



Owner-Operator Independent Drivers Association

**National Headquarters: 1 NW OOIDA Drive, Grain Valley, MO 64029
Tel: (816) 229-5791 Fax: (816) 427-4468**

**Washington Office: 1100 New Jersey Ave. SE, Washington, DC 20003
Tel: (202) 347-2007 Fax: (202) 347-2008**

May 20, 2020

The Honorable Chip Roy
1319 Longworth House Office Building
Washington, D.C. 20515

The Honorable Dean Phillips
1305 Longworth House Office Building
Washington, D.C. 20515

Dear Representatives Roy and Phillips,

We thank you for your leadership on H.R. 6886, the Paycheck Protection Flexibility Act, which will provide some flexibility for the Paycheck Protection Program (PPP) to make it more useful for small businesses. We agree that improvements must be made so that businesses are able to weather this crisis, and this legislation will provide some relief to the truckers we represent. At the same time, trucking operations face unique challenges that aren't currently addressed by the program, and we therefore request that you consider targeted improvements to this legislation to ensure that small-business truckers are able to survive this crisis.

OOIDA represents 160,000 small-business truckers and professional drivers, and most have continued working through this emergency to keep our country healthy, safe and productive. As the initial surge in demand for transporting critical goods has subsided and freight rates are on the decline, many now face significant economic challenges that threaten the viability of their business.

Small-business motor carriers, and in particular, independent owner-operators, have had significant difficulties in making use of the PPP program. Because the maximum PPP loan is calculated using net profits for independent contractors and sole proprietors, many applicants are either ineligible for a loan or would only receive a small amount of assistance to cover their expenses. Small businesses take numerous business deductions, and therefore net profit often does not accurately reflect their earnings or the cost of doing business. For example, if an owner-operator replaces both truck and trailer, bonus or accelerated depreciation may totally offset their income.

Even when applicants do receive a loan, they are limited in how they can use it. Owner-operators often run their business out of their home, and do not have the rent, mortgage, or utility expenses that are eligible under the PPP. Instead, their major business costs are truck payments, insurance payments, and other operating expenses, like repairs and fuel.

Therefore, we ask that you allow trucking companies to include truck payments, insurance payments, and depreciation when calculating the maximum PPP loan amount, allow trucking businesses to use PPP loans to cover a wider range of expenses, and provide loan forgiveness for these purposes.

In the same way that a retail business won't be able to be reopened if they don't pay their rent during this crisis period, a trucker will lose his or her livelihood if they aren't able to make their truck payments.

We appreciate your consideration of these recommendations and look forward to working with you to address these issues facing truckers. If you have any questions, need additional information or would like to work with

OOIDA to advance any of these recommendations, please contact Bryce Mongeon, Director of Legislative Affairs, via email at Bryce_Mongeon@ooida.com.

Sincerely,

A handwritten signature in black ink that reads "Todd Spencer". The signature is written in a cursive style with a prominent loop at the end of the last name.

Todd Spencer
President & CEO
Owner-Operator Independent Drivers Association