



## **U.S. Senate Passes New Coronavirus Stimulus Bill; House Expected to Approve Thursday**

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Late yesterday, the U.S. Senate passed legislation to add additional coronavirus-related stimulus to small businesses and the health care sector.

Around 5pm on Tuesday, by voice vote, the Senate voted to add \$360 billion to the Small Business Paycheck Protection Program (PPP), which provides a forgivable loan for an eight-week period at two and a half times payroll (calculated on 2019 payroll). Of this, \$250 billion will go into the existing PPP. An additional \$60 billion will be reserved for community institutions, including community banks, credit unions and community development institutions. The \$60 billion will be divided in half with \$30 billion available to lend for those institutions with less than \$10 billion in assets and those between \$10 billion and \$50 billion in assets. Congress did not want only large institutions using most of the program.

The Senate also added an additional \$10 billion to the Economic Injury Disaster Loan program (EIDL). Unlike the PPP program, these loans have to be paid back. EIDL provides a one-time \$10,000 cash infusion to businesses hurt by the economic crisis. This aid flows directly from SBA – not through a lender. The funds for this program had also run dry.

The legislation approved by the Senate also adds \$75 billion in aid to hospitals and another \$25 billion to assist in state COVID-19 testing efforts. The states themselves did not get any additional aid, but were given flexibility on the use of their current funds they have received from the federal government.

There is already discussion of yet another bill that will provide additional funds to states whose budgets are impacted by the crisis. This could be the driving force for another bill in the near future in which broader policy issues to address the crisis are discussed, but most likely such a

bill would not pass until May. The title industry, outside of Texas, continues to pursue a temporary use of on-line notaries during the crisis.

The U.S. House still must pass the Senate bill, but it is widely expected they will do so on Thursday. It will then be sent to the President who is expected to sign it on Thursday night or Friday morning.

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