Coronavirus Response: What You Need to Know

Mission Statement:
My four objectives of our coronavirus response:

1) Make sure our health care providers and public health officials have the resources they need.
2) Increase the availability of tests in our community.
3) Help make treatments and vaccines available as soon as possible.
4) Mitigate as many of the impacts on families, workers, small businesses and health care providers as possible.

I’ve remained in constant communication with President Trump’s administration, Governor Cooper’s office, state legislators, local hospital networks, VA medical centers, school superintendents, county health departments, chambers of commerce and others to communicate our response efforts and hear feedback on what resources our community needs. From this feedback, I’ve led the North Carolina delegation in requesting:

- More test kits for NC.
- Cash flow assistance and liquidity for small businesses.
- Access to vetted workers to make sure our agriculture industry has the workforce it needs to protect our food supply.
- More funds for the Department of Veterans Affairs and Department of Defense to ensure our veterans, active duty soldiers and their families have resources they need.

Congress has passed three measures to aid our country’s coronavirus response:

Phase 1: Emergency supplemental funding bill
- Invests in making test kits available and developing new treatments and vaccines.
- Funds for the Food and Drug Administration to protect the integrity of medical products manufactured overseas and identify and prevent potential shortages.
- Funded disaster assistance loans for small businesses impacted by the virus.

Phase 2: Families First Coronavirus Response Act
- Expands paid sick and paid family and medical leave.
- Expands unemployment insurance benefits for workers.
- Expands testing for all Americans, including $82 million for Department of Defense and $60 million for the Department of Veterans Affairs to cover testing for veterans.
Phase 3: Coronavirus Aid, Relief and Economic Security Act

For Families:
- **Money for American families.** This comes in the form of a one-time tax rebate check of $1,200 per individual and $500 per child for those with a valid SSN. There are no earned income or tax liability requirements to receive these rebate checks. The full rebate amount is available for those with incomes at or below $75,000 for individuals, $112,500 for head of household, and $150,000 for married couples.
- **Loosens Rules on Retirement Accounts.** Older Americans that are subject to mandatory minimum distributions from their retirement accounts would be able to keep their capital invested instead of being forced to cash out to draw on that capital without penalty, which would be suspended for 2020. Similarly, the bill also waives the 10% penalty on coronavirus-related early distributions from 401(k)s and IRAs, which applies to distributions made at any time during 2020.

For Workers:
- **Includes $250 billion to Expand Unemployment Benefits:** Provides economic relief and much-needed support for workers by making a significant investment in unemployment benefits.
- **Unemployment Benefits for More Americans:** Makes sure self-employed and independent contractors, like Uber drivers and gig workers, can receive unemployment during the public health emergency. The bill also includes support to state and local governments and nonprofits so they can pay unemployment to their employees.
- **More Money for a Longer Period for More Workers:** Makes benefits more generous by adding a $600/week across-the-board payment increase through the end of July. In addition, for those who need it, the bill provides an additional 13 weeks of benefits beyond what states typically allow.
- **Temporary Provisions:** The expansion in unemployment benefits expires at the end of 2020 in recognition of the temporary nature of this challenge.

For Small Businesses and Industries:
- **Provides Another Option for Employers to Keep Connected to Their Employees:** Employers of all sizes that face closure orders or suffer economic hardship due to the coronavirus crisis that continue to pay employees that are furloughed may be eligible for a 50% credit on up to $10,000 of wages paid to those employees. This will help workers keep their jobs, help local businesses ride out this storm, and ensure that furloughed workers have jobs to return to.
- **Delays Payroll Tax Payments for Employers:** Employers would be able to delay the payment of their 2020 payroll taxes until 2021 and 2022, leading to approximately $300 billion of extra cash flow for businesses.
- **Restores Supports for Businesses Suffering Losses:** Allows businesses to carry back losses from 2018, 2019, and 2020 to the previous 5 years, which will allow businesses access to immediate tax refunds.
- **Encourages Businesses to Invest in Improvements:** The bill would fix cost recovery for investments in Qualified Improvement Properties, which will allow businesses that made these investments in 2018 and 2019 and receive tax refunds now.
Paycheck Protection: Forgiveness For Small Business Loans for Keeping Employees: The bill creates a “paycheck protection program” for small employers, self-employed individuals, and “gig economy” workers, with $350 billion to help prevent workers from losing their jobs and small businesses from going under due to economic losses caused by the COVID-19 pandemic. The “Paycheck Protection Program” would provide 8 weeks of cash-flow assistance through 100% federally guaranteed loans to small employers who maintain their payroll during this emergency. If the employer maintains payroll, the portion of the loans used for covered payroll costs, interest on mortgage obligations, rent, and utilities would be forgiven, which would help workers to remain employed and affected small businesses and our economy to recover quickly from this crisis. This proposal would be retroactive to February 15, 2020, to help bring workers who may have already been laid off back onto payrolls.

Small Business Contractors Also Get Protection: Federal agencies would be required to extend contract performance periods.

Debt Relief: For six months, SBA is required to pay all principal, interest and fees on all existing SBA loan products including 7(a), Community Advantage, 504, and Microloan programs for six months.

Timely: The bill requires that SBA enact these programs with regulations no later than 15 days after the Act is signed into law.

Unleashes the Fed’s Tools to Provide Liquidity: $425 billion for loans, loan guarantees, and investments in support of facilities established by the Fed under 13(3) authority for purpose of providing liquidity to businesses, states, or municipalities through purchasing obligations or other interests directly from issuers of such obligations or other interests.

Loans, Not Bailouts, for Major Industry: Direct lending to the following: $50 billion for passenger airlines, $8 billion for cargo airlines, and $17 billion for businesses critical to “maintaining national security.”

Protecting Workers, Not Boosting Executive Compensation: Employee and executive total compensation may not exceed $425,000, stock buybacks are prohibited during the duration of the loan, and borrowers must maintain exiting payroll as of March 13.

Giving Businesses and Banks Flexibility to Work Together: The bill cuts red tape to ensure that banks have room to provide the resources businesses need.

For Health Care:

Funding hospitals and health care equipment for those on the front lines: The bill provides over $140 billion to support our health system, including:

1. $100 billion for a new program to provide grants to hospitals, public entities, not-for-profit entities, and Medicare and Medicaid enrolled suppliers and institutional providers to cover unreimbursed health care related expenses or lost revenues attributable to the public health emergency resulting from the coronavirus.
2. $16 billion to the Strategic National Stockpile to procure personal protective equipment, ventilators, and other medical supplies for federal and state response efforts.

Includes $11 billion to support research and development of vaccines, therapeutics, and diagnostics to prevent or treat the effects of coronavirus.

1. $4.3 billion to the CDC to support federal, state, and local public health agencies to prevent, prepare for, and respond to the coronavirus.
2. $185 million through HRSA to support rural critical access hospitals, rural tribal health and telehealth programs.
3. $200 million for CMS for priorities like assisting nursing homes with infection control and support states’ efforts to prevent the spread of coronavirus in nursing homes.
• The bill provides money for providers through Medicare:
  o Allows for accelerated Medicare payments. This will help hospitals, especially those facilities in rural and frontier areas, get the reliable and stable cash flow they need to help them maintain an adequate workforce, buy essential supplies, create additional infrastructure, and keep their doors open to care for patients.
  o Creates a 20% add on payment for inpatient treatment

• Delays the sequester until the end of this calendar year, which gives providers both money and certainty.

• Funds community health centers through November 30, 2020.

• Reauthorizes key rural grant programs to strengthen rural community health.

• **Expands Telehealth and Unleashes the Full Might of America’s Health Care Innovation:**
  The bill contains a significant expansion of telehealth by allowing patients to see doctors with whom they don’t already have a relationship, connecting folks on home dialysis with providers, and allowing federally qualified health centers and rural health centers to participate.
  o The bill also expands telehealth services for home health and hospice.
  o Overburdened physicians need relief, so nurse practitioners and physicians’ assistants will be able to prescribe home health services.
  o The bill makes it easier for post-acute facilities to be fully utilized during this crisis.

• **Eliminates Red Tape for Employers and Individuals:**
  The bill ensures that Americans are able to use all tax-favored health care accounts, like HSAs and FSAs, to buy over-the-counter medicines tax-free without a prescription. In addition, high deductible health care plans with HSAs will now be able to provide coverage pre-deductible for telehealth services.

• Invests $30.750 billion into a flexible Education Stabilization Fund to help states, school districts and institutions of higher education facing increased costs as they deal with the safety and health issues related to coronavirus as well as continue to develop plans for providing online learning for all students:
  1. Takes steps to address supply shortages, including in the Strategic National Stockpile and removing legal barriers to the production of more masks
  2. Removes barriers to allow the Biomedical Advanced Research and Development Authority (BARDA) to more easily partner with private sector on research and development and to allow BARDA to expedite diagnostics and vaccines

**For Our Military:**

• The bill provides a total of $10.5 billion for DOD functions and programs, including $1 billion to expand availability of necessary supplies through the Defense Production Act, $3.4 billion for defense health care programs, and $1.5 billion to support the deployment of the National Guard.

• The bill provides a total of $19.6 billion for the Department of Veterans Affairs and veterans programs.

• In addition, if VA is called upon by the federal emergency coordination council to care for non-Veterans, it will be reimbursed through the Public Health and Social Security Emergency Fund. Funding provided in the bill for the PHSSEF assumes VA will be reimbursed approximately $4 billion.
For Rural Communities and Farmers:
- The bill includes a number of small business provisions designed to help farmers stay in business and take care of their employees during this difficult time. These include provisions that allow farmers to work with their trusted farm credit institutions for the purposes of securing payroll tax loans, along with 1-year deferrals, 100% guarantees, and low rates.
- The bill provides $14 billion for the Commodity Credit Corporation (CCC), the funding mechanism for all major USDA programs. It also provides an additional $9.5 billion to specifically respond to losses due to COVID-19.
- Additional funding is provided for USDA agencies that are on the front lines of responding to COVID-19, including the Food Safety Inspection Service (FSIS), the Animal and Plant Health Inspection Service (APHIS), and the Farm Service Agency (FSA).
- The bill includes $100 million to provide financing for rural broadband through the ReConnect program, and $25 million for the Distance Learning and Telemedicine program to provide grants for equipment and connectivity improvements.

For States and Local Governments:
Eighty percent of appropriated funds are dispersed through existing grants to support state, local, tribal, and community grantees. Funding is provided to numerous programs within the Agriculture; Labor-Health-Education; Interior; Homeland Security; Commerce-Justice-Science; and Transportation and Housing subcommittees. Some programs included within the appropriations division are:
- Community Development Block Grants – $5 billion
- Homelessness Grants – $4 billion
- Transit Agencies – $24 billion
- Airports – $10 billion
- Assistance to Tribal Communities (Indian Health Service, Bureaus of Indian Education/Affairs, and Food Distribution) – $1.7 billion
- Disaster Relief Fund – $45 billion
- Emergency Food and Shelter Grants – $200 million
- First Responder (FIRE) Grants – $100 million
- Emergency Management Program Grants – $100 million
- Byrne Justice Assistance Grants – $850 million
- Economic Assistance Development Grants – $1.5 billion
- Manufacturing Extension Partnership Grants – $50 million
- Child nutrition – $8.8 billion • Supplemental Nutrition Assistance Program – $15.8 billion
- Community Services Block Grant – $1 billion
- Low Income Home Energy Assistance Program – $900 million
- Child Care and Development Block Grant – $3.5 billion
- CDC Funding for State Public Health Departments – $1.5 billion