

One Hundred Sixteenth Congress
of the
United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Friday,
the third day of January, two thousand and twenty*

An Act

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

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

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

SEC. 2. IMPROVING EMERGENCY UNEMPLOYMENT RELIEF FOR GOVERNMENTAL ENTITIES AND NONPROFIT ORGANIZATIONS.

(a) **IN GENERAL.**—Section 903(i)(1) of the Social Security Act (42 U.S.C. 1103(i)(1)) is amended—

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

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

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

“(C) Notwithstanding any other provision of law, funds transferred to the account of a State under subparagraph (A) shall be used exclusively to reduce the amounts required to be paid in lieu of contributions into the State unemployment fund pursuant to such section by governmental entities and other organizations described in section 3309(a) of such Code.”.

(b) **EFFECTIVE DATE.**—

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

(2) **APPLICATION TO WEEKS PRIOR TO ENACTMENT.**—For weeks of unemployment that occurred after March 12, 2020, and prior to the date of enactment of this section, States may—

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

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

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*