

Congress Reaches a Deal on a \$900 Billion Pandemic Relief Bill

United States Senate and House leaders have reached an agreement on an approximately \$900 billion relief bill in response to the ongoing COVID-19 pandemic. If passed, this would be the largest relief package since Congress passed the CARES Act in March of this year. The full text of the relief bill has not yet been released; however, many details of the package have been reported by congressional leaders.

The bill would include direct stimulus payments of \$600 per individual and \$600 per dependent child. These direct payment amounts would phase out for those with income above certain thresholds. It is expected that these thresholds will be the same as those contained in the CARES Act (\$75,000 for individuals and \$150,000 for married couples filing jointly). Under the CARES Act, direct stimulus payments were fully phased out for individuals making more than \$99,000 and couples making over \$198,000.

The package also would provide additional federally funded unemployment benefits of \$300 per week for 11 weeks from the end of December 2020 through mid-March 2021. The bill would also extend other unemployment benefit programs found in the CARES Act, including the expansion of eligibility to include those who are self-employed and work as independent contractors, and the provision for an additional 13 weeks of payments to those who exhaust their regular benefits under state law.

The Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) program would also be revived and allow certain small businesses and non-profits to apply for a second loan. This second round would provide expanded eligibility for local newspapers, broadcasters and certain nonprofits, and certain minimum amounts will be reserved for PPP and/or EIDL loans for minority-owned and very small businesses, live venues, independent movie theaters and cultural institutions. Approximately \$275 billion would be appropriated for the second round of PPP loans.

The bill also extends the current moratorium on evictions until January 31, 2021, and provides \$25 billion for rental assistance. Additional funding would also be provided for virus testing and vaccine distribution, Supplemental Nutrition Assistance Program (SNAP) benefits, K-12 schools, colleges and childcare providers, and state and federal transportation needs.

The full text of the bill is expected to be finalized shortly, and congressional leaders are hopeful that the bill will be passed by both the House and Senate and signed by the President early this week.

Date Created

December 21, 2020