



June 2, 2020

Senator Mitch McConnell  
Majority Leader  
United States Senate  
317 Russell Senate Office Building  
Washington, DC 20510

Senator Chuck Schumer  
Minority Leader  
United States Senate  
322 Hart Senate Office Building  
Washington, DC 20510

**Re: Higher Education Eligibility for Refundable Tax Credit for Paid Sick and FMLA Leave Mandates**

Dear Majority Leader McConnell and Minority Leader Schumer:

On behalf of the American Council on Education and the undersigned higher education associations, I am writing today to urge you to make public and private nonprofit colleges and universities eligible for the paid sick and family leave refundable tax credit created in the “Families First Coronavirus Response Act” (FFCRA). This tax credit would help public and the covered private nonprofit institutions recoup the costs of the unfunded paid sick and FMLA leave mandate.

As you know, the FFCRA mandated that many employers provide up to two weeks of paid sick leave and 10 weeks of partially paid Family and Medical Leave Act (FMLA) leave to their employees. Both of these provisions will provide great relief for employees navigating these challenging times. In recognition of the cost of these new mandates, Congress sought to cushion the financial impact on employers subject to the mandate by providing a refundable tax credit. Unfortunately, while public colleges and universities are required to provide this paid leave, because they are entities of their states they were excluded from accessing the tax credit. In addition, the recently passed HEROES Act expanded the mandate to large private employers with 500 or more employees, which includes many private nonprofit colleges and universities, while excluding them from eligibility from the tax credit. This creates a massive unfunded mandate for both public and private nonprofit institutions, which are already reeling financially from the COVID-19 pandemic and in no position to shoulder these costs.

Public and private institutions each employ thousands of individuals across their campuses, so this requirement will be an enormous expense totaling millions of dollars. For example, public four-year universities in Illinois, with more than 48,000 employees, estimated that the cost to comply with the leave mandate would amount to approximately \$195 million. The estimated cost exceeds \$35 million at the University of Florida alone. The University of Wisconsin-Madison, with about 24,000 employees, is facing costs in the range of \$34-\$65 million. A smaller, private nonprofit institution, Elon University in North Carolina with only 1,500 employees, would still face costs of over \$3 million. Considering that there several thousand public institutions and private nonprofit colleges

and universities with at least 500 employees in the United States, it is easy to see the enormous financial impact of this mandate.

The House-approved HEROES Act included a legislative fix to make public institutions eligible for the tax credit but unfortunately excluded larger private nonprofit colleges and universities from the tax credit while expanding the paid leave mandate to them. We strongly urge the Senate to similarly expand access to the paid sick and FMLA refundable tax credit to public and private nonprofit institutions in the next major COVID-19 legislation.

Thank you for your attention to this urgent issue.

Sincerely,



Ted Mitchell  
President

On behalf of:

ACPA-College Student Educators International  
American Association of Collegiate Registrars and Admissions Officers  
American Association of Community Colleges  
American Association of University Professors  
American Council on Education  
Asociación de Colegios y Universidades Privadas de Puerto Rico (ACUP)  
Association for Biblical Higher Education  
Association of American Medical Colleges  
Association of American Universities  
Association of Catholic Colleges and Universities  
Association of Community College Trustees  
Association of Governing Boards of Universities and Colleges  
Association of Independent California Colleges and Universities  
Association of Independent Colleges and Universities of Pennsylvania (AICUP)  
Association of Independent Colleges and Universities of Rhode Island  
Association of Independent Colleges of Art & Design  
Association of Presbyterian Colleges and Universities  
Association of Public and Land-grant Universities  
Association of Research Libraries  
Commission on Independent Colleges and Universities-NYS  
Conference for Mercy Higher Education  
Council for Advancement and Support of Education  
Council for Christian Colleges & Universities  
Council for Higher Education Accreditation  
Council of Independent Colleges

## EDUCAUSE

Georgia Independent College Association

Great Lakes Colleges Association

Hispanic Association of Colleges and Universities (HACU)

Independent Colleges and Universities of Florida

Independent Colleges and Universities of Florida

Independent Colleges of Indiana

Independent Colleges of Washington

National Association for College Admission Counseling

National Association of College and University Business Officers

National Association of Colleges and Employers

National Association of Independent Colleges and Universities

National Collegiate Athletic Association

Network of Colleges and Universities, Evangelical Lutheran Church in America

North Carolina Independent Colleges and Universities

Oregon Alliance of Independent Colleges & Universities

South Carolina Independent Colleges and Universities

State Higher Education Executive Officers Association

Tennessee Independent Colleges and Universities Association