

CORONAVIRUS LEGISLATION & RESOURCE GUIDE

FROM THE OFFICE OF
CONGRESSMAN PAUL MITCHELL (MI-10)



TABLE OF CONTENTS

A LETTER FROM REPRESENTATIVE MITCHELL 3

FEDERAL LEGISLATION TO DATE 4

- Phase 1 – Emergency Supplemental Spending bill 4
- Phase 2 – Families First Coronavirus Response Act 4
- Phase 3 – CARES Act 4
- Phase 4 – Paycheck Protection Program and Health Care Enhancement Act 5
- Phase 5 – TBD 6

FOR INDIVIDUALS AND FAMILIES 7

- Economic Impact Payments 7
- Expanded Unemployment Insurance 8
- Paid Sick Leave 9
- Paid Family Leave 10
- Tax Filing Day Delay 11
- School Aged Populations 12
- Student Loan Borrowers 14
- Renters 15
- Homeowners 16
- Retirement Provisions 18
- Elderly Population 19

FOR BUSINESSES 20

- Paycheck Protection Program 20
- Small Business Debt Relief Program 21

Economic Injury Disaster Loans & Emergency Economic Injury Grants	22
Tax Credit for Employee Retention	22
Delay of Payment of Employer Payroll Taxes	23
Small Business Counseling & Training	24
Economic Stabilization Fund and Assistance to Severely Distressed Economic Sectors	25
FOR COMBATING COVID-19	26
Coronavirus Testing	26
Coronavirus Vaccine Development	26
Medical Supplies	27
Support for Health Care Providers	28
APPENDIX A: ECONOMIC IMPACT PAYMENTS FAQ	31
APPENDIX B: UNEMPLOYMENT INSURANCE FAQ	34
APPENDIX C: PAID LEAVE FAQ	37
APPENDIX D: RETIREMENT PROVISIONS FAQ	39
APPENDIX E: PAYCHECK PROTECTION PROGRAM FAQ	43
APPENDIX F: SMALL BUSINESS DEBT RELIEF FAQ	46
APPENDIX G: ECONOMIC INJURY DISASTER LOANS & EMERGENCY ECONOMIC INJURY GRANTS FAQ	47

This guide is current as of April 24, 2020. The most frequent updates are available at Mitchell.House.Gov.





A LETTER FROM REPRESENTATIVE MITCHELL

As your representative, I want to ensure you are aware of legislation passed so far and resources available to you regarding the Coronavirus pandemic.

In this guide, you will find helpful information on what the legislation passed by Congress so far means for you. Additionally, you will find links to the various new programs and resources that aim to provide relief for individuals, families, and businesses who have been impacted by COVID-19.

Please note this is a rapidly developing situation, and this guide will be updated as additional guidance and information regarding new programs becomes available. The most up to date information is available at my website: Mitchell.House.Gov.

We each must continue to do our part in addressing this public health and economic challenge to mitigate its negative effects. You have my ongoing pledge that I will continue to do what I can as your federal representative in Congress to provide needed relief to individuals, families, and businesses impacted by the Coronavirus.

Sincerely,

A handwritten signature in black ink that reads "Paul Mitchell".

Paul Mitchell
Member of Congress



FEDERAL LEGISLATION TO DATE

Phase 1 - Emergency Supplemental Spending bill

- This bill provided emergency funding to replenish health related reserve funds and efforts to continue to address the virus at home and abroad, including expediting vaccine development, purchasing essential equipment and supplies, and assisting state and local health departments.

Phase 2 - Families First Coronavirus Response Act

- The Families First Coronavirus Response Act established an Emergency Paid Leave Program that replaces a significant share of lost wages so those who take leave to avoid spreading the virus, or leave due to illness or caregiving responsibilities, can pay their bills.
- It also provided enhanced Unemployment Insurance.
- Finally, there are some other miscellaneous provisions, including expanded telehealth; Medicaid FMAP expansion; TRICARE and Indian Health Service provisions; and free coronavirus testing.

Phase 3 - CARES Act

- The CARES Act represents the third and largest Congressional response to the COVID-19 pandemic.



- It is a massive disaster relief bill aimed at shoring up individual, family, and business finances, and further responding to the health care crisis, among other provisions.
- Some of its highlights include:
 - Direct payments to individuals and families via Economic Impact Payments.
 - Further boosts Unemployment Insurance benefits, expanding eligibility and offering workers an additional \$600 a week for 4 months on top of what state unemployment pays.
 - New provisions for Small Businesses, including the Paycheck Protection Program, new Entrepreneurial Development Programs, and Emergency Economic Injury Disaster Loans & Grants.
 - A total of \$500 billion in emergency relief to distressed businesses, as well as states and municipalities.
 - Additional payments and flexibility for health care providers to respond to the virus, including \$100 billion for hospitals and providers, \$4.3 billion for the CDC, and \$80 million for the FDA.

Phase 4 - Paycheck Protection Program and Health Care Enhancement Act

- This bill allocates additional funds to two small business programs created by the CARES Act, namely the Paycheck Protection Program and Economic Injury Disaster Loans & Grants.
- It also provides \$75 billion for hospitals to support their COVID-19 related expenses and \$25 billion for expanding COVID-19 testing.



Phase 5 - TBD

- There will certainly be another response package to the Coronavirus as its health and economic impact continues.
- While there are not details of it yet, you have my commitment that I will examine it with the seriousness the situation requires and will do what I can to maximize its effectiveness.



FOR INDIVIDUALS AND FAMILIES

Economic Impact Payments

- Economic Impact Payments are the direct payments that many eligible individuals will automatically receive from the United States Government.
- The Treasury Department and the Internal Revenue Service have begun making these payments and they will be distributed automatically with no action required for most people.
- However, some individuals and others who typically do not file returns will need to submit a simple tax return only so the IRS can have the most up-to-date information to determine eligibility and to find out where to send the payment.



- [Economic Impact Payments: Enter Payment Info & Track Payment](#)
- [Economic Impact Payment Information Center](#)
- [Get My Payment FAQ](#)
- [Economic Impact Payments FAQ](#)



Expanded Unemployment Insurance

- Unemployment insurance has been significantly expanded in the wake of Coronavirus and will remain so for the duration of the crisis.
- Because so many workers are now working in non-traditional arenas, Congress created a new Pandemic Unemployment Assistance program to help those not traditionally eligible for UI. Such newly covered individuals include self-employed and independent contractors, like gig workers, as well as those who are unable to work or telework as a result of the coronavirus public health emergency.
- Provides funding to reimburse nonprofits and government entities that are not part of the state unemployment system for 50% of the costs they incur through December 31, 2020 to pay unemployment benefits.
- There are significant additional funds to reinforce resources for those that were already eligible for traditional UI, including \$250 billion to expand UI.
- Provides an additional \$600/week payment to each UI or Pandemic Unemployment Assistance recipient for 4 months beginning April 1 through July 31, 2020.
- Provides an additional 13 weeks of unemployment to help those who remain unemployed after weeks of state unemployment are exhausted.
- Congress made available \$1 billion for emergency administrative grants to state unemployment agencies that can be used to help with spike in claims, processing, and applications.
- The funds for states are separated into two allotments. The first is immediately available, the 2nd allotment is available to a state that experiences a 10% increase in claims from the previous quarter.



- Allows states to access interest-free federal loans to pay unemployment benefits, if needed.
- Provides funding for the 1st week of unemployment for states to waive the traditional “waiting week” before benefits begin so they can pay individuals quickly.
- Provides states with temporary, limited flexibility to hire temporary staff or re-hire former staff to quickly process unemployment claims so they can get benefits out quickly.
- Provides funding to states to help them maintain short-time compensation programs to prevent layoffs, as well as expand these work sharing programs in the future.



- [Michigan Unemployment Site](#)
- [U.S. Department of Labor How to File for Unemployment](#)
- [Unemployment Insurance FAQ](#)

Paid Sick Leave

- Under Phase 2, certain employers are required to provide 80 hours (or 2 weeks) of fully paid leave to full-time employees (pro-rata rules would apply to part-time employees) on top of any other existing paid leave program of the employer to cover employees not working because of the following reasons:
 - (1) the employee is subject to a Federal, State, or local quarantine or isolation order related to coronavirus;
 - (2) the employee has been advised by a health care provider to self-quarantine due to coronavirus;



- (3) the employee is experiencing symptoms of coronavirus;
 - (4) the employee is caring for an individual who is subject to an order described in (1) or has been advised as described in (2);
 - (5) the employee is caring for their child because the school is closed or their childcare provider is unavailable due to coronavirus; or
 - (6) the employee is experiencing a similar condition specified by the Secretary of HHS.
- Employers would be required to pay employees their full wages, not to exceed \$511 per day and \$5,110 in the aggregate, for a use described in (1), (2), or (3) above.
 - Employers would be required to pay employees two-thirds of their wages, not to exceed \$200 per day and \$2,000 in the aggregate, for a use described in (4), (5), or (6) above.
 - Employers can receive a 100 percent refundable payroll tax credit on the wages required to be paid.
 - The requirement to provide the paid leave would apply to all public sector employers and those private sector employers with less than 500 employees.
 - The tax credit eligibility would only apply to those private sector employers with less than 500 employees.

Paid Family Leave

- Employers would also generally be required to provide ten weeks of paid family leave.
- Employers would be required to pay employees two-thirds of their wages, not to exceed \$200 per day and \$10,000 in the aggregate.



- This leave would cover employees who are not working because the employee is caring for their child because the school is closed or their childcare provider is unavailable due to a public health emergency.
- The requirement to provide the paid leave would apply to all employers with less than 500 employees.
- Employers would receive a 100 percent refundable payroll tax credit for the wages required to be paid.
- Federal, state, and local governments are not eligible for the Credit.
- Secretary of Labor has the authority to issue regulations to:
 - (1) exclude certain health care providers and emergency responders from the definition of eligible employee; and
 - (2) exempt small businesses with fewer than 50 employees if the above requirements would jeopardize the going concern of the business.



- [COVID-19 Resources for Employers and Workers](#)
- [Employer Paid Leave Requirements](#)
- [Employee Paid Leave Rights](#)
- [Paid Leave FAQ](#)

Tax Filing Day Delay

- The Treasury Department and Internal Revenue Service announced that the federal income tax filing due date is automatically extended from April 15, 2020, to July 15, 2020.



- Taxpayers can also defer federal income tax payments due on April 15, 2020, to July 15, 2020, without penalties and interest, regardless of the amount owed. This deferment applies to all taxpayers, including individuals, trusts and estates, corporations and other non-corporate tax filers as well as those who pay self-employment tax.
- The State of Michigan also moved their tax deadlines to July 15, 2020.
- Those that are able to file their tax returns electronically are still encouraged to do so as soon as possible, especially if they are expecting a tax return. This will help with turnaround time and will also help expedite receipt of the Economic Impact Payments from the federal government.



- [Filing and Payment Deadlines FAQ](#)
- [Michigan Department of Treasury](#)

School Aged Populations

- The CARES Act provides approximately \$31 billion in emergency education funding to students, schools, institutions, and states across the country.
- Provides \$3.5 billion for childcare and an additional \$750 million for Head Start.



- Half a billion dollars for WIC (the Special Supplemental Nutrition Program for Women, Infants, and Children) to help low-income pregnant women or mothers with young children who lose their jobs or are laid off due to the coronavirus emergency.
- New waivers to allow child and adult care centers to allow those eligible to take their food to-go.
- Provides the Secretary of Education additional waiver authority to ensure school districts can focus on addressing students' needs during this pandemic.
- Allows states to waive annual student testing for schools affected by COVID-19.
- Allows schools to use any remaining funds from Title I - the largest program in the Every Student Succeeds Act that aims to provide all children with the opportunity to receive a high-quality education - for next year.
- Gives school districts increased flexibility in how they use block grant funds, allowing more funds to be used for technology and other activities related to coronavirus recovery.



- [Information and Resources for Schools and School Personnel](#)
- [Michigan Department of Education Information and Resources](#)
- [Locate your school meal pickup site](#)



Student Loan Borrowers

- Suspends loan payments and prevents interest from accruing on all federal student loans through September.
- The suspension of payments would not adversely impact a borrower's eligibility for loan forgiveness.
- Halts all involuntary collection of federal student loan debt, including wage garnishment and tax refund offset, through September.
- All loans owned by the Department of Education will be covered under the CARES Act, including having interest waived and payment suspended.
- Eligible loans include: Direct Loans, Federal Perkins Loans, and Federal Family Education Loan (FFEL) Program loans held by the Department of Education.
- Please note that while debt collection is paused for eligible federal student loans, debt collection may continue for other consumer loan obligations.
- For instance, FFEL Program loans that are owned by private lenders, and some Perkins Loans which are owned by the college or university you attended, are not covered.
- Private student loans are not eligible for these new protections, but you can contact your private student loan servicer to see if they would provide some payment or interest relief.



- [Coronavirus and Forbearance Info for Students, Borrowers, and Parents](#)



- Department of Education's Office of Federal Student Aid phone number: 1-800-872-532

Renters

- For renters living in "covered dwellings" the CARES Act provides a temporary moratorium on evictions as well as late fees for nonpayment of rent or other charges for a period of 120 days starting on March 27, 2020.
- A "covered dwelling" can generally be defined as a rental home that is receiving federal subsidies, or a property with a federally backed mortgage.
- Specifically, this includes rental housing supported by the following federal housing programs:
 - Public housing; Section 8 Housing Choice Vouchers; Section 8 Project-Based Rental Assistance; Section 202 Supportive Housing for the Elderly; Section 811 Supportive Housing for Persons with Disabilities; Housing Opportunities for Persons With AIDS (HOPWA); McKinney-Vento Homeless Assistance grants; Section 236 Preservation program; HOME investment partnerships; Rural Development multifamily housing (Section 516 Farm Labor Housing Grants, Section 542 Rural Development Vouchers, Section 521 Rural Rental Assistance, Section 533 Housing Preservation grants); and the Low Income Housing Tax Credit (LIHTC) program.



- It also includes rental housing with a single-family or multifamily mortgage that is:
 - Purchased or securitized by Fannie Mae or Freddie Mac; insured by the Federal Housing Administration (FHA); guaranteed, directly provided by, or insured by the Department of Veterans Affairs (VA); guaranteed, directly provided by, or insured by the Department of Agriculture (USDA); or guaranteed under HUD's Native American or Native Hawaiian Home Loan Guarantee programs.
- Further, landlords would not be allowed to issue a notice to vacate until after this temporary moratorium and they would not be allowed to require a tenant to vacate the unit until 30 days after the notice is given.
- Renters should be advised that the moratorium only applies to evictions for nonpayment of rent, not for other causes.
- Renters should also be advised that although they may be protected from eviction proceedings temporarily under this bill, the bill does not treat nonpayment of rent during this period as forgiven and these unpaid amounts will accrue during this period even if fees are not assessed.
- Renters should not have to do anything to benefit from this prohibition on evictions and late fees. Renters who believe their landlord is out of compliance with these provisions should contact their local legal aid or the relevant federal agency.

Homeowners

- Homeowners with "federally backed mortgages" are eligible for assistance.



- Federally backed mortgages are defined as mortgages for single-family homes that are:
 - Purchased or securitized by Fannie Mae or Freddie Mac; insured by the Federal Housing Administration (FHA), including reverse mortgages or Home Equity Conversion Mortgages (HECMs); guaranteed, directly provided by, or insured by the Department of Veterans Affairs (VA); guaranteed, directly provided by, or insured by the Department of Agriculture (USDA); or guaranteed under HUD's Native American or Native Hawaiian Home Loan Guarantee programs.
- Homeowners that do not know whether their mortgage fits this definition should reach out to their mortgage servicer to find out. Your mortgage servicer is the company that you send your mortgage payments to each month.
- For context, 70 percent of mortgages in the current market are federally backed. Homeowners with mortgages that are not federally backed are not covered under the CARES Act.
- Homeowners who are suffering financial hardship directly or indirectly related to COVID-19 should contact their servicer to request a forbearance.
- Homeowners will have to attest to financial hardship caused directly or indirectly by COVID-19 to receive a forbearance but are not required to provide any further documentation to prove such financial hardship.



- [Department of Housing and Urban Development COVID-19 Resources](#)



- [Department of Housing and Urban Development Rental Assistance](#)
- [Michigan State Housing Development Authority](#)

Retirement Provisions

- Loans from retirement accounts increased to \$100k (from \$50k)
 - Allows Americans to access more cash from retirement accounts without being penalized during this time.
- Waiver of 10% penalty on up to \$100k of coronavirus-related early retirement withdrawals:
 - Income tax owed on distributions is spread out over 3 years.
 - Applies to early distributions made on or after January 1, 2020 and before December 31, 2020.
 - Allows Americans to access their retirement savings in this time of emergency without being penalized.
- All Required Minimum Distributions (RMDs) for defined contribution plans have been waived for 2020, provided that your account is an IRA, 401(k) plan, 403(b) plan or other defined contribution plan.



- [CARES Act Retirement Provisions FAQ](#)



Elderly Population

- Social Security beneficiaries who are not typically required to file tax returns do not need to file an abbreviated tax return to receive an Economic Impact Payment. Instead, payments will be automatically deposited into their bank accounts.
- The IRS will use the information on the Form SSA-1099 and Form RRB-1099 to generate \$1,200 Economic Impact Payments to Social Security recipients who did not file tax returns in 2018 or 2019. Recipients will receive these payments as a direct deposit or by paper check, just as they would normally receive their benefits.
- The second Coronavirus bill provided \$250 million for the Senior Nutrition program in the Administration for Community Living (ACL) to provide approximately 25 million additional home-delivered and pre-packaged meals to low-income seniors who depend on the Senior Nutrition programs in their communities.
- This funding will provide meals to low-income seniors who are home-bound; who have disabilities; who have multiple chronic illnesses; as well as caregivers for seniors who are home-bound.



➤ [Contact your local area agency on aging](#)



FOR BUSINESSES

Paycheck Protection Program

- This program is administered through local financial institutions. Any small business that wishes to participate should go directly to them to determine eligibility and to apply.
- The program would provide cash-flow assistance through 100 percent federally guaranteed loans to employers who maintain their payroll during this emergency.
- Loans can be forgiven if employers maintain their payroll, which would help workers remain employed as well as help affected small businesses and our economy snap-back quicker after the crisis.
- A wide variety of costs can be covered by these loans, but not all, so interested businesses should consult with their financial institutions before making any decisions.
- PPP has a host of attractive features, such as forgiveness of up to 8 weeks of payroll based on employee retention and salary levels, no SBA fees, and at least six months of deferral with maximum deferrals of up to a year.
- Small businesses and other eligible entities will be able to apply if they were harmed by COVID-19 between February 15, 2020 and June 30, 2020.
- Loans are available through June 30, 2020.
- The Paycheck Protection Program and Health Care Enhancement Act provides an additional \$310 billion in funding for the Paycheck Protection Program, for a total funding amount of \$659 billion.





- [Find an eligible lender](#)
- [Small Business Administration PPP Information](#)
- [Paycheck Protection Program FAQs](#)
- [Paycheck Protection Program Basic FAQ](#)

Small Business Debt Relief Program

- This program will provide immediate relief to small businesses with non-disaster SBA loans, in particular 7(a), 504, and microloans.
- Under it, SBA will cover all loan payments on these SBA loans, including principal, interest, and fees, for six months.
- This relief will also be available to new borrowers who take out loans within six months of the bill becoming law.



- [Small Business Administration Debt Relief Information](#)
- [Small Business Debt Relief FAQ](#)



Economic Injury Disaster Loans & Emergency Economic Injury Grants

- These grants provide an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within three days of applying for an SBA Economic Injury Disaster Loan (EIDL).
- To access the advance, you first apply for an EIDL and then request the advance.
- The advance does not need to be repaid under any circumstance, and may be used to keep employees on payroll, pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.
- The Paycheck Protection Program and Health Care Enhancement Act provides an additional \$10 billion in funding for the EIDL.



- [Small Business Administration EIDL Information](#)
- [Small Business EIDL FAQ](#)
- [EIDL Application](#)

Tax Credit for Employee Retention

- This provision would provide a refundable payroll tax credit for 50 percent of wages paid by eligible employers to certain employees during the COVID-19 crisis.



- The credit is available to employers, including non-profits, whose operations have been fully or partially suspended as a result of a government order limiting commerce, travel or group meetings.
- The credit is also provided to employers who have experienced a greater than 50 percent reduction in quarterly receipts, measured on a year-over-year basis.
- Wages of employees who are furloughed or face reduced hours as a result of their employer's closure or economic hardship are eligible for the credit.
- For employers with 100 or fewer fulltime employees, all employee wages are eligible, regardless of whether an employee is furloughed.
- The credit is provided for wages and compensation, including health benefits, and is provided for the first \$10,000 in wages and compensation paid by the employer to an eligible employee.
- Wages do not include those taken into account for purposes of the payroll credits for required paid sick leave or required paid family leave, nor for wages taken into account for the employer credit for paid family and medical leave (IRC sec. 45S).
- The credit is not available to employers receiving assistance through the Paycheck Protection Program. The credit is provided through December 31, 2020.

Delay of Payment of Employer Payroll Taxes

- This provision would allow taxpayers to defer paying the employer portion of certain payroll taxes through the end of 2020, with all 2020 deferred amounts due in two equal installments, one at the end of 2021, the other at the end of 2022.



- Payroll taxes that can be deferred include the employer portion of FICA taxes, the employer and employee representative portion of Railroad Retirement taxes (that are attributable to the employer FICA rate), and half of SECA tax liability.
- Payroll Tax Deferral is not provided to employers receiving assistance through the Paycheck Protection Program.



- [New Employer Tax Credits](#)
- [Employee Retention Tax Credit FAQ](#)
- [Delay of Payment of Employer Payroll Taxes FAQ](#)

Small Business Counseling & Training

- Small business owners that need a business counselor to help guide them through these programs can turn to their local Small Business Development Center, Women's Business Center, or SCORE mentorship chapter.
- These resource partners, and the associations that represent them, will receive additional funds to expand their reach and better support small business owners with counseling and up-to-date information regarding COVID-19.
- There will soon be a joint platform that consolidates information and resources related to COVID-19 in order to provide consistent, timely information to small businesses.





- [Find a local resource partner](#)

Economic Stabilization Fund and Assistance to Severely Distressed Economic Sectors

- The CARES Fund allocates \$500 billion to what is called an Exchange Stabilization Fund (ESF).
- This fund is for businesses not covered by the small business relief provisions.
- The ESF is basically an emergency reserve fund that provides the Treasury Secretary with the authority to distribute emergency funding.
- Up to \$46 billion can be used to assist air carriers and businesses critical to our national defense.
- Up to \$454 billion can fund a Federal Reserve facility for distressed businesses.



FOR COMBATING COVID-19

Coronavirus Testing

- The Phase two bill, the Families First Coronavirus Response Act, allocated \$1.2 billion for free COVID-19 testing.
- This package clarifies that all testing for COVID-19 is to be covered by private insurance plans without cost sharing.
- The CARES Act increases access to testing by allowing the Strategic National Stockpile to stockpile swabs necessary for test kits.
- The Paycheck Protection Program and Health Care Enhancement Act provides an additional \$25 billion to research, develop, validate, manufacture, purchase, administer, and expand capacity for COVID-19 tests.



- [Find your local health department](#)
- [Find a testing center near you](#)

Coronavirus Vaccine Development

- The CARES Act provides more than \$27 billion to the Public Health and Social Services Emergency Fund for developing and purchasing vaccines, therapeutics, diagnostics, and necessary medical supplies.



- Allocates \$11 billion to support research and development of vaccines, therapeutics, and diagnostics to prevent or treat the effects of coronavirus.
- Removes barriers to allow the Biomedical Advanced Research and Development Authority (BARDA) to more easily partner with private sector on research and development to allow BARDA to expedite diagnostics and vaccines.
- The CARES Act also allows the FDA to quickly approve the use of new medication and treatments.

Medical Supplies

- Appropriates \$16 billion explicitly for the National stockpile to purchase medical supplies, equipment, and medicine to be distributed to states.
- Provides permanent liability protection for manufacturers of personal respiratory protective equipment - such as masks and respirators - in the event of a public health emergency, to incentivize production and distribution.
- The CARES Act takes steps to ensure our medical supply chain is protected for the future. The bill requires additional reporting to the FDA by drug manufacturers and manufacturers of medical devices that make drugs and devices critical during a public health emergency to report to the FDA if there has been a permanent discontinuance or interruption that is likely to lead to a disruption of supply.
- This package requires the National Academies of Science to conduct a study and provide recommendations to improve the resiliency of the supply chain for critical drugs and equipment, as well as increase domestic manufacturing capabilities, supplies and stockpiles.



Support for Health Care Providers

- This CARES Act provides prompt economic assistance to health care providers on the front lines fighting the COVID-19 virus, helping them to furnish needed care to affected patients.
- Specific programs receiving funding include:
 - At least \$250 million for hospital preparedness and provides \$100 billion specifically for hospitals/providers and to help cover expenses directly attributable to coronavirus.
 - \$185 million through the Health Resources and Services Administration to support rural critical access hospitals, rural tribal health and telehealth programs.
 - Community health centers on the front lines of testing and treating patients would be eligible to receive \$1.32 billion in supplemental funding.
 - \$200 million for CMS for priorities like assisting nursing homes with infection control and support states' efforts to prevent the spread of coronavirus in nursing homes.
 - The bill provides money for health care providers via Medicare by allowing accelerated Medicare payments. This will help hospitals, especially those facilities in rural and frontier areas, get the reliable and stable cash flow they need to help them maintain an adequate workforce, buy essential supplies, create additional infrastructure, and keep their doors open to care for patients.



- Of the \$4.3 billion in additional funding for the Centers for Disease Control and Prevention (CDC), of which at least \$1.5 billion will be used to support federal, state, and local health agencies along with tribes, tribal organizations and urban Indian organizations to carry out surveillance, epidemiology, laboratory capacity, infection control, mitigation, communications, and other preparedness and response activities.
- \$11 billion to support research and development of vaccines, therapeutics, and diagnostics to prevent or treat the effects of coronavirus.
- \$80 million for the Food and Drug Administration's approval of vaccines and treatments.
- \$706 million for the National Institute of Allergy and Infectious Diseases.
- The Paycheck Protection Program and Health Care Enhancement Act provides an additional \$75 billion to hospitals and healthcare providers for COVID-19 related expenses.



As this situation is rapidly evolving, the best place for up to date information is our Coronavirus resources page at Mitchell.House.Gov/services/coronavirus-resources-0

To contact us, please send us a message at Mitchell.House.Gov/Contact.



@RepPaulMitchell
Mitchell.House.Gov

ECONOMIC IMPACT PAYMENTS FAQ

Courtesy of the IRS and the Office of Rep. Paul Mitchell (MI-10)

How big are these payments?

- Eligible taxpayers who filed tax returns for either 2019 or 2018 will automatically receive an Economic Impact Payment of up to \$1,200 for individuals or \$2,400 for married couples. Parents also receive \$500 for each qualifying child.

Who is eligible for the Economic Impact Payment?

- Tax filers with adjusted gross income up to \$75,000 for individuals and up to \$150,000 for married couples filing joint returns will receive the full payment.
- For filers with income above those amounts, the payment amount is reduced by \$5 for each \$100 above the \$75,000/\$150,000 thresholds. Single filers with income exceeding \$99,000 and \$198,000 for joint filers with no children are not eligible.

How will the IRS know where to send my payment?

- The vast majority of people do not need to take any action. The IRS will calculate and automatically send the Economic Impact Payment to those eligible.
- For people who have already filed their 2019 tax returns, the IRS will use this information to calculate the payment amount. For those who have not yet filed their return for 2019, the IRS will use information from their 2018 tax filing to calculate the payment. The



Appendix A

Economic Impact Payment will be deposited directly into the same banking account reflected on the return filed.

The IRS does not have my direct deposit information. What can I do?

- The IRS has developed a web-based portal for individuals to provide their banking information to the IRS online, so that individuals can receive payments immediately as opposed to checks in the mail.
- If you are a non-filer and need to enter payment information, or do not normally use direct deposit, you can go to <https://www.irs.gov/coronavirus/economic-impact-payments> to update or enter your direct deposit information.

Since I'm not usually required to file a tax return, how can I file the information needed to receive my Economic Impact Payment?

- Qualified individuals who do not normally file a tax return can enter the information necessary to receive an Economic Impact Payment at <https://www.irs.gov/coronavirus/non-filers-enter-payment-info-here>
- If you receive veterans disability compensation, a pension, or survivor benefits from the Department of Veterans Affairs, or your income level does not require you to file a tax return, then you need to submit information to the IRS to receive an Economic Impact Payment.
- You do NOT need to submit additional information if you receive Social Security, Railroad Retirement, or SSDI benefits. The IRS will automatically send you an Economic Impact Payment.



I was called and told that I need to give my bank account number over the phone to make the payment come faster. Is this true?

- NO!
- The IRS, Department of Health and Human Services, and the Social Security Administration have all issued warnings for taxpayers to be aware of potential scams related to coronavirus Economic Impact Payments.
- The IRS WILL NOT contact you by phone about these payments.
- The IRS Reminds people that scammers might:
 - Emphasize the words "Stimulus Check" or "Stimulus Payment." (The official term is "Economic Impact Payment".)
 - Ask the taxpayer to sign over their Economic Impact Payment check to them.
 - Ask by phone, email, text or social media for verification of personal and/or banking information saying that the information is needed to receive or speed up their Economic Impact Payment.
 - Suggest that they can get a tax refund or Economic Impact Payment faster by working on the taxpayer's behalf. This scam could be conducted by social media or even in person.
 - Mail the taxpayer a bogus check, perhaps in an odd amount, then tell the taxpayer to call a number or verify information online in order to cash it.
- Be sure to remain diligent - unfortunately scammers don't stop even in the wake of a pandemic.



UNEMPLOYMENT INSURANCE FAQ

Courtesy of the Michigan Unemployment Office, Department of Labor, and the Office of Rep. Paul Mitchell (MI-10)

Are self-employed and independent contractors eligible?

- Yes. Self-employed and independent contractors, like gig workers, are eligible for Pandemic Unemployment Assistance. This also covers workers laid off from churches and religious institutions who may not be eligible under the state's traditional program.

Are furloughed workers eligible?

- Yes. States have policies in place to allow furloughed workers to receive unemployment benefits and part-time workers can receive partial benefits.
- The Pandemic Unemployment Assistance program also helps workers stay connected to their employer by allowing unemployment benefits for workers who have a job but are unable to work or telework due to COVID-19-related reasons and are not receiving paid leave through their employer.

How much do unemployed workers get?

- It varies. Unemployment benefits across the country averaged \$385 per week in February 2020 but vary significantly by state. Generally, a person's benefits replace about 1/3 to 1/2 of their wages.
- The CARES Act provides an additional \$600 per week on top of whatever a person would normally receive in their state - limited to the next 4 months (expires July 31, 2020).



How long do unemployment benefits last?

- It varies by state, but most states provide access to unemployment benefits for a maximum of 26 weeks.
- The CARES Act provides federal funding for an additional 13 weeks for those who need it. Funding for this expires December 31, 2020.

Are unemployment benefits taxable and do they count as income?

- Yes. Unemployment benefits are taxable income and they generally count as income when determining eligibility for public assistance programs.

No matter what time of day I try to get through the system, I get error messages, or when I try to call, I'm on hold forever. Why isn't this working?

- The Michigan Unemployment Office is experiencing an unprecedented number of claims being filed. Therefore, it may take several minutes for their site to load and the website will be slower than usual. However, filing online remains the fastest way for Michiganders to apply for unemployment benefits. The office recommends applying online during non-peak hours, 8 p.m. to 8 a.m. The 24-hour site operates better when fewer people are on the site.
- Congress provided additional funding and flexibility to the states to try and match this influx, but the work is still in progress.
- For now, the best you can do is keep trying early and often until the system catches up.



Appendix B

- The federal government continues their efforts to define and refine the new unemployment rules, and states continue to try and get these new systems online to deal with the unprecedented volume.



PAID LEAVE FAQ

Courtesy of the Department of Labor and the Office of Rep. Paul Mitchell (MI-10)

How do employees find out if they can receive sick leave?

- H.R. 6201 - the second Coronavirus bill, as passed the House - requires employers to provide notice of eligibility to employees.
- The Department of Labor has already guidance on employee expanded paid leave rights under the Coronavirus Response Act. Both employees and employers can review that full guidance at <https://www.dol.gov/agencies/whd/pandemic>.

My small business doesn't have the flexibility or size to provide this added benefit, even if I wanted to. Are the paid leave mandates optional for small businesses?

- There are exemptions for qualified small businesses.
- The exemptions for small businesses will be for hardship situations, and rules for exemptions have been provided by the Department of Labor.
- Remember that small businesses with less than 50 employees that provide paid sick leave and family and medical leave are eligible to be fully reimbursed through the tax credit.
- Recent joint IRS, Treasury, and Labor guidance suggests the Administration aims to be as flexible as possible in that process. Of note to small businesses the guidance includes:
 - Small Business Exemption
 - Small businesses with fewer than 50 employees will be eligible for an exemption from the leave requirements relating to school closings or childcare unavailability



Appendix C

where the requirements would jeopardize the ability of the business to continue.

- The exemption will be available on the basis of simple and clear criteria that make it available in circumstances involving jeopardy to the viability of an employer's business as a going concern.
- The Department of Labor will provide emergency guidance and rulemaking to clearly articulate this standard.
- Non-Enforcement Period
 - The Department of Labor will be issuing a temporary non-enforcement policy that provides a period of time for employers to come into compliance with the Act.
 - Under this policy, Labor will not bring an enforcement action against any employer for violations of the Act so long as the employer has acted reasonably and in good faith to comply with the Act.
 - Labor will instead focus on compliance assistance during the 30-day period.
 - Employers should carefully review the Department of Labor's full guidance at <https://www.dol.gov/agencies/whd/pandemic>



RETIREMENT PROVISIONS FAQ

Courtesy of the Senate Finance Committee and the Office of Rep. Paul Mitchell (MI-10)

I need to withdraw money from my retirement account to cover expenses related to the health emergency. Am I eligible?

- Generally, if the account is in an eligible retirement plan, the plan may permit you to take a coronavirus-related distribution if:
 - You, your spouse, or dependent has been diagnosed with the coronavirus (i.e., SARS-CoV-2 or COVID-19),
 - You have experienced adverse financial consequences because you have been quarantined, furloughed, laid off, or have had work hours reduced due to the coronavirus,
 - You are unable to work because of a lack of child care due to the coronavirus,
 - You own or operate a business and have had to close or reduce hours due to the coronavirus, or
 - You have experienced an adverse financial consequence due to other factors as provided in guidance issued by the Internal Revenue Service.

Is there a cap on how much can I withdraw?

- Yes. During 2020, you may withdraw up to a total of \$100,000 in coronavirus-related distributions from accounts in eligible retirement plans.



What types of retirement accounts are covered by the special withdrawal rules?

- The special withdrawal rules apply to eligible retirement plans, which include individual retirement accounts and annuities (IRAs), qualified pension, profit-sharing, or stock bonus plans (including 401(k) plans), qualified 403(a) annuity plans, 403(b) annuity contracts and custodial accounts, and governmental section 457 deferred compensation plans.

Will I have to pay the 10-percent early withdrawal penalty if I take a coronavirus-related distribution?

- No. The 10-percent tax penalty that generally applies to early withdrawals from a retirement account if you are younger than 59½ does not apply to coronavirus-related distributions under the CARES Act.

When can I receive coronavirus-related distributions?

- Coronavirus distributions are available throughout 2020. The CARES Act retroactively waived the 10-percent early withdrawal tax penalty for coronavirus-related distributions made on or after January 1, 2020 and before December 31, 2020.

Do I have to pay tax on these distributions?

- Yes. However, the tax associated with the distributions may be paid ratably over three years, beginning with taxable year 2020.



Can I recontribute the withdrawn funds to my retirement account?

- Generally, yes. The CARES Act allows you to recontribute the funds you withdrew to an eligible retirement plan (to which you can make a rollover contribution) in one or more payments within three years. The recontributed amounts will not count toward the maximum contribution limit in the year that the funds are recontributed to a tax-deferred retirement account.

Are there any changes regarding loans from retirement plans?

- Yes. For loans taken from an eligible retirement plan within six months of enactment of the CARES Act, limits on loans from such retirement plans are doubled, from \$50,000 to \$100,000, and are capped at 100 percent of the vested account balance (rather than 50 percent) in the plan. Plans are not required to increase these limits, but the CARES Act provides the flexibility for plans to do so.
- In addition, for qualifying individuals who have an outstanding loan on or after March 27, 2020 (the date of enactment of the CARES Act) from an eligible retirement plan, any repayment of the loan due between March 27, 2020 and December 31, 2020 may be delayed for one year (with any subsequent repayments (and interest) adjusted to reflect such delay in repayment).



Am I required to take a required minimum distribution (RMD) from my retirement account this year?

- No. Provided that your account is an IRA, 401(k) plan, 403(b) plan or other defined contribution plan, all required minimum distributions for these plans have been waived for 2020.

I turned 70½ last year and am supposed to take my first RMD on April 1, 2020. Am I still required to take this distribution?

- No. All required minimum distributions for defined contribution plans have been waived for 2020, including your first RMD (provided that you had not already taken the distribution before January 1, 2020).

Where can I get more information on the retirement-related provisions in the CARES Act?

- The IRS is expected to provide guidance regarding the retirement-related provisions, which will be available on the IRS.gov website - see Coronavirus Tax Relief.

Individuals should consult the IRS or a tax advisor to address questions related to their specific circumstances.



PAYCHECK PROTECTION PROGRAM FAQ

Courtesy of the Small Business Administration and the Office of Rep. Paul Mitchell (MI-10)

What types of businesses and entities are eligible for a PPP loan?

- Businesses and entities must have been in operation on February 15, 2020.
- Small business concerns, as well as any business concern, a 501(c)(3) nonprofit organization, a 501(c)(19) veterans organization, or Tribal business concern described in section 31(b)(2)(C) that has fewer than 500 employees.
- Individuals who operate a sole proprietorship or as an independent contractor and eligible self-employed individuals.
- Any business concern that employs not more than 500 employees per physical location of the business concern and that is assigned a NAICS code beginning with 72, for which the affiliation rules are waived.
- Affiliation rules are also waived for any business concern operating as a franchise that is assigned a franchise identifier code by the Administration, and company that receives funding through a Small Business Investment Company

What can I use these loans for?

- You should use the proceeds from these loans on your:
- Payroll costs, including benefits.
- Interest on mortgage obligations, incurred before February 15, 2020.
- Rent, under lease agreements in force before February 15, 2020.
- Utilities, for which service began before February 15, 2020.



What counts as payroll costs?

- Salary, wages, commissions, or tips (capped at \$100,000 on an annualized basis for each employee).
- Employee benefits including: costs for vacation, parental, family, medical, or sick leave; allowance for separation or dismissal; payments required for the provisions of group health care benefits including insurance premiums; and payment of any retirement benefit.
- State and local taxes assessed on compensation.
- For a sole proprietor or independent contractor: wages, commissions, income, or net earnings from self-employment, capped at \$100,000 on an annualized basis for each employee.

What are the loan terms, interest rate, and fees?

- For any amounts not forgiven, the maximum term is 10 years, the maximum interest rate is 4 percent, zero loan fees, zero prepayment fee (the SBA will establish application fees caps for lenders that charge).

Payroll costs of any employee compensation in excess of an annual salary of \$100,000 are excluded from PPP. Does that exclusion apply to all employee benefits of monetary value?

- No. The exclusion of compensation in excess of \$100,000 annually applies only to cash compensation, not to non-cash benefits.



Do PPP loans cover paid sick leave?

- Yes. PPP loans covers payroll costs, including costs for employee vacation, parental, family, medical, and sick leave. However, an employer cannot use the PPP and then also use the tax credits for qualified sick and family leave wages for which a credit is allowed under the CARES Act.

Where should I go to get a PPP loan from?

- All current SBA 7(a) lenders are eligible lenders for PPP. The Department of Treasury will also be in charge of authorizing new lenders, including nonbank lenders, to help meet the needs of small business owners.

I keep going to my bank, and they keep telling me they aren't offering the loans or the system is down. What should I do?

- Unfortunately, given the high demand for this product, and the newest of it, implementation has seen some delays and glitches. The SBA and local financial institutions are working around the clock to resolve this. Keep checking with financial institutions early and often.



SMALL BUSINESS DEBT RELIEF FAQ

Courtesy of the Small Business Administration and the Office of Rep. Paul Mitchell (MI-10)

Which SBA loans are eligible for debt relief under this program?

- 7(a) loans not made under the Paycheck Protection Program (PPP); 504 loans; and microloans.
- Disaster loans are not eligible.

How does debt relief under the Small Business Debt Relief Program work with a PPP loan?

- Borrowers may separately apply for and take out a PPP loan, but debt relief under this program will not apply to a PPP loan.

I am unfamiliar with SBA loans, can anyone help me apply?

- Yes, SBA resource partners are available to help guide you through the loan application process. You can contact your local SBA office or find your nearest Small Business Development Center (SBDC) or Women's Business Center.



ECONOMIC INJURY DISASTER LOANS & EMERGENCY ECONOMIC INJURY GRANTS FAQ

Courtesy of the Small Business Administration and the Office of Rep. Paul Mitchell (MI-10)

What is an Economic Injury Disaster Loan (EIDL) and what is it used for?

- EIDLs are lower interest loans of up to \$2 million, with principal and interest deferment at the Administrator's discretion, that are available to pay for expenses that could have been met had the disaster not occurred, including payroll and other operating expenses.

Are businesses and private non-profits in my state eligible for an EIDL related to COVID19?

- Yes, those suffering substantial economic injury in all 50 states, DC, and the territories may apply for an EIDL.

Who is eligible for an EIDL?

- Those eligible are the following with 500 or fewer employees:
 - Sole proprietorships, with or without employees.
 - Independent contractors.
 - Cooperatives and employee owned businesses.
 - Tribal small businesses.
 - Small business concerns and small agricultural cooperatives that meet the applicable size standard.
 - Most private non-profits of any size.



Who is eligible for an Emergency Economic Injury Grant?

- Those eligible for an EIDL and who have been in operation since January 31, 2020, when the public health crisis was announced.

How long are Emergency Economic Injury Grants available?

- January 31, 2020 - December 31, 2020. The grants are backdated to January 31, 2020 to allow those who have already applied for EIDLs to be eligible to also receive a grant.

How do I apply for an economic injury disaster loan?

- To apply for an EIDL online, please visit <https://disasterloan.sba.gov/ela/>.
- Your SBA District Office is also an important resource when applying for SBA assistance.



OFFICE LOCATIONS

Washington, DC Office

211 Cannon House Office Building
Washington, DC 20515
Phone: 202-225-2106

Shelby Township Office

48701 Van Dyke Avenue
Shelby Township, MI 48317
Phone: 586-997-5010

CONNECT



@RepPaulMitchell
Mitchell.House.Gov

