

TO: NAW Direct Members

FROM: NAW Government Relations Team

DATE: April 22, 2020

## **1. Update on Congressional “Phase 3.5” Coronavirus Relief Funding**

Yesterday, the Senate passed \$484 billion in new pandemic relief funds to bolster a tapped-out small business aid program, pay for coronavirus testing and help hospitals overwhelmed by sick patients. NAW strongly supported this legislation and urged quick action in the Senate to pass this necessary funding for the small business Paycheck Protection Program. We now urge the Members in the House to do the same.

The bill includes \$320 billion for the Paycheck Protection Program designed to help struggling small businesses keep their workers on the payroll. The program has already committed all of the \$350 billion allocated when it was created a few weeks ago.

The House is currently scheduled to vote and pass the bill tomorrow. President Trump has said he will immediately sign the relief bill after passage in the House.

To address voting on future legislation, the House Rules Committee was scheduled to meet today on a measure to authorize voting by proxy in the House. Proxy voting would allow lawmakers who are absent to instruct a fellow Member who is on the Hill to cast ballots on the floor in their behalf. Despite Republican opposition, the plan was expected to go to the floor tomorrow for a vote. Instead, Speaker Pelosi and Leader McCarthy announced this morning that they will create a bipartisan group to study proxy voting as part of a way to re-open the House.

## **2. Update on Next Round of Coronavirus Relief Funding**

As the House prepares to vote tomorrow on the “Phase 3.5” funding relief bill, lawmakers in both chambers are already turning their attention to the next funding relief package. Yesterday, Speaker Pelosi and other Senate Democrat Leaders called for Congress to begin thinking about “CARES 2.0” legislation. However, Senate Leader McConnell and other Senate Republicans are urging caution due to the massive amount of debt the U.S. is adding.

“The virus bailouts have already cost over \$2 trillion. Our annual deficit this year will approach \$4 trillion. We can’t continue on this course,” Senator Rand Paul said on the Senate floor as he stood to oppose the interim relief package.

Leader McConnell said yesterday, “Additional legislation should ‘fix urgent problems’ instead of advance ‘preexisting partisan wish lists’ ... the Senate is prepared to stand by the American people, watching the CARES Act go into effect and adding funding when necessary to key programs that are working well.”

The Democrat wish list so far includes billions in funding to state and local governments, infrastructure spending, election security and reform, hazard pay for essential workers, including doctors, nurses and grocery store clerks, and funding for the U.S. Postal Service. Republicans are also pushing for reforms to the Paycheck Protection Program. Senator Rick Scott wants to restrict PPP loans to only businesses that show a substantial reduction in revenue due to the coronavirus. There is even bipartisan support for shoring up cash-strapped employer-sponsored pension programs.

As of today, the Senate and House are scheduled to return the week of May 4th. Some lawmakers, including House Minority Leader McCarthy, are expressing impatience about getting back to work. In an interview yesterday, Senate Leader McConnell made it clear that the full Senate must be in session before Congress begins discussion on the next relief package.

We will continue to update you on any further developments or conversations regarding “Cares 2.0.”

### **3. Update on the Economic Injury Disaster Loan (EIDL) Program**

As we reported yesterday, the “Phase 3.5” funding relief bill is expected to pass the House tomorrow and be quickly signed by the President. The bill includes an additional \$60 billion for the EIDL program.

However, the SBA has reported that they received between 3 and 4 million applications at the beginning of the COVID response and that the additional funding will not begin to cover the loan applications already submitted to the SBA. As of April 20th, the SBA reported that it had processed 26,919 loans totaling \$5,566,913,700.

To view the SBA report, go to:

[https://www.sba.gov/sites/default/files/2020-04/EIDL%20COVID-19%20Loans%204.20.20.pdf?mc\\_cid=769974d155&mc\\_eid=7faf68f6ad](https://www.sba.gov/sites/default/files/2020-04/EIDL%20COVID-19%20Loans%204.20.20.pdf?mc_cid=769974d155&mc_eid=7faf68f6ad)

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Many thanks—

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