
Legislative Group COVID-19 Update

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Congressional and Legislative Updates

The Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) continues to be negotiated by Senate and House Leadership and the Administration via Treasury Secretary Steven Mnuchin. As we understand it, negotiators have been looking at changes such as increasing unemployment insurance (UI) to four months, \$100 billion for hospitals, \$500 billion for an economic stabilization fund (that can be further leveraged to about \$4 trillion), \$350 billion for small business loans (with some degree of forgiveness), a tax rebate for middle-class Americans, and delay of the filing of 2019 taxes until July 15, among many other things. We have also seen press reports of \$25 billion in grants to U.S. airlines and \$4 billion for air cargo carriers.

There has been agreement on the strings attached to the Economic Stabilization Fund that we think will be similar to TARP oversight. In addition, no money will go to Congress for spending or to the Administration. There will also be money set aside for hospitals and worker protection measures that Democrats asked for.

There are still issues being debated, including the amount of SNAP funding, conditions on airlines and support for airport workers, retention tax credits, credit reporting, mortgage protections, and student loans, to name a few.

The following are some of the Appropriation highlights we are aware of:

- \$100 billion for front line – hospitals, public entities, not-for profits
- \$6.2 billion for the Strategic National Stockpile – medical supplies, protective equipment, medicine
- \$1 billion for Defense Production Act – PPE ramp up
- \$1.5 billion to support states and local governments
- \$30 billion for FEMA disaster relief fund to aid states
- \$400 million for FEMA grants – \$100 m for firefighter grants for protective equipment, supplies; \$100 m for emergency management performance grants (focus on emergency preparedness); \$200 m for emergency food and shelter
- \$3.5 billion for BARDA to expand the production of vaccines
- \$30.75 billion for grants to provide emergency support to local education agencies, higher ed, support ongoing school functions
- \$260 million for navy operations – deploy hospital ship to NY, LA
- \$1.5 billion for National Guard
- \$415 million for Defense Health Agency
- \$3.5 billion for Child Care development block grant
- \$6.5 billion for federal funding CDBG, economic development, manufacturing extension program
- \$1.03 billion for Indian Health Services

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- \$453 million for the Bureau of Indian affairs; \$300 million for Indian Tribal Block Grant
 - \$900 million for LIHEAP
 - \$100 million for USDA to deliver broadband to rural areas
 - \$200 million for FCC for help with remote patient monitoring
 - \$400 million to prepare for 2020 election

Senate and House Leadership continue to brief their members. The next steps for the passage of the CARES Act are to get sign-off from negotiators, announce a deal, finish drafting the measure with a final review, and then vote. The goal is to vote on passage in the U.S. Senate tonight; however, that is not locked in as of this update.

If all Senators agree, the Senate can move quickly on the measure tonight. If any Senator objects, the process will slow down tremendously. On the House side, Speaker Pelosi would like to move this measure by voice vote and not bring Members back to DC. That could prove difficult, and they may move to vote by proxy.

Once the Senate passes the CARES Act, they will be gone for a while. We presume that means all of April, but we have not been provided with a timeline yet. There is opposition on both sides of the aisle to tele-voting, which may impact when the Senate returns, particularly for a Phase Four coronavirus response package.

U.S. Department of Labor Publishes Guidance Explaining Paid Sick Leave and Expanded Family and Medical Leave Under the Families First Coronavirus Response Act

Today, the U.S. Department of Labor's Wage and Hour Division (WHD) announced its first round of published guidance to provide information to employees and employers about how each will be able to take advantage of the protections and relief offered by the Families First Coronavirus Response Act (FFCRA) when it takes effect on April 1, 2020.