This Week In Congress

**Senate** – The Senate met in pro forma session.

**House** – The House met in pro forma session.

Next Week In Congress

**Senate** – The Senate will be in recess until May 4. The Senate will hold pro forma sessions on April 20, April 23, April 27, and April 30. The Senate may consider additional coronavirus response legislation, including additional funding for the Paycheck Protection Program (PPP), during the pro forma sessions.

**House** – The House will be in recess until no sooner than May 4. The House will be holding pro forma sessions during the recess. The House may consider additional coronavirus response legislation, including additional funding for the PPP, during the pro forma sessions.

TAX

CBO and JCT Release Preliminary Cost Estimate of the CARES Act

**Key Point:**

- The CBO and JCT estimate the CARES Act will increase budgetary deficits $1.8 trillion between 2020-2030.

The CBO and JCT have released preliminary cost estimates of H.R. 748, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act). According to their estimate, the bill is expected to increase the budgetary deficits by $1.8 trillion for the period of 2020-2030. The estimate includes:

- $988 billion in mandatory outlays,
- $446 billion in decreased revenue, and
- $326 billion increase in discretionary outlays, stemming from emergency supplemental appropriations.

Although the Act provides financial assistance totaling more than $2 trillion, the projected cost is less than that because some of that assistance is in the form of loan guarantees, which are not estimated to have a net effect on the budget. In particular, the Act authorizes the Secretary of the Treasury to provide up to $454 billion to fund emergency lending facilities established by the Board of Governors of the Federal Reserve System. Because the income and costs stemming from that lending are expected to roughly offset each other, CBO estimates no deficit effect from that provision. The estimated budgetary effects of the CARES Act are uncertain for several reasons, primarily relating to the uncertainty on the effects and length of the current emergency

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and how long a recovery will take. The CBO and JCT make it clear that actual costs could vary from the initial report.

**IRS and Treasury Issue Updated FAQs on Filing by Fax for NOL and AMT Immediate Refunds**

**Key Point:**
- The IRS issued updated FAQs on quickie refunds allowed under CARES Act.

Today, the Internal Revenue Service (IRS) and the Treasury Department issued updated FAQ's on acceptable means, i.e., faxing in forms, for filing so-called “quickie” refunds as a result of CARES Act changes to NOL carryback rules and immediate availability of AMT credit refunds.

**IRS, Treasury, and Social Security Administration Announce Supplemental Social Security Income (SSI) Recipients will Receive Automatic Economic Impact Payments**

**Key Points:**
- The IRS announced SSI recipients will automatically receive Economic Impact Payments.
- SSI recipients will receive an automatic $1,200 with no further action needed on their part.

The IRS is working with the Department of the Treasury and the Social Security Administration to provide Americans who receive Supplemental Social Security Income with an automatic Economic Impact Payment of $1200 with no further action required on the part of the recipient. The IRS projects these payments will go out to recipients no later than early May. If these recipients have an eligible dependent additional action is needed on the part of the recipient. Eligible recipients should visit the special tool set forth by the IRS on IRS.gov and provide their information in the non-filer section.

**IRS Unveils Online Application for Americans to Provide Direct Deposit Information for Economic Impact Payments**

**Key Point:**
- The IRS released the “Get My Payment” program to allow Americans to provide Direct Deposit information to receive payments faster.

In tandem with the Department of the Treasury, the IRS unveiled the “Get My Payment” program to allow Americans to check the status of their Economic Impact Payment and provide direct deposit information. With Economic Impact Payments beginning to be sent to bank accounts this week, this tool allows taxpayers to see an expected deposit date. This program also allows filers to provide their direct deposit information to facilitate the smooth and quick release of their Economic Impact Payment. Get My Payment is updated daily, typically at night, and will include the most up to date information for taxpayers.

For more information about tax issues you may email or call Christopher Hatcher at 202-659-8201. Josh Hansma contributed to this section.
FINANCIAL SERVICES

Paycheck Protection Programs Exhausts Initial $349 Billion in Funding

Key Points:
- The SBA announced that as of Thursday morning, the initial $349 billion provided for the PPP had been committed and the agency could not accept any additional applications.
- Negotiations on legislation to provide additional funding for the program are at a stalemate.

On April 16, the Treasury Department and the Small Business Administration (SBA) announced that initial $349 billion provided in funding for the Paycheck Protection Program (PPP) had been committed and that the SBA was unable to accept new applications. Treasury Secretary Steven Mnuchin and SBA Administrator Jovita Carranza issued a statement urging Congress to pass additional legislation providing additional funding for the PPP. Mnuchin has called for Congress to appropriate an additional $251 billion. Last week, Senate Majority Leader Mitch McConnell (R-KY) attempted to pass a PPP funding bill by unanimous consent, but the motion was blocked by Senator Ben Cardin (D-MD).

Negotiations are ongoing regarding PPP funding legislation, but so far no agreement has been announced. Senate Minority Leader Chuck Schumer (D-NY) and Speaker of the House Nancy Pelosi (D-CA) have argued that the interim coronavirus response bill must include $100 billion for hospitals, $150 billion for states and local governments, and a 15 percent increase in Supplemental Nutrition Assistance Program (SNAP) benefits. Secretary Mnuchin, Majority Leader McConnell, and House Minority Leader Kevin McCarthy (R-CA) have called for Congress to pass a “clean” PPP funding bill and consider the measures requested by Democrats as part of a Phase 4 bill.

The Senate could take up a PPP funding legislation next week during its pro forma sessions on Monday or Thursday. The bill could still face obstacles to passage even if Democratic and Republican leadership reach an agreement, as Representative Thomas Massie (R-KY) has indicated that he would block passage of the bill by unanimous consent in the House, citing constitutional concerns. The House and Senate are set to stand in recess until May 4. Both chambers are reluctant to call members back to Washington, given the social distancing measures put in place to prevent the spread of the coronavirus.

Financial Regulators Take Additional Actions in Response to COVID-19

Key Points:
- The Federal Reserve announced that its liquidity facility to support the PPP is now fully operational.
- The banking regulators issued an interim final rule deferring certain real estate appraisal requirements.

This week, the federal financial regulators continued their actions in response to the coronavirus. On Thursday, the Federal Reserve Board announced that its Paycheck Protection Program Liquidity Facility (PPPLF) is now fully operational and available to provide liquidity to eligible financial institutions. A Federal Reserve press release stated:

The Federal Reserve’s facility will support the effectiveness of the PPP by extending credit to financial institutions that make PPP loans, using such loans as collateral. Supplying financial institutions with additional liquidity will help increase their capacity to make PPP loans.

Additional documents detailing the PPPLF are available here.
On April 14, the Federal Reserve, the Federal Deposit Insurance Corporation (FDIC), and the Office of the Comptroller of the Currency (OCC) issued an interim final rule to temporarily defer real estate-related appraisals and evaluations requirements for up to 120 days under the agencies' interagency appraisal regulations. The interim final rule will be effective upon publication in the Federal Register and will remain in effect through December 31, 2020. Additionally, the banking regulators, along with the National Credit Union Administration (NCUA) and the Consumer Financial Protection Bureau (CFPB) issued an interagency statement outlining “existing flexibilities in industry appraisal standards and in the appraisal regulations issued by the OCC, FRB, FDIC, and NCUA (agencies) and describes temporary changes to Fannie Mac and Freddie Mac appraisal standards that can assist lenders during this challenging time.”

Upcoming Hearings and Events

May 1

**CFPB Advisory Committees:** The Consumer Financial Protection Bureau (CFPB) will hold a joint meeting of its Consumer Advisory Board, Community Bank Advisory Council, Credit Union Advisory Council, and Academic Research Council to discuss the impact of COVID-19 on consumers.

For more information about financial services issues you may email Joel Oswald or Alex Barcham.

**HEALTH**

**NIH Launches Public-Private Partnership for COVID-19 Vaccine Development**

**Key Points:**

- The National Institutes of Health announced a partnership with several biopharmaceutical companies, U.S. federal agencies, and European Medicines Agency to develop a coordinated research effort in response to COVID-19.
- The partnership will develop a collaborative framework for prioritizing vaccine and drug candidates, streamlining clinical trials, coordinating regulatory processes, and leveraging assets among all partners to respond not only COVID-19 but future pandemics as well.

On April 17, the National Institutes of Health (NIH) announced a new public-private partnership with 16 biopharmaceutical companies, the Assistant Secretary for Preparedness and Response, the Food and Drug Administration, the Centers for Disease Control and Prevention, and the European Medicines Agency. The Accelerating COVID-19 Therapeutic Interventions and Vaccines (ACTIV) partnership will focus on a collaborative framework to prioritize vaccine and drug candidates, streamline clinical trials, and coordinate regulatory processes.

ACTIV will be coordinated by the Foundation of the NIH. There will be four fast-track focus areas, each led by a working group of senior scientists:

- Standardize and share preclinical evaluation methods in an open forum that allows for comparison and validation;
- Prioritize and accelerate clinical evaluation of therapeutic candidates with near-term potential;
Maximize clinical trial capacity and effectiveness; and
Advance vaccine development.

Read further details on the partnership here.

HHS Continues to Release CARES Act Funds

Key Points:
- The Department of Health and Human Services (HHS) announced the Administration for Children and Families will release $3.5 billion in additional funds for the Child Care and Development Block Grant.
- HHS awarded $90 million to Ryan White HIV/AIDS Program recipients for COVID-19 response activities.

This week the Department of Health and Human Services (HHS) continues to release funds appropriated through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. HHS Secretary Alex Azar emphasized these funds will “help meet the needs of America’s most vulnerable during this time of crisis.”

Under the legislation, an additional $3.5 was provided for the Child Care and Development Block Grant. This funding has now been released by the Administration for Children and Families to help states provide assistance to childcare providers during the crisis. The support will help support health care workers, first responders, and other essential workers. It will be available to all eligible providers regardless of whether they were receiving assistance through the program prior to the public health emergency. Further resources including funding tables are available here.

The CARES Act also provided an additional $90 million to the Ryan White HIV/AIDS Program recipients across the country to continue efforts to prevent or minimize the impact of the pandemic on people with HIV. Recipients will be able to use the funds to increase staffing hours, enhancing workforce training, and provide critical services such as home-delivered meals, emergency housing, and transportation. Read a list of award recipients here.

For more information about healthcare issues you may email or call Nicole Razinski Bertsch or George Olsen at 202-659-8201.

This Week in Congress was written by Alex Barcham.