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

Prepared by The Franklin Partnership, LLC Policy Resolution Group at Bracewell April 29, 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

Strategic Communications Firm – Policy Resolution Group at Bracewell

- Wash, D.C.-based public affairs & strategic communications consultants
  - 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.







- Federal Agency COVID Actions
- Regulatory Update: EEOC, OSHA
- Supply Chains and Workforce Disruptions
- Tariffs, Trade, and Supply Chains Legislation on Capitol Hill

#### All information presented as of April 29, 2022

## Federal Agency COVID Actions

#### Requirement for Face Masks on Public Transportation Conveyances and at Transportation Hubs

Updated Apr. 18, 2022 Languages - Print

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As a result of a court order, effective immediately and as of April 18, 2022, CDC's January 29, 2021 Order requiring masks on public transportation conveyances and at transportation hubs is no longer in effect. Therefore, CDC will not enforce the Order. CDC continues to recommend that people wear masks in indoor public transportation settings at this time. This page will be updated soon to provide additional information about recommendations.

https://www.cdc.gov/coronavirus/2019-ncov/travelers/face-masks-public-transportation.html

April 18, 2022

## New CDC Community Levels Used for Decisionmaking

COVIE	COVID-19 Community Levels – Use the Highest Level that Applies to Your Community									
New COVID-19 Cases Per 100,000 people in the past 7 days	Indicators	Low	Medium	High						
Fewer than 200	New COVID-19 admissions per 100,000 population (7-day total)	<10.0	10.0-19.9	≥20.0						
	Percent of staffed inpatient beds occupied by COVID-19 patients (7-day average)	<10.0%	10.0-14.9%	≥15.0%						
	New COVID-19 admissions per 100,000 population (7-day total)	NA	<10.0	≥10.0						
200 or more	Percent of staffed inpatient beds occupied by COVID-19 patients (7-day average)	NA	<10.0%	≥10.0%						

The COVID-19 community level is determined by the higher of the new admissions and inpatient beds metrics, based on the current level of new cases per 100,000 population in the past 7 days

March 25, 2022

#### https://www.cdc.gov/coronavirus/2019-ncov/science/community-levels.html

Recent and Anticipated Regulatory Actions WASHINGTON – The U.S. Equal Employment Opportunity Commission (EEOC) announced today that <u>the 2021 EEO-1 Component 1 data collection is now open. The deadline for</u> <u>submitting and certifying 2021 EEO-1 Component 1 Report(s) is May 17, 2022</u>. To meet this deadline, the EEOC strongly encourages eligible filers to begin the filing process as soon as possible.

The EEO-1 Component 1 report is a mandatory annual data collection that requires all private sector employers with 100 or more employees and federal contractors with 50 or more employees meeting certain criteria, to submit workforce demographics including data by race/ethnicity, sex, and job categories. The filing by eligible employers of the EEO-1 Component 1 Report is required under section 709(c) of Title VII of the Civil Rights Act of

April 12, 2022

https://www.eeoc.gov/newsroom/eeoc-announces-opening-2021-eeo-1-component-1-data-collection

## 100+ Employees: File Form 300, 301 Electronically

Improve Tracking of Workplace Injuries and Illnesses

OSHA published a proposed rule, Improve Tracking of Workplace Injuries and Illnesses on March 30, 2022 that would require:

- Establishments with 20 or more employees, in certain high-hazard industries, continue to electronically submit Form 300A Annual Summary information once a year to OSHA.
- Establishments with 100 or more employees in the highest-hazard industries to submit Form 300 Log and Form 301 Incident Report information once a year to OSHA. These establishments would continue to be required to electronically submit information from their Form 300A Annual Summary.

In addition, establishments with 250 or more employees, not in designated highhazard industries, would no longer be required to electronically submit recordkeeping information to OSHA.

## OSHA May Revoke Arizona Safety Plan

US Department of Labor announces proposal to reconsider, revoke final approval of Arizona's State OSHA Plan after pattern of failures Concerns about state's commitment to worker safety, health led to federal action

**WASHINGTON** – The U.S. Department of Labor today announced a proposal to reconsider and revoke the final approval of Arizona's State OSHA plan, in response to nearly a decadelong pattern of failures to adopt and enforce standards and enforcement policies at least as effective as those used by the department's Occupational Safety and Health Administration.

State plans are OSHA-approved job safety and health programs operated by individual states rather than federal OSHA. The OSH Act encourages states to develop and operate their programs. OSHA approves and monitors all state plans, and provides up to 50 percent of each program's funding.

OSHA has grown increasingly concerned that actions by the Arizona State OSHA Plan suggest the state is either unable or unwilling to maintain its commitment to provide a program for worker safety and health protection as the OSH Act requires. Arizona has, for example, failed to adopt adequate maximum penalty levels, occupational safety and health standards, National Emphasis Programs and – most recently – the COVID-19 Healthcare Emergency Temporary Standard.

If OSHA determines that a state plan is failing to comply with its obligation to remain at least as effective as OSHA, the agency may initiate proceedings to revoke final approval, and reinstate federal concurrent authority over occupational safety and health issues covered by the state plan.

The proposal is available for public inspection at the Federal Register, and will be published on April 21. With its publication, OSHA marks the start of the revocation process. The notice makes no substantive changes to the Arizona State Plan, nor does it give federal OSHA the authority to enforce occupational safety and health standards in Arizona.

Submit comments on the proposal by May 26, 2022. If necessary, OSHA will hold an online hearing on Aug. 16, 2022 at 10 a.m. EDT. Those interested in testifying or questioning witnesses must submit a notice of their intention by May 11, 2022.

Once OSHA has considered comments during the 35-day comment period, and reviewed testimony and evidence collected in the event of a hearing, the agency will publish a second Federal Register notice announcing its decision on revocation of final approval.

#### April 20, 2022

https://www.federalregister.gov/documents/2022/04/21/2022-08424/arizona-state-plan-foroccupational-safety-and-health-proposed-reconsideration-and-revocation

#### OSHA Heat National Emphasis Program in Effect

OSHA Area Offices shall assess the potential for heat-related illnesses, injuries, and deaths where heat-related hazards may exist in indoor work areas or at outdoor work areas on heat priority days when the heat index is expected to be 80°F or higher. CSHOs should use internal guidance material for

This Instruction describes policies and procedures for implementing a National Emphasis Program (NEP) to ensure that employees in high-hazard industries are protected from heat-related hazards, both indoors and outdoors, that may lead to serious illnesses, injuries, or death (see Appendix F for a list of heat illnesses). This NEP augments OSHA's efforts addressing unprogrammed-related activities, e.g., complaints, referrals, and severe incident reports, by adding an enforcement program targeting specific highhazard industries or activities in workplaces where this hazard is prevalent during high heat conditions, such as working outdoors in a local area experiencing a heat wave, as announced by the National Weather Service, or working indoors near radiant heat sources, such as iron and steel mills and foundries In addition, this NEP focuses on vulnerable workers in outdoor and indoor environments by coordinating efforts with the Department of Labor Wage and Hour Division (WHD). More information on this effort

List of NEPS: <u>https://www.osha.gov/enforcement/directives/nep</u> NEP PDF: <u>https://www.osha.gov/sites/default/files/enforcement/directives/CPL\_03-00-024.pdf</u> April 8, 2022

#### **OSHA Heat Index: Sample of Targeted NAICS**

3311	Iron and Steel Mills and Ferroalloy Manufacturing
3314	Nonferrous Metal (except Aluminum) Production and Processing
3315	Foundries
3323	Architectural and Structural Metals Manufacturing
3329	Other Fabricated Metal Product Manufacturing
3361	Motor Vehicle Manufacturing
3362	Motor Vehicle Body and Trailer Manufacturing
3363	Motor Vehicle Parts Manufacturing
3364	Aerospace Product and Parts Manufacturing
3365	Railroad Rolling Stock Manufacturing
3366	Ship and Boat Building
3369	Other Transportation Equipment Manufacturing
3371	Household and Institutional Furniture and Kitchen Cabinet Manufacturing

April 8, 2022

#### Heat Safety Tool

Android

By U.S. Department of Labor (DOL), Occupational Safety and Health Administration (OSHA) and the Centers for Disease Control and Prevention (CDC), National Institute for Occupational Safety and Health (NIOSH)

When you're working in the heat, safety comes first. With the OSHA-NIOSH Heat Safety Tool, you have vital safety information available whenever and wherever you need it - right on your mobile phone.

iPhone

The App allows workers and supervisors to calculate the **heat index** for their worksite, and, based on the heat index, <u>displays a **risk level** to outdoor workers</u>. Then, with a simple "click," you can get reminders about the **protective measures** that should be taken at that risk level to protect workers from heat-related illness-reminders about drinking enough fluids, scheduling rest breaks, planning for and knowing what to do in an emergency, adjusting work operations, gradually building up the workload for new workers, training on heat illness signs and symptoms, and monitoring each other for signs and symptoms of heat-related illness.

https://www.osha.gov/heat/heat-app



### OSHA Heat Rule Public Stakeholder Meeting May 3<sup>rd</sup>

April 29, 2022 Contact: Office of Communications Phone: 202-693-1999

#### US Department of Labor to hold public meeting to provide overview of OSHA initiatives to protect workers from heat hazards

**WASHINGTON** - The U.S. Department of Labor's Occupational Safety and Health Administration will hold a <u>stakeholder meeting May 3, 2022</u>, to <u>provide an overview of and seek comments on the agency's ongoing efforts to protect workers from heat-related hazards</u>. The meeting will be held online from 12 p.m. to 6 p.m. EDT.

As part of the Biden-Harris administration's commitment to workplace safety, OSHA is working to address the threat of heat, the leading cause of death among all weather-related workplace hazards.

OSHA's efforts to address heat-related hazards include the agency's Heat Illness Prevention Campaign, compliance assistance and enforcement activities. During the meeting, the process of federal rulemaking and ways for the public to participate in the process will be discussed.

Register Here: https://projects.erg.com/conferences/osha/osha-heat.html

April 29, 2022

### DoL Regional Listening Sessions on Overtime Increase





Department of Labor Prevailing Wage Seminars Tue, Jun 14, 2022 1:30 PM EDT + 2 more events Free Overtime Listening Session: Northeast Workers and Advocates Wed, Apr 27, 2022 6:00 PM EDT Free

Overtime Listening Session: Southeast Workers and Advocates Thu, May 5, 2022 6:00 PM EDT Free



Overtime Listening Session: Midwest Workers and Advocates

Wed, May 11, 2022 7:00 PM EDT

Free



Overtime Listening Session: Northeast Employers

Fri, May 13, 2022 3:30 PM EDT

Free



Overtime Listening Session: Southeast Employers Tue, May 17, 2022 2:00 PM EDT Free



Overtime Listening Session: Midwest Employers Fri, May 20, 2022 3:30 PM EDT Free



Overtime Listening Session: Southwest Workers and Advocates

Wed, May 25, 2022 7:00 PM EDT

https://www.eventbrite.com/o/us-dept-of-labor-wage-and-hour-division-9819560107

IR-2022-89, April 18, 2022

WASHINGTON — The Department of the Treasury and the Internal Revenue Service have received requests from taxpayers and their advisors for relief from penalties arising when additional income tax is owed because the deduction for qualified wages is reduced by the amount of a retroactively claimed employee retention tax credit (ERTC), but the taxpayer is unable to pay the additional income tax because the ERTC refund payment has not yet been received.

Treasury and the IRS are aware that this situation may arise, in part, due to the IRS's backlog in processing adjusted employment tax returns (e.g., Form 941-X) on which the taxpayers claim ERTC retroactively. Based on applicable law, IRS guidance provides that an employer must reduce its income tax deduction for the ERTC qualified wages by the amount of the ERTC for the tax year in which such wages were paid or incurred. Taxpayers that claimed the ERTC retroactively and filed an amended income tax return reducing their deduction for the ERTC qualified wages paid or incurred in the tax year for which the ERTC is retroactively claimed have an increased income tax liability but may not yet have received their ERTC refund.

This release reminds taxpayers that, consistent with the relief from penalties for failure to timely pay noted in <u>Notice 2021-49</u>, they may be eligible for relief from penalties for failing to pay their taxes if they can show reasonable cause and not willful neglect for the failure to pay. In general, taxpayers may also qualify for administrative relief from penalties for failing to pay on time under the IRS's First Time Penalty Abatement program if the taxpayer:

1. Did not previously have to file a return or had no penalties for the three prior tax years,

2. Filed all currently required returns or filed an extension of time to file and

3. Paid, or arranged to pay, any tax due.

https://www.irs.gov/newsroom/irs-reminds-employers-of-penalty-relief-related-to-claimsfor-the-employee-retention-credit

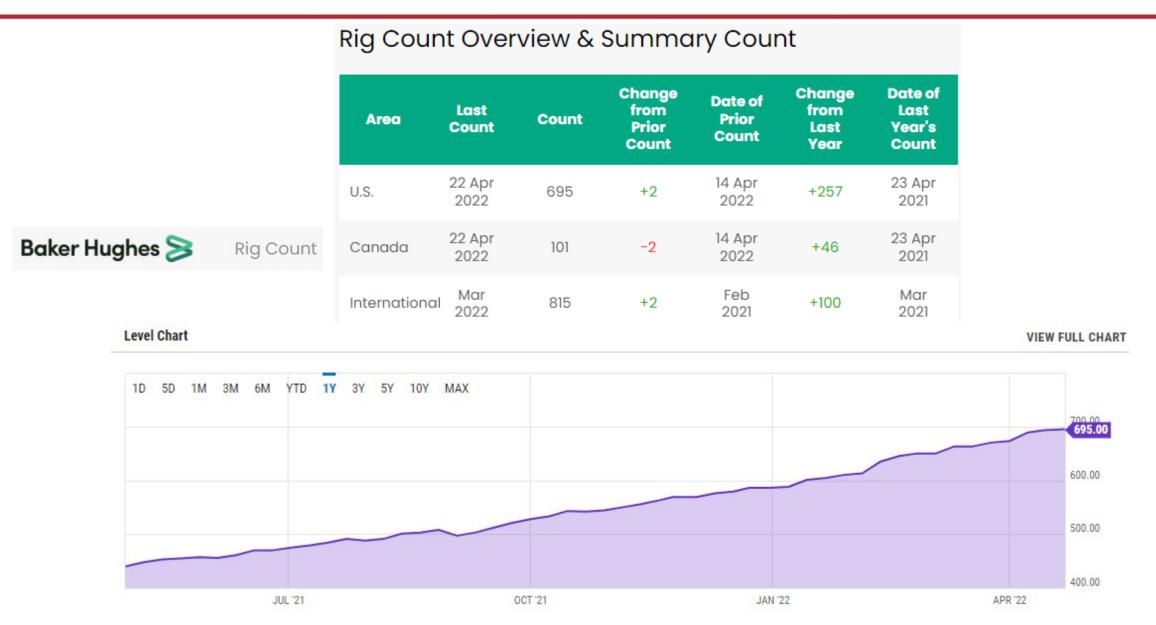
#### SBA Proposes Increasing Small Business Size Standards

NAICS code	NAICS industry title	Current size standard (employees)	Calculated size standard (employees)	Proposed size standard (employees)
331523	Nonferrous Metal Die- Casting Foundries	500	700	700
332992	Small Arms Ammunition Manufacturing	1,250	1,300	1,300
332112	Nonferrous Forging	750	950	950
332114	Custom Roll Forming	500	600	600

https://www.federalregister.gov/documents/2022/04/26/2022-08091/small-business-sizestandards-manufacturing-and-industries-with-employee-based-size-standards-in

## Tariffs, Trade, and Supply Chains

#### U.S. Added 257 Oil Rigs Online Since April 2021



#### Ex-Im Bank: Make More in America Initiative

**Examine the ability of the U.S. Export-Import Bank to use existing authorities to support U.S. manufacturing of products:** EXIM should develop a proposal for Board consideration regarding whether EXIM should establish a new Domestic Finance Program that would <u>provide financing</u> to support the establishment and/or expansion of U.S. manufacturing facilities and infrastructure projects in the United States that would facilitate U.S. exports.

<u>To help companies make more in America – especially in sectors critical to national security – EXIM will</u> <u>make available the agency's existing medium- and long-term loans and loan guarantees to export-</u> <u>oriented domestic manufacturing projects.</u>

Apply for the Initiative here: Domestic.Finance@exim.gov

https://www.exim.gov/about/special-initiatives/make-more-in-america-initiative

#### Ex-Im Bank: Make More in America Initiative Criteria

**Export Nexus**: Transaction eligibility will be determined by the "export nexus" – the percentage of production or shipments tied to exports.

- For small businesses (including minority and women-owned business), transformational export areas, and climate-related transactions, the required nexus is 15 percent.
- For projects in other sectors, 25 percent of output exported or expected to be exported will be required.
- The new tool will also be open to export suppliers as well, if EXIM criteria are met regarding the export nexus standards.

Jobs: The amount of EXIM financing made available for individual projects will be scaled based on the number of U.S. jobs supported, both during construction and over the life of EXIM's financing.

- Each job-year (e.g., one job over five years is five job-years) allows for up to \$189,242 in financing.
- This standard will replace the U.S. content required in traditional EXIM transactions to foreign buyers.
  <u>https://www.exim.gov/about/special-initiatives/make-more-in-america-initiative</u>

- 107 total conferees between House and Senate
- Conferees negotiate and reconcile differences between two bills
- Senate working through Motion to Instruct Conferees votes

Disagreements remain over:

- An expansion of Trade Adjustment Assistance
- China tariff and exclusion process
- Outbound Investment Screening
- The Office of Manufacturing Security and Resilience
- National Science Foundation funding

#### - MARCH 17, 2022

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

Made In America Manufacturing Communities Act Would Utilize Current Federal Resources to Support Domestic Manufacturing, Create Jobs, and Strengthen Domestic Supply Chains

Washington, D.C. — U.S. Senator Susan Collins (R-ME) joined a group of her colleagues in introducing the *Made in America Manufacturing Communities Act of 2022*. The bipartisan, bicameral legislation incentivizes private-public partnerships by empowering the Secretary of Commerce to designate consortiums as "Manufacturing Communities," which would be eligible for federal financial and technical assistance designed to expand and support domestic manufacturing. The bill would help strengthen the U.S. manufacturing base, encourage domestic public-private partnerships, and help local businesses cut through bureaucratic red tape to address ongoing pandemic-related supply chain disruptions that are plaguing local economies.

"Increasing the number of good-paying manufacturir economy, but it can also strengthen our national secu as well," **said Senator Collins**. "By increasing the avai leveraging public-private partnerships, our bipartisan launch, expand, and thrive." 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.

# U.S. Customs TRQ Data Each Monday

## **Commodity Status Report**

Document Posting Date: March 28, 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. **Download Files** 

Commodity Status Report Quota Status Report APR 25 2022

Quota Status Report APR 18 2022 🛃

Quota Status Report APR 11 2022 🛃

Quota Status Report APR 4 2022 🛛 🖓

Quota Status Report MAR 28 🛛 🚮 2022

Quota Status Report MAR 22 🚽 🔒

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

### U.S. Customs Tariff Rate Quota Data Mondays

99038537EUAL

Sheet

HUNGARY

Quota/License ID Number	Quota/License Commodity Description	Quota/License Country Name	Quota/License Region Code	Quota Period	Quota Region/Country Effective Begin Date	Quota Region/Country Effective End Date	Access	Region/Country Maximum	Quota/Licens e UOM Code		Quota Region/Cou ntry Percent Filled		Quota Region/Count Status Date
99038069EUST	Cold-rolled strip, and other products	AUSTRIA	-	202202	04/01/2022	06/30/2022	-	1191500	KG	48633	3 40.82%	OPEN	_
99038069EUST	Cold-rolled strip, and other products	BELGIUM	-	202202	04/01/2022	06/30/2022	-	53250	KG	53250	100.00%	FILL	04/04/2022 20:01: PM
99038067EUST	Hot-rolled plate, in coils	SWEDEN	-	202202	04/01/2022	06/30/2022	-	8080000	KG	808000	100.00%	FILL	04/11/2022 20:02: PM
9038068EUST	Cold-rolled sheet, and other products	AUSTRIA	-	202202	04/01/2022	06/30/2022	-	589000	KG	20366	3.46%	OPEN	-
9038068EUST	Cold-rolled sheet, and other products	BELGIUM	-	202202	04/01/2022	06/30/2022	-	6115750	KG	3580190	58.54%	OPEN	-
9038065EUST	Hot-rolled sheet	SLOVENIA	-	202202	04/01/2022	06/30/2022	-	826500	KG	400560	48.46%	OPEN	-
9038065EUST	Hot-rolled sheet	SPAIN	-	202202	04/01/2022	06/30/2022	-	500	KG		0.00%	OPEN	-
9038065EUST	Hot-rolled sheet	SWEDEN	-	202202	04/01/2022	06/30/2022	-	5073250	KG	4921870	97.02%	POTF	-
9038071EUST	Plate in cut lengths	SWEDEN	-	202202	04/01/2022	06/30/2022	-	3880250	KG	267130	9 68.84%	OPEN	-
9038072EUST	Flat-rolled products, hot-dipped	AUSTRIA	-	202202	04/01/2022	06/30/2022	-	5725750	KG	215560	1 37.65%	OPEN	-
9038072EUST	Flat-rolled products, hot-dipped	BELGIUM	-	202202	04/01/2022	06/30/2022	-	2458250	KG	36929	7 15.02%	OPEN	-
9038091EUST	Cold-rolled sheet of stainless steel	SPAIN		202202	04/01/2022	06/30/2022	-	1270750	KG	1024220	80.60%	OPEN	-
9038151STRQ	Cold-rolled sheet of stainless steel	JAPAN	-	202202	04/01/2022	06/30/2022	-	127182	KG	61400	48.28%	OPEN	-
9038537EUAL	Sheet	FRANCE	-	202201	01/01/2022	06/30/2022	-	15405000	KG	553986.33	3.60%	OPEN	-
9038537EUAL	Sheet	GERMANY, FED. R	E -	202201	01/01/2022	06/30/2022	-	36786000	KG	1214665.7	3.30%	OPEN	-
9038537EUAL	Sheet	GREECE	-	202201	01/01/2022	06/30/2022	-	15330000	KG	2050939.38	13.38%	OPEN	-

Quota Status Report

https://www.cbp.gov/sites/default/files/assets/documents/2022-

06/30/2022

51600 KG

28796

55.81% OPEN

02/07/2022 20:01: PM

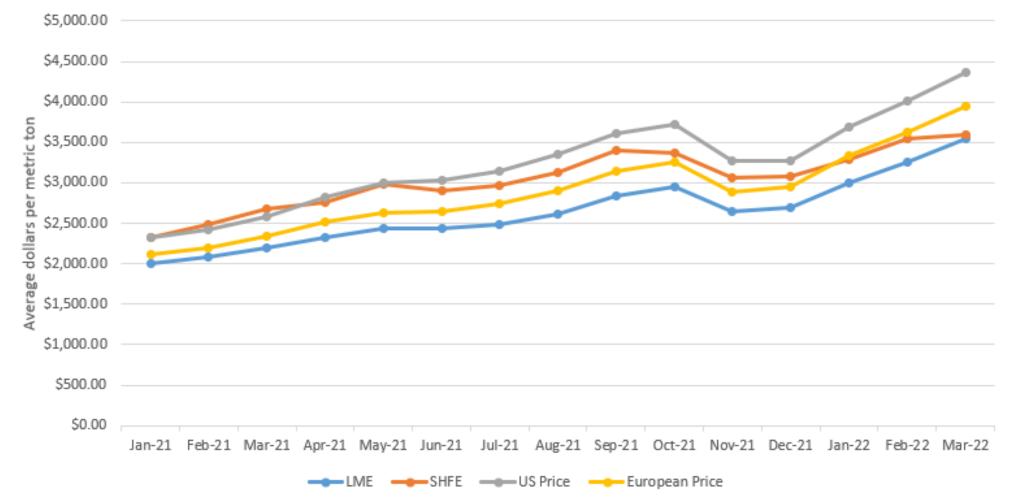
01/01/2022

202201

Apr/Quota%20Status%20Report%20APR%2018%202022 0.pdf

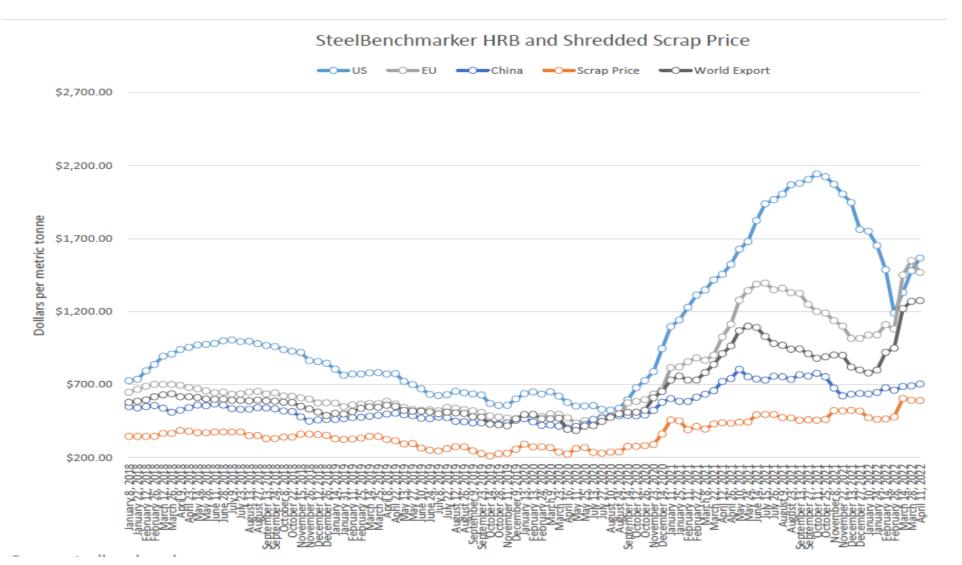
# Aluminum Prices Reach Record Levels

LME and SHFE Futures Market Prices US and European Regional Prices



# Steel Prices in U.S.

U.S. versus Global Steel Prices January 8, 2018-March 28, 2022 (HRB Price)

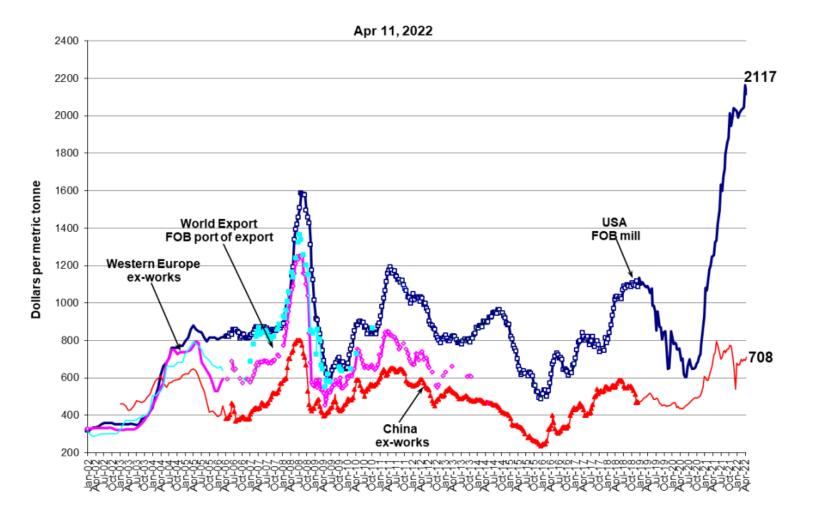


# Steel Prices in U.S.

#### SteelBenchmarker<sup>TM</sup> Plate Price

USA, China, Western Europe and World Export

(WSD's PriceTrack data, Jan. 2002 - March 2006; SteelBenchmarker data begins April 2006)



## One Voice in the Media



#### Metalformers expect economic conditions to stay steady, says latest Precision Metalforming Association report

Again, metalformers are expecting more of the same in the coming months, according to the latest report from the Precision Metalforming Association in Independence.

The association surveys metalforming companies monthly for its Business Conditions Report. The April report found that 63% of respondents expected no change in economic activity in the next three months, up from the 58% who said that in March. Just 19% expected activity to increase, and 18% expected a decrease.

The report showed that the majority of respondents, 47%, are also expecting incoming orders to stay the same in the next three months, compared to the past three months. Lead times and average daily shipping levels seemed to be improving. Just 34% of respondents said average lead times had increased in April, compared to the previous three months, down from the 43% who reported that in March. Sixty-two percent said they had stayed the same. And 54% of respondents said average daily shipping levels had increased in April, compared to three months rior.



# NTMA pilots event to get students interested in manufacturing

Three local manufacturing facilities will open their doors to PENNCREST School District students today in a new event aimed at getting students interested in the field and dispelling some of its negative stereotypes.

Student Passport to Manufacturing is a collaboration between PENNCREST and the northwestern

Pennsylvania chapter of the National Tooling and Machining Association (NTMA) and some of its local members. Highpoint Tool and Machine, Acutec Precision Aerospace Inc. and Pinnacle Molds will host students and parents who registered by March 13 to get an inside look at the world of manufacturing.

Tami Adams, executive director of the regional chapter of NTMA, said the idea for the event came about several years ago during a roundtable discussion following the annual Educators in the Workplace event organized by the Crawford K-12 Career Education Alliance.

## Stay Connected – One Voice Podcast



A MANUFACTURING INDUSTRY ADVOCACY PODCAST

**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



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

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





