CARES Act Federal Stimulus Package: 10 Pieces You Should Know About

1. **SBA Paycheck Protection Program**: $349 billion loan program with a forgiveness element that is designed for small businesses (and the self-employed) to keep employees on payroll during the crisis. Eight weeks of payroll for employees with salaries below $100,000 and rent/utilities will be forgiven. Forgiveness is reduced on a pro-rata basis if the number of employees is reduced. Eligible businesses can have up to 500 employees, or larger if specified by SBA industry size standards. Loans will be administered by banks.

2. **SBA Economic Injury Disaster Loan (EIDL) Program**: Short-term capital for small businesses and the self-employed, including advance grants of $10,000 that the SBA is making directly and quickly – potentially as soon as three days.

3. **Federal Reserve loans for larger businesses**: $454 billion for the Federal Reserve to provide loans to eligible businesses, states, and localities for whom alternative financing is not reasonably available. The Treasury will establish a special facility for medium-sized businesses with between 500 and 10,000 employees.

4. **Payroll tax credit for impacted employers**: A refundable payroll tax credit for 50 percent of wages paid by employers to employees who cannot perform their duties due to the COVID-19 crisis. It also includes an option for employers to delay payroll tax payments.

5. **Paid family, medical, and sick leave**: Requires employers to provide 12 weeks of leave – unpaid for the first 10 days and paid for the remaining 10 weeks – to employees who cannot work due to caring for a child whose school has closed. It also requires 80 hours (two weeks) of paid sick leave for full-time employees and two weeks of average hours worked for part-time employees.

6. **Broadband deployment funding**: $200 million for the FCC to support health care providers by expanding telehealth programs. $100 million for the Rural Utilities Service (RUS) ReConnect pilot program, which provides grants for broadband service in eligible rural areas. $25 million for the RUS Distance Learning and Telemedicine program.

7. **Education funding**: $13.5 billion in elementary and secondary education formula funding provided directly to states to help schools respond to the coronavirus and related school closures, meet the immediate needs of students and teachers, improve the use of education technology, support distance education, and make up for lost learning time.

8. **Other federal IT funding**: $2.15 billion to the VA, $300 million for DoD, $75 million for the Corporation for Public Broadcasting, and $50 million for the Institute of Museum and Library Sciences, among other provisions, for IT and/or communications procurement or services.

9. **Direct aid to states**: $150 billion in direct aid for state budget relief. This will be distributed based on population, with each state receiving a minimum of $1.25 billion.

10. **Individual rebates and expanded unemployment**: $1,200 per adult ($2,400 married) plus $500 per child, up to an adjusted gross income of $75,000 ($150,000 married). The amount is completely phased out for incomes above $99,000 ($398,000 married). Extra $600 per week in unemployment benefits in addition to state amount, for up to four months. Expanded UE eligibility for self-employed.