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Pandemic Economic Stimulus: Legislative and Regulatory Developments as of March 12, 2021

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March 12, 2021 – Yesterday President Biden signed into law the American Rescue Plan Act of 2021, which provides for a \$1.9 trillion COVID-19 relief budget package. The Federal Reserve extended its Paycheck Protection Program Liquidity Facility to June 30, 2021.

Regulatory Developments Relating to the Pandemic

Paycheck Protection Program Liquidity Facility Extended

On March 8, the Federal Reserve Board announced it would extend its Paycheck Protection Program Liquidity Facility (PPPLF) by three months to June 30, 2021. The PPPLF provides term credit to financial institutions that make Paycheck Protection Program (PPP) loans and enables them to use the PPP loans as collateral. The liquidity provided by the PPPLF helps eligible financial institutions fund additional PPP loans.

- [Press Release](#)
- [PPPLF Term Sheet](#)

Fiscal Stimulus Legislative Proposals

American Rescue Plan Act of 2021

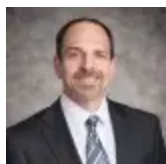
On March 11, President Biden signed a \$1.9 trillion COVID-19 relief budget package into law after both houses of Congress used the budget reconciliation process to pass the legislation without Republican support. In addition to implementing a national vaccination program, the legislation allocates an additional \$7.25 billion to the Paycheck Protection Program and expands program eligibility for nonprofits and digital media publishers. It also allocates \$15 billion toward the Economic Injury Disaster Loan program and \$25 billion toward a new Restaurant

Revitalization Fund. The law provides another round of relief payments of \$1,400 per person to individuals meeting certain income criteria, extends supplemental unemployment benefits at \$300 per week through September 6, 2021, and allocates \$350 billion to state and local governments. The relief package also extends the reimbursement period of Section 3610 of the CARES Act to September 30. Section 3610 allows the federal government to reimburse government contractors that continue to pay employees who cannot work due to the pandemic. The relief package does not raise the federal minimum wage.

- [Press Release](#)
- [Text of Act](#)

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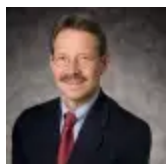
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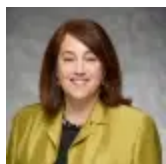
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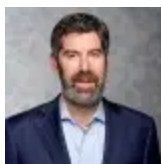
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