COVID-19: Overview of Federal Legislation and What it Means for Business and Education
WELCOME

Cheryl Oldham
Senior Vice President, Center for Education and Workforce, U.S. Chamber of Commerce Foundation
Agenda

Welcome
Overview of Stimulus Package
Employers & Small Business
Childcare Implications
K-12 Implications
Workforce Implications
Q&A
Speaker Intros

Tom Sullivan
Vice President, Small Business Policy, U.S. Chamber of Commerce

Glenn Spencer
Senior Vice President, Employment Policy, U.S. Chamber of Commerce
Federal Policy Update: Three Bills

• Phase I – $8.3B Coronavirus Preparedness and Response Supplemental Appropriations Act

• Phase II – $100B Families First Coronavirus Response Act

• Phase III – $2T Coronavirus Aid, Relief, and Economic Security (CARES) Act
Federal Policy Update: Employee Relief

Three streams of support income for employees:

1. Paid sick leave (Phase II)
   a. Employers w/ 51-500 employees, must provide 80 hours of sick leave to anyone on their payroll that is impacted by COVID as listed in the bill.
   b. Capped at $511/day or $5,110 total for health related use.
   c. 2/3 normal pay capped at $200/day and $2,000 total for childcare use.

2. Paid FLMA for workers (Phase II)
   a. Employers < 500 employees must provide 12 weeks of paid medical leave.
   b. First two weeks can be unpaid. Only available to those whose children are home due to school or childcare closure.
Federal Policy Update: Employee Relief

3. Unemployment Insurance Provisions (Phase III)
   a) Extend by 13 weeks and include increased benefits $600/week for 4 months.
   b) Includes self-employed and independent contractors
   c) Excludes individuals that can telework with pay and those covered under paid sick or family leave.

RECAP: Effective date: April 1; in addition to current sick + FMLA policies; telework eligible excluded; up to 100% refundable.
Federal Policy Updates

Payroll Tax Changes

• **Employee retention credit** – permits fully refundable 50% tax credit applicable to the employer’s share of payroll taxes on wages up to $10,000 per employee; widely available with special rules for small employers

• **Payroll tax payment delays** – defer payment of the employer share of the Social Security tax due between now and January 1, 2021 to December 31, 2021 (50% due) and December 31, 2020 (remaining due).
Employers & Small Business Implications

• $350 billion in loans for small businesses (< 500 employees)
• Loans equal to the lesser of 2 ½ months of payroll or $10 million
• Loans convert to grants if used to maintain employees
• Loans by local and national lenders
Speaker Intros

Julia Barfield
Senior Manager, Early Childhood Education Policy & Programs, U.S. Chamber of Commerce Foundation

Caitlin Codella Low
Executive Director, K-12 Policy & Programs, U.S. Chamber of Commerce Foundation
Childcare Implications

• Small businesses support for childcare providers with < 500 employees

• Child Care Development Block Grant (CCDBG) received an additional $3.5 billion
  • Flexibility from Lead State Agencies' Plans to use funding

• $750 million for Head Start to meet emergency staffing needs
K-12 Education Implications

- **$30.75 billion** for Education Stabilization Fund
  - 9.8% to governors ($3B), 43.9% to K-12 ($13.5B), remaining 46.3% to higher ed ($14.25B)
  - Will service both K-12 and higher education
  - Funds will be distributed like flexible block grants
  - Loosening of rules around carrying cash over to next academic year
- States likely to request assessment/accountability waiver
- Major hit to K-12 education will come during next academic year due to learning loss, reduced budgets
Jaimie Francis
Executive Director, Workforce Policy & Programs, U.S. Chamber of Commerce Foundation

Cheryl Oldham
Senior Vice President, Center for Education and Workforce, U.S. Chamber of Commerce Foundation

Speaker Intros
Higher Education/Workforce Implications

• Student loan payments suspended through September 30, 2020.
• HEA Flexibility
• Higher Education Emergency Relief Fund
  • 90% of funds
    • Allocation: 75% Pell/25% Non-Pell (those not exclusively online)
    • 50% of funds must be used for emergency grants related to COVID-19 student-related issues (remainder for instruction delivery changes)
  • 10% of funds
    • Allocation: 7.5% MSIs/2.5% greatest unmet needs
Workforce Implications

• $345 million for the dislocated workers national reserve to respond to COVID-19 issues (through USDOL).

• Specific funds for increased workforce and training in the healthcare industry.
Questions?

For open Q&A, please use the chat function to enter your question. Please include your name and organization.
Today’s Speakers

Cheryl A. Oldham, Education Policy
Glenn Spencer, Employment Policy
Tom Sullivan, Small Business Policy
Julia Barfield, Early Education
Caitlin Codella Low, K-12 Education
Jaimie Francis, Workforce

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