

From: [Sierra Fuller](#)
To: [Sierra Fuller](#)
Subject: COVID-19 Legislative Update 4.8.2020.
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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).

4.8.2020. COVID-19 Legislative Update

Legislation

Supplemental IV – Interim Emergency Coronavirus Relief

Timeline/Process: In a [statement](#) Tuesday morning, Leader McConnell indicated that he aimed to pass an additional **\$250 billion for the SBA Paycheck Protection Program (PPP) later this week by unanimous consent or by voice vote**. Tuesday evening the Administration sent a [letter](#) officially requesting additional funding for the program. This morning, Speaker Pelosi and Leader Schumer issued a [joint statement](#), which called for—beyond additional PPP funding—additional money for hospitals, state and local governments, and an increase in SNAP. **Speaker Pelosi has indicated that she is hesitant to immediately provide more funding for the program without ensuring there is adequate fairness in how the money is distributed**, asserting that first-come, first-serve strategy will not ensure money is flowing to every community and business that needs support. There may need to be changes to the initial proposal of \$250 billion more for SBA program, as **there may not be enough support to pass the bill by unanimous consent**.

Policy: Republicans have pushed for more funding for the small business program, while Democrats have advocated expanding the bill to include additional emergency measures. As a vote could occur as soon as tomorrow, it's unclear whether a compromise will be able to come together on that timeline. In a statement yesterday, 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.

Additionally, Democrats have been working on a proposal that would include \$150 billion for PPP but an additional **\$150 billion aimed at addressing those that are underbanked**. The other \$150 billion may be divided up into the following, (non-exhaustive) buckets: \$15 billion for grants, \$50 billion for disaster assistance fund, and \$60 billion for CDFI/microlending/minority institutions. On a members-only call today, Speaker Pelosi indicated that Democrats will also advocate for **removing barriers to voting**.

Supplemental V – CARES 2.0.

Speaker Pelosi has explained to members that passing an interim supplemental focused on additional funding for PPP will not stop passing another package modeled off CARES. Speaker Pelosi continues to aim for putting the next package on the floor during the week of April 20, but it's likely that members won't return until at least May. However, House majority committee staff have been drafting with a sense of urgency.

Policy: As mentioned earlier, Speaker Pelosi has [indicated](#) that the next supplemental will be similar to the recently passed CARES Act, with focuses on small business assistance, unemployment benefits, direct payments to individuals and families, and additional funding for public health. The bill will likely include significant plus ups to programs outlined in CARES and provisions from the Pelosi bill from two weeks ago. A notable exception to this rule might include increased investments in broadband, as it has bipartisan appeal and may be more important in the short term – as it impacts distance learning and telemedicine – as opposed to waiting for inclusion in an economic stimulus. On Tuesday, Senate Democrats released a [proposal](#) to provide “essential worker” premium pay and recruitment incentives. While the proposal is meant to start debate on the issue, some form of hazard pay could make it into the final bill.

Other provisions could include:

- Additional **funding for health infrastructure, community health centers, and hospitals;**
- Additional loan assistance to small (and possibly mid-sized) businesses – **there is a growing sense that there might be appetite to improve/expand/refine the program;**
- Expansion and increased length of **unemployment benefits;**
- Additional **direct payments** to individuals and families;
- Additional **money for states and local governments** to help offset revenue losses;
- Additional funding and support for D.C.;
- **Hazard pay** for:
 - 1) federal workers (25% pay increase during duration of crisis),
 - 2) other public sector workers (nurses/doctors, city/state employees, ambulance drivers etc.),
 - 3) private sector workers (grocery store workers, “essential” workers, healthcare workers in private settings).
- Additional student loan relief;
- Increases in SNAP/**nutrition assistance;**
- \$100 billion for rental assistance, ban evictions for renters, funding for housing homeless populations in hotels/motels (House Financial Services memo on potential provisions [here](#));
- Additional funds for **election assistance** and vote-by-mail infrastructure/implementation;
- Additional **oversight** mechanisms and requirements;
- Requirement of the appointment of a [military czar](#) to handle **production/distribution of critical medical equipment;**
- Additional funding for the U.S. Postal Service;
- Other actions to rescue distressed industries;
- Retroactive repeal of the \$10,000 SALT cap for tax years 2018 and 2019;
- Additional health policy provisions (**open enrollment for the ACA**);
- Additional investments in broadband.

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[Supplemental VI – Economic Stimulus](#)

Leadership in both the House and Senate have recognized that an economic stimulus package will be necessary at some point, but there is still significant disagreement on timing, scope, and size. House Democrats have been driving the process, as committees have already begun soliciting input from members and drafting legislative text. Additionally, most of what may be included in the bill has already been crafted. Speaker Pelosi has indicated that the [Moving Forward Framework](#)

Democrats released in January will serve as the base of the infrastructure piece of whatever bill Democrats introduce. Additionally, [the LIFT Act](#), which covers the infrastructure pieces of the E&C jurisdiction, was [released](#) last May and is already in bill form. WRDA could also be included. Additionally, there is an attitude among Democrats to create a package that goes beyond traditional infrastructure and addresses climate change.

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:

- **Treasury FAQ on the Paycheck Protection Program [here](#) – dated April 8.**
- Yesterday evening, Seema Verma appeared at the President’s nightly COVID press conference. She said that \$30 billion of the \$100 billion for hospitals will be released this week, **based on an individual hospitals’ Medicare revenue**. She suggested there will be a simple direct deposit to the hospital. If the hospital is not set up to receive a direct deposit, there will be a simple registration process. It will not be first come first serve. She went on to say **the second tranche of money would go to providers who were excluded in the first go-around because they have no Medicare revenue**.
- Treasury Q&A on Loans to Air Carriers and Eligible Businesses and National Security Businesses [here](#). Loan application [here](#).

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. **Applications opened on Friday** for eligible entities (other than independent contractors and the self-employed). **With such high demand, it’s likely that funding will be exhausted within the next few days**. 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 has indicated that the **earliest Americans could receive relief payments from CARES is next 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](#)
- Senate Finance Committee FAQ on the Employee Retention Tax Credit [here](#)
- House Ways and Means FAQ on Rebates [here](#)
- House Ways and Means FAQ on Unemployment Compensation [here](#)

Title III – Public Health Systems, Education, and Healthcare

- Factsheet on accelerated and advance payments for providers/suppliers [here](#)
- House Energy and Commerce Republican Factsheet on relief for hospitals [here](#)

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](#).
- House Appropriations overview for local governments/nonprofits [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](#)

Other resources:

- Speaker Pelosi COVID toolkit [here](#)
- Updated Senate Republican Policy Committee memo [here](#)
- Senate Republican COVID Policy Response overview [here](#)
- Leader Schumer coronavirus resources page [here](#)

Implementation Timeline – see below for a **DRAFT** outline of implementation dates

- 4/1 – DOL implements paid leave provisions
- 4/1 – DOT shall publish streamlined procedures for air carriers to apply for grants for Air Carrier Worker Support (Sec. 4113)
- 4/3 – SBA **Paycheck Protection Program opens** for applications to all eligible entities (other than independent contractors and the self-employed)
- 4/6 – DOT shall publish applications procedures for loans for businesses, states, and municipalities, including air carriers (Sec. 4003)
- 4/10 – SBA Paycheck Protection Program **opens for application for independent contractors** and self-employed
- 4/11 – Treasury must submit by this date, a report to both Appropriations Committees with a plan on how appropriations (+\$579M) will be used to implement payments
- 4/13 – Treasury issue **guidance on Coronavirus Relief Fund** (\$150B to States/Tribes/local governments)
- 4/13 – **IRS payments begin** this week for individuals with direct deposit
- 4/26 – HUD Emergency Solutions Grants (ESG) releases first tranche (\$2B) based on normal formula allocated within 30 days
- 4/26 – HUD CDBG releases first tranche (\$2B) based on normal formula within 30 days
- 4/26 – Education Department will issue notice to invite applicants to Governor's Emergency Funds. Secretary will approve or deny no later than 30 days after receipt (deadline fluctuates)
- 4/26 – Education Department will issue notice to invite applicants to Elementary and

Secondary School Emergency Funds. Secretary will approve or deny no later than 30 days after receipt (deadline fluctuates)

- 4/26 – Election Security Grants must be issued to states

No specific statutory deadline for implementation

- **HUD CDBG** releases third tranche (\$2B) based on a need-based formula
- **Congressional Oversight Commission** publishes first report no later than 30 days after the first exercise of authority by Treasury/Federal Reserve
- No deadline written for institutional aid for **higher education institutions**
- **Indian Health Service** (\$1.03B) has no statutory deadline to get funds out, but IHS is consulting with Tribes and UIOs now and seems to already have a plan.
- **Defense Production Act** DOD provisions (\$1B)
 - Funds are available upon enactment until expended.
 - Waives for two years requirement for congressional approval for projects in excess of \$50 million and another provision requiring the return of unobligated funds in excess of \$750 million to Treasury.
 - Waives for one year from date of enactment provisions requiring a 30-day delay in projects over \$50 million.
 - All other funds expire Sept. 30, 2020.

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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](#).

Implementation: The IRS clarified that the payroll tax credits provided under FFCRA to businesses with 500 or fewer employees will be based on the paid leave provided to employees from 4/1/2020 – 12/31/2020.

Supplemental I – Coronavirus Supplemental

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

Congress

Session: House is in a pro forma session until April 20. 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: As of right now, the appropriations markup schedule is unchanged. Reports have indicated that it will likely be delayed, however. Most House bills have subcommittee markup dates the weeks of April 21 and April 28, while the Senate has not yet set its markup dates. 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.

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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](#) earlier this 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 guidance also pointed out that committees must vote in-person to report legislation or nominations. 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. The House Administration Committee is working on a report on best tools to be able to do virtual meetings.

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

Tested Positive (2): Rep. Mike Kelly (R-PA), Rep. Nydia Velazquez (D-NY)

Recovered (4): **Sen. Rand Paul (R-KY), Rep. Joe Cunningham (D-SC), Rep. Ben McAdams (D-UT), Rep. Mario Diaz-Balart (R-FL)**

Currently Self-Quarantined (9): Rep. Josh Gottheimer (D-NJ), Rep. Ayanna Pressley (D-MA), Rep. Mikie Sherrill (D-NJ)

Completed Quarantine (34): 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)**

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Sierra Fuller

Senior Associate | Government Affairs

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



www.cgagroup.com | @cgagroup