

Overview of the RESTART Act

Overview: In May, U.S. Senators Bennet (D-CO) and Young (R-IN) introduced the RESTART Act ([S. 3814](#)) to provide increased flexibility to the Paycheck Protection Program (PPP). It also would establish a new lending program for small and medium-sized businesses to cover up to six months of operating expenses for those hit hardest by the economic fallout due to COVID-19 and lockdowns by state and local governments. This bill is bipartisan with 56 cosponsors in the Senate and 163 cosponsors in the House ([H.R. 7481](#)) as of Sept. 27.

TPPF proposes adding an amendment to include [rehire grants](#) to cover 120% of up to six months of the costs of rehiring employees terminated since the beginning of the COVID-19 crisis. While the economic damage continues from governments not ending lockdowns, congressional discussions are progressing towards moving the RESTART Act to the floor for a vote. In lieu of other congressional action, TPPF supports the passage of the RESTART Act and recommends adding the rehire grant amendment while reallocating CARES Act unspent dollars to fund it.

RESTART Act and TPPF’s rehire grant amendment is a targeted way to recovery.

- The RESTART Act begins immediately upon its passage and terminates six months later.
- The program pays eligible operating costs for small and medium-sized businesses (up to 5,000 employees), including payroll and benefits (up to \$100,000), and other cash expenses to maintain a firm’s operational viability incurred during the covered period.
- Up to 90% of these loans are forgivable for small businesses and 90% of benefits and operating costs are forgivable for medium businesses.
- The rehire grant amendment would add the coverage of 120% of the costs of rehiring employees terminated since the beginning of the COVID-19 crisis.
- Collectively, the program would promptly get businesses operating and workers working.

RESTART Act with TPPF’s rehire grant amendment could result in [large economic gains](#).

Summary of Findings from Cost-Benefit Analysis of RESTART Act

Cost-Benefit Metric	ESTIMATED RESULTS RANGE	
	As Written Without \$150B Allocation	Adding Rehire Bonus
Total Fiscal Cost	\$621.9 billion	\$698.9 billion
GDP Contribution	2.97%	3.34%
GDP Contribution	\$684.2 billion	\$768.7 billion
Additional Jobs	2.3 million	2.6 million

Recommendation: Congress should pass the RESTART Act, preferably with TPPF’s rehire grant amendment and without growing the national debt more by reallocating CARES Act dollars to fund it, to support businesses and families until the economy is fully reopened.