



April 1, 2020

ACG Coronavirus Update

OVERVIEW

- Georgia, Michigan and Oklahoma rank among the lowest in the nation in per-capita testing rates, despite increase in the nation's testing capacity. Meanwhile, the Treasury Department continues to release detailed terms of the new federally funded loan program to help small business owners.

NEW RESOURCES

- [The CARES Act Relief Funds Toolkit](#)
- [ACG's Title One Call with Josh Duncan and Philip Todd](#)
- [Treasury Application for The Paycheck Protection Program for Small Businesses](#)
 - [Top-line overview of the program](#)
 - [Information for lenders](#)
 - [Information for borrowers](#)
- [Employee Retention Credit Information](#)
- [Critical Infrastructure Investments to Overcome Coronavirus & Support Economic Recovery](#)

ADMINISTRATION

- This morning, Treasury Secretary Mnuchin appeared on CNBC and stated that the [\\$349 Billion Small Business Paycheck Protection Program \(PPP\)](#) will be up and running tomorrow and encouraged every small business to contact their lender and enroll in the program. Mnuchin indicated if the PPP program runs out of money, “it will be on the top of his list to go back to congress on [to ask for more money].” He also highlighted how the government will provide additional time to make payments for government-backed mortgages (FHA and GSE Loans). When asked about the ripple effect on the mortgage market, Mnuchin said it will be dealt with on a bank-by-bank basis. Mnuchin said he could not comment on specifics of the upcoming rollout of the Main Street Lending Program or when the program will go live for midsize businesses. Finally, Mnuchin assured that the Treasury and the Fed are looking at programs for state and local governments. Watch the full interview [here](#).
- The Treasury Department and the Internal Revenue Service [launched](#) the Employee Retention Credit, designed to encourage businesses to keep employees on their payroll. The refundable tax credit is 50 percent of up to \$10,000 in wages paid by an eligible employer whose business has been financially impacted by COVID-19.
- The Treasury Department released a readout of the March 30th Call of the Task Force on Nonbank Mortgage Liquidity. The group heard a presentation on market conditions and the actions taken recently by Ginnie Mae to support servicers that participate in its programs. Ginnie

Mae and the Federal Housing Finance Agency will continue to monitor closely the markets and the condition of the nonbank entities that service Ginnie Mae, Fannie Mae and Freddie Mac MBS. Read more [here](#).

- The Internal Revenue Service has posted information on the refundable tax credits to reimburse small and midsize employers for the cost of providing paid sick and family leave wages to their employees for leave related to COVID-19, as provided by the Families First Coronavirus Response Act (FFCRA). More info. [here](#).
- Some airlines [say](#) they plan to ask the Transportation Department for a temporary relaxation of competition rules to allow them to share passengers and divide up flying. The rules on the \$50 billion in aid prevent anticompetitive behavior. The union that represents flight attendants at United Airlines and several other carriers said the Transportation Department should do more to cut down on “redundant service that puts airline workers at unnecessary risk.”
- U.S. officials have exempted more medical items from the tariffs that President Donald Trump imposed on Chinese goods, according to the [Federal Register notice](#). The U.S. Chamber of Commerce has urged the United States Trade Representative (USTR) to exempt all medical equipment from the Section 301 tariffs Trump imposed on imports from China. However, USTR denied placing tariffs on medical goods and [stated](#), “In imposing tariffs on goods from China as part of the Section 301 action, the United States determined to not impose tariffs on certain critical products such as ventilators, oxygen masks, and nubilators.” USTR has opened a new public comment period to consider additional tariff exemptions. The latest round of exemptions included some nonmedical items such as athletic and recreational headgear, lighting equipment, and certain monitors.
- The administration will not be [opening](#) a special enrollment period for people to sign up for health insurance under the Affordable Care Act. White House officials have considered opening enrollment to increase coverage amid the pandemic. Some states that run their own exchanges have reopened enrollment; however, the administration has authority over enrollment in two-thirds of state. A White House official said the administration will be “exploring other options.”
- The Pentagon [said](#) they have not shipped the 2,000 ventilators in military stocks, stating the Federal Emergency Management Agency (FEMA) and the Department of Health and Human Services (HHS) have not asked for them or provided a shipping location.
- Palantir is [working](#) on a project with the Centers for Disease Control and Prevention (CDC) to analyze the spread of COVID-19 and hospital capacity to deal with the surge in cases. The model attempts to identify the location for the next outbreak, so CDC can predict what resources are required. “In the U.S. we are continuing to work closely with our partners at HHS, including CDC, and across the government agencies to ensure they have the most comprehensive, accurate and timely view of information as the COVID-19 response effort evolves,” a Palantir spokesperson said.

CONGRESS

- Senate Democrats are [urging](#) the White House to nominate an inspector general to oversee the \$500 billion funding program “without delay.” The new Special Inspector General for Pandemic Recovery (SIGPR) must be nominated by the White House and confirmed by the Senate. The [letter](#), signed by Senate Minority Leader Charles E. Schumer (D-NY), Senate Banking

Committee Ranking Member Sherrod Brown (D-OH), and Senate Finance Committee Ranking Member Ron Wyden (D-OR) states, “[Treasury Secretary Steven Mnuchin], on behalf of the Administration, negotiated and agreed to the scope and terms of the SIGPR authority, both generally to Congress and to each of us personally.”

- Speaker of the House Nancy Pelosi (D-CA) indicated that the lower chamber has started drafting phase four of coronavirus legislation. The legislation will build on a [\\$760 billion infrastructure proposal](#) unveiled by the Democrats in January, which features new funding for roads, high-speed rail, airports and broadband networks around the country. The [proposal](#) also includes an extra \$10 billion dollars for the community health centers. President Trump tweeted support for an infrastructure package Tuesday morning writing, “With interest rates for the United States being at ZERO, this is the time to do our decades long awaited Infrastructure Bill. It should be VERY BIG & BOLD, Two Trillion Dollars, and be focused solely on jobs and rebuilding the once great infrastructure of our Country! Phase 4.” Congress will work on the legislation in the coming weeks and Pelosi suggested a vote in late April.
- Today, Senator Maggie Hassan (D-NH) and Senate Banking Committee Ranking Member Sherrod Brown (D-OH) led 41 senators in a letter asking the White House to clarify [guidance](#) instructing seniors to file a tax return in order to receive the economic stimulus payment provided by the CARES Act. The letter raises concern that the filing requirement “would place a significant burden on retired seniors and individuals who experience disabilities, especially given the current unavailability of tax filing assistance from Volunteer Income Tax Assistance and Tax Counseling for the Elderly programs during the COVID-19 crisis.” Read the full letter [here](#).

Health Care

- The National Security Council is [urging](#) health officials to allow coronavirus patients to be treated with a Japanese flu drug, Avigan. The drug has not been approved for use in the U.S. and health officials are worried about birth defects and other risks.
- Becton Dickinson & Co. and BioMedomics [said](#) Tuesday that they will introduce a new test that can detect current or past exposure to the novel coronavirus in roughly 15 minutes and will begin shipping the tests in April. The test is permitted for distribution and use under the fast-tracked emergency guidelines of the FDA.

ADDITIONAL RESOURCES

- [Guidelines and Application Procedures for Payroll Support to Air Carriers and Contractors under Division A, Title IV, Subtitle B of the CARES Act](#)
- [Procedures and Minimum Requirements for Loans to Air Carriers and Eligible Businesses and National Security Businesses under Division A, Title IV, Subtitle A of the CARES Act](#)
- [COVID-19 Projections](#)
- [The CARES Act Relief Funds Toolkit](#)
- [FAQ document Sen. Marco Rubio’s Office](#)
- [CARES Act](#)
 - [Unemployment Insurance Provisions one-pager](#)
 - [Small Business Loan Provisions one-pager](#)
 - [Title IV one-pager](#)
 - [Key Tax Provisions Summary](#)
- [Paycheck Protection Program and EIDL Grant Flowchart](#)

- [Congressional Research Service: CARES Act](#)
- [Recording of ACG & ACGA Policy Call: The Great American Stimulus](#)
- [Q&A Coronavirus Policy Briefing](#)
- [Coronavirus International Travel Updates](#) and [A Guide to State Coronavirus Lockdowns](#)
- [COVID-19 Treatment and Vaccine Tracker](#)
- [Guidance on the Essential Critical Infrastructure Workforce](#)
- [Summary of Families First Coronavirus Response Act \(H.R. 6201\)](#)
- [List of House Democrats Coronavirus staff points of contact](#)
- [COVID-19 Media updates](#)
- [The Johns Hopkins Tracker](#)