

KOCH'S KORNER – March 30, 2020
From Koch Law Firm (KLF)^{1,2}

Summary of Recent COVID-19 Legislation

Below are excerpts from a recent email from Senator Tina Smith's office that summarizes recent legislation aimed at assisting individuals and small businesses including grants and loans available businesses as well as unemployment benefits.

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How the \$2 Trillion Relief Package Helps Minnesota, the Nation Respond

The relief package passed by the Senate on Wednesday - and signed into law Friday is a major response to Covid-19 and will help bolster our hospitals and health care providers, who are on the front lines of fighting this pandemics, and it helps families, businesses and workers dealing with the significant economic fallout:

Helping Families, Workers and Small Businesses

Economic Support for U.S. Families and Individuals

- Households with incomes under \$150,000 (\$75,000 for singles) will receive \$1,200 per adult and \$500 per child from the Department of Treasury.

Helping Unemployed Workers

- Weekly unemployment benefit is increased by \$600 per week (in addition to the normal unemployment benefit), for the next four months. Together, this is additional benefit, plus traditional unemployment insurance, is enough to replace 100% of lost wages for a large portion of workers, especially lower-income workers.
- Unemployment insurance will be extended to part-time workers, self-employed workers, and many other workers who aren't eligible for traditional unemployment insurance.
- Adds an additional 13 weeks for unemployment insurance beyond existing programs.

Support for Small Businesses to Afford Expenses and Keep Workers Employed.

- The Paycheck Protection Program pays for two months of employee wages for small businesses that keep workers employed or rehire them, plus provides additional funding for rent, utilities, and similar expenses. The program is structured as a forgivable loan.
- The Emergency Economic Injury Grant and Economic Injury Disaster Loan programs provides small businesses with up to \$10,000 in grants for quick economic relief (often on the day of application) that don't need to be repaid, plus provide additional access to loans for businesses in need of funding.
- Under the Small Business Debt Relief program, small businesses with existing SBA loans can receive six months of payments on forgiveness on their current loans, including principal, interest, and fees. This debt relief is also available for borrowers to take certain new SBA loans in the next six months.
- Additional resources for Small Business Development Centers, Women's Business Centers, and Minority Business Development Agency Business Centers to help small businesses understand their options and adjust to new economic conditions.

- For businesses who don't use the Paycheck Protection Program, the law provides employee retention tax credits to support a portion of an employer's payroll expenses for certain workers.

Helping Our Hospitals and Health Providers Deal with the Coming Surge

- More than \$100 billion for hospitals to prepare for their surge in demand, including for temporary hospital structures, specialized medical equipment, personalized protective equipment, and testing supplies.
- Emergency Medicare funding for critical access hospitals in rural Minnesota.
- More than \$27 billion for health systems to develop and purchase COVID-19 tests, vaccines, and therapeutics and to expand invest in telehealth infrastructure.
- \$1.32 billion increase in funding for Community Health Centers, which will support Minnesota's 17 community health centers deliver care at over 70 sites across the state.
- Extended federal funding for Minnesota's Certified Community Behavioral Health Centers (CCBHCs).
- Delay in cuts to funding for Minnesota's safety net hospitals and extended protections for spouses of Medicaid recipients.
- Regulatory flexibility to expand access to telehealth services, protecting both patients and providers during this period of social distancing.
- \$16 billion increase in funding for the Strategic National Stockpile to expand national supply of personal protective equipment and diagnostic tests.
- \$45 billion for FEMA to provide immediate relief to states, local, tribal, and territorial governments for medical response, personal protective equipment, and deployment of the National Guard.
- \$1 billion for Defense Production Act to bolster supply chains for personal protective equipment, ventilators, and other needed medical supplies.

Relief for the Nation's Farmers and Ranchers

- \$9.5 billion dedicated disaster fund to help farmers who are experiencing financial losses from the coronavirus crisis, including targeted support for specialty crop farmers, dairy and livestock farmers, and local food producers.
- \$14 billion to fund the Farm Bill's farm safety net through the Commodity Credit Corporation.
- Eligibility for farmers and agricultural and rural businesses to receive up to \$10 million in small business interruption loans from eligible lenders, including Farm Credit institutions, through the Small Business Administration. Repayment forgiveness will be provided for funds used for payroll, rent or mortgage, and utility bills.

- \$3 million to increase capacity at the USDA Farm Service Agency to meet increased demand from farmers affected by the coronavirus crisis.

Protections for Consumers and the Food Supply

- \$55 million for inspection and quarantine at our borders to protect against invasive pests and animal disease.
- \$33 million for overtime and temporary food safety inspectors to protect America's food supply at meat processing plants.
- \$45 million to ensure quality produce and meat reaches grocery stores through increased support for the Agricultural Marketing Service.
- \$1.5 million to expedite EPA approvals of disinfectants needed to control the spread of coronavirus.

Supporting Child Care and Education

- **Student Loan Borrowers**- the bill suspends federally held student loan payments [through September 30th](#), relieving borrowers of their payments and ensures that interest does not accrue during this forbearance. Additionally, for borrowers on income-driven repayment plans or working towards Public Service Loan Forgiveness this time period of suspended payments would still "count" towards progress under those programs.
- **Supporting education**- the bill provides \$3.5 billion in funding to support childcare, and about \$30 billion in support to stabilize K-12 schools and colleges and universities.

Funding for states, local governments, and tribal governments

- The bipartisan stimulus package includes a total of \$150 billion to help states, local governments and tribal governments cover the costs of necessary expenses due to the coronavirus outbreak.
- Minnesota will receive funding directly from the U.S. Treasury within 30 days of enactment, and localities with a population over 500,000 can also apply to directly to the Treasury to receive their relative share by population of Minnesota's allocation.
- \$8 billion is reserved for a tribal relief fund. The U.S. Treasury will develop a funding distribution model so that tribal governments and tribally-owned entities can receive funding.

KLF can help. Please contact us for assistance regarding your legal questions and concerns whether they involve COVID-19 or other issues, we can help. We are fully automated. We can advise you over the phone or through video conferencing. Documents can be emailed or mailed to you.

Be safe.

Sincerely,

Larry A. Koch, JD, LLM
Attorney-at-Law
Mediator & Qualified Neutral under Rule 114 of the Mn General Rules of Practice
Koch Law Firm¹
612-210-5001
lkoch@kochlawfirm.us
PO Box 1119
Chanhassen, MN 55317
www.kochlawfirm.us

¹Koch Law Firm is an assumed name for Larry A. Koch PA.

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