
FISCAL UPDATE Article

Fiscal Services Division

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FEDERAL PAYCHECK PROTECTION PROGRAM AND HEALTH CARE ENHANCEMENT ACT (H.R. 266) SUMMARY — COVID-19

Federal Funding. Congress passed [H.R. 266](#) (Paycheck Protection Program and Health Care Enhancement Act) on April 23, 2020, and the President signed the Act on April 24, 2020. The Act appropriates \$484.000 billion in additional funding for COVID-19 relief and expenditures.

Small Business Administration. The Act appropriates \$310.000 billion in new funds for the Paycheck Protection Program. The Program provides small business with loans that can be forgiven if the moneys are used to pay for wages, benefits, rent, and other related expenditures. The Act appropriates \$60.000 billion for Small Business Administration Disaster Assistance Loans and Grants, with the moneys being loaned out by smaller financial institutions such as credit unions and community financial institutions that have less than \$10.000 billion in assets.

Health Care. The Act provides \$100.000 billion in FY 2020 supplemental funding for the Public Health and Social Services Emergency Fund. This includes:

- \$75.000 billion to reimburse health care providers for lost revenue and other health care-related expenses related to COVID-19.
- \$25.000 billion for expenses related to research, development, manufacture, and other expenditures to expand COVID-19 testing. The Act allocates specific portions to:
 - States, local governments, territories, and tribes.
 - The Centers for Disease Control and Prevention.
 - The National Institute of Health.
 - The Biomedical Advanced Research and Development Authority.
 - The Food and Drug Administration.
 - Community health centers, rural health clinics, and testing for the uninsured.

Additional Information. The Congressional Budget Office provided a brief [summary](#) of the legislation on April 22, 2020.

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