Federal COVID-19 relief provisions overview – Updated April 29, 2020

As of April 29, 2020, Congress has enacted four bills related to the coronavirus (COVID-19) crisis: the Coronavirus Preparedness and Response Supplemental Appropriations Act, the Families First Coronavirus Response Act, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), and the Paycheck Protection Program and Health Care Enhancement Act.. Together, these bills focus primarily on responding to the outbreak and providing immediate relief to those impacted by mandatory and voluntary closures. This assistance takes several forms and is primarily focused on providing aid for healthcare, impacted workers, and industries. Over the coming weeks CMAP will provide an overview of key provisions as details on implementation become available.

** denotes sections that were updated on April 29, 2020.

This document describes CMAP staff interpretations of the legislation and is meant to be used by local governments for informational purposes only – it is NOT a formal or official record of how the funding will be administered, or a call for projects.

State and local assistance for health and public safety

Coronavirus Relief Fund
Total: $150 billion
Direct recipients/administrator: U.S. Treasury grants to state, local, and tribal governments
Purpose: Covers eligible, unbudgeted health and public safety expenses of responding to the outbreak incurred between March 1 — December 31, 2020.

Fine print: The fund will be allocated by population, except that $3 billion is set aside for U.S. territories and the District of Columbia, $8 billion is set aside for tribal governments, and no state will receive less than $1.25 billion. The U.S. Treasury will distribute funds directly to the recipient jurisdictions, not later than 30 days after the date of enactment.

Localities (primarily county-equivalent units of local government) with 500,000 or more people can also claim up to 45 percent of the allocation to their population, with the state retaining the other 55 percent. The state retains 100 percent of the allocation to populations not living in a locality with 500,000 or more. Eligible governments should have provided payment information and required supporting documentation to the U.S. Treasury no later than 11:59 p.m. EDT on April 17, 2020. Based on July 2019 population data, the Tax Foundation estimates that the State of Illinois and its localities will receive approximately the following allocations:

Cook County and/or City of Chicago	$899 million
DuPage County	$161 million
Kane County	$93 million
Lake County	$122 million
Will County	$120 million
State share	$3.5 billion
Total allocation	**$4.9 billion**

The U.S. Treasury has released additional guidance for state, local, and tribal governments on April 22, 2020—available here. This guidance includes the methodology and data sources that the Treasury will use to determine allocations, as well as its interpretation of eligible costs under the CARES Act. Final allocations will be determined using embargoed, 2019 Vintage data from the U.S. Census Bureau's Population Estimates Program that is not yet available to the public. However, allocations should not differ substantially from the estimates listed above. In cases where overlapping jurisdictions each have more than 500,000 people (e.g., the City of Chicago and Cook County), both governments will receive an allocation and the population of the smaller, constituent government (City of Chicago) will be subtracted from that of the larger government (Cook County) in calculating payment amounts. The guidance takes a broad interpretation of eligible costs to address the crisis, including those that are "reasonably necessary for its intended use in the reasonable judgment of the government officials."

Unresolved issues/outstanding questions: It is unclear how the State of Illinois will use or distribute its allocation to support smaller localities, including McHenry and Kendall counties in the CMAP region.

Looking forward: Future updates to "State and local assistance" will include any recent developments for the program listed above and other relevant information.

Community development and housing

Community Development Fund
Total: $5 billion
Recipient: U.S. Department of Housing and Urban Development (HUD) and state and eligible local governments
Purpose: Expanded funding to address COVID-19 as it relates to services for senior citizens, the homeless, and public health services.

Fine print: Within this fund, $2 billion would be distributed to general units of local government under the Community Development Block Grant (CDBG) Entitlement Program within 30 days of enactment, based on the formulas for conventional fiscal year 2020 CDBG allocations. Eligible grantees in the entitlement program are principal cities of metropolitan statistical areas, other cities with populations of at least 50,000, and qualified urban counties with populations of at least 200,000, excluding entitlement city populations. States also receive CDBG funds based on a separate formula for distribution to other communities that do not qualify for entitlement funds. HUD has released allocation levels for this supplemental funding (available here), reflecting approved grant reductions and any reallocated funds for the CDBG and HOME programs. For northeastern Illinois, these allocations include:[1]

Cook County	$6,420,182
DuPage County	$2,294,733
Kane County	$796,783
Lake County	$1,709,120

[1] Under the CDBG program, some municipalities have a joint grant agreement with a county to administer their CDBG grants, including several in the CMAP region. The amounts for Cook, DuPage, and Lake counties include the supplemental funding under the CARES Act for Chicago Heights, Downers Grover, Wheaton, and North Chicago.

McHenry County	$830,790
Will County	$1,244,264
Arlington Heights	$164,062
Aurora	$902,078
Berwyn	$755,917
Chicago	$46,770,307
Cicero	$1,001,910
Des Plaines	$180,767
Elgin	$510,869
Evanston	$1,080,243
Hoffman Estates	$145,053
Joliet	$563,076
Mount Prospect	$154,667
Naperville	$315,985
Oak Lawn	$180,824
Oak Park	$980,107
Palatine	$303,119
Schaumburg	$217,873
Skokie	$361,988
Waukegan	$470,215
State of Illinois (non-entitlement)	$17,842,842
Other Illinois communities	$12,160,019
Total Illinois allocation	**$98,357,793**

Within 45 days, an additional $1 billion would be distributed to states, based on a formula to be developed by U.S. Department of Housing and Urban Development (HUD) for coronavirus (COVID-19), which states may suballocate to both entitlement and non-entitlement communities. HUD has not yet released guidance on how this program will be implemented.

The remaining $2 billion would be distributed to states and localities on a rolling basis, at the discretion of the HUD Secretary, based on formula factors to be developed by HUD. Up to $10 million of these funds may be used to make new awards or supplement existing awards, without competition, to immediately increase capacity building and technical assistance to current CDBG grantees.

Unresolved questions/outstanding questions: The Illinois Department of Commerce and Economic Opportunity has not yet released guidance on how the state's block grant for non-entitlement communities will be distributed. Kendall County and other, non-entitlement communities may receive CDBG suballocations from the state’s block grant.

Looking forward: Future updates to “Community development and housing” will include any recent developments for the program listed above and information on additional provisions including foreclosure protection, eviction protection, CDC State and Local Preparedness grants ($1.5 billion), Community Services Block Grants ($1 billion), Homeless Assistance grants ($4 billion), and other public housing and rental assistance programs for vulnerable populations.

Support to industries and mid- to large employers

Economic Stabilization Fund
Total: $500 billion
Direct recipient/administrator: Federal Reserve, U.S. Treasury, and lending institutions
Purpose: To provide liquidity to eligible businesses, states, and municipalities through loans, loan guarantees, and investments.

Fine print: The CARES Act authorizes and expands ability of the U.S. Treasury and Federal Reserve to purchase obligations directly, purchase obligations in secondary markets, or make loans. Generally speaking, the fund provides greater financing to banks and other primary lenders so that they can then make direct loans to employers and governments. Businesses seeking assistance should speak to their existing lender or a local lender. The program earmarks $46 billion for the U.S. Treasury to make loans directly to airline and ‘national security businesses.’ Otherwise, the U.S. Treasury can only use the allocated funds to make investments in support of programs and facilities at the Federal Reserve. These loans must include various provisions, including limits on stock buybacks, dividends, and executive compensation. However, they do not carry the same requirements for payroll retention or an equity stake for the U.S. Treasury.

For mid-sized businesses, the CARES Act also encourages the Federal Reserve to establish a new lending facility that would provide financing to banks and other primary lenders to make direct loans to employers with 500-10,000 employees. Employers seeking assistance should speak to their existing lender or a local lender. A mid-sized business seeking assistance must certify that the funds received will be used to retain “to the extent practicable” 90 percent of the its workforce, at full compensation and benefits, until September 30, 2020 and that it intends to restore 90 percent of the workforce that existed as of February 1, 2020. Like larger business receiving assistance under the Economic Stabilization Fund, loan recipients may not pay dividends or repurchase stock during the term of the loan, unless by contractual obligation. A mid-sized business must also certify that it will not offshore or outsource jobs for the term of the loan and two years after completing repayment, as well as not abrogate existing collective bargaining agreements and remain neutral in any union organizing effort for the term of the loan. Resulting loans would have an annualized interest rate no greater than two percent and would not require principal or interest payments for at least six months, subject to extension at the discretion of the U.S. Treasury.

Based on these authorizations, the Federal Reserve has announced multiple actions to support the economy and bolster the effectiveness of other CARES Act programs like the Paycheck Protection Program. These actions focus on supplying liquidity to participating financial institutions and ensuring credit flows to households, small and mid-sized businesses, and state and local governments through related lending facilities.

Looking forward: Future updates to "Support to industries and mid- to large employers" will include any recent developments for the programs listed above and other relevant information.

Stabilization for small employers

Paycheck Protection Program
Total: $659 billion
Direct recipient/administrator: Small Business Administration (SBA)
Purpose: Loans for small employers to maintain payroll and pay basic expenses

Fine print: The CARES Act establishes a Paycheck Protection Program (PPP) and appropriates $349 billion for loan guarantees and subsidies to assist eligible borrowers in paying certain operating costs for an 8-week period. The Paycheck Protection Program and Health Care Enhancement Act provides an additional $310 billion, without substantial structural changes to the program. "Covered loans" include SBA 7(a) loans made between February 15—June 30, 2020. They have a 100 percent SBA loan guarantee, charge no borrower's fees, have a two-year term at a 1 percent interest rate, and are available on a first-come, first-served basis. Unlike Economic Injury Disaster Loans (EIDL, see below), PPP loans are made by SBA-certified banks and other primary lenders. Eligible borrowers include businesses that meet the SBA's small business size standards for the industry in which they operate and other eligibility criteria, as well as most private, nonprofit organizations. Sole proprietors, independent contractors, and eligible self-employed individuals may also be eligible to receive a covered PPP loan.

The maximum loan amount is the lesser of $10 million or 2.5 times the average monthly payroll costs during the prior year, plus the outstanding balance of any SBA 7(a) loan that is refinanced as part of a covered PPP loan. Covered loans may be used for payroll costs, paid sick and family leave, maintaining health insurance coverage, mortgage payments, rent, utilities, and interest on any other debt obligations that were incurred before the covered period. The CARES Act and SBA rules require lenders to provide borrowers adversely affected by COVID-19 with deferment on payment of principal, interest, and fees on a covered PPP loan for the first six months.

Borrowers may be eligible for forgiveness of covered loan amounts that the borrower spent on qualifying costs during an 8-week period. The forgiveness is reduced proportionally by formulas related to the borrower's retention of full-time equivalent employees and any reduction in employee wages. Borrowers may also re-hire workers previously laid off and be eligible for loan forgiveness. Cancelled debt resulting from loan forgiveness would not be included in the borrower's taxable federal income. The SBA has announced that due to likely high demand, at least 75 percent of the forgiven loan amount must have been used for payroll in order to be eligible.

Businesses seeking assistance should speak to their existing lender or a local lender. The Paycheck Protection Program and Health Care Enhancement Act set aside $60 billion of the additional funding allocated to the PPP for smaller insured depository institutions, credit unions, and community financial institutions. The CARES Act allows a business to receive both a PPP loan and an economic injury disaster loan (EIDL, see below) under certain circumstances.

Unresolved issues/outstanding questions: The PPP has spurred significant debate, and future legislation may take up proposed structural reforms and lingering tax questions. The extremely high demand for PPP loans has required the SBA — as well as many private lenders — to amend existing rules related to 7(a) loans, enhance their loan portfolio, upgrade technology solutions, and increase or reassign staff. Private lenders have also prioritized or restricted loans to their existing customers due to the level of demand; the inadequate levels of funding; uncertainty over lenders' liability for waste, fraud, and abuse under existing banking regulations; and the program's first come, first served structure—all of which may lead to potentially excluding many disadvantaged enterprises. Together, these issues are compromising loan processing times and limiting the program's reach, particularly for businesses that do not have existing relationships with SBA-certified lenders.

Economic Injury Disaster Loan (EIDL) and cash advances
Total: $90.5 billion
Direct recipient/Administrator: Small Business Administration (SBA)
Purpose: Stopgap loan funding for small businesses, including up to $10,000 in immediate grant funding.

Fine print: The Coronavirus Preparedness and Response Supplemental Appropriations Act provides $20 billion for the existing EIDL loan program to provide recipients with working capital to meet financial obligations and operating expenses. The CARES Act allocates $10 billion for an EIDL emergency grant program, which offers an immediate $10,000 cash advance on EIDL loan applications. The Paycheck Protection Program and Health Care Enhancement Act provides an additional $10 billion for EIDL grants, as well as an additional $50 billion to the expand the underlying EIDL loan program . Unlike loans under the Payroll Protection Program (see above), EIDLs go directly from the SBA to the ultimate borrower, rather than through commercial banks or other primary lenders.

EIDL loans may be used to cover fixed debts, payroll, accounts payable, and other bills that cannot be paid because of a disaster's impact, including the spread of coronavirus (COVID-19). They are available to eligible businesses that meet the SBA's small business size standards for the industry in which they operate and other eligibility criteria, as well as most private, nonprofit organizations. EIDL loan amounts are based on actual economic injury and financial needs, typically up to a maximum of $2 million. The SBA may waive this limit if an applicant is a major source of employment. EIDL loan proceeds cannot be used to refinance long-term debt, expand facilities, pay dividends or bonuses, or for relocation. Under the CARES Act, the SBA has temporarily waived the "credit not available elsewhere" requirement, rules related to the personal guarantee on advances and loans of less than $200,000, and certain other eligibility criteria.

The SBA has also announced automatic deferment of repayment on new EIDL assistance through December 31, 2020, although interest on the loan would continue to accrue. According to the SBA's March 17, 2020, press release, SBA EIDL interest rates for COVD-19 are 3.75% for businesses and 2.75% for nonprofit organizations.

The CARES Act also authorizes the SBA Administrator to provide grants up to $10,000 as an advance payment on the loan amount requested within three days of receiving an EIDL application from an eligible entity. Applicants are not required to repay the grant, even if subsequently denied an EIDL loan. The cash advance may be used to provide paid sick and family leave, maintain payroll, meet increased costs to obtain materials due to interrupted supply chains, make rent or mortgage payments, or repay obligations that cannot be met due to revenue losses.

Information on the program including online application materials are available here. The CARES Act allows a business to receive both an EIDL loan and a Paycheck Protection loan (PPP, see above) under certain circumstances.

Unresolved issues/outstanding questions: The sheer volume of EIDL applications in response to COVID-19 is requiring the SBA to enhance its disaster business loan portfolio and increase staff to meet demand, compromising loan processing times.

Looking forward: Future updates to "Stabilization for small employers" will include any recent developments for the programs listed above and other relevant information. Additional provisions include $17 billion for subsidies for certain SBA loan guarantees and payments, $10 million for the Minority Business Development Agency, and $265 million for entrepreneurial development programs — including $192 million for small business development centers, $48 million for women's business centers, and $25 million for SBA resource partners to provide online information and training.

Unemployment benefits

Temporary expansions of unemployment benefits
Fine print: Legislation related to the COVID-19 pandemic has made extensive, temporary changes to the nation's unemployment insurance (UI) system by creating and funding four new federal programs (discussed below). Together, these programs aim to close gaps in the UI system by supplementing but not supplanting existing benefits under state or federal law. In essence, PUA expands UI coverage, FPUC increases the amount of UI benefits, PEUC extends the duration of UI benefits, and STC funds work sharing programs. In each case, assistance is provided through state unemployment insurance agencies — including the Illinois Department of Employment Security (IDES) — by separate agreement with the U.S. Secretary for Labor. Once the state enters into each agreement, the federal government pays 100 percent of the additional UI benefits and attributable administrative costs.

- **Pandemic Unemployment Assistance (PUA):** Creates a temporary federal program to offer unemployment benefits to certain individuals unable to work due to COVID-19 during January 27 — December 31, 2020. To be covered under PUA, an individual must be ineligible for regular or extended UI under state or federal law (including those who have exhausted all rights to benefits already) and is unable or unavailable to work due to the public health emergency.

  Broadly, PUA temporarily expands UI coverage to include workers who are employed part-time, self-employed, independent contractors, have insufficient work history, or otherwise do not qualify for regular or extended UI benefits. The weekly amount of assistance would be equal to the regular compensation authorized under state law plus the $600/week increase provided under FPUC (see below). Benefits would continue for up to 39 weeks. This maximum includes any weeks for which the covered individual already receives UI benefits under state or federal law. It also reflects the 26 weeks of benefits that are typical for regular UI benefits in most states plus the 13-week extension provided under PEUC (see below).

This portion of the benefits expansion package has not yet been implemented in Illinois. IDES is contracting with Deloitte to develop a web-based solution for PUA and expects to have it fully implemented by the week of May 11. The State of Illinois is asking all workers who are unemployed – including those who may qualify through PUA – to apply for unemployment benefits. Workers may be eligible for regular unemployment benefits without knowing it. For those who are not eligible, being denied regular benefits can help establish eligibility under PUA. IDES is processing applications for current benefits. Further details about the program, how to apply, and eligibility requirements will be available on the IDES website here once finalized.

- **Federal Pandemic Unemployment Compensation (FPUC):** Provides a temporary increase of $600/week in regular or extended UI benefits to all covered individuals. Assistance applies to weeks of unemployment beginning March 29 — July 31, 2020. These increased benefits are disregarded when determining income for the purposes of Medicaid and the Children's Health Insurance Program.

  FPUC has been fully implemented in Illinois, and IDES began disbursing funds through this program, starting the week of April 5, 2020.

- **Pandemic Emergency Unemployment Compensation (PEUC):** Provides an additional 13 weeks of regular UI benefits to covered individuals who have exhausted regular or extended UI benefits under state or federal law. The weekly amount of assistance would be equal to the regular compensation authorized under state law plus the $600/week increase provided under FPUC (see above). Assistance applies to weeks of unemployment beginning after the state enters into an agreement with the Secretary of Labor until December 31, 2020.

  IDES received guidelines from the U.S. Department of Labor on April 10 and expects to have the program fully implemented in Illinois by the week of April 20.

- **Short-Time Compensation (STC):** Provides temporary federal funding for short-time compensation programs under state law. A variation of unemployment insurance, these programs – also called work sharing programs – attempt to avoid the layoff of some workers by reducing hours for all workers and supplementing the wages of those affected through partial, pro-rated benefits. For states that have existing STC programs or that enact state law providing for new STC programs, the federal government will pay 100 percent of these STC benefits and attributable administrative costs. For states without STC programs but which agree to make STC payments, the federal government will pay 50 percent of these STC benefits and attributable administrative costs. To encourage the implementation and promotion of STC programs, $100 million is authorized for grants to state employment security agencies by application to the U.S. Secretary of Labor. Assistance applies to weeks of unemployment beginning after the state enters into an agreement with the Secretary of Labor until December 31, 2020.

  Illinois enacted permitting legislation in 1983 (expired 1988) and 2014 but has not implemented a STC program. The state is currently not using assistance under this program.

- **State implementation assistance:** Provides $1 billion in emergency grants to states to expand capacity for providing and processing unemployment insurance and to meet increased demand due to the crisis. Each state's share is based on its proportionate share of calendar year 2018 taxable wages under the Federal Unemployment Tax Act (FUTA).

  Per U.S. Department of Labor's Unemployment Insurance Program Letter No. 13-20, Illinois' potential share is $41,979,368.

- **Temporary federal funding of the first week of regular UI:** Provides full temporary federal funding for UI benefits paid by a state to covered individuals for their first week of regular unemployment, if the state does not require a waiting week or temporarily suspends such requirements. Assistance applies to weeks of unemployment beginning after the state enters into an agreement with the Secretary of Labor until December 31, 2020.

  In Illinois, Executive Order 2020-18 waives the state's seven-day waiting period for residents to apply for unemployment benefits. Anyone who qualifies can apply immediately.

Looking forward: Future updates to "Unemployment benefits" will include recent developments for the programs listed above.

Additional income supplements

Economic Impact Payments
Total: up to $1,200 per eligible adult and $500 per dependent child under age 17
Direct recipient/administrator: Internal Revenue Service (IRS) payments to individuals and households
Purpose: Cash assistance

Fine print: Individuals should receive the Economic Impact Payment if they are not a dependent of another taxpayer and have a work-eligible Social Security number. Taxable income is not required to claim this benefit. Retirees and recipients of Social Security, Railroad Retirement, and disability or veterans' benefits as well as very low-income households are eligible to receive a payment. The amount of each payment depends on taxpayers' income. Households will receive $1,200 per eligible adult and $500 per dependent child under age 17 if their adjusted gross income is less than:

- $75,000 for individuals
- $112,500 for head of household filers
- $150,000 for married couples filing joint returns

Taxpayers will receive a reduced payment if their adjusted gross income is between:

- $75,000 and $99,000 for individuals
- 112,500 and $136,500 for head of household filers
- $150,000 and $198,000 for married couples filing joint returns

Recipients will receive these payments as a direct deposit or by paper check beginning in mid-April, based on how they would normally receive their annual federal tax refunds. The IRS will send notice by mail to each taxpayer's last known address not later than 15 days after their payment has been distributed. The notice will indicate how the payment was made, the amount of the payment, and a phone number at the IRS to report any failure to receive the payment. More information and updates can be found on the IRS website here.

Unresolved issues/outstanding questions: The IRS is urging U.S. residents to be alert for scam artists trying to use the Economic Impact Payments to steal personal information and money. The IRS will not call, text, email, or contact taxpayers on social media asking for personal or bank account information. Taxpayers who receive such requests should instead visit IRS website here to find correct information and updates.

Supplemental Nutrition Assistance Program (SNAP)
Total: N/A
Direct recipient/administrator: U.S. Department of Agriculture (USDA)
Purpose: Supplemental assistance for food

Fine print: The Families First Coronavirus Response Act (FFCRA) temporarily suspends SNAP's three-month time limit for jobless adults under age 50 without a child at home, as well as eligibility requirements for individuals to work or participate in job training for an average of

20 hours/week. Eligible individuals who may have exhausted SNAP benefits previously may qualify for benefits again. State SNAP agencies may also request waivers for certain requirements — like in-person case reviews, monthly paperwork, and application interviews — to preserve participants' benefits and streamline administrative work amid increased demand.

The FFCRA also allows states to provide emergency supplementary SNAP benefits for up to two months. SNAP benefits are based on a formula that first estimates how much income families have available to buy food and then determines the difference between that income and a USDA estimate of the cost of a nutritionally adequate diet at minimal cost. Most SNAP households receive less than the maximum benefit because they have some income available to buy food under these benefit calculation rules. In states that have received appropriate waivers and declared an emergency or disaster, the FFCRA requires USDA to provide SNAP recipients with an emergency allotment for the maximum benefits for their household size, regardless of income. Supplemental benefits will last for at least two months.

Illinois Department of Human Services (IDHS) has been approved by the Food and Nutrition Service for a SNAP waiver that allows IDHS to provide one-time issuances to all existing SNAP recipients for April and May 2020 to bring their SNAP budget amount to the maximum available for their household size. Administrative waivers are effective April 1, 2020 until one-month after the Secretary of Health and Human Services lifts the public health emergency. More information can be found through Policy Memos on the IDHS website here.

The FFCRA also allows states to provide additional, meal-replacement benefits through SNAP (called pandemic electronic benefit transfer or P-EBT) for households with children who would receive free or reduced-price meals if not for school closures, regardless of income or citizenship. The amount of this benefit would be the value of a free breakfast and lunch for five school days a week, or about $114 a month per child. Illinois' state plan for the P-EBT program was approved by the U.S. Department of Agriculture on April 17, 2020. IDHS is working in collaboration with the Illinois State Board of Education (ISBE) to notify families of this benefit. Families are not required to be currently enrolled in SNAP to qualify for P-EBT assistance. More information including eligibility requirements and application processes can be found here.

Emergency family and medical leave and paid sick leave expansion
Total: N/A
Direct recipient/administrator: U.S. Department of Labor (DOL)
Purpose: Expands emergency family and medical leave and paid sick leave to enable greater compliance with quarantine and isolation orders related to the coronavirus (COVID-19).
Fine print: In general, the Families First Coronavirus Response Act (FFCRA) requires covered employers to provide eligible employees with up to two weeks paid of sick leave as well as up

to ten weeks paid and two weeks unpaid of family and medical leave when they are unable to work due to certain reasons related to COVID-19. These reasons include the employee (or someone they are caring for) is sick and subject to related quarantine or isolation orders; their dependent child's school or childcare provider is unavailable; or they are experiencing a substantially similar condition, as specified by the Secretary of Health and Human Services. The FFCRA specifies caps on the wages that covered employers are required to pay eligible employees, including:

- For employees who take paid sick leave to care for themselves: full pay up to $511/day and total $5,100/employee.
- For employees who take paid sick leave to care for someone else: full pay up to $200/day and total $2,000/employee.
- For employees who take paid family and medical leave: at least two-thirds of regular pay but not more than $200/day and total $10,000/employee.

The FFCRA covers all private employers with fewer than 500 employees and certain public employers. Small employers with fewer than 50 employees may qualify for an exemption from the requirement to provide paid leave due to school closings or childcare provider unavailability, if the leave payments would jeopardize the viability of their business.

On April 1, 2020, DOL issued a temporary rule to implement emergency leave under Title I of the Family and Medical Leave Act (FMLA) and emergency paid sick leave. Certain technical corrections to the rule were announced on April 10, 2020. This rule is effective from April 2, 2020, through December 31, 2020. More information on the temporary rule — including fact sheets and posters in multiple languages about employees' rights under the FFCRA — are available on DOL's website here.

Looking forward: Future updates to "Additional income supplements" will include more recent developments to the programs listed above and details on the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) ($500 million).

Workforce training and protections

Dislocated Worker National Reserve Fund
Total: $345 million
Direct recipient/administrator: U.S. Department of Labor (DOL) grants to states
Purpose: Primarily supports National Dislocated Worker Grants (DWGs) support training and career services for workers who have lost their jobs due to large, unexpected layoff events.

Fine print: DWGs are discretionary grants awarded by DOL to assist communities that have experienced job losses due to disasters or mass layoffs. While state agencies are the grantee, they may subgrant funds to local workforce development boards or expend funds through public and private agencies engaged in qualified projects. This funding is intended to temporarily expand capacity to serve dislocated workers and meet the increased demand for WIOA employment and training services.[2] DOL's Training and Employment Guidance Letter No. 12-19 explains how eligible applicants can apply for DWGs, including emergency funding requests. DOL accepts and reviews applications on a rolling basis. More information, including a list of approved awards, is available here. The Illinois Department of Commerce and Economic Opportunity has been awarded $8,325,000 but has not announced how these funds will be used. Information on future state funding opportunities for Local Workforce Innovation Areas—including Disaster Recovery and Employment Recovery DWGS—will be available here.

Looking forward: Future updates to "Workforce training and protections" will include recent developments for the program listed above and information on any additional programs.

Business and self-employment tax provisions

Payroll credit for required paid sick leave and paid family and medical leave
Total: N/A
Recipient/Direct administrator: IRS and employers via quarterly payroll tax returns
Purpose: Support for employers and their employees on leave directly dealing with COVID-19 cases.

Fine print: The Families First Coronavirus Response Act (FFCRA) provides tax credits equal to 100 percent of the wages paid for qualified emergency sick or family leave (see above). These tax credits also include the employer's share of payroll taxes for Medicare on those wages and its allocable cost of maintaining health insurance coverage for the employee during the leave period. The employer is also not subject to the employer portion of payroll taxes for Social Security on those wages. The credits are fully refundable and may be refunded in advance. Requirements for expanded paid sick and family leave under the FFCRA – as well as the associated tax credits – only apply to employers with fewer than 500 employees. Employers are

[2] These funds are in addition to $100 million in Disaster Response DWGs already available under a nationwide public health emergency declaration, as well as Employment Recovery DWGs available in response to layoffs caused by cancellations or shutdowns due to coronavirus. Entities eligible to apply for Disaster Recovery DWGs and Employment Recovery DWGs are states, outlying areas, and Indian Tribal Governments as defined in the Stafford Act (42 U.S.C. 5122(6)).

entitled to claim these credits on wages, healthcare insurance costs, and payroll taxes paid for leave during April 1-December 31, 2020.

Unresolved issues/outstanding questions: The U.S. Department of Labor (DOL) may provide rules that a business with fewer than 50 employees may use to claim an exemption if providing these qualified leave wages would jeopardize the viability of their businesses. The DOL has not yet set forth regulations on claiming such an exemption. Comparable credits are provided for self-employed individuals to cover qualified paid sick and family leave wages. More information and FAQs can be found here.

Employee Retention Credit
Total: Up to $5,000 per employee
Direct recipient/administrator: IRS and employers via quarterly payroll tax returns
Purpose: Workforce retention and short-term revenue stabilization

Fine print: Eligible employers will have fully or partially suspended operations due to government orders to limit commerce, travel, and group meetings and/or can demonstrate significant decline in gross receipts. Provides a fully refundable tax credit equal to 50 percent of qualified wages paid by employers during March 12—December 31, 2020, as well as the allocable cost of maintaining health insurance coverage for employees. The maximum amount of qualified wages taken into account for each employee is $10,000, so that the maximum credit to the employer for any particular employee is $5,000.

Employers taking a Paycheck Protection Program loan (see above) cannot claim an employee retention tax credit. More information and FAQs can be found here.

Employer Payroll Tax Deferral
Total: Varied based upon payroll obligations
Direct recipient/administrator: U.S. Treasury

Fine print: Employers may defer payment of payroll taxes from passage of Act to December 31, 2020, with 50 percent to be paid by December 31, 2021 and remaining 50 percent by December 31, 2022. To hold Social Security trust funds harmless, Treasury will transfer funds from the general fund to replicate to the extent possible the transfers which would have been made by employers.

Looking forward: Future updates to "Business and self employment tax provisions" will include recent developments for the programs listed above and information on any additional programs.

Other

Looking forward: Future updates to "Other" will include recent developments for various provisions included CARES Act. Several provisions provide for aid for transportation including transit systems ($25 billion nationally, $1.4 billion to metropolitan Chicago), airports ($10 billion), Amtrak ($526 million for National Network grants). Other programs support COVID-19 testing, treatment, and prevention; childcare; low-income energy assistance ($900 million); Education Stabilization Fund ($30.75 billion); and 2020 election preparations ($400 million).