

Senate HEALS Act vs House HEROES Act

The HEALS & HEROES Acts include provisions championed by the American Hotel & Lodging Association, including: a second round of Paycheck Protection Program (PPP) loans and grants; liability protections for hotels; and tax provisions which benefit the hotel industry, including: Enhanced Employee Retention Tax Credit, Workforce Opportunity Tax Credit and PPE.

<i>Issue</i>	<i>HEALS Act</i>	<i>HEROES Act</i>
<p>Small Business - Paycheck Protection Program and Other Provisions</p>	<ul style="list-style-type: none"> • Second round of PPP loans of up to \$2 million available for businesses under 300 workers or other small businesses with 50% lost revenue • PPP set-asides for small entities, including those with fewer than 10 employees (\$2 billion) and community institutions (\$10 billion) • New loan program providing working capital loans for small businesses as an alternative to a second PPP loan • Simplifies the forgiveness application process for small loans • New allowable loan uses, which include working capital, acquisition of fixed assets, and refinancing existing indebtedness • Hold harmless provision for PPP lenders that no enforcement action could be taken against a lender who in good faith relief on borrower certifications or documentation 	<ul style="list-style-type: none"> • PPP eligibility expanded to all nonprofits but does not include a second round of PPP funding • Funding set-asides focused on underserved communities and nonprofits • Expanded data collection requirements including total amount of fees paid to lenders • Improved coordination between PPP and Employee Retention Tax Credit • Expands the pool of available capital for small firms by increasing the annual lending limit of the 7(a) program from \$30 billion to \$75 billion • Ensures the principal and interest loan assistance is not treated as taxable income to small business borrowers • Clarifies the hold harmless provision for lenders
<p>Provide Liability Protection to Hotels</p>	<ul style="list-style-type: none"> • Includes the <i>SAFE TO WORK Act</i> which provides limited liability protections for businesses from 12/1/2019 to 10/1/2024. • Allows cases to be brought in state or federal court, but only one standard of liability applies. Defendants may move cases filed in state court to federal district court • Limits compensatory damages to economic losses and prohibits punitive 	<p>N/A</p>

	damages, except in cases involving intentional misconduct	
Labor and Employment Law Liability	Protects employers from liability under federal labor and employment laws (including ADA, OSHA, and Civil Rights Act of 1964) for actions taken to comply with Coronavirus related public-health guidance and regulations	N/A
State and Local Funding	No additional state/local aid; however, additional flexibility on state money granted through CARES Act	\$1 trillion to state and local governments, including: <ul style="list-style-type: none"> ○ \$500 billion for state fiscal relief ○ \$375 billion for local fiscal relief
Unemployment Insurance	<ul style="list-style-type: none"> ● Extends the enhanced weekly benefits through 12/31/20 at the following amounts: <ul style="list-style-type: none"> ○ Aug & Sept: \$200/week ○ Oct-Dec: A payment (up to \$500) that, when combined with the state UI payment, would replace 70% of lost wages. (States may apply for a waiver to continue paying a flat fee through Nov.) ● Includes \$2 billion for state unemployment system upgrades 	<ul style="list-style-type: none"> ● Extension of \$600/week Federal Pandemic Unemployment Compensation to January 2021 ● Allows gig workers, independent contractors, part-time & self-employed workers typically ineligible for unemployment insurance to receive insurance (but not the additional pandemic unemployment compensation) through March 2021 (currently set to expire 1/31/21)
Tax Provisions	<ul style="list-style-type: none"> ● Mobile Workforce legislation to standardize state tax liability for work travel, and a temporary solution for state tax withholding rules for large employers with remote workers ● Refundable payroll tax credit for employer purchasing testing, PPE & certain other safety supplies ● Expanded Employee Refundable Tax Credit and Workforce Opportunity Tax Credit for employers with significant decrease in receipts ● Increases business meal deduction from 50% to 100% 	<ul style="list-style-type: none"> ● Elimination of the State and Local Tax Deduction (SALT) cap for 2020 and 2021 tax years ● Increases employee retention tax credit (ERTC) from 50% to 80% ● Changes to the net operating loss (NOL) provisions that were included in CARES Act