



NATIONAL AFFAIRS

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Coronavirus Aid, Relief, and Economic Security Act

In response to the health and economic crisis the coronavirus (COVID-19) pandemic has caused across the United States, Congress adopted a legislative package, the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#), to provide relief to Americans and stimulate the economy. Below outlines key provisions of that legislation. This is a very extensive package with many provisions so please do not hesitate to reach out with questions. It is also important to stress that regulations and guidance issued by federal agencies will provide more details on how provisions of the legislation will be implemented including qualifications for certain programs. Farm Bureau will be closely monitoring the implementation of the CARES Act.

Key Provisions of the CARES Act

Agriculture and Rural Development Funding

- \$34.9 billion is provided for United States Department of Agriculture (USDA) agencies and the Food and Drug Administration. Highlights include:
 - \$14 billion for the Commodity Credit Corporation to ensure 2018 Farm Bill programs are able to continue and provide assistance to producers.
 - \$9.5 billion to the USDA for livestock producers, specialty crop producers, and producers that support local food systems such as farmers markets, schools, and restaurants.
 - \$100 million for the ReConnect program to provide grants deploying broadband infrastructure in eligible rural areas.
 - \$25 million to support the Distance Learning and Telemedicine program that improves access to learning and telemedicine in rural areas by primarily funding equipment that links teachers and medical service providers in one area to students and patients in another.

Direct Aid for Individuals

- Direct payments or 'economic impact payments' will be disbursed to individuals within the following guidelines:
 - Individuals with an adjusted gross income of up to \$75,000 (\$150,000 for married couples) are eligible to receive \$1,200 (\$2,400 for a married couple).
 - Payments will increase by an additional \$500 for each child in the household.
 - Payments will be phased down for incomes above the \$75,000 threshold. Those with an income over \$99,000 as a single filer or \$198,000 for joint filers will not receive a payment.
- *The Internal Revenue Service will base rebates on the taxpayer's 2019 tax return if filed, but if the taxpayer has not yet filed, the rebate will be based on the taxpayer's 2018 filed return.*

Small Business Assistance

- The Paycheck Protection Program is established to assist small businesses from going under due to economic losses and helping workers keep their jobs amid the COVID-19 pandemic.
 - The program provides nearly \$350 billion in federally guaranteed loans for small business employers and self-employed individuals.
 - Under the program, if an employer maintains payroll, the portion of the loans used for covering payroll costs, interest on mortgage obligations, rent, and utilities would be forgiven.
 - The U.S. Department of Treasury, the Farm Credit Administration, and other federal financial regulatory agencies are provided authority to authorize bank and nonbank lenders to participate in the program.
- Eligibility for access to Economic Injury Disaster Loans (EIDL), offered through the Small Business Administration (SBA), is expanded for the covered period to include Tribal businesses, cooperatives, and ESOPs with fewer than 500 employees or any individual operating as a sole proprietor or an independent contractor.
 - An emergency EIDL grant program is established to allow an eligible entity who has applied for an EIDL loan due to COVID-19 to request an advance on that loan which the SBA must distribute within three days. \$10 billion is allotted for these grants.

Tax

- A refundable payroll tax credit for 50 percent of wages paid by employers to employees is made available for employers whose operations were fully or partially suspended due to a COVID-19 shutdown order or whose gross receipts dropped by more than 50 percent compared to the previous year.

- Employers and self-employed individuals are allowed to defer payment of the employer payroll tax and pay it over the following two years.

Health Care

- \$140.4 billion is provided to the Department of Health and Human Services. Highlights include:
 - \$4.3 billion for the Centers for Disease Control and Prevention to provide funding to state and local public health responders, laboratory support, guidance to physicians and health care workers, and global health preparedness.
 - \$945.5 million for the National Institutes of Health for vaccine, therapeutic, and diagnostic research to increase understanding of COVID-19.
 - \$425 million for the Substance Abuse and Mental Health Services Administration to address mental health and substance use disorders as a result of the coronavirus pandemic.

In case you missed it, you can find Kentucky Farm Bureau President Mark Haney's latest column, "Stay Safe, Pray Hard, and Keep the Faith" [here](#).

In addition, for the latest resources and information on the federal government's response to COVID-19 visit <https://www.coronavirus.gov/> and for the latest on Kentucky's response visit <https://govstatus.egov.com/kycovid19>.