

May 8, 2020

The Honorable Chuck Grassley Chairman, Finance Committee U.S. Senate Washington, DC 20510

The Honorable Richard Neal Chairman, Finance Committee U.S. House of Representatives Washington, DC 20515 The Honorable Ron Wyden Ranking Member, Finance Committee U.S. Senate Washington, DC 20510

The Honorable Kevin Brady Ranking Member, Finance Committee U.S. House of Representatives Washington, DC 20515

Dear Chairmen Grassley and Neal and Ranking Members Wyden and Brady:

The Military Coalition (TMC), a consortium of organizations representing 5.5 million service members, veterans, their families and survivors, writes to express our support for the creation of a target group within the Work Opportunity Tax Credit (WOTC) for employers who hire military spouses. The WOTC provides a proven economic boost for both employer and employee and would provide vital support for military spouses who face unique circumstances.

Prior to the COVID-19 pandemic, the Department of Defense (DoD) reported a 24 percent unemployment rate among military spouses, which had remained stagnant since 2012¹. Employers have expressed concern that hiring and training military spouses who may move within a few years is not cost effective for their companies. We believe that expanding WOTC to include a military spouse target group would provide a multi-pronged approach to incentivize employers to tap into a talented pool of employees, while also tackling the extreme unemployment rate of military spouses.

Currently, the COVID-19 Military Support Initiative (CMSI) Pain Points Poll shows that military spouses are losing their jobs and/or working reduced hours because of the current crisis.² While millions of Americans have also lost employment, military spouses started at an extraordinary deficit prior to the pandemic. The CMSI surveys military families on a weekly basis and found that as of week 6 (April 21-28) 18 percent of military spouses have lost their jobs or cannot work due to the crisis. That number is expected to rise as the pandemic continues, making their employment picture even more bleak – making military family economic recovery an increasingly uphill battle.

¹ <u>https://download.militaryonesource.mil/12038/MOS/Surveys/Survey-Active-Duty-Spouses-2017-Overview-Briefing-MSO.pdf</u>

² <u>https://bluestarfam.org/pain-pts/</u>

We appreciate your commitment to those who have served, continue to serve, their families and survivors. The Coalition stands ready to continue working with you to encourage strong workforce participation and economic resiliency.

Sincerely,

Jack Du Thil

Jack Du Teil President, The Military Coalition

Air Force Association (AFA) Air Force Sergeants Association (AFSA) Army Aviation Association of America (AAAA) Association of Military Surgeons of the United States (AMSUS) Association of the United States Army (AUSA) Association of the United States Navy (AUSN) Blinded Veterans Association (BVA) Chief Warrants & Warrant Officers Association of the U.S. Coast Guard (CWOAUSCG) Commissioned Officers Association of the U.S. Public Health Service (COAUSPHS) Enlisted Association of the National Guard of the United States (EANGUS) Fleet Reserve Association (FRA) Iraq and Afghanistan Veterans of America (IAVA) Jewish War Veteran of the United States of America (JWV) Marine Corps League (MCL) Marine Corps Reserve Association (MCRA) Military Chaplains Association of the United States of America (MCA) Military Officers Association of America (MOAA) Military Order of the Purple Heart (MOPH) National Military Family Association (NMFA) Naval Enlisted Reserve Association (NERA) Noncommissioned Officers Association (NCOA) The Retired Enlisted Association (TREA) Tragedy Assistance Program for Survivors (TAPS) United States Army Warrant Officers Association (USAWOA) Veterans of Foreign Wars (VFW) Wounded Warrior Project (WWP)

Copies furnished: Senate Finance Committee House Ways and Means Committee Senate Armed Services Committee House Armed Services Committee Senate and House leadership