NEWS BRIEF

Provided by: Clarke & Company Benefits, LLC

Congress Passes $480 Billion Coronavirus Relief Package

On Thursday, April 23, 2020, the U.S. House of Representatives voted on and passed the newest coronavirus aid bill, which includes funding for small businesses, hospitals and coronavirus testing. The bill now heads to President Donald Trump, who indicated he will sign it into law quickly.

What is included in the new bill?

The bill provides $484 billion in total funding. Of those funds, $320 billion would replenish the federal small business loan program, the Paycheck Protection Program (PPP), which ran out of funds last week. The PPP was initially created by the Coronavirus Aid, Relief and Economic Security (CARES) Act, and was designed to get cash in the hands of suffering small businesses quickly, with less stringent eligibility requirements than the existing SBA loan programs. PPP loans are designed to incentivize business owners to keep employees on their payroll.

....

"This is totally uncharted territory. We're looking how this is impacting all of our country on a day to day basis."

- *Senate Majority Leader Mitch McConnell*

....

In addition, $60 billion will be added for small lenders and community banks. Those funds will be split to help federally insured lenders and community financial institutions.

The bill also adds $10 billion for Economic Injury Disaster Loan grants. These grants are a "loan advance [that] will provide up to $10,000 of economic relief to businesses that are currently experiencing temporary difficulties." Small businesses will supposedly be able to receive funds within days of applying.

Finally, the bill includes $75 billion in funding for hospitals and $25 billion in COVID-19 testing.

What's next?

While the bill has passed through Congress, it must still be signed by the president to become a law. The president has indicated he will sign the bill into law soon.

Clarke & Company Benefits, LLC will continue to monitor this situation and provide updates as necessary.

CLARKE & COMPANY
BENEFITS LLC