



The Crisis We Face: How Montana Can Respond to the Economic Impact of COVID-19

April 2020

Appendix A – Federal Response

[Families First Coronavirus Response Act](#), enacted on March 16, includes:

- \$1 billion in additional funding for **COVID-19 testing**;
- Temporary increase in **federal funding for Medicaid**, representing about \$80 million in additional Medicaid funds for Montana;
- Up to 10 days of **emergency paid sick leave** for employees' absences from work related to COVID-19;
- Temporary **expansion of Family Medical Leave Act (FMLA)** to provide 12 weeks of protected leave to care for a child whose school/child care has closed, paid at 2/3 salary;
- \$1 billion in additional funding for state **unemployment insurance (UI)** benefits and administrative costs;
- Additional \$1 billion in federal funding and flexibility in **Supplemental Nutrition Assistance Program (SNAP)** for those impacted by COVID-19; and
- **Payroll tax credit** for employers for the costs of paid leave provisions.

[Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#), enacted on March 27, includes:

- \$167 billion in **emergency pandemic appropriations**, including funding for hospitals and health providers for equipment, testing supplies, and emergency operation centers, as well as FEMA disaster relief funding for state and local governments;
- \$150 billion in **Coronavirus Relief Fund** to states and local governments for expenditures necessary to respond to COVID-19 pandemic (Montana to receive \$1.25 billion);
- Expanded **Medicare reimbursement** for telehealth services and other COVID-related expenses;
- **Recovery rebates** for individuals of \$1,200 (single) or \$2,400 (married filing jointly) for taxpayers with incomes up to \$75,000 (single) or \$150,000 (married), plus \$500 for every child. Amounts based on 2018 or 2019 tax filing, whatever filed most recently. Rebate is reduced \$5 for every \$100 in taxpayer income that exceeds the phase-out threshold, such that no rebate is available for taxpayers with income exceeding \$99,000 (single) or \$198,000 (married);
- **Extended regular unemployment insurance** by 13 weeks for a total of 39 weeks; additional **\$600 bonus per week** for up to four months; and **expands UI benefits for those not traditionally eligible, including self-employed**;
- Roughly \$900 billion in support for businesses, including collateralized loans and loan guarantees for small businesses, airline industry relief, and support for the Federal Reserve's lending facility;
- Modification of **business taxes**, including enhanced deductibility of interest expense and net operating losses;
- **Employee retention tax credit**, to cover 50 percent of wages paid (up to \$10,000 per employee) for businesses forced to suspend operations or experience a decline in gross receipts of at least 50 percent from the prior year;
- Above-the-line deduction for **student loan payments** up to \$5,250 made by employers; and
- Additional **\$163 billion** in emergency appropriations (see Appendix B).