

TO: NAW Direct Members

FROM: NAW Government Relations Team

**RE: NAW Critical Update Number 59 – May 29 at 2:00 PM**

## 1. Latest on the Main Street Lending Program

The Federal Reserve has finally released detailed information on the launch of the MSLP. Fed Chairman Powell did an interview and Q&A session this morning with Princeton Professor and former Fed Vice Chairman Alan Blinder – on a wide range of economic issues – in which he said that the MSLP was the most difficult of the 11 facilities that the Fed has stood up in its coronavirus response, but that he expected that banks would begin lending within a matter of days. To listen to the Chairman’s entire 45-minute interview, go to:

<https://www.youtube.com/watch?v=aleAwnAALPM>

Significantly, the Boston Fed conducted a “Mainstreet Lending Program Webinar for Borrowers” this morning. This was a comprehensive, hour-long webinar specifically designed to provide information to potential MSLP borrowers. To view, go to:

<https://www.webcaster4.com/Player/Index?webcastId=34950&g=60f39be2-d5f4-455e-bfc2-7747e5891a95&uid=5853730&sid=>

Should you want to review the slide deck without listening to the full webinar, go to:

<https://www.webcaster4.com/Player/Material?uid=5853730&materialGuid=0b7eb428-8923-476b-a453-7a3da8e6b41d>

In addition to providing detailed information on how the program will work, they covered the timing of the launch of the program. In the Q&A at the end of the webinar, they said that they are very close to opening the facility; first to register eligible lenders and shortly thereafter they will begin purchasing loans.

Up to date information is available on the MSLP on the Boston Fed website, and you can sign up for email updates (at the bottom of the page). Go to:

[www.bostonfed.org/mslp](http://www.bostonfed.org/mslp)

Finally, they are conducting another webinar on the program on June 3<sup>rd</sup>. To register, go to:

<https://www.webcaster4.com/Webcast/Page/584/34955>

## 2. Latest on the Paycheck Protection Program

*Bloomberg* reports today that the Securities and Exchange Commission has initiated an investigation into publicly traded companies that applied for and received PPP loans, “scrutinizing whether representations they made in loan applications were consistent with their disclosures to investors in securities filings.”

You can read the *Bloomberg* story [HERE](#).

The Senate is expected to vote next week on legislation to loosen restrictions on small businesses receiving billions in federal aid from the Paycheck Protection Program. However, several Senators may seek changes to the House passed bill. The House voted 417 to 1 yesterday to give small businesses financially strapped by the Covid-19 crisis more flexibility to spend forgivable loans for payrolls and expenses from the Paycheck Protection Program.

Senate Small Business Chairman Marco Rubio said in a statement he tried to persuade House sponsors to revise language he said could create disincentives to take out the loans or to rehire workers. Senator Rubio contends the House language creates a problem for companies that use less than 60% of a loan on payroll.

The current PPP program allows partial loan forgiveness if a company uses less than 75% of a loan for payroll, but the House bill appears to state that none of the loan would be forgiven if the 60% threshold isn't met. Senator Rubio also says the new certification on inability to rehire employees is too broad and would give businesses less incentive to rehire.

Differences over these matters could lead the Senate to amend the bill and send it back for further House action.

## 3. Resources for Employers

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:

## **DOL Issues Alert on Social Distancing to Keep Employees Safe at Work:**

Safety measures employers can implement include:

- Isolate any worker who begins to exhibit symptoms until they can either go home or leave to seek medical care;
- Establish flexible worksites (e.g., telecommuting) and flexible work hours (e.g., staggered shifts), if feasible;
- Stagger breaks and re-arrange seating in common break areas to maintain physical distance between workers;
- In workplaces where customers are present, mark six-foot distances with floor tape in areas where lines form, use drive-through windows or curbside pickup, and limit the number of customers allowed at one time;
- Move or reposition workstations to create more distance, and install plexiglass partitions; and
- Encourage workers to bring any safety and health concerns to the employer's attention.

You can read the full article [HERE](#).

From the ***New York Times***: C.D.C. Recommends Sweeping Changes to American Offices:

Temperature checks, desk shields and no public transit: The guidelines would remake office life. Some may decide it's easier to keep employees at home. You can read the full article [HERE](#).

### **4. Latest on Re-Opening the Economy**

With state and local governments gearing back up to re-open the economy, many employers are seeking answers to the challenging issues they will face as they resume their business operations amidst COVID-19.

**Stateside Associates** publishes a daily report about State and Local Government responses to the evolving situation. Some of the new developments in today's report include:

- **Florida** Governor Ron DeSantis (R) has announced federal approval for the implementation of Florida's Pandemic EBT Program (P-EBT).
- **New York** Governor Andrew Cuomo (D) has stated that he will sign an order to authorize businesses to deny entry to those who do not wear masks or face-coverings.
- **Rhode Island** Governor Gina Raimondo (D) issued an executive order to relax regulations and remove barriers to health care during this crisis.

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, go to:

[https://docs.google.com/spreadsheets/d/e/2PACX-1vRIJWZJ7OkGUW57\\_rdA2n3xBJ3qjW6u4Z9N6K9Y5L4bM\\_6H7-S308qdKmJfpVstYWf300nyujvZPFSy/pubhtml?urp=gmail\\_link](https://docs.google.com/spreadsheets/d/e/2PACX-1vRIJWZJ7OkGUW57_rdA2n3xBJ3qjW6u4Z9N6K9Y5L4bM_6H7-S308qdKmJfpVstYWf300nyujvZPFSy/pubhtml?urp=gmail_link)

[Click here](#) for links to Critical Updates sent previously.

Many thanks—

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