Initial Analysis March 26, 2020
Coronavirus Aid, Relief and Economic Security Act

$350B Paycheck Protection Program

- Small Businesses under 500 Employees
- Used to help companies make payroll February 15 to June 30, 2020
- Loans of up to $10 million, forgiven if the company uses the funds for payroll, rent, interest on mortgage, or utilities. Pro-rated forgiveness if there are layoffs (comparing prior year employment levels)

Employers are eligible for a 50% refundable payroll tax credit on wages paid up to $10,000 during the crisis. The credit would be available to employers whose businesses were disrupted due to virus shutdowns and those that had a decrease in gross receipts of 50 percent or more when compared to the same quarter last year. The credit can be claimed for employees who are retained but not currently working due to the crisis for firms with more than 100 employees, and for all employee wages for firms with 100 or fewer employees.

Employer-side Social Security payroll tax payments may be delayed until January 1, 2021, with 50 percent owed on December 31, 2021 and the other half owed on December 31, 2022. The Social Security Trust Fund will be backfilled by general revenue in the interim period.

State Aid Program: $150B - $11.24B to Texas

- Only counties with populations over 500k will get any funds directly from Federal Government
- Other communities to seek funds through State of Texas (no info yet)

Individual Tax Credits - $1,200 per individual making $75,000 or less, with phase out up to $99,000. $500 per child.

Expanded Unemployment Insurance

- Increase of $600/week for up to 4 months
- Expanded Federal Funds to cover Self Employed and Independent Contractors
- Additional 13 weeks of Unemployment Insurance Coverage through Dec 31, 2020