



## What you should know about the Cares Act. Stay informed. Stay Safe. Stay Healthy. Stay Home ©

### A Brief on the CARES Act and Florida

*Congress recently approved the CARES Act, a third bipartisan stimulus bill to counter the coronavirus (COVID-19) pandemic. This \$2 trillion package will ultimately help keep our nation from falling into a deep recession due to COVID-19.*

#### • **Direct Payments to Americans**

This bill includes direct cash payments to Americans of up to \$1,200 per adult and \$500 per child. The full payment is available for individuals making up to \$75,000 and couples up to \$150,000 per year. Therefore, a family of four could get as much as \$3,400. The IRS will make these payments in the coming weeks based on either a tax filer's 2019 return or 2018 return. People who do not file a tax return will still be eligible for these payments, and the IRS will work with other agencies to coordinate how to make the payment.

#### • **Unemployment Insurance**

This bill expands the Unemployment Insurance program and increases the maximum unemployment benefit by \$600 per week for four months. This will allow workers, on average, to receive their full pay for four months. It also ensures laid-off workers are protected, no matter the size of the business that employs them and includes those who are self-employed and gig economy workers. Finally, it allows furloughed workers to stay on as employees and simultaneously receive Unemployment Insurance so that they can return to their jobs when this crisis ends.

#### • **Coronavirus Relief Fund**

This bill provides \$150 billion for the newly established Coronavirus Relief Fund, which state, tribal, and local governments can use this year to meet costs connected to the virus. It is estimated that Florida will receive approximately \$ 8.33 billion.

#### • **Resources and Protections for Health Care and Front-Line Workers**

This bill includes over \$150 billion in funding for our health care system. This funding will support critical investments in testing, health care supplies, workforce and training, new facility construction, expanded research into COVID-19, and telehealth technology for health care delivery.



This bill establishes free COVID-19 testing and full coverage of any recommended COVID-19 vaccine. Critically, this bill helps safeguard health care workers and first responders by ramping up production of personal protective equipment. These workers are on the front line of this crisis, and our collective public health depends on their ability to do their jobs safely.

### • **Relief for Small Businesses**

This bill provides extensive relief for small businesses, including \$10 billion for the Small Business Administration (SBA) to provide emergency grants of up to \$10,000, as well as \$17 billion for the SBA to cover six months of payments for businesses with existing SBA loans. There is also \$350 billion in loan forgiveness grants to small businesses and non-profits to allow them to maintain existing workforce and pay for other expenses like rent, mortgage, and utilities. The Paycheck Protection Program (PPP) in the bill will provide small businesses and other entities with zero-fee loans of up to \$10 million. Up to eight weeks of average payroll and other costs will be forgiven if the business retains its employees and their salary levels. Principal and interest are deferred for up to a year, and all borrower fees are waived.

### • **Corporate Transparency and Accountability Provisions**

The bill provides funding to help industries that have been hit hard by the coronavirus pandemic but puts protections in place for the American taxpayer. Companies that utilize government assistance are banned from doing stock buybacks for the term of the loan plus one year. The bill also creates real-time public reporting of loan terms, investments, and other assistance to corporations and creates a Special Inspector General for Pandemic Recovery and a Pandemic Response Accountability Committee to oversee the use of taxpayer dollars.

### • **Higher Education**

This bill provides \$30 billion in overall emergency education funding. Florida's state universities will gain nearly \$249 million to offset lost revenue, fund new technology and help students with housing, food and other emergency needs. The agreement defers student loan payments, principal, and interest until October 1 without penalty for all federally owned loans. It includes protections for students who were forced to drop out of college as a result of coronavirus, ensuring that these students will not be barred from receiving lifetime subsidized loans and will still be eligible for Pell grants. It allows institutions to offer students additional aid, expands the use of federal grants like TRIO and GEARUP, and provides Peace Corps and other National Service Corps volunteers with their full educational award prior to the suspension of their overseas assignments. The bill also creates a new program allowing employers to pay off up to \$5,250 per year of an employee's student loan debt without employees having to pay tax on that benefit.

### • **K-12 Education**

The bill provides Title I schools with \$3 billion in flexible funding to allow governors to address the needs of their elementary and secondary schools. This funding is essential for carrying out



emergency educational services to students, such as childcare and early childhood education and social and emotional support. Low income students that attend private school in any school district will equally qualify for aid.

### • **Food Assistance**

The bill increases funding for food stamps or the Supplemental Nutrition Assistance Program by \$15.5 billion and makes it easier for children, seniors, and individuals with disabilities who already receive SNAP to get their food and other related benefits. \$100 million would be given to food distribution programs on Indian reservations. And another \$200 million would go to the Mariana Islands and Puerto Rico.

### • **Easing of Retirement Rules**

This bill waives the additional 10 percent tax on early distributions from retirement accounts for people who have been economically harmed by coronavirus. It also waives required minimum distributions in 2020 from defined contribution plans (such as 401(k) plans) and IRAs. The waiver includes required minimum distributions that are due by April 1, 2020 because the account owner turned 70 ½ in 2019.

### • **Housing Assistance**

This bill provides over \$12 billion for affordable housing, rental support and homelessness assistance programs. It places a temporary moratorium on evictions and foreclosures for homeowners and renters living in federally subsidized apartments and homes with federally backed mortgages. This funding will help low-income and working-class Americans who are facing loss of employment, childcare, or other complications relating to the coronavirus pandemic. It also provides additional housing assistance for especially vulnerable groups, such as older adults, people with disabilities and people with AIDS. Additionally, the bill includes \$900 million for the Low-Income Home Energy Assistance Program (LIHEAP), which helps assist families with energy costs. Florida is estimated to receive approximately \$54 million in LIHEAP funds.

### • **Election Assistance**

This bill includes \$400 million to help states prepare for complications in upcoming elections as a result of COVID-19. This funding will help states expand vote-by-mail programs, early voting, and online registration. It will also allow states to increase the safety of in-person voting by creating additional voting facilities and adding more poll-workers. The State of Florida is estimated to receive approximately \$21 million, which includes the state's 5% match of approximately \$1 million.

### • **Community Development Block Grants**

This bill includes \$5 billion in Community Development Block Grants for coronavirus response and to mitigate the impacts in our communities. The legislation also waives the public services cap to allow communities to respond to the impacts of the pandemic by providing an increased



share of funding for health services, education programs, crime prevention and public safety, and services for the homeless and seniors. Grantees are states and units of local government, awarded via formula.

### • **Child Care and Development Block Grant**

This bill supports childcare and early education by providing \$3.5 billion for the childcare and Development Block Grant. Florida will receive \$222 million under this emergency appropriation.

### • **Arts and Humanities**

So many of our South Florida cultural institutions are suffering. This bill provides Florida with \$910,000 in grants through the National Endowment of the Humanities and \$606,000 for the grants through the National Endowment of the Arts.

### • **Public Health Emergency Preparedness Program**

The bill provides about \$750 million in CDC State, Local, and Tribal Grants Minimum Awards to help agencies cope with the public health emergency. The minimum award for Florida is \$30 million. In addition, states can apply for additional funds above their minimum award, based on their needs.

### • **Law Enforcement (Byrne-Justice Assistance Grant Program)**

The bill provides \$850 million for the Byrne-Justice Assistance Grant Program, giving additional support to state and local law enforcement agencies, thereby allowing them, for example, to obtain the personal protective equipment and other medical items they may need during this public health emergency. Florida will receive approximately \$ 52 million under this appropriation.

### • **Transit Agencies**

The bill \$25 billion to transit agencies, which have all seen a drastic drop in revenues as social distancing has been implemented. This funding is to be used to protect the jobs of the employees of the transit agencies, funding their paychecks during this public health emergency. Florida will receive approximately \$969 million under this program.