

Washington, D.C. Update: Public Policy and COVID Developments

Prepared by
The Franklin Partnership, LLC
Policy Resolution Group at Bracewell
March 25, 2022



Your Team in Washington, D.C.



Lobbying Firm – The Franklin Partnership, LLC

- Bi-partisan Washington, D.C.-based government relations firm
- Representing manufacturing industry since 2002
- Clients include: manufacturing associations, defense contractors, hospitals, cities



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- Promote NTMA and PMA in print, digital and other media
- Support Franklin Partnership government relations efforts by designing and implementing coordinated strategic communications strategy
- Representing metalworking industry since 2003

Nothing contained in here shall be deemed legal or financial advice.

Contents

- Federal Agency Update: CDC, EEOC, SBA
- Supply Chains and Workforce Disruptions
- Tariffs, Trade, and Supply Chains Legislation on Capitol Hill

All information presented as of March 24, 2022

NTMA and PMA Endorsements Sought on Capitol Hill

— MARCH 17, 2022

Bipartisan, Bicameral Made in America Manufacturing Bill Introduced by Senator Collins, Colleagues

The bill is endorsed by the American Small Manufacturers Coalition, National Association of Development Organizations, National Association of Counties, Information Technology & Innovation Foundation, **National Tooling and Machining Association**, North American Die Casting Association, Precision Machined Products Association, **Precision Metalforming Association**, and the National Skills Coalition


Cicilline, Local Business Leaders Highlight Importance of Rhode Island Manufacturing Sector


The Made in America Manufacturing Communities Act is endorsed by: American Small Manufacturers Coalition, National Association of Development Organizations, National Association of Counties, Information Technology & Innovation Foundation, **National Tooling and Machining Association**, North American Die Casting Association, Precision Machined Products Association, **Precision Metalforming Association**, National Skills Coalition, Rhode Island School of Design, Rhode Island Textile Innovation Network, 401 Tech Bridge, Polaris MEP, and the Rhode Island Manufacturers Association.

####

Federal Agency Actions

CDC When to Quarantine Calculator Released

 **When to Quarantine or Isolate** Restart X




COVID-19 QUARANTINE AND ISOLATION CALCULATOR

People who have been in close contact with someone with COVID-19 or have COVID-19 can use this tool to determine if they need to isolate, quarantine, or take other steps to prevent spreading COVID-19. The calculator does not apply to certain groups and high-risk settings.

[What is the purpose of this tool?](#)

[What groups and high-risk settings does this tool NOT apply to?](#)

[What do I need to use this tool?](#)




Select the option that best describes you:

Tested positive for COVID-19 or have symptoms

Had close contact with someone with COVID-19

Had close contact with someone with COVID-19 You




Did you have confirmed COVID-19 within the past 90 days?

Confirmed COVID-19 within the past 90 days means you tested positive using a viral test between: **December 22, 2021** and **March 22, 2022**

Yes. I had confirmed COVID-19 within the past 90 days


No. I did not have confirmed COVID-19 within the past 90 days.



Enter date you last came into close contact with someone with COVID-19 (mm/dd/yyyy).

03/08/2022

Submit



Should I stay home?

No, you **do not** need to stay home **unless** you develop symptoms.

But, you should **wear a well-fitting mask** around other people through **March 18, 2022**.

More Information: More Messages

<https://www.cdc.gov/coronavirus/2019-ncov/your-health/quarantine-isolation.html#> March 22, 2022

New Guidance on Access to Federal Facilities

UPDATED Q: Should agencies require documentation from visitors to verify their attestation of vaccination status?

A: When the [COVID-19 Community Level](#) is MEDIUM or HIGH in a county where a Federal facility is located, visitors to that facility (except those visitors seeking a public benefit or service, who do not need to attest to or otherwise document vaccination status) should attest to their vaccination status using the [Certification of Vaccination form](#), but agencies should not ask those visitors for documentation to verify their attestation.

<https://www.saferfederalworkforce.gov/faq/visitors/>

NEW Q: Should visitors to Federal facilities provide proof of a negative COVID-19 test?

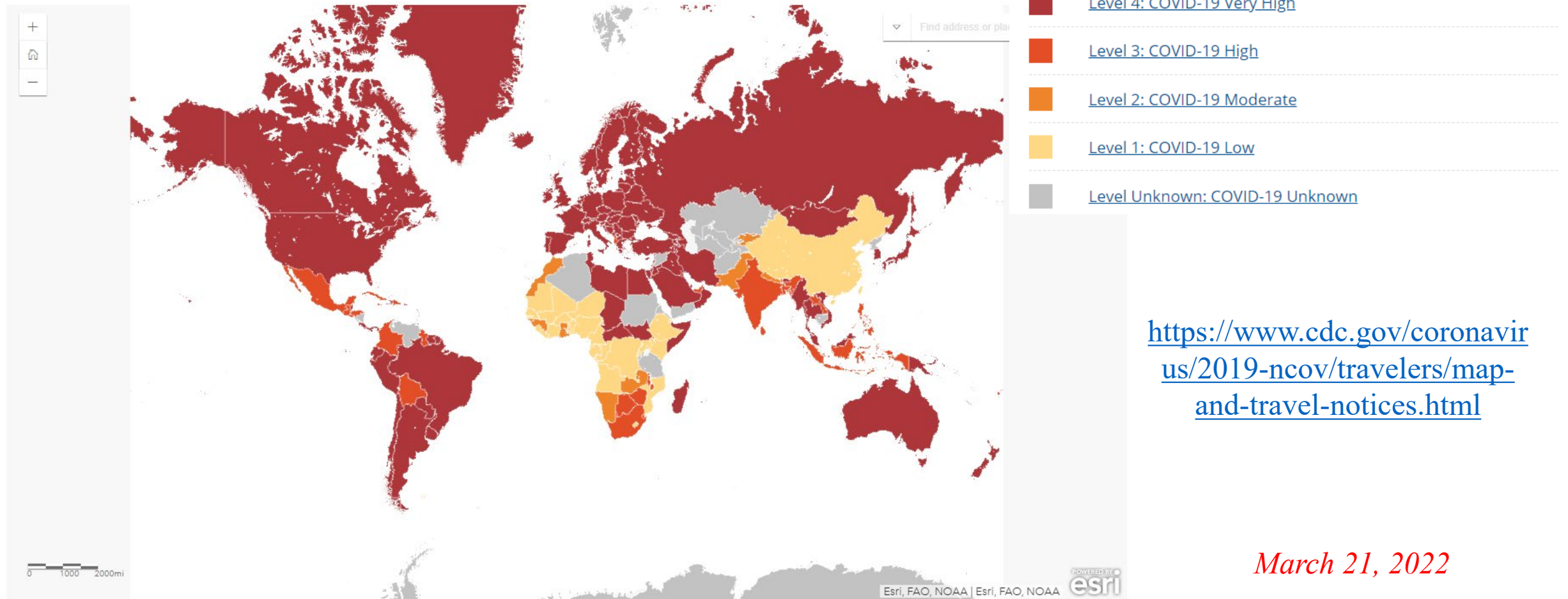
A: When the [COVID-19 Community Level](#) is MEDIUM or HIGH in a county where a Federal facility is located, visitors who are not fully vaccinated or who decline to provide information about their vaccination status should be able to provide proof of a negative COVID-19 test from within the previous 3 days when in that facility. At GSA-controlled facilities, it is the responsibility of the occupant agency associated with the visitor to ensure that individuals accessing the facility have the appropriate documentation given their COVID-19 vaccination status.

Recommendations Could Define Local/Company Policies

COVID-19 Travel Recommendations by Destination

Updated Mar. 21, 2022, 02:00 PM Languages ▾ Print

< [Return to Travel](#)



Government Helping Find Free N95 Respirators

Find Free Masks (N95 Respirators)

Updated Mar. 16, 2022 Languages ▼ Print

This tool shows a list of pharmacies that provide free masks (N95 respirators). It **does not show their current inventory**. Please check with the location for availability.

Need help finding free masks in the U.S.? Call 1-800-232-0233 (TTY 1-888-720-7489)

Find Free Masks

Powered by **VaccineFinder**

5-digit Zip Code

Zip Code

Search for Free Masks



<https://www.cdc.gov/coronavirus/2019-ncov/your-health/free-masks.html>

EEOC COVID FAQ: Caregivers/Family Responsibilities

I.1. If an employer provides telework, modified schedules, or other benefits to employees with school-age children due to school closures or distance learning during the pandemic, are there sex discrimination considerations? (3/14/22)

I.2. How might unlawful caregiver discrimination related to the COVID-19 pandemic arise under the laws enforced by the EEOC? (3/14/22)

I.3. Are these legal protections available only to workers caring for children, or are they also available to workers with other caregiving obligations? (3/14/22)

I.4. Should employers and employees be aware of any other pandemic-related caregiver discrimination issues? (3/14/22)

L.1. Do employees who have a religious objection to receiving a COVID-19 vaccination need to tell their employer? If so, is there specific language that must be used under Title VII? (3/1/22)



<https://www.eeoc.gov/ysk/what-you-should-know-about-covid-19-and-ada-rehabilitation-act-and-other-eeo-laws>

EEOC COVID FAQ: Religious Objections

L.1. Do employees who have a religious objection to receiving a COVID-19 vaccination need to tell their employer? If so, is there specific language that must be used under Title VII? (3/1/22)

L.2. Does an employer have to accept an employee's assertion of a religious objection to a COVID-19 vaccination at face value? May the employer ask for additional information? (3/1/22)

L.3. How does an employer show that it would be an "undue hardship" to accommodate an employee's request for religious accommodation? (3/1/22)

L.4. If an employer grants some employees a religious accommodation from a COVID-19 vaccination requirement because of sincerely held religious beliefs, practices, or observances, does it have to grant all such requests? (3/1/22)

L.5. Must an employer provide the religious accommodation preferred by an employee if there are other possible accommodations that also are effective in eliminating the religious conflict and do not cause an undue hardship under Title VII? (3/1/22)

L.6. If an employer grants a religious accommodation to an employee, can the employer later reconsider it? (3/1/22)



<https://www.eeoc.gov/ysk/what-you-should-know-about-covid-19-and-ada-rehabilitation-act-and-other-eeo-laws>

EIDL Deferment Extended from 24 to 30 Months

- This deferment extension is effective for all COVID-EIDL Loans approved in calendar years 2020, 2021, and 2022. Loans now have a total deferment of 30 months from the date of the Note. Interest will continue to accrue on the loans during the deferment.
- Borrowers may make partial or full payments during the deferment period but are not required to. The SBA recommends using www.pay.gov.
- The SBA will not send monthly SBA Form 1201 payment notices; however, the SBA will send regular payment reminders via email.
- Existing COVID EIDL Borrowers can find account balances and payment due dates in the SBA Capital Access Financial System (CAFS) and learn how to set up an account in the CAFS system by logging in at [Capital Access Financial System \(sba.gov\)](https://www.sba.gov/capital-access-financial-system).
- Deferments may result in balloon payments. The deferment will not stop any established Preauthorized Debit (PAD) or recurring payments on the loan. COVID-EIDL Borrowers with an SBA established PAD must contact their SBA servicing center to stop recurring payments during the extended deferment period. COVID-EIDL Borrowers who have established a PAD through Pay.Gov or any other bill pay service are responsible for terminating recurring payments during the extended deferment period.
- After the deferment period ends, COVID-EIDL Borrowers will be required to make regular principal and interest payments beginning 30 months from the date of the Note.

https://www.sba.gov/article/2022/mar/15/sba-administrator-guzman-announces-key-policy-change-existing-covid-economic-injury-disaster-loan?utm_medium=email&utm_source=govdelivery

Construction: Changes to Davis-Bacon Prevailing Wage

The Department also proposes changes, in § 1.2, to the definition of “prevailing wage,” and, in § 1.7, to the scope of data considered to identify the prevailing wage in a given area. To address the overuse of weighted average rates, the Department proposes to return to the definition of “prevailing wage” in § 1.2 that it used from 1935 to 1983.^[13] Currently, a single wage rate may be identified as prevailing in the area only if it is paid to a majority of workers in a classification on the wage survey; otherwise a weighted average is used. The Department proposes to return instead to the “three-step” method that was in effect before 1983. Under that method (also known as the 30-percent rule), in the absence of a wage rate paid to a majority of workers in a particular classification, a wage rate will be considered prevailing if it is paid to at least 30 percent of such workers. The Department also proposes to return to a prior policy on another change made during the 1981-1982 rulemaking related to the delineation of wage survey data submitted for “metropolitan” or “rural” counties in § 1.7(b). Through this

<https://www.federalregister.gov/documents/2022/03/18/2022-05346/updating-the-davis-bacon-and-related-acts-regulations>

White House Reviewing Passenger Vehicle CAFE Rule

EPA Restores California’s Authority to Enforce Greenhouse Gas Emission Standards for Cars and Light Trucks

March 9, 2022

View Rule

[View EO 12866 Meetings](#)

[Printer-Friendly Version](#)

[Download RIN Data in XML](#)

DOT/NHTSA

RIN: 2127-AM34

Publication ID: Fall 2021

Title: ⁺Passenger Car and Light Truck Corporate Average Fuel Economy Standards

Abstract:

This rulemaking would reconsider Corporate Average Fuel Economy (CAFE) standards for passenger cars and light trucks that were established in the agency's April 30, 2020 final rule. This rulemaking would respond to requirements of the Energy Independence and Security Act of 2007 (EISA), title 1, subtitle A, section 102, as it amends 49 USC 32902. The statute requires that corporate average fuel economy standards be prescribed separately for passenger automobiles and non-passenger automobiles. For model years 2021 to 2030, the average fuel economy required to be attained by each fleet of passenger and non-passenger automobiles shall be the maximum feasible for each model year. The law requires the standards be set at least 18 months prior to the start of the model year.

Supply Chain and Workforce Disruptions

China Starting to Relax Zero COVID Policy

Ripple Effects

China lockdowns hit output for Toyota, VW to Apple suppliers

Company/Entity	Disruption
→ Toyota	Plant halted in Changchun in Jilin province
Foxconn	iPhone production suspended at Shenzhen sites
→ Volkswagen	Operations halted at three plants in Changchun
→ BYD	Some production impacted at Shenzhen campus
→ Unimicron	Output suspended at circuit-board maker's Shenzhen unit
Shenzhen Liantang Port	Freight connection with Hong Kong suspended

Source: Bloomberg

Bloomberg 

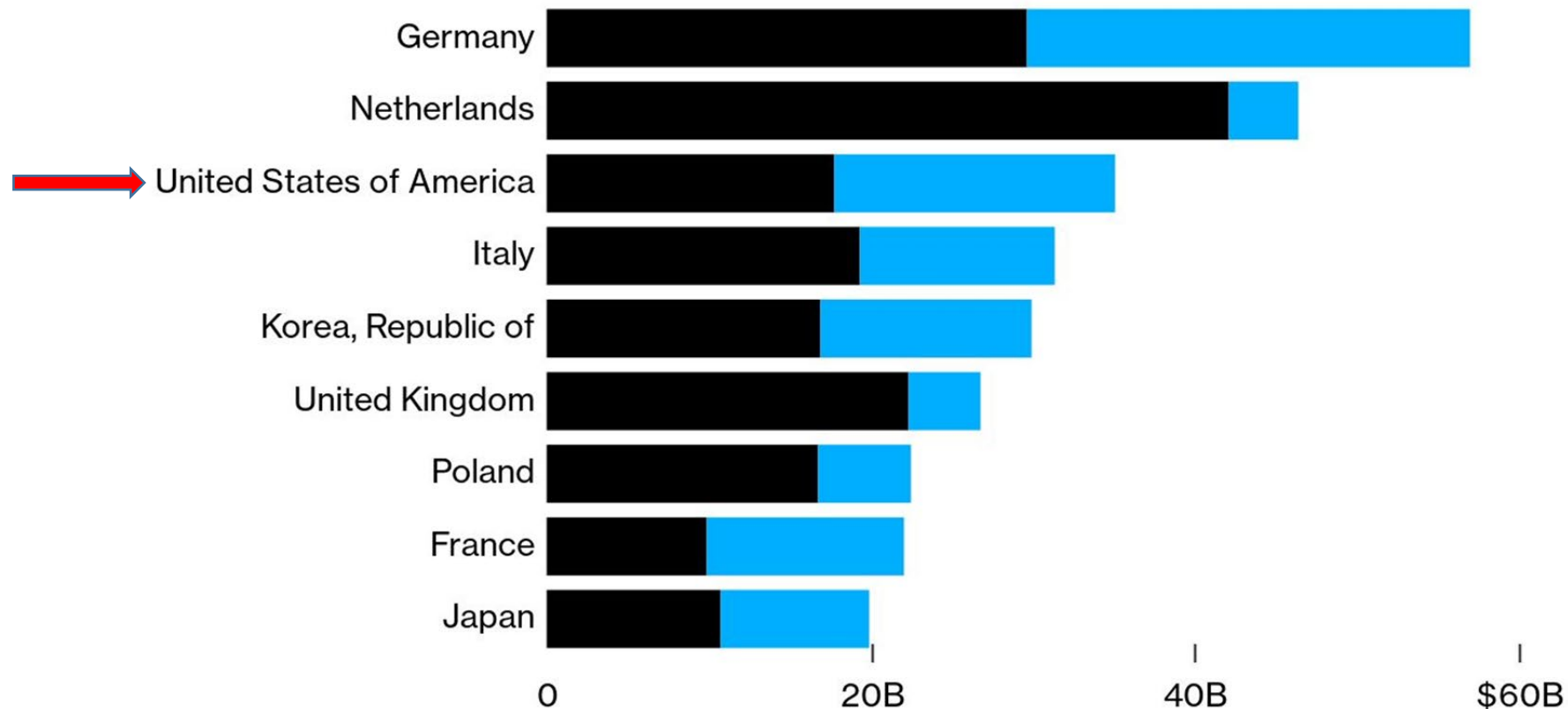
U.S. Imports Little from Russia

Charted Territory

Russian Trade Exposure

EU, G-7 nations deny Russia most-favored-nation rights

■ Imports from Russia ■ Exports to Russia

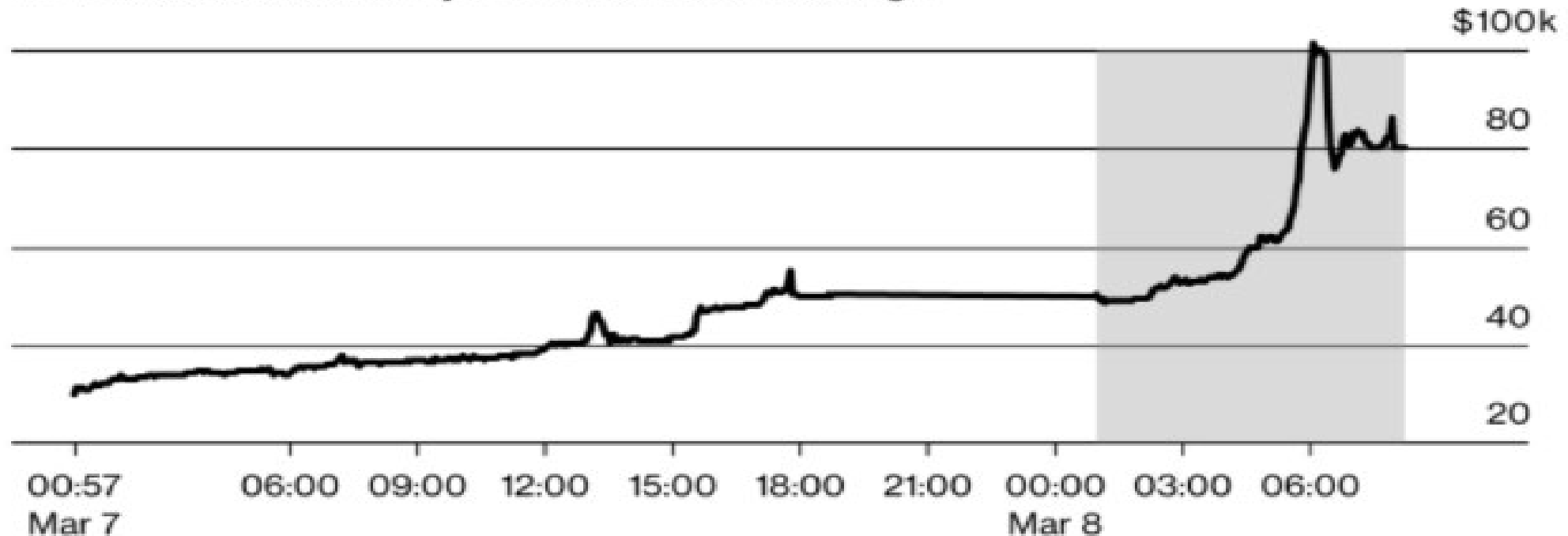


Nickel Price Spiked 250% in 24 hours

Nickel

Price per metric ton

▣ Trades later canceled by the London Metal Exchange



Source: Compiled by Bloomberg

https://www.mining.com/web/the-18-minutes-of-trading-chaos-that-broke-the-nickel-market/?utm_source=newsletter&utm_medium=email&utm_campaign=newsletter_axiosmarkets&stream=business

Half of Airbus Titanium Comes from Russia; 1/3 for Boeing

TITANIUM AND TITANIUM DIOXIDE¹

(Data in metric tons unless otherwise noted)

Domestic Production and Use: Titanium sponge metal was produced by one operation in Utah. Production data were withheld to avoid disclosing company proprietary data. The facility in Salt Lake City, UT, with an estimated capacity of 500 tons per year, produced titanium that was further refined for use in electronics. A second sponge facility in Henderson, NV, with an estimated capacity of 12,600 tons per year, was idled since 2020 owing to market conditions. A third facility, in Rowley, UT, with an estimated capacity of 10,900 tons per year, has remained on care-and-maintenance status since 2016.

Although detailed 2021 consumption data were withheld to avoid disclosing proprietary data, the majority of titanium metal was used in aerospace applications, and the remainder was used in armor, chemical processing, marine hardware, medical implants, power generation, consumer, and other applications. The value of imported sponge was about \$140 million, a significant decrease compared with \$173 million in 2020.

In 2021, titanium dioxide (TiO₂) pigment production, by four companies operating five facilities in four States, was valued at about \$3.2 billion. The estimated end-use distribution of TiO₂ pigment consumption was paints (including lacquers and varnishes), 60%; plastics, 20%; paper, 5%; and other, 15%. Other uses of TiO₂ included catalysts, ceramics, coated fabrics and textiles, floor coverings, printing ink, and roofing granules.

Import Sources (2017–20): Sponge metal: Japan, 88%; Kazakhstan, 8%; Ukraine, 3%; and other, 1%. Titanium dioxide pigment: Canada, 40%; China, 19%; Germany, 9%; Belgium, 5%; and other, 27%.

<https://pubs.usgs.gov/periodicals/mcs2022/mcs2022-titanium.pdf>

Inputs for Plastics Continue to Face Price Increases

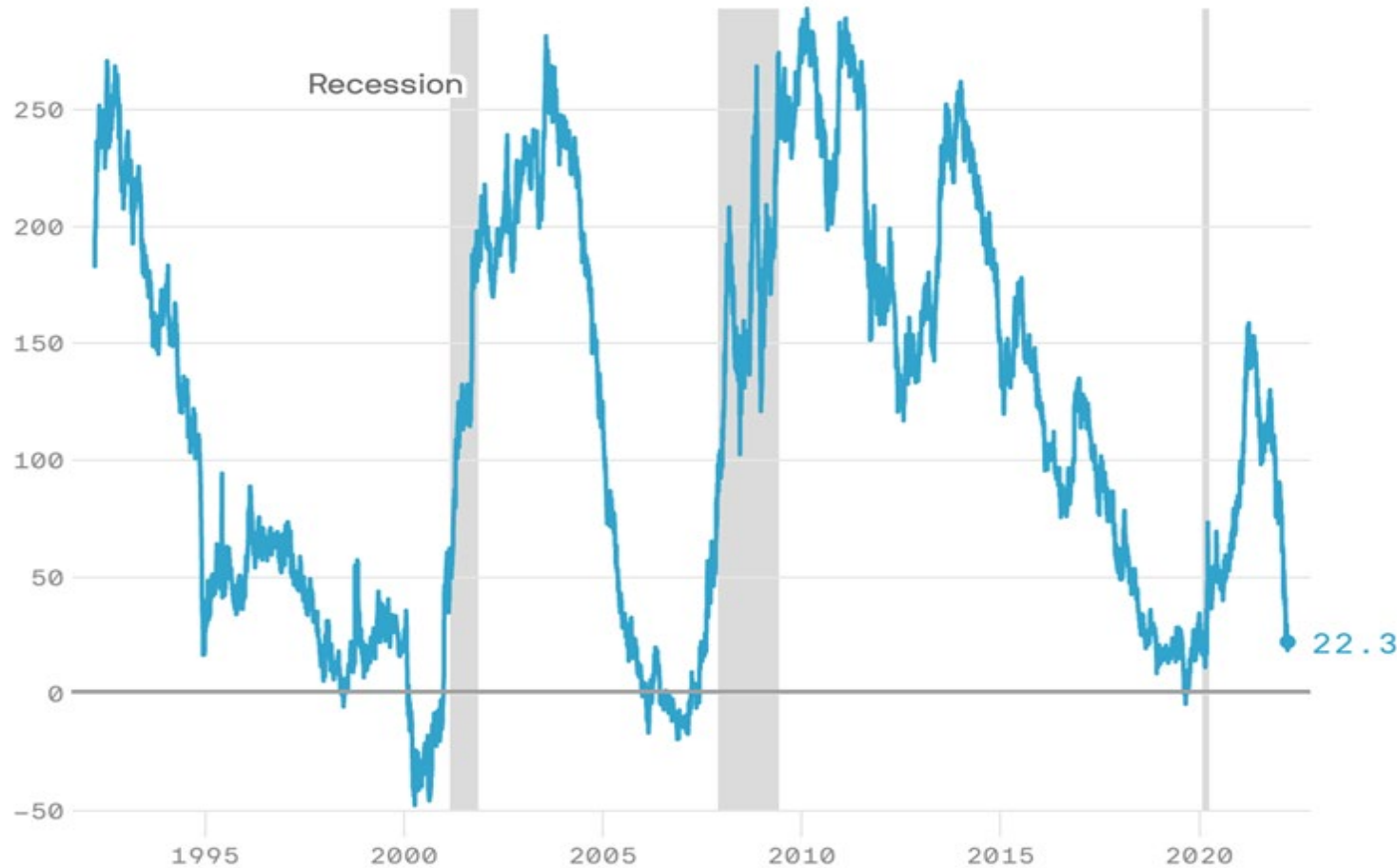
Material	Increase
Acrylic	5%
PA6	22%
PA66	15%
PA6G	25 ~ 27%
PC	10%
PE 1000 UHMW	10%
PE 500 HMW	12 ~ 14%
PE 300 HDPE	5 ~ 11%
PEEK	3%
POMC	9%
PP	6 ~ 10%
PPSU	5%
PTFE	8%
PVC	6 ~ 12%

Price increases as of April 4, 2022

Potential for Inverted Yield Curve

Yield gap on 2-year and 10-year Treasuries

In basis points; Daily; March 24, 1992, to March 22, 2022



Data: FactSet; Chart: Baidi Wang/Axios

- 10-year treasury only .22% above 2-year
- Inverted yield curves preceded 8 out of 10 last recessions
- Health Economy = Yields (interest rates investors are paid) on gov't bonds should be higher on long term treasuries

Jan. 2022: 855,000 Mfg Job Openings

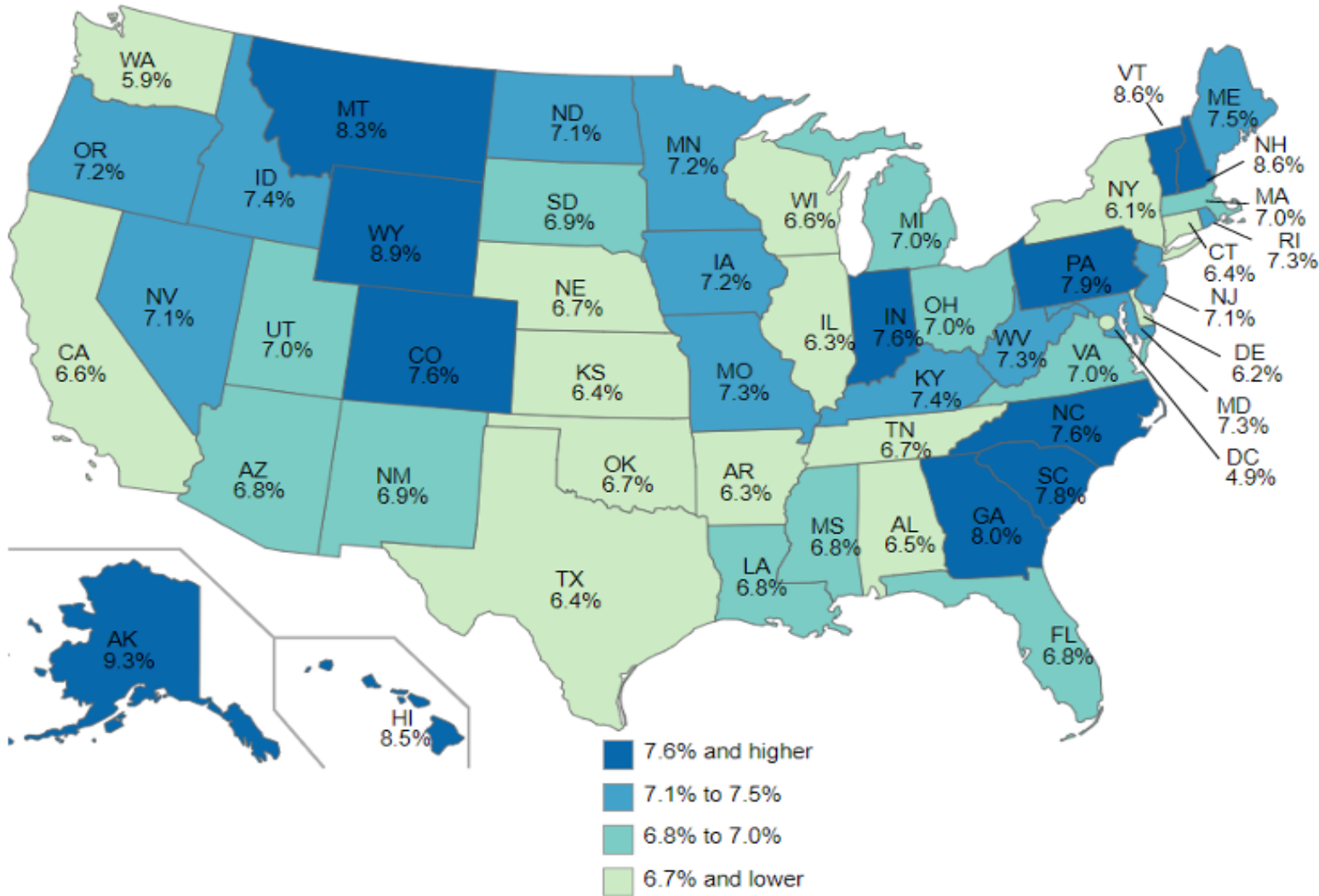
Table A. Job openings, hires, and total separations by industry, seasonally adjusted

Category	Job openings			Hires			Total separations		
	Jan. 2021	Dec. 2021	Jan. 2022 ^P	Jan. 2021	Dec. 2021	Jan. 2022 ^P	Jan. 2021	Dec. 2021	Jan. 2022 ^P
LEVELS BY INDUSTRY (in thousands)									
Total.....	7,232	11,448	11,263	5,719	6,450	6,457	5,172	6,042	6,058
Total private.....	6,487	10,343	10,234	5,335	6,062	6,059	4,887	5,648	5,687
Mining and logging.....	20	34	25	14	20	17	20	17	21
Construction.....	299	359	380	351	361	298	340	329	305
Manufacturing.....	522	746	855	353	457	483	368	434	476
<u>Durable goods</u>	295	422	507	198	258	267	217	244	266
Nondurable goods.....	227	324	349	155	199	216	151	190	211
Trade, transportation, and utilities.....	1,381	1,942	1,834	1,255	1,377	1,411	1,129	1,330	1,341
Wholesale trade.....	188	295	309	154	170	174	143	142	163
Retail trade.....	811	1,036	1,046	790	901	923	720	916	889
Transportation, warehousing, and utilities.....	382	611	479	311	306	314	266	272	289

Job Openings Remain a Challenge

Map 1. Job openings rates by state, seasonally adjusted, December 2021

Total U.S. job openings rate = 6.8%



Tariffs, Trade, and Supply Chains

Legislation on Capitol Hill

U.S. China, Supply Chain Bill Moves to Conference

- Bipartisan Innovation Act is new term for USICA/America COMPETES bills
- March 23, 2022: Senate proceeded to move by a 66-31 vote on House bill
- House and Senate must reconcile differences in bills both chambers passed
- Senate intends to form conference by end of March
- First Conference Committee meetings in April to negotiate final bill
- Efforts to include JOBS Act, College Transparency Act continue
- House GOP wants to include domestic energy provisions
- House includes provisions for domestic tooling, forming, casting, machining

USTR Grants 352 China 301 Tariff Exclusions

- Exclusion temporarily suspends 25% or 7.5% tariffs on particular import
- Exclusions apply to goods entered for consumption, or withdrawn from warehouse for consumption, on or after 12:01AM Eastern time on October 12, 2021, and before 11:59PM Eastern time on December 31, 2022
- The reinstated exclusions are available for any product that meets the description in the product exclusion
- U.S. Customs and Border Protection will issue instructions on entry guidance and implementation
- Air purification equipment; aluminum valve bodies; steel push pins; AC and DC motors; printed circuit board assemblies; x-ray tables; crab meat; woven fabric; bicycles; metal chair frames; foldable tables; blankets

<https://ustr.gov/sites/default/files/notices/FRN%20for%20Notice%20of%20Reinstatement.pdf>

61 EU Steel, Aluminum Categories FILLED (Tariffs Apply)

Commodity Status Report

Document Posting Date: March 7, 2022

The Commodity Graph Report is normally posted the first business day of every week. The current report and the 5 previous reports are on file for your review and reference.

Return to [Quota Enforcement and Administration](#)

Return to [Commodity Graph Reports and Tariff Preference Levels](#)

Last modified: March 22, 2022

Tags: [Trade](#)

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Commodity Status Report

[Quota Status Report MAR 22 2022](#) 



[Quota Status Report MAR 14 2022](#) 

[Quota Status Report MAR 7 2022](#) 

[Quota Status Report FEB 28 2022](#) 

[Quota Status Report FEB 22 2022](#) 

[Quota Status Report FEB 14 2022](#) 

<https://www.cbp.gov/document/report/commodity-status-report>

U.S. Replaces UK Steel, Aluminum Tariffs with TRQs

- Deal reached on March 22, 2022 between U.S. and UK
- Steel and Aluminum Tariff Rate Quota system takes effect June 1, 2022
- Steel TRQ is set at 0.5 million metric tons (MMT) under 54 product categories and allocated in line with the 2018-2019 historical period
- Steel must be melted and poured in UK and have UK country of origin
- Steel melted and poured in UK but further processed in EU eligible for duty-free treatment and count against UK TRQ, not to exceed, 37,800 MT
- Aluminum TRQ is set at 0.9 thousand metric tons (TMT) for unwrought aluminum under 2 product categories and 11.4 TMT for semi-finished (wrought) aluminum, other than foil (7607), under 12 product categories
- Cannot contain any primary aluminum from China, Russia, or Belarus

<https://www.commerce.gov/sites/default/files/2022-03/UK232-US-Statement.pdf>

U.S. to Replace UK Steel Tariffs with Tariff Rate Quota



For Immediate Release
March 23, 2022

Contact: Carolyn Spector, 202-828-5802
carolyn.spector@bracewell.com

CAMMU Statement on United States-United Kingdom Agreement on Steel and Aluminum

Washington, D.C. – The Coalition of American Metal Manufacturers and Users (CAMMU) today issued the following statement:

“The US-UK agreement to replace the existing Section 232 steel and aluminum tariffs with a tariff rate quote (TRQ) system that allows a certain amount of imported steel and aluminum from the UK will increase the supply of these raw materials in the U.S., which could help U.S. manufacturers who continue to have long delivery delays and continue to pay the highest prices in the world. However, it is disappointing that the agreement will not completely terminate these unnecessary trade restrictions on one of this country’s closest allies, the United Kingdom.

As we are already seeing with the U.S.-EU TRQ agreement where some steel products’ quota filled up for the year in the first two weeks of January, this type of government restriction on raw materials and intervention lead to market manipulations and allow for gaming of the system that puts this country’s smallest manufacturers at an even further disadvantage.

https://www.tariffstaxes.org/sites/default/files/2022-03/CAMMU_PR_03_23_22.pdf

What is The Media Interested in now

- Interviewing manufacturers about impact of Russia-Ukraine conflict on supply chain/raw materials.
- Steel/Aluminum supply – Important to keep media updated.
- Labor shortage/recruitment

NTMA: <https://form.jotform.com/210674328412148>

PMA: <https://pma.wufoo.com/forms/pma-media-volunteer-form/>

Stay Connected – One Voice Podcast



Donate to NTMA, PMA to Support Advocacy in DC

NTMA's Government Affairs Administrative Fund (GAAF) allows the association to undertake initiatives aimed at educating elected officials on tooling and machining and the industry's priority issues. It also permits us to support a variety of activities to inform and mobilize our members, as well as to protect and promote the industry with key lawmakers. You can use corporate OR personal funds to donate to the GAAF.

Donate Today!

<https://ntma.org/programs/advocacy/>

PMA ADVOCACY FUND

PMA's Advocacy Fund supports the association's day-to-day lobbying and public relations efforts in Washington, D.C., increasing the industry's visibility in Congress, the Administration and the public. You can use corporate OR personal funds to donate to the advocacy fund.

Donate Today!

<https://www.pma.org/advocacy/donate-today.asp>

Questions?

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<https://www.pma.org/advocacy/donate-today.asp>

<https://ntma.org/programs/advocacy/>

