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COVID-19 Legislative Update

August 3, 2020

Please see below for updates on legislation related to COVID-19. Updates are currently published every Monday and Thursday evening. For past updates, click [here](#). For updates before May 8, click [here](#). If you believe you have been accidentally unsubscribed, you can re-subscribe [here](#).

8.3.2020. COVID-19 Legislative Update

Legislation

Supplemental IV

Timeline: Progress was made over the weekend on the areas where there's common ground, but Democrats and the White House are still far apart on key issues. **Many are skeptical that a deal will come together before senators leave on Friday** (though there are rumors that Senate recess will be delayed). As noted in a Dear Colleague circulated by Leader Hoyer last Friday, Members of the House will be given at least 24-hours' notice before the House will be called back for votes. With where negotiations are now, the earliest we could see a final package would be Thursday or Friday, though it's more likely to come together next week or later in August.

Politics/Process: Speaker Pelosi and Leader Schumer are still negotiating with Secretary Mnuchin and White House Chief of Staff Meadows, with Leader McConnell absent. Some have speculated that whatever remaining issues that don't make it in this next package (reauthorizations, more COVID-19 appropriations) could be renegotiated and possibly added to the September 30 funding bill. There's a tacit agreement that a continuing resolution (CR) will be passed until after the election (possibly until later in November or even until Congress returns in January). Must-pass reauthorizations (Water Resources Development Act, highway funding) will be added to the CR, so it could end up being a large package.

for schools (though they haven't agreed on a number yet), and support for healthcare providers. Where the parties are on **liability protections and unemployment insurance remain the largest barriers** to a deal.

On July 27, Senate Republicans released an eight-bill package, known as the Health, Economic Assistance, Liability Protection, and Schools (HEALS) Act. Its provisions represent where most of the Republican conference is at. The bill is around \$1 trillion, with a third dedicated to appropriations, a majority of which is under the Labor-HHS subcommittee. **Expect significant changes from this package to the final bill**, as text is being negotiated with Democrats. The bill was released in sections by various senators. Text, summaries, and highlights below.

- *American Workers, Families, and Employers Assistance Act* (Senate Finance Committee provisions) – text [here](#), section by section [here](#)
 - Extension of enhanced **unemployment insurance**. After July 31, would provide \$200 a week until October, when benefits would then be capped (when combined with state contribution) at 70 percent of an individual's lost wages.
 - Another round of **direct payments to individuals**. Those eligible make less than \$75k, are not dependents, and those with a work eligible social security number (i.e. can work in the U.S. legally). An additional \$500 will go to taxpayers with dependents (of any age).
 - Tax provisions, including:
 - Enhanced **employee retention tax credit** (from 50 percent of wages to 65 percent);
 - Adds COVID-19 unemployment recipients as a targeted group to the **work opportunity tax credit** (WOTC), which provides a tax credit to employers that hire individuals from certain groups;
 - **PPE tax credit** (refundable payroll tax credit equal to 50 percent of what an employer spends on "employee protection");
 - Mandates that through 2024, employees performing work in multiple states will only be subject to income tax in their state of residence; and
 - Health provisions, including:
 - Part B premium freeze until 2022;
 - Extension of telemedicine reimbursement either through 2021 or the end of the public health emergency; and,
 - Extended timeline for providers to repay Medicare Accelerated and Advance payment loans.
 - Certain **flexibility and limitations on Coronavirus Relief Fund payments** to state, local, and tribal governments (no additional funding for state/local/tribal governments):
 - Extends the timeline for spending the funds to 90 days after the last day of FY21,
 - Allows states to use the funding to make up lost revenues, and

- *Continuing Small Business Recovery and Paycheck Protection Program Act* (Small Business provisions) – Press release [here](#), text [here](#), section by section [here](#), one pager [here](#)
 - Extends the **Paycheck Protection Program**.
 - Allows businesses with fewer than 300 employees that had seen revenue decline by 50 percent or more in Q1/Q2 to **receive a second PPP loan**. Includes a set aside within the program for those with 10 or fewer employees and \$10 billion set aside for community lenders.
 - **Expands eligibility to 501(c)(6) organizations** that either:
 - have fewer than 50 employees and limited lobbying activity, OR
 - are Chambers of Commerce or Destination Marketing Organizations with 300 or fewer employees.
 - Forgiveness to include other costs like PPE, safety supplies, and other expenses.
 - Streamlined forgiveness for loans under \$150k.
 - Creation of working capital loan for businesses with fewer than 500 workers and have seen revenue decline by 50 percent or more (as an alternative to PPP second round).
- *Coronavirus Response Additional Supplemental Appropriations Act* (Appropriations provisions) –text [here](#), summary [here](#)
 - \$118 for HHS, including:
 - **\$16 billion for testing** (you might see this cited at \$25 billion, but that includes unallocated funding from COVID 3.5),
 - **\$26 billion for vaccines** development distribution (BARDA and CDC),
 - **\$25 billion for provider relief fund**,
 - **\$15 billion for child care** (“Back to Work Child Care Grants” one pager [here](#)),
 - \$15.5 billion for NIH,
 - \$4.5 billion for SAMHSA,
 - \$3.4 billion to CDC, and
 - \$7.6 billion for Community Health Centers.
 - \$105 billion for Department of Education
 - \$70 billion for K-12, though **two-thirds of it will be reserved for aiding schools in reopening** and will be rewarded based on certain reopening requirements.
 - **\$29 billion for higher education**, though institutions that paid endowment taxes in 2019 can only use the funding for student aid.
 - \$5 billion for the Governors Emergency Education Relief Fund;
 - \$1 billion for the Bureau of Indian Education.
 - \$20 billion for Agriculture-FDA,
 - \$29 billion for Defense,
 - \$3 billion for Homeland,
 - \$13 billion for THUD, and
 - \$4.4 billion for SFOPS.

- Requires certain products within the Strategic National Stockpile to be produced in the U.S. (U.S. MADE Act),
 - Creates a tax credit for 30 percent of the equipment costs for manufacturing personal protective equipment,
 - Creates a federal council focused on oversight of federal grants, national security, and the misappropriation of research and data,
 - Authorizes restrictions on certain non-citizens' access to research, conferences, and academics,
 - Creates a semiconductor grant program and other onshoring incentives (CHIPS for America Act), and,
 - Includes provisions relating to securing the critical mineral and rare earth supply chains.
- *SAFE TO WORK Act* (Liability Relief) – Text [here](#), section by section [here](#)
 - Creates liability for a broad range of organizations that mandate plaintiffs show defendants were grossly negligent/engaged in willful misconduct AND violated public health guidelines.
 - *Safely Back to School and Back to Work Act* (Health, Education, and Labor Provisions) – text [here](#), section by section [here](#)
 - Includes onshoring manufacturing and stockpile-related provisions,
 - Requires HHS to issue guidance on how states and tribes are to request and access the Strategic National Stockpile,
 - Changes student loan repayment options to either be 10-year or income-based (one pager [here](#)),
 - Creates \$15 billion childcare grant programs (one pager [here](#)), and
 - Creates scholarship program for emergency student expenses (one pager [here](#)).
 - *Supporting America's Restaurant Workers Act* – text [here](#)
 - Business meals deduction increased to 100 percent from 50 percent.
 - *TRUST Act* – text [here](#), section by section [here](#), one pager [here](#)
 - Establishes various committees to address the long-term fiscal sustainability of various mandatory spending programs.

The House passed the Democrats' opening bid for the next bill, the Heroes Act, on May 15. While it's been over two months since House passage of the bill and the contours of the debate and which issues are most pressing have shifted slightly, it can still serve as a marker of what Senate Republicans will be responding to in their bill. Heroes Act text (as of 5/12/2020) [here](#). Section by section [here](#). One pager [here](#). State and Local one pager [here](#). NCAI's summary on tribal provisions [here](#). Manager's amendment [here](#). House Rules Committee report [here](#).

Passed Legislation

Moving forward, this section will only include new information and guidance. For past

New Implementation Information and Guidance

- There has been no new information and guidance since the previous update.

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

Tested Positive (3): Rep. Morgan Griffith (R-VA), Rep. Louie Gohmert (R-TX), **Rep. Raúl Grijalva (D-AZ)**

Currently Self-Quarantined (4): **Rep. Randy Weber (R-TX), Rep. Kay Granger (R-TX), Rep. Mike Johnson (R-LA), Rep. Guy Reschenthaler (R-PA)**

Recovered (8): 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), Rep. Neal Dunn (R-FL), Rep. Tom Rice (R-SC)

Completed Quarantine (39): 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 Luján (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), Rep. Mikie Sherrill (D-NJ), Sen. Lamar Alexander (R-TN)



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