July 28, 2020

Dear Arts Action Fund Member,

Senate Republican leadership released details of its counteroffer to the Democratically controlled House of Representatives for the next round of CARES Act pandemic relief. Entitled "HEALS Act" this Senate GOP $1 trillion proposed legislation falls short of the House Democrats’ $3 trillion HEROES Act. Negotiations now begin in earnest this week between both chambers and the White House to reach a unified deal. Please ask your Senators to provide more economic relief for impacted industries, like the arts. Here are highlights of the Senate proposed legislation:

**Paycheck Protection Program Forgivable Loan:**
A total of $190 billion would be available for both new borrowers and a second round of loans for existing borrowers. Eligibility changes include a lower employee cap per small business to 300 W2 workers (instead of 500); evidence that your business has incurred more than a 50% revenue loss compared to 2019; and the maximum loan amount would be reduced to $2 million. Forgiveness documentation for loans under $150,000 would be waived and a portion of the funds could now be used to pay for personal protection equipment. House version included a dedicated fund for nonprofits to apply for PPP loans.

**Federal Pandemic Unemployment Compensation:**
The Senate proposes to reduce the extra $600 weekly pandemic unemployment compensation to $200 through September. Then in October, this payment would be replaced by a complicated formula of paying up to $500 per week to not exceed 70 percent of proven lost wages from 2019. The House proposes to simply extend the extra $600 through January.

**IRS Stimulus Checks:**
Both the Senate and House bills propose a second round of stimulus checks, like the first round in the CARES ACT. Single taxpayers with an AGI of $75,000 or less would get $1,200. Married taxpayers with a combined AGI of $150,000 or less would get $2,400. For AGI amounts above those thresholds, 5% would be reduced for every $1,000 above that amount. In the House version, all dependents, regardless of age, would also receive $1,200 each with no caps. The Senate version only provides $500 for each dependent.

**State and Local Government Block Grants:**
The Senate version does not provide any new funds to state and local governments for economic relief, but simply allows more flexibility to use leftover funds from the first CARES Act. The House version provides an additional $875 billion for state and local governments to help recover from the pandemic.

**National Endowment for the Arts and National Endowment for the Humanities:**
No additional funds in the Senate version, but the House version includes $10 million for each agency.

Arts advocacy makes a difference. Thank you for everything you do to enrich people’s lives through the arts. If possible, please also consider contributing to the Arts Action Fund PAC.

**Relief Bill Comparison Chart:**
Arts Action Fund’s legislative counsel at Brownstein Hyatt Farber Schreck produced a very detailed [comparison chart] between existing CARES Act law with the House Heroes Act proposal and the Senate HEALS Act proposal as of 7-31-20.

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