

Congress's response to the coronavirus crisis and potential next steps

Phase 1

Initial support and vaccine development

H.R. 6074 — Coronavirus Preparedness and Response Supplemental Appropriations Act

- \$8.3 billion in COVID-19 response funding for developing a vaccine and preventing further spread of the virus
- Became law on 3/6/20

Phase 2

Paid leave, unemployment and food assistance

H.R. 6201 — Families First Coronavirus Response Act

- \$100 billion in worker assistance, including emergency paid sick leave, food assistance, and unemployment payments
- Became law on 3/18/20

Phase 3

Major economic stimulus package

H.R. 748 CARES Act

- Major stimulus package (\$2 trillion)
- Loans and support to major industries, including airlines and small businesses
- Direct payments to individuals and families
- Became law on 3/27/20

Phase 3b

Additional funding for small businesses/hospitals

S.Amdt.1580 Paycheck Protection Program and Health Care Enhancement Act

- \$310 billion for the depleted Paycheck Protection Program, additional funding for hospitals and testing
- Became law on 4/24/20

Phase 3c

Paycheck Protection Program (PPP) extension

S. 4116 – A bill to extend the authority for commitments for the paycheck protection program...

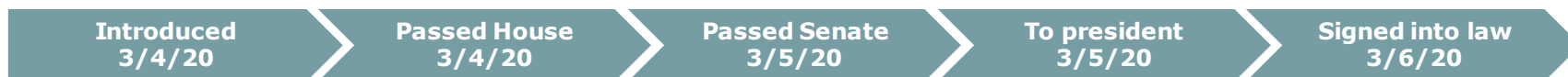
- Extended PPP for five weeks, until August 8th
- Became law on 7/4/2020

Phase 4 - TBD

Additional economic support

- Democratic leadership introduced a \$3 trillion package in May with priorities for the next phase
- GOP leadership introduced a \$1 trillion package that illustrated different priorities over state aid and unemployment provisions

Phase 1 (H.R. 6074): Coronavirus Preparedness & Response Supplemental Appropriations Act



Total cost: \$8.3 billion

- **\$6.5 billion in Health and Human Services funding**

- \$61 million for the FDA to prevent, prepare, and respond to the coronavirus including medical countermeasures and vaccine development
- \$2.2 billion for the CDC to support grants to states and localities, global disease detection and funding the CDC Infectious Disease Rapid Response Reserve Fund (IDRRRF)
- \$836 million for the National Institute of Allergy and Infectious Diseases at NIH
- \$3.1 billion to the Public Health and Social Services Emergency Fund (PHSSEF) which can support the following activities
 - Product development and manufacturing for medical countermeasures
 - Purchasing of medical countermeasures
 - Grants to non-federally owned facilities to improve preparedness and medical countermeasure production
 - Expansion of medical surge capacity

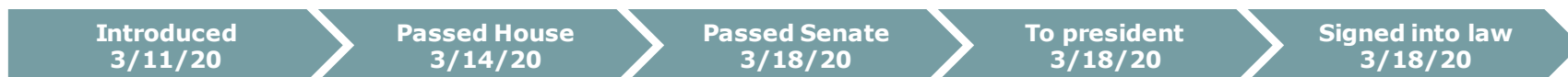
- **Small Business Administration provisions include**

- \$20 million for administrative expenses to carry out the SBA Disaster Loan Program and deem the coronavirus outbreak a disaster
- Mandates that Economic Injury Disaster Loans are to be funded by a \$1.2 billion subsidy from the Disaster Loan Account

- **\$1.25 billion for the Department of State, Foreign Operations and Related Programs**

- \$264 million for the Department of State's principal operating account
- \$971 million for bilateral assistance appropriations accounts including International Disaster Assistance, Economic Support Fund, and Global Health Programs
- Offers guidance on transfer authorities, the Administration's strategy for COVID-19, and required reporting

Phase 2 (H.R. 6201): Families First Coronavirus Response Act



Total cost: \$100 billion

- **Paid sick and family leave provisions**

- Requires employers with fewer than 500 employees and government employers to provide employees two weeks of paid sick leave to either quarantine, seek diagnosis, or for care for a family member
- Provides a payroll tax credit for qualified sick and family leave wages for employers and certain self-employed individuals

- **Health provisions**

- Requires private health plans to provide coverage for COVID-19 diagnostic testing
- Requires Medicare Part B to cover beneficiary cost-sharing for provider visits during which a COVID-19 diagnostic test is ordered
- Provides a temporary increase to states' federal medical assistance percentage (FMAP)

- **Emergency Unemployment Insurance Stabilization and Access**

- \$1 billion in state emergency grants for processing and paying unemployment (UI) benefits
 - \$500 million for additional funding to all states for staffing, systems, as long as they meet basic reporting and program requirements
 - \$500 million for emergency grants to states which experienced at least a 10% increase in unemployment

- Allows **child and adult care centers to take food to go, waives meal pattern requirements** in child nutrition programs, and allows the Ag. Secretary to **issue nationwide school meal waivers** which will eliminate paperwork and help schools adapt
- **Suspends work and work training requirements for SNAP**
- Authorizes the Secretary of Agriculture to grant waivers to allow WIC certification without being physically present at the WIC clinic

Phase 3 (H.R. 748): Coronavirus Aid, Relief, & Economic Security Act (CARES Act)



Total cost: \$2 trillion

- **Direct payments to individuals:**

- \$1,200 per adult, with an additional \$500 per child
- The full amount will go to individuals who earn >\$75,000/year or \$150,000 for married couples; the payments scale down for higher-earning individuals, phasing out completely at \$99,000 for individuals, \$146,500 for heads of households with one child, and \$198,000 for joint filers without children

- **Hospital investments**

- \$100 billion for hospitals
- \$1 billion to Indian Health Service
- \$16 billion for building a stockpile of medical equipment
- Increases reimbursements by 20% for treating Medicare patients with coronavirus

- **\$500 billion lending funds for industries, states, and localities**

- Loans for companies with more than 500 employees
- \$25 billion in loans to airlines; \$4 billion to cargo carriers
- Bans loans to businesses owned by the president, vice president, heads of executive departments, or members of Congress

- **\$350 billion in loans for small businesses**

- Loans to small businesses would be forgiven if payrolls are maintained
- **Unemployment benefits increased \$600/week for four months**
- **New Treasury IG and Congressional Oversight Board**
- **State and Local Funds**
 - \$150 billion for state and local funds, including \$8 billion for tribal governments

Phase 3b (H.R. 266): Paycheck Protection Program and Health Care Enhancement Act



Total cost: \$484 billion

- **Additional funding for small businesses**

- \$310 billion for the depleted Paycheck Protection Program, created in the Phase 3 stimulus package
- \$60 billion for underbanked businesses, such as community-based lenders, small banks and credit unions, and mid-sized banks and credit unions
- Provides forgivable loans to business that maintain employees on payroll
- \$50 billion for Small Business Administration (SBA) emergency disaster lending
- \$10 billion in grants under the Emergency Economic Injury Disaster Loan program
- \$2.1 billion for additional salaries and expenses for the SBA

- **Hospital investments**

- \$75 billion for hospitals and health care providers, including funding for Personal Protective Equipment

- **\$25 billion in funding for COVID-19 testing**

- \$11 billion given to states and localities to develop, administer, and process tests
- Additional funds will be given to federal agencies and distributed to labs
- Requires a strategic plan “related to providing assistance to states for testing and increasing capacity,” and also requires that states develop a plan on how the funding will be used for testing

Democratic leadership proposed Phase 4 (H.R. 6800): Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act



Total cost: \$3 trillion

•Additional stimulus checks and unemployment support

- Issues a second round of stimulus checks for \$1,200 per family member, for up to \$6,000 per household
- Extends weekly \$600 federal unemployment payments through Jan. 2021

•Health provisions

- Provides \$75 billion for coronavirus testing, contact tracing, and isolation measures
- Creates a special ACA enrollment period for uninsured Americans and protects individuals who are losing their employer-provided health insurance with COBRA subsidies

•Provisions for employees and employers

- Establishes a \$200 billion Heroes' fund to provide essential workers with hazard pay
- Requires OSHA to issue standards for workplaces to implement infection control plans and prevents employers from retaliating against workers who report infection control problems
- Provides \$10 billion for COVID-19 emergency grants through the Economic Injury Disaster Loan program
- Extends PPP coverage until Dec. 2020 and modifies PPP funds to ensure they reach 'underserved communities'

- Provides almost **\$1 trillion to state, local, territorial and tribal governments** for workers providing essential services and COVID-related expenses, such as forgone revenues
- \$175 billion in funding to assist renters and homeowners** with monthly rent, mortgage, and other housing-related costs
- 15% increase to maximum SNAP benefit** and funding for WIC and Child Nutrition Programs
- Creates **standards for mail-in voting** for the Nov. 2020 election and provides at least **\$25 billion in funding for the US Postal Service**

Although this legislation has support from Democratic leadership, Republicans have been vocal they are not supportive of passing additional legislation at this time, making this bill unlikely to get enacted.

GOP leadership proposed Phase 4: Health; Economic Assistance, Liability Protection; and Schools (HEALS) Act

The HEALS Act is a package of eight proposals introduced by Senate Chairmen of their respective committees.



Total cost: \$1 trillion

- | | |
|---|--|
| <ul style="list-style-type: none">• Unemployment benefits<ul style="list-style-type: none">• Unemployed individuals would receive a \$200-per-week additional benefit until October; after October, individuals would be paid 70% of prior earnings• Stimulus payments<ul style="list-style-type: none">• \$1,200 direct payments following the same formula as the CARES Act | <ul style="list-style-type: none">• \$16 billion in funding for testing, \$16 billion for the NIH and \$3 billion for the CDC• Establishes and authorizes state stockpiles of medical products and supplies and partners with medical product manufacturers and distributors to strengthen the Strategic National Stockpile• Requires HHS, the CDC, and the FDA to establish procedures for entities to access samples to support product development |
| <ul style="list-style-type: none">• Prevents businesses, universities, schools, and hospitals from being sued over COVID-19 related damages with a five-year liability shield• Paycheck Protection Program<ul style="list-style-type: none">• Provides \$190 billion to support second loans for PPP recipients• Mandates that only firms with 300 or fewer employees and demonstrated revenue decrease can qualify• \$100 billion to provide loans to seasonal businesses and businesses located in 'low-income census tracts'• 100% deduction on business meals through the end of 2020 | <ul style="list-style-type: none">• \$105 billion in funding for education<ul style="list-style-type: none">• \$70 billion for K-12 schools of which two-thirds is reserved for reopening• \$29 billion for higher education• \$5 billion for states to distribute between higher education or K-12• Does not contain direct funding for states and localities, however, the legislation alters the provisions to allow the previously allocated state and local aid in a more flexible manner |

Sources: Senate Majority Leader, Senate HELP Committee, Washington Post, Forbes