COVID-19 Update

Presented by
The Franklin Partnership, LLC
Policy Resolution Group at Bracewell
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Agenda

- Where to Find State Mask Orders, Travel Restrictions
- CDC: When to Quarantine, Return to Work
- CDC: Employer Investigations and Cooperating with Health Departments
- CDC Poster: Prevent the Spread when Carpooling to Work
- CDC: How to Communicate with Employees
- CDC: Communicating with Employees about Outside Work Activities
- EPA Approves 13 Cleaning Products as Effective
- MSLF, EIDL, PPP Status Updates
- PPP Forgiveness Guidance Updated
- President COVID Actions
- Status of COVID-19 Legislation
- Questions

Where to Find State Mask Orders (34 State mandates)

Indiana

Statewide order: Yes

Gov. Eric Holcomb's order requiring Hoosiers age 8 and up to mask themselves in most public settings took effect July 27 and will run through at least Aug. 26. It also sets detailed mask requirements for reopening schools, with students in grades 3-12 and all adults required to cover their faces when on school property, until further notice.

Learn more: Read Indiana's mask order.

Ohio

Statewide order: Yes

The state mandate took effect July 23, replacing an alert system in which mask orders were imposed on individual counties deemed to be at high risk for coronavirus spread. Gov. Mike DeWine's directive applies to people age 10 and older when in public indoor spaces and outdoors when unable to maintain 6-foot social distancing.

Learn more: Read a statement from the governor's office announcing the mask order.

Pennsylvania

Statewide order: Yes

Pennsylvania's mask mandate took effect July 1 on orders from state Health Secretary Rachel Levine. It requires most people age 2 and up to cover their faces in public places, indoors and out. It expanded a prior order that made masks mandatory for employees and, where relevant, customers at essential businesses.

Learn more: Read Pennsylvania's mask order.

Where to Find State Travel Orders – Know Before You Go!

Chicago

<u>There are no statewide restrictions</u>, but a 14-day quarantine is required for visitors heading to Chicago from Alabama, Arkansas, Arizona, California, Florida, Georgia, Idaho, Iowa, Kansas, Louisiana, Mississippi, Missouri, Nevada, Nebraska, North Carolina, North Dakota, Oklahoma, Puerto Rico, South Carolina, Tennessee, Texas, and Utah and Wisconsin.

Connecticut

Any traveler coming from a state that has a positive rate of 10 out of 100,000 people or a 10% or higher positivity rate must self-quarantine for 14 days. The traveler must have spent more than 24 hours in said state for the rule to apply. Everyone also needs to complete a travel health form.

Visitors can opt out of the 14-day quarantine if they can provide proof that they have had a negative Covid-19 test in the past 72 hours.

There are currently 34 states on the 10% or higher positivity list.

Massachusetts

<u>Beginning August 1</u>, all visitors and residents must complete a travel form before arriving in Massachusetts (unless they are arriving from a state designated by the Department of Public Health as low risk).

Travelers must "quarantine for 14 days or produce a negative COVID-19 test result that has been administered up to 72 hours prior to your arrival in Massachusetts."

Those waiting on test results need to quarantine until they receive their negative results.

Failure to comply with these directives may result in a \$500 fine.

CDC Guidance – When to Quarantine

Who needs to quarantine?

Anyone who has been in close contact with someone who has COVID-19.

This includes people who previously had COVID-19 and people who have taken a serologic (antibody) test and have antibodies to the virus.

What counts as close contact?

- You were within 6 feet of someone who has COVID-19 for at least 15 minutes
- You provided care at home to someone who is sick with COVID-19
- You had direct physical contact with the person (hugged or kissed them)
- You shared eating or drinking utensils
- They sneezed, coughed, or somehow got respiratory droplets on you

https://www. https://www.cdc.gov/coronavirus/2019-ncov/if-you-are-sick/quarantine.html

Steps to take

Stay home and monitor your health

- Stay home for 14 days after your last contact with a person who has COVID-19
- Watch for fever (100.4°F), cough, shortness of breath, or <u>other symptoms</u> of COVID-19
- If possible, stay away from others, especially people who are at <u>higher risk</u> for getting very sick from COVID-19

CDC Guidance for Employees – Returning to Work

Considerations for returning to work

Are you or someone in your household at <u>increased risk of severe illness</u>? You may need to take extra precautions.

 If you are at increased risk for severe illness, check with your employer to see if there are policies and practices in place to reduce your risk at work, like telework or modified job responsibilities.

Are you the primary caregiver for your child or someone else? If so, here are some things to think about:

- If someone else will be taking care of your child, ask them to review information about <u>caring for children</u>.
- If someone else will be providing care for a household member that is at increased risk of severe illness or needs extra precautions, ask them to review <u>this information</u>.

Are there ways you can minimize the number of people you interact with?

- In addition to any measures your business may have implemented to reduce your risk (e.g., installed barriers), take additional steps to minimize the number of people you interact with.
- Interacting with more *people* raises your risk since some people may have the virus and not know it since they have no symptoms.
- Can you have virtual meetings to limit the number of in-person interactions?
- When interacting with other people, are policies in place for colleagues or customers to wear a <u>mask</u> and to keep 6 feet of space between others?

What's the length of time that you will be interacting with people?

- Spending more time with people who may be infected increases your risk of becoming infected.
- Spending more time with people increases *their risk* of becoming infected if there is any chance that you may already be infected.

https://www.cdc.gov/coronavirus/2019-ncov/daily-life-coping/returning-to-work.html

CDC: Employer Investigations, Contact Tracing

The health department may ask the employer for help in a number of ways, including:

- Ask the employer for help in understanding the risk for transmission in the workplace and identifying exposures and contacts in the workplace
- Rely on the employer to identify workplace contacts
- Conduct workplace contact tracing without directly engaging the employer

What employers can do to assist the health department in the response to COVID-19:

- Establish a COVID-19 coordinator or team
- Create and implement a preparedness, response, and control plan
- Collect information about the workplace
- Support employees and conduct workplace hazard evaluation and prevention activities
- Communicate with employees

CDC Prevent the Spread When Carpooling



https://www.cdc.gov/coronavirus/2019-ncov/downloads/community/organizations/carpooling-fs.pdf?deliveryName=USCDC_10_4-DM34769

CDC Communicating with Employees

Worksite television monitors

- Employers can use existing videos on a variety of COVID-19 health topics, some of which are available in multiple languages (Section 3).
- To further capture employees' attention, employers can develop their own videos. The videos should be in languages commonly spoken by employees and could feature employees who speak these language(s).
 - o Transcripts for various health topics are already developed and available (Section 3).
- Content should rotate frequently to attract and maintain employees' attention.

Social media

- Employers should consider using or developing a closed/private, company-only Facebook, Twitter, WhatsApp, or other social media page and encourage employees to follow it online.
- Routine postings that reinforce health information and infection prevention behaviors can be shared on social media.
- Employers may wish to develop their own messages, or they can use existing relevant prevention messages tailored to social media that have already been developed by CDC (Section 3).

Company text messaging programs

- Employers with a text messaging program can send workers brief text messages, which are automatically translated to preferred languages, to reinforce prevention measures and remind employees about company policies and benefits.
- Urgent messages can be sent rapidly using the same mechanism, as needed.

https://www.cdc.gov/coronavirus/2019-ncov/community/communication-plan.html?deliveryName=USCDC 10 4-DM34769

CDC: Message to Employees on Outside of Work Activities

"Prevention practices outside of work" messages

- Stay home as much as possible and avoid travel.
- Avoid large gatherings, as defined by your local or state health department.
- Keep at least 6 feet between yourself and other people when in public and in shared spaces within employer-provided congregate housing.
- Some people may be able to spread the virus even if they don't have signs and symptoms.
- The virus can live on different surfaces. If you touch something that has the virus on it, and then touch your face (eyes, nose, or mouth), you might become sick.
- Wash your hands with soap and water often, for at least 20 seconds.
- When using hand sanitizer, rub it all over your hands and fingers until your hands are dry. This should take around 20 seconds.
- Clean and disinfect frequently touched surfaces at home like tables, doorknobs, light switches, countertops, handles, desks, phones, televisions, toilets, faucets, sinks, and computers.

EPA Approves 13 Products As Effective

EPA Approves 13 Products from List N as Effective Against SARS-CoV-2

EPA continues to provide consumers with disinfectant options, scientific research

WASHINGTON (July 30, 2020) — Today, the U.S. Environmental Protection Agency (EPA) announced that 13 products on <u>List N</u>, EPA's list of products expected to kill SARS-CoV-2, have completed laboratory testing for use specifically against SARS-CoV-2, the novel coronavirus that causes COVID-19.

"As part of President Trump's all-of-government approach to fighting the spread of COVID-19, EPA is continuing its efforts to approve products that have specifically been tested against SARS-CoV-2," **said EPA Administrator Andrew Wheeler.** "Each of these products already appears on the agency's list of approved disinfectants—this additional step provides critical scientific data and information on the tools that the American public are relying on to protect their families."

Before pesticide products can legally make claims that they can kill a particular pathogen such as SARS-CoV-2, the claim must be authorized by EPA based on a review of data. Because novel viruses are typically not immediately available for laboratory testing, EPA established guidance for Emerging Viral Pathogens.

The specific products approved include 12 unique products from the manufacturer Lonza and one additional Lysol product from Reckitt Benckiser. While these products were already on List N, they now carry additional weight against the virus that causes COVID-19 based on testing performed by the manufacturer and confirmed by EPA. The total number of products in this category is now 15.

Additionally, EPA continues to add products to <u>List N</u> that are expected to kill SARS-CoV-2, based on past efficacy testing. There are 469 approved products currently on List N. Those looking for approved disinfectant products should refer to List N for regular updates.

When using an EPA-registered disinfectant, follow the label directions for safe, effective use. Make sure to follow the contact time, which is the amount of time the surface should be visibly wet.

For more information visit: https://www.epa.gov/pesticide-registration/list-n-disinfectants-use-against-sars-cov-2-covid-19.

Main Street Lending Facility

"By any measure, the <u>Main Street program</u> has been a failure," <u>Bharat Ramamurti</u>, a member of the <u>Congressional Oversight</u> <u>Commission</u>, said at the group's first-ever hearing on Friday.

Since it came fully online about a month ago, the program has hardly been used, supporting <u>less than</u> \$200 million in loans. While more are in the pipeline, the program's lending remains a tiny fraction of its \$600 billion capacity.

Mr. Rosengren's central bank branch is running the initiative. He said that while about \$100 million in loans had been settled as of Tuesday, the number had increased to \$189 million by Thursday night and that more than \$600 million in total were somewhere in the process.

EIDL Status

July 27, 2020

SBA Disaster Assistance Update Nationwide EIDL Loans / COVID-19

Loans Approved

2,985,286

Dollars Approved \$163,818,412,028

- EIDL grant portion out of money no more grants
- Loans still available but the \$10,000 grant is closed

PPP Loan Application Period Closed Aug. 8

Summary of PPP Approved Lending

Summary of cumulative Paycheck Protection Program data as of 5:00 PM EDT on Aug 6, 2020.

Approved Loans	Approved Dollars	Average Loan Size	# of Participating Lenders
5,158,938	\$523,421,099,011	\$101,459	5,461

Industry by NAICS Sector

NAICS Sector Description	Loan Count	Net Dollars	% of Amount		
Health Care and Social Assistance	522,900	\$67,308,168,304	12.91%		
Professional, Scientific, and Technical Services	664,941	\$66,431,416,001	12.74%		
Construction	484,806	\$64,697,933.772	12.41%		
Manufacturing	234,948	\$53,922,171,696	10.34%		

Amount of Funding Remaining

\$128,230,770,853

PPP New FAQ: Health Care Includes Dental, Vision

51. Question: Do payments required for the provision of group health care benefits, including insurance premiums, include vision and dental benefits?

Answer: Yes.²⁶

PPP Forgiveness Calculations: New FAQ

3. Question: If a borrower submits a timely loan forgiveness application, does the borrower have to make any payments on its loan prior to SBA remitting the forgiveness amount, if any?

Answer: As long as a borrower submits its loan forgiveness application within ten months of the completion of the Covered Period (as defined below), the borrower is not required to make any payments until the forgiveness amount is remitted to the lender by SBA. If the loan is fully forgiven, the borrower is not responsible for any payments. If only a portion of the loan is forgiven, or if the forgiveness application is denied, any remaining balance due on the loan must be repaid by the borrower on or before the maturity date of the loan. Interest accrues during the time between the disbursement of the loan and SBA remittance of the forgiveness amount. The borrower is responsible for paying the accrued interest on any amount of the loan that is not forgiven. The lender is responsible for notifying the borrower of remittance by SBA of the loan forgiveness amount (or that SBA determined that no amount of the loan is eligible for forgiveness) and the date on which the borrower's first payment is due, if applicable.

PPP Forgiveness Calculations: Wage Reduction

Example 3: An employee earned a wage of \$20 per hour between January 1, 2020 and March 31, 2020 and worked 40 hours per week. During the Covered Period, the employee's wage was not changed, but his or her hours were reduced to 25 hours per week. In this case, the salary/hourly wage reduction for that employee is zero, because the hourly wage was unchanged. As a result, the borrower would enter \$0 in the Salary/Hourly Wage Reduction column for that employee on the PPP Schedule A Worksheet, Table 1. The employee's reduction in hours would be taken into account in the borrower's calculation of its FTE during the Covered Period, which is calculated separately and may result in a reduction of the borrower's loan forgiveness amount.

5. **Question:** For purposes of calculating the loan forgiveness reduction required for salary/hourly wage reductions in excess of 25% for certain employees, are all forms of compensation included or only salaries and wages?

Answer: For purposes of calculating reductions in the loan forgiveness amount, the borrower should only take into account decreases in salaries or wages.

SBA Interim Final Rule: Forgiveness Decision Appeals

August 11, 2020

Appeal petition information required:

- 1) Evidence that the appeal is timely filed;
- 2) A copy of the SBA loan review decision being appealed, or a description of that decision if a copy is unavailable;
- 3) A full and specific statement as to why the SBA loan review decision is alleged to be erroneous, together with all factual information and legal arguments supporting the allegations;
- 4) The relief being sought;
- 5) Signed copies of payroll tax filings reported IRS, and State quarterly business and individual employee wage reporting and unemployment insurance tax filings actually reported if not provided with the PPP Loan Forgiveness Application;
- 6) Signed copies of applicable federal tax returns actually filed with the IRS with appropriate schedules documenting income for self-employed individuals or partners in a partnership, if not provided with the PPP Borrower Application Form
- 7) The name, address, telephone number, email address and signature of the appellant or its attorney.

https://home.treasury.gov/system/files/136/PPP-IFR-Appeals-of-SBA-Loan-Review-Decisions-Under-the-PPP.pdf

PPP: Cannot Appeal if SBA Remits Forgiveness Amount

this subpart L. Because a PPP borrower must begin making payments of principal and interest on the remaining balance of its PPP loan at the end of the loan payment deferral period or when SBA remits the loan forgiveness amount to the PPP lender (or notifies the lender that no loan forgiveness is allowed), an appeal by a PPP borrower of any SBA loan review decision does not extend the deferral period of the PPP loan. Additionally, if SBA remits to the lender the PPP loan forgiveness amount set forth in the decision issued by the lender to SBA (except for the deduction of any Economic Injury Disaster Loan advance), the borrower may not file an appeal with OHA, and the borrower must begin repayment of any remaining balance of its PPP loan.

President's COVID 3 Memoranda; 1 Executive Order

- Memorandum: Delays payroll tax collection for those making under \$104,000
 - Trump instructs the U.S. Treasury to halt collection of payroll taxes from Sept. 1 through Dec. 31 for workers who earn less than \$4,000 every two weeks (that's people earning under about \$104,000 a year). Will still need to pay the tax unless Congress passes a full tax holiday, not deferral. **BE VERY CAREFUL IF YOU IMPLEMENT THIS**
- Memorandum: on Unemployment aid
 - Memo calls for federal aid to restart at a level of \$400 a week, with the federal government paying for \$300 and states the other \$100. Many concerned governors won't sign on to do this and legal questions over diverting natural disaster relief funds
- Executive Order: Top officials can 'consider' halting evictions
 - Memo calls for Health and Human Services Secretary Alex Azar and Centers for Disease Control and Prevention Director Robert Redfield to "consider" whether an eviction ban is needed.
- Memorandum: Student loan payments are deferred until Dec. 31
 - memo waives all interest on student loans held by the federal government through the end of 2020 and allows people to delay payments until Dec. 31.

COVID Phase 4 – Legislative Differences

- White House Chief of Staff holding line on spending level below \$2 trillion
- Congressional Democrats willing to lower \$3.4 trillion offer
- Disagreement over whether school funding should come from state allocations
- Democrats want employer liability protection proposal narrowed
- Eviction moratorium and/or renter assistance
- Expanded Federal Unemployment Assistance
 - Democrats want extension to December 21 of \$600 federal supplement
 - Congressional Republicans support incentives to return to a job
 - White House Executive Memorandum at \$400 indication of potential compromise

COVID Phase 4 — The Timing of a Bill

- No movement likely until after Democratic, GOP "conventions"
- White House believes they have bought time with Executive actions
 - If unemployed do not receive promised expanded funds, political pressure likely increases
 - White House trying to put Democrats on defensive
 - o Democrats saying Executive actions not enough, state Trump is raiding social security for tax cuts
- Senate GOP thinks a strong next jobs report will support position for smaller bill
- Some believe September 30 is next deadline for Congress to act
 - Highway bill, government funding expires September 30, 11:59 PM Eastern
- Both sides playing political chicken while American people, businesses wait
 - Who will blink first? Who can tolerate the most "political pressure"?
 - Trump re-election considerations vs. McConnell efforts to hold moderate GOP Senate seats
 - Does Trump think he benefits politically more from a big sweeping deal or by blaming Democrats?

Media Request

Are you a One Voice member who has benefitted from a regulatory reform effort undertaken by the Trump Administration?

For example, have you secured approval of a permit that was previously held up?

The WSJ wants to talk to you!

Contact: paul.nathanson@bracewell.com

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