May 13, 2020

AEM president Dennis Slater and member company Cummins were featured on ABC’s Nightline last night as part of its “Bringing America Back” series. The segment focused on how equipment manufacturers have responded to the COVID-19 pandemic and the safety protocols they have implemented to ensure the health and safety of the 2.8 million men and women of our industry.

Today, we also highlight key parts of the Health and Economic Recovery Omnibus Emergency Solutions Act (or the HEROES Act), which is the so-called “Phase 4” coronavirus rescue plan, that was released yesterday. Included below is a link to AEM staff’s initial analysis of some of the provisions relevant to our industry. We will provide more in-depth summaries and analyses of key parts as we work our way through the 1,815 pages in the coming days and weeks.

We are encouraged to learn that Mexico is moving towards reopening certain production activities, including construction, mining, and automotive industries. AEM has been working closely with other leading trade associations and business organizations in pressing Mexico to adopt rules for essential businesses consistent with those in the United States, and we are optimistic that this most recent announcement will serve as a precedent for the reopening of other industry Mexico has deemed as “non-essential.” In the meantime, we continue to urge our member companies to share with us and the government of Mexico how they are impacted by the current closure orders. More details on this below.

Here are key highlights from today:

Equipment Manufacturing Gets the Spotlight During ABC’s Nightline
If you watched last night’s episode of ABC’s Nightline, you may have seen some familiar faces. AEM President Dennis Slater and AEM member company Cummins were featured during the most recent episode of the news program’s “Bringing America Back” series. The series highlights the day’s top stories in economic recovery and medical preparedness amid the coronavirus pandemic. Dennis talks about how equipment manufacturers are adapting to the new reality, saying: “I think what you’ll see there is, they’ll start to react to – how do they make their worksites safer...make their machines more efficient?” You can watch the full episode here.

Phase 4 COVID-19 relief bill
Late yesterday, House Democrats released a $3 trillion, “Phase 4” coronavirus relief package. The bill, H.R. 6800, the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act, provides nearly $1 trillion in funding for state, local, tribal, and territory governments, a new round of individual payments, and hazard pay for essential workers, among other provisions. AEM is particularly pleased to see the legislation includes two of AEM's key priorities: funding for states' departments of transportation and workforce development. AEM previously spearheaded letters urging Congress to provide $50 billion to state DOTs in the wake of declining revenues to allow important infrastructure projects to continue. While the HEROES Act only provides $15 billion, we are pleased to see consideration being given to this important issue. Additionally, there is more than $2 billion included in the legislation for worker training programs. This follows a letter sent by AEM President Dennis Slater to House leadership, urging the inclusion of workforce development funding.

The House plans to vote on both a resolution to change chamber rules to allow for remote voting during the pandemic and the HEROES Act on Friday. The legislation as written has very little chance of becoming law as Senate Majority Leader Mitch McConnell (R-Ky.) expressed concern that it was filled with the pet projects of Democrats. Republicans generally continue to express concerns with the growing federal debt fueled by previous aid provided to soften the impact of the ongoing COVID-19 pandemic. Highlights of the provisions of the bill that are relevant for impact equipment manufacturers are available here. Please note: this is not an exhaustive list of all of the provisions within the HEROES Act.

Mexico Moves Towards Reopening Manufacturing Sector
Mexican President Andres Manuel Lopez Obrador has indicated that on May 17, certain production and economic activities, such as the construction, mining, and automotive industries, which are related to the U.S. market, as well as the Canadian market, may resume. Mexico’s Ministry of Economy is expected to publish additional operating protocols any day.

In addition to previously provided AEM guidance, if your operations in Mexico are still negatively impacted by essential business issues, our partners at the National Association of Manufacturers suggest the following:

- Contact the Mexico’s Ministry of Economy’s via their new email inbox.
- Companies are urged to submit concerns in Spanish, where possible.
- The Ministry of Economy has prepared this form with suggested information that companies can include when submitting information. The Embassy of Mexico has requested that companies copy its Washington, D.C.-based Ministry of Economy staff on messages sent to the new inbox.

Beginning June 1, the Ministry of Health will issue a weekly level system for each state. Each color level of the system will allow certain economic, education, and social activities to operate with different levels of intensity. It is noted sectors not explicitly included in the list of essential activities would be allowed to operate starting on June 1, opening gradually and subject to region-specific conditions.
State Activities
AEM has been monitoring activities taken by Governors as they continue to issue closure and reopening orders. We are in close contact with their staff to make the case that our industry is establishing health and safety protocols to protect both employees and customers.

Notable for today’s update is that the Governors of Delaware and Mississippi have extended the closure order. The Governor of Virginia also extended the closure order for certain parts of the state. The Governors of Louisiana, Rhode Island, New York, and Washington announced the resumption of limited operations for certain businesses in the coming days.

Now that state governments are transitioning into re-opening strategies, we are providing a new U.S. map showing when state shelter-in-place orders and stay-at-home advisories expire.

For all of the latest information, please visit our dedicated state by state tracker.

Canada Activities
The House of Commons is set to debate the legislation required to implement certain elements of the government’s previously announced supports for farmers, food businesses, and the food supply. The Senate is set to convene on Friday to adopt the legislation.

Today’s updates from the provinces include:
- **British Columbia**: The province announced $300,000 to support industry-led Buy BC e-commerce activities to help the province’s farmers and food and beverage processors
overcome some lost sales during the COVID-19 pandemic by moving their products online.

- **Ontario**: On May 12, the province extended the Declaration of Emergency until June 2.
- **Quebec**: The provincial legislature has resumed for the first time since March 17. Premier François Legault has encouraged all Quebeckers to wear masks when leaving their homes, although it will not be required.

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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