

Mary L. ([00:05](#)):

Hi everyone. This is Mary Larson, NAS director of public affairs and government relations. And welcome to this public policy webinar on a pocketbook policy update. It's been a bit of a while since we've been together. Um, but we have offer you some updates today that we're really eager to share with you. Um, I, as always, I need to remind our, our viewers and our speakers that we are operating this webinar under NAS antitrust policy. Uh, again, we don't share a price hotel, resale price, information, discount, credit terms, map policies, RPM policies, details of NAS, um, antitrust policies, of course, available@thenaat.org. Thank you for attention to that important detail also, uh, in, as we've done with all of our public policy webinars in the last, uh, many months is that, uh, we do our absolute best to bring you, um, important federal state and local government information, especially around, uh, the health and wellbeing of our communities and our students relative to music education, especially when it comes to our COVID policies, um, and also concerning business relief and, um, those type of, um, interests that could really benefit your business.

Mary L. ([01:19](#)):

But as always, we encourage you to, uh, contact your professionals, be the legal or financial and concerning the COVID policies. Uh, there's many layers of those policies and adhere to the state and local guidelines. So we just offer you some updates on those, um, on those topics today. Um, so what we're going to cover today, uh, we want to talk about the federal, uh, update on federal relief for small business, knowing that so many of our NA members really benefited from the pay, uh, PPP program as a payroll protection program. Want to give you an, an update on some statistics nationally about that program and also some other, um, opportunities that are available, uh, in for small business and there's shutter venues and the other potential legislation that's, uh, coming down the pike trade and shipping update. Uh we've this is a follow up to our earlier shipping webinar.

Mary L. ([02:15](#)):

Uh, just an update in terms of where we are with some legislation, all that, some labor policy updates, some regulatory issues concerning CI we're entering another site season in preparation for the conference of the parties and an education policy and funding update, especially around the ESER funding and plans. Um, I guess if we have a bit of a cliffhanger for this webinar, we want you to stick around for that, where you can access the not only the state plans for the use of ESER funds, but district level plans for the use of ESER funds, where we are finding quite a bit of interest and use of these funds for music and arts education. So stick around for that reminder, uh, that this event is being recorded. If you don't get all the information that's going to be coming at, you'll be available. We're going to be posting a lot of the information in chat, uh, so you can open up and have those already in your browser. Um, but otherwise it's really, really, uh, great to have you here. And we're so grateful to have Jo Laman NA president CEO to kick us off Joe.

Joe L. ([03:20](#)):

Well, Mary, I never, I never, you could use the word cliff hanger with a government relations update call, but, uh, that just happened. So

Mary L. ([03:27](#)):

It just happened so great to have you here, Joe, have you kicking us off?

Joe L. ([03:31](#)):

No, thanks for bringing the team together again and thanks and welcome to all the NA members who are here. Um, if there's any doubt as to the influence on our government, on our, on our daily lives and on our, and, and, and their policies impact on our businesses, um, you know, there's no more doubt and that may be the understatement of the year, and that's why we do these things are going to impact everything we do. Uh, this is sort of a speed dating round. There's obviously things that are related directly to your business, and some of view have, uh, very specific needs. Uh, some of you are less impacted by some of those, and yet at the same time, the fundamental impact of music and arts education and the support and funding for that affects our entire industry. Uh, and so everyone should be interested in that part.

Joe L. (04:16):

Um, the idea that we are here two years later, and, and we still couldn't do a flying if we wanted to today, if we went to Washington, we would not be permitted or under extremely tight conditions to even get onto the hill and do what we practiced freely prior to the pandemic. And I hope those days are, are coming back. And I hope we will be able to get, you know, our members gathered as a voice and that's what an association does, right? We speak with one voice and we go to our elected leaders and, and share things that are important to us. So I do believe there are brighter days ahead for us getting back to Washington and sharing that comradery and the lobbying that goes on in our, our visits there. And I do believe that there are brighter days ahead for our industry, as we open up and return, uh, to what has been such an important part of our lives, music live music and the community that comes in and around that.

Joe L. (05:08):

So, um, there is nothing, but I think blue skies ahead, as we get, as we move forward with this, we have to do it carefully, and we have to do it with our eyes wide open to the realities of the world globally now, uh, but will work together as an association. That's what associations do we help people associate? And we help people come together and work on things that are important to them. Things that no one, I don't care how big you are. No one can do alone. That what we can do collectively together as an association. So again, welcome all the NA members. I want to thank, uh, Chris and con and all the team at Nelson moans, Jim Goldberg, last couple years, this team, all these folks have been working tirelessly on our behalf. Um, and I can't be more grateful. I know that the pressures have been on everybody financially and everything, but no one has missed a beat that is on this Nam team.

Joe L. (05:59):

The Nam staff, no one has missed a beat to try and serve, to serve our membership and to promote the things that we care deeply about, especially the getting kids back to the classroom for music and arts program. So again, some of you are impacted directly by some of this speed dating issue, societies and, and supply chain. Uh, others are going to be interested just because we are policy won. Those of you who have been to, to DC. We now look at headlines differently. We now are informed on how this works, so you're interested anyway, but again, the music education part and the amount of money and the amount of funding and support that is still available, that is still there for us. If we take it or we'll lose it, we must be ready to seize that opportunity. So that's what today's all about. Get online, see what, uh, we have all these things are available after this and, and Mary, I can't thank you. And your team enough for leading the charge. So let's, uh, let's see what we can, let's see what good trouble we can get into today. Go for, yes,

Mary L. ([06:58](#)):

It's all about good trouble, Joe. Thank you so very much for kicking us off. Uh, we are just, uh, hours away from a, a premier event. So we want to get into in a moment to the, the state of the union update, but first our panels today, uh, Joe mentioned them briefly, K Chris Cushing, the team leader at the Nelson Mullins, Riley Scarborough to Jim Goldberg, uh, Goldberg associates, a longtime affiliate with NA and Connie Myers, uh, from Nelson Wallace, Raleigh Scarborough. They'll be with us and coming on camera for their segment, which is now Chris Cushing will join us. Uh, as I said, we're just hours away from state of the union. And Chris, we'd love to hear sort of a summary of in terms. So what we've heard in the state of the union, uh, that really impacts the creative industry sector. We all know that our hearts and prayers thoughts are with our colleagues, our Nam member colleagues in the Ukraine, and we do have Nam members in the Ukraine. Uh, so we'd love to hear from you your reflections on the state of the union.

Chris C. ([07:57](#)):

Sure. Happy to do so. Um, and Mary, um, and people obviously who watch the city of the union, speaking of Ukraine, saw individuals with Ukrainian flag or rescue Ukrainian colors. I'm pleased to say that DC government has put the Ukrainian flag up and down Pennsylvania avenue between the capital and the white house, uh, along with the American flag. So, um, so that, that is being recognized, uh, here in Washington, um, we're, we're hours away from the state of the union. We're also hours away from the publication of music trade, which I was reading last night. And putting aside the overall good headline of a 22% increase in sales. And I know that's not, that's an average. It may not be evenly shared among everyone. And some folks are, are still having some difficulty. What they told music trade is really what Biden talked about in his speech, uh, issues with inflation issues, with the availability of chips and issues with rapidly increasing shipping cost.

Chris C. ([08:52](#)):

And he didn't address each of those three items. Uh, Jim is going to come on later about the shipping cost. Um, but as most people are aware, uh, three non-US companies control 80% of the shipping, uh, worldwide. Uh, and so one that could be a problem at least is according to, uh, president Biden in the administration, obviously companies and their association has, has a different take to it. Uh, and it's also a, a, a good thing to, to beat up on. Cause again, these are non non-US companies. Uh, inflation is, is, is very difficult for the administration to tackle. Um, obviously we've all seen the, the inflation in, in gas prices at the pump, which every president gets blamed for, but happens on their watch. Um, not a lot that they can do about it. Uh, an example is you may have seen that the us is releasing 30, uh, million barrels of oil from the strategic petroleum reserve.

Chris C. ([09:47](#)):

Another 30 million are being released by other nations worldwide that 60 million, the us itself uses 16 million a day, really only talking four days of us consumption. So unfortunately I think we're going to see the inflation going up on the gas prices. And then there is a move bipartisan move in Congress, uh, this week to sanction and not allow Russian oil to be, uh, imported into the, into the us. We don't import a lot of Russian oil. It was only, uh, 9% last year, but again, that would contribute to it, uh, on the chips. Um, there is legislation which is passed the houseless Senate, it to very different bills, but overall address the need for, for domestic manufacturing of chips includes over 50, uh, billion dollars to, to do that. Uh, the problem with all three of these things is one, as I mentioned, uh, the president can't do it alone.

Chris C. ([10:40](#)):

The administration can't do it alone. They need Congress, they need others to do it. And unfortunately, um, very little can happen quickly, uh, in this space and the indicators that we have look like if anything, it might get a little worse going forward, as opposed to a little better. Um, sorry to say, uh, the one thing which, which was not explicitly stated by the president, it was between the lines, but it's very important. Uh, was his move to the middle and Senator mansion of the Democrat from West Virginia, who along with Senator cinema, the Democrat, um, from Arizona had had some issues with bill back better and was all the president didn't mention bill back better itself. Senator mansion is out today saying he would be okay if the 2 trillion in tax increases, including basically wiping out the 2017 tax cuts under then president Trump. Um, he was okay for those going forward on a straight demo credit party line vote.

Chris C. ([11:40](#)):

He likes to do things in a bipartisan basis, but he knows Republicans will never vote to increase taxes. And he'd like to see that split 50, 50, 50% going to deficit reduction in 50% going to new programs. Um, we don't know how the progressive wing the democratic party will feel about that. Although one early indication is Sandra Elizabeth Warren Democrat from Massachusetts said, she'll take whatever she can get. Uh, they can do that, um, on the reconciliation that they ha have already passed, uh, and that's active for about another seven months. Uh, so we may be seeing some, some tax policy changes coming forward, even if build back better writ large as an expenditure program, um, is, uh, is not going to be coming back on the shelf. So Mary I'll just leave it at that and answer any question you may have or

Mary L. ([12:27](#)):

Any, so the, so the ingredients or the elements that build back better may appear in some other form, but we'll never see that mega yeah. Type of, um, stimulus bill again, in your

Chris C. ([12:41](#)):

View. Yeah. You're going to see it most a billion in additional spending. Um, the other thing, this is probably way too, in the weeds. The other problem Sandra mansion had with bill back better is it was only funded for a couple of years of a 10 year budget window that Congress uses. And he said, look, we all know this spending's going to continue. So it's really not 2 trillion in spending. It's more than that. So whatever programs he wants to wants to see with the approximate trillion dollars of, of, of revenue in that 50, 50 split, he wants to see a funded over the 10 year window. So they're really going to have, have to think about what they can get in there with that trillion dollars. Cause there's a lot of, of competing programs, whether it's the child tax credit, uh, whether it's issues of, of climate change, uh, et cetera.

Mary L. ([13:25](#)):

Right. All right. Complicated, but, uh, important. It really, uh, you know, represents a lot of, uh, potential for the future and solving some big problems. All right, let, let's get back to a report about the federal, um, relief for small business, better know, uh, folks who have been on our webinars. Chris, you were a very familiar face to us on the PPP. Uh, we dove right into it within hours of that legislation being done, as I recall. And we, we did make too many mistakes along the way. So report to us, uh, really what happened. We, with the, the federal relief money for small business, where are we?

Chris C. ([13:58](#)):

Sure. So I'll, um, a couple things and that first Mary I'll, I'll say, uh, to paraphrase the, the James Bond song, uh, nobody does it better. Nobody really did it better than NA in terms of getting out in front in letting, um, its members know what the programs are, how they can access those programs, why them through it, giving them hints. I remember one of the best hints we got was, uh, from other Neo members who said, look, I really had much more success going to small banks, um, near me as opposed to going to large national banks. Uh, so I have to believe that everyone who wanted a PPP loan was eligible for a PPP loan and chose to, uh, uh, NA member. Got it, because they certainly had the information to do so, as you can see on the slide, the PPP program is closed.

Chris C. ([14:44](#)):

I'll talk about some other programs in a bit, um, 88% of the dollars, uh, have been forgiven 86% of the loans that have been forgiven. Um, if someone has not had their loan yet forgiven, they can, they can access the information we have in there. See about, uh, doing that. Uh, as we had said previously, when people are thinking about taking PPP, you, it doesn't have to be forgiven. There may be a portion of that, you know, 14% of loans or 12% of actual dollar amounts of companies that have chosen for whatever reason to, um, to pay it back over time. But, but that's there. Um, uh, and as I mentioned, that that window, uh, has closed. Unfortunately, every program, the window has closed for new applicant with the exception of the restaurant stabilization fund, which is also found at, at SBA, small business administration dot gov.

Chris C. ([15:38](#)):

Um, and that includes the shuttered venues and other programs. There may be some opportunities in there for additional funding to prior applicants, but they are closed to, to new applicants, um, before going and talk about the music act. Um, um, and other programs that are available. I do want to say, say the mood in Washington is probably not looking to put out additional funding, uh, for COVID relief for small business, uh, Senator Romney, Republican of Utah at a group of 36 senators, uh, who wrote the administration saying we want to see an accounting of, of the 6 trillion that's been appropriated so far before we even consider your 30 billion request for additional COVID funding for testing and other programs that HHS for the administration says that HHS is running out of money just this morning. Uh, the administration dropped for 30 billion figure down to 22.5 billion of kind of reflecting the fact that, that the appetite's not there.

Chris C. ([16:41](#)):

Uh, it's also true among Democrats or at least among Senator, uh, mansion, uh, the Democrat of West Virginia. I mentioned earlier, he believes that the, this spending has, has caused in part the inflation. And he does no, not want to see, um, a significant amount of additional spending out there, particularly unless we, uh, we do tackle a deficit with, uh, with tax, uh, with tax increases, um, the employee retention tax credit, as if people had that. They, um, they ended that three months early on a bipartisan basis as transportation, uh, infrastructure bill. So if you look at all of these factors operating among the parties, we're just not going to be seeing, I think, um, a lot of additional small business funding, um, coming out of Washington and unless hopefully something untoward doesn't happen, which would, which could change that there is a bill which has been introduced in the, in the Senate called the called the music act.

Chris C. ([17:39](#)):

Um, the music act is looking to broaden the, the group of individuals and companies, which, uh, could participate in the shuttered venue grant program. Uh, it, it, it works with the shuttered venue grant program and that the shuttered venue grant program has 2 billion of unexpended funds in it. So what the music app act wants to do is take that funding not appropriate additional funding, but use that 2 billion, but use it in a broader way. Um, we don't know where the music act is going to go. It has not, um, uh, had a lot of co-sponsors nor has it, does it have companion legislation in the house, but it is out there and people may, uh, hear about that. Uh, the shuttered venue O operators grant program is, is there, it does have funding, as I said, the SBA is looking to make some changes with the program, uh, either to expand it, um, to people who have currently applied or possibly to get, uh, authorization from Congress, uh, to, to reopen the program with the remaining funds that are there. So that's a little bit of a, um, to be determined, if you have received a shutter venue operators grant, you should check frequently on the SBA website to see what updates there may be for, um, current program awardees and getting additional funding or having more flexibility with, with their funding. Um,

Mary L. ([19:05](#)):

You know, before we move on to the next topic, Chris, I think, um, uh, you know, it's important for our audience to, to, um, remember that, um, you know, the, the two sides of the aisle, you know, they are, they are very interested in concerned about meeting the needs of our country and the reality of our country. And we saw that quite dramatic action on the relief funding, uh, through COVID. But now you're, you're, you're really hearing, you know, about the need for balance and accountability, right? In other words, the money has been approved, but not all the money has been spent, right. Or we want to know how the money is being used in order for us to move forward with more funds. It's, you know, some pretty basic household principles are, are in action here. Right. Uh, and that's, you know, it's not just all because they don't agree sometimes it's because they really do want the accountability for taxpayer, uh, takes taxpayer money, I think, and which is a,

Chris C. ([20:03](#)):

And the paycheck protection program was a bipartisan program. Uh, it was very effective in what it did. We were all in extremists at that time. They had to get the money out the door, unsurprisingly, when you're talking, you know, nearly a trillion dollars, uh, there is some waste fraud and abuse in the program, and we've all probably seen those headlines in our local newspapers or on the news about that. And again, that's not helpful in terms of going out and getting additional funding when that's out there, but that's just a fact of any large federal program, particularly one that had to be stood up and, and, and done so quickly. And the, the SBA deserves a lot of credit under both administrations. It had never, ever handled programs of this size or funds of this size, and they got it done and did a reasonably good job in doing so, uh, and, and probably saved a lot of small businesses in their employees. So that's just a, just a fact of, um, of life and obviously there's politics involved.

Mary L. ([20:57](#)):

Right. Right. All right. We want to move on to the securing, a strong retirement act.

Chris C. ([21:04](#)):

I'll like that for people you'll start hearing about it. This, we, it is a bipartisan, um, piece of legislation that, uh, will be devoted on in the house probably this week or early next week. Uh, it could be voted on under suspension of rules requiring a two-thirds vote, or it could be attached to the spending bill, which is still under consideration, and they need to move or kick the can down the road by the 11th of, of, of

this month. Um, so that's, that's out there, you'll be hearing about it. Uh, it, it really tries to get people who are part of, uh, retirement plans to get them to, uh, get into the plan, to just to get enrolled in the plan, uh, automatically as opposed to a, to a choice as well as to have them set aside higher percentages of their, um, of their income, if they wish to do so.

Chris C. ([21:58](#)):

Uh, there's about 40 changes that, that are in there. And if, and if you have an interest in that, probably want to talk to your, um, talk to your professional, uh, there's an exemption out there for businesses with, or fewer employees. New businesses opened the last three years, uh, some church and other charity plans, et cetera, only about 50% of Americans, um, actively set aside funds either in plans, such as this, or in their own plans for retirement. This really doesn't get at those, uh, half of Americans who currently are not saving for retire. Um, so it's, it's still an issue that needs to be addressed. I'm going to close with actually probably the, the issue which NA members, uh, may be most interested in frankly, but also one that they may see us doing a call to action on. And that's the performing artist tax parody act in, in the 19 six tax act.

Chris C. ([22:52](#)):

There were deductions for business expenses, uh, for artists and others. So think of purchasing a musical instrument, think of a commission paid to your, um, to your agent, uh, uh, think of, of, uh, the cost of printing up and distributing headshots or other information. So that was passed in 86, um, and signed in by, by president Reagan or Republican, obviously, um, at that time they set the income limited \$16,000 per year, fast forwarding to the tax act of 2017, uh, eliminated, uh, many of those provisions, which didn't make too much of a difference because the \$16,000 was not indexed for inflation. So it only was available to someone earning less than \$16,000 annually jumping to the present time. Um, there is bipartisan legislation in both the house and the Senate to raise those amounts to \$100,000, uh, for a single filer or \$200,000 for a joint filer, uh, to allow them to take those top the line deductions, uh, for such expenses.

Chris C. ([24:00](#)):

As I, you know, as I mentioned with a phase out at, at, at high amounts, um, over that, I would point out that one of the, um, co-sponsors on the house side is ver Buchanan. Who's a very senior member of the house ways and means committee that's the committee that does tax policy, uh, were the Republicans to take over the house, uh, this, this November next year, he'd be chairman of ways and means even if the Republicans don't take over the house, he's a leading candidate for, uh, chairman or ranking member as the current ranking member, uh, is retiring. So that's one, I definitely think people should keep an eye on. I, I think it's terrific both from a societal standpoint of making it easier for people to get into, uh, music in the arts and to, and to up new businesses and sole proprie, cetera, obviously for those that supply artists, um, musicians and others, um, it, it makes the, those instruments, um, equipment and other things less expensive because you do have a tax deduction for it. So it's really a win-win. Uh, and it's something that we're very encouraged by, along with overall, just a, a general recognition. I think of the importance of music in arts in, in public policy. So Mary, I'm going to turn it back to you in case you have any further questions. Um, and obviously I'll come back on if people have further questions.

Mary L. ([25:22](#)):

Yeah. Thanks, Chris. Let's leave this slide up for a minute. If anyone, on our, in our call, he years in any of these representatives, districts, Judy true democratic California, Buckman, Florida, uh, Mark Warner, Virginia, bill Haggerty, Tennessee, you know, this is your moment to, uh, we, we won't do a whole NA member call to action. Yet. We may be doing a NA member call to action, but it's your time to maybe drop man note at a, on their website. So you're thrilled that they're supporting this, uh, that you're standing by as a constituent to help, um, you know, this will help their performing artists go out, do gigs book themselves into local venues, um, you know, be able to run their business like a real business where things are, uh, and it's reinstating something that was, uh, I think very effective that just, uh, simply needs a correction from 2017.

Mary L. ([26:11](#)):

So as I, as Chris, thank you very much, uh, for walking the line for us and watching out all these things. We'll have you back a little bit later. I'm happy now to welcome Jim Goldberg, a familiar face to many of us in his role at Goldberg associates and all the great work that he does for us, Jim, but forage, uh, jump into the first question. I just re remind folks, we've put a ton of stuff in the chat box already, and thanks Sharon Brian for being our guru of, of chat update. Um, lot of, a lot of material coming to you. Um, so we'll be doing that and remember, this webinar is recorded in case you need to, uh, work back, um, and, uh, look at some of those things again, Jim, welcome and great to have you. Um, so in addition to this unprecedented small business relief that, uh, Chris has just taken us through, uh, the other kind of, uh, important news of the is supply chain issues. Um, and, um, you know, in some, some cases it's got a really impacting, uh, a business' ability to meet customer need, uh, manage the, the back order, the, um, the reality of, um, out of being out of stock, uh, it's I guess, a good problem for the music and industry, but it's also a massive headache, um, for our industry. And we've heard of some, um, real concerns relative to shipping and some abuses within the shipping, um, system. So how is our federal officials addressing this? Well, let me start,

Jim G. ([27:40](#)):

Let me start by saying that many of you recall that NA did a webinar and last October on the, uh, supply chain issues and, uh, the shipping, uh, problems. Uh, since that time, the supply chain issues have ameliorated a little bit. Uh, the ports of LA and long beach are now open on a 24 7 basis. The administration has proposed imposing fees on ocean carriers for leaving, uh, on, on open containers too long on us stocks and not clearing out UN unused containers from us stocks trying to open up the, uh, supply chain pipeline, but there's still a lot that remains to be done. And in that regard, there's something called the ocean shipping reform. That's working its way through Congress. As Chris mentioned, some 80% of ocean shipping into the United States is controlled by three companies, none of which are us companies and the act which would address supply chain challenges by making it harder for ocean carriers to, um, arbitrarily ban goods from ports that are ready to be shipped abroad and impose, uh, surprise fees for shipping.

Jim G. ([29:01](#)):

Um, it would also give the federal maritime commission, which is a rather obscure federal agency, but it's the one responsible for regular of ocean born transportation, greater authority to regulate harmful practices. And in that connection, I would note that the justice department, uh, has opened an inquiry into some of the potential anti-competitive practices of these ocean carriers that control 80% of the ocean shipments into the United States. This is another example of a bipartisan piece of legislation it's passed the house twice. Once is a standalone bill under what's called the suspension of the rules, which

requires a two thirds vote to pass. And more recently as part of the competitiveness legislation that, uh, Chris referred to, there's a Senate bill that was introduced. It has broad bipartisan support. There's a hearing that was scheduled for this morning at which testimony is being taken. And it seems highly possible.

Jim G. ([29:59](#)):

I, I won't say likely because in Washington, if you say likely, you're always surprised, it seems highly possible that this bill is going to make it through the Congress this year, either as a standalone version or as part of this broader competitive this bill. Um, so Nam has joined with about four dozen other trade associations in a variety of industries to support this bill. We're urging members of the, uh, Senate to co-sponsor it, and to vote for it when it comes out on the floor. And if you're looking for something to do when you contact your Senator next, uh, tell him or her ask him or her to please co-sponsor the ocean shipping reform.

Mary L. ([30:40](#)):

So Jim we in our shipping, well, we talked, uh, about, uh, the, um, the course that a NA member may have, uh, if they are in the, if they're experiencing fraud or abuse at the point of shipping, I just want to renew that the federal maritime commission, uh, complaint process, I'd love you to, to, uh, just overview that with us. In other words, there is recall if one feels at the point of shipping that there's yeah. Unfair or illegal fees. Um, and there is, um, uh, some way that you can actually, uh, let this be known. Jim, love you to have us tell us about that.

Jim G. ([31:17](#)):

We have on the slide, uh, from the federal maritime commission, some information on how to file a shipping app complaint. I would say first check with your customs broker to see what can be done in that, uh, venue. And then if not file a complaint with the federal maritime commission, the more they hear from importers about surprise fees, exorbitant fees, the more action they're likely to take.

Mary L. ([31:44](#)):

And we we've got that slide in front of you and we pay, uh, put some information in the chat for you. So in other words, as Jim says, if you are, are having a problem, you need to see something say something right. You need to, uh, let the maritime commission know it's, it's an outlet for that frustration as well. And Jim, uh, a quick update on a labor issue, labor policy and regulations, very equal practice. What can you help us with that?

Jim G. ([32:10](#)):

Well, what we're looking at, uh, sometime this year is, uh, another go around at the so-called white collar overtime exemption under the current law, so-called white collar employees. That is those who are either executives or administrative or professional employees must earn \$23,600 a year in salary to be exempt from overtime, a little history. That number has not changed in more than 10 years. Uh, the Obama administration proposed increasing the salary figure to 47,466, but the rule was struck down by the court system because not enough, uh, input was provided to the, uh, labor department. The, the Obama administration, uh, was succeeded by the Trump administration, which revived the rule ratcheted down the figure to 35,000 5, 68 in salary. But again, that was not adopted in final form. Now along comes the current administration and the labor department has announced as part of its regulatory, uh, schedule for the year that they are likely to begin a new rule making procedure, uh,

perhaps as early as next month, but more likely in the late second or early third quarter of 2022, there will be public comments solicited. And it's important at that time for NA members to weigh in with the labor department. Uh, we're participating along with the national retail Federation and others in, in some outreach meetings with the labor department to talk about some of the problems that could be experienced, particularly at the retail level, if that salary figure is raised too high. So stay tuned, watch this space more to come,

Mary L. [\(33:54\)](#):

Right? And this is under the category fear and equitable because if you classify someone as white collar and at that salary level, then you are really accepting them from the benefit of them working longer and more hours, you know, so I think it, uh, that's if I, if I'm correct with that, Jim right, for the thumbnail assessment. Well, and not to another very favorite topic, um, the society's, uh, convention of the parties NA has been at this table, uh, for many years now with some, I think some pretty important success, especially around the Brazilian Rosewood, uh, uh, redoing of some language in those international regulations. And we are actually, uh, looking down, uh, a cliff to the next, uh, side. And next week is the standing committee meeting where NA will be represented. Uh, Jim give us a society's update.

Jim G. [\(34:46\)](#):

Well, as you said, NA has been involved with the society's process for a number of years going all the way back to 1992, when Brazilian Rosewood was placed on the protected species list. Since that time, uh, several wood species that are important to the music have been added Peran Buco wood from Brazil, which is used in violins and more recently all species of Rosewood in that connection at the last conference of the parties, which is in every three year, get together of the 180 plus countries who are participants in the society convention, uh, protection was added to all species of Rosewood, which means that export permits are generally required to export all species of Rosewood. The music industry was at the table and was successful in getting an exemption for finished musical instruments and finished musical instrument parts. So we walked away from the cop, a so called cop 18 with feeling pretty good, but we haven't stopped there.

Jim G. [\(35:48\)](#):

Uh, the music industry has been in constant touch with the sights officials, uh, amongst ourselves. We've been holding calls at least on a monthly basis, sometimes on an every other week basis to try and keep abreast of what's happening in the, uh, wood protection sphere. The next, as you said, the next, uh, venue for input will be what's called the standing committee, which is an interim group, which meets between the three year conference and the parties that'll meet next week, starting in Leon, France, and NA, and the music industry will be on the ground, uh, represented and interacting with the officials from the countries who are represented on the standing committee fast forward to the next conference of the parties, which will be held in mid-November in Panama city, Panama. And we are watching very carefully in interacting with the fish and wildlife service to ascertain what proposals might come up at that time. The music industry is committed to participating actively in all CEEs meetings. And, uh, we've told the, uh, other officials from other of countries that we're not going to walk away from the table, just because we got what we wanted in terms of Rosewood. We're going to continue to, uh, be there and provide input, and not only to protect the, uh, the music industry, but protect the endangered species, which are frequently used in the production of musical instruments.

Mary L. [\(37:18\)](#):

Terrific. And Jim, as always, we can't really get by without a Lacey update and anything from the fish and wildlife service and their requirements. Welcome your update.

Jim G. (37:28):

Well, no news, I hope is good news in, uh, October of last year, uh, the Lacey act was amended or the regulations were amended to require anyone importing virtual, the all musical instruments to file an import declaration with the us department of agriculture. Since that time, that was Octo took effect October 1st, 2021. Uh, we have heard of no problems either from the music industry importers or the, uh, animal and plant health inspection service. So I have my fingers go, Austin. No news is good news, and everybody is complying. Uh, one thing that to watch for, I mentioned per Google would from Brazil, about two months ago, the Brazilian federal police and the, uh, fish and wildlife service issued a joint press release, indicating that they are in conducting an investigation of illegal shipments of Peran Buco wood and perhaps Brazilian made violins, uh, out of Brazil, I would expect this investigation to go on for several more months and I would not be surprised, but what it doesn't result in a Lacey act, uh, prosecution here in the United States.

Mary L. (38:40):

Well, that's kind of in the breaking news category, right? Uh, you know, when there's actually an enforcement action, but, you know, we were really concerned with the latest Lacey annotation update, uh, that happened in October. We tried to get the news out, uh, really, really aggressively. And again, we are hoping that no news in that category, uh, is, is being accurately interpreted. Uh, but we are always here to help with that information. Jim, thank you. You're always there watching and these relationships that you've, um, uh, helped us with anything more on the fish and wild life E permits, any update on that?

Jim G. (39:18):

No, they are accepting fish and wildlife is now going to, uh, any permit process to, uh, export musical instruments that are CEEs protected. And, uh, they've finally come into the 20th century, if not the 21st century, in terms of allowing people to file for permits electronically. So if you're in the business of exporting finished instruments that are contained wood, that a site's protected look into, uh, the E permit process, it's a little daunting to get used to the first time, but once you do it, I think it'll come a whole lot easier and it's better than sending a mail in permit and a mail in check.

Mary L. (39:57):

Uh, and as you and I were, um, at this long enough to remember when that was the big, uh, problem in the backlog at the fish and wildlife, they probably still have a backlog, but it's, uh, electronically not, uh, papers piled up. But Jim, thank you. Thank you so very much, always great to have you on the case. Well, this is the cliff hanger chapter. Uh, we are told we do want to talk about education policy and music education. The cliffhanger comes with the, uh, opportunity that NA members can access actually district level ESER fund plans. So we're going to walk you through that as we go through, but Connie welcome as always so great to have your help. You've been, uh, such an important, um, resource for us that we've went, went through the Esser funding, the federal education relief funding. We know that in some areas it's had dramatic impact on music and arts education. In other places, we call that work in progress, uh, and don't have the results that we all hope for. Um, but we'd love to have your week recap on what was actually achieved for education funding during COVID, and then drill down to the state and local funds. Leave it to you.

Connie C. ([41:06](#)):

Great, Mary, thank you so much. Um, in 20, in 2020 and 2021 with NA advocating every step of the way Congress passed three stimulus bills that provided nearly 279 billion as relief aid for education over half of this funding was dedicated to elementary, secondary school emergency relief fund Esser. Um, in March, 2020, the Corona aid relief and economic security act cares act contained the first Esser fund in December, 2020, the Corona response and relief supplemental act, the C R S AA contained the second Esser, uh, funding, uh, which again, that was, uh, available for obligation through September, uh, 30, 2022 in March 21, the American rescue plan known as a R P uh, contained S or three funding. And that funding is available for obligation through September 30th, 2023. The next chart, uh, provides a breakdown of, um, from each bill. The cares act provided a total of 30 billion for education, 13 billion in K12 funding, 14 billion, higher ed, and 3 billion to the governors. The CR S AA provided a total of 82 billion, 54 billion for K12 22 billion from higher ed and 4 billion for governors and the American rescue plan. Uh, the most recent past bill provided a total of 168 billion, 122 billion was for K12 40 billion, higher ed, and 2.7 billion for the governors.

Mary L. ([42:51](#)):

And in some Connie, this represents UN unprecedented funding for education from the federal government period we've never seen. And, and those of you that were with us are for the webinars. As we explained, the process explained how it works. We, we kept saying that over and over and over. This is a, like a once in a generation level of funding,

Connie C. ([43:14](#)):

Absolutely Mary. And again, this is outside of the normal appropriations process. This is additional appropriations for COVID relief

Mary L. ([43:21](#)):

And that we see excuse me, but that we see also that the funding remains available through next year, September 2023. And this is when the door is not closed for advocates to still go to state and local and a case for the inclusion of music and arts education in this available funding. And if there was a way to repeat this in a webinar, I would, but the door is not closed. Advocates can still go forward and be part of the planning process to use of these funds. So back to you, Connie.

Connie C. ([43:51](#)):

Absolutely. So now for those plans, the American of the us department of education has announced that every state education agency has received approval of their a R P ER plan. And as a result, the department has distributed the hundred and 22 billion to all 50 states and the district of Columbia and Puerto Rico, and these funds are critical in helping state and local districts reopen safely sustain, uh, safe operation of schools and address the impact of the pandemic on our students. The department of education website includes fact sheets for each state's plan. It also links to district plans and highlights from across the country demonstrate efforts to address the needs of schools, which include, uh, ventilation improvements, staffing and hiring retention, mental health services, tutoring, and after school and summer learning partnerships and much more. And many of these plan plans contain specific elements in support of music education.

Connie C. ([44:49](#)):

A few include providing band instruments for all grades to expand their existing offering of music and art classes, uh, enhancing music programs and even replacing carpet in music rooms. So how do we know what's what the plans say? Well, you can visit the us department of education's website, uh, the, the a R P Esser state plan site at OESC dot ed dot ed slash state plans and access your state's Esser plan under the column titled approved state materials or your local education agency plans under the column Le a plans for use of a R P ESER funding. Each state's local, a R P ESER plan site will look a little different, but most have a, a, a link directing you to a database of uses of local funds. Uh, this is an example of Kentucky's department of education website, uh, where you can see, uh, highlighted the L a use of funds, uh, district narratives, after you've accessed your state plans, you can select your district search on keywords, uh, such as music, education, performing arts, uh, to determine if and how your district intends to use Esther funding related to music and arts education.

Connie C. ([46:09](#)):

And as men as the states amend their plans, uh, the, these will be updated and posted, um, in this website.

Mary L. ([46:19](#)):

Well, I think that there is a group of NA members on this webinar that are really opening up that web link right now. Um, this is very important, um, because our NA members are working in school district that have submitted these plans, um, and maybe some have even participated in on committee or in the process of developing the plans. And remember, the door remains open for the last tranche of this funding that, uh, really there's a year and a half a year from September, September 22, September 23. So, um, I can't emphasize strongly enough the importance of going and working with the school district and making sure that funds are moving into music and arts education for all students. It's just something that we truly can do, uh, as local advocates for music education. So, what we have before is where we are in the current appropriations. Those of us have been with us in Washington, and of course, out in the entire NA member field, we've been working on title four part an appropriations since it's very inception in 2015. Um, and so take us through where we are with the appropriations process and also where the funding levels for what we're hoping to achieve this year,

Connie C. ([47:41](#)):

Right? Mary, um, Congress is still working on still working on the fiscal year, uh, 20, 20 appropriations. Again, this is the regular annual appropriations funding bills. They, it was, you know, it was supposed to happen last year. Uh, we've had continuing resolutions. Uh, we are carefully monitoring the delay legislation for title one and title four part a funding NAS advocacy for increased funding in these accounts has significant and has had a significant impact. Um, as we look at past funding for title one, you'll see there's been a steady increase. This program provides basic flexible funding to help low-income school districts improve student outcomes for FY 22. The house pass bill includes 36 billion for a 12 title, one grants. And the proposed Senate bill includes 33 billion for title four part a funding. It ensures which is ensures full implementation of well-rounded goals of the elementary and secondary education act, which includes music in the arts.

Connie C. ([48:45](#)):

The house includes the house passed bill includes 1.3 for title four-part a and the Senate proposed bill includes 1.3 billion. Um, and so as these, as we look at the FY 22 process, continuing, we are hoping, uh, to see a bill in the house on the house floor next week. Uh, and the final bill passed in, um, in the next

week or two. Again, we're hopeful for that, but NA's advocacy remains critical to ensure that these increases stay in the bill. And some of this funding again is tied to COVID relief. And so now it's important, but going forward, it will be extremely important to how we sustain these increases, uh, now and after COVID. And so, once Congress completes FY 22, NA will start advocating for, uh, additional for sustaining this level and, and making more increases in FY 2023.

Mary L. ([49:48](#)):

So, when we talk about, uh, NAMS advocacy, I just want to remind folks of the work that we've done every year need these last several years in our virtual advocacy summit. Uh, we've done this in the May and June time periods, um, you know, multi many hours online, together, a comprehensive call to action. We continue to send the best communities from music, education, flags, and, and information out to every member of Congress. Um, sending them now to, uh, their local state offices. Um, many, many of you have been active in following up directly with members of Congress in our request for you to outreach to them. Uh, and even though we can't be together in Washington, this work has not ceased, um, through the help of all of you and our staff at Nam headquarters and also our Nelson Mullins. Um, it's really what we must continue to, to do together, uh, to move this agenda forward. Um, Connie, you've worked in Washington many, many years, uh, unprecedented times for you and your colleagues to not be able to visit with one another. How have we been able to get our message across, um, through this time,

Connie C. ([51:06](#)):

Mary, I think we've been diligent and timely at every opportunity. Um, we've utilized our webinars and, um, you know, virtual fly-in, we've adapted to virtual as all the hill has. Uh, they're used to operating in a virtual environment now, but, uh, those regular communications, um, whether or not it's in person or whether or not it's through, through a, a virtual tool, um, maintains those con connections and those relationships that we have worked so hard to sustain. And so, everybody continuing to reach out to those staffers that you built relationships with at the timely, uh, periods. Again, we know it's coming, uh, to say, thank you if we have a bill that passes, um, and to, uh, continue working with them in the future.

Mary L. ([51:52](#)):

Great. Yeah, it's been, uh, uh, interesting stimulating and sometimes frustrating, but we keep going. I know when, uh, Suzanne Bon's bill dropped and we were so grateful to be a part of that, and then working with that office and shopping that bill, uh, with their staff, from office to office, to office and being so well received. Um, but at the same time, you know, going up against the realities of the BI of the partisanship nature of that bill being introduced, um, but we were there, and we never stopped being there. I love all of our speakers to come back on. We hear and include Joe. You're still in the, in the room there, uh, and to, uh, share some final thoughts with us, uh, about the work that is ahead, the work that NA, uh, has been dedicated to through COVID through our virtual advocacy clients, uh, every day of the week, Nam is out working on these issues for our NA members. Uh, Chris, what should we be looking for as we move ahead and what can NA be doing most of most of all?

Chris C. ([52:55](#)):

Well, actually, uh, Mary, I was going to say what NA membership can do. Uh, and that is as, as Connie was outlining, um, every city county borough parish in the United States got money to use as it wanted to soft fit to within certain parameters, uh, for education, including music and arts education. The second tra of that money comes down, uh, in about late may, early, early June, there's over 30, 30,

6,000 cities, counties, parishes towns in the country, the NA lobbying team can't touch all of those. We really need the NA membership be out there. And while it's important to look to Washington, because a lot of money comes out of Washington and we've had great success and get capturing that money for music education, um, local governments also, um, have money and fortunately unexpectedly have lots of money. So, they have the, the resources either to, to do tax cuts, as many are doing or to invest in, in children's education, in music and arts education, if they make the choice, but we can't do it in 36,000 different places, but the name membership can,

Mary L. ([54:00](#)):

And an informed advocate is the best advocate, right? Knowing that the, that there's something there and the will and desire to go get it. Connie thought final thoughts is we, uh, wrap up this appropriation, we're getting closer to 1.6, 5 billion. That's the bill, the authorized number, right?

Connie C. ([54:17](#)):

That's exactly right. Well, again, we hope to see, um, some movement on a it'll be called the omnibus bill. Um, all the 12 patients bill will be rolled into potentially one bill and labor, HHS, uh, education, which we're we are advocating for always is in that grouping. So, we hope to have that. And, uh, soon, uh, again, thanking the members and thanking their staff is so important. And, uh, and then looking at what's ahead for us and remembering, uh, to use that tool that's on, it's sometimes clunky use the department of ed website tool to see what's in the state plan, what's in your district plans and then figure out what you can do to advocate for, for a focus on music and, and arts education.

Mary L. ([55:01](#)):

Yeah. Thanks Connie, Jim, as we go, as we enter the site's the next it will, what else should be working on in terms of our regulatory work?

Jim G. ([55:10](#)):

Well, what I would say is that, uh, as, as Chris indicated, we need the help of the NA membership. We can

Jim G. ([55:18](#)):

Contact people at some level, but we really need the input from NA members. What we learned from the society experience is that the music industry or the good guides, almost everybody we've talked to in the sight process and in other process have played or still play a musical instrument. And when you mention that I'm a guitarist, or maybe even a drummer Joe, um, that you get a positive reaction on the other end. So, whether it's, um, at the federal level, at the state level, at the local level, at the school district level, uh, make your voice heard and, uh, remember we're the good guys and we'll get working together. We'll get a good response.

Mary L. ([55:59](#)):

Thanks, Joe. Final thoughts.

Joe L. ([56:01](#)):

Yeah, no, I mean, it all goes back to the person, right? It's ironic that Michael Strickland, who's been such a, a voice for the pro audio and touring industry is here, here today. Garth Brooks is playing in San

Diego. So, he's in town today. Um, and we're getting together just, it just never, uh, it amazes me, it never underestimate the power of one person of one champion in a, in a NA member, uh, community. And this is no time to be complacent. I know there's an inertia. Sometimes. I, I just got off an interview with pro audio Asia, oh, dark 30 this morning of how our industry is just starting to travel again and getting out. There's an inertia that we've all been through this last couple years. And we got to break out of that. Obviously we've been, everyone's been trying to, to do their thing and survive and get their business going, but there's an inertia.

Joe L. ([56:45](#)):

Don't let this happen here right now. This is the time to be active. This is time to be aware, and there are things happening at the policy and regulation level that are going to, uh, be amazing for this industry. Or conversely, if we don't get this right, could be take years to unwind. Um, you know, the old adage you're either at the table or you're on the menu has never been more true. And our NA members have to be at the table. So, I applaud everyone who was here today. Uh, we need a lot more people and let's make sure that this gets out as widely as possible. Again, thanks to the team. There's a, this was a, a buffet of issues and it just was probably illustrative of how much policy's going to have on our lives right now. Uh, so, uh, we have a lot of work to do.

Mary L. ([57:30](#)):

That's right. We do

Joe L. ([57:31](#)):

Busy.

Mary L. ([57:31](#)):

Thank you. We do, we do. And this work will continue, and updates will be ongoing@nam.org issues and advocacy, and most important of all we need you to join us at the NA show June, uh, 3, 4, 5 in Anaheim. We'll be, we'll be having another, uh, policy, uh, moment together there. We're also going to be having a music education, leadership summit with music educators and people from higher education as well. Uh, we need to come together to know that we can and rebuild our collective impact on all these important issues, special thanks to our, our panel. Always a great pleasure to be with you and to hear from you and all the great work that you're doing for NA Joe. Always great to have the leader of the house with us. Thank you. Go back to your meeting, Joe. I know. See you have a meeting. All right.

Mary L. ([58:19](#)):

And, and to all of you that have joined us today, get the word out. The recording will be up online in a little while. We'd love, uh, to, to have you share this with you and with your staff as well, have a great day, everyone, and thanks to the great NA backstage team. Of course, we always love, we always love to see them come on camera at the end. Uh, so we know the, uh, the great team that posts and promotes and right there, they are there they are. They are, they are a powerhouse. And, uh, thanks to all of you for joining us.