Tuesday, June 16, 2020

Please see below for a political and legislative update along with additional information of federal and state governments’ response to COVID-19 and feel free to reach out with any questions.

**Reminder: Attached is ABC’s Cheat Sheet for Virtual Legislative Day.**

**House Democrats Seek Names of PPP Loan Borrowers:**

Yesterday, in a letter to the SBA and U.S. Treasury, House Democrats serving on the Select Subcommittee on the Coronavirus Crisis seeking documents and information on the disbursement of funds under the Paycheck Protection Program (PPP). The letter urges the Administration to provide more transparency about the administration of PPP, stating:

> “Among other steps, the Administration should release the names of all PPP borrowers—as the SBA routinely does for similar loan programs. Contrary to Secretary Mnuchin’s recent testimony, there is nothing ‘proprietary’ or ‘confidential’ about a business receiving millions of dollars appropriated by Congress, and taxpayers deserve to know how their money is being spent.”

The Select Subcommittee’s investigation builds on inquiries led by Congresswoman Maxine Waters (D-CA), Chairwoman of the House Financial Services Committee, and Congresswoman Nydia Velázquez (D-NY), Chairwoman of the House Small Business Committee, into the management of the PPP.

Small Business Chairman Marco Rubio (R-Fla.), the lead architect of the PPP, earlier this month also asked the administration in a joint letter with Sen. Ben Cardin (D-Md.) to adhere to SBA disclosure practices and release the names and other details of PPP borrowers. In April, Rubio said Congress was prepared to force the administration to disclose loan recipients and “the bottom line is we're going to know one way or the other who got this money.”

Further, recent reports surrounding a number of members of Congress receiving PPP loans could increase calls for more transparency in the program and the public release of information on PPP loan borrowers.

**Trump to Push for $1 Trillion in Infrastructure:**

The Trump administration is preparing a $1 trillion infrastructure package to boost the nation’s economy following months of lockdowns and business closures during the coronavirus pandemic, according to a Bloomberg News report on Monday. The Department of Transportation is taking the lead on the project that would funnel money for roads and bridges but would allocate funds for 5G wireless infrastructure and rural broadband.
While the administration sees an existing infrastructure funding law that is up for renewal by Sept. 30 as a way to push for a more expansive package, many Republican lawmakers have been resistant to a substantial increase in funding for infrastructure without an adequate pay for. This week, House Democrats are also marking up its $500 billion infrastructure bill that Republicans have criticized for its lack of bipartisan input.

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**Fed Launches Main Street Lending Program:**

This morning the Federal Reserve Bank of Boston announced that the [Main Street Lending Program Lender Portal](https://www.bostonfed.org/mslp) is now open. The program, which will operate through three facilities – the Main Street New Loan Facility, the Main Street Priority Loan Facility, and the Main Street Expanded Loan Facility – is designed to help ensure that small and medium-sized businesses have access to the credit. Lenders are encouraged to begin making loans "immediately," the Boston Federal Reserve, which administers the Main Street program, said in a news release.

For more information on the Main Street Lending Program, including program information and frequently asked question, visit [www.bostonfed.org/mslp](http://www.bostonfed.org/mslp).

**ABC Supports ERTC Expansion:**

Today, ABC was part of 129 organizations that signed a coalition letter in support of the Jumpstarting Our Businesses’ Success Credit (JOBS Credit) Act (H.R. 6776), which would make a number of targeted improvements to the ERTC to better fulfill its goal of keeping workers connected to their jobs during this crisis.

**SBA and Treasury Issue New PPP Documents:**

On Friday, the U.S. Small Business Administration, in consultation with the U.S. Department of the Treasury, issued new and revised guidance for the Paycheck Protection Program (PPP). This guidance implements the Paycheck Protection Program Flexibility Act (PPPFA), signed into law by President Trump on June 5, 2020, and expands eligibility for businesses with owners who have past felony convictions.

SBA issued revised PPP application forms to conform to these changes.

The guidance and revised application forms are available on SBA’s and Treasury’s websites. SBA also stated it will issue additional guidance regarding loan forgiveness and a revised forgiveness application to implement the PPPFA in the near future.
SBA Urges Lenders to Redouble Efforts in Underserved Communities:

Today, SBA Administrator Jovita Carranza issued a statement asking PPP lenders to redouble efforts to assist eligible borrowers in underserved and disadvantaged communities before the upcoming June 30 application deadline. This effort is in addition to the dedicated $10 billion of Round 2 funding to be lent exclusively by Community Development Financial Institutions (CDFIs) to expand economic opportunity in low-income communities by providing access to financial products and services for local residents and businesses.

A recent WSJ Report stated that from February to April of 2020, the number of active black business owners fell by 441,000 or 41%, according to an analysis last week from the National Bureau of Economic Research. For Latino businesses the figures were 658,000, or 32%; for immigrants, 1.1 million, or 36%; and for women, 1.3 million, or 25%.

The report also noted that construction experienced a major decline of nearly 670,000 business owners, or 27 percent, in the United States. Although construction businesses experience a lot of swings in demand, it is not clear how many of these business owners will be able to come back.

Supreme Court Rules Federal Employment Anti-Discrimination Laws Protect LGBTQ+ Employees:

The Supreme Court ruled today that the Civil Rights Act of 1964’s prohibition on sex discrimination in employment also effectively banned bias based on sexual orientation or gender identity, protecting gay, lesbian or transgender employees from being disciplined or fired based on their sexual orientation.

Two of the court’s Republican appointees, Neil Gorsuch and John Roberts, joined the court’s Democratic appointees to deliver the 6-3 vote.

Last year, the U.S. House sought to enact legislation to implement similar protections through the passage of the Equality Act on May 17, 2019 in a bipartisan 236-173 vote.

House Transportation and Infrastructure Committee to Host Markup on Surface Transportation Bill This Week:

After Rep. Peter DeFazio (D-OR-04), chair of the House Transportation and Infrastructure Committee officially introduced House Democrats’ partisan Surface Transportation Reauthorization bill, the Investing in a New Vision for the Environment and Surface Transportation in America (INVEST in America) Act, the committee announced that the bill will receive a full committee mark up on Wednesday, June 17.
The INVEST in America Act, a 5-year, nearly $500 billion surface transportation reauthorization, is a component of the Moving Forward Framework that House Democrats released earlier this year. The bill (Bill text, Factsheet Bill, Summary, Section-by-Section), is expected to face a contentious markup on Wednesday after Committee Democrats chose not to consult with Republicans on the proposal.

The Republican minority on the committee, led by Rep. Sam Graves (R-MO-06), plans to oppose the bill in the markup and offer their own alternative bill as well as a lengthy amendment process. The republican bill has not yet been released, but the committee has told ABC that their bill will be based off of the Republican Infrastructure Principles laid out by the committee’s republicans earlier this year.

While the future of the House Democrats’ surface transportation reauthorization bill remains unclear, ABC believes that the current bipartisan U.S. Senate surface transportation reauthorization (S. 2302) and water infrastructure legislation (S. 3590/S. 3591), which have been unanimously advanced through committee, provide a path forward on the essential infrastructure that is needed to restart the economy. ABC continues to urge congress to pursue additional investments in residential and commercial, infrastructure to further accelerate the recovery of the United States’ economy and will oppose any attempts to include legislative language encouraging or mandating PLAs in any infrastructure legislation.