

## NOTES: COVID-19 Conference Call with Senator Tim Kaine

- Prior to giving a general overview of federal legislative response, Senator Kaine extended his friendship noting that the virus has affected every family including his own.
- He said that “Frankly the U.S. got a late start” and is 6 to 8 weeks behind South Korea who had its first confirmed case the same day America did.
- Congress has now passed three bills in response to the crisis. The first addressed healthcare infrastructure, the second unemployment insurance and sick leave, and the third being the CARES Act which, at \$2.2 trillion, authorizes double the amount appropriated under the stimulus act of 2009.
- There are five buckets of support in the CARES Act: (1) aid to individuals; (2) aid to small business; (3) aid to large business; (4) aid to state/local governments; and (5) aid to hospitals and health clinics. Senator Warner helped draft buckets 2 and 3 and Senator Kaine worked on drafting buckets 4 and 5.
- Under bucket 4 (COVID-19 Relief Fund), Virginia is estimated to receive \$3.3 billion. Of that amount \$200 million will be allocated directly to Fairfax County (population greater than 500,000). The remainder will go to the state who will have “significant discretion on how to allocate.” VACo should work with the Governor’s office on the allocation. Guidance on how to implement the fund is expected from the Department of Treasury later this week.
- As part of the compromise to pass the legislation, the fund is limited to unanticipated expenses due to COVID-19 and cannot be used to offset “unanticipated drops in revenue.”
- In addition to the \$3.3 billion allocation, Virginia will (1) receive \$238 million for K-12 expenses and an additional \$60 million in emergency education funds that the state has the discretion to allocate towards higher education or K-12, or a combination thereof; (2) \$453 for public transit (does not include Amtrak, which receives a separate allocation) that can be used for operations (staff) and maintenance; (3) funding for airports; and (4) funding for broadband (total \$400 million at the national level, but “needs to be much greater”). There is also additional funding through the normal channels of CDBG, CSB and Byrne JAG grants.
- Between now and when Congress resumes session on April 20, Senator Kaine is talking to as many leaders as possible and gathering information on what else needs to be done with a fourth relief bill and welcomes all ideas. Does there need to be more revenue allocated under the 5 buckets of the CARES Act? They will also explore ways to make allocation of the funds more flexible and fix any items from the first three bills.

## Questions and Answers include the following

- **A caller requested assistance** from the military to open temporary mobile army hospitals in Southwest Virginia that could be staffed with civilian personnel focusing on non-COVID-19 patients to free existing hospital space to treat COVID-19 patients. **Senator Kaine responded** that there will be guidance funding distribution to hospitals hopefully coming out soon and that there will be accelerated reimbursement for rural hospitals as well as an exploration of opening field hospitals. He added that coal communities tend to have a population “more at risk” due to black lung and that, in general, rural communities tend to have an older population also more at risk. They are looking into deploying available military currently overseas to assist and that will not just be deployed to metro areas.
- **A caller said** we needed an aggressive fiber program and that anything that be done to get more funding for broadband would be greatly appreciated. **Senator Kaine responded** that we need to “rethink policy and never go backwards” noting that just like water and electricity, internet access needs to be viewed “as a necessity of life” and that we need a “big picture change in direction of country.”
- **A caller expressed** her disappointment from FEMA in providing necessary PPEs in Northern Virginia. **Senator Kaine requested** she get with his staff on specific examples that he could communicate with the FEMA director.
- **A caller stressed** the importance of keeping transit workers on the payroll. **Senator Kaine said** the allocation for transit is 100% grant funded and can be used for operations (staffing) and maintenance. He also encouraged VACo to work through DRPT to make sure the funding allocations are equitable and if you need additional informational – reach out to Evan on his staff.
- **A caller raised** two concerns (1) administration of the SBA loans; and (2) PPE supplies from other countries being purchased by private U.S. firms and then sold to the states. In regard to problems of the roll out of loans to small businesses, **Senator Kaine said** that the SBA only had 6 days after passage of the legislation before the program went live last Friday. Regrettably there were glitches, but it was understandable. He added that because Gig economy workers could file for unemployment insurance claims the capacity to process has been overwhelmed, noting that until now only 30% of the workforce was covered under the program. In regard to PPEs, he noted that the President has the authority (under the Defense Production Act) to address the issue. He also remains very concerned that guidance on the \$100 billion for hospitals is “still not out the door” and that funds for hospitals should have gone out first.
- **A caller sought** clarification on whether payouts to individuals would be counted as rebates for 2020 filings. Senator Kaine said no that it is “a straight-out grant.”

- **A caller noted** that the stimulus checks while important do not factor in cost of living. The caller also raised concerns about the Pentagon tying the hands of the base commander at Fort Belvoir in providing better communication on the infection and spread of the virus on base and the capacity of the base hospital. He said the base commander is super, but the problem is higher up and he “doesn’t appear to have latitude” to share information. **Senator Kaine did agree** that the cost of living is wildly different based on where you live and that may be something to look at with next bill. He also said he would contact the Pentagon about the Fort Belvoir concern.
- **A caller suggested** utilizing credit unions when considering future allocations of resources. Under current law, their loan portfolios to business are restricted to 10-15%. **Senator Kaine said** that was a good idea and he will explore setting up a call with the credit union industry to discuss.
- **A caller asked** if the Senator can look into the issue of parking lot access to the Appalachian Trail. At one of their trailheads they’ve had more than 100 cars at a time. **Senator Kaine said** he would share those concerns with the National Park Service and the Appalachian Trail Conservancy who control access to the lots.
- In closing Senator Kaine said that the entire Virginia congressional delegation has a call every Thursday with the Governor from 5:30 – 6:30pm and to share any questions or concerns with his staff prior to the calls. He also said we “don’t have to do this once” and could get back together in a couple weeks. He welcomes ideas for the next stimulus bill and the sharing of any implementation issues.

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