



Summary of Coronavirus Aid, Relief, and Economic Security Act

With passage of the [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#), Congress is working to respond to the health and economic fallout from the Covid-19 global pandemic. As the team at ABA has worked with lawmakers and the administration to find solutions to the public policy issues that have slowed our industry's work, we've also communicated how our industry has rallied for our local communities.

As lawmakers were busy crafting the CARES Act, we kept working to make sure issues around vehicle weights and small business aid was at the forefront. In a piece of legislation this size, there were several issues that impacted our industry. Here's a quick look at some of the most relevant.

Vehicle Weights

- Language is included that clarifies that states can issue special permits for overweight vehicles and loads to allow for the free flow of critical relief supplies during the current coronavirus epidemic for the duration of the fiscal year. Feds are now on record supporting states to issue waivers, but states still need to grant.

Direct Aid to Americans

- \$1,200/per person for individual filers making up to \$75,000 AGI. Those making up to \$99,000 AGI will receive reduced amounts. Aid is completely phased out at \$99,000 AGI.
- \$2,400 for joint filers making up to \$150,000 AGI. Those with AGI up to \$198,000 AGI will receive reduced amounts. Aid is completely phased out at \$198,000 AGI.
- Filers will receive \$500 for each child.

SNAP

- Funding increased by \$15.5 billion and work requirements are waived.
- No policy changes were included (i.e., funds used to buy household cleaning supplies or hot prepared foods.)

Worker Retention

- An employee retention tax credit on wages up to \$10,000 per employee per quarter kept on an employer's payroll through the end of 2020. Companies eligible for the tax credit must have fully or partially suspended operations due to a government order and suffered a significant decline in revenues.
- Allow companies to defer the 6.2 percent Social Security tax on all wages up to \$137,700 for the rest of the year, though they'd have to pay it back in equal installments in 2021 and 2022.

Small Business Aid

- Small business aid in the Act is authorized to provide a total of \$450 billion in relief, of that \$350 billion in loans are authorized. Through the SBA's existing [7\(a\) program](#), small businesses can attain aid in amounts equal to two and a half months of payroll, with a maximum of \$10 million. If the loan is used to cover payroll, interest on debt, rent or utilities, the loans will be forgiven. A special exemption of 500 employees per location, rather than across entity, was made for many of our industry's customers, such as restaurants and hotels.

Unemployment Insurance

- The Act extends regular unemployment benefits to last an additional 13 weeks. In most states, laid-off workers can get a maximum of 26 weeks of benefits.
- The Act would also add four months of \$600 weekly payments on top of the usual weekly unemployment checks.

Childcare

- The Act provides \$3.5B in Child Care and Development Block Grants for child care assistance to “health care sector employees, emergency responders, sanitation workers, and other workers deemed essential during the response to coronavirus by public officials, without regard to the income eligibility requirement...”

We expect President Trump to quickly sign this legislation as soon as it reaches his desk. Once this Act become law, we encourage you to discuss the implications for your business with your legal counsel and/or human resources professionals.