

Policy implications of the Coronavirus

11 March 2020

Urgency among U.S. lawmakers to address the outbreak of the coronavirus (COVID-19) is evident. First, on March 5, Congress approved H.R. 6074, the Coronavirus Preparedness and Response Supplemental Appropriations Act, which allocated US\$8.3 billion to combat the coronavirus. Of the US\$8.3 billion, US\$6.5 billion went to the Department of Health and Human Services, roughly US\$1.3 billion went to the State Department, and the remaining money went to the Small Business Administration and the U.S. Agency for International Development. The money will be used for several things including:

- Making vaccines and other medical supplies.
- Providing grants for states and local government to fight against the virus.
- Loaning money to affected small businesses.
- Preparing for the possible evacuation and emergency response at U.S. Embassies and State Department facilities.
- Assisting other countries help their people get the healthcare they need.

Second, Congress and the administration are both considering plans to mitigate the impact of the virus, but lawmakers have yet to agree upon on what to do next. The administration is considering targeted assistance to the travel industry (e.g., airline and cruise) and short-term payroll tax cut for hourly workers. Senate Finance Committee Chairman Chuck Grassley (R-IA) is exploring the possibility of targeted tax relief measures within the committee's jurisdiction. Democrats, led by Speaker Nancy Pelosi (D-CA) and Senate Minority Leader Chuck Schumer (D-NY), are working on an economic legislative package that focuses on paid sick leave, food stamps, affordable treatment, and free testing for the virus. Other possible policy issues that could be wrapped up in a second legislative response to the coronavirus include extending the length of unemployment benefits, reducing health care costs for both insured and uninsured persons, shortening the lengthy FDA approval process for coronavirus drugs, authorizing travel related economic stimulus, and boosting spending through infrastructure funding. However, some Republican Senators, including Senator John Cornyn (R-TX), think it is "too early to know" if legislation that would attempt to stimulate the economy is necessary at this point.

As we grapple with the coronavirus, companies and organizations may face challenges beyond workplace health and safety concerns that Hogan Lovells has covered in other [alerts](#) including: issues arising from closures of factories, sites or stores; increasing travel restrictions; risks associated with air and sea shipping; supply chain diversion; and consumer concern regarding

goods originating from virus-hit regions. These entities must help shape legislative solutions and administrative actions to address coronavirus concerns. After all they, and their employees, are the ones with that are experiencing the impact of issues arising from the virus first-hand.

Given the urgency of the outbreak, we believe Congress and the administration will find a way to work together to take additional action to bolster the fight against coronavirus and strengthen confidence in the U.S. economy. Companies and organizations can help the government fight the coronavirus but may need assistance presenting their ideas to policymakers and connecting with the government officials. The Hogan Lovells Government Relations and Public Affairs practice is here to assist with those connections and to help entities find solutions to the business challenges that may arise through its team of highly trained attorneys and consultants that have decades of experience getting things done in Washington.

Please contact a member of our [Government Relations and Public Affairs](#) or [Strategic Communications](#) teams for assistance.

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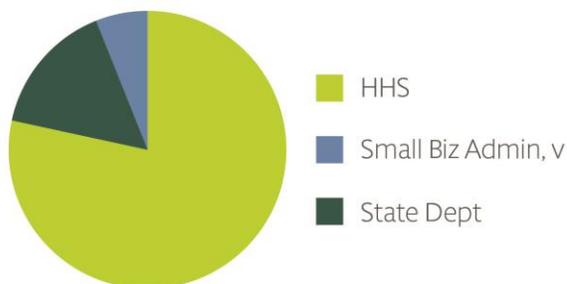


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Congress passes H.R. 6074

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- Vaccines & medical supplies
- Grants for states and local government to fight against the virus
- Loaning money to affected small businesses
- Preparing for the possible evacuation & response at U.S. Embassies/State Dept. facilities
- Assisting other countries

Mitigation



Lawmakers have yet to agree upon what to do next
Administration is considering targeted assistance to the travel industry (e.g. airlines and cruises and short-term payroll tax cut for hourly workers)

Congress:

Possible middle-income tax cuts

Legislative package that focuses on paid sick leave, food stamps, and affordable treatments

Hearings on preparedness and response



House and Senate have begun to hold a series of hearings to ensure preparedness and adequate response in various industries

- House Homeland and Security Committee
- House Full Committee
- House Oversight & Reform

- House Subcommittee on Economic & Consumer Policy
- Senate Small Business & Entrepreneurship

How we can help you inform policy makers of your needs



The Hogan Lovells' Government Relations and Public Affairs practice is here to assist with Congressional and Administration connections and to help entities find solutions

We will put you in front of policy makers that need to know what you can do -or- how they can help

Members of Congress | Agency Officials | Senior Staff