March 17, 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 112 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 to 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 Housepassed 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.</u> <u>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 112 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,

Advanced Auto Service, Inc. Air Conditioning Contractors of America Alabama Tire Dealers Association Alaska Hotel & Lodging Association Alliance of Automotive Service Providers - Missouri 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 BREX, Inc. **Building Service Contractors Association International** Capital Associated Industries (NC)

CAWA, Representing the Automotive Parts Industry

**Coalition of Franchisee Associations** 

Complete Auto Body & Repair

Council of Automotive Repair

Credit Union National Association

**Distribution Contractors Association** 

Equipment Dealers Association

Florida Restaurant and Lodging Association

Foodservice Equipment Distributors Association

Franchise Business Services

Furniture Dealers Alliance

Gary's Auto Service

Global Cold Chain Alliance

HospitalityMaine

- HR Policy Association
- Independent Bakers Association
- Independent Electrical Contractors
- Independent Office Products
- 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
- Irrigation Association

ISSA - The Worldwide Cleaning Industry Association

Kentucky-Indiana Automotive Wholesalers

Littler Workplace Policy Institute

LTS Auto Service Center

Manufactured Housing Institute

Metals Service Center Institute

Midwest Automotive Parts & Service Association

Mike's AutoCrafts, Inc.

Moore Erection, L.P.

Motorcycle Industry Council

National Asphalt Pavement Association

NACS

National Association of Electrical Distributors

National Association of Landscape Professionals

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 Office Products Alliance
- National Ready Mixed Concrete Association
- National Retail Federation
- National Roofing Contractors Association
- 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
- Office Furniture Dealers Alliance
- Ohio Equipment Distributors Association
- Ormsby Insurance Agency Inc.
- Petroleum Marketers Association of America
- Portland Cement Association
- Power Transmission Distributors Association
- Precision Machined Products Association
- Precision Metalforming Association
- Printing Industries of America.
- Service Station Dealers of America and Allied Trades
- SNAC International
- Society for Human Resource Management
- Southeastern Lumber Manufacturers Association
- Spirit West Motor Carriage
- Springfield Regional Chamber
- Texas Hotel & Lodging Association
- The Kansas Chamber of Commerce
- 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 Carolina Industries
- Western Electrical Contractors Association
- Western Growers Association
- World Millwork Alliance
- Zimolong Law