



July 10, 2020

The Honorable Kevin McCarthy  
Minority Leader  
U.S. House of Representatives  
Washington, DC 20515

Dear Minority Leader McCarthy,

On behalf of our over 6,000 members involved in workforce mobility, I thank you for your leadership in addressing the economic effect of the Coronavirus (COVID-19) public health emergency on employers and individuals. The workforce mobility industry continues to struggle with the impact of the pandemic as employers remain hindered from relocating employees due to U.S., state and global travel restrictions necessary to contain the virus. It would be greatly appreciated if you would advocate for the inclusion of provisions in the final version of the next economic stimulus package to further help workforce mobility employers and employees.

A strong infrastructure for workforce mobility is necessary as [we prioritize a safe return to business](#) as well as the growth of the U.S. and global economies. Many employers intend to resume those moves critical to their business operations as soon as possible as countries and regions around the world begin the slow road to recovery. It is vital that the businesses and individuals involved with employee relocation are on a strong financial footing to help facilitate those transfers so important to economic recovery.

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.

As the Congress finalizes the next economic stimulus package, I respectfully request that you address the below issues.

#### **Paycheck Protection Program – Deductibility of Expenses**

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 members are facing financial hardship and may find it difficult to pay the additional taxes as companies and the federal government gradually increase the number of employees they relocate. I therefore ask that the Congress clarify that small businesses which have loans forgiven under the PPP can still deduct covered expenses.

#### **Paycheck Protection Program – Additional Funding for Small Businesses**

The Paycheck Protection Program has been a lifeline for many small employers and their employees. However, the initial funds they received under the program have started to run out. As new and renewed travel restrictions are put into place, our small business members need additional funding to remain financially viable and maintain staff. I ask that the Congress allocate additional funds and allow use of remaining funds in the program to small businesses that have experienced a sharp drop in revenue.



## **Restoring the Moving Expense Deduction and Exclusion**

On July 8, Worldwide ERC® joined the American Moving and Storage Association (AMSA) and International Association of Movers (IAM) in requesting that Senate leaders include a reinstatement of the moving expense deduction in the next economic stimulus package. As part of the Tax Cuts and Jobs Act, the moving expense deduction, and the exclusion from income of moving expense payments by employers to move their employees, were eliminated through December 31, 2025. The deduction and exclusion together make up a vital tax relief tool that makes relocation for work more affordable and supports worker mobility - the lynchpin of a strong economy - and a moving industry that supports 480,000 jobs annually. I ask that the Congress reinstate these provisions retroactively to the beginning of 2019 as a way to provide approximately \$1 billion in immediate relief to employees and the companies moving them. Please include the reinstatement in the next package.

## **Liability Protection**

Worldwide ERC® is leading the way on providing information to the workforce mobility community on information on returning safely back to work. Earlier today, we published the [Workforce Mobility Safely Framework](#) which is a joint effort with stakeholders outlining protocols for safely moving global talent as companies begin planning for again relocating employees. While this initiative will help mitigate employee's exposure to COVID-19, it will not eliminate the threat all together. I therefore request the next package include a balanced approach to help provide employers with liability protections as they reopen workplaces and relocate employees.

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

Sincerely,

A handwritten signature in blue ink that reads "Lynn Shotwell". The signature is fluid and cursive, written over a light blue horizontal line.

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