

FEDERAL AND STATE RESPONSE TO COVID-19



Monroe County Board of County Commissioners

Office of Legislative Affairs

Lisa Tennyson

April 15, 2020

FEDERAL RESPONSE

- ▶ **Congress** passed and the President has signed into law three major pieces of legislation (**March 6, 19, and 28**)
 - Intended to provide funding, relief and economic stimulus measures
- ▶ **President** announced a National Emergency (**March 13**).
Included two types of emergency declarations:
 - One under the National Emergencies and Emergency Assistance Act (*giving special emergency authorities to HHS*)
 - One under the Stafford Disaster Relief Act (*enabling state governments to request disaster assistance from the federal government*)
- ▶ **Agency-Implemented Measures**
 - www.USA.gov/coronavirus

STATE RESPONSE

- ▶ To date, at the State level, the following actions have occurred:
 - The Governor has issued a number of **Executive Orders**.
 - To view the orders: [Gov DeSantis Executive Orders](#)
 - The Governor requested and received a **Major Disaster Declaration**
 - The Governor has not yet signed the **budget**, awaiting a further assessment of COVID-19 impacts:
 - Amount of Federal Funding
 - Impacts to Revenues - Revenue Estimating Committee Meeting in May.
- ▶ State of Florida will be receiving approximately **\$12B in federal funding.**
 - Senate President Galvano released a memo April 2 indicating that in light of the State's federal assistance allocation and its healthy reserves impacts to the 2020-2021 State budget will be minimized and cuts may not be necessary.
 - You can read his memo here: [Sen. Galvano Financial Memo](#)
 - Moody's Analysis: <https://floridapolitics.com/archives/328225-analysis-warns-of-state-budget-woes>
- ▶ Vetoes? Special Session?

FIRST RELIEF/STIMULUS BILL (“Phase 1”)

- ▶ The Coronavirus Preparedness and Response Supplemental Appropriation Act (HR 6074, March 6, 2020)
- ▶ Provides \$8.3B emergency supplemental funds to States to address response and preparedness, and to HHS, CDC, NIH and FDA to address development of vaccines and diagnostic tools and purchase medical supplies and products.
 - To view this bill: [Phase 1 Emergency Suppl Bill](#)

H. R. 6074

One Hundred Sixteenth Congress
of the
United States of America

AT THE SECOND SESSION
*Begun and held at the City of Washington on Friday,
the third day of January, two thousand and twenty*

An Act

Making emergency supplemental appropriations for the fiscal year ending
September
30, 2020, and for other purposes.

*Be it enacted by the Senate and House of Representatives of
the United States of America in Congress assembled,*

SECTION 1. SHORT TITLE.
This Act may be cited as the “Coronavirus Preparedness and
Response Supplemental Appropriations Act, 2020”.

SEC. 2. REFERENCES.
Except as expressly provided otherwise, any reference to “this
Act” contained in any division of this Act shall be treated as
referring only to the provisions of that division.

**DIVISION A—CORONAVIRUS PREPAREDNESS AND
RESPONSE SUPPLEMENTAL APPROPRIATIONS ACT, 2020**

The following sums are hereby are appropriated, out of any
money in the Treasury not otherwise appropriated, for the fiscal
year ending September 30, 2020, and for other purposes, namely:

TITLE I
DEPARTMENT OF HEALTH AND HUMAN SERVICES
FOOD AND DRUG ADMINISTRATION
SALARIES AND EXPENSES

For an additional amount for “Salaries and Expenses”,
\$61,000,000, to remain available until expended, to prevent, prepare

SECOND RELIEF/STIMULUS BILL (“Phase 2”)

- ▶ **The Families First Coronavirus Response Act (FFCRA) (HR 6201, March 19, 2020)**
- ▶ Provides for free COVID testing, new paid sick and family leave benefits for workers impacted by COVID-19, tax credits to employers for paid sick leave and family medical leave, and additional \$1B for nutrition assistance.
 - To view this bill: [Phase 2 bill -FFCR Act](#)

THIRD RELIEF/STIMULUS BILL (“Phase 3”)

- ▶ **The Coronavirus Aid, Relief and Economic Security (“CARES”) Act (HR 748/ S 3548), March 28, 2020)**
- ▶ Largest rescue package in history of US (\$2.3T) provides a very wide range of relief and stimulus measures.
 - To view this bill: [Phase 3 Bill CARES Act](#)

MAJOR ASSISTANCE/BENEFITS PROVIDED IN CARES AND FFCR ACTS

- ▶ Rebate Checks
- ▶ Expanded Unemployment Assistance
- ▶ Small Business and Not-for-Profit Organization Loans and Grants
 - Paycheck Protection Program
 - Expanded SBA loan programs and advances
- ▶ Sick and Family Leave Benefits for Employees Impacted by COVID-19 and Tax Credits to Businesses for New Leave Benefits
- ▶ Foreclosure and Eviction Moratoria for Some Types of Housing
- ▶ Suspension of Student Loan Payments
- ▶ Postponement of federal tax filing and payments until July 15, 2020
- ▶ Stabilization funding to State and Local Governments
- ▶ Federal funding boosts to health, housing, education, nutrition, etc.

CASH PAYMENTS FOR INDIVIDUALS/FAMILIES

“Recovery Rebates” “Economic Impact Payments”

- ▶ **Who?** Individuals with a Social Security Number; not claimed as a dependent.
- ▶ **How?** If you filed federal taxes in 2018 or 2019 OR receive social security benefits, the IRS will issue the payments automatically.
- ▶ **Amount?**
 - Individuals will receive \$1,200, if they have a max adjusted gross of not more than \$75,000 for single filers, \$112,500 for heads of household, and \$150,000 for married couples filing jointly. Individuals with children under 17 will receive \$500 for each child.
 - For filers with incomes above those amounts, the payment is gradually decreased, and is phased out completely for filers with incomes above \$99,000/\$136,500/\$198,000.
- ▶ **When?** The IRS began to distribute payments electronically this week, and announced that a “Get My Payment” web tool should be available next week to allow everyone to check the status of their payments. <https://www.irs.gov/coronavirus/economic-impact-payments>
- ▶ **For non-filers:** There are individuals who don’t have to file (low income workers, certain veterans and individuals with disabilities) but will still qualify for the payment. The IRS has launched a website for non-filers to register for the economic impact payments. (<https://www.irs.gov/coronavirus/non-filers-enter-payment-info-here>)
- ▶ **For more info:** <https://www.irs.gov/coronavirus/economic-impact-payment-information-center>

UNEMPLOYMENT COMPENSATION BENEFITS

▶ Benefits:

- ▶ The CARES Act **significantly expands** benefits for individuals who have lost their jobs due to COVID-19 crisis. New program benefits include:
 - ▶ **Additional \$600 per week** (for **4 months thru** July 31, 2020) and
 - ▶ **Expanded eligibility** to self-employed, independent contractors, 1099s, and part-time workers.

▶ DEO Role:

- ▶ New benefits distributed through each State's unemployment programs. *In Florida this is the Department of Economic Opportunity "Reemployment" Program.*

▶ Who pays:

- ▶ CARES Act fully federally funds the new benefits.

▶ When Does it Go Into Effect:

- ▶ New CARES Act program components have not yet been implemented by the State of Florida, and no timeframe has been given.

STATE OF FLORIDA'S UNEMPLOYMENT PROGRAM

DEO REEMPLOYMENT PROGRAM

▶ Reemployment Assistance benefits:

- Eligible: individuals include those who have lost their job through no fault of their own, laid off or sent home without pay, or caring for an immediate family member who is diagnosed with COVID-19.
- Waived Requirements like work search, online work registration and waiting week.

▶ How to Apply:

- Individuals may apply online or download the Florida Reemployment Assistance paper application.
- \$119M for new improved online application site
- Link to Florida's Unemployment Assistance Program: <https://covid19.floridajobs.org>

▶ FAQ with additional details:

- [DEO Unemployment Assistance FAQ](#)
- National and Florida Numbers: US DOL <https://www.dol.gov/ui/data.pdf>
- Local Numbers: DEO (Numbers for March out on April 17) <http://www.floridajobs.org/workforce-statistics/workforce-statistics-data-releases/monthly-data-releases>

** Lots of Problems applying/filing claims leading to delays in regular UI applications and payments; no additional benefits flowing; non-traditional workers still cannot yet apply.**

SMALL BUSINESS ASSISTANCE

These programs are also available for sole-proprietorships and not-for-profits.

- SBA Economic Injury Disaster Loans (EIDL) and New Emergency Advances
- New Payroll Protection Program
- Loan Relief for Businesses with Existing SBA Loans
- Tax credits for Employee Retention and Paid Sick and Family Leave
- ▶ Fact sheet with more info/details on these programs:
 - [DEO FAQ on Business Assistance Programs](#)
- ▶ Update: Florida DEO has an updated and revamped resource page for all employers where you can access the following assistance program information on one site:
 - www.floridajobsresources.com

SBA ECONOMIC INJURY DISASTER LOANS

- ▶ Low interest loans up to \$2 million
- ▶ Eligible: Small biz, not-for-profits, sole proprietors, self-employed
- ▶ CARES Act waives the normal SBA requirements:
 - Personal guarantees on EIDL loans amounts less than \$200,000.
 - Requirement to have been in business for at least 1 year.
 - To seek loan from other sources first.
 - Application fees.
- ▶ CARES Act also:
 - Authorizes Loan Advances of up to \$10,000.
 - Streamlines the process requirements and expedites the advance payment.
 - Authorizes that the loan advance will not have to be repaid.
- ▶ SBA is also offering “**debt relief**” for existing SBA disaster and non-disaster loans.
 - Current 7a, 504 and microloan payments will be automatically paid by SBA for 6 months.
 - Current disaster loans payments are suspended automatically until Dec 31, 2020.

The image shows a screenshot of the SBA's COVID-19 Economic Injury Disaster Loan Application form. At the top left, the SBA logo is displayed with the text 'U.S. Small Business Administration'. Below the logo, the OMB Control number #3245-0406 and the expiration date 09/30/2020 are listed. The main heading is 'Disaster Loan Assistance' in blue, with a subtitle 'Federal Disaster Loans for Businesses, Private Non-profits, Homeowners and Renters'. The specific application title is 'COVID-19 ECONOMIC INJURY DISASTER LOAN APPLICATION' in red. A progress bar below the title consists of five circular icons: a document for 'DISCLOSURES', a storefront for 'BUSINESS INFORMATION', a person for 'BUSINESS OWNERS INFORMATION', a document with a plus sign for 'ADDITIONAL INFORMATION', and a checkmark for 'SUMMARY'. Below the progress bar, the section 'STREAMLINED PROCESS REQUIREMENTS' is highlighted in blue. The text under this section states: 'SBA is collecting the requested information in order to make a loan under SBA's Economic Injury Disaster Loan Program to the qualified entities listed in this application that are impacted by the Coronavirus (COVID-19). The information will be used in determining whether the applicant is eligible for an economic injury loan. If you do not submit all the information requested, your loan cannot be fully processed.' At the bottom, a smaller line of text reads: 'The Applicant understands that the SBA is relying upon the self-certifications contained in this application to verify that the Applicant is an eligible entity to receive the advance, and that the Applicant is providing this self-certification under penalty of perjury pursuant to 28 U.S.C. 1746 for verification purposes.'

PAYCHECK PROTECTION PROGRAM

- ▶ **The CARES Act authorizes this new forgivable loan program** - designed to provide a direct incentive for employers to keep their workers on the payroll.
- ▶ **Eligible:** Small businesses, 501c3s, Vets orgs, sole proprietors, independent contractors, and self-employed persons
- ▶ **Loan Details and Forgiveness**
 - Loan is 100% forgivable if all employees are kept on the payroll for eight weeks and the money is used for payroll, rent, mortgage interest, or utilities.
 - Forgiveness is based on the employer maintaining or quickly rehiring employees and maintaining salary levels. Forgiveness will be reduced if full-time headcount declines, or if salaries and wages decrease.
 - No collateral or personal guarantees are required. No fees assessed.
 - Payments will be deferred for six months. This loan has an interest rate of 1%.
- ▶ **Available:** Program opened April 3, 2020 and will be available through June 30, 2020.
- ▶ **Where to apply:** Directly with banks/lenders. Here's the application: [PPP Application](#)
- ▶ [Chamber Commerce PPP Loan Guide](#) and [SBA FAQ](#)

The image shows a screenshot of the SBA Lender Application Form for the Paycheck Protection Program Loan Guaranty. The form is titled "Paycheck Protection Program Lender Application Form - Paycheck Protection Program Loan Guaranty" and includes the SBA logo and OMB Control No. 3245-0407. The purpose of the form is to collect identifying information about the Lender, the Applicant, the loan guaranty request, sources and uses of funds, the proposed structure (which includes pricing and the loan terms), and compliance with SBA Loan Program Requirements. The form is divided into several sections: A. Lender Information, B. Applicant Information, C. Loan Structure Information, D. Loan Amount Information, E. General Eligibility, F. Applicant Certification of Eligibility, and G. Franchise/License/Jobber/Membership or Similar Agreement. Each section contains various fields for data entry, such as names, addresses, phone numbers, and checkboxes for eligibility criteria. The form also includes a table for Loan Structure Information and a table for Loan Amount Information.

A. Lender Information

Lender Name:	Lender Location ID:		
Address:	City:	St:	Zip:
Lender Contact:	Ph: () -	Cell or Ext: () -	
Contact Email:	Title:		

B. Applicant Information

Check One: Sole Proprietor Partnership C-Corp S-Corp LLC Independent contractor
 Eligible self-employed individual 501(c)(3) nonprofit 501(c)(19) veterans organization
 Tribal business (sec. 31(b)(2)(C) of Small Business Act) Other

Applicant Legal Name: _____
DBA: _____ Business Tax ID: _____
Applicant Address: _____ City, State, Zip: _____
Applicant Primary Contact: _____ Phone: () - _____

C. Loan Structure Information

Amount of Loan Request:	\$	Guarantee %:	100%	Loan Term in # of Months:	24	Payment:	Deferred 6 mos.
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Applicant must provide documentation to Lender supporting how the loan amount was calculated in accordance with the Paycheck Protection Program Rule and the CARES Act, and Lender must retain all such supporting documentation in Lender's file.

Interest Rate: 1%

D. Loan Amount Information

Average Monthly Payroll multiplied by 2.5	\$
Excess of Eligible Economic Injury Disaster Loan, net of Advance (if Applicable, see Paycheck Protection Program Rule)	\$
Total	\$

E. General Eligibility (If the answer is no to either, the loan cannot be approved)

- The Applicant has certified to the Lender that (1) it was in operation on February 15, 2020 and had employees for whom the Applicant paid salaries and payroll taxes or paid independent contractors, as reported on Form(s) 1099-MISC, (2) current economic uncertainty makes this loan request necessary to support the ongoing operations of the Applicant, (3) the funds will be used to retain workers and maintain payroll or make mortgage interest payments, lease payments, and utility payments, and (4) the Applicant has not received another Paycheck Protection Program loan. Yes No
- The Applicant has certified to the Lender that (1) it is an independent contractor, eligible self-employed individual, or sole proprietor or (2) employs no more than the greater of 500 or employees or, if applicable, meets the size standard in number of employees established by the SBA in 13 C.F.R. 121.201 for the Applicant's industry. Yes No

F. Applicant Certification of Eligibility (If not true, the loan cannot be approved)

- The Applicant has certified to the Lender that the Applicant is eligible under the Paycheck Protection Program Rule. True

G. Franchise/License/Jobber/Membership or Similar Agreement (If applicable and no, the loan cannot be approved)

- The Applicant has represented to the Lender that it is a franchise that is listed in the SBA's Franchise Directory. Yes No

SBA Form 2484 (Revised 04/20) 1

TAX CREDITS FOR BUSINESSES

▶ Employee Retention Tax Credit

- Small businesses may be eligible for refundable payroll tax credit for 50 percent of wages paid by employers to employees from March 12, 2020 to January 31, 2021. The credit is available to employers whose (1) operations were fully or partially suspended due to a COVID-19 related government order or (2) gross receipts declined by more than 50 percent when compared to the same quarter in the prior year. This credit is not available to employers receiving assistance through the PPP.

▶ Advanced Tax Credits for Paid Leave

- Employers will receive an advance tax credit for required paid sick leave (under the Families First Coronavirus Response Act) instead of having to be reimbursed.

▶ Delay of Payment of Employer Payroll Taxes

- Employers and self-employed individuals may defer payment of the employer share of the Social Security tax they otherwise are responsible for paying.

▶ Net Operating Loss Modifications

- The provision relaxes the limitations on a company's use of losses, allowing companies to utilize losses and amend prior year returns, which will provide critical cash flow and liquidity during the COVID-19 emergency.

▶ Find more information at the IRS website

- <https://www.irs.gov/coronavirus/new-employer-tax-credits>

HOUSING EVICTION/FORECLOSURE PROTECTION

Federal Moratorium

- ▶ The CARES Act places a 120 day federal moratorium on certain foreclosures and evictions from March 27, 2020 through July 24, 2020. Covered properties include:
 - Single family homes with fed-backed mortgages (FHA, Freddie, Fannie, VA, HUD, USDA).
 - Mortgage servicers cannot initiate foreclosures on borrowers. Borrowers are able to request forbearance for up to 180 days (with another 180 day extension) Renters in homes covered by a fed backed mortgage can't be evicted for 120 days.
 - Federally subsidized apartments such as low-income housing tax credits (LIHTC), public housing, and section 8 (vouchers and project-based units)
 - Housing for the elderly, people with disabilities, homeless and people with AIDS with support from various federal programs
 - Fact sheets and FAQs for these HUD programs: www.hud.gov/coronavirus

Statewide Moratorium

- ▶ Governor Executive Order placed a 45 day moratorium on foreclosures and evictions as of April 2, halting residential evictions for non-payment related to the Covid-19 crisis and all mortgage foreclosures.

NEW FEDERAL FUNDING

The CARES Act appropriates \$12 billion in funding through HUD for the following programs, including:

- \$5 billion in Community Development Block Grants
- \$4 billion for Emergency Solutions Grants for homelessness assistance
- Funds distributed per CDBG formula
 - [CARES Act Allocations](#)
- 500B - Exchange Stabilization Fund - loans for mid-large size business and government
- 500B - SBA EIDL
- 349B - PPP
- 260B- Individual Payments
- 17B - six months payments on SBA loans
- 45B-FEMA Disaster Relief
- 30B - Education Stabilization
- 10B- Airports
- 17B - SNAP
- 900M-LIHEAP
- 250M - Arts and Humanities



Funding for HUD in the CARES Act

April 7, 2020

Division B of the Coronavirus Aid, Relief, and Economic Security Act (CARES Act, PL. 116-136) provided \$12.4 billion in additional FY2020 funding for several Department of Housing and Urban Development (HUD) programs and activities. The funds are generally for one of three broad purposes: to provide additional resources to meet emerging needs, to support existing rental assistance programs, or to provide additional administrative capacity and oversight. Three-quarters of the funding can be considered new resources to meet emerging needs, with most of the remaining funding supporting rental assistance programs. HUD has announced allocations of some grant funding provided by the law.

Additional Resources to Meet Emerging Needs

Several HUD grant programs provide relatively flexible funding to state and local governments, tribes, or other entities for eligible affordable housing, community development, or related activities. Because these programs generally fund a range of allowable activities, they may be useful in addressing a variety of emerging needs related to the pandemic. More-targeted grant programs can help address needs of specific vulnerable populations. The CARES act provides the HUD Secretary broad waiver authority in most accounts to expedite or facilitate the use of the funds to respond to the coronavirus.

- \$5 billion for the Community Development Fund for Community Development Block Grants (CDBG): \$2 billion to be allocated pursuant to the standard CDBG formula, \$1 billion for direct allocation by HUD to states and insular areas, and up to \$10 million to supplement existing awards and for technical assistance. The remaining funds are to be distributed to states and units of local government on a rolling basis as determined by the HUD Secretary.
- \$4 billion for the Emergency Solutions Grants (ESG) (one type of HUD Homeless Assistance Grants): up to \$2 billion to be distributed to states and units of local government using the ESG formula (based on the CDBG formula); remaining funds distributed based on a formula that will take into account factors such as risk of coronavirus transmission, number of people experiencing homelessness, and housing market conditions. Funds can be used for emergency shelter, short- and medium-term rental assistance, homelessness prevention activities, and supportive services, as well as temporary emergency shelters, to train staff on disease prevention and mitigation, and for hazard pay. A technical assistance set-aside for health care services is included.

Congressional Research Service
<https://crsreports.congress.gov>
IN11319

CRS INSIGHT
Prepared for Members and
Committees of Congress

FUNDING ASSISTANCE TO GOVERNMENTS

“Stabilization Funding” “Coronavirus Relief Fund”

- ▶ The CARES Act creates a **\$150 billion** Coronavirus Relief Fund to provide payments to states and local governments -- with populations over 500,000.
 - ▶ The amount to states based on their populations. Eligible local governments will get their aid directly and this amount is subtracted from the total that is allocated to the State.
 - ▶ Funds must to be spent on “**necessary expenditures**” due to the public health emergency and that were not budgeted.
- ▶ Florida is receiving **\$8.3B** in stabilization funding.
 - ▶ State: \$4.6B
 - ▶ Qualifying local governments:\$3.7B
 - ▶ Problem #1: In Florida, only 12 counties and one city in Florida qualify for this assistance. **Smaller locations don’t qualify** for direct aid; we would have to work thru the State.
 - ▶ Problem #2: The funding can only be used for COVID related expenditures and not for **unexpected revenue shortfalls** (lost sales tax revenues, for ex.)

4TH RELIEF PACKAGE

▶ Big Picture Needs

- More money (\$250B?) to PPP program
- More money (\$100B?) to states and local governments
 - Needs to allow lost for revenues
 - Nat'l Gov's Association - \$500B
 - NACO - don't use CDBG formula
- More money (\$100B?) to health care
- More money and flexibility to SNAP food assistance program
- More Unemployment Assistance
- More Testing and PPE

▶ Local government priorities in next relief package

- Direct, flexible stabilization funding
- Eliminate the non-federal cost share for FEMA PA
- Payroll tax credits to counties
 - ▶ [National Govs Association Call for \\$500B in next bill](#)
 - ▶ [NACO Letter County Priorities for 4th Relief Bill](#)
 - ▶ [FAC County Priorities Letter to Fl Delegation Members](#)



April 6, 2020

The Honorable Mitch McConnell
Majority Leader
S-230, U.S. Capitol
Washington, DC 20510

The Honorable Chuck Schumer
Minority Leader
S-221, U.S. Capitol
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
H-232, U.S. Capitol
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
H-204, U.S. Capitol
Washington, DC 20515

Dear Leader McConnell, Leader Schumer, Speaker Pelosi and Leader McCarthy,

On behalf of the National Association of Counties (NACo) and the 3,069 counties we represent, thank you for your bipartisan leadership to deliver critical resources to communities across the nation who are responding to the COVID-19 pandemic.

Counties remain on the frontlines of our nation's ongoing local public health emergency response and overall public safety efforts. We are committed to continuing to work with both Congress and the administration to address the many significant health, safety and economic impacts associated with the virus.

As we move toward recovery, further strengthening the intergovernmental partnership is essential for county officials serving at "ground zero" of this unprecedented public health and economic crisis. Our 3,069 county governments employ 3.6 million proud public servants, including within our nearly 1,000 public hospitals, 1,900 local public health departments, more than 800 long-term care facilities and 750 behavioral health departments. Our first responders and frontline personnel, including our public and community health professionals, sheriffs, 911 operators, firefighters, EMT/paramedics, Emergency Operations Center (EOC) experts, coroners/medical examiners, child welfare and aging service providers, substance abuse and mental health counselors, veterans service officers, homelessness program coordinators and jail administrators, among many others, depend on a strong intergovernmental partnership of federal, state, tribal and local officials.

As Congress considers a fourth COVID-19 response package, we urge you to provide direct and flexible funding and resources to counties of all sizes. As we work to protect our citizens, local businesses and economies, we are making significant financial investments to address immediate public health and safety needs. At the same time, we are experiencing massive and unprecedented declines in revenue as a result of the economic downturn and are working to quickly reprogram resources and staff to respond to the crisis.

The decline in revenue is occurring when the need for county services and functions is skyrocketing for things like child protective services, emergency 911 assistance, law enforcement and emergency management, nutrition assistance programs, assistance for older Americans and affordable housing, all of which are becoming more complicated and costly to maintain.

WASHINGTON, DC 20001 | 202.835.6226 | FAX 202.463.2660 | www.naco.org

STRONGER COUNTIES. STRONGER AMERICA.