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A Summary of All COVID-19 Stimulus Bills that Affect You

With passage and signing of the [CARES Act](#) into law, Congress and President Trump have set into motion a massive \$2.2 trillion COVID-19 stimulus bill and the largest single economic rescue plan in the history of the U.S.

At this point, you likely wonder how much of this and previous coronavirus legislation applies to you and your financial well-being. It turns out these laws impact you in a big way.

Phases I, II, and III

There are three parts to COVID-19 legislation so far, Phases I, II, and III.

Phase I, H.R. 6074, known as the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020, was enacted into law March 6, 2020 and provides \$8.3 billion in emergency funding for federal agencies to ensure vaccines developed to fight the coronavirus are affordable, that impacted small businesses can qualify for Small Business Administration ([SBA](#)) [Economic Injury Disaster Loans \(EIDLs\)](#), and that Medicare recipients can consult with their providers by telephone or teleconference, if necessary or desired.

Phase II, H.R. 6201, the Families First Coronavirus Response Act, became law March 18, 2020. This \$100 billion package includes provisions for paid sick leave, free coronavirus testing, expanded food assistance, additional unemployment benefits, and requirements that employers provide additional protection for healthcare workers.

Phase III, H.R. 758 (116), the CARES Act, signed into law March 27, 2020, represents the [largest stimulus bill in the history of the U.S. at \\$2.2 trillion](#). The legislation provides direct payments to individual taxpayers and their dependents, a huge expansion to unemployment benefits, including the self-employed, student loan forbearance, and much more.³

KEY TAKEAWAYS

- Coronavirus legislation affects your wealth as well as your health.
- Legislation falls into three parts - Phase I, Phase II, and Phase III.
- These new laws cover everything from the cost of vaccine to small business loans to direct payments to U.S. citizens and more.
- Experts as well as members of Congress say more will eventually be needed. Keep checking for updates.



Impact on Your Financial Life

To help you better understand how COVID-19 legislation affects your financial well-being, the list that follows includes provisions that may apply to your situation. Expect the list to change in the days and weeks to come as new ideas become law. In other words, check back. Here are the key points, tied to the laws they're part of.

Free Vaccines (Phase I and III)

(I) H.R. 6074, now Public Law 116-123, provides that “vaccines, therapeutics, and diagnostics” funded by this law will be “affordable.” While the definition of “affordable” is unclear, there is a commitment on the part of government to ensure no price gouging when it comes to coronavirus treatment.

(III) The CARES Act further declares that access to testing and any future vaccine will be available "without cost-sharing." In other words, the vaccine and testing to find out if you have the coronavirus are free.

Small Business Relief (Phases I and III)

(I) Phase I law establishes a \$20,000,000 “Disaster Loans Program Account” to provide money to small business owners in the form of low-cost SBA loans to help overcome the economic impact of COVID-19 on their business. Needless to say, this affects employees as well, since a closed business has no employees. (III) Phase III offers \$349 billion to provide tax credits to small businesses and allows them to defer paying payroll taxes so they can continue paying employees. Businesses with fewer than 500 employees can receive a “Small Business Interruption Loan” so long as they continue to pay workers. The loan can be used to cover 100% of six weeks’ payroll (capped at \$1,540 per week per employee). The law calls for the loans to be forgiven if the money is used to retain workers or cover basic operational expenses.³

Medicare Telehealth Waiver (Phase I)

(I) Another Phase I provision with the somewhat clumsy name “Telehealth Services During Certain Emergency Periods Act of 2020” directs Medicare to let you confer with medical professionals by phone, including FaceTime, Skype, and other telehealth services, even if you don’t meet the requirement that that you live in a rural area or have some other qualifying condition.¹

HSAs Used for Telehealth and OTC Products (Phase III)

(III) The CARES Act provides that HSAs paired with HDHPs can offer pre-deductible coverage for Telehealth and other types of remote services. The Act also extends the use of HSAs to non-prescription over the counter (OTC) medicines and certain menstrual care products.³

Paid Sick Leave (Phase II)

(II) H.R. 6201, known as the “Families First Coronavirus Response Act,” mandates that your employer provide you with two weeks paid sick leave if you are isolated due to COVID-19, have been advised to self-quarantine, are experiencing symptoms and seeking medical help, or are caring for someone under quarantine. You get up to 12 weeks' paid leave if you are caring for a child who is home because school is closed or your childcare provider is not available because of coronavirus.²

Free Coronavirus Testing (Phase II and III)

(II) Phase II provides free FDA-approved COVID-19 testing for everyone—even those who are uninsured. Testing, without deductibles or copayments, includes the cost of a trip to the doctor or emergency room to get the test. The legislation does not cover additional tests or treatment. That will be up to your current healthcare plan, including Medicare and Medicaid.²

(III) Phase III expands on the provisions of Phase II to include testing provided by labs on an emergency basis, state-developed tests, and any other tests authorized by the Department of Health and Human Services (HHS).³

Expanded Food Assistance (Phase II)

(II) If you have food security issues—something more likely to be the case as more and more people lose jobs due to workplace shutdowns—Phase II offers help. This includes almost a billion dollars for the Special Supplemental Nutrition Program for Women, Infants, and Children Program (WIC).⁴ There's also \$400 million for emergency food assistance, help for those with children eligible for free or reduced price school lunches whose school is closed, and emergency SNAP benefits including temporary suspension of the SNAP three-month time limit on funding adults under 50 with no children.

(III) Phase III provides \$450 million for the Emergency Food Assistance Program, to supply food banks and provide operational assistance. An additional \$200 million will go to food assistance for Puerto Rico and other U.S. territories plus \$100 million for food distribution at American Indian reservations. Nearly \$16 billion will be added to the Supplemental Nutrition Assistance Program (SNAP) and another \$8.8 billion made available to Child Nutrition Programs.³

Protections for Healthcare Workers (Phase II)

(II) If you are a healthcare worker, Phase II protects your medical and financial stability by requiring the [Occupational Safety and Health Administration \(OSHA\)](#) to issue an Emergency Temporary Standard (ETS) within 30 days that requires healthcare sector employers—or other employers designated to be at elevated risk,—“to develop and implement a comprehensive infectious disease exposure control plan to protect health care workers from exposure to the SARS-CoV-2 virus that causes COVID19.” In addition, OSHA must issue a permanent health and safety standard six months after the ETS has been issued.²

Expanded Unemployment Benefits (Phase II and III)

(II) Phase II provides nearly \$1 billion in additional funding to states to be used to process and pay unemployment insurance. Assistance is also available to provide additional payments for those who have exhausted their benefits. Check with your local unemployment office for details in your state.²

(III) Phase III provides an unprecedented boost in unemployment benefits including \$600 per week per worker for four months on top of state benefits. The stimulus package includes an additional 13 weeks of extended benefits, paid for by the federal government. The list of workers who qualify for unemployment benefits expands to include independent contractors, the self-employed, and gig economy workers. For specifics check with your local unemployment office.

The amount to be sent to each adult with income of \$75,000 or less.

Direct Payments to Families (Phase III)

(III) The latest legislation directs the U.S. Treasury to send most U.S. adults a check (or direct deposit) of \$1,200 (\$2,400 for couples filing jointly). Each child age 16 and under will receive an additional \$500. Individuals with adjusted gross income (based on 2018 or 2019 tax returns) of \$75,000 (\$150,000 for couples filing jointly/\$112,500 for head of household) or less will get the full amount. Your direct payment will be reduced five cents (\$0.05) for every dollar you earned the amounts listed above until it hits zero at \$99,000. Treasury Secretary Steven Mnuchin indicated most people will get their payment within three weeks.

Suspension of Student Loan Payments (III)

(III) The Department of Education will automatically suspend payments on Direct student loans without penalty through Sep. 30, 2020. Check with your loan servicer to make sure your payments have been suspended. You will receive multiple notices after Aug. 1 letting you know about the end of the payment suspension program.³

Wages and Benefits for Airline Workers (III)

(III) Included in the Phase III package is \$32 billion in grants to cover wages and benefits for workers employed by passenger airlines, cargo airlines, and contractors. Companies that accept these funds and other assistance in the form of loans or loan guarantees are barred from making furloughs, pay cuts, stock buybacks, or issuing dividends to investors through Sep. 2020.³

Public Health Fund (III)

(III) The law creates a \$100 billion public health and social emergency fund designed to reimburse providers for expenses and lost revenues during the crisis. Most of the funds will go to hospitals with the rest earmarked for doctors, nurses, suppliers, and others.³



Protection Against Foreclosure and Eviction (III)

(III) Phase III codifies protections for homeowners against foreclosure and renters against eviction. If you are experiencing financial hardship due to the coronavirus, you will be granted forbearance on your federally backed mortgage loan for up to 60 days, with the potential for up to four 30-day extensions. Foreclosures may not begin for 60 days from Mar. 18, 2020.

No fees, penalties, or added interest may be charged on delayed payments. If you are a landlord with a mortgage on a multifamily home you have similar protection that allows a 30-day forbearance on payments and up to two 30-day extensions.

If you are a renter in a multifamily home with a federally backed mortgage loan, you may not be evicted solely for failure to pay rent for a 6 months. You also may not be charged fees or penalties for not paying rent.³

Special Rules for Retirement Funds (III)

(III) The CARES Act effectively waives the 10% tax penalty for early withdrawals from retirement funds if those withdrawals are related to the coronavirus. The waiver is retroactive to Jan. 1, 2020. Also, you are not subject to a [required minimum distribution](#) (RMD) from your retirement account in 2020.

Guarantee Money Market Mutual Funds (III)

(III) If you are an investor, Section 4015 of the CARES Act that temporarily suspends the restrictions of the Emergency Economic Stabilization Act of 2008 might be of interest. The legislation permits the temporary use of the [Exchange Stabilization Fund](#) to guarantee money market mutual funds. The guarantee will terminate December 31, 2020.³