



December 22, 2020

## Legislative Summary: COVID-19 Emergency Relief Package

### Introduction

After months of stalemate between lawmakers and the White House, Congress passed a nearly \$900 billion package to provide economic relief to individuals and families, businesses, and other targeted entities struggling in the pandemic and supplement funding to ongoing COVID-19 mitigation measures, such as testing and tracing and vaccine distribution. This COVID-19 relief package, the first passed since March 27, is part of a much larger package that includes an omnibus FY 2021 funding bill to keep the federal government operating through the end of September, tax extenders, and the Water Resources Development Act, among others. The President is expected to sign this nearly 5600-page bill soon.

The below chart details significant provisions of the package and funding amounts, sorted by entities impacted and issue area.

Entity/Program	Funding Amount (Total)	Provision Notes
<b>Direct Payments for Individuals and Families</b>	\$166 billion	The bill includes an additional round of Economic Impact Payments of \$600 for individuals making up to \$75,000 per year and \$1,200 for couples making up to \$150,000 per year, as well as a \$600 payment for each child dependent. This means a family of four will receive \$2,400 in direct payments.
<b>Unemployment Insurance</b>	\$120 billion	The bill funds additional federal unemployment insurance at \$300 per week for all workers receiving unemployment benefits through March 14, 2021. This bill also extends the Pandemic Unemployment Assistance (PUA) program, with expanded coverage



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		to the self-employed, gig workers, and others in non-traditional employment, and the Pandemic Emergency Unemployment Compensation (PEUC) program, which provides additional weeks of federally-funded unemployment benefits to individuals who exhaust their regular state benefits.
<p><b>Small Business, including PPP Loans</b></p>	<p>\$325 billion</p> <p>PPP loans- \$284.45 billion</p> <p><i>Lender Set-Asides</i></p> <ul style="list-style-type: none"> <li>• \$15 billion for PPP loans issued by CDFIs and MDI's</li> <li>• \$15 billion for PPP loans issued by certain small depository institutions</li> </ul> <p><i>Borrower Set-Asides</i></p> <ul style="list-style-type: none"> <li>• \$35 billion for first-time borrowers, \$15 billion of which should be for businesses with less than 11 employees or for businesses in low-income areas</li> <li>• \$25 billion for second draw PPP loans for businesses with less than 11 employees or for businesses in low-income areas</li> </ul> <p>The remaining funds include new EIDL grants for businesses in low-income communities, SBA debt-relief payments, and dedicated SBA for live performance venues, independent movie theaters, and cultural institutions.</p>	<p>The bill provides an additional round of forgivable PPP loans with modifications.</p> <ul style="list-style-type: none"> <li>• <i>Eligibility</i>- Defines eligibility for second PPP loans as small businesses that meet the applicable SBA revenue size standard, have no more than 300 employees, and demonstrate at least a 25 percent gross revenue loss between comparable 2019 and 2020 quarters. Nonprofits and religious organizations are eligible as long as they are not involved in political and/or lobbying activities.</li> <li>• <i>Loan terms</i>- Generally, borrowers may receive loan amount up to 2.5X average monthly payroll costs with max loan amount set at \$2 million.</li> <li>• <i>Forgiveness</i>- Borrowers of a second draw loan would be eligible for forgiveness equal to the sum of their covered operations expenditures (payroll, mortgage/rent, etc.).</li> </ul>

<p><b>Rental Assistance</b></p>	<p>\$25 billion</p>	<p>The bill establishes an emergency federal rental assistance program to provide funds through state and local governments to families impacted by COVID struggling pay rent. Funds can be used for past-due rent, future rent, and utilities.</p> <p>The CDC eviction moratorium is extended to 01/31/2021.</p>
<p><b>Transportation</b></p>	<p>\$45 billion</p>	<p>The bill provides additional relief to agencies and entities in the transportation sector, including:</p> <ul style="list-style-type: none"> <li>• \$10 billion for support State DOT's and certain local transportation agencies to replace maintenance, operations, and personnel costs as a result of the coronavirus.</li> <li>• \$14 billion for Transit Emergency Relief operating assistance, including \$50 million and spending flexibility for paratransit providers.</li> <li>• \$2 billion for airports</li> <li>• \$15 billion for airline payroll support</li> <li>• \$1 billion for Amtrak</li> <li>• \$2 billion for air carrier contractors</li> <li>• \$1 billion for private buses</li> </ul>
<p><b>Education</b></p>	<p>\$82 billion</p> <ul style="list-style-type: none"> <li>• \$4.05 billion- Governors Emergency Education Relief Fund (GEER)</li> <li>• \$54.3 billion- Elementary and Secondary School</li> </ul>	<p>The bill provides additional relief funding to schools and higher education institutions through the same stabilization structure as the CARES Act.</p>



	<p>Emergency Relief Fund (ESSER)</p> <ul style="list-style-type: none"> <li>• \$22.7 billion- Higher Education Emergency Relief Fund (HEERF)</li> <li>• \$818.8 million- BIE and outlying areas relief</li> </ul>	<p>The GEER fund includes a set aside for services to private K-12 schools to be administered by public agencies.</p> <p>The HEERF fund includes distributions to public and private institutions and dedicated set-asides for HBCU's, tribal colleges, and Minority-Serving Institutions.</p>
<b>Child Care</b>	\$10 billion	<p>The provides additional funding to the Child Care Development Block Grant (CCDBG), maintaining the flexibility provisions included in the CARES Act to provide assistance directly to families and to help providers cover operating costs.</p> <p>The bill also includes \$250 million for Head Start programs to support continued operations.</p>
<b>Broadband</b>	\$7 billion	<p>The bill establishes the Emergency Broadband Benefit Program at the FCC to provide discounts and subsidies to low-income households to access broadband and related devices. This program is funded at \$3.2 billion.</p> <p>The bill also establishes an Office of Minority Broadband Initiatives at the NTIA to focus on broadband access and adoption at HBCU's, tribal colleges, MSI's, and surrounding communities. This pilot program is funded at \$285 million.</p> <p>\$250 million is provided for the FCC COVID-19 Telehealth</p>



		<p>Program authorized under the CARES Act.</p> <p>\$1 billion is provided for a new NTIA grant program to support broadband connectivity on tribal lands and \$300 million is provided for another new grant to support broadband infrastructure deployment to areas lacking broadband.</p> <p>The bill also funds the recently passed Broadband DATA Act to improve the FCC’s broadband data mapping efforts in accordance with the law.</p>
<p><b>Nutrition Assistance and Agriculture</b></p>	<p>\$26 billion</p>	<p>The bill provides \$13 billion in additional funding to expand SNAP benefits by 15%, expand SNAP eligibility to eligible college students, and support food banks and senior nutrition programs.</p> <p>The bill also makes emergency funding available for school and day care food programs and removes participant verification requirements the P-EBT program to support children who live in SNAP-eligible households in areas where schools or child care facilities are closed or operating at reduced hours.</p> <p>The other \$13 billion is for direct payments and loans to support farmers and ranchers who have suffered losses during the pandemic and funds food supply</p>



		chain improvement efforts to support local food systems.
<b>Healthcare and Public Health Responses</b>	\$69 billion	<p>The bill provides funding to support rapid procurement and distribution of COVID-19 vaccines, providing \$32 billion to BARDA, the CDC and states, and the strategic national stockpile for the effort.</p> <p>\$22 billion is provided to states for testing, tracing, and COVID mitigation programs, with a set-aside specifically for underserved areas.</p> <p>The bill provides additional funding for mental health programs (\$4.5 billion), health care providers (\$9 billion), and NIH research efforts to further study the virus (\$1 billion).</p>

**Conclusion**

While this package touches on many of the needs created by the COVID-19 pandemic, it is not comprehensive. State and local government assistance, along with liability protections were the two key issues left on the table. Congressional leadership acknowledged that additional relief is likely in the next Congress. President-elect Biden continues to emphasize that addressing the COVID-19 pandemic will be his Administration’s top priority from the start. Much of the federal government’s continued response will depend on future COVID-19 impacts. Ultimately, we expect to see a COVID-19 stimulus package to restore the economy battered by COVID-19 mitigation measures.

