



June 4, 2020

The Honorable Mitch McConnell
Senate Majority Leader
United States Senate
Washington, DC 20510

Dear Majority Leader McConnell,

On behalf of our over 6,000 members involved in workforce mobility, I thank you for your leadership on the prompt passage by the Senate of the Paycheck Protection Program Flexibility Act of 2020 (H.R. 7010).

The businesses and employees that comprise the workforce mobility industry have been adversely impacted by the restrictions necessary to help contain the Coronavirus (COVID-19). The provisions approved by the Senate this week to extend to 24 weeks the timeframe for when funds can be utilized, increase the percentage threshold for non-payroll expenses and allow small business to have their loans forgiven under the Paycheck Protection Program (PPP) and still defer their portion of payroll taxes are welcome additional relief. A strong infrastructure for workforce mobility is critical as we prioritize a safe return to business and the growth of the U.S. and global economies.

I respectfully request that the Senate address one additional issue in regard to the PPP. The Internal Revenue Service on April 30 issued Notice 2020-30 which specifies that a business cannot deduct expenses that are otherwise deductible if the business receives forgiveness under the PPP for those expenses. Simply put, our small business employers are facing financial hardship and may find it difficult to pay the additional taxes as employers and the federal government gradually increase the number of employees they relocate. I therefore ask that the Senate pass language that would clarify that small businesses which have loans forgiven under the PPP can still deduct covered expenses.

Our members are the individuals and businesses that facilitate the global and domestic relocation of employees. They ensure compliance with all laws while providing a safe and successful move for employees and their families. Our broad and diverse membership includes relocation management companies, household goods transportation organizations, destination service providers, immigration and employment law firms, human resources consultancies and hundreds of other suppliers. Our industry employs an estimated 150,000 people with about 80% of our members being small to medium size businesses.

The travel restrictions implemented by the U.S. and countries across the world that are necessary to contain this pandemic have paused the movement of employees. Many employers intend to resume those moves critical to their business operations as soon as possible as countries and regions return to a new normal. It is vital that the businesses and individuals involved with employee relocation are on a strong financial footing to help facilitate those transfers.



I thank you for your consideration to ensure the workforce mobility community and its people remain key contributors on the road to recovery as we in the industry work to bring back business safely and push ahead toward economic growth.

Sincerely,

A handwritten signature in blue ink, reading "Lynn Shotwell". The signature is fluid and cursive, with the first name "Lynn" being more prominent than the last name "Shotwell".

Lynn Shotwell, GMS, SHRM-SCP
President and CEO
Worldwide ERC®

Worldwide ERC® is the professional association for employee mobility professionals. Since 1964, Worldwide ERC® has been committed to connecting and educating workforce mobility professionals across the globe. A global not-for-profit organization, we are headquartered in Washington, D.C., with offices in London and Shanghai, and are the source of global mobility knowledge and innovation in talent management from Europe, the Middle East and Africa, to Asia and across the Americas.