

March 18, 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 asphalt pavement material producers and paving contractor members of the National Asphalt Pavement Association (NAPA), we write to ask you consider improvements to <u>H.R. 6201</u>, the Families First Coronavirus Response Act. NAPA cannot support legislation that requires businesses with 500 and fewer employees to provide 12 weeks of paid leave, assume liquidity and a tolerance for debt that simply does not exist at this time.

Ninety percent of the construction industry businesses are small with 20 or fewer employees that depend upon reliable cash flows to meet the capital-intensive demands of maintaining existing payrolls with construction project execution needs. As such, we fear that these mandates will accelerate layoffs and supply chain issues resulting in mass small and medium business closures among so many employers already exposed to cash-flow difficulties.

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. 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.

NAPA appreciates 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 House-passed 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 to ensure that businesses of all sizes and across all sectors have increased liquidity and access to necessary financing to help them weather the temporary loss in revenue caused by the Coronavirus.

Thank you for your leadership. The National Asphalt Pavement Association looks forward to continuing to work with you to help our nation as we confront this challenge together.

Sincerely,

Audrey Copeland, Ph.D. P.E.

President and CEO

Cc: United States Senate