

United States Senate

WASHINGTON, DC 20510

April 27, 2020

The Honorable Steven Mnuchin
Secretary of the Treasury
1500 Pennsylvania Avenue, Northwest
Washington, DC 20220

The Honorable Jovita Carranza
Administrator of the Small Business Administration
409 3rd Street, Southwest
Washington, DC 20416

Dear Secretary Mnuchin and Administrator Carranza,

Thank you for your work implementing and issuing guidance for the provisions of the Coronavirus Aid, Relief, and Economic Security (CARES) Act.

We write to urge that institutions of higher education with less than 500 full time employees are not disqualified from Paycheck Protection Program (PPP) eligibility simply for participating in the federal work-study program.


Created by the Higher Education Act of 1965, as amended, federal work-study provides part-time jobs for undergraduate and graduate students with financial need, allowing them to earn money to help pay education expenses. Participating institutions administer the program and provide a percentage of the share of a student's wages. The U.S. Department of Education allocates funding for the program, and the program's purpose is primarily for the benefit of students rather than the institution itself.

It has been brought to our attention that federal work-study students are counted in some cases as employees for purposes of PPP. While the CARES Act defines the term "employee" to include "individuals employed on a full-time, part-time, or other basis," congressional intent is to stabilize small businesses and non-profits in order to incentivize keeping employees on their employers' payroll. This purpose is distinct from that of the federal work-study program, and including those students in the PPP employee count is not congressional intent. In addition, in Section 3505 of the CARES Act, Congress has made special allowances for the federal work-study program during the pandemic, further underscoring congressional intent that federal work-study be treated in this legislation as a distinct category of work.

Please use your statutory authority to ensure that institutions of higher education with less than 500 full time employees can use the resources Congress provided to them to weather the coronavirus pandemic. In our state, many of these institutions are faith-based colleges and universities, and they are vital to the Missouri economy.

We appreciate your expediency and attention to this pressing matter.

Sincere regards,



Roy Blunt
United States Senator



Josh Hawley
United States Senator