March 12, 2020

The Honorable Nancy Pelosi, Speaker
United States House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

The Honorable Mitch McConnell, Leader
United States Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Kevin McCarthy, Leader
United States House of Representatives
2468 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Charles Schumer, Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

Dear Speaker Pelosi and Leaders McConnell, McCarthy and Schumer:

On behalf of the National Club Association, I write regarding prospective federal intervention to support targeted industries impacted by the coronavirus (COVID-19) pandemic. The National Club Association urges you to ensure associations, nonprofits, and tax-exempt organizations are included within any federal aid packages or supplemental appropriations measures, as many have been and will be harmed by event cancellations and reduced meeting attendance as a result of COVID-19.

The private club community consists of more than 4,000 clubs in the United States and generates nearly $22 billion of economic activity each year. Clubs around the country employ more than 500,000 workers and the typical club allocates roughly 45 percent of their annual budget to hourly employees. A vast majority of clubs operate similarly to small businesses and are greatly impacted if employees and members are forced to take sick leave or are quarantined as a result of COVID-19 interaction.

As you are no doubt aware, the fast-spreading COVID-19 pandemic has prompted the cancellation of dozens of major meetings and events in the U.S. and forced other event sponsors to consider cancelling or postponing innumerable other events dependent on in-person attendance at convention centers, hotels and clubs. Cancellations and postponement of events held at clubs can have a devastating effect on annual budgets and staff. According the leading authority on club data and operations, Club Benchmarking, food and beverage revenue for the median club in the U.S. represents $2.2 million of total operating revenue. This same median club relies on annual banquet revenue of $551,632, which, if subject to major disruptions or cancelations due to the COVID-19 pandemic, has the potential to negatively impact the average club.

We are aware the Trump Administration and Congress are considering measures for small businesses that may require cash flow assistance amid the outbreak, and urge that associations, nonprofits, and tax-exempt entities be included in any temporary aid designed to stem the economic fallout resulting from COVID-19. Thank you for your consideration.

Sincerely,

[Signature]

Henry Wallmeyer
President and CEO