March 23, 2020

To: PMA New York Members

On Saturday, March 21, 2020, Governor Andrew Cuomo issued several Executive Orders restricting the movement of New Yorkers and certain business activities effective Sunday, March 22, 2020 at 8:00 p.m. through April 20, 2020.

This action in New York follows similar steps taken in California, Illinois, Kansas, Louisiana, Missouri, Ohio, New Jersey and Pennsylvania, and only allows for certain essential businesses to continue operations. As in these other states, all businesses not deemed “essential” by the state must cease their operations. Those permitted to remain open under New York’s “Essential Business” definition covers multiple manufacturing categories including their suppliers.

For purposes of New York’s Executive Order 202.6, "Essential Business," means:

1. Essential Health Care Operations, Including:
   - research and laboratory services
   - hospitals
   - walk-in-care health facilities
   - emergency veterinary and livestock services
   - elder care
   - medical wholesale and distribution
   - home health care workers or aides for the elderly
   - doctor and emergency dental
   - nursing homes, or residential health care facilities or congregate care facilities
   - medical supplies and equipment manufacturers and providers

2. Essential Infrastructure, Including:
   - utilities including power generation, fuel supply and transmission
   - public water and wastewater
   - telecommunications and data centers
   - airports/airlines
   - transportation infrastructure such as bus, rail, or for-hire vehicles, garages
   - hotels and places of accommodation

3. Essential Manufacturing, Including:
   - food processing, manufacturing agents, including all foods and beverages
   - chemicals
   - medical equipment/instruments

New York Critical Manufacturing Definition
• pharmaceuticals
• sanitary products
• telecommunications
• microelectronics/semi-conductor
• agriculture/farms
• household paper products

10. Defense
• defense and national security-related operations supporting the U.S. Government or a contractor to the US government

The State of New York did place restrictions, however, for manufacturers that produce items for both essential businesses listed and for non-essential. The guidance for businesses states, “with respect to business or entities that operate or provide both essential and non-essential services, supplies or support, only those lines and/or business operations that are necessary to support the essential services, supplies, or support are exempt from the restrictions.” Manufacturers are advised to monitor their operations closely to make sure they comply with this specific provision.

If the function of a business is not listed as an essential business, but the company believes that it is essential or it is an entity providing essential services or functions, it may request designation as an essential business.

Essential businesses do not need a special permit to continue operations but some manufacturers have received written notice from their customers that they are part of their critical supply chain. While we have not seen this specific language in New York’s documents, in other states, you may enter a closed business not deemed essential to process payroll, employee benefits, secure inventory, and perform security and safety checks.

The state has been approved by the Small Business Administration for companies seeking disaster loans for up to $2 million.

In Washington, D.C., our lobbyists indicate that the U.S. Senate is hoping to vote on a final package in the coming days, though a U.S. Senator has now tested positive for COVID-19 with several others under self-quarantine.

The measure on which PMA is lobbying could include $350 billion for small businesses, those defined as having fewer than 500 employees. This proposal includes allowing eligible companies to receive zero interest "business interruption loans" to pay employees, rent, or mortgages that are backed by the Small Business Administration (SBA), with loan forgiveness contingent on keeping workers on the payroll. The draft bill also includes an expansion of Net Operating Loss and several other provisions requested by the association.

Following conversations with members and a survey of companies last week, our advocacy team in Washington, D.C. submitted to the White House and Congress a list of 10 recommendations to support manufacturers during the COVID-19 economic recovery process, several of which are included in the pending measure. The recommendations include solutions to help with cash flow, prompt payment terms to suppliers for companies receiving federal funds, ensuring banks do not revoke existing lines of
credit, and making sure manufacturers have the resources to continue operations and quickly ramp up production after the crisis wanes.

The situation is very fluid and, while PMA is a national organization, we are mobilizing all of our resources to assist our members throughout the country. Working with our team in Washington, D.C., we have created www.onevoiceinfo.org as a one-stop resource for members to find links to the latest OSHA, CDC and local government resources including workplace safety posters to print.

Please feel free to reach out to us at any time with questions.