

## COVID-19 Emergency Relief Package – Detailed Summary of New Legislation

### Health Care Authorizations

This bill puts a permanent end to surprise medical billing, finally providing patients with a critical new consumer protection. The bill also includes a 3 year extension of numerous public health programs, including funding for Community Health Centers, the Special Diabetes Program, addresses the Medicaid DSH cuts, the Certified Community Behavioral Health Center program and more.

Additionally, the bill gradually eliminates Medicare copays for certain colorectal cancer screening tests, restores Medicaid coverage to COFA migrants, provides the first expansion of the Medicare GME program in more than 20 years, improves Medicare enrollment processes and eliminates coverage gaps for Medicare beneficiaries, provides new mental health parity requirements, and expands access to rural health care and mental health telehealth services.

### Unemployment Insurance - \$120 Billion

In this relief bill, there is \$120 billion in additional federal funding for struggling workers nationwide by extending the historic unemployment insurance expansion established by the CARES Act, through March 14, 2021. Specifically, this bill:

- Provides enhanced unemployment insurance benefits through the **Federal Pandemic Unemployment Compensation (FPUC)** program. It provides an additional \$300 per week to supplement all state and federal unemployment benefits, starting after December 26, 2020 and ending March 14, 2021.
- Extends the **Pandemic Unemployment Assistance (PUA)** program, which provides continued unemployment assistance to the self-employed, freelancers, gig workers, part-time workers and other individuals in non-traditional employment. It also increases the number of weeks of PUA benefits an individual may claim, from 39 to 50.
- Extends the **Pandemic Emergency Unemployment Compensation (PEUC)** program, providing additional weeks of federally-funded benefits to workers who have exhausted their regular state unemployment benefits. It also increase the weeks of PEUC benefits an individual may claim, from 13 to 24.
- Provides full federal financing of state **work share programs**, allowing employers to avoid layoffs during the downturn by connecting their employees who are working reduced hours with partial unemployment compensation, through March 14, 2021.

### Direct Payments - \$166 Billion

This legislation, provides an additional round of Economic Impact Payments, delivering \$166 billion in critical financial support in the form of one-time direct payments of \$600 for individuals making up to \$75,000 and \$1,200 for couples making up to \$150,000, as well as an extra \$600 per eligible child dependent. Importantly, it also includes a provision, which is retroactive to the CARES Act, to expand these direct payments to mixed-status households, ensuring that millions of immigrant families across the U.S. get access to this relief. Notably, these direct payments serve as a critical poverty-reducing tool, as earlier this year economists found that the payments, combined with the enhanced unemployment benefits, in the CARES

Act prevented nearly 12 million more people from falling into poverty. Under this bill, a family of four would receive \$2,400 in direct payments.

### **Tax Provisions - \$27 Billion**

**Extension and Expansion of the Employee Retention Tax Credit (ERTC):** The bill importantly extends and expands the refundable Employee Retention Tax Credit (ERTC), which was established in the CARES Act. The extension of this tax credit, through July 1, 2021, will help keep additional U.S. workers on payroll and more small businesses and nonprofits across the country afloat. Specifically, this legislation, among other changes:

- Increases the credit rate, from 50% to 70% and raises the limit on per-employee creditable wages from \$10,000 for the year, to \$10,000 for each quarter;
- Expands eligibility for the credit by reducing the required year-over-year decline in gross receipts from 50% to 20%;
- Modifies the threshold for treatment as a ‘large employer’ by increasing the 100-employee delineation for determining the relevant qualified wage base to employers with 500 or fewer employees;
- Provides that employers who receive Paycheck Protection Program (PPP) loans may still qualify for the ERTC with respect to wages that are not paid for with forgiven loan proceeds; and
- Allows employers with fewer than 500 employees the ability to receive an advance payment for a full quarter of wages upfront.

**Special “lookback” for EITC and CTC:** The bill includes a special temporary rule allowing lower-income individuals to use their earned income from tax year 2019 to determine the Earned Income Tax Credit and the refundable portion of the Child Tax Credit (i.e., the Additional Child Tax Credit) in the 2020 tax year. This will help workers who experienced lower wages this year, due to the pandemic, to get a larger refund that is consistent with their earnings from prior filing seasons.

**Clarification of Tax Treatment of Paycheck Protection Program Loans and other SBA Financial Assistance Programs:** The bill specifies that forgiven Paycheck Protection Program (PPP) loans will not be included in taxable income. It also clarifies that deductions are allowed for expenses paid with proceeds of a forgiven PPP loan, effective as of the date of enactment of the CARES Act and applicable to subsequent PPP loans. This same tax treatment also applies to EIDL grants, grants for shuttered venues, and certain other loan repayment assistance.

**Extension of Paid Leave Credits:** The bill extends the refundable payroll tax credits for paid sick and family leave that were established in the Families First Coronavirus Response Act, through March 31, 2021. The bill also allows self-employed individuals to use their average daily self-employment income from 2019, rather than 2020, for purposes of computing these credits.

**Extension of Charitable Giving Incentives:** The bill includes a one-year extension of the \$300 above-the-line-deduction, which was established in the CARES Act and set to expire the end of this year. It also increases the amount for 2021 that married couples filing jointly can deduct for charitable contributions, from \$300 to \$600. This will continue to incentivize individuals who do

not itemize to support charitable organizations during this crisis. Additionally, the bill extends through the end of 2021 the increased limits on deductible charitable contributions for individuals who itemize and corporations.

**Relief for Individuals with Flexible Spending Arrangements (FSAs):** The legislation provides relief for individuals with health and dependent care FSAs, ensuring U.S. workers and families do not unfairly lose out on these employer-sponsored benefits at the end of the year, through no fault of their own. Specifically, it allows individuals to carryover any unused health and dependent care FSA benefits from 2020 into the 2021 plan year, along with other FSA plan flexibilities.

### **Small Business - \$325 Billion**

This bill provides critical funding and policy changes to help small businesses, including minority-owned businesses, and nonprofits recover from the pandemic. This bill includes \$284 billion for the Paycheck Protection Program (PPP) and extends PPP through March 31, 2021. Changes to PPP include:

- Provides a second PPP forgivable loan for the hardest-hit small businesses and nonprofits with 300 or fewer employees and that can demonstrate a loss of 25% of gross receipts in any quarter during 2020 when compared to the same quarter in 2019;
- Creates a dedicated \$15 billion set-aside for lending through community financial institutions, including Community Development Financial Institutions and Minority Depository Institutions to increase access for minority-owned and other underserved small businesses and nonprofits;
- Creates set-asides for very small businesses with 10 or fewer employees and for small businesses located in distressed areas;
- Expands PPP eligibility for local newspapers and TV and radio broadcasters, housing cooperatives, and 501(c)(6) nonprofits, including tourism promotion organizations and local chambers of commerce;
- Allows for small businesses in the restaurant and hospitality industries to receive larger awards of 3.5 times average total monthly payroll, rather than 2.5 times;
- Adds PPE expenses, costs associated with outdoor dining, and supplier costs as eligible and forgivable expenses;
- Simplifies the forgiveness process for loans of \$150,000 and less;
- Repeals the requirement of deducting an EIDL Advance from the PPP forgiveness amount.

### **EIDL Grant Program - \$20 Billion**

This bill includes \$20 billion for EIDL Advance grants. Small businesses and nonprofits in low-income communities are eligible to receive \$10,000 grants. Any small businesses and nonprofits

in low-income communities that received an EIDL Advance previously are also eligible to receive an amount equal to the difference of what the entity already received and \$10,000.

### **Grants for Shuttered Venue Operators - \$15 Billion**

The bill provides \$15 billion for SBA grants up to \$10 million to live venues, independent movie theaters, and cultural institutions to address the economic effects of the pandemic. Grants can be used to cover expenses such as payroll costs, rent, utilities, and personal protective equipment. Two priority periods are established to ensure the hardest hit entities have dedicated access to assistance for the first 28 days of the program, while a reserve fund is made available to ensure that entities that are ineligible for the priority periods are able to receive assistance following the two 14-day priority periods. A set-aside of \$2 billion is also reserved for entities with 50 or fewer employees. The program is authorized to make supplemental grants equal to 50 percent of the initial grant.

### **Extended SBA Debt Relief Payments - \$3.5 Billion**

This bill provides \$3.5 billion to resume debt relief payments of principal and interest (P&I) on small business loans guaranteed by the SBA under the 7(a), 504 and microloan programs. All borrowers with qualifying loans approved by the SBA prior to the CARES Act will receive an additional three months of P&I, starting in February 2021. Going forward, those payments will be capped at \$9,000 per borrower per month. After the three-month period described above, borrowers considered to be underserved—namely the smallest or hardest-hit by the pandemic—will receive an additional five months of P&I payments, also capped at \$9,000 per borrower per month. SBA payments of P&I on the first 6 months of newly approved loans will resume for all loans approved between February 1 and September 30, 2021, also capped at \$9,000 per month.

### **Enhancements of SBA Lending Programs - \$2 Billion**

This bill provides nearly \$2 billion to enhance SBA's core programs, including 7(a), Community Advantage, 504, and the Microloan program, by making them more affordable and useful to small businesses. It also provides \$57 million for the SBA Microloan Program to provide technical assistance and leverage about \$64 million in microloans for minority-owned and other underserved small businesses, with other improvements such as an extra two years for the borrower to repay their microloan.

### **Transportation - \$45 Billion**

This bill includes \$45 billion in transportation funding to provide relief to transit agencies, airlines and airline contractors, state transportation agencies, airports, Amtrak, and private motorcoaches, school buses, and ferries, which have all been significantly impacted by coronavirus as travelers are urged to stay home and demand is down. Of this amount, \$18 billion of new authorizations for federal assistance is provided to private sector transportation companies and their workers as follows:

- **Airline Payroll Support Program** - \$15 billion to renew the CARES Act program which will keep workers on payroll without furloughs or reducing pay rates and benefits until March 31, 2021, with requirements for airlines to rehire workers laid off after Sept. 30, 2020, as well as stipulations preventing airlines from using funds for stock buybacks, executive bonuses, or for utilizing the funds in anything other than supporting workers.

- **Airline Contractors Payroll Support** – This program will receive an additional \$1 billion as part of the extension of the Payroll Support Program. And these workers have the additional protection of relief from furlough until all of their employers' PSP funds are expended.
- **Airports** – Nationwide, airports will receive \$2 billion to continue operating and disinfect locations for the safety of passengers.
- **Transit Agencies** - \$14 billion to provide operational aid due to COVID-related revenue shortfalls.
- **Highways** – \$10 billion in road, bridge, walking, and biking funding to continue building critical projects that connect residents and put employees back to work.
- **Buses and U.S. Vessels** – Nationwide, buses will receive \$2 billion in relief, which will benefit private motorcoaches, school buses, and U.S.-flagged small passenger vessels.
- **Amtrak** - \$1 billion for Amtrak.
- **FMCSA** - This provision expands the time period in which FMCSA grant funds can be expended by states if they've faced a hardship because of COVID-19.
- **NHTSA** – This bill extends the CARES Act provision that allowed NHTSA to waive or postpone some requirements for states receiving highway safety grants if needed due to COVID. DOT has taken the position that the language only applied to FY 2020, and they need this extension to be able to grant similar relief to states in FY 2021.

### **Emergency Rental Assistance - \$25 Billion**

This legislation will establish a new and historic program to provide emergency rental assistance to Americans in need across the country. This emergency rental assistance program, which will be run through the U.S. Treasury Department, will utilize the resources and experience of the Treasury Department in distributing emergency aid to states and localities, while leveraging the existing local housing organizations that can best distribute these funds on behalf of tenants. With \$25 billion in assistance provided to assist renters in need, these funds will be targeted to families impacted by COVID that are struggling to make the rent and may have past due rent compounding on itself. These families will be able to utilize this assistance for past due rent, future rent payments, as well as utility and energy expenses. The program will rightly prioritize support for the most in-need households.

Also critical is the extension of the CDC rental eviction moratorium, which will be extended through January 31<sup>st</sup>, 2021.

With these emergency funds and the extension of the eviction moratorium, individuals and families will be able to stay in their homes and make their utility payments throughout the winter.

### **Low-Income Water Utility Bill Assistance - \$638 million**

This bill will help low-income families cover the costs of their drinking water and waste water utility bills. This program will provide grants to states and tribes, who in turn will provide funds to owners or operators of public water systems or treatment works to reduce arrearages and rates to low-income households. Up to 3% of the funds will be set aside for tribes.

## **Community Development Financial Institutions and Minority Depository Institutions - \$12 Billion**

The bill provides \$12 billion in targeted emergency investments to Community Development Financial Institutions (CDFIs) and Minority Depository Institutions (MDIs) to help low- and moderate-income and minority borrowers and communities who have been disproportionately impacted by the COVID-19 pandemic and resulting economic stress. The bill establishes emergency programs to revitalize and provide long-term financial products and service availability for, and provide investments in, low- and moderate-income and minority communities to better reach underserved businesses and nonprofits.

Specifically, the bill includes \$9 billion for a new Emergency Capital Investment Program (ECIP), to provide low-cost, long-term capital investments to minority depository institutions (MDIs) and community development financial institutions (CDFIs) that are depository institutions and \$3 billion in emergency assistance provided to CDFIs through the CDFI Fund, of which \$1.2 billion will be targeted to “minority lending institutions,” a new category of CDFIs that predominantly serve minority communities.

## **U.S. Department of Labor Job Corps Flexibilities**

This bill provides temporary programmatic flexibilities for individuals seeking enrollment in Job Corps, including a waiver of drug testing until students are able to return on-site and additional time for students who may otherwise have aged out of Job Corps eligibility. Several Job Corps centers began gradual resumption of in-person operations in November, however most students remain virtual. Thousands of additional individuals have expressed interest in enrolling virtually in the interim. Current requirements for drug testing have created barriers and backlogs preventing timely enrollment as contracts and procedures are for testing at the center locations. This section seeks to alleviate those barriers and provide additional time for individuals who may have aged out due to the backlog.

## **Nutrition and Agriculture - \$26 Billion**

This bill provides \$26 billion in agriculture and nutrition funding. The bill provides \$13 billion to combat food insecurity which is on the rise due to the economic impacts of the pandemic. Millions of families across the country are struggling to put food on the table and 1 in 4 kids face hunger. This bill will help address rampant food insecurity by increasing SNAP benefits by 15% for six months which will increase benefits for millions of Americans facing hunger. For Puerto Rico and territories that do not have access to the SNAP program, the bill has dedicated \$614 million in funding for nutrition assistance block grants. The bill contains new flexibilities for low-income college students enrolled half-time to receive SNAP by temporarily waiving work requirements. An additional \$400 is allocated for The Emergency Food Assistance Program (TEFAP) to fund the continued work of food banks. The bill will include \$13 million for the Commodity Supplemental Food Program to provide food for seniors and includes \$175 million for senior nutrition programs through the Older Americans Act, like Meals on Wheels. The bill also improves the P-EBT program, which provides additional nutrition benefits for families with children to help cover the cost of meals children would have otherwise received at school or in day care. Schools and daycares that are continuing to provide meals also receive additional support to offset increase costs and funding shortfalls as a result of the pandemic.

The bill also provides \$13 billion for direct support to farmers, ranchers, and food processors who have suffered losses due to the coronavirus. This includes supplemental payments to row crop and specialty crop producers, as well as additional authorities to assist livestock and dairy producers. No less than \$1.5 billion is included for purchases of food from farmers for distribution to those in need, as well as support for farmers and food processors for measures to respond to COVID-19. The bill also supports local food systems by including \$100 million for Specialty Crop Block Grants, \$100 million for the Local Agriculture Market Program, \$75 million for the Farming Opportunities Training and Outreach Program, and \$75 million for the Gus Schumacher Nutrition Incentive Program.

### **US Postal Service**

This legislation converts the CARES Act \$10 billion loan into direct funding for the Postal Service without requiring repayment. The Postal Service can use these funds to cover operational costs, provide personal protective equipment for postal workers, and many other COVID-19 related costs. These relief funds will secure the safety of postal workers and ensure quality service for veterans, small businesses, rural communities, and seniors who rely on the mail for medicines, essential goods, correspondence, and for their livelihoods.

### **Broadband - \$7 Billion**

This legislation includes \$3.2 billion in emergency funds for low-income families to access broadband through an FCC fund. Additionally, this bill creates a \$1 billion tribal broadband fund. Included is \$250 million in telehealth funding, \$285 million to help address broadband needs of Historically black colleges and universities, Tribal colleges and universities, and minority-serving education institutions, and \$65 million to complete the broadband maps in order for the government to effectively disperse funding to the areas that need it most. Last, this bill includes \$2 billion to small telecommunication providers to rip out Huawei/ZTE equipment to replace it with secure equipment and a new \$300 million grant program to fund broadband in rural areas.

### **Coronavirus Relief Fund Extension**

This bill extends the availability by one year (until Dec. 31, 2021) for funds provided to states and localities by the Coronavirus Relief Fund in the CARES Act.

### **Contractor Pay Extension**

This bill provides federal agencies the authority to reimburse contractors for the costs of paid leave during the COVID pandemic, for contractors who are temporarily unable to work due to facility closures or other restrictions. This is particularly important for our national labs, like Brookhaven National Laboratory, and national security facilities.

### **CARES Act Lending Facilities & Lending Authority**

The legislation requires the rescission and allows for other uses for no less than \$429 billion of unobligated CARES Act funds that were provided to the Treasury Department to facilitate direct and indirect lending in response to the crisis. Additionally, the legislation mandates an end to the Federal Reserve's emergency lending facilities that were funded by CARES Act appropriations. Last, the Treasury Secretary's authority to fund 13(3) facilities that are the same as those

established with CARES Act funding will require Congressional approval in some circumstances.

### **Fisheries Assistance - \$300 Million**

This bill provides \$300 million in assistance to fisheries participants to help mitigate coronavirus-related economic impacts. The funding will be available for coastal and Great Lakes states and territories through September 30, 2021. Of the \$300 million allocated in the bill, \$15 million is set aside for fishery participants in states bordering the Great Lakes and \$30 million is set aside for Tribal fisheries of federally recognized Tribes and Alaska Native groups. Fisheries jobs and sales have been jeopardized by the coronavirus outbreak and fishing communities have been devastated by supply chain disruptions, restaurant closures, and the loss of a market to sell their products. The funding provided in this bill will help fisheries participants weather some of the profound financial impacts they've experienced due to this crisis.

### **Health Care COVID Relief Spending: Vaccines, Testing and Tracing, Community Health and Health Care Provider Support - \$69 Billion**

This bill provides essential funding for vaccine procurement and distribution, providing roughly \$20 billion to BARDA for manufacturing, production and purchase of vaccines, therapeutics, and ancillary supplies, nearly \$9 billion to the CDC and states for vaccine distribution and more than \$3 billion for the strategic national stockpile. This includes \$300 million specifically directed to high-risk and underserved populations for vaccine distribution, including communities of color.

The bill provides more than \$22 billion, all sent directly to states, for testing, contact tracing and COVID mitigation programs. Of this total, \$2.5 billion will be sent out specifically targeted at needs in high-risk and underserved populations, including both communities of color and rural communities.

There is an additional \$4.5 billion in mental health funding and more than \$1 billion for NIH to research COVID-19. The bill includes \$9 billion in support for health care providers, which comprises an extension of relief from Medicare sequester cuts through March 31, 2021, an additional \$3 billion and new distribution requirements for the Provider Relief Fund, and \$3 billion for increased payments to physicians and other health care providers under the Medicare Physician Fee Schedule. This bill also has \$1 billion in direct funds to the Indian Health Service to carry out these services.

### **International Vaccine Distribution - \$4 Billion**

This legislation includes \$4 billion for GAVI, a private-public partnership, for the procurement and distribution of COVID vaccines to low-income countries around the globe.

### **Education - \$81.88 Billion**

This bill provides \$81.88 billion in education funding to provide relief to states, K-12 schools, and institutions of higher education that have all been significantly impacted by coronavirus. These funds are flexible and can be used on a variety of activities to provide educational services and college financial aid to students and support the on-going functionality of school districts and colleges and universities. Similar to the CARES Act, the education funding is split into three funds as follows:



- Governors Emergency Education Relief Fund: \$4.05 billion
  - Includes a \$2.75 billion set aside for states, acting through the state educational agencies, to provide public health and related services to private K-12 schools. Funds are distributed based on states' share of students from low-income families enrolled in private schools. Funds must be administered by public agencies, services must be secular, neutral and non-ideological, and funds cannot be used for private school vouchers.
- Elementary and Secondary School Emergency Relief Fund (Public K-12 schools): \$54.3 billion
  - Funds are distributed based on states' allocations under Title I, Part A of the Elementary and Secondary Education Act and allocated to school districts based on their Title I, Part A allocation. Equitable services are no longer required to be provided under ESSER.
  - New uses of funds related to learning loss and school facilities improvements.
  - New state reporting requirements, including on state efforts to address learning loss.
- Higher Education Emergency Relief Fund: \$22.7 billion
  - \$20.2 billion distributed to all public and private non-profit institutions of higher education on the basis of headcount and full-time equivalent (FTE) students, with an emphasis on the enrollment of Pell Grant students.
  - \$1.7 billion additional set-aside for HBCUs, tribal colleges, and minority-serving institutions. \$680 million set-aside for for-profit institutions of higher education solely to provide financial aid grants to students.
  - \$113.5 million for institutions with the greatest unmet needs or those not served by the primary formula, such as independent graduate schools.
- Relief for outlying areas, the Bureau of Indian Education, and Tribal Colleges and Universities: \$818.8 million
- Maintenance of Effort: Requires states receiving federal funds to maintain their proportional spending on education through FY 2022.

### **FEMA - \$2 Billion**

This legislation provides \$2 billion for the Disaster Relief Fund and activates FEMA's Disaster Funeral Assistance program – financial aid to those who have lost a loved one among the over 310,000 deaths caused by COVID through the end of this year. This targeted assistance can cover many typical funeral costs, including a casket, mortuary services, and burial plot. The bill provides this assistance at 100% federal cost share. This benefit, while not utilized often, is typically provided at 75% federal to 25% state, territory, or Tribal Nation monies. The tragic death toll of COVID across our country means this benefit will be provided on a historic scale, ensuring that those grappling with unspeakable loss are not also saddled with the financial burden of exorbitant funeral costs in this moment of economic and emotional turmoil.

### **Child Care - \$10 Billion**

This legislation provides \$10 billion in emergency funds for the child care sector through the Child Care and Developmental Block Grant (CCDBG) program. These funds maintain the flexibility given to states through the CARES Act and can be used to provide child care assistance to families and support to child care providers in meeting their increased operating costs during the pandemic. This emergency relief will help stabilize the child care market by allowing states to continue to pay child care providers during periods of closure or reduced enrollment, ensuring that states provide assistance to child care providers who have not previously received assistance through CCDBG, and providing technical assistance to support child care providers in accessing assistance. The bill also allows states to expand child care assistance to essential workers and to provide child care payment relief to working families. The bill also includes \$250 million for Head Start programs to ensure they are able to continue to safely serve low-income children and families throughout the pandemic.

### **Head Start-- \$250 million**

This legislation includes \$250 million in additional funding for Head Start. These funds will ensure that Head Start programs can continue to operate and safely provide early childhood education and other vital services to low-income children and families throughout the pandemic.

**\*\*Topline dollar figures could change based on final scoring\*\***