

TO: NAW Direct Members

FROM: NAW Government Relations Team

**RE: NAW Critical Update Number 60 – June 2 at 4:00 PM**

## 1. Latest on the Main Street Lending Program

As of today – yet again – no certain MSLP launch date has been announced. However, with the Fed conducting its second webinar for borrowers tomorrow, it is anticipated that the facility will be operational within a few days. If you are interested in joining the Fed's webinar, you must register. Go to:

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

## 2. Latest on Congressional Action on the Hill

The full House is out this week, although some committees are holding hearings, while the Senate is focusing on nominations. The Senate may also take up the House-passed Paycheck Protection Program Flexibility Act (PPP Flex) this week that would ease restrictions on emergency small business loans intended to avert mass layoffs during the Covid-19 pandemic. NAW fully supports this legislation and urges the Senate to quickly act to pass this bill.

To read a *Bloomberg* article on this story, click [HERE](#).

Tomorrow, the Senate Small Business & Entrepreneurships Committee will hold a hearing titled, "Perspectives from Main Street: COVID-19's Impact on Small Business." The hearing will focus on the long-term impacts the coronavirus pandemic has had on the small business ecosystem, as well as the U.S. Small Business Administration loan programs authorized by the CARES Act.

The hearing will be live-streamed on the committee's website [HERE](#).

As negotiations on the next coronavirus relief package continue on the Hill, expanding the tax credit for businesses retaining workers seems to be gaining bipartisan support.

*The Hill* reported last week that lawmakers on both sides of the aisle are expressing interest in expanding the Employee Retention Tax Credit designed to help keep workers

connected to their jobs, a sign that the idea could find its way into the next coronavirus relief package. For much of the pandemic, certain businesses have been eligible to take advantage of a refundable payroll tax credit of up to \$5,000 per employee for wages and health care benefits paid through the end of the year. Lawmakers are now offering proposals to increase the amount of the credit and make other changes in an effort to keep more workers connected to their employers.

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

Yesterday, *Politico* reported that officials from the Labor Department's Office of Inspector General warned lawmakers in a briefing Monday that they are seeing a historical level of fraud in the unemployment insurance system during the Covid-19 pandemic. "We are seeing a significant amount of fraud," said Michael Mikulka, special agent-in-charge of the OIG's New York regional office. "It's unprecedented in our history."

DOL Inspector General Scott Dahl told a House oversight subcommittee that his office is currently investigating more than 300 matters involving UI fraud. He warned that on the low end, his office estimates at least \$26 billion will be wasted on improper payments and a "large portion of that will be pocketed by fraudsters instead of going to legitimate workers."

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

### **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:

Last week, the U.S. Department of Labor took a range of actions to aid American workers and employers as our nation combats the coronavirus (COVID-19) pandemic.

To read the full report, click [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:

- **Indiana** Governor Eric Holcomb (R) announced several new economic recovery initiatives for business relief in Indiana made possible by CARES Act funding.
- **Maine** Governor Janet Mills (D) issued an order that allows for the gradual easing of restrictions implemented under previous Executive Orders as the state continues to re-open under the Restarting Maine's Economy plan.
- **Mississippi** Governor Tate Reeves (R) issued a "Safe Return" Order which provides guidance for businesses to adhere to while open to prevent the spread of COVID-19.
- **Nevada** Governor Steve Sisolak (D) issued an order implementing Phase 2 of the state's re-opening plan.
- **New Mexico** Governor Michelle Lujan Grisham (D) announced a new public health order to continue the Phase One re-opening, effective June 1.
- **New York City** Mayor Bill de Blasio (D) expects approximately 200,000 to 400,000 employees will return to work as part of the first phase of the city's gradual economic re-opening.
- **California:** The Assembly Committee on Appropriations will hold a public hearing June 2 regarding AB 2765, which expands the definition of public works for the purposes of provisions relating to the prevailing rate of per diem wages and requires the state to reimburse local agencies and school districts for costs mandated by the state.

- **Massachusetts:** The Joint Committee on Health Care Financing will hold a hearing June 2 regarding HB 4717, which expands MassHealth eligibility to all persons who qualify for unemployment benefits under Chapter 151A and all who are directly impacted by the COVID-19 state of emergency declarations.
- **Michigan:** The Department of Health and Human Services will accept comments until June 4 regarding an issued policy to provide additional flexibility for Medicaid provider enrollment and revalidation requirements to reduce potential administrative burdens to ensure the appropriate emergency response to COVID-19.
- **Tennessee:** The House Insurance Committee will hold a public hearing June 1 regarding HB 2286, which provides that an entity that employs drivers or that contracts with drivers who use the drivers' personal vehicles for the delivery of the entity's goods or services, and that does not provide automobile insurance coverage to those drivers, must inform the drivers, at the time of hire, that the drivers' automobile insurance may not cover commercial uses and that the drivers should check with their insurance providers as to whether commercial uses of the drivers' personal vehicles are covered.
- **Washington:** The Seattle City Council will meet June 1 and will hold a hearing to gain comments before the second reading of the ordinance regarding paid sick leave for gig workers, and then may vote on its adoption.

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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