May 15, 2020

Today, lawmakers are back in Washington, D.C., and in a few hours the U.S. House of Representatives is set to vote on a “Phase 4” coronavirus relief package. While the package is not expected to pass, Speaker Nancy Pelosi (D-Calif.) today signaled that she is open to a more focused aid package and Republicans are acknowledging the likelihood of new legislation in the coming weeks.

Two key provisions that AEM has been advocated for, funding for both workforce development and state Departments of Transportation, are included in the current package. We are stepping up our efforts to make the case to the U.S. Congress and the White House that a significant investment in infrastructure must be included in the next aid package.

As federal and state governments turn their attention to reopening, we have compiled the latest information and resources on reopening plans into a presentation included below.

Here are some of the day’s other developments:

**Digging Deeper into the Details of “Phase 4” Relief Package**

The House is set to vote on H.R. 6800, the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act. The legislation 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 that we outlined in our last update. The legislation has a difficult path forward with an uncertain outcome in the House.

Republicans are nearly unanimous in opposition to the bill because it would balloon the debt and includes what many consider to be Democrat “pet projects.” Democrats on both sides of the spectrum have concerns about the legislation as well. Some moderate Democrats have concerns that the legislation is simply a messaging bill as no Republicans were involved in the conversation, in addition to fiscal concerns. More progressive members of the caucus are disappointed the bill does not go far enough on social safety net provisions. With that said, it will likely be very difficult for House Democrats to vote against the bill largely because of the aid provided for state and local governments. At the same time, H.R. 6800 has no future outside of the House in its current form as Senate Majority Leader Mitch McConnell (R-Ky.) has indicated opposition to the legislation.
For our part, AEM continues to highlight the challenges facing our member companies to the U.S. Congress, and our efforts have seen some success. AEM’s priority to include $50 billion for state Department of Transportation and workforce development provisions were partially realized in H.R. 6800. We will intensify our efforts as lawmakers and the Trump administration work on additional aid packages and move forward with plans intended to jumpstart the economic recovery, such as surface transportation reauthorization.

**AEM Continues to Make the Case for Infrastructure Investment**
As lawmakers continue to negotiate future relief packages, AEM continues to push the federal government to make a significant investment in infrastructure in order to jumpstart the economic recovery. I joined David Westin on Bloomberg Radio to discuss how infrastructure investment will help equipment manufacturers and why the U.S. Congress needs to put policy ahead of politics and work on policy solutions that will support our industry during the current crisis. And On Sirius XM’s POTUS Press Pool, I shared the findings of our recent CEO survey and how infrastructure investment can help drag our economy out of its sluggish pace.

**ICYMI: Politico: “‘They are angry’: Pandemic and economic collapse slam Trump across Rust Belt”**
A new Politico article outlines how voters in several states across the Midwest, including Wisconsin, Michigan, Ohio, Pennsylvania, are only increasing in their importance this presidential election as COVID-19 causes further havoc to state economies which rely heavily on a strong manufacturing sector. Voters’ apparent increasingly negative sentiments due to COVID-19’s impact acts as an important indicator on how much our manufacturing election message will still resonate come November. On manufacturing, Politico writes: “…The emerging economic downturn has also further undermined the president’s promises of reviving American manufacturing, particularly the steel industry…Democrats maintain that the region’s long-standing financial difficulties were already being exacerbated by the Trump administration in the three years before the coronavirus struck. They point to tariffs and renewable fuel-standard waivers that impacted corn farmers. Manufacturing, too, has taken big hits. Last year, Pennsylvania saw a drop of 5,700 factory positions, while Michigan was down 5,300 and Wisconsin lost 4,100 jobs.” Read the full story.

**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 Governor of New Mexico extended the closure order. The Governors of Maryland, Massachusetts, Minnesota, New Jersey, New York, Oregon, Pennsylvania, and Vermont announced the resumption of limited operations for certain businesses in the coming days. In Wisconsin, due to a recent court ruling, the statewide stay at home order was lifted, however certain local governments have issued their own closure orders.
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
Today, Prime Minister Justin Trudeau announced that the Canada Emergency Wage Subsidy (CEWS) is being extended an additional 12 weeks to August 29, 2020.

Today’s updates from the provinces include:

- **British Columbia**: The province has extended its state of emergency through the end of the day on May 26.
- **New Brunswick**: The province has extended the declaration of emergency under the Emergency Measures Act for another 14 days.
- **Ontario**: The province has announced that retailers, seasonal businesses, and health and community service providers who will be permitted to open or expand their services on May 19.
- **Quebec**: The province has announced it will accelerate their current infrastructure spending plan, bringing the spending in fiscal year 2020-21 to $13.9 billion, rather than the $11 billion that was planned.

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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