



May 15, 2020

## \$3 Trillion Stimulus 4 Filed by the House of Representatives.

- **The HEROES Act**

This past Friday, the House of Representatives approved the Stimulus 4 Bill, known as the HEROES Act, which consists of a \$3 trillion stimulus proposal.

The bill, known as the "Health and Economic Recovery Omnibus Emergency Solutions Act" or "HEROES Act," is a significant development as it marks the commencement of formal negotiations with the White House and the Republican-controlled Senate.

The HEROES Act, as passed, will cost more than the other three and a half stimulus bills signed into law.

**Some Highlights of the Bill Include: Increased Funds for state and local governments:** with some conditions prohibiting the use of funds.

- **Additional changes to the Paycheck Protection Program:** make it more flexible and generous. However, at this time we do not see additional funding for the program;
- **Increased funds for hospitals and front-line medical professionals:** as hospitals are losing \$50 billion a month in the U.S. and \$101 million in Puerto Rico.
- **Increased funding for COVID-19 testing:** as more states re-open, testing becomes a critical tool.
- **New Tax incentives for U.S. corporations that bring manufacturing jobs back.** While the focus on China, the incentives are for any operation around the world. The bring back manufacturing strategy is Puerto Rico's chance to make sure that the island is included in any policy to benefit from bringing back manufacturing.
- **To review the bill further click here: [Heroes Act Resources](#)**

From our point of view, we believe that there is substantial support to pass a Stimulus 4 bill, and it should be successfully negotiated by the House, Senate, and the White House by the end of the month or early June.

As this may be the last Stimulus bill passed before the November elections, a lot of political capital is riding on its success.

- **Puerto Rico Hospitals Suffering**

On today's cover page of El Vocero Newspaper, one of the largest newspapers in Puerto Rico, they highlight Birling Capitals' study into the losses of Puerto Rico's Hospitals and the fact that the Puerto Rico healthcare system is on the brink of a systemic collapse. If you like to read the story, please find the link below:

[https://www.elvocero.com/economia/en-estado-de-coma-los-hospitales-del-pa-s/article\\_80b743b6-9650-11ea-b367-13b09407a396.html](https://www.elvocero.com/economia/en-estado-de-coma-los-hospitales-del-pa-s/article_80b743b6-9650-11ea-b367-13b09407a396.html)



For more information regarding this Client Alert, please feel free to contact the following team members:

Name	Email	Phone
Francisco Rodriguez-Castro, President & CEO	frc@birlingcapital.com	787-645-8430
CPA Cesar Hernandez-Monagas, Principal	chernandez@birlingcapital.com	787-642-2847

### About Birling Capital

Birling Capital is a corporate advisory and consulting firm that provides extensive corporate finance and advisory services to institutional, government, corporate, mid-market, family corporations, and their owners to identify and resolve problems related to the organization's finances. We use a holistic approach to both assets and liabilities with integrated business, personal and family needs and goals. Over the past two decades, our firm's directors have advised on more than hundreds of transactions in the corporate, healthcare, retail, education, insurance, banking, and government markets. You have particular problems. We provide long-term solutions. Doing the right thing at the right time.

The Savvy Client © is a publication prepared by Birling Capital LLC. It is a summary of recent geopolitical, economic, market and other developments that may be of interest to Birling Capital LLC clients. This report is for general information purposes only, is not a complete summary of the issues referenced, and does not represent investment, legal, regulatory, or tax advice. Recipients of this report are cautioned to seek appropriate professional advice regarding any of the issues discussed in this report taking into account the recipient's situation. Birling Capital does not commit to keeping the recipients of this report informed of future developments or changes in any of the matters discussed in this report. Birling Capital. The man and registration symbol and Birling Capital are among the registered trademarks of Birling Capital. All rights reserved.