

November 16, 2020

Mr. Biden Goes to Washington (Again): How Will the Next Administration Help Businesses Combat COVID-19?

Human Resources & Employment

Four days after the election, an anxious America got the news: Donald Trump would be a one-term president. As administrations shift, so do priorities. How will a Joe Biden-Kamala Harris administration combat COVID-19's effect on the economy?

[As we wrote about this spring](#), the Families First Coronavirus Relief Act (FFCRA) and the CARES Act were quick, legislative moves to address an out-of-control pandemic. Through pandemic-related paid leave for employees, relief for small businesses by way of the Paycheck Protection Program (PPP), and increased federal unemployment assistance, Washington attempted to help lessen the blow of a months-long crisis that shuttered businesses. Since that time, we have not written much about new relief packages because there have not been any — at least, not at the federal level.

The PPP is now winding down. FFCRA expires on Dec. 31, 2020. As dissension grew over unemployment benefits, liability shields, and so much more, the HEROES Act stalled in Congress. A special election in Georgia will determine which party has the majority in the Senate in 2021 ... a fact that many believe might motivate the current Senate to swoop in with more relief before year's end. In fact, Senate Majority Leader Mitch McConnell (R-Ky.) has said that it is his priority to pass another relief package. For those keeping track, the House passed a second relief bill, the HEROES Act, on May 15. However, Republicans in the Senate deemed it "dead on arrival." The parties continue to negotiate, sometimes with the aid (or ire) of U.S. Treasury Secretary Steven Mnuchin.

Last week, President-Elect Biden announced on his new transition website, [comeback package](#) for Main Street businesses and entrepreneurs." Proposals include:

- An "overhaul" of the PPP to "guarantee every qualifying small business with 50 employees or fewer gets relief"
- Increased federal contracting opportunities for certified "small disadvantaged businesses" by expanding the Small Business Administration's 8(a) business development program
- Expanded access to capital for new and established small businesses, with a focus on people of color who have historically struggled to obtain capital

The President-Elect's plans may serve as pressure or inspiration on Congress to act during its upcoming lame duck session. We'll continue to provide progress updates in the coming weeks if anything develops.

If you have questions or would like additional information about COVID-19 relief for businesses, please contact a member of Gould & Ratner's [Human Resources and Employment Practice](#).