

Holland & Knight

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Memorandum

Date: March 25, 2020
To: Local Government Clients
From: Holland & Knight LLP
Re: Provisions of Interest in the CARES Act to Local Governments (as of 8:15 PM)

I. Coronavirus Relief Fund

- Creates a \$150 billion fund to provide direct assistance to states and localities to use for expenditures incurred due to the public health emergency with respect to COVID-19 in the face of revenue declines, allocated by population proportions, with a minimum of \$1.25 billion for states with relatively small populations. 55% to states; 45% to localities. Localities eligible for direct assistance include: a county, municipality, town, township, village, parish, borough, or other unit of general government below the State level with a population that exceeds 500,000.
- The language states that a State, Tribal government, and unit of local government shall use the funds provided under a payment made under this section to cover only those costs of the State, Tribal government, or unit of local government that—“(1) are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19); “(2) were not accounted for in the budget most recently approved as of the date of enactment of this section for the State or government; and “(3) were incurred during the period that begins on March 1, 2020, and ends on December 30, 11 2020.

II. Department of Agriculture (USDA)

- **Supplemental Nutrition Assistance Program (SNAP)** – The bill includes \$15.5 billion (same amount as Senate Republican CARES Act) in additional funding for SNAP to ensure all Americans, including seniors and children receive the food they need.
- **Child Nutrition Programs** – The bill includes \$8.8 billion (Senate Republican CARES Act was \$9 billion) in additional funding for Child Nutrition Programs in order to ensure children receive meals while school is not in session.

- **The Emergency Food Assistance Program (TEFAP)** – The bill provides \$450 million (same as Senate Republican CARES Act) for the TEFAP program. With many communities suffering from job losses, food banks have seen increased needs. These funds are critical so food banks can continue to assist those Americans most in need.
- **Additional Assistance to Producers** – The bill includes \$9.5 billion to assist specialty crop producers; producers who support local food systems such as farmers markets, schools, and restaurants; and livestock producers, including dairy.

III. Department of Commerce

- **Economic Development Administration (EDA)** – The bill provides \$1.5 billion for economic adjustment assistance, which can be used to help rebuild impacted industries such as tourism or manufacturing supply chains, capitalize local funds to provide low-interest loans to businesses of all sizes, and support other locally-identified priorities for economic recovery.
- **Support for Manufacturing** –\$50 million is provided for the Manufacturing Extension Partnership to help small- and medium-sized manufacturers recover.

IV. Department of Education

- The bill includes \$30.750 billion for an Education Stabilization Fund for states, school districts and institutions of higher education for costs related to coronavirus. These flexible funds will be available to help address these needs. They include:
 - **Elementary and Secondary Education:** For elementary and secondary education, \$13.5 billion is available for formula-grants to States, which will then distribute 90 percent of funds to local educational agencies to use for coronavirus-response activities, such as planning for and coordinating during long-term school closures; purchasing educational technology to support online learning for all students served by the local educational agency; and additional activities authorized by federal elementary and secondary education laws.
 - **State Funds:** Governors in each state will receive a share of \$3 billion (this funding was previously \$2 billion under the Senate Republican CARES Act) to allocate at their discretion for emergency support grants to local educational agencies that the State educational agency deems have been most significantly impacted by coronavirus. These funds will support the ability of such local educational agencies to continue to provide educational services to their students and to support the on-going operations of the local educational agency; and provide emergency support through grants to institutions of higher education serving students within the State.

- **Higher Education:** \$14.250 billion (this funding was previously \$6 billion under the Senate Republican CARES Act) will be available for higher education emergency relief for institutions of higher education to prevent, prepare for, and respond to coronavirus. Funds may be used to defray expenses for institutions of higher education, such as lost revenue, technology costs associated with a transition to distance education, and grants to students for food, housing, course materials, technology, health care, and child care.

V. Elections

- **Independent Agencies Election Assistance Commission Election Security Grants –** \$400,000,000, to states to prevent, prepare for, and respond to coronavirus, domestically or internationally, for the 2020 Federal election cycle.

VI. Department of Health and Human Services (HHS)

- The bill provides for a delay to December 1, 2020 of the statutory Medicaid disproportionate share hospital (DSH) payment reductions, currently scheduled to go into effect May 23, 2020 through fiscal year 2022.
- The bill extends popular Medicaid and other expiring health care programs, including:
 - Extension of the Temporary Assistance for Needy Families Program and Related Programs through 2021 to Nov. 30, 2020.
 - Extension of spousal impoverishment protections through September 3, 2024.
 - Extension and expansion of the Community Mental Health Services demonstration program through November 30, 2020.
- **Administration for Community Living (ACL)** –\$955 million for ACL to support nutrition programs, home and community based services, support for family caregivers, and expand oversight and protections for seniors and individuals with disabilities.
- **Community Services Block Grant (CSBG)** –\$1 billion for CSBG to help communities address the consequences of increasing unemployment and economic disruption.
- **Low Income Home Energy Assistance Program (LIHEAP)** –\$900 million to help lower income households heat and cool their homes.
- **Child Care Development Block Grant** – The bill supports child care and early education programs by including \$3.5 billion (was \$3 billion) for the Child Care Development Block Grant. This funding will allow child care programs to maintain critical operations,

including meeting emergency staffing needs and ensuring first responders and health care workers can access child care while they respond to the pandemic.

- **Head Start Program** – \$750 million for grants to all Head Start programs to help them respond to coronavirus related needs of children and families, including making up for lost learning time. Funding is available to cover the cost of operating supplemental summer programs at existing Head Start facilities ready to operate such programs.
- **Centers for Disease Control and Prevention (CDC)** – \$4.3 billion to support federal, state, and local public health agencies to prevent, prepare for, and respond to the coronavirus, including:
 - \$1.5 billion to support States, locals, territories, and tribes in their efforts to conduct public health activities, including:
 - Purchase of personal protective equipment;
 - surveillance for coronavirus;
 - laboratory testing to detect positive cases;
 - contact tracing to identify additional cases;
 - infection control and mitigation at the local level to prevent the spread of the virus; and
 - other public health preparedness and response activities.
 - \$1.5 billion in flexible funding to support CDC’s continuing efforts to contain and combat the virus, including repatriation and quarantine efforts, purchase and distribution of diagnostic test kits (including for state and local public health agencies) and support for laboratory testing, workforce training programs, combating antimicrobial resistance and antibiotic resistant bacteria as a result of secondary infections related to COVID-19, and communicating with and informing public, state, local, and tribal governments and healthcare institutions.
 - \$300 million for the Infectious Diseases Rapid Response Reserve Fund, which supports immediate response activities during outbreaks.
- **Assistant Secretary for Preparedness and Response (ASPR)** – \$127 billion for medical response efforts, including:
 - \$100 billion for a new program to provide grants to hospitals, public entities, not-for-profit entities, and Medicare and Medicaid enrolled suppliers and institutional providers to cover unreimbursed health care related expenses or lost revenues attributable to the public health emergency resulting from the coronavirus.
 - More than \$27 billion for the Biomedical Advanced Research and Development Authority (BARDA) to support research and development of vaccines,

therapeutics, and diagnostics to prevent or treat the effects of coronavirus, including:

- \$16 billion for the Strategic National Stockpile for critical medical supplies, personal protective equipment, and life-saving medicine;
 - At least \$3.5 billion to advance construction, manufacturing, and purchase of vaccines and therapeutics to the American people. This is in addition to the major investments provided for these activities in the first supplemental.
 - At least \$250 million for the Hospital Preparedness Program, including the National Ebola and Special Pathogens Training and Education Center (NETEC), regional, State and local special pathogens treatment centers, and hospital preparedness cooperative agreements;
 - Funding for innovations in manufacturing platforms to support a U.S.-sourced supply chain of vaccines, therapeutics, and small molecule active pharmaceutical ingredients;
 - Funding to support U.S.-based next generation manufacturing facilities;
 - Increased medical surge capacity at additional health facilities;
 - Enhancements to the U.S. Commissioned Corps;
 - Funding to support research related to antibiotic resistant secondary infections associated with coronavirus; and
 - Workforce modernization and increased telehealth access and infrastructure to increase access to digital healthcare delivery.
- **Health Resources and Services Administration (HRSA)** – The bill includes \$275 million for HRSA, including \$90 million for Ryan White HIV/AIDS programs and \$185 to support rural critical access hospitals, rural tribal health and telehealth programs, and poison control centers.
 - **Centers for Medicare & Medicaid Services (CMS)** – The bill includes \$200 million for CMS to assist nursing homes with infection control and support states’ efforts to prevent the spread of coronavirus in nursing homes.

VII. Department of Homeland Security

- The bill provides an extension for states to be REAL-ID compliant from October 1, 2020 to September 30, 2021.
- The bill also provides exemptions on premium pay and overtime authority from any annual limit if services performed during FY 2020 are primarily related to preparation, prevention, or response to coronavirus (effective January 1, 2020).
- **Transportation Security Agency (TSA)** - \$100 million for the TSA for preparation and prevention activities, including cleaning and sanitizing at checkpoints and other airport common areas.

- **Federal Emergency Management Agency (FEMA):**
 - **Disaster Relief Fund:** The bill provides \$45 billion for the immediate needs of state, local, tribal, and territorial governments to protect citizens and help them recovery from the overwhelming effects of COVID-19. Reimbursable activities may include medical response, personal protective equipment, National Guard deployment, coordination of logistics, safety measures, and community services nationwide.
 - **Assistance to Firefighter Grants:** The bill provides \$100 million for the purchase of personal protective equipment and related supplies, including reimbursements;
 - **Emergency Management Performance Grants:** The bill provides \$100 million which focus on emergency preparedness
 - **Emergency Food and Shelter Program:** The bill provides \$200 million which provides shelter, food, and supportive services through local service organizations.

VIII. Department of Housing and Urban Development (HUD)

- **Community Development Block Grant (CDBG) – \$5 billion.** Distribution of Funds, as follows:
 - \$2 billion direct allocation to states and local governments through the regular program formula (all grantees that received a CDBG allocation in FY20 will receive this funding). HUD must allocate the funds within 30 days of enactment of the bill.
 - \$1 billion to states based on a new formula (public health needs, risk of transmission of coronavirus, number of coronavirus cases compared to the national average, economic and housing market disruptions, and other factors determined by HUD)
 - States will allocate the funds to entitlement/non entitlement communities
 - HUD must allocate the funds within 30 days of enactment of the bill
 - \$2 billion to be allocated directly to states and local governments via a new formula to be developed by HUD (prioritizing risk of transmission of coronavirus, number of coronavirus cases compared to the national average, and economic and housing market disruption resulting from coronavirus). The funds will be used to cover or reimburse allowable costs incurred by a state or locality regardless of the date on which the costs were incurred.
 - Allocations will be made on a rolling basis

Provisions Related to the \$5 Billion CDBG Allocation

- Extends the deadline for submission of the FY19 and FY20 con plan/action plans. Due date is now August 16, 2021.

- Suspends the 15% cap on public services
 - Suspends in-person public hearings; allows grantees the option of holding virtual hearings.
 - Allows HUD to waive further program requirements (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment).
- **Homeless Assistance Grants** – \$4 billion. These funds will enable state and local governments to address coronavirus among the homeless population. These grants, in combination with additional waiver authority, will provide effective, targeted assistance to contain the spread of coronavirus among homeless individuals. These grants will also provide state and local governments with homelessness prevention funding for individuals and families who would otherwise become homeless due to coronavirus. Distribution of Funds, as follows:
 - \$2 billion allocated through the regular program formula to all grantees that received funding in FY20
 - HUD must allocate the funds within 30 days of enactment of the bill
 - \$2 billion allocated to states and local governments to areas with the greatest need via a formula to be developed by HUD (risk of transmission of coronavirus, high numbers or rates of sheltered homeless, and economic and market conditions)
 - Very low-income individuals and families (30% or less of AMI) at risk of homelessness are eligible for homelessness prevention assistance
 - HUD must allocate the funds within 90 days

Additional provisions on ESG:

- Allows recipients to deviate from regular procurement standards when procuring goods and services to prevent, prepare for, and respond to the coronavirus
- Recipients can use up to 10 percent of the allocation for administrative purposes. In addition to the 10% for admin, these funds can be used to provide hazard pay, including for time worked prior to the date of this bill, for staff working directly to prevent, prepare for, and respond to coronavirus among the homeless or persons at risk of homelessness.
- The funds are not subject to the citizen participation requirements
- No match requirement
- No cap on emergency shelter activities
- Funds can be used to provide temporary shelters (through leasing of existing property, temporary structures, or other means) to prevent, prepare for, and respond to the coronavirus
- Environmental review standards will not apply to these funds

- **Tenant-Based Rental Assistance** – \$1.25 billion. These funds will preserve Section 8 voucher rental assistance for seniors, the disabled, and low-income working families, who will experience loss of income from the coronavirus.
- **Public Housing Operating Fund** – \$685 million. These funds will provide Public Housing Agencies with additional operating assistance to make up for reduced tenant rent payments, as well as to help contain the spread of coronavirus in public housing properties.
- **Rental Assistance Protections for Low-Income Americans** – \$3 billion is included for housing providers to help more than 4.5 million low-income households made up of more than 9.6 million individuals currently assisted by HUD to safely remain in their homes or access temporary housing assistance in response to economic and housing disruptions caused by COVID-19. This includes:
 - \$1.935 billion to allow public housing agencies (PHAs) to keep over 3.2 million Section 8 voucher and public housing households stably housed;
 - \$1 billion to allow the continuation of housing assistance contracts with private landlords for over 1.2 million Project-Based Section 8 households;
 - \$65 million for housing for the elderly and persons with disabilities for rental assistance, service coordinators, and support services for the more than 114,000 affordable households for the elderly and over 30,000 affordable households for low-income persons with disabilities; and
 - \$65 million for Housing Opportunities for Persons with AIDS in order to maintain rental assistance and expand operational and administrative flexibilities for housing and supportive service providers to assist nearly 61,000 households. Given that this population is particularly vulnerable, the bill includes temporary relocation services to contain and prevent the spread of COVID-19 for these at-risk households.
- **Mortgage Relevant Provisions:**
 - In the single family residential space, the loans that are insured or otherwise guaranteed by FHA, VA, USDA, Fannie Mae and Freddie Mac are prohibited from foreclosure actions for 60 days starting March 18th for borrowers who request it. Penalties and delinquency related fees may not be charged to the consumer if forbearance is requested. Borrowers may extend their forbearance for up to an additional 4 months if they can demonstrate a COVID-19 related hardship. This borrower-requested forbearance expires the earlier of December 31st or the termination of the emergency declaration.
 - In the multi-family residential space, loans that are insured or otherwise guaranteed by FHA, VA, USDA, Fannie Mae or Freddie Mac or are part of HUD-assisted housing are eligible for a 90 day forbearance on mortgage and interest payments. Evictions are prohibited for borrowers who receive forbearance. This

borrower-requested forbearance expires the earlier of December 31st or the termination of the emergency declaration.

- In the rental space (single and multi-family), landlords are subject to a 120 day moratorium on filing eviction proceedings for the non-payment of rent if the property is insured or guaranteed by FHA, VA, USDA, Fannie Mae or Freddie Mac or are part of HUD-assisted housing. Unpaid rent will still accrue, but landlords may not charge fees or assess other punitive charges during the 120 day period. Landlords are also prohibited from reporting the delinquency to the credit agencies, if they are a furnisher.

IX. Immigration/Border Provisions

- \$350 million for Migration and Refugee Assistance under the Department of State.
- Non-resident aliens are excluded from unemployment insurance.
- No new funds for Immigration and Customs Enforcement or Customs and Border Protection.
- Transfer and reprogramming restrictions attached to Department of Homeland Security operational money.
- Prevents Department of Defense funds from being diverted to build a wall on the southern border.

X. Department of Justice

- Byrne-JAG Grant Funding: The bill provides \$850 million in Byrne-JAG grant funding to be awarded pursuant to the formula allocation, adjusted in proportion to the relative amounts statutorily designated and used in FY 2019. The awards will not be subject to restrictions or special conditions that are the same as (or substantially similar to) those, imposed on awards under FY 2018, that forbid interference with Federal law enforcement.

XI. Department of Labor

- The bill includes \$360 million for the Department of Labor to invest in programs that provide training and supportive services for dislocated workers, seniors, migrant farmworkers, and homeless veterans. This also includes funding for DOL agencies to ensure new Paid Leave and UI benefits are implemented swiftly and effectively.

XII. Small Business Administration (SBA)

- The bill provides \$562 million to ensure that SBA has the resources to provide Economic Injury Disaster Loans (EIDL) to businesses that need financial support during this difficult time. SBA has signed emergency declarations for all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, so the EIDL program will be available to assist small businesses across the country that have been adversely impacted by COVID-19.
- This funding is in addition to the significant assistance provided in the Keeping American Workers Employed and Paid Act, which authorizes \$350 billion worth of 100 percent guaranteed SBA loans, a portion of which SBA will forgive based on allowable expenses for the borrower. This small business package also includes \$10 billion in direct grants for businesses that do not qualify for the EIDL program, and \$17 billion to have SBA step in and make six months of principle and interest payments for all SBA backed business loans.
- Section 1102 expands both lender and borrower eligibility for 7(a) loans, and provides more protections for lenders. It also authorizes \$349,000,000,000 for the expanded Section 7(a) loan program. The Section 1102 changes to the 7(a) loan program are in effect from February 20, 2020 – June 30, 2020.
 - Expansion of small business eligibility. Companies with the greater of no more than (i) 500 employees, or (ii) their applicable employee size standard for their North American Industrial Classification System, are eligible for loans under this program. The number of employees includes both full-time and part-time employees. If a company that falls under NAICS Code 72 (accommodations and food service) has multiple locations, the 500 employee limit applies to each location. Notably, the Act is silent on companies with revenue-based size standards. Small businesses who have alternate sources of credit are still eligible for these loans, and the fact that a company has a pre-existing emergency loan will not impact eligibility under the expanded 7(a) program so long as the pre-existing loan was not used for payroll purposes.
 - Loan terms. The Act contains a formula for calculating loan amounts. The maximum loan is the lesser of:
 - For companies that have been in business for a year: The average monthly payroll for the preceding 12 months multiplied by 2.5 plus any pre-existing emergency loan; for companies that were not in business before the period February 15, 2019 – June 30, 2019: The average monthly payroll for the period January 1, 2020 through February 29, 2020 multiplied by 2.5;
 - OR
 - \$10,000,000.00.

- The loan proceeds may only be used for payroll, group health benefits, salary and employee commissions, interest on mortgages, rent, utilities, and interest on debt incurred before February 15, 2020.
- Interest rates cannot exceed four percent.
- Delegates authority to lenders to make determinations on borrower eligibility and creditworthiness without going through standard SBA's channels.
- New lenders are invited to join the program and will be provided the same authorities as existing lenders.
- Requirements will be amended to determine eligibility based upon COVID-19 funding limitations, not repayment ability.
- Limits a borrower from receiving this assistance and an economic injury disaster loan through SBA for the same purpose, with limited exceptions.
- Waives collateral and personal guarantee requirements under SBA 7(a) program.
- Increases the maximum loan for an SBA Express loan from \$350,000 to \$1 million through December 31, 2020, after which point the Express loan will have a maximum of \$500,000.
- Borrower shall be eligible for loan forgiveness equal to the amount spent by the borrower during an 8-week period after the origination date of the loan on payroll costs, interest payment on any mortgage, and select other expenses impacted by COVID-19
- Amounts that can be forgiven include payroll costs up to \$100,000, plus payment of interest on any covered mortgage obligation plus any payment on any covered rent obligation and any covered utility payment.
- The amount forgiven will be reduced proportionally by a reduction of employees according to a specific formula and encourages employers to rehire any employees who have already been laid off due to the COVID-19 crisis without penalty
- The Act requires the Senate to Administer guidance to lenders and agents to ensure that the processing and disbursement of covered loans prioritizes small business concerns and entities in underserved and rural markets, including veterans and members of the military community, small business concerns owned and controlled by socially and economically disadvantaged individuals.
- *The final bill dropped language from previous Senate versions of the bill that would have provided payment and performance relief to small and non-profit government contractors and otherwise protected their contracts from cancellation or re-solicitation."*

XIII. Department of Transportation

Transit

- \$25 billion for transit infrastructure to remain available until expended, to prevent, prepare for, and respond to coronavirus. Funds will be apportioned by the same ratio of FY 2020 appropriations through these Federal Transit Administration (FTA) formula programs:
 - \$13.9 billion for [Section 5307 Urbanized Area Formula Program Grants](#)
 - \$1.8 billion [Section 5311 Formula Grants for Rural Areas](#)
 - \$7.6 billion for [Section 5337 State of Good Repair](#)
 - \$1.7 billion for Section 5340 Fast Growth-High Density Grants
- FTA must apportion these funds within seven days of the date of bill enactment.
- Funding is “available for the operating expenses of transit agencies related to the response to a coronavirus public health emergency”... “beginning on January 20, 2020, reimbursement for operating costs to maintain service and lost revenue due to the coronavirus public health emergency, including the purchase of personal protective equipment, and paying the administrative leave of operations personnel due to reductions in service.”
- The operating expenses are not required to be included in a transportation improvement program (TIP), long-range transportation and statewide transportation plans, or a statewide transportation improvement program (STIP).
- At the option of the grant recipient, federal share can be up to 100 percent.

Airports

- The final bill includes \$10 billion from the federal general fund to remain available until expended for airports to prevent, prepare for, and respond to coronavirus.
- \$500 million to fund the local share (matching requirements) of fiscal year 2020 AIP grants with any remainder moved to the \$7.4 billion pot below
- \$7.4 billion for commercial service airports to be used for any lawful purpose, which means any activity airports can legally use funds now
 - 50% set aside for distribution based on each sponsor’s calendar 2018 enplanements as a percentage of total 2018 enplanements
 - 50% set aside for distribution based on an equal combination of each sponsor’s fiscal year 2018 debt service as a percentage of the combined debt service for all

commercial service airports and each sponsor's ratio of unrestricted reserves to their respective debt service

- 100% federal share (no local match)
- \$2 billion for distribution through AIP entitlement formula to be used for any lawful purpose with the following criteria:
 - Use double entitlement formula;
 - Eliminate maximum apportionment for largest airports;
 - Maintain minimum apportionment for small airports (\$1 million or \$600k);
 - Eliminate any turnback for large and medium hubs with \$4.50 PFC;
 - Any remainder after the formula run is moved to the \$7.4 billion pot above;
 - 100% federal share (no local match)
- \$100 million for general aviation airports with the following criteria:
 - Distributed based on proportional needs as determined by NPIAS;
 - 100% federal share (no local match);
 - Large, medium, and small hub airports must maintain 90 percent of workforce (after making adjustments for retirements or voluntary employee separations) through end of 2020, with hardship waivers from DOT possible for economic hardship or reductions in aviation safety or security;
 - 0.1 percent is set aside for FAA administration of these funds.

XIV. Department of Treasury (USDT)

- **Payments to Individuals** – U.S. residents with adjusted gross income up to \$75,000 (\$150,000 married), who are not a dependent of another taxpayer and have a work eligible social security number, are eligible for the full \$1,200 (\$2,400 married) rebate. In addition, they are eligible for an additional \$500 per child. This is true even for those who have no income, as well as those whose income comes entirely from non-taxable means-tested benefit programs, such as SSI benefits.
- For most individuals, no action will be required in order to receive a rebate check as IRS will use a taxpayer's 2019 tax return if filed, or in the alternative their 2018 return. This includes many low-income individuals who file a tax return in order to take advantage of the refundable Earned Income Tax Credit and Child Tax Credit. The rebate amount is reduced by \$5 for each \$100 that a taxpayer's income exceeds the phase-out threshold. The amount is completely phased-out for single filers with incomes exceeding \$99,000, \$146,500 for head of household filers with one child, and \$198,000 for joint filers with no children.

XV. Tax Provisions

- Final bill did not include a fix to allow state and local employers from benefiting from payroll tax credits available to private employers.

XVI. Unemployment Insurance

- Creates a temporary Pandemic Unemployment Assistance program beginning January 27, 2020 through December 31, 2020, to provide payment to those not traditionally eligible for unemployment benefits (self-employed, independent contractors, seeking part-time employment, gig economy workers, those with limited work history, and others) who are unable to work as a direct result of the coronavirus public health emergency.
- A covered individual is one who is not eligible for regular compensation or extended benefits under state or federal law, and self-certifies that he or she is otherwise able to work but is unable to do so for reasons related to the impacts of COVID-19 on the individual, the individual's family, the individual's place of work, movement restrictions, and more.
- Provides payment to states to reimburse nonprofits, government agencies, and Indian tribes for half of the costs they incur through December 31, 2020 to pay unemployment benefits.
- Provides an additional \$600 per week payment to each recipient of unemployment insurance or Pandemic Unemployment Assistance recipient for up to four months.
- Provides funding to pay the cost of the first week of unemployment benefits through December 31, 2020 for states that choose to pay recipients as soon as they become unemployed instead of waiting one week before the individual is eligible to receive unemployment benefits.
- Provides an additional 13 weeks of unemployment benefits through December 31, 2020 to help those who remain unemployed after weeks of state unemployment are no longer available.
- Provides funding to support "short-time compensation" programs, where employers reduce employee's hours instead of laying off workers and the employees with reduced hours receive a pro-rated unemployment benefit. This provision would pay 100 percent of the costs they incur in providing short-time compensation through December 31, 2020.
- Temporarily eliminates the 7-day waiting period for railroad unemployment insurance benefits through December 31, 2020 (to make this program consistent with the change made for states through the same period in an earlier section of this title).
- Gives the Secretary of Labor the ability to issue operating instructions or other guidance as necessary in order to implement this subtitle, as well as allows the Department of

Labor to waive Paperwork Reduction Act requirements, speeding up their ability to gather necessary information from states.

XVII. Arts

- **National Endowment for the Arts (NEA)** – Adds an additional \$75 million in grants available until September 30, 2021. 40 percent will be distributed to state arts agencies and regional arts organizations and 60 percent will be direct grants.
- **National Endowment for the Humanities (NEH)** – Adds an additional \$75 million in grants available until September 30, 2021. 40 percent will be distributed to state humanities councils and 60 percent will be direct grants.
- **Institute of Museum and Library Services (ILMS)** – Adds an additional \$50 million in grants available until September 30, 2021 to prevent, prepare for, and respond to coronavirus, including grants to expand digital network access, purchase internet accessible devices, and provide technical support services.