

March 19, 2020

The Honorable Richard Neal U.S. House of Representatives 2309 Rayburn House Office Bldg. Washington, D.C., 20515

The Honorable Chuck Grassley U.S. Senate 135 Hart Senate Office Bldg. Washington, D.C., 20510 The Honorable Kevin Brady U.S. House of Representatives 1011 Longworth House Office Bldg. Washington, D.C., 20515

The Honorable Ron Wyden U.S. Senate 221 Dirksen Senate Office Bldg. Washington, D.C., 20510

Representatives Neal and Brady and Senators Grassley and Wyden:

On behalf of the National Association of College and University Business Officers and the undersigned higher education associations, I write today concerning the exclusion of public colleges and universities from the employer tax credits contained in H.R. 6201, the Families First Coronavirus Response Act.

Colleges and universities are among the top 10 largest employers in 40 states. In addition to the time, energy, and expenses currently invested in protecting the health, well-being, and educational continuity of our nation's postsecondary students during this time of crisis, our institutions are also striving to be the best employers they can be to support the millions of individuals they collectively employ.

While public colleges and universities fall under the Act's definition of employers required to provide expanded paid sick and family leave, they are expressly excluded as state government instrumentalities from the corresponding payroll credits meant to offset a portion of these additional costs. In effect, this means that the tax credits meant to help employers during this time of volatility are not available to many of our country's largest employers. These credit exclusions also treat our nation's two- and four-year public institutions patently differently from both their private nonprofit and private proprietary counterparts, putting them on unequal financial footing that could result in longer-term economic consequences.

We strongly urge you to remedy the exclusion of public colleges and universities in the Act's paid sick leave payroll tax credit and payroll credit for required paid family leave in future coronavirus relief legislation in recognition of their role as sizeable employers supporting the U.S. economy.

We welcome the potential for further discussions with you and your staff members on this issue. Please contact Megan Schneider, senior director of government affairs (202.861.2547, <u>mschneider@nacubo.org</u>), to discuss this important issue further.

Sincerely,

Share A 20 ____

Susan Whealler Johnston President and CEO

On behalf of: American Association of Community Colleges American Council on Education Association of American Universities Association of Governing Boards Association of Jesuit Colleges and Universities Association of Public and Land-grant Universities