



## Federal Relief to Address the COVID-19 Pandemic

To help keep you apprised of the various Federal relief packages to address the COVID-19 pandemic, please find below key information regarding the status, summary of key provisions, and other relevant information, in reverse chronological order.

### Coronavirus IV – Infrastructure

#### Status: in development

Discussions on a “phase four” bill have already started in a general way, according to Sen. Richard Shelby (R-Ala.). The focus of this legislation would be on major infrastructure to boost the economy in the long run.

House Speaker Pelosi has expressed support for a broader economic stimulus plan, and stated that the next House response to the virus will expand refundable tax credits for the self-employed and access to longer term leave, increase the scope of allowable uses of family and medical leave, and ensure paid leave for first responders and health workers. The next piece of House legislation is expected to follow regular order and give committees the opportunity to provide input. Work on the bill will proceed even while the House remains in recess.

### Coronavirus III.5 – Major Disaster

#### Status: major disaster declared

On March 20, President Trump declared a major disaster for the State of [New York](#). Other states with such a designation can be found [here](#). Previously, the President noted that he had been considering declaring the pandemic a “major disaster,”<sup>1</sup> which would add additional levels of Federal assistance.

### Coronavirus III – Economic Aid

#### Status: signed into law

On March 25, the Senate passed H.R. 748, the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* unanimously with a vote of 96-0. Before proceeding to final passage, the Sasse unemployment insurance amendment failed 48-48. As previously announced, the Senate will adjourn until April 20 but can return within 24 hours if needed. The final bill text is [here](#), with the appropriations summary (Division B) from Republicans [here](#) and Democrats [here](#), unemployment/retirement summary [here](#), Finance Committee health provisions summary [here](#), HELP Committee summary [here](#), HELP Committee one pager [here](#), Small Business Committee summary [here](#), and one pager [here](#). The package included an additional \$45.8 billion of funding that the Office of Management and Budget ([OMB](#)) requested to help address the pandemic.

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<sup>1</sup> See March 13 [letter](#) which states: “In addition, after careful consideration, I believe that the disaster is of such severity and magnitude nationwide that requests for a declaration of a major disaster as set forth in section 401(a) of the Stafford Act may be appropriate.”

The House passed the bill by voice vote on Friday, March 27, and the President signed it shortly thereafter ([P.L. 116-136](#)).

## Coronavirus II.5 – Defense Production Act

### Status: invoked

On March 18, the President invoked the [Defense Production Act \(DPA\)](#), which allows the federal government to compel companies through loans, loan guarantees, purchases and purchase commitments to prioritize and expedite the manufacture of medical supplies that are in short supply. The President delegated the key authority for implementing the DPA to Secretary Azar. Shortly thereafter, Secretary Azar issued a [press release](#). For more information on the DPA, visit [here](#) (CRS report) and [here](#) (FEMA fact sheet). On March 24, [press reports](#) indicated that, according to FEMA Director Gaynor, the authority was being used to help secure 60,000 test kits and 500 million PPE masks. Subsequent [reports](#) indicated that the Administration opted not to utilize the authority, given that companies were willing to comply voluntarily. The phase III proposal included \$1 B to implement the DPA. On March 27, President Trump [announced](#) that he had formally utilized the DPA to compel General Motors Co. to make ventilators, while also issuing another Executive Order ([EO](#)) to “guarantee loans by private institutions, make loans, make provision for purchases and commitments to purchase, and take additional actions” to produce the health-care supplies. On April 2, President Trump issued two EOs – (1) invoke the DPA for [3M](#) to produce N95 masks and (2) invoke the DPA for [ventilators](#) with respect to General Electric Company; Hill-Rom Holdings, Inc.; Medtronic Public Limited Company; ResMed Inc.; Royal Philips N.V.; and Vyair Medical, Inc.

## Coronavirus II – Testing and Paid Leave

### Status: signed into law

The House passed [H.R. 6201](#), the *Families First Coronavirus Act*, in the early hours of March 14. The large-scale economic relief plan aims to support Americans in combatting the spread of the coronavirus through the expansion of paid leave, food assistance, and unemployment assistance and through increased federal Medicaid funding. Speaker Pelosi and Secretary Mnuchin worked to negotiate the House-passed legislation, which was backed by President Trump. The bill would increase federal medical assistance percentages (FMAP) for state Medicaid programs by 6.2 percentage points. Medicaid funding for U.S. territories would also be increased. The bill includes a prohibition against cost sharing and prior authorization for certain coronavirus testing and related services, such as provider visits for testing. It also appropriates \$1 billion for the National Disaster Medical System to reimburse costs associated with testing the uninsured. The bill would add personal respiratory protective devices as a covered countermeasure under the Public Readiness and Emergency Preparedness Act and allow HHS to provide liability protections for certain emergency response products.

The chamber later passed “technical corrections” to the emergency aid bill which scale back “qualifying need” for Family and Medical Leave Act (FMLA) leave to circumstances in which an employee cannot work or telework because a child’s school, day care, or childcare is unavailable. The original version of the bill would have required employers to provide employees with 12 weeks of partially paid FMLA leave for quarantine, to care for a family member, or to care for a child. The Senate passed the bill unamended in the afternoon of March 18, by a vote of 90-8. The President signed the bill later that evening ([P.L. 116-137](#)).

## Coronavirus I.5 – Emergency Declarations

### Status: emergency declared

On Friday, March 13, 2020, President Donald Trump [declared](#) a national emergency with respect to the COVID-19 pandemic. By declaring the emergency, billions of dollars in the Disaster Relief Fund and additional resources from the Federal Emergency Management Agency (FEMA) and other parts of the government are now available. The declaration also makes more federal funds available along with supplies, personnel, and other support. The emergency order confers new broad authorities to HHS Secretary Alex Azar. Azar has [waived](#) certain laws and regulations to give doctors and hospitals maximum flexibility to test and respond to the virus. In addition, as part of the emergency declaration, the Small Business Administration is now able to offer Economic Injury Disaster loans – up to \$ 2 million – for small businesses impacted by the virus. Previously, on January 31, 2020, U.S. Department of Health and Human Services (HHS) Secretary Alex Azar [determined](#) that a public health emergency existed because of confirmed cases of the coronavirus disease (COVID-19) under the authority granted by section 319 of the Public Health Service Act (PHSA). The nationwide determination took effect January 27, 2020.

## Coronavirus I – Emergency Appropriations

### Status: signed into law

President Trump signed into law a \$7.8 billion emergency spending bill ([H.R. 6074](#)) (P.L. 116-123) to combat the coronavirus outbreak on March 6. The bipartisan *Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020* also allows the Medicare program to spend \$500 million on telehealth programs used in response to the virus. The legislation includes \$6.5 billion for the U.S. Department of Health and Human Services (HHS), \$1.25 billion for the State Department and the U.S. Agency for International Development (USAID), and \$20 million for the Small Business Administration (SBA). The bill provides:

- \$3.1 billion for the Public Health and Social Services Emergency Fund to be used to develop and purchase vaccines and medical supplies;
- \$300 million in contingency funds to purchase vaccines if necessary;
- \$100 million for community health centers;
- \$2.2 billion to the CDC, including \$950 million for state and local preparedness grants, \$300 million for global disease detection and response, and \$300 million for the Infectious Disease Rapid Response Reserve Fund;
- \$836 million for the NIH;
- \$10 million for worker-based training and health worker protection;
- \$435 million for international public health programs, including \$200 million for the U.S. Emergency Reserve Fund; and
- \$300 million for humanitarian and health assistance in areas affected by the virus.

The bill will also allow HHS to regulate the commercial price of a coronavirus vaccine. It was advanced by the House of Representatives by a vote of 415-2 and was passed by the Senate by a vote of 96-1. Reps. Ken Buck (R-Colo.) and Andy Biggs (R-Ariz.) as well as Sen. Rand Paul (R-Ky.) voted against the measure.