COVID 19 Call Notes Week 12

Please keep checking the COVID 19 area off the ACIL homepage as information is being added daily. There is currently information up on the site regarding loan forgiveness guidelines, how to calculate the forgiveness amounts along with a forgiveness application.

https://www.acil.org/page/COVID-19_Coronavirus_Information_ACIL

FY21 NDAA: This week, the Senate Armed Services Committee prepared its National Defense Authorization Act (NDAA) bill with subcommittees holding their markups throughout the week with the full committee beginning their markup on Wednesday. All of the meetings, except for the Personnel Subcommittee's, will be closed. The House Armed Services Committee will begin subcommittee markups on June 22nd, with a full-committee markup of the bill (HR 6395) on July 1st. The House meetings are open to the press.

As a reminder, we are working on the potential inclusion of PFAS provisions to the FY21 NDAA.

PPP: Sen. Cornyn (R-TX) has introduced legislation (S 3612) that would make further changes to the Paycheck Protection Program (PPP) giving borrowers a second tax benefit on COVID-19 small-business loans. Previous PPP legislation carves out an exception for the PPP loans that would normally be treated as income because they can be forgiven. Sen. Cornyn's bill would go further and allow borrowers to write off the use of the funds as a business expense deduction. Senate Small Business Chair Rubio (R-FL) said the bill would implement Congress' original intent; "when we passed the PPP, it was under the assumption that you will be able to write off these expenses and it isn't double-dipping." However, Treasury Secretary Mnuchin does consider the reduction a "double dip," which could be a roadblock for enactment. Sen. Cornyn has 23 co-sponsors including the top Republican and Democrat on the Senate Finance panels. This legislation could receive floor activity next week!

COVID-19 STIMULUS IV: The timing of the next stimulus package is still up in the air and it appears that the bill could be worked out before the August recess. The payments of $600 a week, currently due to expire July 31, were discussed at a hearing of the Senate Finance Committee on Tuesday. Republicans have argued that the need to stabilize the economy; however, this month’s jobs reported indicated that 2.5 million jobs were created in May and the unemployment rate declined when it was expected to jump. A spokesperson for Senator Grassley on the Senate Finance Committee stated that data "underscores why Congress should take a thoughtful approach and not rush to pass expensive legislation paid for with more debt.” The President said last week he’ll ask Congress to pass more economic stimulus, including a payroll tax cut. The White House is looking to spend as much as $1 trillion, a figure that is said to have backing from Senate Majority McConnell. A growing number of Senators want to slow down acting on the next stimulus package to let the existing funding, in the previous stimulus bills, time to work their way through the economy. The U.S. is on track for its biggest budget
deficits since World War II, but most economists say the recovery is still too fragile for government support to be withdrawn and some GOP members agree with that assessment.

CWG and Rep. Blumenauer: I am honored to inform you that Rep. Blumenauer (D-OR) has agreed to virtually meet with the CWG on Wednesday, July 1, 2020 at 2:00 P.M. PT/5:00 P.M. ET. Please mark your calendars. He will be visit with us for about 20 no more than 30 minutes. THIS IS A BIG DEAL and we'll discuss more next week on our prep call. In the interim, I, along with Tim, will be working on a flyer to properly promote the meeting so stay tuned.

Finally, the meeting will focus on ACIL CANNABIS LEGISLATIVE PRIORITIES: Rep. Blumenauer has taken the following actions on ACIL priority cannabis legislation:
- Sponsor: H.R. 2093 – Strengthening the Tenth Amendment Through Entrusting States (STATES) Act
- Cosponsor: H.R. 1595 – The Secure and Fair Enforcement (SAFE) Banking Act

Useful Link from the CDC with guidelines for the return to work:

Member Discussion Topics:

Forgiveness Preparation and Filing
Our bank has requested we all wait to request forgiveness. They want to "see the dust settle". We are ready to submit, all the funds are spent.

Nobody on the call has yet applied for forgiveness

Social Distancing Guidelines:
Useful links below for guidelines and recommendations:


https://www.sccgov.org/sites/covid19/Pages/public-health-orders.aspx

Many States are somewhat vague with their requirements for coming back to work. California is recommending a 300 square feet space for each employee.

One member is polling their employees regarding how they feel about coming back to work, any preferences, special needs, etc.

Longer Term Economics and Planning:
There was some discussion regarding loss of revenue and how long-term this could be. How are labs planning for last quarter and budgeting for 2021? This would include possible downsizing strategies and other cost cutting measures.

It was agreed we should set up a separate call for interested parties who would like to discuss budgeting strategies in case of a continued downturn. Richard Bright will facilitate the call and will supply the date, time and call access information. In the meantime, if you have an interest in participating in the call, please email rbright@acil.org

**Current Participants Include:**
Michelle Briscoe
Kim Ramsey
Nan Wilson
Rebecca Smith