

May 5, 2021

President Joseph R. Biden The White House 1600 Pennsylvania, Ave., NW Washington, DC 20500

Dear President Biden,

On behalf of the members of TRSA – The Linen, Uniform and Facility Services Association, I urge you not to extend the \$300 enhanced unemployment benefit which was passed as part of the American Rescue Plan Act of 2021 passed by Congress and signed by you in March.

TRSA companies are both operators and supplier partners who provide essential services to hotel and lodging facilities, restaurants, healthcare facilities, manufacturing industries and government agencies by providing safe and hygienically clean linens and garments. Most of our members are small, independently owned, multigenerational businesses that launder and maintain essential, environmentally friendly reusable textiles. The importance of our industry is recognized by the "essential services" designation by the Cybersecurity and Infrastructure Safety Agency (CISA) and all 50 states.

Prior to the pandemic, the labor market was already competitive within and outside of the industry. Not only were linen, uniform and facility services industry companies competing, they competed with every other industry to fill vacant positions of every level, recognizing the importance of full employment to maintaining a functioning safe work environment. Production capacity was hindered due to the shortage of workforce. Now all industries are competing with the government by way of the enhanced unemployment benefits.

The coronavirus poses unprecedented challenges to this country, and we applaud your efforts to minimize its impact and keep the American people safe. You have taken aggressive steps to promote our public health and provided needed benefits to our nation's workers. However, with the increased amount of the population receiving vaccines and the nation starting to reopen, a full vibrant workforce is necessary to get the county's economy rolling again.

The worker shortage is not just an issue with the linen, uniform and facility services industry. According to the Pew Research Center, from February 2020 to February 2021, a net 2.4 million women and 1.8 million men left the labor force — neither working nor actively looking for work — representing drops of 3.1% and 2.1%, respectively. The decrease in the labor force participation rate for workers overall — from 63.3% to 61.3% — exceeds that seen in the Great Recession and ranks among the largest 12-month declines in the post-World War II era, according to Bureau of Labor Statistics.

Ample economic research shows that more generous unemployment benefits are a disincentive for people to seek or accept work (New York Times, April 16, 2021). An August 2020 study by a collaboration of researchers from the University of Pennsylvania, Federal Reserve Bank and Glassdoor, Inc., found that every 10 percent increase in the jobless benefits a person received correspond to a 3 percent decline in the number of jobs applied to.

Pew explains that a key difference between the two recessions is that job losses in the pandemic have been concentrated in service sectors in which women account for the majority of employment, such as leisure and hospitality and education and health services. More typically, job losses in recessions, including the Great Recession, have centered around goods-producing sectors, such as manufacturing and construction, in which men account for the greater share of employment.

TRSA members see this in the hospitality industry – an industry they serve—as hotel customers report their inability to book reservations due to a shortage of housing staff to clean and prepare rooms. Anecdotally, hotels are only booking up to 40 percent of available rooms because there is not enough staff to clean the property.

Reduced capability to fill hospitality properties has a trickle-down effect on other industries. As you can expect, those that serve restaurants, hotels, and others dependent on travel and gatherings are facing economic headwinds at a time when the economy is getting ready to get going again.

Prior to the pandemic, economically, the linen, uniform and facility services industry were a \$40-billion-dollar industry, responsible for \$19 billion in wages and a \$176 billion impact on the economy. We look forward to being a part of the economic engine again, but without a workforce, we will be unable to do so.

Hospitals and other healthcare facilities are among the industry sectors having great difficulty. Our industry (processes over 90% of the healthcare linens in the United States. It is problematic to ensure linens are hygienically clean and safe when understaffed, as this risk placing healthcare workers and patients at risk.

Again, I urge you and Congress not to extend any type of enhanced unemployment benefits past the September 6, 2021 date as laid out by the American Rescue Plan Act of 2021. Getting workers back to available jobs would give the economy the much-needed boost to keep moving forward.

Respectfully

F/Joseph Bicci President & CEO

TRSA – The Linen, Uniform and Facility Services Industry