

# COVID-19 Update

Presented by  
The Franklin Partnership, LLC  
Policy Resolution Group at Bracewell  
May 22, 2020



# 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 advice.*

More Resources: [www.onevoiceinfo.org](http://www.onevoiceinfo.org)

**ONE VOICE COVID-19 RAPID RESPONSE WEBSITE**

EMAIL:  
[ONEVOICE@POLICYRES.COM](mailto:ONEVOICE@POLICYRES.COM)



# Agenda

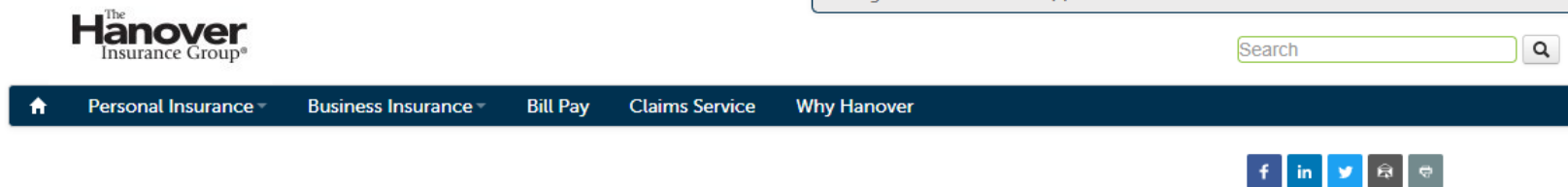
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- Reopening Best Practices Checklist
- OSHA Revoking Enforcement Discretion Memo
- OSHA Recordable Guidance
- Main Street Lending Facility Opening in June
- PPP Status
- PPP Forgiveness Application Released
- Status of Legislative Proposals
- Questions

*All information presented as of May 21, 2020*



# Reopening Best Practices Checklist



## General worker safety

- ✓ Conduct thorough facility and job site pre-inspections; specifically targeting any higher-hazard machinery or processes that may exist in your daily operations.
- ✓ Conduct machine guarding inspection and tests, as applicable.
- Identify routinely physically demanding tasks or jobs — consider minimizing or limiting individual requirements for the first few weeks to minimize injury following a sedentary, non-physical period.
- Reassess individual worker physical capabilities and job demands.
- ✓ Identify and assess exposures related to *shared* equipment (i.e. vehicles, hand tools, computer equipment).
- Confirm the adequacy of your preferred or designated healthcare facility to handle potential COVID-related sicknesses. Refer to [The Hanover's provider site](#) to easily find urgent care clinics and general health practitioners.
- Focus on health, wellness and stretching. Consider extended and more frequent breaks for the first few weeks, reduced hours, and limiting overtime.
- Address work-from-home ergonomics training and equipment. The Hanover can help. Check out our [new online ergonomics toolkit](#).



<https://www.hanover.com/articles/rebooting-operations.html>

# OSHA: May 26 Will Resume Normal Enforcement

- In geographic areas where community spread of COVID-19 has significantly decreased, OSHA will return to the inspection planning policy that OSHA relied on prior to the start of the COVID-19 health crises, as outlined in the OSHA Field Operations Manual (FOM), CPL 02-00-164, Chapter 2, when prioritizing reported events for inspections, except that:
  - OSHA will continue to prioritize COVID-19 cases;
  - OSHA will utilize non-formal phone/fax investigations or rapid response investigations in circumstances where OSHA has historically performed such inspections (e.g., to address formal complaints) when necessary to assure effective and efficient use of resources to address COVID-19-related events; and
  - In all instances, the Area Director (AD) will ensure that CSHOs utilize the appropriate precautions and personal protective equipment (PPE) when performing inspections related to COVID-19.
- In geographic areas experiencing either sustained elevated community transmission or a resurgence in community transmission of COVID-19, ADs will exercise their discretion, including consideration of available resources, to:
  - Continue prioritizing COVID-19 fatalities and imminent danger exposures for inspection. Particular attention for on-site inspections will be given to high-risk workplaces, such as hospitals and other healthcare providers treating patients with COVID-19, as well as workplaces, with high numbers of complaints or known COVID-19 cases.
    - Where resources are insufficient to allow for on-site inspections, the inspections for these types of reported events will be initiated remotely with an expectation that an on-site component will be performed if/when resources become available to do so.
    - Where limitations on resources are such that neither an on-site nor remote inspection is possible, OSHA will investigate these types of reported events using a rapid response investigation (RRI) to identify any hazards, provide abatement assistance, and confirm abatement.
    - OSHA will develop a program to conduct monitoring inspections from a randomized sampling of fatality or imminent danger cases where inspections were not conducted due to resource limitations.
  - Utilize non-formal phone/fax investigation instead of an on-site inspection in industries where doing so can address the relevant hazard(s); and
  - Ensure that CSHOs utilize the appropriate precautions and PPE to protect against potential exposures to COVID-19.

# OSHA: New Recordable Guidance

Because of the difficulty with determining work-relatedness, OSHA is exercising enforcement discretion to assess employers' efforts in making work-related determinations.

In determining whether an employer has complied with this obligation and made a reasonable determination of work-relatedness, CSHOs should apply the following considerations:

- *The reasonableness of the employer's investigation into work-relatedness.* Employers, especially small employers, should not be expected to undertake extensive medical inquiries, given employee privacy concerns and most employers' lack of expertise in this area. It is sufficient in most circumstances for the employer, when it learns of an employee's COVID-19 illness, (1) to ask the employee how he believes he contracted the COVID-19 illness; (2) while respecting employee privacy, discuss with the employee his work and out-of-work activities that may have led to the COVID-19 illness; and (3) review the employee's work environment for potential SARS-CoV-2 exposure. The review in (3) should be informed by any other instances of workers in that environment contracting COVID-19 illness.
- *The evidence available to the employer.* The evidence that a COVID-19 illness was work-related should be considered based on the information reasonably available to the employer at the time it made its work-relatedness determination. If the employer later learns more information related to an employee's COVID-19 illness, then that information should be taken into account as well in determining whether an employer made a reasonable work-relatedness determination.
- *The evidence that a COVID-19 illness was contracted at work.* CSHOs should take into account all reasonably available evidence, in the manner described above, to determine whether an employer has complied with its recording obligation. This cannot be reduced to a ready formula, but certain types of evidence may weigh in favor of or against work-relatedness. For instance:
  - COVID-19 illnesses are likely work-related when several cases develop among workers who work closely together and there is no alternative explanation.
  - An employee's COVID-19 illness is likely work-related if it is contracted shortly after lengthy, close exposure to a particular customer or coworker who has a confirmed case of COVID-19 and there is no alternative explanation.
  - An employee's COVID-19 illness is likely work-related if his job duties include having frequent, close exposure to the general public in a locality with ongoing community transmission and there is no alternative explanation.
  - An employee's COVID-19 illness is likely not work-related if she is the only worker to contract COVID-19 in her vicinity and her job duties do not include having frequent contact with the general public, regardless of the rate of community spread.
  - An employee's COVID-19 illness is likely not work-related if he, outside the workplace, closely and frequently associates with someone (e.g., a family member, significant other, or close friend) who (1) has COVID-19; (2) is not a coworker, and (3) exposes the employee during the period in which the individual is likely infectious.
  - CSHOs should give due weight to any evidence of causation, pertaining to the employee illness, at issue provided by medical providers, public health authorities, or the employee herself.

<https://www.osha.gov/memos/2020-05-19/revised-enforcement-guidance-recording-cases-coronavirus-disease-2019-covid-19>

# Main Street Lending Program May Launch Week of June 8

The screenshot displays a grid of event cards for the Main Street Lending Program. The top row features three blue cards, each with a 'Featured' tag in the top-left corner. The first card, dated May 22, 2020, is titled 'For Lenders: Main Street Lending Program Drop-in Session'. The second card, dated May 28, 2020, is titled 'For Lenders: Ask the Fed Webinar on the Main Street Lending Program'. The third card, dated May 29, 2020, is titled 'For Borrowers: Webinar on Main Street Lending Program' and is circled in red. The bottom row contains a blue card on the left dated June 3, 2020, titled 'For Borrowers: Main Street Lending Program Drop-in Session', and a white card in the center dated May 19, 2020, titled 'President's Speeches: President Rosengren to speak about the economy and monetary policy'. To the right of the white card is a blurred image of a microphone. Each card includes a right-pointing chevron icon at the bottom.

Date	Event Title
May 22, 2020	For Lenders: Main Street Lending Program Drop-in Session
May 28, 2020	For Lenders: Ask the Fed Webinar on the Main Street Lending Program
May 29, 2020	For Borrowers: Webinar on Main Street Lending Program
June 3, 2020	For Borrowers: Main Street Lending Program Drop-in Session
May 19, 2020	President's Speeches: President Rosengren to speak about the economy and monetary policy



# PPP Round 2 Status

Loan Count	Approved Dollars	Lender Count
4,341,145	\$513,271,137,359	5,496

## Loan Size

Loan Size	Approved Loans	Approved Dollars	% of Count	% of Amount
\$50K and Under	2,764,582	\$51,887,290,078	63.7%	10.1%
>\$50K - \$100K	644,259	\$45,907,851,290	14.8%	8.9%
>\$100K - \$150K	282,221	\$34,556,740,347	6.5%	6.7%
>\$150K - \$350K	368,505	\$82,842,933,567	8.5%	16.1%
>\$350K - \$1M	197,741	\$112,599,464,898	4.6%	21.9%
>\$1M - \$2M	53,142	\$73,630,589,334	1.2%	14.3%
>\$2M - \$5M	25,624	\$76,215,389,190	0.6%	14.8%
>\$5M	5,071	\$35,630,878,655	0.1%	6.9%

**\* Overall average loan size is: \$118K.**

# PPP Affiliation: Must Include Foreign in 500

for a PPP loan only if it meets all applicable eligibility criteria. If an applicant, together with its domestic and foreign affiliates, does not meet the 500-employee or other applicable PPP size standard, it is not eligible for a PPP loan.

However, as an exercise of enforcement discretion due to reasonable borrower confusion based on SBA guidance (which was later resolved through a clarifying FAQ on May 5, 2020), SBA will not find any borrower that applied for a PPP loan prior to May 5, 2020 to be ineligible based on the borrower's exclusion of non-U.S employees from the borrower's calculation of its employee headcount if the borrower (together with its affiliates)<sup>2</sup> had no more than 500 employees whose principal place of residence is in the United States. Such borrowers shall not be deemed to have made an inaccurate certification of eligibility solely on that basis. Under no circumstances may PPP funds be used to support non-U.S. workers or operations.

# PPP Forgiveness: Application



## Paycheck Protection Program Loan Forgiveness Application

OMB Control Number 3245-0407

Expiration Date: 10/31/2020

### PPP Loan Forgiveness Calculation Form

Business Legal Name ("Borrower")	DBA or Tradename, if applicable	
Business Address	Business TIN (EIN, SSN)	Business Phone
		( ) -
	Primary Contact	E-mail Address

SBA PPP Loan Number: \_\_\_\_\_ Lender PPP Loan Number: \_\_\_\_\_

PPP Loan Amount: \_\_\_\_\_ PPP Loan Disbursement Date: \_\_\_\_\_

Employees at Time of Loan Application: \_\_\_\_\_

Employees at Time of Forgiveness Application: \_\_\_\_\_

EIDL Advance Amount: \_\_\_\_\_ EIDL Application Number: \_\_\_\_\_

**Payroll Schedule:** The frequency with which payroll is paid to employees is:

☐ Weekly    ☐ Biweekly (every other week)    ☐ Twice a month    ☐ Monthly    ☐ Other \_\_\_\_\_

**Covered Period:** \_\_\_\_\_ to \_\_\_\_\_

**Alternative Payroll Covered Period, if applicable:** \_\_\_\_\_ to \_\_\_\_\_

If Borrower (together with affiliates, if applicable) received PPP loans in excess of \$2 million, check here: ☐

# PPP Forgiveness: Certification

The authorized representative of the Borrower certifies to all of the below by **initialing** next to each one.

\_\_\_\_\_ The dollar amount for which forgiveness is requested:

- was used to pay costs that are eligible for forgiveness (payroll costs to retain employees; business mortgage interest payments; business rent or lease payments; or business utility payments);
- includes all applicable reductions due to decreases in the number of full-time equivalent employees and salary/hourly wage reductions;
- does not include nonpayroll costs in excess of 25% of the amount requested; and
- does not exceed eight weeks' worth of 2019 compensation for any owner-employee or self-employed individual/general partner, capped at \$15,385 per individual.



# PPP Forgiveness: Calculation

## **Forgiveness Amount Calculation:**

### Payroll and Nonpayroll Costs

Line 1. Payroll Costs (enter the amount from PPP Schedule A, line 10):

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Line 2. Business Mortgage Interest Payments:

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Line 3. Business Rent or Lease Payments:

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Line 4. Business Utility Payments:

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### Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions

Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):

---

Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:

---

Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):

---

### Potential Forgiveness Amounts

Line 8. Modified Total (multiply line 6 by line 7):

---

Line 9. PPP Loan Amount:

---

Line 10. Payroll Cost 75% Requirement (divide line 1 by 0.75):

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### Forgiveness Amount

Line 11. Forgiveness Amount (enter the smallest of lines 8, 9, and 10):

---

# PPP Forgiveness: Calculation

## Adjustments for Full-Time Equivalency (FTE) and Salary/Hourly Wage Reductions

Line 5. Total Salary/Hourly Wage Reduction (enter the amount from PPP Schedule A, line 3):

\_\_\_\_\_

Line 6. Add the amounts on lines 1, 2, 3, and 4, then subtract the amount entered in line 5:

\_\_\_\_\_

Line 7. FTE Reduction Quotient (enter the number from PPP Schedule A, line 13):

\_\_\_\_\_

## Potential Forgiveness Amounts

Line 8. Modified Total (multiply line 6 by line 7):

\_\_\_\_\_

Line 9. PPP Loan Amount:

\_\_\_\_\_

**For lines 6 through 9**, during the Covered Period or the Alternative Payroll Covered Period:

**Line 6:** Enter the total amount paid by the Borrower for employer contributions for employee health insurance, including employer contributions to a self-insured, employer-sponsored group health plan, but excluding any pre-tax or after tax contributions by employees.

**Line 7:** Enter the total amount paid by the Borrower for employer contributions to employee retirement plans, excluding any pre-tax or after-tax contributions by employees.

**Line 8:** Enter the total amount paid by the Borrower for employer state and local taxes assessed on employee compensation (e.g., state unemployment insurance tax); do not list any taxes withheld from employee earnings.

**Line 9:** Enter any amounts paid to owners (owner-employees, a self-employed individual, or general partners). This amount is capped at \$15,385 (the eight-week equivalent of \$100,000 per year) for each individual or the eight-week equivalent of their applicable compensation in 2019, whichever is lower. See Interim Final Rule on Additional Eligibility Criteria and Requirements for Certain Pledges of Loans posted on April 14, 2020 for more information ([85 FR 21747](#), 21749).

# PPP Forgiveness: FTE Reduction Calculation

## Full-Time Equivalency (FTE) Reduction Calculation

If you have not reduced the number of employees or the average paid hours of your employees between January 1, 2020 and the end of the Covered Period, check here ☐, skip lines 11 and 12 and enter **1.0** on line 13.

Line 11. Average FTE during the Borrower's chosen reference period:

\_\_\_\_\_

Line 12. Total Average FTE (add lines 2 and 5):

\_\_\_\_\_

Line 13. FTE Reduction Quotient (divide line 12 by line 11) or enter 1.0 if FTE Safe Harbor is met:

\_\_\_\_\_

**FTE Reduction Exceptions:** Indicate the FTE of (1) any positions for which the Borrower made a good-faith, written offer to rehire an employee during the Covered Period or the Alternative Payroll Covered Period which was rejected by the employee; and (2) any employees who during the Covered Period or the Alternative Payroll Covered Period (a) were fired for cause, (b) voluntarily resigned, or (c) voluntarily requested and received a reduction of their hours. In all of these cases, include these FTEs on this line only if the position was not filled by a new employee. Any FTE reductions in these cases do not reduce the Borrower's loan forgiveness.

## **FTE Reduction Safe Harbor**

A safe harbor under applicable law and regulation exempts certain borrowers from the loan forgiveness reduction based on FTE employee levels. Specifically, the Borrower is exempt from the reduction in loan forgiveness based on FTE employees described above if both of the following conditions are met: (1) the Borrower reduced its FTE employee levels in the period beginning February 15, 2020, and ending April 26, 2020; and (2) the Borrower then restored its FTE employee levels by not later than June 30, 2020 to its FTE employee levels in the Borrower's pay period that included February 15, 2020.

# PPP Forgiveness: Payroll Covered Period

**Covered Period:** Enter the eight-week (56-day) Covered Period of your PPP loan. The first day of the Covered Period must be the same as the PPP Loan Disbursement Date. For example, if the Borrower received its PPP loan proceeds on Monday, April 20, the first day of the Covered Period is April 20 and the last day of the Covered Period is Sunday, June 14.

**Alternative Payroll Covered Period:** For administrative convenience, Borrowers with a biweekly (or more frequent) payroll schedule may elect to calculate eligible payroll costs using the eight-week (56-day) period that begins on the first day of their first pay period following their PPP Loan Disbursement Date (the “Alternative Payroll Covered Period”). For example, if the Borrower received its PPP loan proceeds on Monday, April 20, and the first day of its first pay period following its PPP loan disbursement is Sunday, April 26, the first day of the Alternative Payroll Covered Period is April 26 and the last day of the Alternative Payroll Covered Period is Saturday, June 20. Borrowers who elect to use the Alternative Payroll Covered Period must apply the Alternative Payroll Covered Period wherever there is a reference in this application to “the Covered Period or the Alternative Payroll Covered Period.” However, Borrowers must apply the Covered Period (not the Alternative Payroll Covered Period) wherever there is a reference in this application to “the Covered Period” only.

*Example: ABC Company receives their loan proceeds on Wednesday, May 13, 2020. Their Covered Period would run through Tuesday, July 7, 2020. The Company pays bi-weekly, and the next regular pay date is Friday, May 22, 2020. The Company can elect to use the Alternative Payroll Covered Period beginning with the start of their next pay period, which would be Saturday, May 23, 2020. Their Alternative Covered Period for payroll costs only would end on Friday, July 17, 2020. If the Company pays two weeks in arrears, they can include the pay date of July 31, 2020, in the forgiveness application.*



# PPP Forgiveness: Paid and Incurred

**Eligible payroll costs.** Borrowers are generally eligible for forgiveness for the payroll costs paid and payroll costs incurred during the eight-week (56-day) Covered Period (or Alternative Payroll Covered Period) (“payroll costs”). Payroll costs are considered paid on the day that paychecks are distributed or the Borrower originates an ACH credit transaction. Payroll costs are considered incurred on the day that the employee’s pay is earned. Payroll costs incurred but not paid during the Borrower’s last pay period of the Covered Period (or Alternative Payroll Covered Period) are eligible for forgiveness if paid on or before the next regular payroll date. Otherwise, payroll costs must be paid during the Covered Period (or Alternative Payroll Covered Period). For each individual employee, the total amount of cash compensation eligible for forgiveness may not exceed an annual salary of \$100,000, as prorated for the covered period. Count payroll costs that were both paid and incurred only once. For information on what qualifies as payroll costs, see Interim Final Rule on Paycheck Protection Program posted on April 2, 2020 ([85 FR 20811](https://www.federalregister.gov/documents/2020/04/02/2020-07611/paycheck-protection-program-interim-final-rule)).

# PPP Forgiveness: Utilities Paid and Incurred

**Eligible nonpayroll costs.** Nonpayroll costs eligible for forgiveness consist of:

- (a) covered mortgage obligations: payments of interest (not including any prepayment or payment of principal) on any business mortgage obligation on real or personal property incurred before February 15, 2020 (“business mortgage interest payments”);
- (b) covered rent obligations: business rent or lease payments pursuant to lease agreements for real or personal property in force before February 15, 2020 (“business rent or lease payments”); and
- (c) covered utility payments: business payments for a service for the distribution of electricity, gas, water, transportation, telephone, or internet access for which service began before February 15, 2020 (“business utility payments”).

An eligible nonpayroll cost must be paid during the Covered Period or incurred during the Covered Period and paid on or before the next regular billing date, even if the billing date is after the Covered Period. Eligible nonpayroll costs cannot exceed 25% of the total forgiveness amount. Count nonpayroll costs that were both paid and incurred only once.

# PPP Forgiveness: Reduced if Pay Lowered >25%

Step 1. Determine if pay was reduced more than 25%.

- a. Enter average annual salary or hourly wage during Covered Period or Alternative Payroll Covered Period: \_\_\_\_\_.
- b. Enter average annual salary or hourly wage between January 1, 2020 and March 31, 2020: \_\_\_\_\_.
- c. Divide the value entered in 1.a. by 1.b.: \_\_\_\_\_.  
If 1.c. is 0.75 or more, enter zero in the column above box 3 for that employee; otherwise proceed to Step 2.

Step 2. Determine if the Salary/Hourly Wage Reduction Safe Harbor is met.

- a. Enter the annual salary or hourly wage as of February 15, 2020: \_\_\_\_\_.
- b. Enter the average annual salary or hourly wage between February 15, 2020 and April 26, 2020: \_\_\_\_\_.  
If 2.b. is equal to or greater than 2.a., skip to Step 3. Otherwise, proceed to 2.c.
- c. Enter the average annual salary or hourly wage as of June 30, 2020: \_\_\_\_\_.  
If 2.c. is equal to or greater than 2.a., the Salary/Hourly Wage Reduction Safe Harbor has been met – enter zero in the column above box 3 for that employee. Otherwise proceed to Step 3.

Step 3. Determine the Salary/Hourly Wage Reduction.

- a. Multiply the amount entered in 1.b. by 0.75: \_\_\_\_\_.
- b. Subtract the amount entered in 1.a. from 3.a.: \_\_\_\_\_.

If the employee is an hourly worker, compute the total dollar amount of the reduction that exceeds 25% as follows:

- c. Enter the average number of hours worked per week between January 1, 2020 and March 31, 2020: \_\_\_\_\_.

- d. Multiply the amount entered in 3.b. by the amount entered in 3.c. \_\_\_\_\_. Multiply this amount by 8: \_\_\_\_\_. Enter this value in the column above box 3 for that employee.

If the employee is a salaried worker, compute the total dollar amount of the reduction that exceeds 25% as follows:

- e. Multiply the amount entered in 3.b. by 8: \_\_\_\_\_. Divide this amount by 52: \_\_\_\_\_.  
Enter this value in the column above box 3 for that employee.

# PPP Forgiveness: Documentation

## **Documents that Each Borrower Must Maintain but is Not Required to Submit**

PPP Schedule A Worksheet or its equivalent and the following:

- a. Documentation supporting the listing of each individual employee in PPP Schedule A Worksheet Table 1, including the “Salary/Hourly Wage Reduction” calculation, if necessary.
- b. Documentation supporting the listing of each individual employee in PPP Schedule A Worksheet Table 2; specifically, that each listed employee received during any single pay period in 2019 compensation at an annualized rate of more than \$100,000.
- c. Documentation regarding any employee job offers and refusals, firings for cause, voluntary resignations, and written requests by any employee for reductions in work schedule.
- d. Documentation supporting the PPP Schedule A Worksheet “FTE Reduction Safe Harbor.”

All records relating to the Borrower’s PPP loan, including documentation submitted with its PPP loan application, documentation supporting the Borrower’s certifications as to the necessity of the loan request and its eligibility for a PPP loan, documentation necessary to support the Borrower’s loan forgiveness application, and documentation demonstrating the Borrower’s material compliance with PPP requirements. The Borrower must retain all such documentation in its files for six years after the date the loan is forgiven or repaid in full, and permit authorized representatives of SBA, including representatives of its Office of Inspector General, to access such files upon request.





**COVID-19 Survey**  
**Conducted May 12-15, 2020**  
**131 NTMA and PMA Members Responded**

- **91%** of One Voice respondents received a PPP loan
- **83%** report the PPP has allowed the company to retain employees they would otherwise furlough, let go
- **41%** of respondents will furlough/let go employees when the PPP runs out, 30% not sure
- **30%** report the PPP loans will cover less than thirty more days of payroll
- **1 in 10** manufacturers have no new orders and  
**65%** expect customer disruptions to continue for the next 2-6 months
- **36%** actively receiving new orders with  
**52%** receiving some but well below normal levels
- **53%** of respondents report customers are requesting longer payment terms or extension of current terms

# One Voice Survey Priority Rankings: PPP Changes

1. Expand 8 weeks to 16 for the period of loan
2. Allow the deductibility of wages, rent, utilities as expenses under IRC 265
3. Extend the June 30 deadline to rehire employees under forgiveness to September 30
4. Reaffirm Congressional intent did not include requirement to spend 75% on payroll costs
5. Allow PPP recipients to claim the Enhance the Employee Retention Credit
6. Maintain new Net Operating Loss (NOL) CARES Act provisions
7. Reform affiliation rules to ensure that all small manufacturers, regardless of ownership structure, with 500 or fewer U.S.-based employees can qualify for the program
8. Make 501(c)(6) non-profit trade associations eligible for PPP loans

# Survey Priority Rankings: Restart American Mfg

1. Make permanent 100% bonus depreciation expensing for qualified property.
2. 6.2% payroll tax holiday for March-December 2020
3. Create a new tax credit to support the onshoring of manufacturing activities, such as moving operations to the U.S. or investing in capital equipment, to support the purchase of property, facilities and more.
4. Establish business liability protection for employers
5. Provide tax incentives to help companies recruit and train the skilled workforce needed to expand modern manufacturing in the U.S.
6. Create Restart America Loans – 10-year government guaranteed long term low interest loans: uses include equipment, tools, materials, R&D, facility improvements/expansions
7. Make General Business Credits Refundable (General Business Credits include: R&D, investment, work opportunity, renewable, new markets, etc.)
8. Create an incentive, effective for a limited period of time after operations are moved to the United States, to help mitigate increased labor costs.
9. Provide funding for Career and Technical Education, MEPs, federal job training programs
10. Government backed Accounts Receivable insurance and prompt payment terms
11. Trade-In Trade-Up auto purchase incentive program

# Next Steps on Legislation

- Bill to Change PPP Gains Momentum
  - Pelosi promised members vote on PPP bill to extend 8 weeks to 24
  - Senate Small Business Committee has a long list of fixes they want
  - Senate bill goes to 16 weeks forgiveness term
  - House bill removes 75% payroll costs threshold; Senate does not address
- Senate GOP Drafting Liability Protection Bill
  - Focusing on Gross Negligence or Wrongful Conduct
  - Treats employees and customers equally
  - Attempts to push cases to federal court
- Onshoring/Reshoring initiatives
  - House GOP creates China Task Force (initially was bipartisan)
  - Discussion of how to reduce costs of mfg in U.S. vs China through temporary tax credits for facility, employee equipment costs
  - White House close to finalizing domestic drug supply chain initiative



# Members Stepping Up: The Washington Post

May 18, 2020

Interview by: KK Ottesen



The face shield [idea] came up from our local salesperson and a friend of his who works at the company that designed the product. They said, "Hey, we need some help." We jumped on it, said sure. You know, we're seeing a little slowdown in business, so this would be good work to help keep everybody busy. And so we got our team together and said, "Let's figure out how to do this." [The face shields are] going to people who are on the front lines, in close contact with a patient or suspected-case patient. People were just saying, "How can I help? How can I chip in?" It's developed into two shifts pushing out 20,000 assemblies a day. We rotate [people] in and out so they don't get too burned out on doing this same repetitive motion thousands of times a day. Everybody's real upbeat, proud to be a part of the process. I'm proud of everybody working here because they stepped right in.

# Take Action. Your Work Matters.



NTMA and PMA members are:

- Producing gallons of hand and surface sanitizer.
- Manufacturing face shields, masks, personal space guards and other forms of PPE.
- Making medical equipment including parts for respirators, ventilators, laryngoscopes (used during intubation) and hospital beds.
- Collecting and distributing cards for frontline workers and others.

# NTMA/PMA New Podcast – Subscribe Now!

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Soundcloud



# Questions?

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