

TO: NAW Direct Members

FROM: NAW Government Relations Team

***RE: NAW Critical Update Number 65 – June 10 at 3:00 PM***

## **1. Latest on the Main Street Lending Program**

Fed officials continue to say that they will have the facility stood up in a matter of days, but as of today, they have announced no launch date. We will continue to monitor the Federal Reserve for information and provide you with any relevant and timely updates.

## **2. Latest on Paycheck Protection Program**

Today, the Senate Small Business and Entrepreneurship Committee held a hearing on the Implementation of Title I of the CARES Act at which both Treasury Secretary Mnuchin and SBA Administrator Carranza testified. As of today, there have been 4.5 million PPP loans totaling \$511 billion – an amount significantly less than the \$530 billion that had been reported on May 8<sup>th</sup> since more than \$17 billion in loans have been returned. Of additional note from the hearing:

- Secretary Mnuchin stated that information on individual PPP borrowers and loan amounts is “proprietary information and in many cases is confidential” and will not be publicly disclosed;
- There was serious and repeated criticism of the SBA’s Economic Injury Disaster Loan (EIDL) program, on both the agency’s inefficiency in managing the program and their arbitrary decision to cap the loans at \$150,000 despite the CARES Act’s cap of \$2 million per loan;
- The PPP Flexibility Act’s extension of the PPP loan period from 8 weeks to 24 weeks “is only meant to be an option” and does not mandate that a PPP borrower wait for the 24-week period to run before applying for loan forgiveness; and
- A borrower who uses less than 60 percent of a PPP loan on payroll is eligible for forgiveness for that portion of the loan used on payroll plus the allowable non-payroll expenses.

If interested, you can view a recording of the hearing [HERE](#).

### 3. Latest on Unemployment Insurance During COVID-19

Yesterday, Secretary of Labor Eugene Scalia testified before the Senate Finance Committee during a hearing on the role of unemployment insurance during the COVID-19 pandemic. The testimony lasted nearly three hours and at times became contentious when committee Democrats pushed for the Department to be more aggressive on worker safety issues during the coronavirus outbreak. Committee Democrats pressed the Secretary to have the Department of Labor issue guidance on workers' rights to refuse to return to work if they believe the work conditions are unsafe. Senator Robert Menendez (D-NJ) took the issue further when he stated that "instead of guidance, you [the Department of Labor] should be issuing emergency temporary standards." However, Scalia stated that issuing guidance or standards of that kind "is to a large extent a function of state law."

Secretary Scalia additionally pushed back on whether there may be a need to extend the additional \$600 weekly unemployment insurance supplement past the current July 31<sup>st</sup> expiration date. He elaborated that because the economy will be far into re-opening by that date, the policy would likely need to be modified to reflect the circumstances at the time. Senator Rob Portman (R-OH) asked the Secretary to commit to looking into a temporary return-to-work bonus as an alternative to the \$600 supplemental, which Scalia agreed to do.

If interested, you can view a recording of the hearing [HERE](#).

### 4. 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***:

[Bouncing Back: A List of Statewide Return to Work Protocols](#)

ASAP – Government officials across the country are easing up, or preparing to ease up, on the stringent business closures and stay at home orders that helped the nation successfully slow the spread of COVID-19. Each jurisdiction will emerge from this collective state of suspended animation by implementing different measures, and on different timetables.

This [chart](#) provides links to re-opening plans and orders that have been issued thus far, at the statewide level. Employers should bear in mind that these materials typically offer detailed instructions for re-opening, which often vary by industry. As a result, it is important to review each order along with any accompanying official guidance to get a complete picture of all requirements and how they may impact each employer's operations. We will update this list regularly but expect it will become outdated quickly as new announcements are made.

**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—

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