

# United States Senate

WASHINGTON, DC 20510-1309

April 8, 2020

## VIA ELECTRONIC DELIVERY

The Honorable Stephen Mnuchin  
Secretary  
U.S. Department of Treasury  
1500 Pennsylvania Avenue, NW  
Washington, D.C. 20220

Dear Secretary Mnuchin,

We are writing to call attention to an important matter regarding the implementation of Section 4112(a) of the CARES Act (Public Law No. 116-136) that authorizes the U.S. Department of Treasury to provide payments to air carrier industry workers, including but not limited to employees at regional airlines and airline contractors. It is critical that these resources be issued expeditiously and with appropriate transparency to prevent or diminish massive layoffs and furloughs in the aviation industry.

The COVID-19 pandemic has greatly reduced demand for domestic and international air travel and has dealt the entire aviation industry and its workforce a severe financial blow. In recognizing the need to stabilize the severely distressed aviation workforce, Congress allocated \$32 billion in dedicated financial assistance for continued direct payroll funding to preserve industry jobs and to provide benefits for workers.

The CARES Act included an expedited deadline of five days from the date of enactment for the Treasury Department to publish application procedures and guidance to eligible stakeholders. Preliminary guidance was issued on March 30, 2020, and requires applicants “*submit their completed application materials not later than 5:00 p.m. EDT on April 3, 2020*” and noted that late applications would be considered, “*but may not receive approval as quickly.*”

Treasury’s preliminary guidance failed to provide applicants with clear direction on a number of critical items, including application procedures for employers that operate a parent company with subsidiaries. It was not until late afternoon on Friday, April 3 – in the form of a Question & Answer document – that Treasury provided eligible stakeholders with instructions to submit separate applications for each subsidiary entity. By this time, a majority of stakeholders had completed or submitted their applications. Given the lack of clear direction early in the process and because many stakeholders must now submit corrected applications that comply with the instructions they received late on Friday, we would like your assurance that evaluation of these applications will not be delayed.

We also call on the Treasury Department to ensure the highest levels of transparency and public accountability for this critical workforce stabilization effort. A critical measure of success will be taxpayers' confidence that these critical funds reach workers and their families as intended. We encourage you to make publicly available a searchable inventory of all funds distributed under the CARES Act along with the metrics the Department used to make decisions on the distribution of those funds.

Thank you in advance for your attention to these important matters. We look forward to hearing from you in support of our distressed aviation industry workforce as we battle this global pandemic.

Sincerely,



Tammy Duckworth  
United States Senator



Richard J. Durbin  
United States Senator