



E-NEWS ALERT

Update on Federal Coronavirus Actions - Completed and Pending

TO: FAMA and FEMSA Members
FROM: FAMA/FEMSA GAC Co-chairs: John Granby, Lee Morris, and David Durstine
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Congress has taken action on two supplemental appropriations bills to combat COVID-19, with a third currently being negotiated in the Senate. Both the first supplemental bill ([H.R. 6074](#)) and the second ([H.R. 6201](#)) have been signed into law. In addition to these bills, the President has taken action on a National Emergency Response through the Stafford Act. The President has also activated the National Guard in New York, Washington, and California - and approved the states "major" disaster declarations.

Below are outlines of the first and second supplemental appropriations bills, as well as the President's National Emergency Declaration.

1. First Supplemental Appropriation – Signed Into Law

Congress passed, and the President signed, a \$8.3 billion emergency spending bill – the Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020 - to combat COVID-19. The emergency funding bill ([H.R. 6074](#)) includes:

- \$950 million to support states and local government public health activities including surveillance, laboratory testing, contact tracing, infection control, prevention and mitigation, and additional public health preparedness and response activities. The CDC has sent the [following guidance](#) to State Health Officers and a list of [individual state awards](#) that have been provided.
- \$826 million for the National Institutes of Health to support basic research and development of vaccines, therapeutics, and diagnostics;
- \$300 million in contingency funding for procurement of vaccines, therapeutics, and diagnostics;
- \$500 million for procurement of pharmaceuticals, masks, personal protective equipment, and other medical supplies, which can be distributed to state and local health agencies in areas with a shortage of medical supplies;
- \$100 million for health services through Community Health Centers, which will support smaller health clinics across the country in under served urban and rural areas; and
- \$1.25 billion for foreign operations and international assistance, including: \$265 million to maintain consular operations around the world and reimburse the costs of evacuating personnel and dependents; \$435 million for global health programs; \$300 million for International Disaster Assistance to support disaster response capabilities; and \$250 million for Economic Support Fund to address economic, security, and stabilization needs in coronavirus-affected countries.

State and Local Reimbursement

The legislation includes general provisions to allow for the reimbursement of local costs incurred for coronavirus preparedness and response activities, between January 20 and the enactment of the bill, and authorizes funds for the construction or renovation of facilities to improve preparedness and response capabilities at the local level to address this ongoing threat. According to the CDC, they have shared additional guidance on how to access these funds directly with CDC state and local project officers and consultants.

Small Business Loans

The bill also includes a provision that will allow the Small Business Administration to make loans to small businesses, nonprofit organizations and other trades impacted by financial losses as a result of the coronavirus outbreak. Below is more information.

- The loans are triggered when the Governor submits a request for Economic Injury Disaster Loan Assistance for designated areas within a state.
- Once a declaration is made, loans will be made available up to \$2 million in assistance to small businesses to overcome the temporary loss of revenue they are experiencing.
- Loans may be used to pay fixed debts, payroll, accounts payable and other bills that can't be paid because of the disaster's impact.

- More information is available on the [SBA website](#).

2. Second Supplemental Appropriation - Signed Into Law

Congress passed, and the President signed into law, the Families First Coronavirus Response Act ([H.R. 6201](#)). The bill provides free testing, unemployment benefits, expanded federal food aid for vulnerable populations, and paid sick, family and medical leave. Additional details, including eligibility [Click here for a title by title summary of the bill](#).

Emergency Paid Leave Benefits

The bill includes provisions that will allow workers to receive a benefit for a month (up to three months) in which they must take 14 or more days of leave from their work due to the qualifying COVID-19-related reasons. Days when an individual receives pay from their employer (regular wages, sick pay, or other paid time off) or unemployment compensation do not count as leave days for purposes of this benefit. Qualifying small businesses will be eligible for reimbursement.

The program will be administered by the Social Security Administration (SSA). Specifications include the following:

- Benefit amount: Two-thirds of the individual's average monthly earnings (based on the most recent year of wages or self-employment income for which records are readily available), up to a cap of \$4,000.
- Program and benefit period: The benefits will be available for leave that occurs from January 19, 2020 (the date of the first U.S. COVID-19 diagnosis) through one year after the bill's enactment.
- Retroactive benefits: Benefits can be paid retroactively, and applications can be filed up to 6 months after enactment.
- Application: Applications will be taken online, by phone, or by mail. Individuals will not visit SSA field offices to apply. Payments will in most cases be issued electronically.
- Program integrity: Applicants must attest that they meet the criteria for eligibility and existing penalties for fraud or misrepresentation with regard to Social Security benefits are applied to the federal emergency paid leave benefits program.

Definitions

The bill defines an "emergency leave day" as a day in which an individual is unable to work due to one of four qualifying reasons related to COVID-19:

- The worker has a current diagnosis of COVID-19.
- The worker is quarantined (including self-imposed quarantine), at the instruction of a health care provider, employer, or government official, to prevent the spread of COVID-19.
- The worker is caring for another person who has COVID-19 or who is under a quarantine related to COVID-19.
- The worker is caring for a child or other individual who is unable to care for them self due to the COVID-19-related closing of their school, childcare facility, or other care program.

Paid Sick Days for Public Health Emergencies and Personal and Family Care Act

The bill outlines provisions for Emergency Paid Sick Days. The legislation:

- Requires all employers to allow employees to gradually accrue seven days of paid sick leave and to provide an additional 14 days available immediately in the event of any public health emergency, including the current coronavirus crisis;
- Requires all employers to provide an additional 14 days of paid sick leave, available immediately at the beginning of a public health emergency, including the current coronavirus crisis;
- Ensures paid sick leave covers days when your child's school is closed due to a public health emergency, when your employer is closed due to public health emergency, or if you or a family member is quarantined or isolated due to a public health emergency;
- Reimburses small businesses—defined as businesses with 50 or fewer employees—for the costs of providing the 14 days of additional paid sick leave used by employees during a public health emergency;
- Enables construction employees to receive sick pay based on hours they work for multiple contractors; and
- Makes the bill effective immediately so that employees in areas covered under a qualifying Public Health Emergency, upon the date of enactment, can take 14 days of paid sick leave in order to address COVID-19.

Emergency Unemployment Insurance Stabilization

The legislation also provides \$1 billion in 2020 for emergency grants to states for activities related to processing and paying unemployment insurance (UI) benefits, under certain conditions. \$500 million will be used to provide immediate additional funding to all states for staffing, technology, systems, and other administrative costs, as long as basic requirements about ensuring access to earned benefits for eligible workers are met. Those requirements are:

- Require employers to provide notification of potential UI eligibility to laid-off workers
- Ensure that workers have at least two ways (for example, online and phone) to apply for benefits
- Notify applicants when an application is received and being processed and if the application cannot be processed, provide information to the applicant about how to ensure successful processing.

States will be required to report on the share of eligible individuals who received UI benefits and the

state's efforts to ensure access within one year of receiving the funding. The funding will be distributed in the same proportions as regular UI administrative funding provided through annual appropriations. \$500 million will be reserved for emergency grants to states which experienced at least a 10 percent increase in unemployment. Those states will be eligible to receive an additional grant, in the same amount as the initial grant, to assist with costs related to the unemployment spike, and would also be required to take steps to temporarily ease eligibility requirements that might be limiting access to UI during the COVID-19 outbreak, like work search requirements, required waiting periods, and requirements to increase employer UI taxes if they have high layoff rates. Depending on the state, those actions might require changes in state law, or might just require changes in state policy. This section also provides temporary federal flexibility regarding those UI restrictions which are also in federal law.

Testing

The legislation requires private health plans to provide coverage for COVID-19 diagnostic testing, including the cost of a provider, urgent care center and emergency room visits in order to receive testing. Coverage must be provided at no cost to the consumer. Additionally, the legislation extends this coverage for Medicare Part B, Medicare Advantage and Medicaid. Lastly, the legislation allows states to extend Medicaid eligibility to uninsured populations for the purposes of COVID-19 diagnostic testing, and requires the National Disaster Medical System to reimburse the costs of COVID-19 diagnostic testing provided to individuals without insurance.

Individual Reimbursement for Personal Protective Equipment

The legislation also requires certain personal respiratory protective devices to be treated as covered countermeasures under the PREP Act Declaration for the purposes of emergency use during the COVID-19 outbreak and ending October 1, 2024. The [PREP Act](#) provides compensation to individuals for serious physical injuries or deaths from pandemic, epidemic, or security countermeasures identified in a declaration issued by the HHS Secretary.

3. Presidential Emergency Declaration

On March 13, The President signed a National Emergency Declaration that will open up access to up to \$50 billion for states, territories and localities in the shared fight against COVID-19. It is explained in part in a March 13 [letter](#) on the Emergency Determination Under the Stafford Act from President Trump to the Secretaries of Homeland Security, Treasury, and Health and Human Services and the FEMA Administrator.

The President's letter indicates that while he did not declare a major disaster, he believes that requests for a major disaster declaration may be appropriate. With the President's action, governors are not required to make individual disaster declaration requests. They likely will need to make requests, however, to obtain a major disaster declaration. In the absence of a major disaster declaration, \$50 billion will not be available unless Congress appropriates that amount - available funding instead would be in the hundreds of millions.

The declaration was made through Section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act. Through it, FEMA will support HHS in its role as the lead federal agency for the ongoing COVID-19 pandemic response. FEMA is directed to assist state, local, tribal, and territorial governments and other eligible entities with the health and safety actions they take on behalf of the American public. The declaration does not provide direct financial assistance to individuals.

The emergency declaration does not change measures authorized under other federal statutes. FEMA actions will be in support of HHS and in coordination with state, tribal and territorial governments. Eligible emergency protective measures taken at the direction or guidance of public health officials in response to this emergency, and not supported by the authorities of another federal agency, will be reimbursed strictly under the FEMA Public Assistance program. Reimbursable activities typically include emergency protective measures such as the activation of State Emergency Operations Centers, National Guard costs, law enforcement and other measures necessary to protect public health and safety.

The [COVID-19 Emergency Declaration Fact Sheet](#) provides some additional information.

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