

August Advocacy Update

Dear NAWBO Advocacy Group,

I wanted to inform you about an upcoming roundtable conversation held by the Small Business Roundtable. It will be a conversation with Former Starbucks CEO Howard Schultz and US Senator Michael Bennet on **Wednesday, September 9th at 10:00 am ET**.

They will be discussing the future of America's small businesses and what the bipartisan [RESTART Act](#) would do to help them. You can add your name to the growing list of business leaders supporting the principles of the RESTART ACT no later than Monday, September 7th at 6:00 pm ET.

I will join the event and add my name to the letter!

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ON THE HILL THIS MONTH

Negotiations on another relief package are still stalled. I hope to have more updates next week as the focus will shift away from the conventions. However, word is spreading about lawmakers dragging it out until the end-of-September when they will need to pass the government funding bill (continuing resolution or CR). According to news reports, Speaker Pelosi and the White House spoke yesterday, but there was no movement in the conversation.

8/14/2020

This week Senate Leader McConnell released a "skinny" bill, a largely scaled-back version of the HEALS Act. Notably, this bill proposes a 2nd PPP draw to be available to any previously eligible business provided they can attest to a 35 percent reduction in revenue compared to 2019 (versus 50 percent in the previous version). The bill also includes liability protections. We do not expect any votes on this until at least the last week of August, given the GOP Convention next week, and more likely once they return from August recess after Labor Day.

In the House, Speaker Pelosi rejected a request to vote on standalone legislation to extend federal unemployment insurance payment. The Speaker is worried it could hurt negotiations on other aspects of a coronavirus relief package. However, the House scheduled a vote for Saturday on legislation to prevent any operational changes to the U.S. Postal Service. They are voting this Saturday so that it wouldn't conflict with the party conventions.

8/7/2020

The House was in recess this week while the Senate confirmed Mark Wesley Menezes, of Virginia, to be Deputy Secretary of Energy.

There's still no deal. Democrats said they would go down from \$3 trillion to \$2-2.4 trillion. The GOP does not want to increase the package, which stands at \$1 Trillion, especially since about one third the Senate GOP caucus is expected to oppose any bill that goes above \$2 trillion. And, Senate Majority Leader McConnell estimates that more than one-third of his caucus won't vote for anything. Treasury Secretary Steven Mnuchin and White House Chief of Staff Mark Meadows have met with House Speaker Nancy Pelosi, and Senate Minority Leader Charles Schumer have met almost every day since last Monday. Still, there are no plans to meet this weekend.

Now, Meadows and Mnuchin said they would recommend that the President take executive action to address renter's assistance, unemployment insurance, and student loans.

ADMINISTRATION UPDATES

UPDATES FROM SMALL BUSINESS ADMINISTRATION

- SBA will not be able to process any new PPP loan applications as of Saturday, August 8, 2020, at 11:59pm EDT.
- [Frequently Asked Questions For Loan Forgiveness](#) (Released 8/4/20)
- [Summary of PPP lending as of 7/31/20](#) (Released 8/3/20)
- [Interim Final Rule - Treatment of Owners and Forgiveness of Certain Nonpayroll Costs](#) - (Released 8/24/20)
- SBA's Office of Capital Access has revised and updated information available to the public on PPP lending. That information can be found on the SBA website (linked below) and reflects program activity through the expiration of lending authority on August 8. <https://www.sba.gov/funding-programs/loans/coronavirus-relief-options/paycheck-protection-program#section-header-11>

UPDATES FROM THE DEPARTMENT OF LABOR

- The Department of Labor [released](#) this week's U.S. Unemployment Insurance Weekly Claims Report.
- This week, the U.S. Department of Labor announced a [Request for Information](#) regarding the impact of paid family and medical leave on America's workforce. Specifically, the Department's Women's Bureau is requesting comment on the effectiveness of current state- and employer-provided paid leave programs as well as the impact that access or lack of access to paid leave programs has on women and their families. The information provided will help the Department identify promising practices related to eligibility requirements, related costs and administrative models of existing paid leave program

UPDATES FROM THE INTERNAL REVENUE SERVICE

- The IRS Small Business/Self Employed Division today released a [new annual report](#) covering F.Y. 2019. The new report, which will be done annually going forward, focuses on program highlights, priorities, and accomplishments of the SB/SE organization and its employees. The SB/SE Annual Report provides a

28-page overview of one of the largest IRS organizations, which services about 57 million taxpayers, and includes enforcement priorities, including virtual currency and other topics.

- With millions of Americans now receiving taxable unemployment compensation, many of them for the first time, the IRS [reminded](#) people receiving unemployment compensation that they can have tax withheld from their benefits now to help avoid owing taxes on this income when they file their federal income tax return next year.
- Also, this week, the IRS [reminded](#) employers to carefully choose their payroll service providers following continuing concerns that some disreputable organizations can fail to deposit employment taxes, leaving businesses vulnerable to unpaid bills.

Want to hear more about NAWBO Advocacy efforts or get involved? Contact Elle Patout via email at epatout@nawbo.org.