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Daily COVID-19 Bulletin - June 8, 2020

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Gibson Dunn's lawyers regularly counsel clients on issues raised by the COVID-19 pandemic, and we are working with many of our clients on their response to COVID-19. The following is a round-up of today's client alerts on this topic prepared by the Gibson Dunn team. Our lawyers are available to assist with any questions you may have regarding developments related to the outbreak. As always, for additional information, please feel free to contact the Gibson Dunn lawyer with whom you usually work, or any member of the firm's **Coronavirus (COVID-19) Response Team**.

President Signs Paycheck Protection Program Flexibility Act

On June 5, 2020, the President signed into law H.R. 7010, the *Paycheck Protection Program Flexibility Act of 2020* ("PPP Flexibility Act"), which relaxes a number of requirements of and restrictions on the Paycheck Protection Program ("PPP") established by the *Coronavirus Aid, Relief, and Economic Security Act* ("*CARES Act*") and clarified by subsequent guidance from the Small Business Administration ("SBA") and the U.S. Department of the Treasury. The bill passed the House by a vote of 417-1 and the Senate by voice vote, reflecting the strong bipartisan support behind the legislation. Following is a summary of the major changes to the PPP instituted by the *PPP Flexibility Act*.

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The *CARES Act*, the Higher Education Emergency Relief Fund, and Guidance for Schools to Limit Litigation Exposure

It seems no industry has been spared the effects of the COVID-19 pandemic. The educational sector is no exception. Classroom doors are closed, classes are being held remotely, federal work-study jobs may no longer be available, and dormitories and dining halls have been shut down. The Higher Education Emergency Relief Fund ("HEERF") offers valuable financial assistance to schools and their students. But accepting a HEERF grant undoubtedly exposes the recipient to legal risks, including potential False Claims Act ("FCA") liability. In these tumultuous times, it is easy for careful compliance and planning efforts to fall by the wayside. Yet such efforts are crucial if schools are to avoid legal liability in the years that follow. This update presents an overview of HEERF and its conditions, potential FCA pitfalls, and advice for ensuring compliance and avoiding litigation.

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