



ON THE POINT

To Our ACEC Family,

We don't yet know what this pandemic and economic situation may bring, but we will stand with you through it.

We thank you for your continued support of our mission to improve the business of engineering.

Be Well.
- ACEC Alabama

CURRENT SITUATION

Update: Sunday, March 22 at 3:30 p.m.

- States of Emergency have been issued on the Federal and State levels and in many municipalities. Read the latest order at this link: <https://governor.alabama.gov/assets/2020/03/Amended-Statewide-Social-Distancing-SHO-Order-3.20.2020-1.pdf>
- Alabama is prohibiting all non-work related gatherings of 25 or more, or non-work related gatherings of any size that cannot maintain a consistent six-foot distance between persons.
- Employers shall take all reasonable steps to meet these standards for employees and customers.
- All orders are in effect until at least April 6, 2020.
- Visit the following weblink for latest information: <http://www.alabamapublichealth.gov/infectiousdiseases/2019-coronavirus.html>

FEDERAL AFFAIRS

Economic Stimulus Bill

Update: Sunday, March 22 at 3 p.m.

From Steve Hall, ACEC Sr. Vice-President of Government Affairs and Advocacy

All – the Senate released the bill language earlier today on the relief package being negotiated presently (the CARES Act), along with a summary of key provisions below.

Note that the business tax provisions are new, building on the refundable tax credits included in the previous assistance package (which is now law) with the goal of addressing cash flow concerns. Senate Majority Leader Mitch McConnell has indicated that he will begin floor proceedings this evening, although that will hinge on negotiations with Senate Democrats. The House also isn't on board yet, but for now the action appears to be centered in the Senate. We will send you additional information as final language becomes available.

Title I: Small Business Loans/Assistance

- Small Business Assistance – the proposal provides for \$349B in SBA 7(a) loans to be used for payroll costs and other obligations including rent, mortgage, utilities, with potential loan forgiveness based on employee retention, for firms with fewer than 500 employees.
- Small Firm Federal Contracting Assistance – the agreement includes language to extend contract deadlines for small firms, exclusive of mission critical contracts, as well as language to facilitate payment for contract terms that have been delayed due to COVID-19 response measures.

Title II: Business Tax Relief Provisions

- Employers and self-employed individuals can defer paying the employer share of the Social Security payroll tax (6.2%) over the following two years – half due by December 31, 2021 and the other half due by December 31, 2022.
- Expanded use of net operating losses by removing the taxable income limitation and including the ability to carryback net operating losses for 5 years for corporations and non-corporate businesses (pass throughs and sole proprietors).
- Temporary increase in interest deductibility for businesses from 30 percent to 50 percent for 2019 and 2020.

Title II: Health Care/Labor Provisions

- Clarifies the limits on paid emergency sick leave in the Families First Coronavirus Response Act (HR 6201).
- Expands the authority of the Department of Labor to exempt firms with fewer than 50 employees from the paid leave requirements in HR 6201.
- Allows employers and the self-employed to receive an advance tax credit from Treasury for emergency paid leave and sick leave under HR 6201 instead of having to be reimbursed on the back end.

Title IV: Economic Stabilization

- Establishes \$500 billion Treasury Department program of loans, loan guarantees, and other financial investments for distressed industries.
 - \$50 billion for passenger airlines
 - \$8 billion for cargo airlines
 - \$17 billion for businesses essential to national security
 - \$425 billion for the Federal Reserve to bolster liquidity in the financial system to support lending to continue operations of businesses in jeopardy.
 - Suspends federal aviation taxes.

NEW: ACEC Coronavirus Impact Forum

On Friday, March 20 ACEC launched the “Coronavirus Impact Forum” within the ACEC Communities. We invite you to join this members-only, self-moderated forum to share how coronavirus is affecting your business and share best practices for managing through the crisis. We are encouraging all MO Execs and ExCom members to join this weekend before we open it up to all members on Monday.

To access the forum, [please follow this link](#).

Please log in or register with your company email address. If you are creating a new account, please allow up to one hour for access to the forum. If you need any support please contact Member Services (memberservice@acec.org) or call 202-347-7474.

Results: ACEC COVID-19 Business Impact Survey

From ACEC National:

We are pleased to share with you the results of last week's Member Survey. You will see the top line results below. We will have more detailed results to share with you on geographic differences (if any) on Monday, March 23. We will be sending the survey out again on Tuesday, March 24.

Survey Results:

- There were 794 respondents to the survey. Of them, 53% were firms under 25 FTEs.
 - The survey is expected to be redistributed this week. Please take a few minutes to provide your feedback.
- Most of our firms do not travel internationally (60%) and therefore, there was no change to their policies.
- For domestic travel: 66% of respondents have restricted travel to training or conferences. 52% have restricted air travel.
- For work from home: 20% have not changed their policy and said it's business as usual. Most (64%) are either encouraging or allowing employees to work from home. Only 8% have made work from home mandatory.
- 23% of responding firms are providing paid emergency leave, 13% are providing emergency unpaid leave. Interestingly, 13% already have an unrestricted leave policy.
- When asked how firms are working with clients to ensure work can continue- 77% are ensuring social distancing, 73% are allowing virtual work, 52% are focusing on meeting and project hygiene, and 52% are limiting access to offices, project and construction sites.
- 96% said they have not had problems with public clients when protective measures may conflict with contract terms.
- 56% have not experienced project delays or cancellations; 44% have experienced delays/cancellations.
- 76% have not experienced delays in the issuance of RFPs/RFQs or awards; 24% have experienced delays in issuance of RFPs/RFQs.

When asked to describe any other business issues that you are experiencing related to COVID-19 respondents answers fell into several main categories:

- Significant interest in what will pass Congress and how it will affect their business- particularly small firms
- Many not experiencing major project delays as of now but expecting that to change
- Worry that work will slow- starting to see it happening
- Worry that clients will pay more slowly (particularly public clients)- starting to see it happening
- Office going remote resulting in uncertainty of workflow
- General employee distraction due to depth of crisis and rate of change
- Economic uncertainty

Survey results are available

here: <https://files.constantcontact.com/5d918951701/ad435863-7991-4b47-8f62-8075bcb52dcb.pdf>

OpEd: Now Is the Time to Leverage Investment in Our Critical Infrastructure

OpEd Released on March 20 by ACEC National:

"The scope of the coronavirus pandemic is something we haven't experienced in our lifetime. Each of us has been recruited to fight an unseen enemy that is disrupting our lives, businesses, and overall economic health.

State and local leaders have called on President Trump to put the nation on a wartime footing. In response, the administration is speeding production of medical supplies and tasking the military to assist states with expanding hospital capacity. Congress is putting partisanship aside to act on historic stimulus relief for employers and their displaced employees."

[Read More](#)

STATE GOVERNMENT

Letter to Governors

ACEC Executive Directors from across the federation have been in dialogue with ACEC Leadership and Senior Staff to communicate immediate member concerns related to the government interaction and state shutdowns of infrastructure projects in various states. In response to our concerns, a letter was sent via email to the Nation's Governors and Chiefs of Staffs from ACEC President and CEO, Linda Darr, on March 21st.

Darr's opening email statement supports allowing any services or performing any work necessary to the operations and maintenance of "essential infrastructure," including but not limited to, public works construction, airport operations, roads and highways, and public transportation in the event of any quarantine or shelter in place that may be ordered in your state. In addition to Governor Kay Ivey and her Chief of Staff Jo Bonner, we have sent a copy of the letter to Lt. Governor Will Ainsworth along with Alabama State Senate and House Leadership.

Read the letter here: <https://files.constantcontact.com/5d918951701/dad7c1c1-2a2c-4a5f-9213-008d1fc233b9.pdf>

ACEC EVENT CANCELLATIONS

- ACEC/Alabama Golf Classic: CANCELLED
- ACEC Alabama EEA Gala: POSTPONED
 - In accordance with orders issued by the State of Alabama, the EEA Gala scheduled for April 2 is cancelled.
- Leadership Development Series Changes
 - The final two days of LDS Class XIII: POSTPONED. Details will be sent to class participants.
- ACEC/Alabama Executive Committee Spring Meeting
 - Moved to video conference on April 2, 2020
- ACEC Annual Conference and Legislative Summit
 - Pending the extension of any government authority orders.
- ACEC Deep South Convention is pending further government authority orders.
- Discussions among State and National Leaders are ongoing as the COVID-19 pandemic continues to evolve.

RESOURCES

- [ACEC National Coronavirus Resource Document - 3/20/2020](#)
- [ACEC Coronavirus Prevention Tips - 3/9/2020](#)
- [2020 State and Local Government Responses to COVID-19 | Stateside Associates](#)

*American Council of Engineering Companies of Alabama
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