

Congress of the United States
Washington, DC 20515

August 17, 2020

Jeffrey Burnett
CEO & President, Labor Finders International Inc.
11426 N Jog Rd
Palm Beach Gardens, FL 33418-1762

Dear Mr. Burnett,

We write regarding the loan your temporary staffing agency received through the Paycheck Protection Program (PPP). As you know, the PPP was created to offer a lifeline to small businesses struggling to survive due to the COVID-19 pandemic. This critical program has helped countless lower- and middle-class Americans retain their jobs during this difficult time. However, as a temporary staffing agency, we are alarmed your company was the recipient for a significant amount of PPP money. While the Small Business Administration's (SBA) database claims your loan helped retain hundreds of jobs, it appears likely this number includes workers that client companies are paying you to employ. If your company is engaging in a "double-dipping" arrangement in which you receive payment from both client companies and the federal government, this would be contrary to the PPP's intended purpose of saving jobs. As such, we write to demand you immediately reimburse the government for any PPP money that did not directly support the intended aims of this program or otherwise provide a more transparent accounting of how your usage of this program directly benefited the workers that you employ.

During this public health crisis, many companies have hired temporary workers through staffing agencies such as yours to alleviate sudden work shortages. These include hospitals seeking additional medical personnel, warehouse workers, and food processing plants. Companies frequently hire temporary workers due to the ease through which they can hire individuals as well as costs they can save on wage and benefit expenses. This is particularly true during recessionary times such as the present one, as employers remain cautious of taking on greater personnel costs. According to the Bureau of Labor Statistics, temporary agency work hours grew almost four times faster than overall work hours following the Great Recession. While many companies are struggling to survive, the temporary staffing industry is uniquely suited to weather these challenging economic conditions.

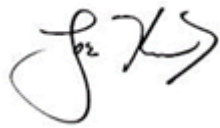
We are alarmed that your staffing agency was the beneficiary of a large PPP loan that claims to have retained hundreds of employees. To understand further, we ask that you respond to the following questions:

1. How many employees does your company currently have that operate as permanent staff? Has this figure changed since January 27, 2020?
2. How many employees does your company currently have that operate as temporary staff and/or operate primarily on contract to another employer? Has this figure changed since January 27, 2020?

3. In applying for the PPP funds, what combination of permanent staff and temporary staff were used in the calculations required for your application?
4. Since receiving the PPP funds, how (if at all) have the funds been used to directly support the continued employment of your temporary staff? Please provide any/all cases in which client firms or temporary staff were directly incentivized to maintain employment arrangements based on your receipt of these funds.
5. If your firm did use temporary staff in calculations to determine PPP eligibility, did you continue to bill client firms directly or indirectly to cover the costs of these employees during this period of time? Please detail any instance of this occurrence, the amounts billed, the date of the billing, and the client billed.
6. For any instances in which your employee's contracts have been cancelled or not extended due to the current COVID-19 pandemic, what steps have you taken to support these workers? In the case of a client firm shutting down operations due to the pandemic, how long would your temporary staff that were contracted to this client continue to receive pay and benefits?

The COVID-19 pandemic has put small businesses across the country under tremendous strain. As we navigate this difficult crisis, it is imperative that programs offering relief satisfy their intended purpose and are reserved for small businesses that truly need them and are using funds to benefit those workers that they employ.

We respectfully request your company's response by August 31, 2020.



Joseph P. Kennedy, III
Member of Congress



Emanuel Cleaver, II
Member of Congress