



## NDC RECOMMENDATIONS INCLUDED IN THE CARES ACT

### **End the Pandemic**

Health care providers are on the frontlines of the coronavirus pandemic. Congress should provide emergency funding and enhanced reimbursements to protect health care workers through funding for protective gear, training, and dependent care assistance, and to provide facilities like Community Health Centers and hospitals with high concentrations of Medicaid patients with financial security.

1. Provide robust support to health care and essential workers, ramping up the manufacturing and deployment of protective gear and equipment, and providing dependent care assistance.
2. Increase funding for medical facilities fighting the pandemic by accelerating medical provider reimbursements, temporarily suspending the Medicare sequester, and temporarily increasing Medicaid disproportionate share hospital (DSH) state allotments and stop the impending Medicaid DSH cuts.
3. Reauthorize Community Health Center funding.
4. Provide emergency grants and no or low interest loans to hospitals and other medical facilities experiencing financial hardships due to coronavirus response.
5. Significantly increase Medicare reimbursements for coronavirus tests and treatments to provide emergency funding to frontline health care providers.
6. Order and purchase vital equipment, including personal protective equipment and ventilators, for the immediate distribution to health care providers and workers facing shortages, replenish our national stockpile.
7. Secure supply chains for critical equipment, gear, treatments, vaccines, and other medicines.

### **Provide Direct Economic Assistance and Support to Individuals**

Congress should provide direct support to individuals through policies that provide economic security and liquidity cushions for individuals, including expanded and enhanced social safety net programs and benefits, direct payments for low and middle income individuals, suspensions of certain federal loan repayments, enhanced tax credits, adjustments to retirement savings and health care benefits, housing assistance, and more. Economic stabilization legislation should include automatic triggers, such as increases in the unemployment rate, to further enhance these programs in the event of continued or worsening economic weakness and to attempt to provide some predictability going forward.

1. Provide direct payments targeted at low- and middle-income individuals and families. Ensure any such cash payments do not disqualify individuals for any means-tested programs, such as SNAP or TANF.
2. Provide forbearance on certain federal loans, penalties, and other actions, including suspending federal student debt repayments, holding students harmless for missing payments during the pandemic, and suspending reductions in basic allowance for housing payments to student service members and veterans.
3. Grant federal agencies the ability to defer payments on existing direct or guaranteed loans, leases, and other commitments for affected individuals for at least three months.

4. Delay expirations of certain benefits and programs and extend application and re-application periods for at least three months, or through the end of the crisis.
5. Waive retirement account withdrawal penalties and mandatory disbursements that compound financial hardship.
6. Expand unemployment insurance funding, benefits, and access, and expand eligibility so that it supports workers that do not currently qualify, preserves jobs through job-sharing; provides greater compensation for lost work hours; and provides more adequate compensation for lost earnings for those laid off.
7. Expand targeted assistance for the most vulnerable, including by increasing funding, expanding benefits, and easing barriers.
8. Provide emergency appropriations for Emergency Solutions Grants at the Department for Housing and Urban Development (HUD) to provide emergency support to those at risk of homelessness and increase funding for emergency rental assistance through the Housing Choice Voucher program.
9. Encourage regulators to issue regulatory guidance to financial institutions seeking to provide forbearance on home mortgage and other consumer loan payments.
10. Expand the Low-Income Housing Energy Assistance Program (LIHEAP) for those receiving paid sick leave and unemployment insurance.
11. Apply certain assistance retroactively to cover individuals impacted by the coronavirus prior to enactment of emergency supplemental legislation.

### **Help Impacted Businesses Get Through the Crisis**

Help for impacted businesses should be focused on getting more liquidity into the market where it is needed most through expanded federal low or no interest loans for small and mid-sized businesses, tax relief to support the retention of employees and paid leave, relief for consumers, workers and businesses from tariffs, and other stabilizing policies to support the health of U.S. businesses and the economy impacted by the coronavirus crisis.

1. Provide liquidity to businesses with no interest or low interest loans to small and medium businesses, including through expanded Small Business Administration (SBA) economic injury disaster loans (EIDL) and bridge loans. Grant authority for loans to be converted into grants in instances of extreme economic hardship caused by coronavirus pandemic.
2. Advance no interest SBA loans to businesses to fund paid leave before the tax credit arrives.
3. Provide low cost loans to businesses through a temporary corporate and small business liquidity facility established jointly by the Treasury Department and Federal Reserve.
4. Provide support to small and medium sized businesses that access financing through non-bank lenders.
5. Utilize local non-profits, governments, and other entities to leverage the reach of the federal government's assistance to small and medium sized businesses.
6. Provide Internal Revenue Service (IRS) forgiveness of interest and penalties for late payroll tax payments.
7. Permit federal agencies, including the SBA, the ability to defer payments on existing direct or guaranteed loans, leases, and other commitments for affected businesses for at least three months.
8. Provide an employee retention tax credit (ERTC) that provides assistance to businesses with severe revenue loss due to coronavirus that retain and pay workers rather than lay them off.
9. Temporarily restore net operating loss (NOL) carrybacks against income in the prior five years to smooth out expected losses as a result of the crisis.

10. Fix the 2017 Tax Bill to restore the 15-year schedule for Qualified Improvement Property (QIP) and make these improvements eligible for immediate expensing as was originally intended.
11. Where practicable, federal agencies should ensure emergency lending goes to businesses that will use funds effectively, including for business operations, to meet existing obligations, and to support their workers.
12. Temporarily remove the cost share requirements for the Manufacturing Extension Partnership (MEP) program within the Department of Commerce to allow the MEP centers to continue to provide necessary technical expertise to small and mid-size manufacturers during this crisis.

### **Provide Direct Assistance to State, Local, and Tribal Governments**

State and local governments are best positioned to enact targeted and tailored responses for their communities. Congress should support these efforts to respond to the coronavirus pandemic and economic downturn through direct funding, grants, and other assistance.

1. Expand direct access to economic assistance through increased investment in the Economic Development Administration (EDA), including through Disaster Recovery funds.
2. Provide direct funding to backfill certain state and local emergency funding in response to the coronavirus outbreak.
3. Provide direct funding to local governments by temporarily reimbursing for police, fire, and emergency services.
4. Using its emergency authorities, the Treasury and Federal Reserve should buy municipal bonds to make sure issuers do not see their costs of finance spike and to ensure the municipal bond market continues to function so that municipalities and hospitals can continue to provide services.
5. Support election integrity through emergency assistance for states to administer elections by mail.
6. Increase funding for Community Services Block Grants (CSBG).