

Impact on the Disability Community – Coronavirus Aid, Relief and Economic Security (CARES) Act and Family First Response Act

On Friday, March 27, President Trump signed the Coronavirus Aid, Relief and Economic Security Act (The CARES Act). This is the third relief package approved by Congress and signed by the President in response to the health and financial crisis now confronting individuals and families, businesses (for profit and not-for-profit) of all sizes across diverse market sectors, the healthcare system and government at all levels. The more than \$2 trillion economic rescue package is the largest relief package in U.S. history.

The CARES Act passed with overwhelming support of Democrats and Republicans, has over 800 pages of specific direction to the full spectrum of federal departments and agencies including Treasury, Health and Human Services, Labor, Social Security Administration, Education, Veterans, Housing and Urban Development, Centers for Medicaid and Medicare Services, Small Business Administration and Defense.

The relief includes direct payments to millions of Americans, expanded unemployment insurance, loans and grants to adversely impacted small and large businesses and additional funding to many existing government programs as diverse as homeless housing support, healthcare providers, community behavioral health clinics, suicide prevention programs, Centers for Independent Living, local and state education agencies, the WIOA workforce development system, veterans who are homeless or, as a result of the impact of the Coronavirus, are at risk of becoming homeless and owners and sponsors of properties who receive HUD Section 811 project-based assistance for individuals with disabilities.

National Disability Institute (NDI) has digested the CARES Act and the Families First Response Act and offers this preliminary analysis of the possible impact on individuals with disabilities and their families, disability-related nonprofit organizations and publicly-funded systems (education, health, workforce development) that must treat children, youth and/or adults with disabilities and their families as a protected class who should benefit from these targeted resources.

[Visit congress.gov to read the law in its entirety.](https://www.congress.gov)

We offer the following takeaways that require your attention and next steps for future action. Please share this information widely with individuals with disabilities and their families, disability-related nonprofit organizations and throughout your networks.

I. Individuals with Disabilities and Families

1. Unemployment Assistance Payments

- a. Qualified individuals will receive \$600 per week in addition to whatever the base amount a displaced worker would receive from their state. The boosted payment will last for four months. If the state unemployment benefit was \$340 per week, then the new enhanced benefit with federal support would be \$940 per week.
- b. Unemployment assistance benefits is expanded for the first time to cover self-employed people and individuals and contractors in the gig economy who have typically been ineligible to apply for unemployment benefits. This eligibility will apply until the end of the year if a person loses work as a result of the Coronavirus public health emergency.

2. One-Time Cash Payments

Emergency relief is offered in the form of cash payments to all individuals with and without disabilities nationwide. The full amount is \$1,200 per adult and \$500 per child. This includes recipients of Supplemental Security Income (SSI) and/or Social Security Disability Insurance (SSDI) payments from the Social Security Administration (SSA). To be paid automatically by IRS, you must have filed a 2019 or 2018 tax return. All Social Security beneficiaries, whether or not they filed a tax return in 2018 or 2019, will be paid this one-time cash benefit. IRS may determine if there is additional paperwork to be filed if you have not filed a tax return for either 2018 or 2019.

However, eligibility for this cash benefit is only for individuals with income under \$75,000, \$112,500 for head of household and \$150,000 if married. You must not be listed as a dependent of another taxpayer and you must have a work-eligible Social Security number. If your income is above these ceilings, the amount is reduced by \$5 for each \$100 that a taxpayer's income is above the defined ceiling. For single filers, there is a complete phase out when income exceeds \$99,000. For joint filers with no children, the benefit is phased out at \$198,000.

These cash payments will not count as income to Social Security beneficiaries receiving SSI and/or SSDI. These cash payments will also not count as resources for a period of 12 months for individuals to maintain their Social Security benefits under means-tested federal benefits programs (Medicaid, SSI, SNAP, housing assistance).

Treasury is mandated to conduct a public awareness campaign in operation with SSA and other federal agencies to make individuals who do not file tax returns to be aware of this emergency assistance.

In conclusion, a Social Security beneficiary with a disability who has no earned income is eligible for the benefit, as long as they are not a dependent declared on the income tax return of another taxpayer and the individual with a disability has a Social Security number.

3. Tax Returns

The federal tax filing deadline has been extended from April 15, 2020 to July 15, 2020.

4. Student Loans

- c. Employers can provide up to \$5,250 in a tax-free student loan repayment benefit. The employer could contribute to loan payments and the impacted worker would not have to consider this money as income. The employee would not pay taxes on the employee contribution.
- d. Student loan payments due, that are held by the Department of Education, are suspended through September 30, 2020.

5. Insurance Coverage

All private insurance plans must cover, at no cost, Coronavirus testing, treatments and, when it becomes available, a vaccine.

6. Family and Medical Leave

This change brings new rules expanding paid and family leave that go into effect April 1, 2020. These changes are not found in the CARES Act. These changes are in the earlier enacted Families First Coronavirus Response Act. Employees who can't work as a result of health challenges associated with the Coronavirus, or are under orders to stay quarantined, must receive two weeks or up to 80 hours of paid sick leave at their full rate or the applicable minimum wage, if higher.

A second means of coverage is if an employee is caring for a quarantined person or a child who can't go to school or daycare because of the Coronavirus crisis. The employee is then entitled to two weeks, or up to 80 hours, paid leave at two-thirds of the employee's normal rate.

These new rules cover businesses based in the United States with fewer than 500 employees. However, small businesses with fewer than 50 employees may qualify for an exemption. The Department of Labor is expected to issue guidance that offers an exemption if the paid leave requirements would threaten the business' viability.

There are caps on how much an employee could be paid. If under quarantine or experiencing Coronavirus symptoms, the cap is \$511 a day or \$5,110 for two weeks. The limits for employees caring for a sick person are \$200 a day or \$2,000 for two weeks. If a worker is taking care of a child home from school, the cap is \$200 a day and \$12,000 total, which includes two weeks of paid sick leave and up to 10 additional weeks of expanded family and medical leave, due to the health crisis.

These expanded benefits will only apply until December 31, 2020.

The Department of Labor still must issue guidance as to whether these benefits apply to a workplace closed due to a stay at home order issued by a state or local government or to employees who have already been furloughed prior to April 1, 2020.

7. Mortgage Payment Postponement

During the covered period, a borrower of funds for a mortgage may request and be granted a postponement of paying their mortgage for up to 180 days. If the borrower is experiencing a financial hardship due directly or indirectly to the Coronavirus crisis during this period, no fees, penalties or interest beyond the fees that would normally be paid may be charged to the borrower. This only applies for a borrower with a federally-backed mortgage loan. The borrower may also request to extend the period of nonpayment for an additional 180 days. To understand whether your mortgage is a federally-backed mortgage loan, please contact your lender.

8. Temporary Moratorium on Evictions

There are several provisions that prevent the eviction of residential tenants in buildings secured by federally-backed mortgage loans under several federal programs for a 120-day period, beginning March 27, 2020. A landlord may not make, or have someone else make on their behalf, any filing to initiate a legal action to recover possession of the covered dwelling from the tenant for nonpayment of rent and impose any fees, penalties or other charges on a payment for late payment of rent. In addition, selected states have also issued moratoriums on all evictions and foreclosures until the end of April 2020. States that have taken this action include, but are not limited to, Arizona; selected cities in California; Delaware; parts of Florida; Atlanta, Georgia; Illinois; Indiana; Iowa; Kansas; Maryland; Massachusetts; Michigan; New Jersey; New York; North Carolina; Pennsylvania; Rhode Island; and South Carolina.

II. Disability-Related Nonprofit Organizations and Public Systems

Funds have been earmarked for rapid deployment with many federal departments and agencies. The following is a short list of departments and agencies with new or expanded funding responsibilities that will directly impact individuals with disabilities and families.

1. Administration for Community Living (Department of Health and Human Services)

- Independent Living Centers (\$85 million). Funds to be provided to the nationwide network of independent living centers already funded under Part C of Chapter One of Title VII of the Rehabilitation Act. Funds are to be used to “prevent, prepare and respond to the Coronavirus challenges.”
- Aging and Disability Resource Centers (ADRC) (\$50 million). Funds to be used to “prevent, prepare and respond to the Coronavirus challenges.” The ADRCs are in every state.

2. Substance Abuse and Mental Health Services Administration (SAMHSA) (\$300 million)

- Funds of \$250 million to be available for the certified Community Behavioral Health Clinic expansion grant program.
- Funds of \$50 million to be available for suicide prevention programs.

3. Housing and Urban Development (HUD) (\$4 billion)

- An additional \$15 million in funds are targeted to owners or sponsors of previously funded, project-based assistance under Section 811 of the Cranston Gonzalez National Affordable Housing Act to maintain normal operations.
- Homeless Assistance Grants (\$4 billion). Additional funds to prevent, prepare and respond to Coronavirus among individuals and families who are homeless and for homelessness prevention activities to mitigate the impact created by the health crisis. New awards may be made to provide healthcare services to homeless populations.

4. Department of Education (\$30 billion)

Each governor may submit a state application for funds in the next 30 days and awards will be made within 30 days after receipt.

Use of the funds is primarily to be distributed to Local Education Agencies (LEAs) for multiple purposes including:

- Addressing the unique needs of low-income children and children with disabilities;
- Providing meals to eligible students;
- Providing technology (hardware, software and connectivity), including assistive technology and adaptive equipment, to meet the needs of students with disabilities under IDEA;
- Providing childcare and early childhood education, social and emotional support and protection of education-related jobs; and
- Providing mental health services and supports.

5. Workforce Innovation Opportunity Act (WIOA) Activities

- The Employment and Training Administration (ETA) will receive an additional \$345 million to be targeted to dislocated workers “to prevent, prepare for and respond to the Coronavirus crisis.”
- Each state governor may utilize all unobligated funds for program year 2019 for statewide rapid response activities, including the development and training of staff, to provide opportunities for individuals with barriers to employment to enter in-demand industry sectors or occupations and nontraditional occupations. These funds may also be used for the development of exemplary program activities and the provision of technical assistance to local areas that fail to meet local performance accountability measures.

6. Veterans Benefits and Programs

- The Veterans Health Administration will receive an additional \$14.4 billion dollars “to prevent, prepare for and respond to Coronavirus including related impacts on health care delivery, and for support to veterans who are homeless or at risk of becoming homeless.”
- The Secretary of Veterans Affairs may enter into short-term agreements or contracts with telecommunications companies “to provide temporary, complimentary or subsidized, fixed and mobile broadband services for the purposes of providing expanded mental health services to isolated

veterans through telehealth or VA Video Connect during a public health emergency.”

7. Small Business and Nonprofit Organization Assistance from the Small Business Administration (SBA) (\$350 billion)

- **Payroll Assistance Loans:**

There will be 100 percent federally-guaranteed loans to employers who maintain their payroll during the Coronavirus crisis. The Payroll Protection Program (PPP) allows coverage of payroll between February 15, 2020 and June 30, 2020. If employers maintain their payroll, the loans, capped at a four percent interest rate, would be forgiven for up to eight weeks of payroll. There are limitations on salary levels. The loans will be made available through banks and credit unions. The payroll assistance is offered to employers with not more than 500 employees per physical location. For nonprofits, eligibility is limited to 500 employees or fewer regardless of the loan amount. In addition, the defined payroll costs can also cover costs for rent, utilities, interest on debt obligations, mortgage obligations and continuation of healthcare benefits including paid medical and family leave and insurance premiums.

- **Economic Injury Disaster Loans (EIDL) and Emergency Economic Injury Grants:**

These grants provide up to \$10,000 to small businesses and private nonprofits to keep employees on payroll, to pay for sick leave, pay debts, rent and mortgage payments. To be eligible for the advance, which does not need to be prepaid under any circumstance, you must apply for an economic injury disaster loan (EIDL) and then request the advance. To apply for an EIDL, visit <https://disasterloan.sba.gov/ela>.

8. Allowance for Charitable Contributions

Beginning in 2020, charitable contributions will be allowed by an individual who does not elect to itemize deductions for an amount not to exceed \$300 annually. This would be of benefit to 501(c)3 nonprofits in the disability community.

III. Next Steps

A. Individuals with Disabilities and Their Families

Cash Benefit

If you are an adult with a disability, who is not declared a dependent on the income tax return of another taxpayer, you will be eligible for the one-time cash benefit of \$1,200. You will receive the cash benefit within four weeks if you have filed a 2018 or 2019 tax return. If not, the IRS may announce soon the need to file additional paperwork. Please note your income must be below \$75,000 as a single tax filer and \$112,500 for a head of household to get the full \$1,200.

Five Key Strategies

Please read the NDI and Center for Disability-Inclusive Community Development (CDICD) handout: [*Promoting Financial Health and Resiliency for People with Disabilities and Their Families During the COVID-19 Pandemic.*](#)

Five strategies and resources are offered:

- Assess Your Financial Health
- Find Community Resources
- Be Informed About Benefits
- Connect with Your Financial Service Providers
- Stay Connected in a Virtual World

Family and Medical Leave

There are new federal rules regarding family and medical leave for businesses with less than 500 employees. There may be exemptions to be announced by the U.S. Department of Labor for employers with less than 50 employees. If impacted directly, or as a caregiver for a child home from school or for someone experiencing health challenges from the Coronavirus, you may be entitled to paid leave for two weeks and up to 12 weeks based on health or caregiving roles. Please contact your employer's human resources department to learn about implementation of these new federal requirements.

B. Organizations

1. If a Center for Independent Living or a potential collaborator of a CIL, \$85 million will be distributed to CILs from the Administration for Community Living. In your community, start the conversation of what is needed most.

2. Reach out to your Local Education Agency (LEA) special education director to consider opportunities for collaboration to make sure students with disabilities at home receive a “free appropriate public education” (FAPE). This includes making available necessary technology, including assistive technology and appropriate mental health services and supports. Each governor will have millions of dollars to distribute to LEAs.
3. Reach out to your governor’s office and your state workforce development agency to discuss how unobligated funds for Program Year 2019 under WIOA could be expended to support individuals with disabilities to enter nontraditional occupations and/or in-demand industry sectors.
4. Consider the option of a payroll assistance loan through your local bank backed by SBA federal funds and emergency economic injury grants that will be available through the SBA.
5. Review the other federal agency funding allocations to see if relevant to the work of your organization. Contact the agency representative you currently have a relationship with to learn more about their plans.