April 16, 2020

The Paycheck Protection Program (PPP) is now out of funds. AEM is working closely with Congressional leadership to ensure that they reauthorize this critical program – authorized as part of the CARES Act – that supports equipment manufacturers’ ability to weather the financial crisis caused by the COVID-19 pandemic. Many small equipment manufacturers, suppliers, and distributors are short on time and money, and securing additional funding for the PPP is now AEM’s top priority.

Today we deployed a survey to help us better understand how the COVID-19 pandemic is impacting member companies, identify the challenges facing executives, and understand the outlook for the next three to six months. We will share the results of the survey next week, and provide you with ongoing updates on how we leverage the information in support of our ongoing advocacy efforts.

The U.S. Department of Labor’s Occupational Safety and Health Administration (OSHA) today issued workplace guidance employers can follow to protect manufacturing workers from exposure to coronavirus.

Here are some of the other recent developments:

**Paycheck Protection Program Funds Run Dry**
This morning it was announced that all of the Small Business Administration’s (SBA) $350 billion Paycheck Protection Program funds were depleted. Congress had attempted to pass legislation to provide additional funds to the program last week, but could not reach an agreement that would allow the bill to pass both chambers by unanimous consent. Republicans are seeking a clean bill that only adds money to the program, while Democrats are hoping to move something that provides funds to states and hospitals as well. Because the program has run out of money, the SBA can no longer accept new loan applications and additional lenders cannot be enrolled in the program. There are concerns that an agreement will not be reached until Congress returns in early May.

The SBA released a snapshot of loan approvals issued through the Paycheck Protection Program (through April 13). The overall average loan size was $239,152, with large states like Texas and California securing the largest number of individual loans. Businesses in subsectors such as construction and manufacturing received the highest percentage of loans. During phone calls this week to members of Congress,
AEM members and staff have been emphasizing the need to add more funds to the Paycheck Protection Program as soon as possible to help additional small businesses through the COVID-19 pandemic.

**Coronavirus Economic Impacts and Policy Responses**
AEM has created a comprehensive presentation on the impacts of the COVID-19 pandemic on the economy and the policy responses designed to mitigate the crisis and get the economy back up and running again. This includes the impact the COVID-19 pandemic has had on small businesses and policy responses at local and state levels, as well as policy responses by the U.S. Congress and the White House. We encourage you to review the presentation and reach out to us if you have any questions or need more details.

**DoL Issues Alert to Keep Manufacturing Workers Safe During COVID-19**
The U.S. Department of Labor’s Occupational Safety and Health Administration (OSHA) issued an alert today listing safety tips employers can follow to help protect manufacturing workers from exposure to coronavirus. Safety measures employers can implement to protect employees working in manufacturing include: practicing sensible social distancing and maintaining six feet between co-workers, where possible; establishing flexible work hours, (e.g., staggered shifts); training workers on how to properly put on, use/wear, take-off and maintain protective clothing and equipment; and more.

**State Activities**
AEM has been monitoring activities taken by Governors as they continue to issue closure orders and other guidance, and we are in close contact with their staff to make the case that our industry should be deemed "essential."
Notable for today’s update is that the Governors of Idaho, Kansas, New York, Virginia, and Wisconsin have extended the duration of their respective previous stay at home orders. The Governor of Maryland announced the indicators needed before reopening the state. The Governors of Louisiana and Mississippi announced the formation of commissions to study how to re-open their state. The Governor of Pennsylvania issued new operating guidance for all essential businesses.

The map below summarizes each state’s status. For all of the latest information, please visit our dedicated state by state tracker.

*Map as of April 16*
Canada Activities

Today, Prime Minister Justin Trudeau announced the expansion of the Canada Emergency Business Account (CEBA) to businesses that paid between $20,000 and $1.5 million in total payroll in 2019. He also announced that the federal government, working with the provinces intends to introduce the Canada Emergency Commercial Rent Assistance (CECRA) for small businesses. The program will seek to provide loans, including forgivable loans, to commercial property owners who will lower or forgo the rent of small businesses for the months of April (retroactive), May, and June.

AEM has been engaging with officials at Agriculture and Agri-Food Canada to stress the importance of ensuring that technicians who service equipment are allowed to enter Canada without a 14-day quarantine period. We will continue to follow this file closely and push departments for clarity on this critical matter.

British Columbia has announced that a new B.C. Business COVID-19 Support Service which will serve as a single point of contact for businesses looking for information on resources available during the COVID-19 pandemic. The province has also announced that it is reducing most commercial property tax bills by an average of 25%, along with new measures to support local governments facing temporary revenue shortfalls.
We continue to update our resources on Canadian activities on AEM’s COVID-19 resources page. You can also click here for the latest updates from Ottawa and all the provinces.

Do you have questions or need to get a hold of AEM’s Advocacy Team? E-mail our Response Team at responseteam@aem.org with any questions or feedback.

As always, if you have any questions about AEM’s ongoing efforts, need assistance with a specific issue, or would like to share how the unfolding COVID-19 pandemic is impacting your business, please do not hesitate to reach out to me at keideberg@aem.org.

Best,
-Kip

Kip Eideberg
Senior Vice President, Government & Industry Relations
Association of Equipment Manufacturers