

COVID-19 POLICY UPDATE: U.S. FEDERAL GOVERNMENT EVALUATES OPTIONS TO MITIGATE THE IMPACT OF CORONAVIRUS

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The Federal Government is evaluating options to mitigate the health and economic impact of the coronavirus. As reported in our previous alert ([here](#)), President Trump signed into law an \$8.3 billion supplemental funding package (H.R. 6074) last week to combat the coronavirus, which provides additional funding to various departments and agencies. As the impact of the coronavirus continues to unfold in the United States, the White House and Congress are working on potential additional measures to help individuals and industries most impacted. With Congress currently scheduled to go into recess next week, the White House and House and Senate leaders are working on proposals, with potential votes for when Congress returns.

CORONAVIRUS RESPONSES

The White House is working on an economic package to mitigate the impact of the coronavirus. President Trump said at a briefing on March 9 that the package could include a temporary payroll tax cut and paid leave for hourly employees. The President also indicated that he is considering a proposal to create loans for small businesses and that he was coordinating on other measures with some of the most impacted industries, including the airline and tourism industries.

The House and Senate are also working on potential legislative responses to the coronavirus. House Speaker Nancy Pelosi (D-CA) and Senate Minority Leader Chuck Schumer (D-NY) issued a joint statement outlining their priorities, which include increased access to testing and treatment, increased capacity of medical systems, paid sick leave, enhanced unemployment insurance, food security, anti-price gouging protections, among others. Speaker Pelosi met with House Committee Chairs Richard Neal (D-MA), Frank Pallone (D-NJ), Nita Lowey (D-NY), and Bobby Scott (D-VA) last night to discuss a potential legislative package. Senate Finance Committee Chairman Chuck Grassley (R-IA) is also said to be exploring the possibility of targeted tax relief measures. Although specifics are not yet available, a spokesman for the Chairman indicated that the committee is exploring options within its jurisdiction to help certain industries and the overall economy.

House and Senate leaders are hoping to finalize a proposal by the end of this week before Congress is scheduled to go into recess. Speaker Pelosi has suggested that the House intends to vote when it returns from recess.

TIMING CONSIDERATIONS

Importantly, action on any legislative package could be disrupted by the potential impact of the coronavirus on the U.S. Capitol. Over the weekend, officials reported the first confirmed case of coronavirus in Washington, D.C. Several policymakers have opted to self-quarantine after being exposed to individuals who became symptomatic, including Senator Ted Cruz (R-TX), Rep. Paul Gosar (R-AZ), Rep. Matt Gaetz (R-FL), Rep. Doug Collins (R-GA), Rep. Julia Brownley (D-CA), and Rep. Mark Meadows (R-NC) whom President Trump recently named as his new Chief of Staff. Some of these lawmakers have been in recent contact with President Trump.

On March 9, it was reported that Members were urging House leaders to consider a longer-term recess. While acknowledging that there were concerns about a potential spread, House Majority Leader Steny Hoyer (D-MD) indicated that there were no set plans to cancel sessions and that Congress needed to be in Washington to pass a legislative package to address the coronavirus. We understand House and Senate leaders are working on a preparedness plan for daily operations.

CONGRESSIONAL OVERSIGHT

Meanwhile, House and Senate committees continue to explore the impact of the coronavirus and the federal response to the outbreak. The House Small Business Committee and the Senate Small Business Committee are holding hearings to discuss the effect of the coronavirus on small businesses. In addition, the House Oversight and Reform Committee is holding a hearing on U.S. biodefense and response to the coronavirus. The House Homeland Security Subcommittee on Emergency Preparedness, Response, and Recovery will hear community perspectives on coronavirus preparedness. The committee is also scheduled to hear from Homeland Security Acting Deputy Secretary Ken Cuccinelli on the federal response to the coronavirus. Finally, the House Oversight and Reform Committee will hold hearings this week on coronavirus preparedness and travel insurance for coronavirus-associated cancellations.

The House Appropriations Committee is also likely to discuss the federal response to the coronavirus this week. The Subcommittee on Labor, Health and Human Services, Education, and Related Agencies is holding a hearing on the Centers for Disease Control and Prevention (CDC) Fiscal Year (FY) 2021 budget request. CDC Director Robert Redfield is expected to testify, as well as Director for Public Health Science and Surveillance Ileana Arias. Later this week, the Subcommittee on Agriculture, Rural Development, Food and Drug Administration, and Related Agencies will hold a hearing on the Food and Drug Administration (FDA) FY 2021 budget request, where FDA Commissioner Stephen Hahn is expected to testify.

CONCLUSION

Policymakers are evaluating policies aimed at mitigating the health and economic impact of the coronavirus. Congress will continue to work with impacted and interested stakeholders as they flesh out proposals, including consideration of various stimulus proposals, as well as hearings and information requests aimed at informing them of the challenges experienced as a result of the coronavirus. As Congress continues its federal response to and oversight of the coronavirus, we also expect agencies to issue more guidance to impacted stakeholders moving forward. We will continue to provide timely updates on these developments and are available to assist clients as they navigate policy issues around the coronavirus.

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