

COVID-19 CARES ACT Update

Update effective 3/25/2020 2:30 PM

A bipartisan agreement was reached late last night on a recovery bill, with votes expected in the Senate (and possibly the House) today.

The text of the agreement has *not* been released formally. As a result, we do not have guidance for you yet on the substance or its impact on the industry.

Democratic Leader Schumer released a letter to his colleagues identifying what he secured in the bill. A summary of that list is below. More to come.

- 4 months of extended unemployment insurance, instead of 3 months
- \$55 billion increase in the Marshall Plan for our Health Care System
- \$150 billion for a state, tribal, and local Coronavirus Relief fund
- \$10 billion for SBA emergency grants of up to \$10,000 to provide immediate relief for small business operating costs
- \$17 billion for SBA to cover 6 months of payments for small businesses with existing SBA loans
- \$30 billion in emergency education funding and \$25 billion in emergency transit funding
- \$30 billion for the Disaster Relief Fund to provide financial assistance to state, local, tribal, and territorial governments, as well as private nonprofits providing critical and essential services
- More than \$10 billion for the Indian Health Services and other tribal programs
- Make rent, mortgage, and utility costs eligible for SBA loan forgiveness
- Ban stock buybacks for the term of the government assistance plus 1 year on any company receiving a government loan from the bill.
- Establish robust worker protections attached to all federal loans for businesses
- Create real-time public reporting of Treasury transactions under the Act, including terms of loans, investments or other assistance to corporations

- Create of Treasury Department Special Inspector General for Pandemic Recovery to provide oversight of Treasury loans and a Pandemic Response Accountability Committee to protect taxpayer dollars
- Add a retention tax credit for employers to encourage businesses to keep workers on payroll during the crisis
- Provide income tax exclusion for individuals who are receiving student loan repayment assistance from their employer
- Save hundreds of thousands of airline industry jobs and prohibit airlines from stock buybacks and CEO bonuses

We are continuing to monitor the situation in DC on this third federal relief package, we are compiling guidance on the second federal relief package, and we are working on relief packages/programs with the NC legislative leadership.

We are posting and providing updates as quickly as we receive them on <https://ncrla-covid-19.org> and we will text breaking news to you if you'll text COVID-19 to 52886.

Stay tuned for more updates and guidance as it becomes available.

Lynn Minges
President and CEO

