May 13, 2020

Majority Leader Mitch McConnell
US Senate
S-230 The US Capitol

Speaker Nancy Pelosi
US House of Representatives
H-232 The US Capitol

Minority Leader Chuck Schumer
S-221 The US Capitol
Washington, DC 20510

Minority Leader Kevin McCarthy
H-204 The US Capitol
Washington, DC 20515

Dear Majority Leader McConnell, Minority Leader Schumer, Speaker Pelosi, and Minority Leader McCarthy:

Thank you for the work you have done and continue to do to help the country respond to the effects of this global pandemic. As you develop the next version of COVID-19 relief legislation, BSA I The Software Alliance strongly encourages you to include the suggestions below to address urgent needs and help the economy recover.

In recent weeks we have seen schools, families, governments, businesses of all sizes across all industries, and many others rushing to operate remotely in order to stay connected, provide help, maintain services, and keep the economy operating. Many of them need help. The enterprise software industry has launched an array of initiatives to play a proactive role in helping provide relief and support. Software companies are providing advice and often free resources to educators and businesses, directing supercomputing and analytics tools for urgent medical research, donating to emergency funds, and embracing collaborations as we all work together to rise to this challenge.

The assistance Congress has provided through the Families First Coronavirus Response Act and the Coronavirus Aid, Relief, and Economic Security Act is playing an enormous role in providing much needed relief throughout the country. The suggestions below will enhance the response and recovery with needed support for students, small businesses, workers, and governments.

Reliable, Secure Access to High-Speed Internet

An easily available, reliable, and secure internet connection is critical for maintaining economic activity under social distancing measures and for economic growth in the aftermath of the current crisis. This access is also important to support distance learning efforts, which are critical to economic development. Unfortunately, internet access is unavailable or unreliable for some Americans. To help address these shortcomings, additional funding should be allocated to expanding and enhancing internet access. Such funding should support

Majority Leader Mitch McConnell
Minority Leader Chuck Schumer
Speaker Nancy Pelosi
Minority Leader Kevin McCarthy
May 13, 2020
Page 2

improved broadband access for Americans including unserved and underserved areas and should accelerate development and deployment of 5G technologies.

Congress has already recognized the importance of this issue as the recent Coronavirus Aid, Relief, and Economic Security (CARES) Act included some funding that could be leveraged to, among other things, help provide broadband access to rural areas in specific instances. Additional resources are, however, urgently needed to enable broadband access for Americans who currently have no reliable access to the internet.

While broadband is needed to meet immediate internet access needs of underserved communities, Congress should also recognize the critical role that internet connectivity serves in our "digital highway" and invest funding for the development and deployment of 5G technologies to lay the groundwork for the economy of the future. As part of this investment, we urge Congress to prioritize development of new technologies, such as virtualized radio access network technology with open interfaces that can improve functionality while enabling a broad, vibrant, and trustworthy supply chain. We encourage you to include and build upon proposals that would advance development and deployment of secure 5G technologies, including Open RAN.

Modernizing Government Information Technology

The COVID-19 pandemic has highlighted major gaps in government IT infrastructure at the federal, state, and local levels. Outdated systems and insufficient infrastructure have hampered governments in supporting telework and telemedicine, and in providing urgently needed citizen services such as processing applications for loans, unemployment benefits, and other vital services and assistance. Moreover, legacy IT creates cybersecurity vulnerabilities that malicious actors have recently exploited to unleash a wave of ransomware and other attacks on local government systems. To improve government agencies' ability to respond to the pandemic in the near term and to position governments at all levels to most effectively guide recovery, we urge Congress to invest now in upgrading critical information technology, particularly by incentivizing migration of critical functions to more secure and adaptable cloud platforms at all levels of government. Congress should include funding to modernize IT systems at agencies leading the Federal Government's response and recovery efforts, including substantial funding for the Technology Modernization Fund. Congress should also establish a flexible program to provide grants enabling IT modernization of high-risk systems at the state and local level. Such grants should be tied to security planning requirements, consider local needs, and make investments for today and for the future. Robust investments in these priorities will address immediate needs and pay dividends for decades to come.

Skills Training

Today and into the future, many businesses will rely more heavily on technology to continue to do some or all their work remotely. It is critical that workers from all backgrounds have the digital skills needed to succeed in this remote economy. Job losses resulting from the economic hardship caused by the COVID-19 pandemic are extremely concerning. The digital economy offers new opportunities for displaced workers if they can receive appropriate training on skills necessary to perform jobs that are, and will continue to be, in high demand.

Majority Leader Mitch McConnell
Minority Leader Chuck Schumer
Speaker Nancy Pelosi
Minority Leader Kevin McCarthy
May 13, 2020
Page 3

Many of these jobs, in various sectors of the U.S. economy, are created or supported by software-driven technologies. We have a unique opportunity to invest in skills training the workforce needs that will be critical for America's economic recovery and should be included in the stimulus package. Enterprise software companies proactively provide and support training programs and will continue to play a strong role in this effort. In addition, we strongly support including robust training funding in the next legislation to accelerate economic recovery.

Resources should include funding for grant programs to promote skills-based training and help workers access these high-value training opportunities, facilitating their transition into new in-demand jobs. These grants should include programs targeted at helping workers develop skills necessary to fill jobs in advanced manufacturing, which is one of industries that continues to grow but cannot fill their job openings due to the lack of qualified workers. Congress should also take steps to encourage the use and maximize the benefits of technology that can help the workforce adjust to rapid changes that are occurring economywide. For example, a skills-based approach to hiring and talent assisted by data-driven machine learning technology as well as blockchain-enabled and interoperable digital credentials can help with connecting people with opportunities. In addition, to help provide workers with the training they need, Congress should expand eligibility for federal Pell Grants to include high quality, shorter-term training programs. Access to Pell Grants should also be streamlined, and program funding should be increased.

<u>Small Businesses and Cloud Services</u>

Many small businesses are facing an existential crisis. To stay viable, they are relying on digital tools to manage their businesses online and deliver products and services, utilizing teleworking, remote workforce management, online commerce platforms, and other digital services to generate sales and continue basic operations. Yet many businesses lack available resources to maintain and acquire these tools while sustaining current operations.

The Paycheck Protection Program (PPP) is a critical source of funds for essential small business expenses. In addition to being essential for operations, software services are necessary to fulfill the tracking and reporting obligations under the program. For instance, businesses will have to submit records when they apply for loan forgiveness showing how and when they spent their loan dollars. Business software will allow small businesses to fulfill these obligations and will allow the federal government to accurately track how loan dollars are spent and forgiven. Among the five main categories of allowable costs that loans can support, none of the categories clearly enable small businesses to recoup costs of digital business platforms essential to maintaining their businesses and complying with the program during this crisis. In addition, businesses must rely on cloud services to get payments to their employees, but currently these costs are not eligible for PPP funding. The next bill should make clear these services are allowable expenses for funds devoted to payroll costs. These oversights should be addressed urgently. We urge you to include technical corrections to the *CARES Act* to ensure small businesses have the support they need to sustain their core business functions as we continue to respond to this crisis.

Majority Leader Mitch McConnell
Minority Leader Chuck Schumer
Speaker Nancy Pelosi
Minority Leader Kevin McCarthy
May 13, 2020
Page 4

Again, thank you for your efforts in response to this unprecedented crisis. We hope you will include these priorities in the next legislation Congress considers. As always, we look forward to serving as a resource and working with you as the process moves forward.

Sincerely,

Victoria A. Espinel
President and CEO
BSA I The Software Alliance