



Guidance for Child Care Programs on New Unemployment Compensation from CARES Act

Background:

The U.S. Department of Labor (DOL) [issued guidelines](#) on March 12 encouraging states to expand their unemployment insurance (UI) eligibility provisions to cover people who are unable to work or who have left their jobs due to coronavirus-related issues.

The Families First Coronavirus Response Act (FFCRA), an earlier coronavirus stimulus bill, provided an additional [\\$1 billion in funding](#) to help states expand access to their UI programs.

The [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#), which was passed by Congress and enacted on March 27, 2020, includes resources specifically targeted to individuals and families with low incomes affected by the public health and economic crises.

How to Access:

Texas child care workers and other eligible workers can access the following by visiting

<https://twc.texas.gov/jobseekers/unemployment-benefits>:

1) **Pandemic Unemployment Assistance (PUA)** provides up to 39 weeks of unemployment compensation for those who typically do not qualify for state UI, including people who are self-employed or independent contractors.

2) **Pandemic Unemployment Compensation (PUC)** provides an additional \$600 per week on top of regular benefits, PUA, and PEUC to workers receiving state UI benefits (including those receiving partial benefits) or PUA through July 31, 2020.¹

3) **Pandemic Emergency Unemployment Compensation (PEUC)** provides workers receiving state UI benefits an additional 13 weeks of compensation in addition to the maximum number of weeks available through their state programs (up to 26 weeks in most states).²

¹ Note that PUC benefits will not count as income when determining eligibility for Medicaid or CHIP.

² Workers must be actively searching for work to receive these benefits, but the provision includes flexibility to waive job search requirements for people who are unable to do so because of COVID-19.



Guidance for Child Care Programs on New Small Business Loans from CARES Act

Background:

The [Coronavirus Aid, Relief, and Economic Security \(CARES\) Act](#), which was passed by Congress and enacted on March 27, 2020, includes resources specifically targeted to [small businesses](#) affected by the public health and economic crises. It includes Small Business Loans, which will be available through the Small Business Administration.

The CARES Act dedicates significant resources to the Small Business Administration (SBA) to help small businesses, nonprofit organizations, and self-employed individuals stay afloat and incentivize them to retain their workers.

How to Access

The small business loans—one of which can be entirely forgiven—available to the child care and early education field include:

1) Paycheck Protection Program (PPP) a new loan (that can be entirely forgiven), which provides eligible small businesses, nonprofit organizations, and self-employed individuals with a loan of up to roughly 2.5 times an average months' worth of total payments for payroll costs, not to exceed \$10 million. PPP loans can be forgiven entirely if employers maintain their staff and wages and spend most of the loan funds on payroll costs. Child care providers can start applying for PPP loans at participating banks and credit unions on April 3, 2020. The PPP will be available through June 30, 2020. For more details, read [here](#).

2) Emergency Economic Injury Disaster Loan (EIDL) which provides emergency cash advances. EIDL applications are currently being accepted at <https://covid19relief.sba.gov/>.