



# NATIONAL AFFAIRS

April 22, 2020

## Paycheck Protection Program and Health Care Enhancement Act

On Tuesday, April 21, 2020, the United States Senate passed the Paycheck Protection Program and Health Care Enhancement Act. This legislation is another response to the coronavirus (COVID-19) pandemic and provides additional funding for the Paycheck Protection Program, the Economic Injury Disaster Loan Program, hospitals and health care providers, and COVID-19 testing. It is widely expected that the United States House of Representatives will pass this legislation later this week. President Trump has also announced his intention to sign it into law by the end of the week.

### Key Provisions

#### Paycheck Protection Program (PPP)

The bill allocates an additional \$320 billion to the widely popular [PPP](#) which provides federally guaranteed, forgivable loans to small businesses and self-employed individuals; \$60 billion of this new funding is reserved for lending by small, community financial institutions. The PPP was established as part of the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#). For additional information about the program you may visit: <https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses>.

**\*Due to the overwhelming popularity of this program, it is widely anticipated that this additional funding will be dispersed quickly. It is highly recommended that interested individuals reach out to their local lender to learn whether it is participating in the program and to discuss qualifications further.**

#### Economic Injury Disaster Loan Program (EIDL)

The bill authorizes an additional \$50 billion for the EIDL program administered through the Small Business Administration and expands eligibility to include agricultural enterprises. In addition, \$10 billion is provided for the emergency EIDL

advance grant program which allows an eligible entity who has applied for an EIDL loan due to COVID-19 to request an advance on that loan. For additional information about the program you may visit: <https://home.treasury.gov/policy-issues/cares/assistance-for-small-businesses>.

### **Health Care**

The bill provides \$75 billion to reimburse hospitals and health care providers for COVID-19 expenses. It also provides \$25 billion for expenses related to expanding COVID-19 testing capacity.

For additional updates from Kentucky Farm Bureau and resources related to COVID-19 you may visit: <https://www.kyfb.com/federation/covid-19-resources/>.