

Bipartisan State and Local Support and Small Business Protection Act of 2020

Section by Section Summary

December 14, 2020

Total: \$160 Billion

State, Local, and Tribal Assistance - \$160 Billion

- Provide \$152 billion in aid to states and local governments through the Coronavirus Relief Fund
 - 1/3 of the \$152 billion would be distributed based on each state's proportion to the U.S. population.
 - 2/3 of the \$152 billion would be distributed based on the proportion of each state's revenue losses relative to the total revenue losses of all states nationwide.
 - Each state is entitled to a minimum of \$500 million
- The state funding would be distributed in three tranches:
 - **First tranche:** \$50.66B from the population-based funding will be disbursed to states within 30 days of enactment. In addition, needs-based funding that tracks actual revenue losses incurred by state and local governments from April 1, 2020 to September 30, 2020 relative to the same period in 2019 will also be disbursed within 30 days of enactment.
 - **Second tranche:** Needs-based funding that tracks revenue losses incurred by state and local governments from October 1, 2020 to March 31, 2021 relative to the same period in 2019 will be disbursed no later than June 1. It is expected that an additional \$52B will be disbursed in this tranche, totaling \$142B with inclusion of tranche 1.
 - **Third tranche:** At least \$10B must be set aside for this final tranche. This is also a needs-based allocation that provides the remaining funding based on the proportional revenue losses of each state from April 1, 2021 to June 30, 2021 relative to the same period in 2019. It is expected that \$10B will be disbursed in this tranche, totaling \$152B with inclusion of tranches 1-2.
- \$8 billion in funding for Tribes would be allocated by 60 percent population and 40 based on the number of employees of each Tribal entity.
- Governors must distribute 40 percent of the state's funding to local government but choose how:
 - Proportional population
 - Proportional revenue loss
 - Combination of both.
- There are no population thresholds so every country and municipality would be eligible for funding regardless of size.
- Extend the deadline for spending CARES Act Coronavirus Relief Fund (CRF) aid on COVID-related expenses through December 31, 2021.
- Guardrails would prohibit the use of these funds to cover enhanced pension obligations. In addition, States cannot expand public pension benefits while receiving funds.

Liability Protections

- Establishes a nationwide gross negligence standard for COVID-19 exposure, medical malpractice, and workplace testing claims.
- Allows plaintiffs to file in state court.
- Defendants have the option to remove to federal court.
- Allows Attorney General to investigate and bring a civil action addressing pattern or practice of sending meritless demand letters.
- Provides that employers are not subject to liability under federal employment law in COVID-19 exposure cases or change in working conditions related to COVID-19 if the employer was trying to conform to public health standards and guidance. Protects public accommodations that take measures to protect against COVID-19.
- Ensures that an employer's decision PPE, COVID-19 policies, procedures, or training, workplace testing, or financial assistance to an independent contractor does not create evidence of an employer-employee relationship.
- Protections apply to claims arising from injuries that occurred from December 2019 through the later of one year after enactment or the end of the coronavirus public health emergency.