

September Advocacy Update

Save the Date! Our next Advocacy Call will be Tuesday, October 13th. Details to follow!

This Week:

9/21-9/25

ON THE HILL

Late Tuesday, the House approved bipartisan bill to keep the government funded through December 11th. The sticking point was funding into the farm bailout program. In exchange, Speaker Pelosi secured \$8 million for a variety of nutrition programs. The bill now heads to the Senate for approval. Senate Majority Whip John Thune (R-SD) suggested this week that the Senate could go home after they vote on the spending bill but could potentially return for a coronavirus relief package or a vote on President Donald Trump's nominee to fill the late Justice Ruth Bader Ginsburg's seat.

Updates on Coronavirus Relief

House Democrats are drafting a \$2.4 trillion coronavirus relief bill. The revised plan would cost \$1 trillion less than House-passed relief package earlier this summer, with additional help for airlines, restaurants. The latest Senate Republican package was \$650 billion which was more than halfway offset by unspent funds from the March relief law. The White House officials have said they will go as high as \$1.5 trillion. Everyone is still hoping they will go back to the negotiating table.

In fact, this week, Senate Small Business and Entrepreneurship Committee Chairman Marco Rubio (R-FL) [released a video message](#) on his Twitter account announcing that he would "keep trying to at least pass another round of PPP help." You can watch it [HERE](#).

As part of the Small Business Roundtable, NAWBO sent a [letter](#) to House and Senate Leadership calling for a standalone small business relief package. The letter was featured in a Fox Business [article](#) and here is the live television [interview](#) about the Small Business Roundtable efforts.

Rubio, King Lead Colleagues to Introduce PREPARE Act to Reauthorize SBA's Pre-Disaster Mitigation Program

U.S. Senators Marco Rubio (R-FL), Chairman of the Senate Committee on Small Business and Entrepreneurship, and Senator Angus King (I-ME) today led a bipartisan group of their Senate colleagues to introduce the [Providing Resources for Emergency Preparedness and Resilient Enterprises \(PREPARE\) Act](#). The legislation would reauthorize the Small Business Administration's (SBA) Pre-Disaster Mitigation Pilot Program to give small businesses the opportunity to take out low-interest loans for the purpose of proactively implementing mitigation measures to protect their property from future disaster related damage. In addition to Senators Rubio and King, the legislation is cosponsored by Senators Ben Cardin (D-MD), Ranking Member of the Senate Committee on Small Business and Entrepreneurship, John Kennedy (R-LA), Joni Ernst (R-IA), Ron Wyden (D-OR), and Susan Collins (R-ME).

Upcoming Hearings:

- House Ways and Means Subcommittee on Select Revenue Measures will [hold a \(virtual\) hearing](#) on restaurants in America during the COVID-19 pandemic. The hearing is scheduled for tomorrow, September 25th at 9:00 AM ET.
- House Small Business Subcommittee on Economic Growth, Tax, and Capital Access will [hold a \(hybrid\) review hearing](#) of PPP loan forgiveness. The hearing is scheduled for tomorrow, September 25th at 9:30 AM ET.
- House Financial Services Task Force on Financial Technology will [hold \(virtual\) a hearing](#) on who has the authority to lend and process payments in the FinTech age. The hearing is scheduled for Sept. 29th at 12:00 PM.

9/14-18

This week the Problem Solver Caucus released its *March to Common Ground* plan. Their goal was to spark some negotiations on COVID-19 legislation.

Here's the framework:

- \$100 billion for **Testing and Healthcare**: (testing, tracing, Medicare loan forgiveness, healthcare provider support)
- \$316 billion in **Direct Assistance to Individuals and Families**: (WIC, SNAP, stimulus checks, rental assistance, eviction moratorium, student loan forbearance)
- \$120 billion in **Enhanced Unemployment Assistance**
 - **\$450 a week for eight weeks**
 - Followed by **up to** \$600/week, and up to, but **not to** exceed 100% of previous wage
 - 13 weeks from mid-October, 2020 - through January 2021
- \$290 billion in **Small Business and Non-Profits**: (PPP, ERTC, Main Street)
- \$145 billion for **Schools and Child Care**: (child care, K-12, higher ed)
- \$500.3 billion in new money for **State & Local Aid**: (including tribal and territorial)
- \$400 million in **Election Support**
- \$52 billion for **Broadband, Agriculture, USPS, Census**
- \$400 billion in Possible Automatic Boosters* (additional Unemployment Insurance, stimulus checks)
- (-)\$200 billion in Possible Automatic Reducers* (PPP, State & Local, Rental):
 - *Boosters and Reducers based on COVID hospitalization metrics and vaccine progress.
- **Liability Protections**
 - Problem
Covid-19 has created the need to ensure workers, customers, and students are protected from transmission, and businesses, schools, and institutions are protected from frivolous lawsuits
 - Solution
 - Enhanced protections for entities which follow enhanced OSHA guidelines
 - Robust enforcement of worker safety

Top-line numbers:

\$1.523 trillion - Total new money

- \$130 billion - Previously appropriated CARES money

- \$400 billion - Possible 2021 automatic "boosters"
- (-) \$200 billion - Possible 2021 automatic "reducers"

While the Problem Solvers Caucus proposal is \$1.5 trillion, Democrats are now pushing for a lower \$2.2 trillion proposal. Treasury Secretary Steven Mnuchin signaled the White House would be open to going up to \$1.5 trillion, and the President tweeted that Republicans should go up higher. However, the talks remain stalled. House Majority Leader Steny Hoyer (D-Md.) said on Monday that the House **is expected to vote on a clean government spending package next week** in order to give the Senate time to pass the bill by the end of the month and avert a partial government shutdown. However, there are rumors the Senate could go out next week.

The Senate confirmed a total of eight judges this week: three on Tuesday, three on Wednesday and two on Thursday.

Upcoming Hearings:

- House Financial Services Committee will [hold a \(hybrid\) hearing](#) on the Treasury and Fed Reserve pandemic responses. The hearing is scheduled for Sept. 22nd at 10:30 AM.
- House Financial Services Task Force on Financial Technology will [hold \(virtual\) a hearing](#) on who has the authority to lend and process payments in the FinTech age. The hearing is scheduled for Sept. 29th at 12:00 PM.
- Senate Health, Education, Labor & Pensions Committee will hold a (virtual) hearing on the federal response update to combat COVID-19. The hearing is scheduled for Sept. 23rd at 10:00 AM.

9/1-11 The House is still in recess, but the Senate came back in session at full speed. Unfortunately, a push for action did not lead to a bipartisan solution in the Senate.

Senate Democrats blocked a GOP coronavirus bill on Thursday. It was the first coronavirus-related bill the upper chamber has voted on since April. Here some highlights from the proposed legislation: another round of Paycheck Protection Program (PPP) funding, more money for testing and schools, and liability protections from coronavirus-related lawsuits. The measure included roughly \$650 billion in total spending, but it would repurpose approximately \$350 billion in previously approved spending, bringing the tally of new funding to around \$300 billion.

By blocking the bill, Democrats hope to bring the White House back to the negotiating table.

Now, many are speculating that Congress will move quickly to pass the short-term "continuing resolution (CR)" to avert a government shutdown. The short-term spending bill would extend government spending at existing levels through the election. There are no agreements on how long it will last. Once the CR passes, Congress will adjourn so lawmakers can return home to campaign for re-election.

Upcoming Hearings:

House Ways and Means Committee will [hold a hearing](#) on the consequences of inaction on COVID legislation. The hearing is scheduled for tomorrow at 12:00 PM ET.

House Small Business Subcommittee on Contracting and Infrastructure will [hold a hearing](#) on how the SBA's Office of Government Contracting and Business Development (GCBD) operates within the agency. The hearing is scheduled for **September 15 at 10:00 AM ET (also to be held virtually)**.

ADMINISTRATION UPDATES

UPDATES FROM SMALL BUSINESS ADMINISTRATION

National Women's Business Council to hold a public meeting and listening session.

Tuesday, September 29, 12-2 PM public meeting and 2-3 PM ET listening session

This meeting will allow the Council to recap its activity and engagement over the course of Fiscal Year 2020. Each of the Council's four subcommittees (Access to Capital & Opportunity, Women in STEM, Rural Women's Entrepreneurship, and Communications) will present their policy recommendations and current projects to the full body for deliberation. The public will have the opportunity to provide feedback. For more information, click [here](#).

UPDATES FROM THE INTERNAL REVENUE SERVICE

IRS reminds taxpayers of the home office deduction rules during Small Business Week

During [Small Business Week](#), Sept. 22-24, the Internal Revenue Service wants individuals to consider taking the home office deduction if they qualify. The benefit may allow taxpayers working from home to deduct certain expenses on their tax return. The home office deduction is available to qualifying self-employed taxpayers, independent contractors and those working in the gig economy. However, employees who receive a paycheck or a W-2 exclusively from an employer are not eligible for the deduction, even if they are currently working from home.

IRS Highlights Employer Credits Available During COVID-19

Employee Retention Credit

The Employee Retention Credit is designed to encourage businesses to keep employees on their payroll. The refundable tax credit is 50% of up to \$10,000 in wages paid by an eligible employer whose business has been financially impacted by COVID-19. However, small businesses who took the small business loans are not eligible. Qualifying employers must fall into one of two categories: 1) the employer's business is fully or partially suspended by government order due to COVID-19 during the calendar quarter and 2) The employer's gross receipts are below 50% of the comparable quarter in 2019. Once the employer's gross receipts go above 80% of a comparable quarter in 2019, they no longer qualify after the end of that quarter.

Paid Sick Leave Credit and Family Leave Credit

The Paid Sick Leave Credit is designed to allow business to get a credit for an employee who is unable to work (including telework) because of Coronavirus quarantine, self-quarantine or has Coronavirus symptoms and is

seeking a medical diagnosis. The employer can also receive the credit for employees who are unable to work due to caring for someone with Coronavirus or caring for a child because the child's school or place of care is closed, or the paid childcare provider is unavailable due to the Coronavirus. Eligible employers are entitled to immediately receive a credit in the full amount of the required sick leave and family leave, plus related health plan expenses and the employer's share of Medicare tax on the leave, for the period of April 1, 2020, through Dec. 31, 2020. The refundable credit is applied against certain employment taxes on wages paid to all employees.

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