
Window On Washington - March 30, 2020, Vol. 4, Issue 13

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Outlook for This Week in the Nation's Capital

What's Next? With last week's passage of the CARES Act, the third COVID-19 response bill, the focus is shifting to how the legislation will be implemented, and how soon the Administration will begin distributing the hundreds of billions of dollars appropriated in the bill. Discussions about the possibility of a fourth response bill also began last week, and both the House and Senate are out of session until at least April 20. Last week, House Speaker Nancy Pelosi (D-CA) mentioned what she would want to see in such a bill, including clarity on who qualifies for family and medical leave; protections for health care workers; increased food stamp payments by 15 percent; increased funding for state and local governments; and free coronavirus testing and treatment. However, Republicans would like to wait to see how the CARES Act impacts the pandemic before moving on to a fourth response package.

FY21 Appropriations Schedule. While there have yet to be any official announcements from either the House or Senate Appropriations Committees on adjusted markup schedules for the FY21 appropriations bills, it is likely that the timeline will have to shift, with both the House and Senate being out for almost a month. The Senate Appropriations Committee is discussing the possibility of holding virtual hearings, or skipping the budget hearings all together, if it is not possible to conduct the hearings virtually. Senate Appropriations Committee leadership stated they would still like to try to follow regular order for all 12 bills, and to not default to any continuing resolutions.

2020 Election. As COVID-19 continues to spread, the number of states delaying their presidential primaries have increased, with many primaries now occurring on June 2, including Delaware, Pennsylvania, Ohio, Connecticut, Indiana, Maryland and Rhode Island. Between these delayed contests and the five originally scheduled primaries, June 2 is shaping up to become a second Super Tuesday.

Last Week in the Nation's Capital

CONGRESS

Budget & Appropriations

Pelosi Lays Out Democrats' Priorities for Next Round of Coronavirus Legislation: Speaker Nancy Pelosi (D-CA) last Thursday laid out Democratic demands for the next phase of the legislative coronavirus response — a day before the House voted on the CARES Act. ([Roll Call](#))

Coronavirus Economic Relief Package Provides \$93 Million Cash Infusion for Legislative Branch: Legislative Branch agencies would get a \$93.1 million infusion of cash through the emergency economic relief bill to mitigate the novel coronavirus, including millions to both help offices shift to working remotely and to sanitize the Capitol complex. ([Roll Call](#))

Health

Hospitals, Health Centers, Veterans Get Relief in Coronavirus Stimulus Bill: The bipartisan COVID-19 stimulus deal includes billions for hospitals and critical medical supplies as well as short-term funding for community health centers. ([Roll Call](#))

Defense

Senate Approves Coronavirus Relief Bill with \$10.5 Billion for Defense Department: The Senate approved a \$2 trillion emergency relief package to inject cash into the US economy that includes \$10.5 billion for the Defense Department — \$2.4 billion of which is to help blunt the impact of the coronavirus pandemic on DoD suppliers. ([Space News](#))

Senate Panel Switches to 'Paper Hearings' Amid Coronavirus Pandemic: The Senate Armed Services Committee is switching to what it's calling "paper hearings" in order to follow guidance on preventing the spread of the coronavirus while it tries to keep the annual defense policy bill on track. ([The Hill](#))

House Panel Formally Kicks Off Defense Bill Process Despite Coronavirus Pandemic: The leaders of the House Armed Services Committee have officially kicked off the process for crafting the annual defense policy bill, introducing the "by request" version. ([The Hill](#))

Labor & Workforce

Coronavirus Stimulus Paychecks Are on Their Way. But There May Be Kinks for Some Americans: Generally, individuals who earn \$75,000 or less qualify for \$1,200 one-time payments, while couples making \$150,000 or less may receive \$2,400. Dependent children are eligible for \$500 each. But there are caveats in the legislation that could make it harder for you to get the relief you need if your financial circumstances have recently changed. ([CNBC](#))

Banking & Housing

Congress Addresses Housing Crunch Amid Coronavirus Pandemic: H.R. 748 allocates more than \$12 billion in funding for federal housing and rental

assistance. The pandemic is hitting hardest in some of the most expensive housing markets in the country - New York, Seattle, San Francisco and Los Angeles - where governments were struggling with homelessness and affordable shelter long before the virus reached American shores. ([New York Times](#))

Fintech Lenders Find an Opening in \$2T Coronavirus Relief Package: Fintech lenders such as Kabbage and Funding Circle have been lobbying for Congress to pass legislation that would allow nonbanks to participate in the SBA's emergency loan program in an effort to help get cash to small businesses quicker. "The language does include opportunity for fintechs to support, but it's now up to the Treasury to finalize the definition." ([Banking Dive](#))

Washington Quietly Prepares a Bank Rescue — Just in Case: Lenders that the government saved in the 2008 financial crisis have been touting the strength of their balance sheets heading into the coronavirus pandemic. But Congress is backstopping them anyway with a provision in the bill that would give the Federal Deposit Insurance Corp. power to guarantee checking accounts beyond the \$250,000 in deposit insurance that it now offers bank customers. ([POLITICO](#))

Environment/Interior

Coronavirus Package Punts on Environmental Fights: The Senate moved ahead with a coronavirus emergency aid package free of controversial efforts to bolster the oil industry or measures to reduce the carbon footprint of the airline industry that threatened to spark protests on both sides of the aisle. ([The Hill](#))

Energy

Third Coronavirus Response Bill Includes Research Boost: Among its provisions for federal agencies, the CARES Act provides an additional \$99.5 million for the Department of Energy (DOE) in support of "access to scientific user facilities in the Office of Science and National Nuclear Security Administration, including equipment, enabling technologies, and personnel associated with the operations of those scientific user facilities." DOE is offering researchers access to its supercomputers through the COVID-19 HPC Consortium, and its light sources are being used for structural biology studies of the coronavirus. ([American Institute of Physics](#))

Education

House Approves Relief Package: The bill provides \$14 billion in funding for higher education institutions, half of which must be used for emergency grants to help students affected by the crisis. ([Inside Higher Ed](#))

Tax Reform

CARES Act – Relevant Tax Summary: The CARES Act is estimated to cost \$2.2 trillion dollars and contains numerous tax provisions aimed to benefit both individuals and businesses. This update provides a summary of the relevant tax sections contained in the CARES Act. ([National Law Review](#))

Homeland Security/Immigration

Funding for DHS and Other Agencies: The CARES ACT included \$178,300 for DHS to prevent, prepare for, and respond to the coronavirus. The bill also included \$100,000,000 for TSA, \$44,987,000 for FEMA, and \$45,000,000,000 for Disaster Relief Fund. ([Clark Hill Insight](#))

Agriculture

More Than \$25 Billion in Food Aid, but with a Caveat: The bill provides \$15.8 billion for the Supplemental Nutrition Assistance Program to cover an expected jump in applications as more workers are laid off. But Democrats were unable to secure the 15 percent boost to households' SNAP benefits they were seeking as a tradeoff for additional farm aid. ([POLITICO](#))

Transportation

CARES Act Includes \$61 Billion for Aviation Industry: The CARES Act included \$61 billion to the aviation sector as follows: \$29 billion in loans and loan guarantees for air carriers, Part 145 aircraft repair stations and ticket agents; \$32 billion in payroll protection grants for air carriers and their contractors; and relief to air carriers from federal excise taxes that apply to transporting passengers and cargo and the purchase of aviation jet fuel. ([National Law Review](#))

APTA: CARES Act Provides \$25 Billion, With Conditions: The CARES Act includes \$24.9 billion for public transit formula operating and capital grants to prevent, prepare for, and respond to COVID-19. The bill provides that the Federal Transit Administration (FTA) distribute the transit funds proportionally based on the ratio of funding of four specific programs: Urbanized Area Formula Grants; Rural Area Formula Grants; State-Of-Good-Repair (SOGR) formula grants; and Growing/High-Density States Formula Grants. ([Railway Age](#))

EXECUTIVE BRANCH

Budget & Appropriations

Trump Signs \$2T Coronavirus Relief Package: President Trump on Friday signed a bipartisan \$2 trillion economic relief package aimed at helping

American workers and businesses impacted by the coronavirus pandemic. ([The Hill](#))

Health/HHS/NIH

NIH, CDC to See Funding Boosts in Stimulus Bill: NIH received an additional \$945 million to combat Covid-19 under the Senate's economic relief package, bringing the agency's total influx of coronavirus money to nearly \$1.8 billion. ([Bloomberg Law](#))

Medicare Is Updating Coverage to Help in the Coronavirus Crisis: With its beneficiaries among the most at risk for Covid-19, the agency is relaxing some rules. Medicare already covers its enrollees for much of what they might need if they contract the virus and become seriously ill — and it has expanded some services and loosened some rules in response to the crisis. ([New York Times](#))

Top CDC Official Warns New York's Coronavirus Outbreak Is Just A Preview: In an exclusive interview, Dr. Anne Schuchat, the principal deputy director of the Centers for Disease Control and Prevention (CDC), said her agency is seeing early signs that the number of cases in other cities are already beginning to spike. While New York City is home to almost half the cases in the country at the moment, other cities are seeing their case counts rising at alarming rates. ([The Hill](#))

Defense/DOD

Trump Bucks Business on Defense Production Act: President Trump last Friday bucked the US business community by using the Defense Production Act (DPA) to order General Motors to ramp up production of life-saving ventilators. ([The Hill](#))

DOJ

Barr Calls Reports DOJ Sought Emergency Powers amid Coronavirus Crisis 'Nonsense': Attorney General William Barr last Thursday denied reports that the Department of Justice is seeking new emergency powers for itself amid the coronavirus outbreak that would suspend certain rights in criminal matters and potentially detain people indefinitely without trial, saying, "It's cockamamie nonsense." ([Fox News](#))

DOJ Charges Venezuela's Maduro with Drug Trafficking: Attorney General William Barr announced Thursday the indictment of Venezuelan President Nicolás Maduro and other top officials for crimes related to drug trafficking. ([The Hill](#))

Labor and Workforce

Jobless Claims Soar Past 3 Million to Record High: Americans displaced by the coronavirus crisis filed unemployment claims in record numbers over the past week, with the Labor Department reporting last Thursday a surge to 3.28 million. ([CNBC](#))

Dept. of Ed

DeVos Halts Collection of Defaulted Federal Student Loans: The Trump administration has stopped seizing the wages, tax refunds and Social Security benefits of people who are in default on their federal student loans. ([Politico](#))

Trade

Trump's Trade War Exacerbated Shortage of Medical Equipment: Trade experts accuse President Donald Trump of politicizing the pandemic and risking the lives of first responders by continuing to wage his trade war against China. ([NBC News](#))

DHS/Immigration

TSA Closing Checkpoints as Traveler Numbers Fall, Coronavirus Cases Among Officers Rise: The agency said Friday that it will begin supplying its officers with the N95 respirator masks that health care workers use as one form of protection against the virus. Officers were previously allowed to wear some masks, but not the N95. ([CNN](#))

Environment/EPA/DOI

EPA Suspends Enforcement of Environmental Laws amid Coronavirus: The Environmental Protection Agency (EPA) issued a sweeping suspension of its enforcement of environmental laws last Thursday, telling companies they would not need to meet environmental standards during the coronavirus outbreak. ([The Hill](#))

Agriculture/USDA

H-2A System Gets Reprieve: USDA announced late last Thursday that the State Department and the Department of Homeland Security have agreed to waive in-person interview requirements for H-2A and H-2B visa applicants, which are for agricultural workers. ([POLITICO](#))

USDA, USTR Cite Progress on Farm Provisions of US-China Trade Deal: The United States and China have made progress in implementing the agriculture-related provisions of a Phase 1 trade deal that took effect on Feb. 14, the U.S. Department of Agriculture (USDA) and US Trade Representative said last Tuesday. ([Reuters](#))

Space/NASA & NOAA

Air Force, Space Force Procurement Offices Try to Keep Programs Moving During Pandemic: Big-ticket contracts for space launch services and for the development of a new intercontinental ballistic missile are scheduled to be awarded this year, and that is still the plan, senior officials said. ([Space News](#))

NASA Looking to Play Greater Role in Coronavirus Pandemic Response: NASA is looking for ways to leverage its expertise and capabilities to support the federal government's response to the coronavirus pandemic, while agency leaders said they would not rush to reopen centers. ([Space News](#))

Tax Reform/IRS

IRS Will Ease Tax Payment Guidelines & Limit Collections Activities During COVID-19 Crisis: The Internal Revenue Service (IRS) has announced a series of steps to assist taxpayers impacted by COVID-19. Relief ranges from easing payment guidelines to postponing compliance actions. ([IRS.gov](#))

Cyber

Experts See Over 600 Percent Spike in Malicious Emails During Coronavirus Crisis: Malicious emails that used coronavirus information to target individuals spiked over the past month as the crisis ramped up, according to a report from cyber threat researchers at Barracuda Networks released last Thursday. ([The Hill](#))

Baking & Housing/HUD

Federal Reserve Taps Blackrock to Manage Bond Purchases: The nation's central bank said it tapped BlackRock, the world's largest asset manager, to help oversee the Fed's efforts to stabilize the bond market amid the economic turmoil caused by the coronavirus pandemic. ([New York Times](#))

Fed Breaks the Bank in Bid to Rescue Economy: In just over a week, the Fed has slashed its main borrowing rate to zero, pledged unlimited purchases of US government bonds, announced plans to back state and local governments, and even promised to buy debt from large corporations. It has said it will set up a program to lend to small businesses and eased pressure on rates for student loans, auto loans and credit card debt. ([POLITICO](#))