

116TH CONGRESS
2D SESSION

S. 4268

To improve coordination between the paycheck protection program and
employee retention tax credit.

IN THE SENATE OF THE UNITED STATES

JULY 22, 2020

Ms. HASSAN (for herself and Mr. BURR) introduced the following bill; which
was read twice and referred to the Committee on Finance

A BILL

To improve coordination between the paycheck protection
program and employee retention tax credit.

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 “Employer Assistance
5 Coordination Act”.

6 **SEC. 2. IMPROVED COORDINATION BETWEEN PAYCHECK**
7 **PROTECTION PROGRAM AND EMPLOYEE RE-**
8 **TENTION TAX CREDIT.**

9 (a) AMENDMENT TO PAYCHECK PROTECTION PRO-
10 GRAM.—Section 1106(a)(8) of the CARES Act (Public

1 Law 116–136) is amended by inserting “, except that such
 2 costs shall not include qualified wages taken into account
 3 in determining the credit allowed under section 2301 of
 4 this Act” before the period at the end.

5 (b) AMENDMENTS TO EMPLOYEE RETENTION TAX
 6 CREDIT.—

7 (1) IN GENERAL.—Section 2301(g) of the
 8 CARES Act (Public Law 116–136) is amended to
 9 read as follows:

10 “(g) ELECTION TO NOT TAKE CERTAIN WAGES
 11 INTO ACCOUNT.—

12 “(1) IN GENERAL.—This section shall not apply
 13 to qualified wages paid by an eligible employer with
 14 respect to which such employer makes an election
 15 (at such time and in such manner as the Secretary
 16 may prescribe) to have this section not apply to such
 17 wages.

18 “(2) COORDINATION WITH PAYCHECK PROTEC-
 19 TION PROGRAM.—The Secretary, in consultation
 20 with the Administrator of the Small Business Ad-
 21 ministration, shall issue guidance providing that
 22 payroll costs paid or incurred during the covered pe-
 23 riod shall not fail to be treated as qualified wages
 24 under this section by reason of an election under
 25 paragraph (1) to the extent that a covered loan of

1 the eligible employer is not forgiven by reason of a
 2 decision under section 1106(g). Terms used in the
 3 preceding sentence which are also used in section
 4 1106 shall have the same meaning as when used in
 5 such section.”.

6 (2) CONFORMING AMENDMENTS.—

7 (A) Section 2301 of the CARES Act (Pub-
 8 lic Law 116–136) is amended by striking sub-
 9 section (j).

10 (B) Section 2301(l) of the CARES Act
 11 (Public Law 116–136) is amended by striking
 12 paragraph (3) and by redesignating paragraphs
 13 (4) and (5) as paragraphs (3) and (4), respec-
 14 tively.

15 (c) EFFECTIVE DATE.—The amendments made by
 16 this section shall take effect as if included in the provisions
 17 of the CARES Act (Public Law 116–136) to which they
 18 relate.

○