Governors of the  
Federal Reserve System  
20<sup>th</sup> Street and Constitution Ave., NW  
Washington, DC 20551

Dear Secretary Mnuchin and Chairman Powell,

I write to urge the Treasury Department and the Federal Reserve to ensure that nonprofit organizations are eligible for loans under the Main Street Lending Program.

U.S. nonprofits are suffering substantial harm from the coronavirus, just as for-profit businesses are. I have heard from numerous California nonprofits that are facing major financial difficulties and are contemplating large numbers of layoffs and even their survival. Critical services such as youth, meal delivery, and social service programs are experiencing unprecedented demand in a time where state and local tax revenues have plummeted. Arts companies in the San Francisco area alone expect to lose \$100 million in the next six months. Zoos and aquariums must continue operations to protect animals despite having no incoming revenue. Nonprofits such as these are not only important to the U.S. economy, they provide the services and anchor our communities. They will be a necessary part of an effective post-crisis recovery.

The CARES Act provides in Section 4003(c)(3)(D)(i) that “the Secretary [of the Treasury] shall endeavor to seek the implementation of a program or facility ... that provides financing to banks and other lenders that make direct loans to eligible businesses including, to the extent practicable, nonprofit organizations, with between 500 and 10,000 employees.” However, when the Federal Reserve announced its Main Street Lending Program on April 9, 2020, the term sheets for the program’s two lending facilities made no mention of nonprofits.

I ask the Treasury Department and the Federal Reserve to honor the intent of Congress in the CARES Act by ensuring that nonprofits are eligible for the Main Street Lending Program.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dianne Feinstein". The signature is fluid and cursive, with a large initial "D" and a long, sweeping underline.

Dianne Feinstein  
United States Senator

DF/js