

116TH CONGRESS
2D SESSION

S. 4001

To amend title IX of the Social Security Act to improve emergency unemployment relief for governmental entities and nonprofit organizations.

IN THE SENATE OF THE UNITED STATES

JUNE 18, 2020

Mr. SCOTT of South Carolina (for himself, Mr. BROWN, Mr. GRASSLEY, Mr. WYDEN, Mr. CORNYN, Mr. CARPER, Mr. LANKFORD, Mr. CASEY, Mr. PERDUE, and Ms. HASSAN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend title IX of the Social Security Act to improve emergency unemployment relief for governmental entities and nonprofit organizations.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Protecting Nonprofits
5 from Catastrophic Cash Flow Strain Act of 2020”.

1 **SEC. 2. IMPROVING EMERGENCY UNEMPLOYMENT RELIEF**
 2 **FOR GOVERNMENTAL ENTITIES AND NON-**
 3 **PROFIT ORGANIZATIONS.**

4 (a) IN GENERAL.—Section 903(i)(1) of the Social Se-
 5 curity Act (42 U.S.C. 1103(i)(1)) is amended—

6 (1) in subparagraph (A), by striking “during”
 7 and inserting “with respect to”;

8 (2) in subparagraph (B), by striking
 9 “3309(a)(1)” and inserting “3309(a)”; and

10 (3) by striking subparagraph (C) and inserting
 11 the following new subparagraph:

12 “(C) Notwithstanding any other provision of law,
 13 funds transferred to the account of a State under subpara-
 14 graph (A) shall be used exclusively to reduce the amounts
 15 required to be paid in lieu of contributions into the State
 16 unemployment fund pursuant to such section by govern-
 17 mental entities and other organizations described in sec-
 18 tion 3309(a) of such Code.”.

19 (b) EFFECTIVE DATE.—

20 (1) IN GENERAL.—Subject to paragraph (2),
 21 the amendments made by subsection (a) shall take
 22 effect as if included in the enactment of section
 23 2103 of the Relief for Workers Affected by
 24 Coronavirus Act (contained in subtitle A of title II
 25 of division A of the CARES Act (Public Law 116–
 26 136)).

1 (2) APPLICATION TO WEEKS PRIOR TO ENACT-
2 MENT.—For weeks of unemployment that occurred
3 on or after March 13, 2020, and prior to the date
4 of enactment of this section, States may—

5 (A) issue reimbursements in accordance
6 with section 903(i)(1)(C) of the Social Security
7 Act, as in effect prior to the date of enactment
8 of this section; or

9 (B) reduce the amounts required to be
10 paid in accordance with such section
11 903(i)(1)(C), as amended by subsection (a).

○