April 24, 2020

*AEM is committed to providing you with the latest updates, information, and resources to help you navigate the COVID-19 pandemic and the unfolding economic crisis. In order to keep these e-mail updates relevant and the information timely, we may adjust the frequency of the e-mails over the coming days and weeks.*

Last night, the U.S. House of Representatives approved H.R. 266, the Paycheck Protection Program and Health Care Enhancement Act, in a strong bipartisan vote, and this afternoon, President Trump signed it into law. We are encouraged by the bipartisan votes in the U.S. House and Senate this week, but we continue to stay in close contact with congressional leaders and the White House to remind them that we need them to do more to support the 2.8 million men and women of our industry.

In [a press release](#) after yesterday’s House vote, AEM’s Dennis Slater said further legislation is needed to help our industry. “While the Paycheck Protection Program is helpful for many small equipment manufacturers, there is a lot more Congress needs to do to support the 2.8 million men and women of our industry,” said Slater. “Too many equipment manufacturers are still struggling to stay open and on the job. With the PPP replenished, Congress must now turn their attention to a large number of manufacturers who do not qualify for this program but still desperately need support.” AEM staff will continue to work with our member company CEOs in our outreach to lawmakers, offering our ideas and suggestions as they craft additional relief legislation.

AEM continues to connect CEOs of equipment manufacturing companies with elected officials so that they can hear first-hand how the COVID-19 pandemic is impacting our industry. There are many ways that you can help support our advocacy efforts, and I encourage you to [read our latest blog post on ways to advocate in the time of social distancing](#).

*** FINAL REMINDER:*** Last week, 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 in the coming days, and provide you with ongoing updates on how we leverage the information in support of our ongoing advocacy efforts. **If you have yet to complete the survey, please do so by close of business today. [Complete the survey here](#).** Please don’t hesitate to [email me](#) if you have any questions about the survey. ***
Here are some of the day’s other developments:

**AEM to USTR: Renew Section 301 Tariff Exemptions for Equipment Manufacturers**

In a letter to U.S. Trade Representative Robert Lighthizer, AEM President Dennis Slater made an appeal on behalf of equipment manufacturers for the automatic renewal of Section 301 tariff exemptions. Slater writes, “Our member companies have filed Section 301 exclusion requests while at the same time begun the process of gradually moving their supply base out of China. However, this process takes time, and many raw materials and components can still only be sourced in China, subjecting them to a 25% tariff. During the unprecedented crisis caused by the COVID-19 pandemic, equipment manufacturers need to focus on staying in business and avoiding the additional supply chain disruptions and costs associated with the Section 301 tariffs.” As equipment manufacturers step up to help in the fight against COVID-19, AEM will continue to advocate on behalf of the industry and against burdensome regulations that hinder their response efforts.

**AEM Continues to Make the Case of Immediate Repeal of Tariffs**

In a Washington Examiner op-ed this week, I joined Americans for Tax Reform’s Alex Hendrie in arguing that repealing tariffs permanently could help jump start our sluggish economy. In the piece we write: “The Congress and the President must now do everything in their power to help companies survive and Americans keep their jobs, so that so that the economy can slowly begin to turn around. One way to do this, while also providing immediate relief for American consumers and businesses, is by suspending, or ideally permanently repealing, all existing tariffs.”

We go on to make the case that as our elected officials work to mitigate the significant economic damage caused by the COVID-19 pandemic, they should act now to suspend or eliminate tariffs. “This will not only help the U.S. economy recover more quickly, but it will also ensure equipment manufacturers have the cash they need to survive for the next few months and eventually recover from the unprecedented economic damage caused by the COVID-19 pandemic.”

AEM, in partnership with other industry groups and coalitions such as Americans for Free Trade, have called for the repeal of tariffs since their enactment nearly two years ago.

**AEM Calls for State DOT Support to Support Local Infrastructure**

AEM joined the 30 other members of the Transportation Construction Coalition (TCC) to send a letter to Congressional leadership urging them to pass legislation providing state Departments of Transportation with at least $49.95 billion. Because of the COVID-19 pandemic, fewer people are utilizing transportation infrastructure, which will reduce revenue for infrastructure trust funds by 30 percent. In response to reduced revenue projections, some states have begun to delay transportation projects. Plugging the deficit caused by the pandemic will help to prevent further infrastructure project delays or cancellations and ensure that operations and
maintenance work continues. Additionally, the letter echoes the call for the passage of a bipartisan, long-term reauthorization of federal surface transportation before authorization expires at the end of September, something AEM has long advocated for.

**Laptop Advocacy: Tips on Engagement During COVID-19**

In a blog published this week, Wade Balkonis, AEM’s Grassroots Manager, offers five ways that member companies can stay engaged in advocacy efforts around the COVID-19 pandemic. Wade writes, “As we respond to the COVID-19 crisis and our industry works to help rebuild our economy, our policymakers need to hear from AEM, its members companies, and the I Make America community. With that in mind, and especially as our nation largely continues to practice social distancing, here are five ways you can engage with your elected officials.”

**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 Illinois, Michigan, New Mexico and North Carolina have extended the duration of the previous stay at home orders. The Governor of Illinois extended the duration of the previous stay at home order and issued new health and safety requirements for businesses and residents. The Governors of Alaska, Idaho, Minnesota, Montana, Nevada, Oklahoma, and Tennessee announced the indicators needed before reopening the state. The Governor of Pennsylvania announced new health and safety guidance for construction businesses and the indicators needed before reopening the state.

With state governments announcing strategies for re-opening their economies, starting today we are providing a new U.S. map that when state shelter-in-place orders and stay-at-home advisories are set expire.

For all of the latest information, [please visit our dedicated state by state tracker](#).
Canada Activities

Today, Prime Minister Justin Trudeau announced details of the Canada Emergency Commercial Rent Assistance (CECRA) for small businesses.

Highlights today from Canadian provinces:

- **Manitoba**: Premier Brian Pallister announced the Summer Student Recovery Plan, a new wage subsidy program to support high school and post-secondary students employed in the private and non-profit sectors in Manitoba.

- **New Brunswick**: Premier Blaine Higgs is set to announce the first part of New Brunswick’s recovery plan at a news conference this afternoon in Fredericton.

- **Ontario**: Ontario has announced that it is extending all emergency orders until May 6, 2020.

- **Saskatchewan**: Saskatchewan has announced, in collaboration with the federal government, that they have agreed to increase the 2020 AgriStability interim benefit payment percentage from 50 percent to 75 percent for Saskatchewan producers.

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

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