The health and safety of ACEC/MO’s employees and members is at the forefront of our policies and guidelines, and as such, we are continuously addressing the coronavirus outbreak. In accordance with government guidelines to mitigate the spread of COVID-19, ACEC/MO staff is working remotely. We will reassess as the situation develops. There is an abundance of COVID-19 information on the ACEC and ACEC/MO websites listed below. If you have any questions, please email Bruce Wylie or Dawn Hill.

**COVID-19 RESOURCES:**
- ACEC Coronavirus Resource Center
- ACEC/MO COVID-19 Resource Center
- Centers for Disease Control & Prevention
- Federal Actions Relating to COVID-19
- Federal Guidance on COVID-19
- MO Dept. of Health & Senior Services
- MO Association of Counties Operation & Workplace Guidance Resources
- Novel Coronavirus (COVID-19) Public Awareness Campaign
- USDA Rural Development COVID-19 Response

**ACEC’s Steve Hall Reports on Extension of PPP Safe Harbor Deadline to May 18**

The Department of Treasury and the Small Business Administration (SBA) have added question 46 to the *FAQ document* which addresses the issue of whether Paycheck Protection Program (PPP) borrowers made a good faith certification when they applied for the loan. In short – borrowers with loan amounts of less than $2 million will be deemed to have made this certification. Borrowers with loan amounts greater than $2 million still have a basis for making the certification. This appears to be...
a logical extension from previous guidance, but stops short of providing the additional guidance we need on certification for loans greater than $2 million, as well as the question of forgiveness. We will circulate new information that addresses these questions as it becomes available.

**Question 46:** How will SBA review borrowers' good-faith certification concerning the necessity of their loan request?

**Answer:** When submitting a PPP application, all borrowers must certify in good faith that "[c]urrent economic uncertainty makes this loan request necessary to support the ongoing operations of the Application." SBA, in consultation with the Department of the Treasury, has determined that the following safe harbor will apply to SBA's review of PPP loans with respect to this issue: Any borrower that, together with its affiliates, received PPP loans with an original principal amount of less than $2 million will be deemed to have made the required certification concerning the necessity of the request in good faith.

SBA has determined that this safe harbor is appropriate because borrowers with loans below this threshold are generally less likely to have had access to adequate sources of liquidity in the current economic environment than borrowers that obtained larger loans. This safe harbor will also promote economic certainty as PPP borrowers with more limited resources endeavor to retain and rehire employees. In addition, given the large volume of PPP loans, this approach will enable SBA to conserve its finite audit resources and focus its reviews on larger loans, where the compliance effort may yield higher returns.

Importantly, borrowers with loans greater than $2 million that do not satisfy the safe-harbor may still have an adequate basis for making the required good-faith certification, based on their individual circumstances in light of the language of the certification and SBA guidance. SBA has previously stated that all PPP loans in excess of $2 million, and other PPP loans as appropriate, will be subject to review by SBA for compliance with program requirements set forth in the PPP Interim Final Rules and in the Borrower Application Form. If SBA determines in the course of its review that a borrower lacked an adequate basis for the required certification concerning the necessity of the loan request, SBA will seek repayment of the outstanding PPP loan balance and will inform the lender that the borrower is not eligible for loan forgiveness. If the borrower repays the loan after receiving notification from SBA, SBA will not pursue administrative enforcement or referrals to other agencies based on its determination with respect to the certification concerning necessity of the loan request. SBA's determination concerning the certification regarding the necessity of the loan request will not affect SBA's loan guarantee.

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**ACEC Supports Lawmakers’ Push for $50 Billion Federal Highway Funding to State DOTs**

As House and Senate members continue discussions over additional legislation to respond to the COVID-19 pandemic and its economic impact, ACEC is actively supporting a move to include a $50 billion infusion to State Departments of Transportation (DOTs). The federal highway funds would backstop a projected 30 percent revenue decline over the next 18 months and mitigate additional project cancellations and postponements. Vehicle traffic has declined by 50 percent in most parts of the country due to work and travel restrictions, causing steep drops in state motor fuel tax and toll receipts and severely impacting state transportation budgets.

Earlier this week, 137 House members wrote a [letter](#) to Speaker Pelosi and Minority Leader McCarthy in support of the request, led by Representatives Conor Lamb (D-PA) and Bob Gibbs (R-OH). “Supporting state DOTs now will enable the advancement of planned transportation projects in the near-term and allow state DOT employees and transportation construction workers essential to planning and delivering these projects to remain on the job,” the lawmakers wrote.

ACEC contacted every Member of Congress in support of the sign-on letter. The effort is one component of the Council’s Rescue/Recover/Rebuild advocacy agenda.
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.

- **Young Professional Series: Serving the Firm in a Virtual Environment**, May 18, 3:30 pm EST
- **Guidelines & Protocols to Reduce Your Company's Risk as You Bring Your Employees Back to the Office**, May 20, 1:30 pm EST
- **Controlling Healthcare Costs through Worksite Wellness**, May 21, 3:30 pm EST
- **Private/Vertical Roundtable**, May 21, 1:30 pm EST
- **You are Not Alone: Tools for Focus, Presence & Empathy in a Changed World**, May 21, 11:30 AM pm EST
- **Young Professionals Roundtable**, May 22, 1:00 pm EST
- **Go Green - Save Green: Taking Advantage of Your Sustainable Designs**, May 26, 3:30 pm EST
- **Young Professional Series: Working with Clients in the Age of COVID-19**, May 27, 1:30 pm EST
- **Beyond the Crisis - Getting Ready for Tomorrow**, May 28, 1:30 pm EST
- **Navigate Economic Uncertainty with Agile Reporting & Planning Processes**, June 2, 1:30 pm EST
- **You are Not Alone: Essentials of Effective Energy Management**, June 4, 11:30 am EST
- **Managing Cash Flow & Project Delivery Amidst Economic Uncertainty**, June 9, 3:30 pm EST
- **The Effects of COVID-19 on National Healthcare**, June 16, 3:30 pm EST

MoDOT / Industry COVID-19 Weekly Update

The Missouri Department of Transportation held their COVID-19 Industry Meetings on April 29, 2020 and May 13, 2020. Attendees included were from ACEC, ACPA, AGC, KC Heavy Constructors, MAPA, MLPA, MoDOT and SITE. They discussed the following:

- Action items from previous meetings (revenue receipts for April; Work Zone Awareness talking points; AGC white paper on cost impacts; availability of masks; traffic data; and budget information)
- Average Weekly Traffic Update
- Letting Update
- Impacts of Governor's Plan to Reopen Business in Missouri
- Project Status
- Director's Update
- Roundtable Discussion.

To see the complete minutes from both meetings, click on the links below or go to ACEC/MO's COVID-19 Resource Center. The next meeting is scheduled for May 29, 2020 at 10:30 a.m.

- **MoDOT / Industry COVID-19 Meeting Minutes 4-29-20**
- **MoDOT / Industry COVID-19 Meeting Minutes 5-13-20**
Results of ACEC Missouri COVID-19 Business Impact Survey

ACEC Missouri recently sent out a COVID-19 Business Impact Survey to members firms. We compiled the results of the survey and have posted them on our website. Below are some highlights from the survey. To see the complete results of the survey, click HERE.

- Most respondents replied that their firm is experiencing project delays or cancellations due to COVID-19.
- Most respondents replied that their firm is experiencing delays in issuance of RFPs/RFQs or awards due to COVID-19.
- Over half of the respondents replied they have applied and got a PPP loan.
- Almost half of the respondents believe the condition of their firm's overall finances will be about the same as well as the condition of their firm's cash flow.
- Very few respondents replied that their firm laid-off/furloughed/eliminated staff since March 1, 2020 and even less firms will likely do that in the next 30 days.

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. MVR Accuracy During the Pandemic
2. Broadway, Hollywood Eye Plans for a Return to Normalcy
3. Legislation and Litigation Roundup
4. When Work Resumes, Offices and Duties May Look Different
5. EEOC Expands Guidance for Workplaces
6. New Challenges in Cleaning and Sanitizing Guidance from the CDC
7. Employee Benefits Insights

Open Enrollment Survey
How has the pandemic changed your approach to this year’s open enrollment, and what do you think will be your biggest challenges? Take Survey

Employee Engagement
Has your new work environment impacted your productivity and connection with your colleagues, and do you see your organization moving toward more electronic/digital communication going forward? Take Survey

Assessing Financial Risk
Do you have the ability to assess financial risk to your health and wealthare plans as a result of the pandemic, and what changes have you made related to cost-sharing and budgeting for medical and prescription drug expenses? Take Survey

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

ACEC Launches Rescue/Recover/Rebuild Advocacy Campaign

ACEC has launched its virtual grassroots advocacy campaign urging Congress to focus its COVID-19 recovery efforts on an infrastructure-based recovery legislative agenda. The central message of ACEC’s advocacy program is that significant
investment in our nation’s physical and critical infrastructure is essential to unlock America’s post-pandemic economic recovery. The program’s theme of Rescue/Recover/Rebuild will underscore the interconnection between economic growth and modern, future-looking infrastructure investment.

“COVID-19 will change the way Americans interact with the built environment for the foreseeable future and our infrastructure must adapt to meet the challenges of the ‘new normal,’” said ACEC President & CEO Linda Bauer Darr. ACEC Board Chair Charlie Gozdiewski added, “Congress should seize this opportunity and pass an infrastructure-focused recovery bill that not only jump-starts job creation but prepares America to lead in a post-pandemic economy.”

The House and Senate already have building blocks in place to create an infrastructure-based recovery agenda. Both Chambers are moving their respective water and surface infrastructure reauthorization bills at the Committee level. What is needed now is leadership from Speaker Pelosi, Leader McConnell and President Trump to fast-track these bills into a package that can serve as the foundation for the next recovery bill.

America’s engineering industry plays a central role in designing the built environment. Throughout the coming weeks, ACEC member firm leaders will be reaching out to their elected officials and congressional leaders through virtual meetings, social media, phone calls and e-mails to urge support for an infrastructure-first recovery agenda.

Click [here](#) for more information on the Rescue/Recover/Rebuild program. Follow the conversation on social media with the hashtag #RescueRecoverRebuild.

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**Engineering Contracts in the Time of COVID-19**

ACEC recently hosted a webinar on Engineering Contracts in the Time of COVID-19. The webinar was presented by Karen Erger, SVP, Director of Practice Risk Management, Lockton Companies. ACEC now has it available online if you missed the session. You can [click here](#) to stream the recording. The presentation slides are also available by clicking [HERE](#).

Please also know that all updates and resources on COVID-19 (including past recorded webinars) can be found on [ACEC’s Coronavirus Resource Center](#).

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**ACEC Macro-Economic Update: Unemployment Rate Soars | Rent Payments Stabilize**

**April Unemployment Rate Sets Record Surge**
The unemployment rate rose to a record 14.7 percent in April, according to the U.S. Bureau of Labor Statistics (BLS). An unprecedented 20.5 million jobs were lost in April—the first full month of the economic shutdown caused by the COVID-19 pandemic. This month-over-month unemployment rate surge is the largest since the BLS began tracking the unemployment rate in 1939. The hardest-hit occupations were those most impacted by mandated closures and social distancing measures. Leisure and hospitality jobs declined by 7.7 million (5.5 million of these were in food and drinking establishments, according to BLS), and both the retail and professional/business services sectors each lost 2.1 million jobs. No sector was untouched, with healthcare employment falling by 1.4 million jobs—with about a third of those coming from dentists’ offices, and another third from physicians’ offices—as routine health care appointments and procedures have largely stopped during the pandemic.

**May Rent Payments Show Only Slight Decline Year-over-Year**
One key data point tracked closely by analysts in the commercial real estate sector, which includes multi-family residential, is whether tenants are paying rent. As of Wednesday, May 6, 80.2 percent of
apartment households had paid all or some of their rent for the month, according to the National Multifamily Housing Council (NMHC) monthly survey. This May 2020 data point represents a 1.5 percent drop from May 2019 but is an improvement from the 78 percent of market-rate renters who had paid by April 6, 2020. Analysts attributed this minor drop in year-over-year rent payments—and the slight rise from the same time last month—to federal stimulus checks and unemployment assistance reaching renters.

by Erin McLaughlin, ACEC Vice President Private Market Resources