AASHTO Reports on How State DOTs are Feeling the Budgetary Impact of COVID-19

AASHTO reports that steep reductions in motor vehicle travel due to the COVID-19 pandemic are adversely affecting state department of transportation budgets – to the point where some agencies are laying off workers and shelving planned transportation projects.

To read the full AASHTO Journal article on "State DOTs Feeling The Budgetary Impact Of COVID-19," click here.
U.S. Chamber Offers Reopening Recommendations

The U.S. Chamber of Commerce, in hopes of avoiding a patchwork of standards for businesses to follow, is making a call for uniformity in any economic reopening - but not a call for hard regulations. This week, the group, along with the Council of State Chambers, published a letter that it sent to President Trump and members of Congress, along with the leaderships of the National Governors Association, the U.S. Conference of Mayors, and the National Association of Counties, in which it recommended a guidance approach that was "generally consistent" but not one with regulations "that may add further challenges for businesses to reopen."

In the letter, the U.S. Chamber’s Neil L. Bradley, its executive vice president and chief policy officer, and Council of State Chambers Chairman Mark Wilson (the president and CEO of the Florida Chamber of Commerce), emphasized that employers want to reopen in a "safe and sustainable" way, but said a light approach from government officials was needed. “This approach will prevent businesses from making the appropriate adaptations necessary to ensure that their workplaces are as safe as possible,” they wrote. “A heavy-handed regulatory approach will make it more difficult for safety measures to be quickly adjusted to reflect the changing reality of combatting the coronavirus.”

In a news conference covered by Inc., Wilson added that consistency was key. “We need a true North Star - one common set of guidelines that everybody can follow,” he said.

How to Prepare for Reopening Your Workplace

As Missouri begins to reopen following COVID-19 closures, companies should plan ahead to ensure their employees can safely return to the office. While returning to work may sound like getting back to normal, workplaces people return to will be very different. There will be new cleaning standards to ensure that things are safe, and education and training of people. No one expects to come back to the way it was before COVID-19.

Companies may move away from assigned seating, and instead seating could be decided based on who is in the office on a particular day. In addition to space, companies need to ensure there is ample sanitation and personal protective equipment for staff who need it.

Even once a company is ready to reopen, it is suggested that employees should be brought back in waves, rather than all at once. Also, the company should explain the new policies and procedures to staff. By training staff first and bringing them back in waves, companies can learn if there are any problems they didn’t anticipate and correct them. Before and during the return to work, communication will be key. Let your employees know that you are taking steps to make the office safe.

Cushman & Wakefield recently released Recovery Readiness: A How-to Guide for Reopening your Workplace. The guide covers everything from ensuring building systems are properly maintained and don’t lead to other health problems to how to practice social distancing in office spaces. They suggest a Safe Six Checklist to follow:

1. Prepare the Building
2. Prepare the Workforce
3. Control Access
4. Social Distancing Plan
5. Reduce Touch Points
6. Communicate for Confidence.

To download the Recovery Readiness Guide and the Safe Six Checklist, click HERE.
ACEC Offers FREE-to-Members Webinars on COVID-19

ACEC will host more free-to-members live webinars on dealing with the COVID-19 pandemic. To register for the webinars, click on the links below. We also have all these webinars linked on the ACEC/MO COVID-19 Resource Center as well as with past on-demand webinars.

- **You are Not Alone: Tools for Transforming Stress**, May 7, 2020, 11:30 AM-12:30 PM EST; Presenter: Geordie Aitken, Aitken Leadership Group
- **Post COVID-19: Economic Outlook**, May 8, 2020, 1:30-2:30 PM EST; Presenter: Greg Powell, Managing Director, Investment Banking FMI Capital Advisors, Inc.
- **Large Firm Roundtable (201-500, 500+ employees)**, May 13, 2020, 3:30-4:30 PM EST
- **Grow Your Way Through the Next Recession**, May 14, 2020, 3:30-4:30 PM EST; Presenter: Kevin McMahon, McMahon|Siegel Group
- **You are Not Alone: Tools for Focus, Presence and Empathy in a Changed World**, May 21, 2020, 11:30 AM-12:30 PM EST
- **You are Not Alone: The Essentials of Effective Energy Management**, June 4, 2020, 11:30 AM-12:30 PM EST

Missouri Chamber of Commerce Addresses Return to Work, Uniting for Recovery

During Governor Mike Parson’s daily coronavirus briefing on Tuesday, April 28, the governor invited Daniel P. Mehan, president and CEO of the Missouri Chamber of Commerce and Industry, to discuss ongoing efforts to help the business community prepare to return to work on May 4 once the Stay Home Missouri order ends. In his remarks, which were streamed live on Facebook, Mehan urged businesses to take advantage of the recently-published Return to Work Guide. Mehan also discussed Uniting for Recovery: A COVID-19 Economic Response Agenda and asked lawmakers in the capitol to prioritize legislation that would protect Missourians who helped lead the fight against coronavirus. To watch the briefing, click [HERE](#).

Results of Latest ACEC National COVID-19 Business Impact Survey

The results are in from the latest ACEC National COVID-19 Business Impact Survey sent to members. Included in the results is an executive summary that highlights not only important significant results but also calls out differences in these results by firm size. A few summary bullets are listed below. To see the complete results of the survey, click [HERE](#).

- 84% applied for the Small Business Administration (SBA) Paycheck Protection Program (PPP); 74% were approved.
- Of those that applied and were approved, 70% have received the funds in their bank account.
- More than one-third (37%) of firms think business will return to normal within six months, another 35% think it will take one or two years. One-fifth (21%) are either not sure or don’t think things will ever be the same.
- To shore up their finances, firms are freezing non-essential purchases (50%), speeding up collections (38%) and freezing salary/pay increases (30%).
- 8% report working on new projects directly related to the COVID-19 pandemic response.
- 12% report having business areas that are overperforming.
36% say they will re-open their office(s) when they feel it is safe to do so, regardless of what their governor says.
41% say they are working on a plan to ensure worker safety.
Nearly half of firms (49%) say they will restrict or prohibit domestic travel for training / events / conferences after stay-at-home orders are lifted.

Covering Coronavirus: Risk Considerations

The global COVID-19 (coronavirus) pandemic remains both dynamic and fluid. We continue to see unprecedented disruptions at home and abroad. In this issue, we take a focused look at the below topics. To see the complete issue, click HERE.

1. Potential Role of Environmental Insurance
2. FFCRA Lawsuits Beginning to Emerge
3. Legislation and Litigation Roundup
4. Returning to Work: Resources for Employers
5. Employee Benefits Insights

Return to Work Survey
As discussions begin on reintegrating employees into the workforce, what changes are you considering, and how have you been able to keep employees engaged while sheltering in place? Take Survey

Visit epicbrokers.com/coronavirus to catch up on all our coverage.

Engineering Influence Podcast on COVID-19

The ACEC Engineering Influence Podcast recently posted a new podcast on the coronavirus. Richard Branch, Chief Economist for Dodge Data & Analytics stopped by the program to talk about the current state of the U.S. economy during the COVID-19 pandemic and what lies ahead for the A/E/C sector. To listen to the podcast, click HERE.

Updated Coronavirus Resource Document Available

ACEC has updated their Coronavirus Resource Document. It includes information on Sources; COVID-19 Related News Resources; Global Snapshot from the World Health Organization; COVID-19 Statistics; Regional COVID-19 Statistics; Association Travel Policies; Conventions and Event Status for Groups and Associations; Survey of Other Cancelled Conferences and Events; and Federal Action on Coronavirus. To see this detailed document, click HERE.

ACEC Macro-Economic Update: Federal Deficit Forecast | Oil Market Mayhem

CBO Forecasts Federal Deficit of $3.7 trillion by Fiscal Year End
The Congressional Budget Office (CBO) released a revised analysis on Friday, March 25, which included forecasting the federal budget deficit to reach $3.7 trillion by the end of federal fiscal year
2020. According to the Wall Street Journal this will bring the deficit-to-GDP ratio to the highest level since the year after World War II ended in the 1940s. The percent of deficit-to-GDP is expected to be 17.9% in 2020 and 9.8% in 2021, compared to 4.6% in 2019, says CBO. Additional CBO forecasts include:

- Gross domestic product is expected to decline about 12% during the second quarter of 2020, equivalent to a decline at an annual rate of 40% for that quarter.
- Unemployment is expected to average 15% during the second and third quarters of 2020, dramatically up from less than 4% in the first quarter.
- CBO expects economic activity to increase in the third quarter as state and local governments ease stay-at-home and business closure orders.

In a blog posted by CBO Director Phillip L. Swagel reporting the projections, the non-partisan organization says its estimates are “subject to enormous uncertainty” due to unprecedented circumstances of the pandemic. CBO used a variety of public and private sources to create its forecast, including consideration of the major congressional legislation passed through April 23rd.

Dramatic Oil Prices Upend Energy Market
It was a dramatic week for the oil market as for the first time in history West Texas Intermediate, the U.S. oil benchmark, plunged into negative price territory. Between demand for oil being down considerably during the pandemic, and international volatility due to the Russia-Saudi Arabia price war, the energy sector is suffering even more than most. It is interesting to look at what states may be most impacted, as unemployment in the oil sector will impact consumer spending and tax collection efforts - already at lows in a recession. According the U.S Energy Information Administration, these were the top five states for oil production in 2019; these top five states produced 69% of U.S. crude oil:

1. Texas (41%)
2. North Dakota (11%)
3. New Mexico (8%)
4. Oklahoma (5%)
5. Colorado (4%)

by Erin McLaughlin, ACEC Vice President Private Market Resources