



April 23, 2020

The Interim Emergency Coronavirus Relief Package
Democrats Improved Paycheck Protection Program to Ensure Access for Small Businesses in Underserved Areas and Won Robust Funding for Hospitals, Health Care Workers, and Testing

Key Points:

- Today, the House will consider, under suspension of the rules, the Interim Emergency Coronavirus Relief Package – otherwise known as “The Paycheck Protection Program and Health Care Enhancement Act.” Passage by the House under suspension requires a two-thirds majority vote. The Senate passed the legislation by unanimous consent on Tuesday.
- On Tuesday, Congressional Democrats secured an agreement on this interim emergency funding package that will provide the emergency resources that are desperately needed to sustain the life-and-death fight to protect the lives and livelihoods of the American people.
- Democrats should be proud that we were successful in flipping this emergency package from an inadequate Republican plan that left behind hospitals and health care workers and did nothing to aid the survival of the most vulnerable small businesses on Main Street into a better bill that better meets the needs of the American people – following the path set by the bipartisan CARES Act.
- The Republican plan, introduced by Senator McConnell on April 8, was a one-sentence bill, simply providing an additional \$250 billion for the Paycheck Protection Program (PPP) for small businesses, created by the bipartisan CARES Act, with no improvements to PPP.
- As a result of Democrats’ efforts, the final bill passed by the Senate and being considered by the House today:
 - Makes improvements in the Paycheck Protection Program (PPP) by setting aside \$60 billion within PPP to ensure access to this assistance for many small businesses in underserved rural and urban areas that have been unable to participate in the program so far.
 - Strengthens the Paycheck Protection Program by providing \$310 billion in additional funding, more than the \$250 billion requested by Sen. McConnell.
 - Expands small business support beyond the PPP program by securing \$50 billion for SBA disaster lending, translating into more than \$350 billion in loans, and \$10 billion for SBA disaster grants.
 - Provides \$75 billion for our hospitals and our health care workers, which can be used to meet such needs as Personal Protective Equipment (PPE) for our brave health care workers.
 - Provides \$25 billion to expand COVID-19 testing, which is the key to reopening our economy and resuming our lives. Also requires the Administration to submit to Congress a federal COVID-19 strategic testing plan.

Some of the Key Provisions of the Bill

KEY SMALL BUSINESS IMPROVEMENT PROVISIONS IN THE BILL

- **The Need to Improve the Paycheck Protection Program:** In this bill, Democrats prioritized and secured key improvements to expand access to assistance for small businesses in underserved areas, including

rural, minority-owned, and underbanked businesses. We have heard from small business owners across the country who, because they didn't have a pre-existing relationship with a larger bank or because the lender in their community is not participating in the program, have been unable to access PPP funding.

- **Democrats Won Key Funding to Make Improvements to PPP:** The bill makes key improvements in the PPP program that will provide access to underserved small businesses and nonprofits who have been unable to access PPP funds up until now. These improvements include:
 - **\$60 Billion Set-Aside for Smaller Lenders:** The bill provides a \$60 billion set-aside within PPP for small and mid-sized banks and credit unions as well as community-based lending institutions. This set-aside funding will help ensure that unbanked and underserved businesses can get access to PPP. This includes minority-owned businesses, rural businesses, small mom and pop businesses, and smaller nonprofits that too often have been pushed to the back of the line.
 - **The \$60 Billion Set-Aside Is Broken Down as Follows:**
 - \$30 Billion to Community-Based Lenders:** \$30 billion will be dedicated to community-based lenders, specifically including Community Development Financial Institutions (CDFIs), Minority Depository Institutions, SBA microlenders, certified development companies/SBA 504 lenders, as well as the smallest credit unions and banks with assets under \$10 billion.
 - \$30 Billion to Mid-Sized Lenders:** \$30 billion will be dedicated to mid-sized credit unions and banks with assets between \$10 billion and \$50 billion.
- **Democrats Also Won \$50 Billion for SBA's Economic Injury Disaster Loan (EIDL) Program, Which Has Also Run Out of Funding:** This emergency loan program provides flexible assistance to COVID-19-affected small businesses to cover operating expenses, including payroll and fixed costs like rent and utilities. This program is facing the same high demand as PPP. Indeed, SBA announced it was no longer accepting applications for this program because it had run out of funding. This bill provides \$50 billion in EIDL program subsidy that will support over \$350 billion in new disaster loans directly from SBA. (The original McConnell bill supported by Senate Republicans did not provide any funding for the EIDL program.)
- **In Addition, Democrats Also Won \$10 Billion for SBA's EIDL Grant Program, Which Has Also Run Out of Funding:** The bill provides \$10 billion for the EIDL grant program, which offers up to \$10,000 in cash advances for immediate relief to small businesses and eligible nonprofits that apply for an EIDL loan. The cash advance does not have to be paid back. (The original McConnell bill supported by Senate Republicans did not provide any funding for the grant program.)
- **Democrats Also Won A Provision Making Farmers and Other Agricultural Enterprises Now Eligible for the EIDL Program:** The bill adds agricultural enterprises under 500 employees as an eligible recipient for grants of up to \$10,000 and low-interest loans of up to \$2 million through the SBA's EIDL program. (The original McConnell bill supported by Senate Republicans did not include this provision.)

KEY HOSPITAL, HEALTH CARE WORKERS, AND TESTING PROVISIONS IN THE BILL

Key Hospital and Health Care Worker Provisions

- **Democrats Won \$75 Billion for Hospitals and Health Care Workers:** The bill provides \$75 billion to reimburse hospitals and other health care providers for health care related expenses or lost revenue attributable to COVID-19. This funding can be used for such purposes as desperately needed Personal Protective Equipment (PPE) for our health care workers. This funding is in addition to the \$100 billion that was provided for this same purpose in the CARES Act. (The original McConnell bill did not include any funding for hospitals and health care workers.)

Key Testing Provisions

- **Within 30 Days of Enactment, Requires A Federal COVID-19 Strategic Testing Plan:** The bill requires

the Secretary of HHS, no later than 30 days after the date of enactment, to submit to Congress a COVID-19 Strategic Testing Plan. The plan is to focus on increasing domestic testing capacity including testing supplies. The plan is to be updated every 90 days. The plan must include the following:

- Assistance to states, localities, territories, tribes, tribal organizations, and urban Indian health organizations in testing for both active infection and prior exposure, including hospital-based testing, high-complexity laboratory testing, point-of-care testing, mobile testing, and other settings.
 - An estimate of testing production, including new technologies.
 - Guidelines for testing.
 - A plan to increase domestic testing capacity, including testing supplies.
 - A plan to address disparities in testing.
 - Outline the federal resources available to support the testing plans of each state, locality, territory, tribe, tribal organization, and urban Indian Health organization.
- **Within 21 Days of Enactment, Requires A Federal Report With Demographic Data on COVID-19:** The bill requires the Secretary of HHS, no later than 21 days after the date of enactment, to submit a report to Congress on the number of cases, hospitalizations, and deaths related to COVID-19, including de-identified data disaggregated by race, ethnicity, age, sex, geographic region, and other relevant factors. The report must be updated every 30 days.
 - **Within 180 Days of Enactment, Requires An Additional Federal Report with Demographic Data on COVID-19:** The bill requires the Secretary of HHS, no later than 180 days after the date of enactment, to submit a report to Congress on the number of positive diagnoses, hospitalizations, and deaths as a result of COVID-19, including data disaggregated nationally by race, ethnicity, age, sex, geographic region, and other relevant factors. The report must also include an epidemiological analysis of such data.
 - **Finally, Democrats Won \$25 Billion for Expenses Related to Expanding COVID-19 Testing:** This funding includes covering expenses related to research, development, validation, manufacturing, purchasing, administering, or expanding capacity for COVID-19 testing. (The original McConnell bill supported by Senate Republicans, did not include any funding for expanding testing.) The \$25 billion includes the following:
 - **\$11 Billion for States, Localities, Territories, and Tribes for COVID-19 Testing and Related Activities:** The \$11 billion can be used for necessary expenses to develop, purchase, administer, process and analyze COVID-19 tests, including support for the workforce, epidemiology, use by employers, scaling up testing, conducting surveillance, conducting contact tracing, and other related testing activities.
 - **\$1 Billion for CDC:** The \$1 billion is to be used for surveillance, epidemiology, contact tracing, and other activities to support testing.
 - **\$1.8 Billion for NIH:** The \$1.8 billion is to be used to accelerate development of point-of-care and rapid diagnostic technologies.
 - **\$1 billion for the Biomedical Advanced Research and Development Authority (BARDA):** The \$1 billion is to be used to accelerate development of point-of-care and rapid diagnostic technologies.
 - **\$22 Million for FDA:** The \$22 million is to be used by FDA for its role in accelerating development and approval of point-of-care and rapid diagnostics technologies.
 - **\$600 Million for Community Health Centers:** The \$600 million for Community Health Centers is to be used to support COVID-19 testing.
 - **\$225 Million for Rural Health Clinics:** The \$225 million for Rural Health Clinics is to be used to support COVID-19 testing.
 - **\$1 Billion for Testing For the Uninsured:** This \$1 billion is to cover the cost of testing the uninsured.