



CARES Act Highlights for Manufactured Housing Professionals

Support for Individuals

Unemployment Insurance (UI)

Expands UI for workers, including a \$600 per week increase in benefits for up to four months and federal funding of UI benefits provided to those not usually eligible for UI, such as the self-employed, independent contractors, and those with limited work history. Additionally, the federal government will fund an additional 13 weeks of unemployment benefits through December 31, 2020 after workers have run out of state unemployment benefits.

Recovery Rebate for Individual Taxpayers

Provides a \$1,200 refundable tax credit for individuals and \$2,400 for joint taxpayers). Amounts are increased by \$500 for each child under 17; and amounts are phased out for taxpayers making \$75,000 (\$150,000 for joint filers, and as added by the CARES Act, \$112,500 for heads of household).

Waived Penalties for Withdrawals from Retirement Funds

The bill would allow for tax-favored "coronavirus-related" distributions from certain retirement plans of up to \$100,000 (the 10% early withdrawal penalty would not apply). Also, income attributable to those distributions would be subject to tax over three years (as opposed to one). Qualifying taxpayers would also be allowed to repay their retirement plans to make up for money withdrawn to pay coronavirus-related expenses (including loans and distributions).

Funding for Nutrition Assistance Programs

Provide funds for food assistance programs, including those for seniors, and would reauthorize the Healthy Start Program.

Suspension of Student Loans

The bill suspends payments for student loans under the Federal Family Education Loan and Direct Loan programs - without interest - through September 30, 2020. Additionally, collection efforts for those loans will stop during this timeframe.

Support for Small Businesses

Small Business Debt Relief

Creates a new SBA loan program authority, under which businesses with fewer than 500 employees (or alternatively with multiple locations and no more than 500 employees at a single location as long as total receipts are less than \$500 million). Loans may be granted for up to 2.5 times the average monthly payroll over the last year before the loan closes. Interest is deferred for 1 year – and 100% of the loan is forgiven if the business maintains the same full time employee

(FTE) payroll over the February 15 – June 30 period as the average FTE payroll in the year up to loan closing – EXCEPT that to meet this standard you can count employees rehired within one month of the passage of the bill. Similar pro rata reductions apply if the firm reduces employee salaries by more than 25%. Reductions in FTE payroll proportionately reduce the percentage of the loan that is forgiven. Firms cannot obtain this loan and other loans such as an SBA disaster loan

Paycheck Protection Program

Allocates \$350 billion for this program which is meant to help small businesses (fewer than 500 employees) impacted by the pandemic and economic downturn to make payroll and cover other expenses from February 15 to June 30.

Payroll Tax Payment Delays

Extends the time for businesses to submit payroll taxes. The extension for payroll tax would apply to the employer portion of self-employment taxes, too. The provision requires that the tax be paid over the next two years, with half due by December 31, 2021, and the remainder due by December 31, 2022.

Support for Manufacturing

Provides funding to the Hollings Manufacturing Extension Partnership to help small and medium sized manufacturers recover by finding value within the supply chain and expanding markets.

Economic Injury Disaster Loans (EIDL)

Allows businesses that apply for an EIDL expedited access to capital through an Emergency Grant—an advance of \$10,000 within three days to maintain payroll, provide paid sick leave, and to service other debt obligations.

Assistance to State and Local Governments

Community Development Block Grant Program (CDBG)

\$5 billion is provided for the Community Development Block Grant (CDBG) program to enable nearly 1,240 states, counties, and cities to rapidly respond to COVID-19, including the expansion of community health facilities, childcare centers, food banks, and senior services.

Economic Development Administration

Provides economic adjustment assistance to help revitalize local communities after the pandemic. EDA assistance can be used to help rebuild impacted industries such as tourism or manufacturing supply chains, capitalize local funds to provide low-interest loans to businesses of all sizes, and support other locally identified priorities for economic recovery.

Manufactured Housing Communities

Single Family Forbearance – On Federally Backed Loans

Provides for borrowers to request forbearance for up to 180 days (plus one extension of another 180 days), which must be granted providing the borrower affirms they are experiencing a financial hardship during the coronavirus emergency. This right is limited to FHA, RHS, VA, Fannie Mae, and Freddie Mac loans, and continues as long as the Presidential emergency declaration is in effect.

Multifamily Mortgage Forbearance

Provides up to 90 days of forbearance for multifamily borrowers with a federally backed multifamily mortgage loan (Fannie Mae, Freddie Mac or HUD) who have experienced a financial hardship. Borrowers receiving forbearance may not evict or charge late fees to tenants for the duration of the forbearance period.

Temporary Moratorium on Eviction Filings

A 120-day moratorium on evictions beginning on the date of enactment. Landlords are prohibited from initiating legal action to recover possession of a rental unit or to charge fees, penalties, or other charges to the tenant related to such nonpayment of rent where the landlord's mortgage on that property is insured, guaranteed, supplemented, protected, or assisted in any way by HUD, Fannie Mae, Freddie Mac, the rural housing voucher program, or the Violence Against Women Act of 1994.