



AMERICAN COUNCIL OF ENGINEERING COMPANIES

March 17, 2020

The Honorable Mitch McConnell  
U.S. Senate  
Majority Leader  
The Capitol, S-230  
Washington, DC 20510

The Honorable Charles E. Schumer  
U.S. Senate  
Minority Leader  
The Capitol, S-221  
Washington, DC 20510

Dear Leader McConnell and Leader Schumer:

On behalf of the American Council of Engineering Companies (ACEC) – the national voice of America’s engineering industry – I am writing to express our concerns about the unintended impacts of the Families First Coronavirus Response Act (H.R. 6201) on small engineering firms, and to share ideas for mitigating these impacts.

Founded in 1906, ACEC is a national federation of 52 state and regional organizations representing more than 5,600 engineering firms and 600,000+ engineers, surveyors, architects, and other specialists nationwide. ACEC member firms drive the design of America’s infrastructure and built environment. ACEC and our member firms commend Congress for acting swiftly to address the Coronavirus pandemic and for seeking ways to protect individuals who may be adversely affected.

Although the House acted last night to amend H.R. 6201 in response to questions raised by the business community, we remain concerned that requiring small firms to provide paid emergency leave under the Family and Medical Leave Act, as well as emergency paid sick leave, will create cash flow problems serious enough to endanger thousands of firms and jobs. Tax credits against quarterly payroll tax payments will not provide liquidity soon enough to protect the firms. Moreover, the current crisis is likely to delay payments from clients for accounts receivable, adding delays in being paid for work to the cost of new benefits and creating an economic threat for these employers.

Allowing firms to delay or reduce payment of FICA taxes, 2019 taxes owed, and 2020 quarterly estimated tax payments would all improve cash flow and give engineering firms additional liquidity needed to continue paying their employees. Congress and Treasury should also consider allowing the Federal Reserve to lend to firms impacted by the economic slowdown by using accounts receivable and/or physical assets as collateral.

Going forward, as you consider additional legislative response measures, we strongly encourage you to consider robust infrastructure investment, which will help restore

economic stability to hard-hit sectors of the economy and bolster state and local agency budgets facing severe revenue shortfalls.

The health and safety of the American public is the primary focus of ACEC member firms every day. We want to do our part in providing for our employees while remaining viable enterprises that provide infrastructure solutions. Thank you for considering our concerns and ideas.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda Bauer Darr".

Linda Bauer Darr  
President & CEO

Cc: U.S. Senate