

## Washington Update

### Senator Lindsey Graham (R-SC)

Coronavirus has confronted our nation with a challenge like few others in memory.

Schools are closed with no timeline for reopening in sight. Millions of Americans are out of work through no fault of their own. And those on the front lines of the fight against COVID-19 are worried about the availability of personal protective equipment to protect themselves.

These are difficult times and tough days remain ahead, but America has overcome challenges in the past and will do so once again.

Congress took a step forward to help small businesses and employees when we passed the *CARES Act*, more commonly called the 'Phase III' stimulus bill, which President Trump quickly signed into law.

I want to be clear – this bill is far from perfect. However, I realize that as an overall piece of legislation the *CARES Act* will do a lot of good for people who are under tremendous stress and financial pressure due to coronavirus.

The legislation gets financial assistance to Americans, brings relief to small businesses and those who work there, stabilizes the economy, and supports healthcare workers and patients.

The economic stabilization fund will leverage up to \$4 trillion in private capital to sustain jobs and speed an economic recovery. Grants to small business, including doctors' offices, will help save millions from bankruptcy. Direct payments to individuals and families will keep lights on and refrigerators stocked. Help is on the way to the doctors and nurses who are in need of medical supplies, as this bill includes significant funding directed to help them.

In addition to loans and grants to small business, like doctors' offices, the legislation also provides funding for numerous healthcare needs. It provides \$100 billion in immediate financial relief for non-reimbursable

expenses attributed to COVID-19 and \$10 billion for emergency loans. We also make changes that promote telemedicine and other changes to help healthcare providers offer care while protecting themselves.

One concern going forward is that the *CARES Act* does contain a particularly egregious provision which I strongly opposed. The misguided provision will allow some individuals to make significantly more from unemployment benefits than they would working at a 40-hour a week job. In South Carolina, someone on unemployment will soon be making about \$926 a week, just over \$23 an hour. In other states, the unemployment benefit could be even higher.

This provision expires in four months, but I fear that when social distancing rules are relaxed, we will have created a great incentive for people to not rejoin the workforce. It remains a perverse incentive which needs to be fixed. Our effort to correct this error was defeated in the Senate by a vote of 48-48.

We are facing a public health crisis unlike anything we have seen in recent memory. The *CARES Act* does not solve all our problems, but it does help address some of the most pressing. I expect more will be discussed in the days and weeks ahead to confront this challenge which is as serious as any our nation has faced.