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November 18, 2020

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

Dear Minority Leader McCarthy,

As the U.S. continues to break record numbers of new daily COVID-19 cases and our elected leaders rightfully extend and reimpose restrictions on business operations and travel to contain the virus, it is critical that the Congress act on an additional economic relief package. Our over 5,400 members greatly appreciate your leadership on the economic relief they received under previous stimulus packages. The workforce mobility industry like many sectors, however, continues to struggle with the impact of the pandemic as employers remain hindered from relocating 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 to slowly recover. 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 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 service providers. Our industry employs an estimated 150,000 people with about 80% of our members being small to medium size businesses. During this unprecedented public health emergency, they ensure compliance with all laws while providing a safe and successful move for employees and their families.

As the Congress and the administration negotiate the parameters of another economic stimulus package, I respectfully request that you address the below issues.

**Paycheck Protection Program (PPP) – 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 businesses 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 run out. With the increase in COVID-19 cases and as governments subsequently extend travel and entry restrictions 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.

## **Payments to Individuals**

I urge the Congress to provide individuals with another direct infusion of funds to help them during these difficult times. I recommend a minimum amount of \$1,000 per adult.

## **Liability Protection**

Worldwide ERC® is leading the way on providing information to the workforce mobility community on information on returning safely back to work. On July 10, we published the [Workforce Mobility Safely Framework](#). This effort with stakeholders outlining protocols for safely moving global talent as businesses begin planning again for relocating employees. While this initiative is helping 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.

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

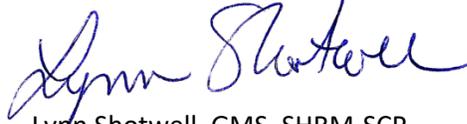
On July 8, Worldwide ERC® joined the American Moving and Storage Association (AMSA) and International Association of Movers (IAM) in requesting that Senate leaders include a reinstatement of the moving expense deduction in the next economic stimulus package. As part of the Tax Cuts and Jobs Act, the moving expense deduction, and the exclusion from income of moving expense payments by businesses 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.

I greatly appreciate your leadership on ensuring businesses and individuals get the financial support necessary to weather the financial hardship of the pandemic. I hope you will adopt the key initiatives we have identified as our industry works to bring businesses and workers safely back to work and push ahead toward economic growth.

Finally, when the next Congress convenes I also ask that you prioritize immigration and tax relief which will be critical to the global mobility industry's recovery. Worldwide ERC® looks forward to being a resource to you on these issues next year.

Should you have any questions regarding our requests, please do not hesitate to have your staff reach out to Rebecca Peters, Worldwide ERC® Vice President of Member Engagement and Public Policy. Rebecca can be reached by email at [rpeters@worldwideerc.org](mailto:rpeters@worldwideerc.org) or phone at 703-842-3400.

Sincerely,



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