

TO: NAW Direct Members

FROM: NAW Government Relations Team

RE: NAW Critical Update Number 83 – July 28 at 4:00 PM

1. Latest on Senate Republican’s COVID Relief/Phase 4 bill – Known as the HEALS Act (Health; Economic Assistance; Liability Protection; and Schools Act)

Last evening the Senate Republicans released a series of bills covering a broad range of issues that they will now combine into the **Health; Economic Assistance; Liability Protection; and Schools – HEALS – Act**. This is the Senate’s long-awaited CARES-2 Coronavirus response legislation. To pass, this bill will have to get 60 votes, and that outcome is not certain since there is intense Democratic opposition and some opposition from Senate Republicans as well. Negotiations are now underway on the Senate bill, and if they do pass it, they will then have to “conference” it with the House-passed HEROES Act before something can be sent to the President.

The HEALS Act includes numerous provisions that NAW has been strongly advocating for, including some of significance to the business community, including:

- Additional funding, structural changes, and expanded eligibility for the PPP;
- Limited and targeted liability protection from COVID-related claims;
- Extension of the unemployment insurance program but with a reduced pandemic bonus payment;
- Expansion of the Employee Retention Tax Credit, including making PPP borrowers eligible for the ERTC with limits to prevent overlap; and
- Stimulus payments to individuals.

One notable omission from the bill: we expected language to reverse the IRS ruling that otherwise-deductible expenses paid with forgiven PPP loan proceeds are not tax deductible. A strong effort will be made to fix this problem.

Politico published a story last evening that summarizes the legislation and gives a good account of the political situation in Congress and the challenges ahead as they try to negotiate a final bill. You can read that story [HERE](#).

Also, the Littler Law firm published a report on some of the key provisions in the bill. You can view their report [HERE](#).

There are literally several dozen documents available on the new bill, including legislative text, committee press releases, side-by-side analyses, etc.

Senate GOP press release:

<https://www.republicanleader.senate.gov/newsroom/research/senate-republicans-introduce-the-heals-act>

Section-by-section of Finance/tax provisions:

<https://www.finance.senate.gov/imo/media/doc/SFC%20CARES%202.0%20Section-by-Section.pdf>

Legislative text of Finance provisions (including ERTC):

<https://www.finance.senate.gov/imo/media/doc/SFC%20CARES%202.0%20Legislative%20Text.pdf>

Cornyn statement on Liability provisions:

<https://www.cornyn.senate.gov/content/news/cornyn-measure-will-protect-health-care-providers-schools-charities-and-small>

Liability legislative text:

<https://www.cornyn.senate.gov/sites/default/files/SAFETOWORKAct.pdf>

Small business section-by-section:

https://www.rubio.senate.gov/public/_cache/files/20f62534-9e98-4d28-9c28-8f36ad06444b/02741A2731C1AA4D4EBA0287B6E0DE49.continuing-small-business-recovery-and-paycheck-protection-program-act-section-by-section-final-updated-1-.pdf

Small Business provisions legislative text:

https://www.rubio.senate.gov/public/_cache/files/49aef1eb-2397-4200-8011-17bd4b35ad10/55738B7798C596512E3B9002EA0A23CC.continuing-small-business-recovery-and-paycheck-protection-program-act---mir20e14.pdf

Legislative text for Restaurant aid:

<https://www.scott.senate.gov/imo/media/doc/Scott%20Supporting%20Americas%20Restaurant%20Workers%20Act.pdf>

2. Latest on Fed's Lending Facilities

Today, the Federal Reserve Board announced an extension through December 31 of its lending facilities that were scheduled to expire on or around September 30. The three-month extension will facilitate planning by potential facility participants and provide certainty that the facilities will continue to be available to help the economy recover from the COVID-19 pandemic.

The extensions apply to the Main Street Lending Program, the Paycheck Protection Program Liquidity Facility, the Primary Dealer Credit Facility, the Money Market Mutual Fund Liquidity Facility, the Primary Market Corporate Credit Facility, the Secondary Market Corporate Credit Facility, and the Term Asset-Backed Securities Loan Facility. Further details on each can be found [HERE](#).

3. 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 **Little Law Firm**: [**Facing Your Face Mask Duties – A List of Statewide Orders, as of July 28, 2020**](#)

As businesses reopen, face coverings are likely to remain popular as a preventative measure. This post identifies the jurisdictions where face coverings are recommended or required.

To read full article, click [HERE](#).

From **Little Law Firm**: [**This Won't Hurt a Bit: Employee Temperature and Health Screenings – A List of Statewide Orders, as of July 28, 2020**](#)

Employee health screening steps, including temperature checks, are becoming more common as states begin to reopen their economies. This post covers measures that require employers to take employees' temperatures and/or conduct other screening procedures.

To read the full article, click [HERE](#).

Webinar from **Oracle NetSuite**: *What business leaders should do now to emerge strong from 2020*

As wholesaler-distributors try to find their place in the new normal and continue to grapple with uncertainty about the future, what steps can leaders take to position themselves for growth? During this webinar, experts on marketing strategy and team building will share concrete steps you can take now to address the uncertainty your business faces and turn this disruptive period into opportunity.

Date: Wednesday, July 29, 2020

Time: 2:00 PM Eastern Daylight Time

To register, 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](#).

4. Issues Unrelated to COVID-19

Last week, NAW sent a letter to the U.S. House Subcommittee on Antitrust, Commercial and Administrative Law about Amazon's mistreatment of its third-party sellers in advance of their hearing tomorrow, July 29th. In our letter, we request the Subcommittee restore competition to Amazon's marketplace in both B2B and B2C. Small businesses that depend upon Amazon for access to their markets, including many of our members, fear retribution by Amazon if they speak up and we urged the Subcommittee to curb Amazon's stranglehold on them.

[Click here](#) to read our full letter.

[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*

The above information and links to other information has been prepared by NAW for the general information of NAW members. It is not intended to, and does not, provide tax, legal or professional advice concerning any specific matter. You should not act on the information without first obtaining professional advice and counsel.