

COVID-19 Call with Congressional Delegation

The State Chamber/AIA hosted a call this morning with the entire Arkansas Congressional Delegation -- Senators Boozman and Cotton and Representatives Crawford, Hill, Westerman and Womack. Arkansas business leaders and chamber of commerce representatives also participated.

Below is a summary of what was covered:

State Chamber President & CEO Randy Zook provided opening remarks and then asked each member of the delegation to speak.

Sen. Boozman – communication is so important. This is a situation not seen since WWII. Two battles, keeping people safe, and keeping the financial structure and the economy going. Liquidity is paramount. Congress is looking to help liquidity. He asked for ideas from the group and asked people to tell the delegation about their needs.

Sen. Cotton – doing everything in Congress and the Federal Reserve to prevent a liquidity crisis turning into a financial solvency crisis. There will not be any unimpacted business. They want to help every business and also help all families. Hopefully, the the COVID-19 cases can be spread out so they do not overload the medical care providers. The Senate hopes to have something done (a Phase III bill) by the end of the weekend.

Rep. Crawford – agreed with both Senators and added that farmers are having issues with general market access compounded by labor problems. Looking to extend H2B visas that already exist. Virtually every business is affected, including independent contractors, 1099 earners, who need relief too.

Rep. Hill – agreed with the Senators’ summary. All his calls other than the health issues have been about liquidity and funding for small businesses. The proposed McConnell draft Phase III bill in the Senate focuses on that.

Rep. Womack – everyone will be impacted, the entire spectrum of the economy. Have great concerns with rural hospitals, agriculture, healthcare and industry. Anxious for Senate negotiations to get done so they can find out what is included and move forward.

Rep. Westerman – he’s getting tons of calls, with liquidity and regulations the most pressing. Examples of regulatory issues are physicals for truck drivers, continuing education and crop insurance needs. The Senate put out a bill last night that the House is trying to dissect.

Zook said that his colleagues in other states were astounded that all members of a delegation would come together for a call like this.

Q&A

What will be considered essential if there is a general shutdown? Is there a list?

Sen. Boozman said all healthcare is essential as well as the food chain. Also need to maintain a supply chain for deliveries.

Sen. Cotton suggested as non-essential any retail consumer businesses except grocery stores, gas stations and pharmacies. We also need the supply chain, truckers, and business-to-business operations like power plants, water, sanitation, support businesses, manufacturing and agriculture to continue. He suggested that listeners take a look at the guidelines that have been developed in California and Ohio in regard to this.

Will more COVID-19 tests soon be available and how quickly?

Rep. Hill said UAMS' in-house testing went live last night and they will be able to do 240 a day. Private labs are providing faster turnarounds of test results in 24 hours. He is more concerned about the turnaround of the test results, not the quantity of tests available, as it takes four days to get the results.

What's the status of Personal Protection Equipment (PPE) availability for manufacturers?

Rep. Westerman said efforts are being made to both produce and purchase more PPE. Some medical providers are trying to buy from businesses. There is a real shortage. Some businesses in his district could retool and make PPE. A couple businesses are able to make hand sanitizer.

Rep. Womack said Glatfelter in Fort Smith, which makes baby wipes, can retool and make face masks. He expects that other manufacturers across the country will be able to retool to make PPE.

SBA and other help loans: How soon can we expect the money to arrive?

Rep. Hill said Gov. Hutchinson signed an emergency declaration Tuesday, so loans can go through the SBA. Arkansas's senators have worked with another senator on language in the new Senate bill. He said disaster loans through SBA are now available. The Senate proposal will expand the 7A loan process regarding amounts, refinancing existing debt, and move more quickly. The new bill will also modify express loans up to \$1 million and can refinance certain loans and extend deadlines. It will also apply to non-profits and the self-employed. Private and public non-profits, including chambers of commerce, would be covered.

Sen. Boozman said everyone is working hard to get this bill together and Randy Zook's comment that this is hitting the sweet spot is very helpful. Zook said AEDC has a COVID-19 section on their website that has about \$16 million in loans available.

Rep. Hill said private and public non-profits will be eligible as long as they are not supported by government resources.

Any chance or consideration of reducing or eliminating the collection of Unemployment Insurance (UI) taxes?

Sen. Boozman said everything is on the table. Their emphasis is on liquidity and getting money out as quickly as possible.

Will refunds on tax returns that are already filed arrive quickly?

Sen. Cotton said yes. The postponement of all payments required is designed to help liquidity, as is getting the refunds out quickly.

Can the delegation speak about how all businesses can be seen as dealing with the crisis in regard to both the public and employees?

Sen. Boozman said communication is key to dealing with the challenges that we face. The unknown is the time frame and how long this will go on. It's a worldwide problem. Healthcare is planning for the worst. The federal government is doing a great job as are state and local governments. We all need to work together. He emphasized the need for everyone to communicate with the Congressional Delegation.

Rep. Womack asked Sen. Boozman how long the Senate will take on the new bill and when can the House expect to come back to vote?

Sen. Boozman said it's a \$1 trillion measure, but that's not the issue. It's the policy. The Senate is working on it expeditiously and can hopefully get it finished in the next day or two.

Rep. Hill said all businesses and families are on the front line of defeating this virus. The government can only provide recommendations and care and protection for the medical community. He emphasized the need to follow CDC guidelines. The push is for the next two to three weeks in order to bend the curve down. Everyone has a responsibility.

Rep. Womack expressed appreciation for everyone being on the call and said there would be more to come.

Rep. Westerman said that a month ago we had one of the strongest economies ever seen, so the underlying strength is there. We just need to get through this. He thinks the economy will come roaring back when this is all over. The full weight of the federal government is being applied to fight this virus. He likened the virus to a foreign invader and expressed his appreciation for the call.

Rep. Crawford also expressed his appreciation for the call and the feedback. He said that the Congressional Delegation is ready to be a resource on whatever help is needed and don't hesitate to call.

Randy Zook said the people we represent are very grateful for this call.