



CONGRESSWOMAN
LORI TRAHAN
PROUDLY REPRESENTING  MASSACHUSETTS' 3RD DISTRICT



Congresswoman Lori Trahan

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Summary of Remarks from Congresswoman Lori Trahan:

In these unprecedented times it's especially vital that we keep in close touch about the resources that are coming online and into the Commonwealth, as well as many of the needs that are still unmet. It is helpful for me to be a part of these forums so that I can elevate your concerns and policy ideas. I was just in Washington yesterday to vote on the fourth in a series of measures we've enacted to address the crisis, and I expect to be down there before too long to vote on another package. Forums like this allow me to gather feedback on the types of aid that Congress must provide, and then fight to get those provisions into the packages that come to the floor for a vote.

First, let's get our bearings by recalling the incredible swiftness with which the virus spread, the public health and economic challenges ahead of us, and the fact that we are rising to those challenges. Unbelievably, just 30 days ago, the total number of reported cases of COVID-19 in the United States hovered around 50,000. Today, that number stands at more than 800,000 - an increase of 1500%. Nearly 50,000 have passed away due to the virus. Just yesterday we received the latest unemployment figures; 4.5 million people filed initial unemployment claims last week and over the past 5 weeks, 26 million people have filed, including more than a half a million of our fellow Bay Staters. To put those staggering numbers in perspective - before COVID-19, unemployment claims across the country averaged below 250,000 a week. There's no question, we are going through an unprecedented and difficult period.

As we go through this, there a couple of things I want you to know. My office has dramatically ramped up our case work. We were doing a lot before COVID-19 struck, but now, our operation is in overdrive. Folks are working day and night, from home, to help as many people and small businesses as quickly and as completely as we can. Don't ever hesitate to call our office. We can

help with small business assistance, unemployment claims, SNAP benefits, the IRS, veterans' healthcare - you name it, we've been working on it. We even helped get 100 of our constituents back into the country because they were stranded abroad, so please don't hesitate to contact us. One thing that I do ask all of my partners and my thought leaders as we all proceed through this crisis is, let's endeavor to continue demonstrating confidence that by sticking together and by looking out for one another, we will win this fight. It's really important that we all band together and take care of each other.

The experts predicted that we would be experiencing the height of the curve at this point and that has proven to be accurate here in Massachusetts. We're not out of the water, yet. We need to hold fast to the knowledge that a better day is coming. There is a lot of discussion throughout the country regarding the importance to reopen. It's absolutely imperative that government officials and business leaders plan for that day, but before we can return to some version of normal, we must significantly build on our ability to regularly test every person. If we reopen too soon, and without an adequate testing infrastructure in place, we will see another spike in COVID-19 cases. I don't have to tell you all how disastrous that would be for your businesses and for consumer confidence. As gut wrenching as this moment is, it will be far worse if we reopen prematurely. Let's focus on putting an end to the virus' spread so that everyone can safely go back to work.

With that, I'll just briefly recap what Congress has done. March 6th, we enacted our first emergency supplemental. It was the first big burst of aid; \$8.3 billion. It supported our health care providers, our state and local health boards, as well as an initial investment in research for a vaccine. And then a week later we enacted the second, more comprehensive package; the Family First Coronavirus Response Act. That one provided Emergency paid leave to workers and free Coronavirus testing for anyone who needed it. It also supplied food aid for children who were out of school due to the Coronavirus and still needed access to lunches and breakfasts. It provided \$300 million to our food banks and \$250 million to our Meals on Wheels programs. We've seen huge expansions of those programs.

Four weeks ago, on March 27, I voted for the \$2.2 trillion Coronavirus Aid Relief and Economic Security Act, also known as CARES. It was signed into law just moments after we passed it. It's the largest relief package ever passed by Congress. It sends direct cash payments of up to \$1200 for each person who makes under \$75,000 and \$500 for each dependent child, which will go to more than 150 million American households, and establishes loan and grant programs for businesses to help them maintain payroll and survive the downturn. That included the initial \$350 billion for the new Paycheck Protection Program under the Small Business Administration. It also provided \$10 billion in SBA emergency grants to allow \$10,000 in immediate relief per small business for operating costs and another \$17 billion for standard SBA business operating loans with a promise that no payments would come due for at least 6 months. The CARES Act also made improvements and expanded unemployment compensation programs so that those who are out of work got the financial support that they needed. Specifically, it added \$600 to unemployment insurance and for those receiving state benefits, it waved the 1 week waiting period, and added 13 weeks of unemployment for those who had already exhausted their

benefits. For the first time ever, it made those benefits available for self-employed workers, independent contractors, and gig economy workers. The last big part of the CARES Act was \$100 billion for the Health Care Marshall Plan. This was geared toward ensuring that health care providers are armed with everything they need to care for those who fall ill.

As I mentioned earlier, I went to Washington yesterday to vote for the latest aid package. It had four primary components: it replenished the PPP program with an injection of \$310 billion, about 90% of what was included for PPP in the original CARES Act. Second, we replenished the SBA Economic Injury Disaster Loan Program (EIDL) with \$50 billion and we added \$10 billion for Economic Injury grants. Third, we provided \$75 billion more for our healthcare providers and our hospitals, so that they can be stabilized. And \$25 billion to expand America's access to COVID-19 tests. I want to just take a moment to emphasize that, although these are all good bills, it's not lost on me for a second that they're not perfect. There are things that I believe should have been included but weren't. Items such as covering Cobra for those who are out of work due to the virus and can't afford their healthcare, making 501(c)6 organizations, like Chambers, eligible for SBA programs, and, investing to improve America's preparedness in a pandemic.

On that last point I will share, I look at this sequentially. We are in a relief phase where the packages that we are passing are to keep people – workers, families, and small businesses - afloat as we get through this really difficult period. However, at some point we're going to be in a position where people will have the confidence to leave their homes and we have to stimulate the economy. We're already planning on what those stimulus packages will look like.

The biggest lesson that I've learned through this is that we didn't put the Defense Production Act to its full use. This crisis has exposed how unprepared we are for pandemics and it reveals how fraught the decision-making process can be when it's mixed with politics. We know that our ability to reliably produce sufficient quantities of medical supplies has withered to an unsafe degree and we rely on a foreign supply chain to keep Americans safe. We should never be at the mercy of others when it comes to our safety - and this isn't about protectionism. This is about meeting our constitutional obligation under Article 1, Section 8 which says we must provide for the common defense and the general welfare of the United States.

I am drafting legislation called the Pandemic Production Act or PPA, as I call it, to restore our domestic production capacity for medical supplies and to de-politicize the decision-making process. First, it provides direct incentives to manufacturers to either establish new or expand upon existing production lines of PPE and medical technology necessary to fulfill the next demand for surge capacity, and then it takes the decision-making process out of the White House entirely. If we've learned one thing through this crisis, at this scale, is that apolitical experts like Dr. Fauci must have greater operational discretion to put the gears in motion without needing sign off from the White House. Just yesterday I received the updated bill text while I was in Washington. I'm eager to get to work on advancing it. It's a win-win; more manufacturing jobs in our country and the ability for us to respond at a moment's notice to any future pandemic.

Finally, we all must be mindful of the fact that the actions that each of us take as individuals determine how long the virus will last and how harmful it will be. When I think about the predicament we are in right now as opposed to what it was forecasted weeks ago, in terms of shortage of ventilators - we stopped that surge, on all of our ventilators and all of our ICU rooms. We're not out of the woods in Massachusetts for sure, but because we have taken the steps of staying at home, washing our hands, wearing masks, disinfecting, we have been able to combat against that worst-case scenario we were all fearing. I want to impress upon all of us that together we'll get through this - and with that, let's get to your questions. Thank you.

Q&A

Submitted by Ray LaFond, Enterprise Bank:

Many small businesses may not receive PPP or EIDL funding. Are any programs being considered to address those small businesses based on employee counts, such as under 50 or 100? Massachusetts, and especially our region, has a great number of businesses that fit that model.

Answer, Congresswoman Lori Trahan:

It's an excellent question and I'll be totally frank, the rollout of some of these small business programs was less than stellar. There was a lot of confusion about the rules, the guidance, the eligibility, when funds would become available, how much each small business could receive, and what that money could be used for. I felt like we were filling out those applications with all of our small businesses. If you had a staff of accountants, you likely had a better shot at getting federal aid, than a mom and pop small business and we absolutely saw that.

We just replenished funding for PPP and EIDL yesterday and I just heard the President signed it into law moments ago. But we need to make sure that our smaller businesses are able to access the aid. Now that PPP has been replenished, we should ensure that smaller businesses are informed about the opportunity. I'd be happy and eager to work with the Chamber on that educational outreach. I know my team is working to get that word out. Of course, we have to keep that PPP account properly funded, and I thank you for that question. We were able to set aside \$60 billion for the smaller small businesses, ones that rely on community banking or community CDFIs. We put some guard rails around that money, but there's no question that as we continue to fund that account, we need to ensure that it's getting to the small businesses it's intended for.

Submitted by Ray LaFond, Enterprise Bank:

With several large companies/businesses returning their PPP and stimulus monies, will those funds be reallocated and added to the new package?

Answer, Congresswoman Lori Trahan:

I am told that the funds should be able to be recirculated, but the complexity depends somewhat on whether the loans were merely committed or actually dispersed. In either case, once the bill is enacted there will be more aid for small businesses through lenders like an Enterprise Bank. We're monitoring that. It's one of the reasons why we took a stand to pass oversight. When you've got \$2.6 trillion dollars, you want to make sure that in real time, not just a year from now, we are monitoring who's getting those funds and making sure that it's going to those that it's intended to benefit. We have that oversight in the Select Committee whose sole focus is going to be on the Coronavirus funding packages. The Select Committee is there so that in real time, as we continue with relief and then start with stimulus packages, we will be able to put in the proper guardrails. Even feedback on things like technical language and other topics from small businesses who've gone through the process can potentially be worked into guidance and guidelines for the next round of funding.

Submitted by Ray LaFond, Enterprise Bank:

A portion of the Stimulus Plan included funds for hospitals to retain their essential staff. How is this being monitored when we read about hospitals furloughing staff or laying them off?

Answer, Congresswoman Lori Trahan:

I've seen these stories too, and fully appreciate the concern behind your question. There's probably no other stakeholder group that I've been in closer touch with than community health centers and community hospitals. Taxpayers have now provided at least \$175 billion for hospitals to care for those in need. Those funds are being distributed at regular intervals by the CDC through their public health emergency preparedness account, with about \$30 billion committed thus far.

To provide some context, the Commonwealth received approximately \$13 million in those funds for all of last year. We've already doubled that amount due to COVID-19 and you know much more is on the way. The controls that we've put into place around these funds are primarily designed to prevent their misuse. For example, recipients must attest to the proper use of funds and submit documents to demonstrate the fact that the funds are being distributed on a weekly basis to ensure compliance. But we've also made clear that there will be significant auditing of those funds. Additionally, as I mentioned, we have the Select Committee, which will have investigative powers to oversee the implementation of those programs.

One other thing I'll say is, I know that hospitals have had to make some tough decisions in terms of halting elective surgeries, so that they could reallocate staff in some cases, and also be judicious with their resources. As you all know, hospitals, operate on the thinnest of margins. Much of the funding that we've provided has been to provide stabilization, so that they would not have to lay off vital and essential healthcare staff needed to combat this virus. Many of the furloughs that have happened, have been administrative roles and folks who have been involved in treatment that isn't in high demand right now. As you've all read, there are many people who aren't going to the emergency room in the numbers that we've seen in the past

and there's a lot of elective services that people are putting on hold until we're through this surge.

We are monitoring and making sure that we're in close communication with what the hospitals need. There's no question that the next relief bill will be centered on our heroes, our healthcare workers, our hospitals, our cities and towns, and our state government because they are literally on the front lines ensuring that our first responders and all of our healthcare workers have what they need. I think there'll be more to come on that.

Submitted by Carol Jacobson on behalf of Greater Gardner Chamber of Commerce and its Member Businesses

Due to our 501(c)6 designation, small local and regional Chambers of Commerce across the country like the Greater Gardner Chamber have been excluded from the Paycheck Protection Program and have had great difficulty applying for EIDL funds. We are small nonprofits who are vital to the rebuilding and stimulation of our local economies especially for small businesses, and especially now. What is the likelihood that Chambers will be included in Phase 4 of the federal aid, whether for PPP or another program?

Answer, Congresswoman Lori Trahan:

It's a great question. I couldn't agree more about including 501(c)6 organizations. There are a number under that 501(c)6 nonprofit umbrella that need help, but frankly Chambers - you've proven to be a vital resource, helping the small business community access the Small Business Administration loans and grants. There is momentum around this issue. To date, 60 of my colleagues and I have submitted a letter of support. Yesterday, I was in the Rotunda (that's where we go to do our TV interviews in between votes) and MA Congressman, Seth Moulton was there and he was on TV, talking about how we have to expand the nonprofit umbrella and who can access these loans. He's absolutely right. It wasn't included in yesterday's bill, but we are not giving up. We're going to continue to push for it. I do think that as we go, we're getting more members and more people to understand the urgency around keeping Chambers and others afloat, so that we can expand that PPP program to cover you. You all are doing great work too. Lobbying the members of Congress, that certainly helps. Nothing is quite as powerful as when Chambers across the country call their representatives to say please make sure this is included. I do believe that's happening because I've just seen an uptick in that activity. I believe it will be included.

Submitted by Dawn Casavant, Heywood Healthcare

We as a society, (educators, businesses, healthcare providers) have adapted to new and alternative delivery methods to ensure continuity of services, sales, education, healthcare etc. Post-pandemic, how would you evaluate best-practices and the potential continuation of wide-spread use of technology and resources where it makes sense to do so? And how will we address access for those who have limited access to technology?

Answer, Congresswoman Lori Trahan:

That is a great question, Dawn. Today, I was actually supposed to be at Heywood Hospital to deliver lunch because we're visiting all our community hospitals across the district just to show our gratitude for the heroes who are fighting on the front lines. So, I'll just start off by saying thank you. There is no question right now that service models have changed across industry and I think Hospitals are leading the way. We've been talking for years about telehealth and you all have stood it up in record time. We are seeing more folks using that as a way to avoid going into a hospital while still getting some guidance and treatment that they need.

I think we all have an anecdote on this very topic. I had been talking to my team about doing Zoom meetings on a daily basis, and it would always get pushed to the back burner. Now, when necessary, within two days we were stood up with Zoom and we've been relying on it, as everybody has been, every single day. We're seeing it in our educational community too. My girls are in real time, adjusting to remote learning. Everyone is working from home, even college campuses. I've been in close touch with President Lapidus at Fitchburg State, our university presidents across the Commonwealth and whether we're scenario planning for what the Fall is going to look like, or just getting through today, people are deploying technology to reach one another.

There are going to be best practices that emerge. I think industry is likely going to lead on what worked and what didn't and having hearings on that is going to be incredibly helpful to us as lawmakers and policymakers. We have to make sure that the architecture exists, even going into the Fall, going into the next round of this. We have to ensure that people have access to broadband. We have to make sure that students have access to technology. A lot of what we talked about on the Education & Labor Committee is funding. Things like Chromebooks, hotspots to technology that people need to adjust to our new normal, which could very well be a hybrid or remote learning environment, work from home environment, and we don't actually know how long that could be. Those investments are ones that I think the government can help make as industries across the board adapt to what life could be on a 6 to 18 month time horizon.

Submitted by David Bojarczuk, GFA Federal Credit Union

Throughout Massachusetts and New England are a number of small private liberal arts colleges that do not have strong endowment funds. Several schools, for example, Boston University, are talking about delaying or cancelling fall semester classes, while there have been recommendations for students to defer a year before going to college in September. What plans are in place, or are anticipated to support these small schools?

Answer, Congresswoman Lori Trahan:

My son plays lacrosse at BU. He's heartbroken because his lacrosse season has been ruined for the Spring and frankly, he's worried about next year. We're worried about the Fall and we don't actually have answers. I've been in very close contact with our college presidents, both from nonprofit private schools all the way up to our state colleges and our UMass system. Everyone is doing scenario planning around what to prepare for. That's going to be incumbent on a

number of things. I think having a national testing infrastructure is going to give people confidence and give us the ability to plan for whether there's campus life again, whether it's remote for a semester, whether it's a hybrid of the two.

Certainly, I have concerns about students who have special needs at school. They benefit from having adaptive learning and in-session special training to keep their development on pace. We can't fall behind on that. What does that look like going forward if we are in an environment that is completely remote versus a hybrid?

Right now, we need to expand Pell. A lot of the things that we've done so far have been to stabilize our state universities, to make sure that students are taken care of and give them a reprieve on paying for their student loan debt. The next relief package, the Committee on Education & Labor is thinking about what those models look like for the Fall; how we help our schools deliver a service model that keeps development on pace with what we're used to. Those conversations are absolutely ongoing. I've heard a lot of rumors, about a remote Fall semester, but I don't think we know that for sure. It's hard when you have to say things like, we just don't know yet, but we don't actually know what the Fall is going to look like. The most prudent thing for us to do is prepare for a couple of key scenarios, so that then we can fund things properly, once we have more information. Last week we announced \$2 million for Fitchburg State University and \$1.2 million for Mount Wachusett Community College. Those are investments that are initial and helpful, but there is no doubt that we are going down this path together.

Submitted by Christopher Daly, Daly's Property Shoppe

States across the country are suffering budget problems due to the loss of sales tax revenue and other usual sources of revenue. Will the federal government address the shortfalls states are now experiencing?

Answer, Congresswoman Lori Trahan:

This was the big disappointment in yesterday's bill. I think, we've all now heard Leader McConnell's horrible quote "let them go bankrupt." That's just not an option. For anybody who's thinking about the future of our states, we cannot let a single state go bankrupt. I don't care if you're blue, red, or purple; we have to make sure that our states are funded and they're stabilized.

The State of Massachusetts has exemplified a Herculean effort in the last six weeks. I work with them every day, whether it's the Department of Public Health, bringing the National Guard in, Secretary Sudders' Office, the Emergency Manufacturing Response Team - at every level, they are on the front lines of this pandemic, not us, not the federal government. We're appropriating money and we have to make sure that we give the tools and the resources to our municipalities and our States so that they can combat this virus, ensure our public health and get our economy open when the time is right. That is the next package. It's already been coined a heroes' package that starts with funding our states and our municipalities. I'm getting letters from mayors and city managers across the district. There's no tax revenue, not just state tax

revenue but city, town, county tax, excise revenue. People are hurting. When we don't have revenue coming in, the federal government has to step in and help to keep these local and state governments solvent. So, we'll be doing that. There's no question. We're going to have to put a lot of pressure on. This next package will be the tough one. Yesterday, we voted because there was such urgency around getting the funds into the Small Business Administration and getting them out to the small businesses that needed them. We didn't want to halt that or delay it for a single second. The next one is going to be heavily negotiated.

Submitted by Emelia Thibeault, Greater Gardner Chamber of Commerce

As we approach May 4, do you have any indication of whether non-essential businesses will reopen after that date, whether that be in stages, or if the closure of non-essential businesses will once again be extended? How long can we as a community expect to be working from home or remaining on unemployment?

Answer, Congresswoman Lori Trahan:

It's a terrific question. We're in close contact with the Governor's office on this question. Certainly, there's a lot that hangs in the balance in terms of May 4th. I think that the announcement to keep schools closed until the end of the year certainly had people thinking, does that mean that it's automatically going to be extended? I do believe that right now, Secretary Sudders' Office, the Governor's Office, they are trying to get through this moment where they're trying to meet this surge in cases, and surge in deaths. It's been heartbreaking to look at the numbers that have been reported on a daily basis. We know that there are such stories of hardship and pain behind every single one of those numbers and you know until there is some evidence that it is going to be safe to start laxing the restrictions, opening up certain industries, I think that's what they're waiting for. They want to make sure that our public health is stabilized.

Certainly, this is being debated on a national stage in terms of some governors starting this weekend, starting on Monday, and others having a more deliberate approach around looking at the science and looking at the data. I do think that the Governor's team is looking at this industry by industry. Not all industries are created equal in terms of how they open and how they can practice social distance and ensure our collective health. I do think that there's a lot of thought going into how to do that and when to do that. So I don't have an answer for you in terms of what's going to happen on May 4th, how long that's going to be extended, if it's extended, but I do think getting through next week is going to be a really important milestone in framing what the future holds.

Submitted by Emelia Thibeault, Greater Gardner Chamber of Commerce

This pandemic has put an especially large financial strain on businesses whose main revenue stream is generated through events. Do you think there will be any programs to address these types of businesses and non-profits? Is this being taken into consideration during stimulus package discussions?

Answer, Congresswoman Lori Trahan:

One thing that would be helpful would be having a conversation with a subset of companies, and maybe the Chamber can actually help with this, where PPP and EDIL hasn't been as effective or maybe doesn't provide relief long enough, considering that we are going to live in a world that has social distancing for the very near future. Certainly, some industries are very different. You can imagine a scenario where a hair salon, for example, can take a reduced number of clients at a given time versus a stadium, which is going to have a very different approach. So, talking to event-based companies and others in that cohort around what's working well and what's not working at all from the money that we're putting through the Small Business Administration to help get them through this and what might be required down the road.

We want to make sure that they are getting what they need, as well, especially when we don't know what the new normal is going to look like for most of them. I'm going to basically answer your question with a suggestion or maybe a question. I've mostly been dealing with restaurants and small service organizations, but getting the perspective of event-based companies in particular around what they envision for the future and what they might need going forward would be very helpful, especially as we consider future relief packages.

Submitted by Patricia Pistone, Montachusett Opportunity Council:

Thank you, Congresswoman Trahan, for your leadership in Washington, specifically for your support around programs like Headstart, Community Service Block Grants and Meals on Wheels that are so essential to the clients that we serve. We know that getting the Census right is going to be important, not just keeping leadership of our delegation, but also for the way that funds are going to flow to our area. I know the administration called on Congress last week to extend the Census deadline by four months. What are your thoughts on that? What's the appetite of Congress to do that?

Answer, Congresswoman Lori Trahan:

Everything right now is on the table. I will remind everybody how important the Census is, not only to organizations like MOC, but to so many of the services that our communities rely on, whether it's elder services, Councils on Aging, SNAP, WIC, Section 8. It's vital that we get it right because we have to live with those results for a decade. I've seen firsthand the power of those funds that come into, MOC for example. I've talked to so many of my Councils on Aging who are expanding. They have to expand their Meals on Wheels, because more people need it. They've expanded Food Banks across the country because so many more people are food insecure than before COVID-19.

Getting increased funding through CARES, like the billion dollars for the Community Service Block Grants and those types of things are so important, but really, what we need is an accurate Census. We need an accurate count to ensure that for the next 10 years the money that is meant to serve the most vulnerable goes to the right places. The places that need it the most typically are the most undercounted, so we've been at this for a long time in terms of

emphasizing the importance of the Census. We have seen some initial numbers that indicate response rate is going well, but I think we want real assurance that we're going to have an accurate count, especially here in Massachusetts. We're negotiating and we're talking through an extension to determine what that would look like and whether it benefits an accurate count, but absolutely, it's on everyone's mind right now. The election, mail-in voting and ensuring that we get an accurate count for the Census. Even talking to folks like you, Patricia, offline around if an extension actually leads to accuracy; I would love to hear your point of view. I know I'm getting on a phone call next week with my CAP agencies. I'm sure it's going to be a topic for discussion. \$880 billion of federal money is dispersed on an annual basis, based on the Census, so it's a non-trivial input into an unbelievable funding source. We need to get it right. I appreciate the question and look forward to us talking about it more.

Submitted by Glen Eaton, Montachusett Regional Planning Commission

The Montachusett Regional Planning Commission (MRPC) have had 5 or 6 conversations with our Federal Representative from the Economic Development Administration (EDA) about obtaining multiple grants from the EDA to assist our regional economy. The EDA Representative has informed us that "regulations and the appropriate Notices of Funding Availability have to be written and published" before our Economic Development Organization can apply for EDA assistance. Can you shed any light on how long it may take for the EDA, or possibly other organizations, to publish their regs and NOFA's?

Answer, Congresswoman Lori Trahan:

I appreciate the question. I can tell you that we're in touch with EDA. They keep telling us that it's coming. I'm not sure if it's going to be in that six months, but we are pushing them for a defined time horizon. We understand how important it is. This is something we should absolutely stay in touch about Glenn. The folks from my team can tell you what we've done and the status of those conversations, keep you apprised of them.