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April 16, 2020

The Honorable Steven T. Mnuchin  
Secretary  
U.S. Treasury Department  
1500 Pennsylvania Avenue, NW  
Washington, DC 20220

The Honorable Jovita Carranza  
Administrator  
Small Business Administration  
409 3<sup>rd</sup> Street, SW  
Washington, DC 20416

Dear Secretary Mnuchin and Administrator Carranza:

As you implement the provisions of the Paycheck Protection Program (PPP) established by the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, I encourage you to use the flexibility provided by the law to adopt a sensible full-time equivalent (FTE) methodology for purposes of determining eligibility under the PPP. As such, I also encourage you to exempt student workers from the employee counts for institutions of higher education (IHEs).

In addition to educating the nation's future workforce, small colleges and universities are significant employers in their local communities. While these institutions adjust to limiting in-person access to their campuses, many are seeking assistance with supporting their workforce. Several small IHEs are interested in accessing financing through the PPP, but there is uncertainty about whether the 500-employee eligibility cap includes their student workers. Among similarly sized institutions, counting student employees within the eligibility cap may exclude some, but not others, from qualifying for these programs.

The student workforce is a unique population. On-campus employment helps students pay for tuition, books, transportation, and other expenses, while keeping them on track to earning their degrees. Students work often just a few hours a week, and many receive compensation through the Federal Work Study Program. The IRS and Treasury have observed the primary educational purpose of the Federal Work Study Program, and have excluded these students from the full-time employee count of the federal health insurance mandate. Similarly, the Department of Education's Integrated Postsecondary Education Data System excludes undergraduate and work-study students from its employee count survey for IHEs. Likewise, I encourage you to adopt a sensible means of determining workers for headcount purposes among IHE applicants for the PPP by excluding students.

Supporting colleges and universities, including in their roles as employers, is essential during this pandemic crisis. Thank you for your attention to this matter.

Sincerely,



Susan M. Collins  
United States Senator