



# Update on New Federal Stimulus Package to Help Businesses, Employees During COVID-19

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The Senate and White House reached an agreement on a two trillion-dollar stimulus bill to aid the economy in the early hours of the morning on Wednesday. The Senate convened at noon today and is expected to vote soon. It takes 60 Senators to overcome a filibuster in the Senate, so bi-partisan cooperation was essential in these negotiations. Senator McConnell and the GOP Senate caucus have been critical of the delay by Democrats on the legislation.

Next the legislation will go to the House, where it will likely pass by voice vote. There is some confusion that there is a competing bill offered by Speaker Pelosi. While she introduced a competing bill Monday, as the process stands now, she advocated for *pieces* of that bill to be included in the Senate bill.

The bill text has yet to be released, but here's the broad outline of major components:

- For small businesses, \$367 billion in SBA loans that would be forgivable if you maintain your employees through a certain date. These would be available to employers with 500 or less in employees. The funds could be used to make payroll, pay health care costs, rent, taxes, interests on loans and utilities. No collateral would be needed for the loans. They would be 100% guaranteed by the federal government. The size of the loans would be 250% of a businesses' payroll. Essentially, the loan is forgivable if you keep the same number of employees that you had on February 15, 2020 and again on June 30, 2020. In sum, the loans are designed to help employers keep their employees on the payroll until this crisis.
- Additionally, four months of Unemployment Insurance – so called unemployment benefits on “steroids.” This will mean an additional \$600 on top of state benefits.
- A large infusion of funds: \$130 billion for hospitals; \$150 billion for states and localities; \$25 billion for public transit; and, \$30 billion in new education funding.

- Direct cash payments to individuals (size to be determined) but likely \$1200 per individual, \$2400 per couple and \$500 per child.
- A large fund, likely \$500 billion, for loans (which would have to be paid back) to larger industries, like the airlines, cruise lines, auto companies, etc. They will be administered by the Treasury Department, but there will be oversight of this fund and no stock buy backs with the loans for two years. President Trump and his family businesses will not be eligible for these Treasury loans as well as the Vice President, members of Congress and the heads of federal executive departments from receiving loans or investments through the corporate liquidity program. The prohibition also applies to their children, spouses and in-laws

We fully expect that after passage of this bill, there will be yet another bill addressing hundreds of miscellaneous issues that this crisis has raised. This one will take longer to complete because it will not have the same urgency as the current bill.

We will keep continually engaged in these matters and provide updates to our membership. Provisions related to online notaries were not included, but new legislation has been introduced on that subject in the House and Senate and we expect it may be considered in additional legislation coming after this stimulus bill.

Here's a [longer summary of the bill](#) as it stands now.

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