Congress Passes Emergency Funding Bill to Assist Providers and Small Businesses

Insights 04.23.20

PROFESSIONAL

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After more than a week of negotiations, Congress passed a $484 billion coronavirus (COVID-19) emergency package to fund the depleted Paycheck Protection Program, which ran out of funds last week. The bill also contained additional funding for health care providers and COVID-19 testing. The U.S. House of Representatives passed the Paycheck Protection Program and Health Care Enhancement Act (H.R. 266) earlier today and sent it to the President for his signature. The Senate already passed the measure Tuesday by voice vote.

The Paycheck Protection Program and Health Care Enhancement Act includes the following appropriations:

- **$75 Billion for the CARES Act Provider Relief Fund**: The bill provides an additional $75 billion for the CARES Act Provider Relief Fund, making a combined total of $175 billion dollars available for the Department of Health and Human Services (HHS) to distribute to providers for health care related expenses or lost revenue attributable to COVID-19.Yesterday, HHS announced its allocation plans for a significant portion of the $100 billion appropriated to the fund in the CARES Act, which we discuss in our April 22, 2020 Health Law Advisory.
- **$25 Billion for COVID-19 Testing**: These Public Health and Social Service Emergency Fund dollars are to be used "to research, develop, validate, manufacture, purchase, administer, and expand capacity for COVID-19 tests," including both tests for active infection and prior exposure.
- **$310 Billion for the Paycheck Protection Program (PPP)**: The bill replenishes the Paycheck Protection Program, which helps small businesses keep employees employed. The program would be given an additional $310 billion, with $60 billion set aside for small lenders.
- **$60 Billion for Economic Injury Disaster Loans (EIDL) and Grants**: Finally, the bill appropriates $10 billion for Emergency Economic Injury Disaster Loan grants and $50 billion for the Disaster Loans Program Account.

Neither the House nor the Senate plan to return to D.C. for regular order until at least May 4. Talks about another large COVID-19 stimulus package started weeks ago, however no true negotiations have occurred. Senate Majority Leader, Mitch McConnell (R-KY) has made it very clear that there is no agreement on what the next legislative priorities should be and when formal negotiations will begin.

However, at the same time House Speaker, Nancy Pelosi (D-CA) believes they can start the process much sooner.

For further information, please contact Kelly Delmore or Monica Massaro in Washington, D.C., Gary Torrell, Nina Adatia Marsden, or Lloyd Bookman in Los Angeles, Amy Joseph in Boston, Katrina Pagonis or Stephanie Gross in San Francisco, or your regular Hooper, Lundy & Bookman contact.

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