TO: NAW Direct Members

FR: NAW Government Relations Team

RE: NAW Critical Update Number 113 – December 21 at 5:15 PM

1. UPDATE ON COVID-19 RELIEF BILL

After months of failed negotiations, the House/Senate/White House agreed on a COVID-19 relief bill late last night. The House and Senate are both expected to pass the bill today—into the early morning hours if necessary—and White House officials last evening indicated that the President will sign it.

This is a HUGE piece of legislation—more than 5,000 pages—combining the year end government funding bill with an almost 1 trillion-dollar COVID-19 bill. But the parts of it in which NAW members and the overall business community were most interested have all been resolved surprisingly satisfactorily.

Specifically:

- Second draw PPP loans are permitted, provided the business can demonstrate a revenue loss of at least 25%;
- Full deductibility of expenses paid with a PPP loan are restored, despite Secretary Mnuchin’s determined opposition to that outcome;
- Additional expenses have been added to those that qualify for PPP loan forgiveness;
- The employee retention tax credit is increased and extended into 2021;
- The barrier between the ERTC and PPP has been removed, so a company can take both the PPP loan and claim the ERTC provided that the funds are not used for the same purpose; and
- For NAW member associations: 501(C)6 organizations are now eligible for PPP loans provided that not more than 15% of their gross receipts/activities are lobbying and no more than $1,000,000 spent on lobbying.

The new legislation would give the Small Business Administration (SBA) only 10 days from enactment of the bill to write rules for the revamped small business rescue provisions. The short deadline reflects a sense of urgency to get help to struggling employers, but the timeline — over the holidays and in the midst of a presidential transition — raises many concerns. After the passage of the CARES Act earlier this
year, there were dozens of interim rules and updates to agency FAQs that left many struggling employers confused. NAW will continue to monitor any new federal agency developments and send you critical updates as they occur.

To read a summary of the PPP provisions, click HERE.

To read NAW’s press release, click HERE.

To read the full bill, click HERE.

2. Latest on Economic Recovery and Re-Opening the Workplace

As the Coronavirus Pandemic continues to impact the United States economy and businesses across the nation, it can be hard to decipher how new regulations and laws may impact your business. To help you manage these issues NAW is providing information about reports, webinars and seminars that you may find useful:

From Reed Smith Law Firm:
EEOC releases updated and expanded COVID-19 guidance

Last week, the U.S. Equal Employment Opportunity Commission (EEOC) released updated and expanded guidance addressing questions related to the COVID-19 pandemic that arise under the Federal Equal Employment Opportunity Laws. The publication, “What You Should Know About COVID-19 and the ADA, the Rehabilitation Act, and Other EEO Laws,” includes new guidance on the … Continue Reading

From Littler Law Firm:
Bouncing Back (and Forth): Statewide Reopening and Mitigation Steps

As the pandemic unfolds, government officials are reevaluating their health and safety protocols and adjusting workplace guidance. This post provides links to key reopening orders and/or mitigation measures issued in recent weeks, at the statewide level. To read more, click HERE.

From The Hill:
Federal agency says employers can require workers to get COVID-19 vaccine

The U.S. Equal Employment Opportunity Commission (EEOC) in guidance issued last Wednesday said that requiring a test would not violate the Americans With Disabilities
Act of 1990. The law bars employers from requiring medical exams such as blood tests that seek information on an employee’s physical or mental condition, but the EEOC said a COVID-19 vaccine does not fall under that category. To read more, click HERE.

*Stateside Associates* publishes a daily report about State and Local Government responses to the evolving situation. To read their latest report, click HERE.

We are also providing a link to a spreadsheet that includes state and local COVID-19 response information provided by *MultiState Associates*. To view their spreadsheet, click HERE.

**Click here** for links to Critical Updates sent previously.

Many thanks—

*Jade West, Chief Government Relations Officer*
*Blake Adami, Vice President-Government Relations*
*Seth Waugh, Associate Vice President-Government Relations*
*National Association of Wholesaler-Distributors*

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