



SUMMARY:
CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY (CARES) ACT
March 27, 2020

On Friday, March 27, 2020, President Trump signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which provides economic support in order to address the impact of the coronavirus pandemic. This \$2 trillion stimulus package will provide financial assistance to both individuals and childcare businesses:

For Individuals/Families

- Provides payments of \$1,200 for adults with incomes up to \$75,000 (couples up to \$150,000), \$2,400 for married couples, and \$500 for each child in the household. The payments phase out after income of \$99,000.
 - To calculate how much your household will receive, visit the [Washington Post](#).
- Provides \$600 a week in additional compensation on top of other state and federal unemployment benefits.
 - Part-time, self-employed, and gig economy workers now have access to unemployment insurance benefits.
- Provides \$360 million for Department of Labor to invest in programs that provide training and supportive services for dislocated workers, seniors, migrant farmworkers, and homeless veterans.

For Small Business Owners and Self-Employed Individuals

- The CARES Act allows self-employed workers, including family childcare providers, to apply for and receive Disaster Unemployment Assistance. Pandemic Unemployment Insurance will be calculated in the same way as other unemployment benefits, including the additional \$600 per week provided on top of state or federal unemployment benefits.
- Individuals can apply for Disaster Unemployment Assistance due to:
 - Closure because the childcare operator or a family member was exposed to the coronavirus and needs to self-quarantine or is sick.
 - Closure because most or all of the enrolled children are no longer attending due to concerns about the risk of contagion, or in compliance with “shelter in place” orders.
 - The childcare remains open, but few children remain in care due to the pandemic.



To learn more about Disaster Unemployment Assistance, [click here](#).

For Businesses

- \$3.5 billion for the Child Care and Development Block Grant to provide immediate assistance to childcare providers to prevent them from going out of business and to support childcare for families of essential workers. It is estimated that California will receive \$340 million from this grant.
- \$750 million in grants to Head Start to help them respond to coronavirus-related needs of children and families.
- Childcare providers with less than 500 employees will be eligible for small business loans covering eight weeks of payroll, mortgage/rent and utility payments. The loans will be eligible for loan forgiveness.
- \$13.5 billion to support Local Educational Agencies (distributed to states based on child population).
- \$10 billion for Small Business Administration (SBA) emergency grants of up to \$10,000 to provide immediate relief for operating costs.
- \$17 billion for the SBA to cover six months of payments for small businesses with existing SBA loans.