



HIGHLIGHTS OF SENATE STIMULUS LEGISLATION – EXPECTED TO BE SIGNED INTO LAW in the COMING DAYS

Early this morning, U.S. Senators and the Trump Administration announced they have reached an agreement on a \$2 trillion stimulus package that includes direct assistance to small businesses effected by the coronavirus pandemic.

Although the full text of the bill is not yet known, the expectation is that the Senate will pass the legislation later Wednesday afternoon. The House is expected to also pass it and send it to President Trump to sign into law within days.

The bill includes more than \$350 billion to help small businesses impacted by the coronavirus pandemic make payroll and cover expenses. Because the federal definition of small business includes companies with 500 employees or less, this bill can help the vast majority of businesses.

Three other provisions of the deal address families and workers, distressed industries and additional support for health care to compact the virus.

Current information regarding the provisions of the legislation:

Small Business Relief

- a. Provides \$367 billion to establish lending programs for small businesses who maintain their payroll through the crisis. If employers do, the loans would be forgiven. The federally guaranteed loans will provide eight weeks of assistance for qualifying loans. The loan applications by state can be completed on-line at the SBA website. IF assistance is needed, we can help. Call your person of contact and office location you normally work with.
- b. Expands existing loan programs to permit payroll support, including paid sick leave, supply chain disruptions, employee salaries, mortgage payments and other debt obligations to provide immediate access to capital for small businesses and individuals.
- c. These provisions are in addition to the SBA disaster loan program previously implemented. If an application for an SBA disaster loan was done between February 15 and March 31, a business would be eligible for the new SBA loan programs included in this new law.

Relief for Individuals

- a. For individuals making up to \$75,000 and couples making up to \$150,000 they would receive payments of \$1,200 and \$2,400 with an additional \$500 per child. Payments decrease for those individuals making more than \$75,000 and be capped at \$99,000 and for couples the cap is \$198,000.

- b. Expanded unemployment benefits that would extend the period of benefits by 13 weeks and include a four-month enhancement of benefits of a maximum of \$600 per week. While at this time the language in the Senate legislation is not known to include a waiver of the work requirements and other normal requirements of unemployment, many states have already announced a temporary waiver or eligibility requirements that make receiving benefits easier. The unemployment benefits are reportedly going to be available for the self-employed, although no details of how that will be administered have been provided.

- c. Expands existing loan programs to permit payroll support, including paid sick leave, supply chain disruptions, employee salaries, mortgage payments and other debt obligations to provide immediate access to capital for small businesses and individuals.

- d. These provisions are in addition to the SBA disaster loan program previously implemented. If an application for an SBA disaster loan was done between February 15 and March 31, a business would be eligible for the new SBA loan programs included in this new law.