June 15, 2020

Over the weekend, The Wallstreet Journal’s Greg Ip reported the U.S. economy continues to trend upward in a “V-shaped recovery,” after having bottomed out in April as a result of the pandemic. Consumer spending dropped significantly as local, state, and federal governments rolled out social distancing measures and stay at home orders to prevent further spread. And as those stay at home orders are lifted by authorities, more Americans are spending, fueling that recovery jump. The Peterson Institute’s Karen Dynan told Ip “she expected ‘the first part of the recovery would be rapid—a significant bounce after a deep plunge in activity as businesses that people can safely engage with reopen. I’m not too surprised to see what looks like a considerable pickup from the deeply depressed April numbers, but I also think the pace of recovery is going to slow way down after the businesses that can easily reopen do so.’”

Thanks to all who completed the second CEO Survey. We are going through the results and will share the findings with you in the coming days.

Here are some of today’s other developments:

**Capitol Hill Topics of the Week: Trade and Transportation**

As we mentioned on Friday, it is going to be a busy week on Capitol Hill. On Wednesday, United States Trade Representative Robert Lighthizer will be testifying before both the House Ways and Means Committee in a virtual format at 10 a.m., and in person before the Senate Finance Committee at 3:00 p.m. on the Trump administration’s 2020 trade agenda. We expect to hear from the Ambassador about ongoing negotiations over the U.K. and Kenya trade agreements, the Phase I of the China agreement and prospects for Phase II, as well as progress with implementation of the USMCA which takes effect on July 1.

Over in the House Committee on Transportation and Infrastructure, they will be marking up the partisan $494 billion, 5-year bill, H.R. 2, “Investing in a New Vision for the Environment and Surface Transportation in America Act” or the “INVEST in America Act.” The actual legislation considered will be an amendment in the nature of a substitute that adds 64 pages of minor changes and typographical fixes. Thus far, 43 amendments have also been submitted and we expect to see many more, including a substitute amendment from the minority. As new amendments are added, you can view them here.
ICYMI: Jumpstarting the COVID-19 Recovery: Equipment Manufacturers and Infrastructure Play Key Roles

In Thursday’s AEM Industry Advisor, AEM’s Kate Fox Wood outlines how infrastructure investment and equipment manufacturers can play a key role in jumpstarting economic recovery. AEM has long called for infrastructure investment, and has continued to advocate for the funding in the era of the pandemic. “As policymakers chart a path forward during these uncertain times in our nation’s history, one thing is clear: meaningful investment in infrastructure is as important as ever,” says Fox Wood. “Equipment manufacturers look forward to advancing this goal, and continuing to support industries that build, feed, and fuel the world.” Read the full blog.

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 New York and Pennsylvania announced the resumption of limited operations for certain businesses in the coming days. The Governor of Utah has published important guidance for businesses.

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.

Some states have started to reopen parts of the state for business

Which states are reopening?
AS OF JUNE 15, 2020

- Partial reopening
- Order lifting or reopening soon
- Shut down or restricted

Ten states did not implement stay-at-home orders until April 1 or later

MA RI CT VT ME NH RI DE MD

Sources: New York Times
*The WI Stay at Home order was nullified via court order.
For all of the latest information, please visit our dedicated state by state tracker.

Canada Activities

Prime Minister Justin Trudeau says the federal government will today be announcing some form of extension to the Canada Emergency Response Benefit, which is set to expire for many Canadians next month. To date, the federal government has distributed more than $43.5-billion in CERB payments to 8.4 million applicants. The federal government’s most recent estimate is that the CERB will cost $60-billion under the existing terms.

Today’s updates from the provinces include:

- **Quebec**: Premier François Legault fails to secure agreement on construction bill fast tracking projects across the province. Quebec’s parliament adjourned on June 12 without reaching agreement on the bill which would have fast tracked over 200 projects including road work, schools, and public transit.

- **Saskatchewan**: Today, Finance Minister Donna Harpauer will present the province’s budget. The government and Opposition NDP agreed to meet for a 14-day sitting starting June 15, but only some members will be returning to the legislature. In the spending estimates released in March, the government promised $200 million more for health care and $1.3 billion for emergencies. But there were no revenue forecasts, with the government explaining that dollar amounts initially budgeted are no longer reliable in light of the pandemic and shutdown of services.

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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