

A Summary of the
Payment Protection
Program and Health Care
Enhancement (H.R. 266) Act



Miami-Dade Transportation
Planning Organization



Payment Protection Program and Health Care Enhancement (H.R. 266) Act

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Introduction

The **Payment Protection Program and Health Care Enhancement Act**, or simply the **H.R. 266 Act**, is an expansion to the Coronavirus Aid, Relief, and Economic Security (CARES) Act as negotiations continue over the awaited CARES 2 package. The H.R. 266 Act, hereinafter referred to as “the Act”, serves primarily to replenish the Payment Protection Plan (PPP) following reports of the Small Business Administration (SBA) having exhausted the funding from the CARES Act.

The emergency supplemental funding, provided for the current fiscal year, increases the amounts authorized and appropriated for the following purposes:

- PPP as authorized under Section 7(a) of the Small Business Act;
- economic injury disaster loans and emergency grants under the CARES Act; and
- hospital and healthcare funding.

The Act continues to fulfill the initial objectives set out in the CARES Act, that of providing help for small businesses, hospitals, and health care workers. Largely seen as an interim funding legislation, leading up to CARES 2, it is important to note the Act’s key takeaways.

Aside from the overall increase in funding (i.e., \$484b package) to existing programs, the Act stands out for drawing attention to significant allocation of funds towards nation-wide testing infrastructure. Secondly, under public and media scrutiny, regarding initial misallocation of PPP funds between small and large banks, the Act appears to have responded to complaints by including a \$60b set-aside to small banks.¹

This memorandum serves to continue exploring the ongoing events following the introduction of the CARES Act, and the impact it may have on transportation planning and construction as applicable to Miami-Dade County.

¹ <https://www.cbsnews.com/news/paycheck-protection-program-big-banks-loans-larger-clients-over-smaller-businesses/>

H.R. 266 Act Summary

Division A – Small Business Programs

SEC. 101 – Amendments to the Paycheck Protection Program, Economic Injury Disaster Loans, and Emergency Grants

The Paycheck Protection Program (PPP) and Emergency Injury Disaster Loans (EIDL) program will receive increased funding. As a result, the H.R. 266 (or “the Act”) will broaden the scope of eligible applicants for EIDLs to include agricultural enterprises as defined in the Small Business Act (SBA). In addition, the Act contains lending set-asides for smaller lenders.

SEC. 102 – Emergency Designation

This section formalizes the designation of the amended amounts in Division A as an emergency requirement as defined in the Statutory Pay-As-You-Go Act (2010).

Division B – Additional Emergency Appropriations for Coronavirus Response

Division B of the Act outlines the additional appropriations, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending on September 30, 2020. The HHS will receive \$75b to reimburse providers for the cost of treating COVID-19 patients. Moreover, \$25b has been allocated to develop and implement a nation-wide plan to assist states with testing protocols. Lastly, Division B will provide \$62b to be allocated to SBA salaries and expenses for loan programs, of which \$10b will be used for economic injury disaster loans in accordance to Division A authorizations.

In all, Division A and Division B do not explicitly address matters related to funding opportunities for transportation investment in the interest of the TPO and/or Miami-Dade County.



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