

MEMORANDUM

Prepared for: Interested Persons

Date: April 30, 2020

- By: Legislative Policy and Research Office
- Re: HR 266

LPRO: LEGISLATIVE POLICY AND RESEARCH OFFICE

<u>House Resolution 266</u> was passed out of Congress on April 23, 2020 and signed by the President the same day. The measure adds funding for programs established in the <u>CARES</u> <u>Act, HR 748</u>. This memorandum provides a summary of the resolution and the funding added to specific programs.

DIVISION A

<u>Section 101</u>: Provides additional lending authority to Small Business Administration in response to COVID-19. Adds \$321 billion to the overall appropriation for the Small Business Administration and dedicates \$310 billion to the Paycheck Protection Program and \$10 billion to the Economic Injury Disaster Loan (EIDL) program. Makes agricultural enterprises eligible for EIDL. Guarantees \$30 billion in loans set aside for financial institutions that meet specific requirements, credit unions, and community development financial institutions.

Section 102: Designates emergency.

DIVISION B

Title I: Department of Health and Human Services

Allocates \$75 billion for eligible health care providers. Specifies application requirements. Allocates \$25 billion for the Public Health and Social Services Emergency Fund to expand testing:

- \$11 billion to states, local governments, or tribal governments and providers
 - At least \$2 billion allocated to states, local governments, and territories based on prior distribution formula
 - At least \$4.25 billion allocated to states based on the total number and relative number of COVID-19 cases
 - At least \$750 million allocated to tribal governments and health providers
- Requires allocation of funds within 30 days.
- \$1 billion to the Centers for Disease Control.
- \$306 million to the National Institutes for Health (NIH) National Cancer Institute.
- \$500 million to NIH National Institute of Biomedical Imaging and Bioengineering.
- \$1 billion to NIH Office of the Director.
- \$1 billion to Biomedical Advanced Research and Development Authority.
- \$22 million to the Food and Drug Administration.
- Outlines allowable uses for funds.

- \$600 million to the Health Resources and Services Administration for Health Centers Program grants (e.g., Federal Qualified Health Centers, or FQHCs).
- \$225 million for COVID-19 testing in rural health clinics, to be distributed using procedures developed for provider relief fund authorized in the CARES Act.
- Up to \$1 billion may be used for testing of uninsured.
- Establishes reporting requirements for the Secretary of Health and Human Services (HHS), including disaggregation of data by race, ethnicity, age, sex, geographic region.
- Requires HHS to report on a COVID-19 strategic testing plan. Establishes requirements for the plan.

General Provisions

Section 101: Specifies which rules enacted under CARES Act apply to these additional funds.

Section 102: Allows federal agencies to merge funds.

<u>Section 103</u>: Allows \$6 million from Public Health and Social Services Emergency Fund for the use of the HHS Inspector General.

Title II: Independent Agencies

Small Business Administration

- \$2.1 billion for salaries and expenses of the Small Business Administration (SBA).
- \$50 billion for disaster loans program account.
- \$10 billion for Economic Injury Disaster Loan (EIDL) program account.

Title III: General Provisions

<u>Section 301</u>: Requires that amounts specified in the measure are additional to amounts already appropriated in previous legislation.

Section 302: Specifies that funds are available for current fiscal year only.

<u>Section 303</u>: Specifies that additional amounts appropriated to existing programs retain the conditions and authorities of those existing programs.

<u>Section 304</u>: Specifies that all appropriated funds may only be used to prevent, prepare for, and respond to the coronavirus outbreak.

<u>Section 305</u>: Defines the term coronavirus to mean SARS-CoV-2 or another coronavirus with pandemic potential.

<u>Section 306</u>: Specifies that amounts designated for emergency requirement require presidential designation.

<u>Section 307</u>: Specifies that amounts designated by Congress for emergency requirement and receiving residential designation shall retain such designation.