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America's Newspapers

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Federal Relief Update

Encourage Congressional representatives to support HEROES Act, which includes support for local news providers

Your Action is Needed!



The [latest stimulus package](#), introduced by U.S. Speaker of the House Nancy Pelosi, includes an affiliation waiver that would allow more newspapers to qualify for Small Business Administration loans under the Paycheck Protection Program (PPP). The House is expected to vote on the \$3 trillion Health and Economic Recovery Omnibus Emergency Solutions Act (HEROES Act) this Friday.

If approved, the affiliation waiver will allow local news publishers to apply for PPP loans as individual, independent entities, despite being owned by larger groups that publish additional newspapers or non-news businesses. This would allow many members of America's Newspapers that previously were unable to obtain these loans to be able to apply.

America's Newspapers is proud of the vital work being done by local news publishers across this country. Local communities rely on their newspapers to provide them with essential news, especially as states begin the process of reopening businesses. And, local businesses will benefit from the marketing and promotion opportunities available through their local news providers. The importance of including local news publishers in this next stimulus package — so they can continue to provide the level of support that their communities are counting on — cannot be stressed enough.

YOUR HELP IS URGENTLY NEEDED: America's Newspapers is grateful to members who have called on their Congressional representatives to support expansion of SBA loans to include news publishers. Members are encouraged to continue running [editorials about the importance of federal relief for local news publishers](#) and to reach out to encourage Members of Congress to support the HEROES Act.

- Contact information for Members of Congress is [available here](#).
- [See suggested talking points from the News Media Alliance](#)
- [Read more about the legislative relief priorities of America's Newspapers](#)

Additional provisions in HEROES Act that would assist news providers:

The News Media Alliance notes that the proposal also includes other provisions that could help news organizations and their employees — if they are included in a final package and agreed to by Senate Republicans. These include a premium pay provision for frontline workers, including workers in the business of gathering and distributing the news, an expansion of the CARES Act Employee Retention Tax Credit, expansion of the newspaper pension relief provision in the SECURE Act, and pension relief for all sponsors of single-employer pension plans.

Read more from the News Media Alliance about specifics in this latest stimulus proposal:

Premium Pay to Frontline Workers

The HEROES Act authorizes \$190 billion for employers to provide premium pay to essential workers that have provided “essential work” during the coronavirus crisis. Under the bill, “essential work” employers can apply for and receive grants that will pay essential workers a \$13 per hour premium on top of regular wages (up to \$10,000 per essential worker/\$5,000 for highly compensated workers) for work performed from January 27, 2020 until 60 days after the last day of the COVID-19 Public Health Emergency. The legislation defines essential work as work that is not performed while teleworking; involves regular interaction with the public or items handled by others; and work that is specifically spelled out in the legislation. As a result of the Alliance’s advocacy, the definition of essential work includes work in the “gathering, processing, disseminating, and delivery of news and information that serves the public interest to the public through mass media, including television, radio, and newspapers.”

Employee Retention Tax Credit

Under the CARES Act, an employer is eligible for the employee retention tax credit if they had to fully or partially suspend operations, or if they experienced a significant decline in gross receipts. The CARES Act defined a significant decline as a reduction in gross receipts of at least 50 percent or more. Moreover, under the CARES Act, for large employers (defined as those with more than 100 full-time employees in 2019), qualified wages are the wages paid to an employee for time that the employee is not providing services. If the employer had 100 or fewer full-time employees, all wages paid by the employer are eligible for the credit.

The Alliance encouraged key policymakers to expand the overall size of the credit and allow “essential businesses” that remain open to qualify for the credit. We also argued that the credit should apply to businesses that experienced a decline in gross receipts of less than 50 percent. The HEROES Act enhances the employee retention tax credit allowing businesses a tax credit against employment taxes equal to 80 percent of qualified wages up to \$15,000 a quarter (\$45,000 in a calendar year) instead of \$10,000 in a calendar year. The legislation now allows businesses to take the credit — on a sliding scale — tied to a decline in gross receipts from 10 to 50 percent. The Act also increases the large employer threshold to employers with up 1,500 employees or \$41.5M in gross receipts, expanding which employers can receive the credit when their workers continue to provide services.

Pension Relief

In December, Congress approved the SECURE Act which provided pension funding relief for “community newspapers” by increasing the interest rate to 8 percent for the calculation of future contributions and allowing pension shortfalls to be amortized over a 30-year period instead of seven years. The HEROES Act would expand the SECURE Act to provide this pension relief to a handful of newspaper companies that were excluded from this new law. The legislation also includes pension stabilization provisions that would benefit newspapers that are outside the “community newspaper” scope of the SECURE Act. These single-employer pension provisions would bring current interest rates closer to historical norms (which would reduce the amount of required contributions) and amortizes pension funding shortfalls over a 15-year period instead of seven years. The HEROES Act also includes changes to multi-employer plans which are too expansive to detail here and are likely to be non-starters with the Senate Republican Leadership.

For additional information, contact:

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