

From: [Sierra Fuller](#)
To: [Sierra Fuller](#)
Subject: COVID-19 Legislative Update 4.13.2020
Date: Monday, April 13, 2020 8:56:15 PM
Attachments: [image001.png](#)

Good evening,

Please see below for updates on legislation related to COVID-19. As legislative activity has slowed after the passage of the third bill, the cadence of this update will reflect that change and will be sent out on Monday, Wednesday, and Friday evenings (until circumstances change).

4.13.2020. COVID-19 Legislative Update

Legislation

Supplemental 3.5 – Interim Emergency Coronavirus Relief

Timeline: Leader Schumer and Speaker Pelosi appeared to begin negotiations with Secretary Mnuchin on Friday, with Schumer and Pelosi both issuing positive statements after the call. However, over the weekend, it seemed **Republican and Democratic leadership remained at an impasse**. Leader McConnell and Leader McCarthy released a [statement](#) on Saturday calling on Democrats to drop their insistence on including additional funding for other programs. This morning, Speaker Pelosi and Leader Schumer issued a [statement](#) calling for changes to the SBA's Paycheck Protection Program and asserting the importance of increasing funding for hospitals, states and local governments, testing and PPE, and SNAP beneficiaries. There's increasing pressure on Congress to pass additional funding for the SBA's Paycheck Protection Program, as **funding for the program will likely be exhausted by Friday**.

Policy: Republicans have supported simply adding more funding to the SBA program, while Democrats have advocated for the inclusion of funding for hospitals and state and local governments among other things. Republican bill (as of 4/9) [here](#). Democratic bill (as of 4/9) [here](#). Summary of the Democratic bill (as of 4/9) [here](#). Speaker Pelosi and Leaders Schumer outlined the following to be included in the bill:

- **\$100 billion for hospitals**, community health centers, and health systems, as well as production and distribution of testing and personal protective equipment (PPE);
- **\$150 billion for state and local governments** for management of the crisis as well as to make up for lost revenue;
- A 15% increase to the maximum **SNAP** benefit;
- Removing obstacles to **voting**.

Something else to watch: Reps. Chris Pappas and Brian Fitzpatrick will be leading a letter to House and Senate leadership requesting the inclusion of language in the next coronavirus relief bill that would make **501(c)(6)s eligible** for Economic Injury Disaster Loans and the Paycheck Protection Program. They sent out a Dear Colleague requesting co-signers last week.

Supplemental IV – CARES 2.0.

Timeline/Process: The work on the bill continues and committees/members are pressing forward, with new requests from offices still coming in. Timing is still very up in the air. The House announced today that the House will now reconvene May 4, instead of April 21, as was originally intended.

There's an awareness that timing may coincide with when D.C. may reach the peak, so floor schedules are could shift further.

Policy: While the next package will likely stay within the outline of CARES, including plus ups for programs funded and created under the bill, the increasingly grave impacts of coronavirus may push lawmakers to consider the inclusion of other provisions and the creation of new programs. The bill Speaker Pelosi introduced while CARES was being negotiated included multiple provisions and funding increases that did not make it into the final bill. Some of those provisions and increases are being considered for the next package.

Supplemental V – Economic Stimulus

While Chairman DeFazio (T&I) has said he aims to introduce an infrastructure bill by May, that timeline is looking increasingly optimistic. The House Transportation and Infrastructure Committee is moving forward with that timeline and is aiming to have the bill be as comprehensive as possible as a starting place. A large package like this needs to be legislated in regular order, so moving forward while remote is a challenge. WRDA may be included in the package but is moving through an appropriations-like process already, with requests coming in from various offices.

Passed Legislation

Supplemental III – Coronavirus Aid, Relief, and Economic Security (CARES) Act

After a unanimous vote by the Senate, the House passed the bill on March 27 and the President signed the bill into law shortly after. Final text [here](#). Democratic summary [here](#). Republican section by section [here](#).

New information and guidance:

- Cornerstone memo on CARES Act and Airports [here](#)
- Cornerstone memo on the status of business operations in Mexico [here](#)

Today, Treasury officially launched its [web portal](#) for payments to state, local, and tribal governments. Treasury announced that eligible **government entities must provide required information by Friday, April 17** to receive payment within the 30-day window allowed under CARES and **those that miss that deadline may not receive funding**. Submission page [here](#). Some highlights from the announcement below:

- Funds are only allowed to be used for expenses which:
 - Are necessary expenses during the coronavirus emergency;
 - Were not accounted in the most recent budget (as of March 27, 2020);
 - Were incurred between 3/1/2020 – 12/30/2020.
- Eligible local governments are those below the state level (county, municipality etc.) with a population higher than 500,000. See [here](#) for data sources and the distribution methodology. See [here](#) for a list of eligible local government units.
- Amounts paid to governments will be based on population and the amounts allocated to states will be reduced by the total amount provided to local governments in the state.
- Payments to Tribal Governments will be determined by the Treasury Secretary in consultation with the Interior Secretary and Tribes. Consultation has not yet been completed.

Title I – Small Business Loans

- The Treasury Department has released [affiliation guidelines](#) for the small business loan program.
- The Treasury Department released an [interim final rule](#) last week on the small business provisions in the bill. **With such high demand, it's likely that funding will be exhausted by Friday (April 17).** SBA has been approving approx. \$40 billion/day. See [here](#) for a memo Cornerstone put together on the interim final rule.
- Treasury FAQs on the Paycheck Protection Program
 - Top-line overview of the program [here](#)
 - Lender information [here](#), Borrower information [here](#), borrower application [here](#)
 - April 8 FAQ [here](#)

Title II – Individual and Business Tax Relief

- IRS guidance on deferral of payroll taxes [here](#)
- House Ways and Means factsheet on Economic Impact Rebate portal [here](#)
- IRS has indicated that the **earliest Americans could receive relief payments from CARES is this week.** Those who will receive their relief through paper checks could take as long as 20 weeks to receive payment.
- IRS's FAQ page on individual economic relief [here](#).
- Treasury Guidance on Employee Retention Tax Credit [here](#)
- Treasury FAQ on Employee Retention Tax Credit [here](#)

Title III – Public Health Systems, Education, and Healthcare

- HHS issued guidance last Friday announcing the formula and mechanism in which hospitals will receive the first \$30 billion in relief funding. The money will not have to be repaid and can be used for a variety of uses. The first tranche will go to hospitals based on their Medicare FFS reimbursements in 2019. As total FFS payments were approx. \$484 billion in 2019, a provider can estimate their payment by dividing their 2019 Medicare FFS (not including Medicare Advantage) payments they received by 484 and multiply that ratio by 30. If the providers total 2019 Medicare FFS payments were Y, then $(Y \div 484) \times 30 =$ amount of relief. State by state breakdown of first payment [here](#).
 - HHS is working on developing a plan in the next seven to ten days for how to disburse another \$30 billion for Medicaid-heavy providers and potentially a focus on pumping money to providers in hotspots.
- Factsheet on accelerated and advance payments for providers/suppliers [here](#)
- Secretary DeVos indicated last week that she would be moving to "immediately distribute" the \$6 billion in CARES for emergency financial aid grants to college students. The grants can be used by college students for technology, course materials, food, housing, and healthcare. DeVos will be distributing the funding to colleges, which will then distribute the aid among students. The Department did not issue guidance on how colleges are to structure the program, but colleges will be required to sign a form certifying that the funds were used in accordance with the law. See [here](#) for the specific allocations for each college.

Title IV – Economic Stabilization

- The Treasury Department released guidance on payroll support to airline industry employees, and on loans to the airline industry and businesses critical to national security. Guidance for payroll support [here](#). Guidance on procedures and minimum requirements for loans [here](#). Treasury press release [here](#).
- Treasury Q&A on Loans to Air Carriers and Eligible Businesses and National Security Businesses [here](#). Loan application [here](#).

Division B – Appropriations

- Last week the FCC announced a two-part, \$200 million COVID-19 telehealth program. The press release may be found [here](#); and the FCC order approved on Wednesday can be found [here](#).

Oversight

- Speaker Pelosi [announced](#) the creation of a House Select Committee on the Coronavirus Crisis, which will be focused on oversight of how the funds appropriated in CARES and other

supplementals is spent. Majority Whip Clyburn will chair the committee. Other members of the committee have yet to be announced.

- Leader Schumer announced on Monday that he will appoint Bharat Ramamurti to the Congressional Oversight Commission. The Commission was created by CARES to oversee implementation of the economic relief provisions in the bill. Ramamurti was the Deputy Policy Director for Economic Policy on the presidential campaign of Sen. Elizabeth Warren (D-MA).

Cornerstone resources on certain areas of the bill:

- Memo for **health care** providers [here](#)
- Memo on the **Small Business Administration loan programs** [here](#)
- Memo outlining the **workers and families** assistance programs [here](#)
- Memo outlining **technology** opportunities [here](#)
- Memo outlining **FEMA** opportunities [here](#)
- Memo on the bill's **higher education** provisions [here](#)
- Memo for **non-profits** [here](#)

-

Supplemental II – Families First Coronavirus Response Act (HR 6201)

The Senate passed the House bill on March 18 and the President signed the bill into law that evening. Bill text [here](#). Factsheet [here](#). Bill section by section [here](#). A summary of paid leave provisions, incorporating changes made by technical correction, is [here](#).

Supplemental I – Coronavirus Supplemental

Signed by the President March 6. Text [here](#), summary [here](#).

Congress

Session: **The House announced today that it would not reconvene before May 4.** D.C. is currently under a shelter-in-place order, and Maryland and Virginia have similar orders in place. In a Dear Colleague last week, Speaker Pelosi advised members to keep their schedule flexible and said that, in order to make up for lost time, the House may meet during weeks previously scheduled as District Work Periods. The Senate is in recess until April 20.

Appropriations/NDAA: **Subcommittee markups have officially been postponed.** While timing continues to be unclear, House Appropriations Committee (HAC) will likely stick to the original subcommittee order of markups, just shifting everything back by 2-3 weeks. **As of today, HAC majority had distributed 302bs to clerks but has not shared with the minority.** HAC subcommittees are continuing to work at basically the same schedule they had planned before COVID-19 and believe they can get to a 95% solution once members get back in town. The House may try to hold markups soon after whenever the next package is passed, when members have returned D.C. The Senate Appropriations Committee (SAC) has floated two different allocations to subcommittee clerks, the differentiating factor between the two allocations being how VA Choice is treated. **SAC has given subcommittees direction to stick with the original plan of marking up all of the bills in June.**

This year's NDAA markup has been "indefinitely postponed". Reps. Adam Smith and Thornberry (HASC Chair and RM) sent a [letter](#) to the committee members saying that they will schedule the date of the markup once the House schedule for the next few months becomes clear. **SASC Chairman Inhofe has said he aims to writing the FY21 NDAA by the end of May but is flexible considering the circumstances.**

Remote voting: Speaker Pelosi and Leader McConnell have both voiced opposition to members' voting remotely, but as the pandemic makes travel more treacherous, in-person voting has become more difficult. Remote voting is being discussed to some extent in both chambers. The House Committee on Rules Majority released a staff [report](#) on voting options. The [report](#) discusses unanimous consent, proxy voting, as well as the logistics (and security concerns) of remote voting. Additionally, the House Sergeant at Arms and the Attending Physician released [guidance](#) for voting in-person, including procedures for voting in shifts for roll call votes. Leader McConnell, as of right now, is not supportive of any form of remote voting.

Other Floor Action: The House issued [guidance](#) last week indicated that Floor materials are to be submitted through a secure email address instead of dropped off at the Speaker's Lobby or Cloakrooms. Members are still allowed to drop off materials in person. Speaker's Dear Colleague on the guidance [here](#).

Hearings and Meetings: While most hearings and markups for the next week or so have been cancelled, some committee staff are working to see whether holding hearings virtually is possible. **The Senate Rules Committee Democrats released a one-pager guidance on "paper hearings", which stated "paper hearings" are not official hearings.** The Senate Sergeant at Arms is exploring technology that would allow for remote hearings, though Leader McConnell remains opposed to any form of remote voting. Under current rules, the House does not allow virtual hearings. Chairman McGovern has been contemplating changing the rules on this and could issue guidance soon. The House Administration Committee is working on a report on best tools to be able to do virtual meetings. **The Senate has advised offices to avoid using the video conferencing app Zoom over data security concerns.** The Senate has not yet officially banned the application though.

Members of Congress in Quarantine or Treatment (new additions in bold)

Tested Positive (1): Rep. Neal Dunn (R-FL)

Recovered (6): Sen. Rand Paul (R-KY), Rep. Joe Cunningham (D-SC), Rep. Ben McAdams (D-UT), Rep. Mario Diaz-Balart (R-FL), Rep. Mike Kelly (R-PA), Rep. Nydia Velazquez (D-NY)

Currently Self-Quarantined (1): Rep. Mikie Sherrill (D-NJ)

Completed Quarantine (36): Sen. Ted Cruz (R-TX), Rep. Mark Meadows (R-NC), Sen. Lindsay Graham (R-SC), Rep. Don Beyer (D-VA), Rep. Sharice Davids (D-KS), Rep. Doug Collins (R-GA), Rep. Paul Gosar (R-AZ), Sen. Cory Gardner (R-CO), Sen. Rick Scott (R-FL), Rep. Matt Gaetz (R-FL), Rep. Jason Crow (D-CO), Rep. Julia Brownley (D-CA), Rep. Ben Ray Lujan (D-NM), Rep. Gwen Moore (D-WI), Rep. Stephanie Murphy (D-FL), Rep. John Yarmuth (D-KY), Rep. Adam Schiff (D-CA), Rep. Vincente Gonzalez (D-TX), Rep. Drew Ferguson (R-GA), Rep. David Schweikert (R-AZ), Rep. Anthony Brindisi (D-NY), Rep. David Price (D-NC), Rep. Ann Wagner (R-MO), Rep. Kathleen Rice (D-NY), Rep. Matt Cartwright (D-PA), Rep. Tom Cole (R-OK), Rep. Steve Scalise (R-LA), Rep. Frederica Wilson (D-FL), Rep. Andy Kim (D-NJ), Rep. Kendra Horn (D-OK), Sen. Mike Lee (R-UT), Sen. Mitt Romney (R-UT), Rep. Katie Porter (D-CA), Rep. Seth Moulton (D-MA), Rep. Lizzie Fletcher (D-TX), Rep. Josh Gottheimer (D-NJ), Rep. Ayanna Pressley (D-MA)

If you no longer wish to receive this update, please reply to this email.

Sierra Fuller

Senior Associate | Government Affairs

D 202.448.9597 **M** 202.329.2469

800 Maine Avenue, SW, 7th Floor
Washington, DC 20024



www.cgagroup.com | @cgagroup