



PRESS RELEASE

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CARES Act Stimulus Bill Provides Assistance for Individuals and Businesses

On Friday March 27, 2020, The President signed the Coronavirus Aid, Relief and Economic Security Act, or CARES Act into legislation. The \$2 Trillion aid package includes the following for individuals and businesses. Note that this summary does not include all of the components of the legislation, and instead focuses on what types of aid are made available to most people and small businesses.

Cash Payments - Most individuals earning less than \$75,000 can expect a one-time cash payment of \$1,200. Married couples will each receive a check, and families will get \$500 per child. A family of four earning less than \$150,000 can expect to receive \$3,400. Partial payments will be received by people earning from \$75,000 to \$99,000. Incomes are based on your 2019 tax return if submitted, otherwise your 2018 tax return.

Extra Unemployment Payments – The CARES Act makes major changes to unemployment assistance by increasing benefits and broadening who is eligible. The State will continue to pay unemployment insurance to those who qualify. However, the Federal government will add \$600 per week on top of the amount the State provides. The Federal payment increase will be for four months. This legislation also adds 13 weeks of unemployment insurance.

https://www.edd.ca.gov/about_edd/coronavirus-2019.htm

Self Employed and Contractors Unemployment Benefits – Typically self-employed people and contractors can't apply for unemployment assistance. This bill creates a new, temporary Pandemic Unemployment Assistance through the end of 2020 to help people who lose work as a direct result of the public health emergency.

Business Emergency Grants of \$10,000 - The bill provides funding for grants up to \$10,000 to provide emergency funds for small businesses, up to 500 employees, and nonprofit organizations to cover immediate operating costs. In order to be eligible for this grant a business or non profit must apply for the Covid – 19 disaster loan from the Small Business Administration (SBA). If you need help applying for this SBA loan contact the Cal Coastal Small Business Development Center (SBDC) office in Salinas. They serve San Benito County.

Website: <https://calcoastalsbdc.com/>

Email: sbdc@calcoastal.org

Phone: (831) 424-1099 Ext.3

Toll free number: 855-815-3833 Ext 3

Forgivable Business Loans - The SBA will provide loans of up to \$10 Million per business. Any portion of that loan to maintain payroll, etc., rent, mortgage and other qualifying expenses could be forgiven, provided workers stay employed through the end of June. These loans may be available through your local lender, however the details as to who processes these loans and how they are obtained are not available yet, but should be soon. There is also a new tax credit for payroll costs, to keep workers on the payroll. However, businesses can only get either the new loan, or the tax credit, not both.

There are numerous other components of the CARES Act, but we wanted to focus on the new benefits now available for families and businesses. If you need more detailed information about this legislation, go online and research the CARES Act, or Stimulus Bill. For additional resources for businesses go to the Economic Development Corporation of San Benito county website at <https://edcsanbenito.org/> and check the County's website <http://cosb.us/> for updates on local resources for our citizens.