

March 31, 2020

The Honorable Jovita Carranza  
Administrator  
U.S. Small Business Administration  
409 3rd Street, SW  
Washington, D.C. 20416

The Honorable Steven Mnuchin  
Secretary of the Treasury  
U.S. Department of the Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Administrator Carranza and Secretary Mnuchin:

The American Gaming Association (AGA) appreciates your leadership during this extraordinarily difficult time for our nation's small businesses, which have been devastated as a result of the COVID-19 outbreak.

The Small Business Act states that "It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competitive enterprise..."<sup>1</sup>

Through enactment of the "CARES" Act, Congress significantly expanded existing Small Business Administration (SBA) programs intended to assist a variety of small businesses that meet the size-eligibility requirements. The legislation has specific language to expand eligibility, clearly indicating their intent to help more, not less businesses during their time in need.<sup>2</sup>

As you implement and administer these programs, we urge you to do so in a manner that reflects Congress's intent that an expanded universe of legal businesses – including those in the gaming industry – are eligible to receive SBA assistance.

We are not aware of any statutory mandate from Congress to exclude size-eligible gaming operations from receiving SBA assistance, however, SBA regulations and standard operating procedures have previously precluded entities "deriving more than one-third of gross annual revenue from legal gambling activities" from receiving Economic Injury Disaster Loans (EIDL).<sup>3</sup>

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<sup>1</sup> See SBA [website](#)

<sup>2</sup> See "[CARES" Act](#)

<sup>3</sup> See 13 C.F.R 123.301

During this unprecedented time of business interruption and mandated closures, Congress clearly recognized the need to require support for additional categories of small businesses and their employees. The gaming industry is no exception as one of the sectors most severely impacted by this outbreak due to mandated closure of facilities.

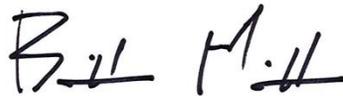
The gaming industry is an important economic engine and job creator in 43 states, and our overriding interest is that employees retain their jobs and can get back to work quickly once this situation has subsided. In addition to our own considerable needs to pay and provide for our own workforce, the gaming industry also supports 350,000 small business jobs.

Making SBA resources available to size-eligible gaming businesses is an efficient solution for helping both employees and employers. Individuals who are laid off will otherwise be pushed into unemployment assistance and Medicaid. Not only are workers better off when they remain connected to their employer, this approach has long-term benefits to our economy. The dislocation costs associated with widespread unemployment are severe. Maintaining employees on payroll avoids rehiring complications, saves on future training costs, and increases productivity, which is essential to a faster economic recovery.

Accordingly, we believe it is critical that gaming companies and their employees can benefit from SBA loan programs, as Congress intended.

Thank you for your attention to this request. Please contact Chris Cylke on our staff to discuss further ([ccylke@americangaming.org](mailto:ccylke@americangaming.org)) or (202) 552-2686.

Sincerely,



William C. Miller, Jr.

Cc: Senator Marco Rubio  
Senator Ben Cardin  
Representative Nydia Velazquez  
Representative Steve Chabot