



## JFNA Washington Office Analysis of COVID-19 Response Measures

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The White House and Congress have undertaken several measures to address the public health needs and economic fallout of the coronavirus outbreak.

### I. ADMINISTRATION ACTION:

On March 13<sup>th</sup>, President Trump declared a national emergency, allowing the federal government to quickly free up nearly \$40 billion in federal aid for local municipalities and states through the Federal Emergency Management Agency (FEMA) to use to combat the virus. This funding can be applied to tests, medical facilities, and other supplies. The President also simultaneously announced several proposed initiatives including waiving student-loan interest, purchasing large quantities of oil for the national oil reserves, setting up provisions for drive-through testing, and authorizing the U.S. Department of Health and Human Services (HHS) to waive certain hospital regulations.

Last week, President Trump also ordered that \$50 billion be made immediately available by the U.S. Small Business Administration (SBA) for low-interest economic injury disaster loans. These loans are for small businesses, agricultural cooperatives, aquaculture enterprises and nonprofits affected by disaster to help meet working capital needs or normal business operating expenses through the recovery period. Businesses are eligible for these loans of up to \$2 million regardless of whether or not they have suffered property damage. If you have questions about the applicability of the SBA loans to your organization, please contact [Steve.Gross@JewishFederations.org](mailto:Steve.Gross@JewishFederations.org).

The U.S. Citizenship and Naturalization Services (USCIS) issued a COVID-19-related alert regarding the implementation of new standards for immigration public charge decisions. It encourages all immigrants with symptoms that resemble COVID-19 to seek necessary medical treatment or preventive services. Importantly, it clarifies that such treatment or preventive services will not negatively affect any immigrants' future public charge determination, even if such treatment is provided or paid for by one or more public benefits, as defined in the rule (Medicaid, for example). In addition, the USCIS will take into consideration circumstances, such as social distancing and quarantine, that prevent the immigrant from working or attending school, and therefore results in the immigrant relying on public benefits for the duration of the COVID-19 outbreak and recovery phase.

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## II. CONGRESSIONAL ACTION

Earlier today, the Senate joined the House of Representatives in and passed a second multi-billion dollar tax-and-spending package (see description of first package below) aimed at beginning to address the health and human service implications and economic fallout from the global coronavirus outbreak. President Trump has indicated he will sign the bill. The Families First Coronavirus Response Act (H.R. 6201) provides paid leave for employees affected by the coronavirus, expanded unemployment benefits and access to free coronavirus testing, increased federal Medicaid funding to states, and additional money and more flexibility for federal nutrition programs to meet these emergency needs. In addition, the bill adopts new tax credits for employers to offset the costs of providing emergency paid sick and family and medical leave.

### Health Provisions:

- 6.2% Increase in State Medicaid Reimbursement Rates: States are now eligible for a 6.2 percent increase in their federal medical assistance percentages (FMAP), the primary way that the federal government supports state Medicaid programs. The 6.2 percent increase is the same figure used in the American Recovery and Reinvestment Act of 2009, the economic bailout legislation enacted during the last recession and this resulted in an estimated funding bump of \$1.2 billion to Federations and partner agencies at that time. These additional Medicaid funds are crucial for the program's survival during disasters, public health emergencies, and economic downturns. The additional funds are not applicable if a state enforces cost sharing.
- Free Coronavirus Testing: Private and public insurers (e.g., Medicare, Medicaid, CHIP and other federal health programs) are now required to cover coronavirus tests and related services without cost-sharing or prior authorization requirements. States will receive 100% federal funding for the cost of providing these services to those without insurance.
- \$1 billion Funding Increase for the Public Health and Social Services Emergency Fund: This helps drive our nation's medical and public health preparedness for, response to, and recovery from disasters and public health emergencies.

### Nutrition:

- Funding Increases: The measure appropriates \$250 million for the Department of Health and Human Services for nutrition programs falling under the Older Americans Act with \$160 million for home-delivered nutrition services; \$80 million for congregate nutrition services that provide food in group settings; and \$10 million for nutrition services for American Indians. At the Department of

Agriculture, the legislation provides \$500 million for the Women, Infant, Child Nutrition Program (WIC) and \$400 million for the Commodity Assistance Program for the emergency food assistance program (TEFAP), \$100 million of which could be used for costs related to the distribution of goods. **TEFAP provides significant resources to kosher food banks.**

- Flexibility for States to Administer SNAP: The legislation provides waiver authority to allow states to adjust their Supplemental Nutrition Assistance programs to provide aid either in the form of food commodities or electronic benefits to households with children eligible for free or reduced school meals when schools are closed for at least five days. The legislation temporarily waives federal work requirements for SNAP eligibility during the declaration period of the national emergency.
- Flexibility for School Meals: The legislation allows the Department of Agriculture to waive requirements for several food programs including the National School Lunch Program, the School Breakfast Program and Summer Food Service Program to ensure that meals can be provided during the emergency and to allow a higher federal reimbursement share for the cost of school meals.

### **Support for Employers and Employees:**

- Paid Emergency Sick Leave and Family Leave: The legislation creates emergency paid sick leave, as well as paid family leave in the case of school closures, for working families impacted by COVID-19. It does so by requiring employers, including nonprofits, with up to 500 employees to provide paid sick leave and paid family leave, while providing a refundable payroll tax credit to employers to cover the cost of wages. There is also a refundable income tax credit for self-employed individuals. Employers must offer two weeks (10 days) of paid sick leave for COVID-19-related reasons (existing leave offered can count towards the 10 days). The paid sick leave credit offsets employer costs for providing mandated paid sick leave.
- Employers must offer 12 weeks of paid family leave for an employee with a minor child in the event of the closure of the child's school or place of care. The first 10 days are unpaid, but the employee can overlap this with the 10 days of paid sick leave. The paid family leave credit offsets employer costs for providing mandated paid family leave. The Department of Labor can issue regulations to exempt small businesses with fewer than 50 employees from the paid leave requirements if the cost would jeopardize the viability of the businesses. Certain health care workers and first responders can also be excluded by regulation. Effective immediately, these provisions expire on December 31, 2020.
- Unemployment Insurance: The measure provides as much as \$1 billion for emergency transfers to states in FY 2020 to process and pay unemployment

benefits. Each state will receive a proportional amount based on the share of federal unemployment taxes paid by its employers. While regular unemployment benefits in most states last for up to 26 weeks, now individuals in states with rising unemployment can qualify for an additional 13 weeks of benefits through an Extended Benefits (EB) program for the remainder of 2020.

### **III. PREVIOUS LEGISLATION**

The Families First Coronavirus Response Act is the second corona-related bill passed by Congress. Congress previously approved the Coronavirus Preparedness and Response Supplemental Appropriations Act of 2020 (Pub. L. 116-123) on March 4, and President Trump signed it into law two days later. That legislation provides \$8.3 billion to enable the Federal government to fight COVID-19 and mitigate its impact. This is a larger amount than Congress appropriated for the H1N1 flu (\$7 billion in 2009) or the Ebola crisis (\$5.4 billion in 2014) and most of these supplemental appropriations are allocated for a domestic response. Most of the funding is directed to HHS for the Public Health and Social Services Emergency Fund, the Centers for Disease Control and Prevention, the Institute of Allergy and Infectious Diseases within the National Institutes of Health, and the Biomedical Advanced Research and Development Authority for the research, development, approval and purchase of vaccines, therapeutics, and diagnostics related to COVID-19. The legislation also allows HHS to temporarily waive Medicare requirements related to telehealth.

### **IV. FUTURE CONGRESSIONAL ACTION**

Congress has now passed two large pieces of corona-related legislation. Although Members and most staff are now working remotely, Congress is already considering additional legislation to help individuals survive the pandemic and to lessen its burden on the overall economy. The Jewish Federations of North America is gathering your input and will advocate for our collective priorities and the interests of charities and other nonprofits to ensure that they are included in a third legislative package.

For further information, please contact [Stephan Kline](#) or [Darcy Hirsh](#).