The Congress has approved and the President has signed into law a $2 trillion economic stimulus package in response to the COVID-19 pandemic. As is the case with these types of bills, there are lots of moving parts that will affect each of you and your business.

**Important sections of the bill:**

- **Small Business Support** – $350 billion for the Small Business Administration 7(a) loan program. Businesses of 500 employees or fewer can get up to $10 million toward mortgage interest, rents, utilities, and payroll costs, with some of it forgivable.
- **Support for Self-Employed and Independent Contractors** – Self-employed individuals and independent contractors are included in the bill’s expanded unemployment insurance provisions (aka “unemployment on steroids”).
- **Tax Credits for Wages Paid** – A refundable tax credit for 50% of wages paid by employers to employees during the COVID-19 crisis for employers whose (1) operations were fully or partially suspended, due to a COVID-19-related shutdown order, or (2) gross receipts declined by more than 50% when compared to the same quarter in the prior year. The credit is provided for the first $10,000 of compensation, including health benefits, paid to an eligible employee. The credit is provided for wages paid or incurred from March 13, 2020 through December 31, 2020.
- **Payroll Tax Deferral** – Defers the employer portion of Social Security payroll taxes. Half is due December 31, 2021, and half is due December 31, 2022.
- **Support for Families** – American families that meet the guidelines will get checks of $1,200 per adult and $500 per child.
- **Mortgage Forbearance** – Prohibits foreclosures on all federally-backed mortgage loans (1-4 units) for a 60-day period beginning on March 18, 2020. Provides up to 180 days of forbearance for borrowers of a federally-backed mortgage loan (90 days for federally-backed multifamily mortgage loans, i.e., those with 5 or more units) who have experienced a financial hardship related to the COVID-19 emergency.
- **Late Fees, Evictions, and Notice to Vacate Moratorium** – A 120-day moratorium on late fees, notices to vacate, and evictions for nonpayment of rent where the landlord’s mortgage on that property is a federally-backed mortgage loan as well as those backed by the rural housing voucher program or the Violence Against Women Act of 1994. In addition, owners are prohibited from issuing notices to vacate of less than 30 days. Federally back loans include:
  - Public housing;
  - Section 8 Housing Choice Vouchers;
  - Section 8 Project-Based Rental Assistance;
  - Section 202 Supportive Housing for the Elderly;
  - Section 811 Supportive Housing for Persons with Disabilities;
  - Housing Opportunities for Persons With AIDS (HOPWA);
  - McKinney-Vento Homeless Assistance grants;
  - Section 236 Preservation program;
  - HOME investment partnerships;
  - Rural Development multifamily housing (Section 516 Farm Labor Housing Grants, Section 542 Rural Development Vouchers, Section 521 Rural Rental Assistance, Section 533 Housing Preservation grants);
  - Low Income Housing Tax Credit (LIHTC) program.
- **Additional Restrictions on Owners Who Get a Forbearance on a Federally-Backed Multifamily Mortgage Loan** – Owners who get a forbearance on a federally-backed multifamily mortgage loan are subject to a moratorium on late fees, notices to vacate, and evictions for nonpayment of rent during the forbearance. In addition, owners are prohibited from issuing notices to vacate of less than 30 days.

**Questions?** Reach out to your HRRA State Government Affairs Coordinator Samantha Kenny at SKenny@HRRA.com.

*NOTE: “Federally-backed mortgage loans” for the purpose of the late fees, evictions, and notice to vacate moratoria are those “made in whole or in part, or insured, guaranteed, supplemented, or assisted in any way, by any officer or agency of the Federal Government or under or in connection with a housing or urban development program administered by the Secretary of Housing and Urban Development or a housing or related program administered by any other such officer or agency, or is purchased or securitized by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association”.*