March 16, 2020

The Honorable Mitch McConnell Majority Leader U.S. Senate Washington, DC 20510 The Honorable Charles Schumer Democratic Leader U.S. Senate Washington, DC 20510

Dear Majority Leader McConnell and Democratic Leader Schumer:

On behalf of the 83 undersigned organizations that represent hundreds of thousands of businesses that employ millions of employees in various industries across the country, we write to ask you consider improvements to <u>H.R. 6201</u>, the Families First Coronavirus Response Act. Our suggested improvements will ensure all American workers have access to paid leave in the face of this public health crisis while also providing relief to businesses and important incentives to sustain access to employer-provided health benefits, on which nearly 180 million Americans depend.

We appreciate Congress and the Administration moving quickly to mitigate the threats COVID-19 poses to public health, our economy, and workers across the country. While the House-passed bill contains critical provisions, including expanded unemployment insurance and increased access to testing, we urge Congress to replace the paid leave mandates with a federal emergency program. The leave mandates in H.R. 6201, which requires businesses with 500 and fewer employees to provide 12 weeks of paid leave, presume liquidity and a tolerance for debt that simply does not exist at this time. We fear that these mandates will accelerate small and medium business closures, causing many Americans to lose employer-provided health benefits while straining the administrative and financial resources of state unemployment agencies. Although H.R. 6201 includes tax credits and Treasury Secretary Mnuchin has promised to advance business money, credits will not produce sufficient liquidity in time. We fear the government does not have the infrastructure and businesses do not have the administrative resources to access these advances in the time needed to deter business closures.

A better approach would be a public program administered by the federal government to provide compensation for COVID-19 related leave. One example is the proposed program in <u>H.R. 6198</u>, under which the Social Security Administration (SSA) would provide financial assistance to American workers impacted by COVID-19. SSA is often one of the first agencies on the ground in natural disasters, and it has extensive experience and procedures in place for responding in emergency situations. The legislation includes multiple protections to ensure that Social Security funds are not diverted to the new emergency leave program. Other agencies, such as the U.S. Department of Labor, could also administer a program using unemployment insurance to provide compensation for leave, and we encourage Congress to also consider that agency and unemployment insurance as an option for relief.

While we understand such programs would impose significant costs on the government, this investment now will prevent far greater costs in the future, including increased unemployment and Medicaid costs as well as hardship for American workers and businesses alike. We believe a federally administered program is needed to provide critical income to workers and liquidity to businesses which will help our economy weather this storm by encouraging businesses to keep employees "on the books." This will help ensure continuation of employer provided benefits, especially health care benefits.

On behalf of the 83 undersigned organizations, we urge you to consider this change and thank you for moving swiftly and decisively to help American workers, their families, and the businesses that employ them. We stand ready to work with you at this critical moment.

## Sincerely,

Air Conditioning Contractors of America

Alabama Tire Dealers Association

Alaska Hotel & Lodging Association

American Dental Association

American Feed Industry Association

American Foundry Society

American Horticulture Industry Association

American Hotel and Lodging Association

American International Automobile Dealers Association

American Moving & Storage Association

**American Staffing Association** 

American Veterinary Medical Association

**Arkansas Hospitality Association** 

Arkansas State Chamber of Commerce

Asian American Hotel Owners Association

Associated Builders and Contractors

Associated Builders and Contractors South Texas Chapter

Associated Builders and Contractors Southern California Chapter

Associated Builders and Contractors Texas Gulf Coast Chapter

**Associated General Contractors** 

Association of the Wall and Ceiling Industry

Auto Care Association

Automotive Aftermarket Association of the Mid-South, Inc.

**Automotive Aftermarket Association Southeast** 

Automotive Oil Change Association

**Building Service Contractors Association International** 

Capital Associated Industries (NC)

Coalition of Franchisee Associations

Council of Automotive Repair

**Distribution Contractors Association** 

**Equipment Dealers Association** 

Florida Restaurant and Lodging Association

Foodservice Equipment Distributors Association

Franchise Business Services

Global Cold Chain Alliance

HospitalityMaine

**HR Policy Association** 

**Independent Bakers Association** 

**Independent Electrical Contractors** 

International Association of Amusement Parks and Attractions

International Association of Plastics Distribution

International Council of Shopping Centers

International Foodservice Distributors Association

International Franchise Association

International Sign Association

International Warehouse Logistics Association

ISSA - The Worldwide Cleaning Industry Association

Kentucky-Indiana Automotive Wholesalers

Littler Workplace Policy Institute

Manufactured Housing Institute

Metals Service Center Institute

Moore Erection, L.P.

National Association of Electrical Distributors

National Association of Truckstop Operators

National Association of Wholesaler-Distributors

National Athletic Trainers' Association

National Automobile Dealers Association

**National Community Pharmacists Association** 

National Demolition Association

National Franchisee Association

National Lumber and Building Material Dealers Association

National Retail Federation

**National Small Business Association** 

National Tooling and Machining Association

New England Tire & Service Association

New Jersey Gasoline, C-Store, Automotive Association

New York State Automotive Aftermarket Association

**NFIB** 

Ohio Equipment Distributors Association

Ormsby Insurance Agency Inc.

**Power Transmission Distributors Association** 

**Precision Machined Products Association** 

**Precision Metalforming Association** 

**SNAC International** 

Society for Human Resource Management
Southeastern Lumber Manufacturers Association
Springfield Regional Chamber
Texas Hotel & Lodging Association
Tree Care Industry Association
TRSA – The Linen, Uniform and Facility Services Association
United Equipment Dealers Association
United Motorcoach Association
Washington, Maryland, Delaware Service Station and Automotive Repair Association
Western Electrical Contractors Association