July 7, 2020

**PROGRAMMING NOTE: These updates will move to a Tuesday/Thursday schedule for the month of July and will include updates on our response to the COVID-19 pandemic as well as our ongoing advocacy efforts in support of our member companies.**

I hope you all had a nice holiday weekend with your families and loved ones. Before the holiday break, I joined Kevin Cirilli on Bloomberg Radio’s Sound On to discuss the results of the recent CEO survey. We will continue to highlight the negative impact of the COVID-19 pandemic on our industry and make the case that Congress and the Administration need to prioritize the equipment manufacturing industry as they contemplate additional relief packages and work to reopen the economy. Listen to the full interview.

Congress kept busy last week, considering a number of items before the holiday weekend and their two-week recess. On Wednesday evening, the House passed H.R. 2, the Moving Forward Act, which provides $494 billion for surface transportation infrastructure. The House also voted on an extension to the Paycheck Protection Program (PPP), which President Trump signed into law over the weekend. If your business has not yet considered or applied for a PPP loan, and is in need of federal assistance, [we encourage you to review the application and its requirements](https://www.aem.org/paycheck-protection-program). We’re also keeping a close eye on congressional negotiations on additional coronavirus relief legislation. AEM supports additional legislation to help American families and business as they continue to weather the effects of COVID-19.

Here are some of today’s other news and developments:

**Paycheck Protection Program Extended Until Aug. 8**
Last Wednesday, the House followed the Senate in passing an extension for the Paycheck Protection Program, which was then signed into law by President Trump on Independence Day. With $130 billion left in the program, eligible businesses now have until Aug. 8 to apply for a forgivable small business loan. With the June 5 enactment of the Payroll Protection Flexibility Act, loans originating after June 5 have a five-year maturity and are forgivable if 60% of the loan amount is used for payroll expenses, which is a change from the original two-year, 75% threshold that initially guided the program.

**Infrastructure Bill Passes House**
The House also passed H.R. 2, the Moving Forward Act before the break. The legislation importantly provides:

- $494 billion for U.S. surface transportation infrastructure (including $319 for the federal-aid highway program);
- $22.5 billion for airport and airway infrastructure;
- $10 billion for U.S. Army Corp of Engineers projects including ports and harbors; and
- $80 billion for broadband infrastructure, among other provisions.

The legislation passed mostly along party lines by a margin of 233-188 with two Democrats voting against the legislation and three Republicans voting in favor. AEM President Dennis Slater released a statement following the passage of the legislation “commending the U.S. House of Representatives for staying focused on the looming expiration of the 2015 FAST Act, and the opportunity before us to leverage infrastructure investment as a means to support economic recovery efforts during the coronavirus pandemic.” Additionally, AEM also joined with the Transportation Construction Coalition in sending a letter in support of passage of H.R. 2. While the legislation in its entirety is unlikely to be considered in the Senate, AEM will continue to push both chambers to pursue a bipartisan, legislative solution before the FAST Act expires at the end of September.

Next Up: Coronavirus Relief

As the coronavirus continues to impact the nation, Congress is forecasting that it will make a serious effort at crafting another package to aid in response to the pandemic. This would be the fifth piece of legislation passed in response to COVID-19. Lawmakers have given an unofficial deadline of July 31 to push the package through. Although nowhere near final, several provisions are rising to the top of the priority list for lawmakers as they begin to negotiate a deal. Those include a new round of individual stimulus checks, a second round of Paycheck Protection Program funding, liability protections for businesses, school funding, and additional support for health care providers. AEM will be making the case to lawmakers over the next few weeks to also include infrastructure investment in the relief package, as well as other provisions that would directly support equipment manufacturers in their recovery efforts.

ICYMI: Weiler: Supporting manufacturing key election issue

Pat Weiler (President & CEO of Weiler Products in Knoxville, Iowa) recently published an op-ed that ran in Sunday’s print edition of the Quad-City Times. Pat encourages readers, “So, Iowa voters: do your homework now, ask candidates to explain how they are going to support manufacturing, and remember those answers when you head into the voting booth later this year. Iowa’s manufacturing workers, their families, our economy, and the future of our state depend on the decisions that you make in November.” Read Pat’s op-ed.

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 California and Michigan announced the closure of certain businesses. The Governor of Massachusetts has announced the resumption of limited operations for certain businesses. The Governors of Indiana, Kansas, and Washington announced extensions of their current reopening phases. The Governors of Arkansas, Pennsylvania, Tennessee, Texas, and West Virginia published important guidance for businesses.

With state governments announcing pausing or reversing of reopening plans, we are providing a U.S. map that shows how each state is altering or continuing with reopening plans.

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

Canada Activities
On July 8, Federal Finance Minister Bill Morneau will present a “fiscal snapshot” in the House of Commons. The date marks the first of four special sittings for the House of Commons over the summer months, with future dates including July 22, August 12, and August 26. Negotiations on the possibility of remote voting continue in Committee, with Parliament currently slated to return on September 21. The Canada Border Services Agency is temporarily reducing service hours at additional land, air, and marine ports of entry (POE) as a result of COVID-19, effective July at 11:59pm. The locations and hours are available here.
Updates from the provinces include:

- **Ontario**: Provincial Solicitor General Sylvia Jones is set to introduce a bill on July 7 that would allow the government to extend some emergency orders by a month at a time, with the law expiring a year after it’s passed. Ontario also announced on July 7 that legislation had passed aimed at speeding up the delivery of subways by: enabling the relocation of utilities; enabling the assembly of land required to construct stations, conduct tunneling and prepare sites; ensuring timely access to municipal services and rights-of-way; allowing the province to conduct due diligence work and remove physical barriers; and, ensuring nearby developments or construction projects are coordinated so they do not cause delays. This follows an announcement the day before establishing an exemption from the Hearing of Necessity process, which normally occurs 5 to 10 times per year on average for provincial highway projects. The exemption is meant to accelerate key provincial highway construction and priority transit projects.

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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