

1000 Maine Avenue, SW, STE 500
Washington, DC 20024
202.872.1260
brt.org

March 18, 2020

The Honorable Donald J. Trump
President of the United States
The White House
1600 Pennsylvania Avenue NW
Washington, DC 20500

Dear Mr. President,

On behalf of the CEO members of Business Roundtable who lead companies with, collectively, over 15 million employees, we applaud your bipartisan efforts to keep Americans safe from COVID-19 and to deliver much-needed assistance, especially to those most vulnerable.

The health and safety of American workers and consumers is the top priority of Business Roundtable CEOs. Each of our member companies has taken swift action to protect their employees and customers. Many of our companies are helping to lead the effort to fight the virus by developing new diagnostic tools and treatments, providing facilities for testing, increasing the production of critical medical equipment and contributing expertise, financial resources and supplies to communities who need them.

Unprecedented and necessary public health measures are having significant economic consequences, especially on small and medium-sized businesses and their employees, many of whom are suppliers and customers of Business Roundtable members. Even as we stay focused on public health measures to slow the spread of coronavirus, Congress and the Administration will need to act quickly, in a bipartisan manner, to protect workers, businesses and the broader economy from the impacts of this health crisis.

The government actions necessary to address this crisis will have enormous costs. However, failure to act boldly now will impose far greater costs to our country and our future.

America's largest employers are committed to working with lawmakers to deliver expeditiously the economic security Americans need during and after this health crisis. Below we have outlined measures that we believe would contribute to a stronger and more rapid recovery.

Providing Financial Support to American Individuals and Families

For many Americans, this health crisis will be compounded by dire economic hardship in the coming months. We applaud efforts in Congress to extend unemployment insurance and to address the needs of seniors, children and other

CHAIRMAN

Doug McMillon
Walmart

PRESIDENT & CEO

Joshua Bolten
Business Roundtable

BOARD OF DIRECTORS

Mary T. Barra
General Motors Company

Brendan P. Bechtel
Bechtel Group, Inc.

Tim Cook
Apple

Jamie Dimon
JPMorgan Chase & Co.

Jim Fitterling
Dow

Beth Ford
Land O'Lakes, Inc.

Lance Fritz
Union Pacific

Lynn J. Good
Duke Energy Corporation

Alex Gorsky
Johnson & Johnson

Tricia Griffith
Progressive Corporation

Greg Hayes
United Technologies Corporation

Marillyn A. Hewson
Lockheed Martin Corporation

James Keane
Steelcase Inc.

Tom Linebarger
Cummins Inc.

Larry Merlo
CVS Health

Doug Peterson
S&P Global

Chuck Robbins
Cisco Systems, Inc.

Virginia M. Rometty
IBM Corporation

Robert Smith
Vista Equity Partners

Arne Sorenson
Marriott International

Randall L. Stephenson
AT&T Inc.

Mark S. Sutton
International Paper Company

vulnerable Americans. To ensure that every family has the resources it needs to sustain itself during the crisis, Business Roundtable supports:

CHAIRMAN

Doug McMillon
Walmart

PRESIDENT & CEO

Joshua Bolten
Business Roundtable

BOARD OF DIRECTORS

Mary T. Barra
General Motors Company

Brendan P. Bechtel
Bechtel Group, Inc.

Tim Cook
Apple

Jamie Dimon
JPMorgan Chase & Co.

Jim Fitterling
Dow

Beth Ford
Land O'Lakes, Inc.

Lance Fritz
Union Pacific

Lynn J. Good
Duke Energy Corporation

Alex Gorsky
Johnson & Johnson

Tricia Griffith
Progressive Corporation

Greg Hayes
United Technologies Corporation

Marillyn A. Hewson
Lockheed Martin Corporation

James Keane
Steelcase Inc.

Tom Linebarger
Cummins Inc.

Larry Merlo
CVS Health

Doug Peterson
S&P Global

Chuck Robbins
Cisco Systems, Inc.

Virginia M. Rometty
IBM Corporation

Robert Smith
Vista Equity Partners

Arne Sorenson
Marriott International

Randall L. Stephenson
AT&T Inc.

Mark S. Sutton
International Paper Company

- **Direct Payments to Americans:** Payments should be significant, income-capped and targeted to Americans who need them the most. In addition to helping many Americans over the next few months, direct payments will be the quickest and most effective way to stimulate the economy once this health crisis abates and will ensure gig economy workers and the unemployed can benefit.
- **Paid Leave Policies:** Over 90 percent of workers employed by large businesses have paid sick leave benefits. We know there is more to do and welcome efforts from Congress to ensure more benefits are available to help affected workers. In light of the many businesses of all sizes that are at risk, it is important that any new policies help, not hurt, workers' health, job security and the U.S. economic recovery.

Protecting American Jobs

The United States is entering an unprecedented decline in non-essential economic activity that will severely affect workers, particularly employees of small businesses. In addition to the other measures above, Business Roundtable supports:

- **Employee Retention Tax Credits:** In prior disaster relief packages, Congress has approved an "employee retention tax credit" to help businesses most affected by the disaster retain their workforce and continue to make payroll. Consistent with disaster-related retention credits, Congress can provide an employer credit equal to a percentage of a specific amount of wages paid to each eligible employee.
- **Temporary Employer Payroll Tax Holiday:** Congress can repeal employer payroll tax liabilities for the coming months. This would provide immediate liquidity for businesses and promote worker retention.

Preserving Business Liquidity and Viability, Especially for Small and Medium-Sized Companies

The coronavirus global pandemic has created enormous liquidity and viability issues for small and medium-sized businesses. Business Roundtable applauds Congress and the Administration for taking immediate steps to support these businesses. In addition, Business Roundtable calls for:

- **Creation of a Substantial New Treasury Credit Facility for Small and Medium-Sized Businesses:** To ensure small and medium-sized businesses have every opportunity to remain viable during the economic downturn,

CHAIRMAN

Doug McMillon
Walmart

PRESIDENT & CEO

Joshua Bolten
Business Roundtable

BOARD OF DIRECTORS

Mary T. Barra
General Motors Company

Brendan P. Bechtel
Bechtel Group, Inc.

Tim Cook
Apple

Jamie Dimon
JPMorgan Chase & Co.

Jim Fitterling
Dow

Beth Ford
Land O'Lakes, Inc.

Lance Fritz
Union Pacific

Lynn J. Good
Duke Energy Corporation

Alex Gorsky
Johnson & Johnson

Tricia Griffith
Progressive Corporation

Greg Hayes
United Technologies Corporation

Marillyn A. Hewson
Lockheed Martin Corporation

James Keane
Steelcase Inc.

Tom Linebarger
Cummins Inc.

Larry Merlo
CVS Health

Doug Peterson
S&P Global

Chuck Robbins
Cisco Systems, Inc.

Virginia M. Rometty
IBM Corporation

Robert Smith
Vista Equity Partners

Arne Sorenson
Marriott International

Randall L. Stephenson
AT&T Inc.

Mark S. Sutton
International Paper Company

Congress should grant the U.S. Department of the Treasury authority to guarantee loans made by U.S. banks to small and medium-sized businesses. Congress should consider specific eligibility criteria for this lending facility to promote worker retention and ensure the benefits flow to businesses most in need.

The crisis poses unprecedented challenges to specific industries. If companies in those industries and their suppliers face collapse due to sharp decreases in domestic and global demand, it will have cascading effects on the broader economy. Congress and the Administration should consider targeted support to specific industries that are uniquely impacted.

We applaud the Administration for delaying estimated income tax payments to boost business liquidity. In addition, Business Roundtable supports:

- **Temporary Restoration of Net Operating Loss (NOL) Carrybacks:** The 2017 Tax Cuts and Jobs Act eliminated the ability of companies to use current Net Operating Losses (NOLs) against income in prior tax years. Congress can temporarily restore the two-year NOL carryback period and consider increasing the period to five years, which was done in 2002 and 2009 stimulus legislation, providing longer-term certainty and support for businesses.
- **Temporary Delay in Pension Funding Requirements:** With interest rates near all-time lows, defined benefit pension liabilities are estimated to be higher and employers are required to contribute more to meet minimum funding obligations, exacerbating business liquidity issues as cash flow dries up. Consistent with legislation enacted in prior low interest rate environments, lawmakers can provide relief via “pension smoothing,” which utilizes a broader temporal range of discount rates.
- **Tariff Relief:** To respond quickly to the current public health crisis and economic disruption, Congress and the Administration should provide immediate tariff relief through the duration of the global pandemic. Tariff relief can support the public health response as well as economic recovery. As an immediate step, the U.S. government should suspend tariffs on all medical and health products and other supplies necessary for the public health response to the COVID-19 outbreak.

Measures to Support Supply Chains and Critical Infrastructure

Supply chains – along with transportation, delivery and logistics networks – need to be sustained throughout the duration of this global pandemic to ensure that health care and medical supplies can reach hospitals and patients; essential supplies, services and food can get to families; and essential components can get

1000 Maine Avenue, SW, STE 500
Washington, DC 20024
202.872.1260
brt.org

to factories, distribution networks and consumers. Business Roundtable supports:

CHAIRMAN

Doug McMillon
Walmart

PRESIDENT & CEO

Joshua Bolten
Business Roundtable

BOARD OF DIRECTORS

Mary T. Barra
General Motors Company

Brendan P. Bechtel
Bechtel Group, Inc.

Tim Cook
Apple

Jamie Dimon
JPMorgan Chase & Co.

Jim Fitterling
Dow

Beth Ford
Land O'Lakes, Inc.

Lance Fritz
Union Pacific

Lynn J. Good
Duke Energy Corporation

Alex Gorsky
Johnson & Johnson

Tricia Griffith
Progressive Corporation

Greg Hayes
United Technologies Corporation

Marillyn A. Hewson
Lockheed Martin Corporation

James Keane
Steelcase Inc.

Tom Linebarger
Cummins Inc.

Larry Merlo
CVS Health

Doug Peterson
S&P Global

Chuck Robbins
Cisco Systems, Inc.

Virginia M. Rometty
IBM Corporation

Robert Smith
Vista Equity Partners

Arne Sorenson
Marriott International

Randall L. Stephenson
AT&T Inc.

Mark S. Sutton
International Paper Company

- **Regulatory Actions to Ensure Cargo Flow and Sustain Infrastructure and Production:** Congress and the Administration can work together to ensure expedited customs clearance authorities and coordination between the federal and state governments – as well as foreign governments – to keep cargo moving. To further ensure supply chain continuity, Congress and the Administration can provide regulatory flexibility and, if necessary, direct resources to sustain port infrastructure and multi-modal transportation and delivery networks in order to boost the public health response, get essential supplies to families and deliver critical components to keep businesses operating.
- **Common Approach to Health Standards for Frontline Healthcare, Supply Chain, Transportation and Critical Infrastructure and Production Workers:** Congress and the Administration can ensure protections for healthcare front line workers and their ability to safely get to locations where needed. They can also work together to develop common health protocols and standards domestically and globally to ensure that pilots, port and rail operators and drivers can safely deliver needed medical supplies and essential products. In addition, they can work to implement common health standards to ensure workers can continue to access and maintain critical infrastructure and production.
- **Facilitate Global Movement of Critical Supplies:** The U.S. government can negotiate commitments with other countries to limit export controls or “buy local” requirements that restrict the movement of critical health and medical supplies to ensure they can reach patients with the highest needs and to mitigate scarcity problems for other essential supplies, components and products.

As we follow the developments of this health crisis, we will continue to offer policy recommendations to promote economic security and stability for American workers, families, communities and businesses of all sizes. Business Roundtable CEOs will continue to partner with you on the federal response and remain confident that our country can come together to meet the challenges created by this global pandemic.

Sincerely,

1000 Maine Avenue, SW, STE 500
Washington, DC 20024
202.872.1260
brt.org



Doug McMillon
President and CEO, Walmart Inc.
Chairman, Business Roundtable



Joshua Bolten
President & CEO, Business Roundtable

CHAIRMAN

Doug McMillon
Walmart

PRESIDENT & CEO

Joshua Bolten
Business Roundtable

BOARD OF DIRECTORS

Mary T. Barra
General Motors Company

Brendan P. Bechtel
Bechtel Group, Inc.

Tim Cook
Apple

Jamie Dimon
JPMorgan Chase & Co.

Jim Fitterling
Dow

Beth Ford
Land O'Lakes, Inc.

Lance Fritz
Union Pacific

Lynn J. Good
Duke Energy Corporation

Alex Gorsky
Johnson & Johnson

Tricia Griffith
Progressive Corporation

Greg Hayes
United Technologies Corporation

Marillyn A. Hewson
Lockheed Martin Corporation

James Keane
Steelcase Inc.

Tom Linebarger
Cummins Inc.

Larry Merlo
CVS Health

Doug Peterson
S&P Global

Chuck Robbins
Cisco Systems, Inc.

Virginia M. Rometty
IBM Corporation

Robert Smith
Vista Equity Partners

Arne Sorenson
Marriott International

Randall L. Stephenson
AT&T Inc.

Mark S. Sutton
International Paper Company