

Here's the Current Bill



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Dear Friend,

While debate in the Senate on the coronavirus response remains in limbo, here are some detailed highlights included in the bipartisan package that Speaker Pelosi and Minority Leader Schumer suddenly find to be lacking. (I provide you their list of demands at the end of this newsletter, none of which would mitigate or remedy any of the effects of the coronavirus.) Negotiations are continuing as I type and hopefully a deal can be reached sometime tonight. The items listed below will not likely change much if any. But if any changes are made, they will be highlighted in a future newsletter. **The Bipartisan Senate Package Includes: Individual and Family Provisions** A one-time tax rebate check of \$1,200 per individual and \$500 per child. These amounts are reduced for higher-income earners starting at \$75,000 for individuals, \$112,500 for head of household and \$150,000 for married couples. Eligibility will be based on 2018 and 2019 tax returns.

It adds about \$250 billion to expand unemployment benefits, including ensuring self-employed workers and independent contractors (such as Uber drivers, for example) can receive unemployment benefits.

It also makes benefits more generous by adding \$600 per week on top of what the state normally pays in unemployment and provides an additional 13 weeks of benefits.

It loosens rules on retirement accounts. Older Americans that are subject to mandatory minimum distributions from their retirement accounts would be able to keep their capital invested instead of being forced to cash out. The bill also waives the 10% penalty on early distributions from 401(k)s and IRAs for the duration of 2020.

It ensures Americans can use all tax-favored health care accounts like HSAs and FSAs to buy over-the-counter medications tax-free without a prescription. **Small Business Provisions**

The bill creates a strong "paycheck protection" program enabling small businesses to keep employees on payroll. It includes \$350 billion to help prevent workers from losing jobs by providing 8 weeks of cash-flow assistance through 100 percent federally guaranteed loans to small businesses who maintain their payroll during the emergency. However, this loan essentially becomes a grant if an employer maintains payroll. Whatever portion of it is used to pay mortgage obligations, rent and utilities would be forgiven as well. Further, the provision is retroactive to February 15, 2020, in order to enable small businesses to rehire workers who have been laid off.

It enables employers to delay their 2020 payroll tax payments to 2021 and 2022, leading to approximately \$300 billion in additional cash flow for businesses.

It allows businesses to carry back losses from 2018, 2019 and 2020 to the previous five years, which will allow businesses to access immediate tax refunds.

Requires SBA to pay all principal, interest and fees on all existing SBA loan products for six months.

It cuts red tape to enable businesses to team up with local banks to ensure employers have the resources they need. **Provisions for Distressed Industries**

The bill pumps \$425 billion in loans, loan guarantees and investments thru the Federal Reserve leveraging \$4 trillion to support our economy and provide liquidity.

It offers access to direct lending for passenger and cargo airlines as well as other businesses critical to maintaining our national security.

Stock buybacks are prohibited throughout the duration of the loan and borrowers must maintain existing payrolls **Strengthening Our Health Care System**

The bill invests in our health care system: \$100 billion for hospitals, \$4.5 billion for the CDC, \$11 billion for vaccines, therapeutics, diagnostics and other preparedness needs, and \$1.7 billion for the Strategic National Stockpile.

It also includes a significant expansion of telehealth by allowing patients to see doctors with whom they don't already have a relationship, connecting individuals on home dialysis with providers, and allowing federally qualified health centers and rural health centers to participate.

It also expands telehealth services to home health and hospice care.

To alleviate burdens on physicians, the bill enables nurse practitioners and physicians' assistants to prescribe home health services.

Now For the List of Priorities Senate Democrats Want in Exchange for their Votes: New tax credits for wind and solar

New emissions standards for airlines

Collective bargaining and labor union provisions

Mandating nationwide same-day registration and voting

A bailout of the US Postal Service Pension Fund

New retirement plans for community newspaper employees

Publication of corporate pay statistics by race as well as race statistics for all corporate boards

Requirement for small businesses to pay a \$15 minimum wage if utilize federal disaster funds

\$1 billion for a "cash for clunkers" type provision for the government to buy airplanes from airlines

\$1.5 million to study climate change mitigation efforts in civil aviation and the aerospace industries

New OSHA requirements on hospitals

\$1 billion for discounted phone service So there you go...highlights of what is in the negotiated bill from this past weekend and the list of demands by Senator Schumer in order to get the Democrat votes needed to pass it.

Ultimately, I anticipate an agreement will be reached – especially once the American public becomes aware of exactly what the Senate Dems are demanding. This type of stunt is not uncommon in normal times when Congress is faced with a must-pass bill. But now is not the time or place. As always, stay tuned to [Coronavirus.gov](https://www.coronavirus.gov) and the [NC Department of Health and Human Services' website](https://www.ncdhhs.gov) for the latest on the crisis. Sincerely,