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, the ACEC/MO staff will work in the office a couple days a week, but they are also working remotely. Staff will begin working in the office more starting in June.

There is an abundance of COVID-19 information on the ACEC (National) and ACEC/MO (state) websites - see links 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

U.S. Treasury Releases Guidance on PPP Loan Forgiveness

The U.S. Department of Treasury has released new guidance on PPP loan forgiveness — which can be accessed here in the form of an interim final rule (IFR). Like the initial guidance on the PPP loan program in general, the IFR is open to public comment and may be refined further based on input from stakeholders.

Based on our initial analysis, the guidance tracks closely with the loan forgiveness application that Treasury released last Friday. It provides some examples that could be helpful to firms in filling out the application. It
also answers questions related to whether loan forgiveness will be reduced if a laid off employee refuses an offer to return to work, or if an employee is fired for cause or resigns voluntarily. We did not see additional information in the IFR regarding the final certification on page 4 of the loan forgiveness application that SBA can request additional information to determine the borrower's eligibility. The IFR does state that SBA may provide further guidance, if needed.

ACEC recently hosted a webinar on PPP Loan Forgiveness - What You Need to Know. To stream a recording of the webinar, click HERE. To see a copy of the presentation slides, click HERE.

by Steve Hall, ACEC Senior Vice President Advocacy

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**ACEC and Business Coalition Call for Temporary COVID-19 Liability Protection**

ACEC and a coalition of more than 200 business organizations are urging Congress to enact temporary and targeted liability relief legislation related to the COVID-19 pandemic. In a letter to all Members of Congress, the coalition stated that "workers and businesses [who] keep our communities safe and provide for the American people...are concerned that, despite doing their best to follow applicable guidelines, they will be forced to defend against an onslaught of frivolous lawsuits."

The coalition asked that Congress "quickly enact temporary liability protections for businesses, nonprofit organizations, and educational institutions that work to follow applicable public health guidelines against COVID-19 exposure claims," as well as for health care organizations, manufacturers of PPE and other critical supplies, and public companies facing COVID-19-related securities lawsuits. These liability protections, however, "should be limited in scope and preserve recourse for those harmed by truly bad actors who engage in egregious misconduct."

Click HERE to read the letter.

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**ACEC Leads Industry Effort to Seek OMB Intervention on Potential Impact of PPP Loan Forgiveness on Firm Rates**

The Council led an industry effort of design, construction and engineering associations to write the Office of Federal Procurement Policy within the Office of Management and Budget (OMB) seeking clarification from the federal government on the treatment of loan forgiveness received by a small business for a Paycheck Protection Program (PPP) loan relative to direct and indirect costs allocable to government contracts in accordance with Federal Acquisition Regulation (FAR).

Current guidance from the Department of Defense indicates that firms may need to issue a credit on contracts with the government. In a FAQ page on the CARES Act, the Defense Pricing & Contracting office stated, “to the extent that PPP credits are allocable to costs allowed under a contract, the Government should receive a credit or a reduction in billing for any PPP loans or loan payments that are forgiven."

ACEC and its allies contend that this interpretation is inconsistent with congressional intent and could actually harm, not help, firms that received PPP loans. “A contractor who performs primarily government contracts could see almost all of the loan forgiveness rescinded through the application of the credit to their direct costs or indirect cost rate, resulting in a lower reimbursement on government contracts performed in the current or future years,” ACEC explained in a position paper submitted to the agency. “If any forgiveness of the proceeds of properly utilized PPP loans ultimately must get credited back to the government by contractors, then these loans are not truly forgivable. Such treatment would be inconsistent with the stated provisions of the PPP loan program.” The letter requests that OMB weigh in to clarify that firms with forgiven PPP loans
not be required to provide a credit to direct or indirect costs in contracts with the government.


Click HERE to read the letter.

The Future of Workplace - How Will COVID-19 and Data Shape the New Workplace

The new normal will be a total workplace ecosystem. Through our proprietary Experience per Square Foot™ (XSF) tool, Cushman & Wakefield has captured more than 2.5 million data points from workers all over the globe in the pre-COVID-19 era and a further 1.7 million data points from more than 40,000 respondents in the current work from home environment.

Our workplace specialists analyzed this data to develop a report on the future of workplace, which gives you an inside look at the unrivaled insights into how employees are coping right now - identifying their key successes and critical challenge. With this data, Cushman & Wakefield has developed a report that provides insight into the future workplace.

Key Learnings:

1. **Productivity can occur anywhere, not just at the office:**
   - Pre-COVID-19, remote workers were more engaged and had a better workplace experience than office workers
   - During the pandemic, effective team collaboration has reached new heights, through better leverage of remote collaborative technology, and the ability to focus was upheld.

2. **Flexibility and choice to work from anywhere is accelerating**
   - 73% of the workforce believes companies should embrace some level of working from home
   - Human connection and social bonding are suffering, impacting connection to corporate culture and learning
   - Younger generations are reporting more challenges working from home.

3. **The new normal will be a Total Workplace Ecosystem:**
   - The workplace will no longer be a single location but an ecosystem of a variety of locations and experiences to support convenience, functionality, and well-being
   - The purpose of the office will be to provide inspiring destinations that strengthens cultural connection, learning, bonding with customers and colleagues, and supports innovation
   - Current footprint sizes will remain steady, balancing social distancing’s relaxing of space density with less office space headcount demand in the new total workplace strategy.

Are you prepared to return to the workplace post-COVID-19? Download the report.

by Cushman & Wakefield
ACEC Offers FREE-to-Members COVID-19 Webinars

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.

- **Navigate Economic Uncertainty with Agile Reporting & Planning Processes**, June 2, 3:30 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
- **Managing Cash Flow & Project Delivery Amidst Economic Uncertainty**, June 25, 1:00 pm EST

ACEC Research Institute to Host Expert Roundtables on Post-COVID-19 Engineering Industry

The ACEC Research Institute will host three virtual expert roundtables over the coming two months exploring the post-COVID-19 engineering industry and the challenges and opportunities for engineering firms. Right now, we are focused on the short-term, but these sessions will look farther out to the horizon to help firm leaders think about what the marketplace will be like and what they need to do to succeed.

The Institute will live-stream the roundtables and invites ACEC members—and non-members—to attend and participate in the discussions. Each roundtable will be an hour-long and will allow for questions from the audience. To register for one or more of the roundtables, click on the links below.

**June 18 Panel:** The Impact of Technology on Engineering (1:30 pm ET)
Given the dramatic impact that COVID-19 has had on the workforce and operation of engineering firms, the panelists will discuss technological tools to speed the design process and enhance culture and collaboration, as well as explore the interconnectivity of systems and the potential impact of AI and machine learning.

**June 25 Panel:** The Buildings We Live and Work In (3:30 pm ET)
What lasting impact will the pandemic have on the design of the commercial, high-rise, healthcare, and mixed-use buildings of the future? And what will change for firms when designing work and living spaces in this new paradigm?

**July 16 Panel:** Funding in the New Normal (1:30 pm ET)
When the U.S. economy recovers, what direction will it take, which market sectors will lead the way, and what do firms need to do to ensure they aren’t left behind? Our panelists will tackle these tough questions so firms will be better positioned to take maximum advantage of the market. The panelists will also address the impact of the federal deficit, recessionary challenges, and new funding mechanisms.

COVID-19 Legislation: What Employers Should Know Webinar

The Missouri Chamber of Commerce and Industry is teaming up with BKD CPAs & Advisors to host a FREE webinar on COVID-19 Legislation: What Employers Should Know. The webinar will be held on Wednesday, June 3, 2020 at 2:00 p.m. They will discuss the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and other related legislation enacted over the past several weeks.
This session will highlight and explain some of the provisions and relief measures within this legislation that apply to employers. We also will explore some frequently asked questions about the legislation. To register for the FREE webinar, click HERE.

Governor Parson Extends Phase 1 of "Show Me Strong Recovery" Plan Through June 15

During yesterday's COVID-19 briefing, Governor Mike Parson announced that Phase 1 of the state's "Show Me Strong Recovery" Plan has been extended from Sunday, May 31, 2020, through Monday, June 15, 2020. Resting on four essential pillars, the "Show Me Strong Recovery" Plan is intended to protect those most at risk of exposure to COVID-19 while helping Missouri recover economically:

1. Expand testing capacity and volume in the state
2. Expand reserves of PPE by opening public and private supply chains
3. Continue to monitor and, if necessary, expand hospital and health care system capacity
4. Improve ability to predict potential outbreaks using Missouri's public health data.

Extending Phase 1 of the plan through June 15 aligns with Governor Parson's other Executive Orders as well as the state of emergency in Missouri. Extending Phase 1 will give communities more time to prepare and align efforts as the state continues working toward Phase 2. “I want to assure you that our efforts are showing positive results, and we are still in a good place with all four of our recovery pillars,” Governor Parson said. “We are extending Phase 1 because we want to continue the progress we’ve made and make sure we are fully prepared for Phase 2.” During Phase 1, citizens may re-engage in economic and social activities but must adhere to social distancing requirements, including maintaining six feet of space between individuals in most cases. There are currently no limitations on social gatherings as long as necessary precautions are taken and six feet of distance can be maintained between individuals and/or families. Local officials will still have the authority to put further rules, regulations, or ordinances in place so long as they are not inconsistent with the statewide order.

To view the full public health order, click here. For additional guidelines and frequently asked questions, click here. More information on the “Show Me Strong Recovery” Plan can be found at showmestrong.mo.gov. From a testing standpoint, Missouri continues to make progress with its COVID-19 testing plan. From May 20 through May 27, the state exceeded both its sentinel and community sampling testing goals. In addition to efforts at the state level, CVS Health today announced it will open 22 new COVID-19 testing sites at select CVS Pharmacy drive-thru locations across Missouri as part of its nationwide COVID-19 response. Self-swab tests will be available to individuals meeting Centers for Disease Control and Prevention criteria as well as state and age guidelines. Patients will remain in their vehicles and be directed to the pharmacy drive-thru window. At the window, they will be provided with a test kit and instructions. A CVS Pharmacy team member will observe the self-swab process to ensure it is done properly. Tests will then be sent to an independent, third-party lab for processing, and the results will be available in approximately three days. For updates on COVID-19 cases, testing, deaths, and hospitalizations in Missouri, view the state’s interactive dashboard. To see the complete press release, click HERE.

ACEC Letter to House Members Praises PPP Flexibility Act, Calls Out Additional Problem Areas

In a letter to all U.S. Representatives, ACEC urged passage of the Paycheck Protection Program Flexibility Act of 2020 and highlighted two additional problem areas that may require congressional action. On the pending legislation, ACEC praised the extension of the eight-week PPP loan forgiveness period to 24 weeks, saying it "would make it easier for engineering firms to use the funds and qualify for forgiveness." ACEC also supports the provisions allowing firms to use the original eight-week period if preferred and extending the repayment period from two to five years.
In the letter, the Council stressed its opposition "to the IRS ruling that business expenses covered by PPP loan forgiveness are not tax-deductible, as they would normally be. That restriction significantly reduces the value of loan forgiveness to eligible businesses, undercuts the intent of Congress with respect to the PPP program, and should be reversed." ACEC also expressed concern over efforts by federal agencies to invalidate loan forgiveness for qualifying firms by seeking a credit on contracts for the amount of the PPP loan, as suggested in guidance published by the Department of Defense.

The House cleared legislation yesterday to make some needed technical changes to the PPP loan program. Key provisions of the Paycheck Protection Program Flexibility Act (HR 7010) would:

- Extend the PPP loan forgiveness period to include costs incurred over 24 weeks after a loan is issued or through December 31 (whichever comes first); businesses that received a loan before the measure is enacted could keep the current eight-week period.
- Extend to December 31 from June 30 a period in which loans can be forgiven if businesses restore staffing or salary levels that were previously reduced. The provision would apply to worker and wage reductions made from February 15 through 30 days after enactment of the CARES Act, which was signed into law on March 27.
- Maintain forgiveness amounts for companies that document their inability to rehire workers employed as of February 15, and their inability to find similarly qualified workers by the end of the year. Under the modified bill, companies would be covered separately if they show that they couldn’t resume business levels from before February 15 because they were following federal requirements for sanitization or social distancing.
- Extend the deadline to apply for a PPP loan to December 31 from June 30.
- Require at least 60% of forgiven loan amounts to come from payroll expenses.
- Repeal a provision from the CARES Act that barred companies with forgiven PPP loans from deferring their payroll tax payments.
- Allow borrowers to defer principal and interest payments on PPP loans until the SBA compensates lenders for any forgiven amounts, instead of the current six-month deferral period. Borrowers that don’t apply for forgiveness would be given at least 10 months after the program expires to start making payments.
- Establish a minimum loan maturity period of five years following an application for loan forgiveness, instead of the current two-year deadline set by the SBA. That provision would apply to PPP loans issued after the measure is enacted, though borrowers and lenders could agree to extend current loans.

Click HERE to see ACEC's support letter for HR 7010, which was circulated earlier this week. Note the provisions in the bill changed somewhat between when the letter was circulated and yesterday's vote. Click HERE to see the multi-industry sign-on letter that ACEC drafted and circulated in opposition to the DOD policy. You can also see separate comments ACEC filed with the Department by clicking HERE.

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MoDOT / Industry COVID-19 Weekly Update

The Missouri Department of Transportation held a COVID-19 Industry Meeting on May 27, 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 (Summary of HEROES Act & AASHTO Briefing)
- Expiration of Federal Transportation Bill
- Status of AASHTO Backstop Request
- Social Distancing
- Governor’s Budget Restrictions
- Status of Lettings
- Director’s Update.

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

- MoDOT / Industry COVID-19 Meeting Minutes 5-27-20
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. U.S. Borders Open for Truck Traffic
2. Federal Motor Carrier Safety Administration Updates Hour of Service Rules
3. Potential Liability Issues Lurking in FFCRA
4. Hyperactive Hurricane Season Requires Pre-Planning
5. Telehealth: Here to Stay?

Return to Work Survey | View Results

Additional Benefit Offerings
Are there any new value-added benefits you are considering that could help address employee needs specific to the pandemic? Take Survey

Wellness
Have you shifted any of your wellness initiatives to a virtual approach, and are you considering any new programs or a new communication approach? Take Survey

Assessing Financial Risk
Do you have the ability to assess financial risk to your health and welfare 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.