

COVID-19 State and Federal Update Tuesday, March 17, 2020

Nebraska Legislative Actions:

State Senator Megan Hunt released a press release on March 16th with an update of some of the possible actions the state could take to address the pandemic and which senate offices are taking the lead on these issues. The list is replicated below for your review.¹

If you would like more details about a specific item on the list or have suggestions for additional actions based on responses in other states, please let us know.

In speaking with several legislative offices, they are eager to help and open to suggestions on how best to respond during this crisis.

- Ensure all school employee staff, not just teachers, are paid during this pandemic (Senator Morfeld)
- Prevent evictions during a declared emergency (Senator Crawford)
- Allow counties to implement a vote-by-mail standard to ensure there is no interruption in elections (Senator Hunt)
- Exempt work requirements for SNAP, Aid to Dependent Children, and Bridge to Independence during the pandemic (Senator Howard)
- No-cost testing for COVID-10 (Senator Howard)
- Exempt non-citizens from some requirements to receive services during a state and national emergency (Senator Howard)
- A comprehensive plan for Corrections to respond to the pandemic (Senators DeBoer, Vargas, Geist and Wishart)

Finances:

Taxes: Several states, including California, Maryland, and Washington have all issued extensions for either state tax returns or business-related tax filing deadlines. What's more, U.S. Senator Ben Sasse, a member of the Senate Finance Committee, has urged the Treasury Department and IRS to issue a 90-day extension for tax filers due to the coronavirus.² What's more, this morning Treasury Secretary Steven Mnuchin announced that individuals (including pass-through businesses) can defer up to \$1 million in tax payments to the IRS for 90 days, interest and penalty-free. Corporations will be able to defer up to \$10 million in tax payments for the same period of time.³

Unemployment Insurance: On March 16, Governor Pete Ricketts and Nebraska Department of Labor Commissioner John Albin announced several changes to the state's unemployment insurance (UI) program in response to the coronavirus. These changes are effective through May 2nd:

- 1.) Waive 1 week waiting period currently required for unemployment insurance benefits
- 2.) Waive current requirements that eligible UI participants actively look for work and/or be ready to work

¹ https://mailchi.mp/ff8a5a790959/nebraska-legislature-suspends-session?fbclid=lwAR3eFc18-A5GHkb27C3I8wdMzb69dgkX107mKkpDxq zwd -asXe-AhRV80

² https://www.forbes.com/sites/kellyphillipserb/2020/03/12/heres-what-we-know-about-extensions-other-tax-relief-due-to-coronavirus-concerns/#4dc530c83412

³ https://thehill.com/policy/finance/488013-mnuchin-individuals-will-be-able-to-defer-up-to-1-million-in-tax-payments-due

- 3.) Charge all UI claims against the state pool as opposed to individual employers to reduce the burden on employers
- 4.) Consider individuals who are told to stay home due to the virus or whose hours are cut or eliminated during this period due to the virus as eligible for UI insurance

Healthcare:

CMS: CMS approved Florida's 1135 Medicaid Waiver on March 17. The waiver includes the ability to waive prior authorization requirements, streamline provider enrollment processes, allows for care in alternate settings in the event of an evacuation, suspends nursing home screening requirements, and extends deadlines for appeals and fair hearing requests. CMS will continue to expedite the review and approval of 1135 waivers from other states.⁴

In speaking to Jennifer Carter, legal counsel for the Health and Human Services Committee, she shared that Senator Howard's office has not heard whether Governor Ricketts plans to pursue an 1135 waiver; however, Jennifer noted that the Governor is pursing a lot of other options so they are hopeful that he will submit a waiver at some point. She also noted that some providers have been reaching out to the Division of Medicaid about the waiver.

Federal Legislative Actions:

On Monday, March 16, the House passed an updated bill focused on paid leave and free diagnostic testing. The bill could pass the upper chamber as early as Tuesday, March 17 and the President is expected to sign it. There could be adjustments made to the bill prior to its final passage, however.

The House version, as passed, provides for two weeks of sick pay to people who are affected by the coronavirus, which includes those in quarantine and those caring for children whose schools have closed. Beyond that, the 10-week extension originally contemplated in the bill will now only apply to parents taking care of children home due to school or daycare closures. There is also a loophole that persists in both versions of the bill that exempts employers with more than 500 workers from providing such leave.⁵

At a press conference today, President Trump called for a third stimulus package to address the coronavirus amounting to at least \$850 billion and would include a payroll tax holiday and financial assistance to airlines. Senators Mitt Romney, Tom Cotton and others are pushing for direct cash payments to stimulate consumer spending amid the downturn. It may be that the Senate incorporates the new White House proposal with the House bill from yesterday, in which case, the House will need to vote again before sending it to President Trump for his signature.⁶

Meanwhile, several members of the Senate are considering proxy voting during the outbreak, according to The Hill.⁷

⁴ https://www.cms.gov/newsroom/press-releases/cms-approves-first-state-request-1135-medicaid-waiver-florida

⁵ https://markets.businessinsider.com/news/stocks/house-democrats-coronavirus-bill-paid-sick-leave-passes-scale-back-2020-3-1029004404

⁶ https://www.cbsnews.com/news/white-house-congress-coronavirus-850-billion-stimulus-package/

⁷ https://thehill.com/homenews/senate/487991-senators-consider-proxy-voting-during-coronavirus-outbreak