



NACo Analysis for Counties:

The Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act (H.R. 6800)

EXECUTIVE SUMMARY

On May 12, the U.S. House of Representatives introduced H.R. 6800, the *Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act*. This legislation follows four previous bipartisan supplemental packages addressing the impacts of COVID-19 that have been signed into law and expands on provisions in P.L. 116-136, the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*.

The over 1,800-page HEROES Act includes many provisions that would impact county governments and most importantly, would provide approximately **\$187 billion in direct and flexible funding to counties through a new Coronavirus Local Fiscal Relief Fund**. The funding could also be used for lost revenue.

The U.S. House of Representatives plans to vote on the legislation on May 15 but the U.S. Senate has already indicated it will not consider the bill given the \$3 trillion price tag and the President has threatened to veto it.

The National Association of Counties (NACo) continues to work with our federal partners in both Congress and the administration to secure direct funds for counties of all sizes who are facing unprecedented challenges due to COVID-19.

Throughout our advocacy efforts around COVID-19, NACo has followed the following five principles for **bipartisan** action:

- Ensure counties of *all* sizes receive direct and flexible fiscal relief under a new round of federal COVID-19 aid
- Add “lost revenue” along with “expenditures” as eligible activities for existing CARES Act’s Coronavirus Relief Fund and any new federal fiscal aid
- Support 50 percent split for counties and 50 percent split for cities and other municipalities as part of a new round of federal COVID-19 aid for local governments

HEROES would create a new Coronavirus Local Fiscal Relief Fund

- Funding would flow **directly from U.S. Treasury**
- Funds could be used for COVID-related expenses, to **replace lost revenues** not projected on January 31, 2020 or to respond to negative economic impacts of COVID-19
- \$500 billion for states
- \$375 billion total for local governments
 - \$250 billion within 30 days of enactment to all municipalities and counties
 - **\$125 billion of that directly to counties of all sizes, based on population**
 - \$125 billion to municipalities using a combination of the CDBG formula and population
 - \$125 billion to local governments one year after the date of enactment
 - **\$62.5 billion of that directly to counties of all sizes, based on population**

- Allocate county portion based on population formula, *with a minimum allocation per county*
- Provide public accountability safeguards that still empower state and local officials to address the COVID-19 pandemic broadly, based on local economic, health, safety and workforce needs

While the HEROES Act's new state and local fiscal relief funds are the most significant aspects of the legislation for counties, the bill includes many other provisions of note for local governments, and, if enacted into law, would:

- **Allow inmates to access Medicaid** 30 days prior to their release
- **Increase Medicaid Federal Medical Assistance Percentage (FMAP) by 14 percent** from July 1, 2020 through June 2021
- **Place a moratorium on Medicaid Fiscal Accountability Regulation (MFAR)** until the end of the public health emergency
- **Increase (temporarily) payments to hospitals** serving a disproportionate share of low-income and uninsured patients
- **Waive the 25 percent local match requirement for FEMA funding** under the Emergency Disaster Declaration
- **Make county employers eligible for CARES Act payroll tax deductions**
- **Suspend the \$10,000 cap placed on state and local tax (SALT) deductions** for FY 2020 and FY 2021
- Provide an additional **\$5 billion for the Community Development Block Grant (CDBG)** for local communities by the current formula
- **Increase SNAP benefits** by 15 percent
- Provide **\$9.6 billion in emergency funding for the Social Services Block Grant**, half of which states must pass through to local governments or community-based organizations
- Authorize an additional **\$11.5 billion for Homeless Assistance Grants** that enable state and local governments to finance housing and health-related services for people currently experiencing homelessness
- Provide **\$50 million to support local farmers**, farmers markets and other local food outlets impacted by COVID-19 market disruptions and temporarily waive matching requirements
- Provide **\$15 billion for highways and \$15.75 billion for transit**

SECTION BY SECTION ANALYSIS

The HEROES Act contains many provisions that, if enacted, would impact counties. The following are highlights in order of bill division and title:

DIVISION A—CORONAVIRUS RECOVERY SUPPLEMENTAL APPROPRIATIONS ACT, 2020

Title I—Agriculture, Rural Development, Food and Drug Administration, and Related Agencies

Provides \$10 billion for the Supplemental Nutrition Assistance Program (SNAP) Contingency Reserve:

The bill would provide \$10 billion in contingency funding to cover increased costs associated with SNAP flexibilities provided under the *Families First Coronavirus Response Act* (FFCRA; P.L. 116-127), to remain available until September 30, 2021. The *Coronavirus Aid, Relief and Economic Security (CARES) Act* (P.L. 116-136) previously appropriated \$15 billion for such a fund to be distributed at the discretion of the U.S. Department of Agriculture (USDA).

Appropriates \$1.1 billion for the Special Supplemental Nutrition Program for Women, Infants and Children (WIC):

The bill would provide an additional \$1.1 billion for the WIC program, which provides nutrition services, food assistance and other service referrals to low-income women, infants and young children deemed nutritionally at risk. The FFCRA (P.L. 116-127) previously appropriated \$500 million in supplemental WIC funding. Additionally, the bill would allow the USDA to increase the value of the WIC Cash Value Voucher from \$9 for children and \$11 for women per month to \$35 per month for both women and children through the end of FY 2020.

Allocates \$150 million for local food banks: The bill would provide \$150 million through the Emergency Food Assistance Program to help local food banks meet increased demand during the COVID-19 emergency, to remain available until September 30, 2021.

Directs \$3 billion to child nutrition programs: The bill would provide \$3 billion in additional funding for the National School Lunch and Breakfast Programs, Summer Food Service Program and Child and Adult Care Food Program to respond to increased demand and cover costs associated with administrative flexibilities provided under FFCRA (P.L. 116-127), to remain available until September 30, 2021. The funding would be administered by states and distributed to providers based on a formula that considers the typical level of reimbursement a program would receive to operate the program, and the reimbursement being received during the pandemic.

The bill would additionally extend the Pandemic EBT program (which provides SNAP benefits to families with children who would have otherwise received free or reduced price meals in school, but for pandemic-related school closures) through the summer and until schools reopen, and allows states to include children who would have otherwise received meals through child care in this program.

Provides \$20 million in relief to farmers and ranchers: The package would provide \$20 million to the Farm and Ranch Stress Assistance Network program to help strengthen activities and services that connect farmers and ranchers to stress assistance resources and programs.

Title II—Commerce, Justice, Science, and Related Agencies

Makes counties eligible for payroll tax credits: The proposal includes a technical fix that would make county governments eligible for payroll tax credits established under the second supplemental appropriations bill (H.R. 6201/P.L. 116-127). Specifically, the bill would remove Sections 7001(e) and Section 7003(e).

Provides \$400 million in additional funding for 2020 Census: The proposal would provide \$400 million for expenses due to delays in the 2020 Decennial Census in response to COVID-19. This funding would be made available to the U.S. Census Bureau until September 30, 2022. In addition to the \$400 million allocation, the proposal would provide \$10 million for necessary expenditures incurred as a result of COVID-19, which could be used toward Census Bureau employee salaries.

Allocates \$100 million for Violence Against Women Prevention and Prosecution Programs: The bill would provide \$100 million in funding for various grant programs, including \$30 million to combat violence against women, \$15 million for transitional housing assistance, \$15 million for sexual assault victim assistance and \$10 million for rural domestic violence and child abuse enforcement assistance.

Provides \$300 million for the Byrne Justice Assistance Grant (JAG) Program: The bill would provide \$300 million for the Byrne JAG program to help counties – among other eligible entities – utilize emerging and evidence-based approaches to address the COVID-19 pandemic. The funds would address the needs of local police departments and jails, including the purchase of personal protective equipment (PPE) and for costs related to preventing and controlling coronavirus at correctional institutions.

Appropriates \$250 million for reentry programs: The bill would provide \$250 million in funding for Second Chance Act grants to provide assistance to state and local governments for programs, such as employment training, mentoring, substance abuse, mental health treatment and other family-based services, to assist formerly incarcerated individuals reenter society.

Directs \$300 million to local law enforcement for hiring, equipment: The bill would provide \$300 million for the Community Oriented Policing Services (COPS) Program to assist local law enforcement in the hiring and rehiring of critical law enforcement officers, as well as the purchase of PPE.

Allocates \$125 million for COVID-19 research grants: The bill would include an additional \$125 million in research grants to prevent, prepare for and respond to the coronavirus, with \$1 million being allocated for a study on the spread of disinformation related to COVID-19.

Title III – Financial Services and General Government

Provides \$500 billion directly to states through a new Coronavirus State Fiscal Relief Fund: This would assist state governments with the fiscal impacts from the public health emergency caused by the coronavirus.

Provides \$375 billion directly to counties and other local governments: The HEROES Act would provide \$375 billion to counties and other local governments through a new Coronavirus Local Fiscal Relief Fund that would flow directly from the U.S. Department of the Treasury to help first responders, frontline health workers, transit employees, teachers and other workers providing critical services. Funds could be used for COVID-related expenses, to replace foregone revenues not projected on January 31, 2020 or to respond to negative economic impacts of COVID-19 and would be divided in the following ways:

- **\$250 billion awarded within 30 days of enactment** to all municipalities and counties, with
 - **\$125 billion appropriated directly to counties of all sizes, based on population**
 - \$125 billion to municipalities using a combination of the CDBG formula and population
- **\$125 billion to local governments one year after the date of enactment**, with
 - **\$62.5 billion going to counties of all sizes, based on population**

The bill would also appropriate \$20 billion directly to tribal governments to mitigate the fiscal impacts of the pandemic under this section.

Provides \$3.6 billion in election assistance and security: The bill would provide \$3.6 billion to the U.S. Election Assistance Commission (EAC) for grants to states “for contingency planning, preparation, and reliance of elections,” plus \$3 million to help the EAC provide advice and resources to states. Additionally, the bill would require states to electronically send absentee ballots to certain qualifying voters, though it would ban states from letting voters mark and return those ballots online. The legislation would also allow the EAC to give states however much money it deems necessary to help them implement major new voting requirements under Division P.

Includes \$75 billion for homeowner assistance: The bill would provide \$75 billion to states, territories and tribes to address the needs of homeowners struggling to afford their housing due directly or indirectly to the impacts of the pandemic by providing direct assistance with mortgage payments, property taxes, property insurance, utilities and other housing related costs.

Assists small businesses with \$10 billion in loans: The bill would allocate \$10 billion in emergency Economic Injury Disaster Loans grants to small businesses that have suffered financial losses because of the coronavirus outbreak.

Provides \$1.5 billion to facilitate Wi-Fi connectedness for students: The bill would provide \$1.5 billion in funding for Wi-Fi hotspots and connected devices for students and library patrons, and \$4 billion for emergency home connectivity needs.

Title IV – Homeland Security

Directs \$1.3 billion in additional funding for firefighters and emergency management assistance: The bill would provide \$1.3 billion for prevention, preparation and response to the coronavirus, divided in the following ways: \$500 million for Assistance to Firefighter Grants for the purchase of personal protective equipment, mental health evaluations and training; \$500 million for Staffing for Adequate Fire and Emergency Response (SAFER) Grants to assist local fire departments in the hiring of firefighters and the recruitment and retention of volunteer firefighters; \$100 million for Emergency Management Performance Grants; and \$200 million for the Emergency Food and Shelter Program.

Title V – Interior, Environment, and Related Agencies

Provides \$900 million for tribal governments: The legislation would provide \$900 million through the Bureau of Indian Affairs to meet the needs of tribal governments to prevent, prepare for and respond to COVID-19. Of this total amount, \$780 million would be allocated towards operations and programs to ensure clean facilities, \$100 million to address overcrowded housing and \$20 million for sanitation needs.

Provides \$21 million for U.S. Fish and Wildlife Service (USFWS), \$40 million for U.S. Geological Survey: The bill would provide \$21 million for USFWS research, injurious wildlife (such as invasive species), operation and maintenance and law enforcement activities. Additionally, it would provide \$50 million to the State and Tribal Wildlife Grant program. In FY 2020, over \$67 million was provided to state and tribal governments to assist in the study and conservation of at-risk fish and wildlife species through the development of state wildlife action plans.

The bill would also provide an extra \$40 million for surveys, investigations and research. Counties could utilize this data to inform their land or natural resource management plans, as well as to track the potential threat of wildfire.

Provides \$1 billion in federal assistance to territorial governments: The bill would provide \$1 billion in assistance to territorial governments, \$945 million of which would be directed to hospitals and other critical infrastructure improvements and \$55 million for general technical assistance. These funds could be used for matching federal emergency grant funds.

Appropriates \$2.1 billion for Native American health care needs: The bill would provide \$2.1 billion for Native American healthcare needs, to be divided as follows:

- **\$1 billion** to account for lost third party revenues as a result of reduced medical care
- **\$64 million** to assist Urban Indian Organizations
- **\$10 million** to assist with sanitation, hydration and hygiene needs to prevent, prepare for and respond to coronavirus
- **\$500 million** to provide health care, including telehealth services, medical supplies and personal protective equipment
- **\$140 million** to expand broadband infrastructure for telehealth
- **\$20 million** to provide health care, housing and isolation units for the homeless and domestic violence victims
- **\$366 million** for quarantine spaces

Provides \$20 million for the national endowments: The legislation would provide \$10 million for National Endowment of the Arts (NEA) grants and local waive matching requirements, as well as \$10 million to the National Endowment for the Humanities (NEH) to support the general operations of recipients, while also waiving any matching requirements. Counties are eligible for NEA and NEH grants.

Implements new requirements for counties owning or operating utility services: Through programs administered by the U.S. Environmental Protection Agency (EPA), the bill would require counties who own or operate a utility service provider and are applying for HEROES funds under this section to establish or maintain policies ensuring no residential service is disconnected for the duration of the COVID-19 pandemic. This does not include forgiveness to consumers for any previous debts incurred or owed, or otherwise absolve an individual of any obligation to the utility service provider. The bill would also prohibit the assessment of late fees for nonpayment occurring during the emergency period.

Provides \$50 million through environmental grant programs: The bill would provide \$50 million through environmental grant programs, including the Environmental Justice Collaborative Problem-Solving (CPS) Cooperative Agreement program for which counties are eligible to directly apply, to study potential links between pollution exposure and the transmission and health outcomes of coronavirus.

[Title VI – Labor, Health and Human Services, Education, and Related Agencies](#)

Provides \$7 billion for the Child Care and Development Block Grant (CCDBG): The bill would appropriate \$7 billion for CCDBG to provide child care assistance to essential workers and support publicly funded child care providers in deploying various emergency flexibilities in response to the COVID-19 outbreak. These funds are in addition to the \$3.5 billion provided for under the *Coronavirus Aid, Relief and Economic Security (CARES) Act* (P.L. 116-136). These additional CCDBG funds will be available through September 30, 2021 and may be obligated through FY 2022.

Allocates \$1.5 billion for the Low-Income Home Energy Assistance Program (LIHEAP): The bill would provide \$1.5 billion in funding for LIHEAP on top of the \$900 million provided under the CARES Act (P.L. 116-136), to remain available until September 30, 2021, half of which would be distributed according to the “old” formula, which emphasizes heating needs. The bill would direct state agencies to accept proof of job loss or

severe income loss occurring after February 29, 2020 to determine income eligibility, such as a layoff or furlough notice or verification of application, for unemployment benefits and prohibit states from using 12.5 percent of the additional LIHEAP funding to cover administrative costs.

Provides \$1.5 billion for new drinking water and wastewater assistance program for low-income families: The bill would provide \$1.5 billion to carry out a program assisting low-income households that pay a high proportion of household income for drinking water and wastewater services, by providing funds to the public water systems or treatment works to reduce rates charged to such households. Counties that own or operate public water systems or treatment works would be required to conduct outreach activities to ensure that eligible households are aware of the rate assistance available and charge participating households not more than the difference between the actual cost of the service provided and the amount of the payment made by the state or tribe under this provision.

Only states and tribes would be eligible to apply directly for this grant; however, states would be able to enter into agreements with counties to assist in identifying low-income households to carry out this program.

Provides disbursement guidance for \$1 billion in Community Services Block Grant (CSBG) CARES Act funds: The bill includes a provision that would direct states to disburse the \$1 billion in CSBG funding provided under the CARES Act (P.L. 116-136) within 30 days of receiving the funding from the Department of Health and Human Services or within 30 days of the bill's enactment, whichever occurs later. The bill would also expand the income eligibility requirement for CSBG to 200 percent of the federal poverty line through FY 2022.

Directs \$85 million to Older Americans Act (OAA) programs: The bill would provide \$85 million for programs authorized under the OAA, to remain available until September 30, 2021. The funding includes \$20 million for Home and Community-based Services (HCBS), \$19 million for the Senior Nutrition Program, \$1 million for the Native American Program's nutrition services, \$10 million for evidence-based health promotion and disease prevention services, \$10 million for elder rights protection activities and \$5 million to support statewide senior legal services. The bill would also waive state matching requirements for these supplemental funds. OAA programs received a combined \$1.2 billion in supplemental funding under the *Families First Coronavirus Response Act* (P.L. 116-127) and the CARES Act (P.L. 116-136).

Appropriates \$90 billion for the Education Stabilization Fund: The bill would provide \$90 billion for the Education Stabilization Fund established under the CARES Act (P.L. 116-136) to support state and local funding for elementary and secondary schools and public postsecondary institutions. States would receive 61 percent of the funds according to their relative population of individuals aged 5 to 24, and 39 percent of the funds according to the relative number of children as defined by the *Elementary and Secondary Education Act of 1965* (ESEA). The bill would direct states to allocate 65 percent of the funding directly to local educational agencies (LEAs) – rather than using state education agencies as a pass through – using ESEA formulas. LEAs could use these funds for any activity authorized by the ESEA. Additionally, states would be required to allocate 30 percent of the funding to public postsecondary institutions apportioned according to Pell Grant recipients and enrollment numbers for on-site learning prior to the pandemic.

Provides \$2 billion for the Employment and Training Administration: The bill would provide \$2.04 billion to support workforce training and worker protection activities related to coronavirus, including \$15 million for program administration.

The bill would allocate the following funds for P.L. 113-128, the *Workforce Innovation and Opportunity Act* (WIOA):

- **\$485 million for grants to states for adult employment and training activities**, including incumbent worker trainings, transitional jobs, on-the-job training, individualized career services, supportive services, needs-related payments and to facilitate remote access to training services provided through a one-stop delivery system through the use of technology, to remain available until June of 2021
- **\$518 million for grants to states for youth activities**, including supportive services, summer employment and to facilitate remote access to training services provided through a one-stop delivery system through the use of technology, to remain available until June 30, 2021, with priority given to out-of-school youth and youth with multiple barriers to employment
- **\$597 million for grants to states for dislocated worker employment and training activities**, including incumbent worker trainings, transitional jobs, on-the-job training, individualized career services, supportive services, needs-related payments and to facilitate remote access to training services provided through a one-stop delivery system through the use of technology, to remain available until June 30, 2021
- **\$400 million for the dislocated workers national reserve** to remain available until September 30, 2023
- **\$25 million for migrant and seasonal farmworkers**, including emergency supportive services

Provides flexibility to local workforce boards: The bill would allow local workforce boards to use 40 percent of funds received for adults and dislocated workers towards transitional jobs. WIOA funds used to support transitional jobs would also be permitted for uses that support public service employment.

Authorizes community college and industry partnership grants: The bill would authorize the U.S. Department of Labor to award grants through 2024 to restart the Trade Adjustment Assistance for Community College Career Training program. These grants support community college and industry partnerships in creating education and training programs.

Title IX – Transportation, Housing and Urban Development, and Related Agencies

Directs \$15 billion to federal highways: The bill would provide \$15 billion to the Federal Highway Administration, directing the majority of the funds – \$14.775 billion – to states through the Surface Transportation Block Grant Program (STBGP) and requiring that funding be distributed through the program’s statutory formulas. Accordingly, counties with populations above 200,000 would be eligible for direct funding through sub-allocations from the state, while counties with populations below 200,000 would also receive funding – although states would largely have discretion over project selection. Funding could be used on any STBGP-eligible activities. In addition to funds provided to states, the bill would divide the remainder in the following ways:

- **\$150 million** to the Tribal Transportation Program
- **\$60 million** to the Puerto Rico Highway Program
- **\$15 million** to the Territorial Highway Program

Provides \$15.75 billion to support local and regional transit agencies: The bill would provide additional transit funds through the Federal Transit Administration’s Public Transportation Emergency Relief Program for operating assistance grants to support transit agencies, including local and regional transit and bus providers. The \$15.75 billion would be divided by directing \$11.75 billion to urbanized areas over 300,000 through transit formulas, including 15 percent to urban transit systems through 49 U.S.C. 5307 and 85 percent to transit State of Good Repair Grants through 49 U.S.C. 5337. The remaining \$4 billion would be available to any grantee who has been adversely impacted as a result of the COVID-19 pandemic through the U.S. Department of Transportation.

Transfers general funds to the Airport and Airway Trust Fund (AATF): The AATF relies on aviation excise taxes, which have been drastically reduced or suspended as a result of the COVID-19 pandemic. The HEROES act would transfer funds from the U.S. Treasury’s general fund to the AATF to cover the shortfall caused by the

severe drop in passenger traffic. Major FAA programs, many of which counties rely on, are funded through the AATF, including the Airport Improvement Program.

Implements masks requirements: The HEROES Act would require passengers on airlines, Amtrak and large urban transit systems – defined as those serving 500,000 or more – to wear face coverings during travel.

Provides \$75 million for FAA operations: The bill would direct \$75 million to the Federal Aviation Administration (FAA) operations account to provide for janitorial services at FAA facilities, hazard and overtime pay for employees and a study on the circulation of pathogens within an airliner cabin.

Provides \$4 billion for tenant based rental assistance: The bill would provide \$4 billion to allow Public Housing Agencies (PHAs) to respond to coronavirus and to keep over 2.2 million families in stable housing, including providing \$1 billion for new temporary vouchers to support individuals and families who are homeless or at risk of becoming homeless, or fleeing domestic violence.

Allocates \$2 billion for the Public Housing Operating Fund: The bill would allocate \$2 billion for PHAs to carry out coronavirus response for the operation and management of almost 1 million public housing units.

Appropriates \$11.5 billion for homeless assistance grants: The bill would allocate \$11.5 billion for Emergency Solutions Grants to address the impact of coronavirus among individuals and families who are homeless or at risk of homelessness, and to support additional homeless assistance, prevention and diversion activities to mitigate the impacts of the pandemic.

Provides \$750 million for project-based rental assistance: The bill would provide \$750 million to ensure the continuation of housing assistance for low-income individuals and families living in project based rental assistance properties, and to ensure housing providers could take the necessary actions to prevent, prepare for, and respond to the pandemic.

Provides \$100 billion for emergency rental assistance: The HEROES Act provides \$100 billion for emergency assistance to help low-income renters at risk of homelessness avoid eviction due to the economic impact of the coronavirus pandemic.

DIVISION B—REVENUE PROVISIONS

Title I—Economic stimulus

Revises CARES Act Economic Impact Payments: The bill would make retroactive changes to the Economic Impact Payments provided under the *Coronavirus Aid, Relief and Economic Security (CARES) Act* (P.L. 116-136) by:

- **expanding eligibility for the \$500 qualifying child amount** from children under age 17 to all dependents, including full-time students below age 24 and adult dependents
- **allowing payments to individuals filing taxes with a Taxpayer Identification Number** rather than a Social Security Number
- **exempting payments from reduction or offset** because of past-due child support

Provides additional direct payments to individuals: The bill would provide an additional Economic Impact Payment of \$1,200 to individuals with incomes up to \$75,000, or \$2,400 for married couples with combined incomes up to \$150,000, following the same formula and administration as the payments provided under the CARES Act (P.L. 116-136). The payment per dependent would change, however, increasing by an additional

\$1,200 per dependent, up to a maximum of three dependents (compared to \$500 per child under age 17 provided in CARES).

Expands refundable tax credits: The bill would expand and increase the flexibility of refundable tax credits for low-income individuals, including the:

- **Earned Income Tax Credit (EITC):** For the year 2020, the bill would reduce the minimum age requirement for a childless adult who is not a student (apart from a qualified former foster youth or a qualified homeless youth) to claim the EITC from 25 to 19 and expand the upper age limit from age 65 to 66. Additionally, for childless adults, the bill would increase the credit and phaseout percentage, as well as the earned income and phaseout thresholds such that the maximum credit in 2020 increases from \$538 to \$1,487.
- **Child Tax Credit (CTC):** For the year 2020, the bill would make the CTC fully refundable and increase both the credit to \$3,000 per child (\$3,600 for children under age 6) and the age of eligibility to 17.

DIVISION C—HEALTH PROVISIONS

Title I—Medicaid Provisions

Provides 14 percent increase to FMAP: The bill would increase Federal Medical Assistance Percentage (FMAP) payments to state Medicaid programs by a total of 14 percentage points beginning July 1, 2020 through June 30, 2021. Following this period FMAP increases would return to the 6.2 percent provided in the *Families First Coronavirus Response Act* (P.L. 116-127) for the duration of the COVID-19 public health emergency.

Prevents the finalization of the Medicaid Fiscal Accountability Regulation (MFAR): The legislation would prevent the U.S. Department of Health and Human Services (HHS) from taking action to finalize the Medicaid Fiscal Accountability Regulation (MFAR) until the end of the COVID-19 public health emergency.

Increases federal support for home and community-based services by 10 percent: The bill would increase the federal payments to state Medicaid programs by an additional 10 percentage points from July 1, 2020 through June 30, 2021 to support activities that strengthen the home and community-based services (HCBS) benefit. The bill text specifies that the increases could not result in a state receiving an FMAP of more than 95 percentage points and outlines that states approved for the funding increases would be required to submit a report outlining the use of funds to HHS no later than December 31, 2022.

Eliminates cost sharing for COVID--19 treatment: The bill would eliminate out of pocket expenses for Medicaid beneficiaries for COVID-19 treatment and vaccines during the public health emergency.

Provides the uninsured with coverage for COVID-19 treatment: The bill would allow states the option of covering uninsured individuals receiving treatment for COVID-19 under Medicaid without cost sharing during the COVID-19 public health emergency.

Provides temporary 2.5 percent increase to Medicaid DSH allotments: The proposed legislation would provide a temporary 2.5 percent increase to Medicaid Disproportionate Share Hospital (DSH) over the course of the COVID-19 public health emergency declaration.

Extends existing Medicaid demonstration projects: The legislation would require HHS to approve extensions for 1115 Medicaid Demonstration projects that expire on or before February 28, 2021 through December 31, 2021, if requested by the state, to “ensure continuity of programs and funding during the emergency period.” The

bill specifies that States may also request retroactive modifications to the demonstration project “to address the impact of the federally designated public health emergency with respect to COVID-19.”

Allows inmates to access to Medicaid benefits 30 days prior to release: The bill would amend the Medicaid Inmate Exclusion under section 1905(a) of the *Social Security Act* to provide incarcerated individuals access to Medicaid benefits “during the 30-day period preceding the date of release of such individual from such public institution.” The legislation would also require the Medicaid and CHIP Payment and Access Commission (MACPAC) to submit a report to Congress on the Medicaid inmate exclusion with recommendations, no later than June 30, 2022.

Title II—Medicare Provisions

Ensures that residents of skilled nursing facilities have access to communication channels during the COVID-19 emergency period: The bill would require that residents of skilled nursing homes have “reasonable access to the use of a telephone” and internet services, and that residents are informed of such access, as well as any changes in policies and procedures of the facility that relate to limitations on external visitors. Furthermore, the legislation requires the U.S. Department of Health and Human Services (HHS) to issue guidance within 15 days of the bill’s enactment on how skilled nursing facilities can ensure that residents have access to tele-visitation during the COVID-19 emergency period, and how facilities will notify residents of these rights.

Creates a skilled nursing facility payment incentive program: The bill would create a program that incentivizes skilled nursing facilities to become designated COVID-19 treatment centers through the fulfillment of certain quality metrics relating to health and safety standards.

Provides \$500 million for nursing home strike teams: The bill would instruct HHS to provide \$500 million to states to establish and implement strike teams in skilled nursing facilities or nursing facilities “for the purposes of assisting with clinical care, infection control, or staffing.” The funds would be allocated based on the percentage of skilled nursing facilities and nursing facilities in the state that have residents or employees that have been diagnosed with COVID-19.

Provides \$210 million for infection control in nursing facilities: The bill would instruct HHS to provide \$210 million to the Centers for Medicare and Medicaid (CMS) to enter into contracts with quality improvement organizations to provide infection control support to skilled nursing facilities through Medicare’s Quality Improvement Organizations (QIOs) with cases of COVID-19, for the duration of the public health emergency.

Establishes new requirements for nursing home demographic data reporting: The legislation would require HHS to collect data on COVID-19 in nursing homes and report demographic data on COVID-19 cases in nursing homes via the Nursing Home Compare website.

Title V—Public Health Policies

Authorizes the appointment of a Medical Supplies Response Coordinator: The bill would require that the president appoint a Medical Supplies Response Coordinator to “coordinate the efforts of the Federal Government regarding the supply and distribution of critical medical supplies and equipment relating to detecting, diagnosing, preventing, and treating COVID-19, including personal protective equipment (PPE), medical devices, drugs, and vaccines.” The Medical Supplies Response Coordinator would be tasked with consulting with state, local, territorial and tribal officials to evaluate supply needs and ensure that they are met. The Coordinator would also consult with the U.S. Department of Homeland Security - Federal Emergency Management Agency (FEMA) and report regularly to Congress on the progress in filling equipment gaps.

Updates the national COVID-19 testing strategy: The bill would require the U.S. Department of Health and Human Services (HHS) to update the COVID-19 strategic testing plan first mandated under the Paycheck Protection Program (PPP) and Health Care Enhancement Act, no later than June 15, 2020. The updated plan would identify the types and levels of testing necessary to monitor and contribute to the control of COVID-19 and inform reductions in social distancing. The bill would direct the updated strategic testing plan to also outline plans and benchmark timelines to ensure the sufficient availability and allocation of all testing materials and supplies, laboratory and personnel capacity and specific guidelines that would ensure adequate testing in vulnerable populations. Furthermore, the bill would require that the plan be updated every 30 days until the end of the COVID-19 public health emergency.

Authorizes the creation of a centralized testing information website: The legislation would require HHS to establish and maintain a public, searchable webpage on the HHS website that identifies FDA approved tests that can be used to detect COVID-19 or antibodies for the virus. The webpage would also include relevant information about COVID-19 tests, including information on effectiveness and the number available.

Provides grants to local public health departments to transform public health data systems: The bill would award grants or cooperative agreements to state, local, tribal or territorial public health departments through the CDC for “the expansion and modernization of public health data systems.” The funds would specifically be used to help increase consistency in data collection, storage and analysis, while also improving the dissemination of public health related information. The grants would also aid in improving the secure exchange of data between the CDC and local public health departments.

Authorizes \$1 billion for CDC to improve laboratory infrastructure: The bill would authorize \$1 billion for the CDC to make grants to states that support “the improvement, renovation, or modernization of infrastructure at clinical laboratories.” The funds would help to improve COVID-19 testing and response activities, which include the expansion and enhancement of testing capacity.

Awards \$6 billion in CDC formula grants to state, local, tribal or territorial health departments for public health infrastructure needs: The legislation would authorize the CDC to establish a core public health infrastructure program through grant awards which would be distributed to address core infrastructure needs, with no less than 30 percent of funds going to state, local, tribal or territorial health departments on a competitive basis. Additional grants to state health departments would be awarded through a formula based on population size, burden of preventable disease and disability, and core public health infrastructure gaps.

Appropriates \$75 billion to the CDC to establish a new national system and grant program for COVID-19 testing, contract tracing, surveillance, containment and mitigation: The bill would direct the CDC to work with state, local, tribal and territorial health departments to implement a “nationwide evidence-based system for testing, contact tracing, surveillance, containment and mitigation with respect to COVID-19.”

The bill would also require the CDC to award grants to state, local, tribal and territorial health departments to carry out evidence-based systems for testing, contact tracing, surveillance, containment and mitigation of COVID-19. The funds would be allocated using a formula that provides a minimal level of funding to each state, local, tribal and territorial health department seeking funding, and would prioritize additional funding for areas with high numbers of COVID-19 cases, those areas preparing for a surge in COVID-19 cases and those serving a high number of low-income and uninsured populations. The funds would be used to leverage or modernize existing systems, identify specific strategies for testing in medically underserved populations, establish culturally competent and multilingual strategies for contact tracing, build a locally sourced workforce and/or support individuals infected or exposed to COVID-19.

In addition to these provisions, the legislation would require the CDC, in coordination with other federal agencies, to issue guidance, provide technical assistance and information and establish clear communication pathways for state, local, tribal and territorial health departments to implement their testing, contact tracing, surveillance, containment and mitigation systems.

Establishes a COVID-19 reporting portal: The bill would require HHS, within 15 days of enactment, to establish and maintain an “online portal for use by eligible health care entities to track and transmit data regarding their PPE and medical supply inventory and capacity related to COVID-19.” The portal would enable hospitals and long-term care facilities with confirmed cases of COVID-19 to report their inventory related to PPE, medical supplies (such as ventilators and beds) and facility capacity (such as workforce needs and lab personnel). The facilities would be required to submit reports on a biweekly basis.

Requires CDC to report on demographic data for COVID-19 cases: The legislation would require HHS to, within 14 days of enactment, provide technical assistance to state, local and territorial health departments to improve the collection and reporting on demographic characteristics including “race, ethnicity, age, sex, gender, geographic region and other relevant factors of individuals tested for or diagnosed with COVID-19.” The bill would also require that the CDC make this data publicly available on their website.

Authorizes \$100 million in CDC grant funds for local health departments to modernize health inequities data: The legislation would require the CDC to, within 6 months of enactment, award \$100 million in grants to state, local and territorial health departments to “support the modernization of data collection methods and infrastructure for the purposes of increasing data related to health inequities, such as racial, ethnic, socioeconomic, sex, gender and disability disparities.”

Title VI—Public Health Assistance

Establishes the Public Health Workforce Loan Repayment Program: The bill would establish the Public Health Workforce Loan Repayment program to “assure the adequate supply of and encourage recruitment of public health professionals to eliminate critical public health workforce shortages in local, state, territorial, and tribal public health agencies.” The bill specifies that a percentage of contract awards would go to individuals not currently working in public health departments, and that there would be equitable distribution of funds both geographically, and among state, local, territorial and tribal public health departments. The program would be funded at \$100 million for FY 2020 and \$75 million for FY 2021.

Authorizes \$20 million in HRSA grants for expanding capacity for health outcomes: The bill would enable the Health Resources and Services Administration (HRSA) to award \$20 million in grant funding to eligible health entities in order to “expand the use of technology-enabled collaborative learning and capacity building models to respond to ongoing and real-time learning, health care information sharing, and capacity building needs related to COVID-19.” Eligible entities would require experience in providing services to rural, frontier, health professional shortage areas, medically underserved populations or Indian tribes.

Provides \$60 million in SAMHSA grant funding to address substance use and behavioral health needs: The bill would authorize the Substance Abuse and Mental Health Services Administration (SAMHSA), in coordination with the CDC, to award \$10 million in grants to states, tribes, tribal organizations and community-based entities to “address the harms of drug misuse” during the public health emergency. The agencies would prioritize grants to applicants serving populations with the highest amount of substance use disorder treatment, workforce and infrastructure needs.

The bill would also authorize SAMHSA to award \$50 million in grants to states, tribes, tribal organizations, community-based entities and primary care and behavioral health organizations to “address behavioral health

needs caused by the public health emergency.” Funds would be used to increase behavioral health treatment and prevention capacity and support or enhance behavioral health services, and priority would be given to entities serving areas with a high number of COVID-19 cases.

DIVISION E—CONTINUED ASSISTANCE TO UNEMPLOYED WORKERS

Extends Federal Pandemic Unemployment Compensation (FPUC): The bill would extend the \$600 per week FPUC supplement to state and federal unemployment benefits through January 31, 2021. The bill would also require federal programs and state and local programs that receive any federal funding to disregard FPUC payments when calculating income for the purposes of determining eligibility for benefits or assistance, and to exclude it from resource limits for nine months following receipt.

Extends benefit phaseout rule for Pandemic Unemployment Assistance (PUA): The bill would extend PUA benefits provided to workers who do not qualify for regular unemployment compensation through January 31, 2021. Individuals would receive all the weeks of benefits so long as they are for weeks ending by March 31, 2021.

Extends benefit phaseout rule for Pandemic Extended Unemployment Compensation: The bill would extend Pandemic Extended Unemployment Compensation (PEUC), which provides 13 additional weeks of unemployment benefits to individuals who have exhausted other benefits, through January 31, 2021. Workers would be able to apply for PEUC through January 31, 2021 and to receive the full 13 weeks so long as they are for weeks ending no later than March 31, 2021.

Extends full federal funding for first week of compensable regular unemployment for states with no waiting week: The bill would extend the provision in P.L. 116-136, the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, which reimbursed states that waived the “waiting week” for the first week of regular unemployment compensation through January 31, 2021.

Extends emergency relief and includes technical corrections for governmental entities and nonprofit organizations: This section would extend the financial relief provided to reimbursable employers in the CARES Act (P.L. 116-136) through January 31, 2021 and make technical corrections to ensure that states can waive 50 percent of the amount owed by such employers.

DIVISION F—ASSISTANCE TO AGRICULTURAL PRODUCERS AND OTHER MATTERS RELATING TO AGRICULTURE

Title I—Livestock

Provides guaranteed payments to livestock producers, \$300 million for animal health: The package would require livestock producers to be paid for their animals by requiring dealer trusts, for the benefit of all unpaid cash sellers of livestock. Additionally, the bill would provide emergency assistance to support livestock producers who are forced to euthanize market-ready livestock due to local processing plant disruptions as a result of COVID-19. The bill would also provide \$300 million to support improved animal health surveillance and laboratories, some of which are performing COVID-19 tests during the public health emergency.

Title II—Dairy

Establishes a direct dairy donation program: The package would establish a direct dairy donation program to prevent dumped milk and facilitate rapid donations of displaced dairy products directly to feeding programs. Milk associated with donated products would be reimbursed at current Class I prices.

Provides cash flow assistance to small and mid-sized dairies: The bill would provide cash flow assistance to small and mid-sized dairies that have grown over the last seven years by establishing supplemental margin coverage based on the difference between 2019 actual production and Dairy Margin Coverage production history.

Title III—Specialty Crops and Other Commodities

Provides \$100 million to address specialty crop supply chain issues: The bill would provide \$100 million in additional funding to address COVID-19 specialty crop supply chain issues at the state level via the Specialty Crop Block Grant Program and would temporarily waive matching requirements for the additional funds.

Provides \$50 billion in relief to local farmers: The bill would provide \$50 million in additional funding to support local farmers, farmers markets and other local food outlets who are impacted by COVID-19 market disruptions and temporarily waive matching requirements for these additional funds.

Directs \$50 million to beginning farmers and ranchers: The bill would provide \$50 million to support beginning farmers and ranchers with financial, operational and marketing guidance during the pandemic, and would temporarily waive matching requirements for these additional funds.

Funds farm stress programs at \$28 million: The bill would provide \$28 million in block grants to state departments of agriculture to support existing farm stress programs.

Direct \$16.5 billion in direct payments to farmers: The bill would provide \$16.5 billion for direct payments to agricultural producers.

Title VI—Nutrition

Increases SNAP benefit formula by 15 percent: The bill would increase benefit levels for the Supplemental Nutrition Assistance Program (SNAP) by 15 percent beginning June 1, 2020 through September 30, 2021. The bill would also increase the minimum monthly SNAP benefit for households of less than two individuals (often elderly or disabled adults) from \$16 to \$30 and direct states to disregard Pandemic Unemployment Compensation as countable income for SNAP benefit calculation for nine months.

Waives SNAP regulations and administrative costs: The bill would waive all SNAP work requirements for two years and prohibit the implementation of existing final and proposed U.S. Department of Agriculture (USDA) rules impacting SNAP eligibility, work requirements and benefit calculations. The bill would provide \$150 million in FY 2020 and FY 2021 for states to cover the associated administrative expenses.

Allows for hot food purchases: The bill would direct the USDA to allow for the purchase of hot foods ready for immediate consumption from authorized retail food stores under SNAP for the duration of the COVID-19 public health emergency.

DIVISION D— RETIREMENT PROVISIONS

Title I— Relief for Multiemployer Pension Plans

Relief for multiemployer pension plans: The bill would provide relief to multiemployer pension plans by creating a special partition program that would expand Pension Benefit Guaranty Corporation's (PBGC) existing authority and also increase the number of eligible plans. In addition to setting up a new program, the legislation would also repeal benefit suspensions for multiemployer plans in critical and declining status, extend

amortization of funding shortfalls from investment losses in 2019 and 2020 and double the PBGC benefit guarantee.

Title II— Relief Single Employer Pension Plans

Relief for single-employer pension plans: The proposal would provide relief for single employer pension plans by extending the amortization period for funding shortfalls from the current seven years to 15 years.

Title II— Other Retirement Related Provisions

Expands relief from Required Minimum Distribution (RMD) rules: The legislation would expand RMD relief in P.L. 116-136, the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, by allowing RMDs made for 2019 and 2020 to be rolled back to a plan or individual retirement account without regard to the current 60-day requirement, if the rollover is made by November 30, 2020.

DIVISION H—VETERANS AND SERVICE MEMBERS PROVISIONS

Creates flexibility for VA to care for homeless veterans during COVID-19 pandemic: The bill would allow the U.S. Department of Veterans Affairs (VA) to provide transportation, purchase food, shelter, telecommunications equipment, clothing, blankets and toiletry items for homeless veterans. The bill would also authorize the VA to set up homeless encampments on the grounds of VA Medical Centers (VAMC) and allow homeless veterans to stay temporarily in VA parking lots.

Finally, this section would amend P.L. 116-136, the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*, to expedite additional funding to Grant and Per Diem (GPD) program providers and authorize the use of per diem payments for food, basic supplies and housing for homeless veterans and formerly homeless veterans to self-isolate during the coronavirus pandemic. A key priority for counties, the GPD program pairs VAMC personnel with state, local and tribal grant recipients to fund, develop and operate transitional housing and service centers for homeless veterans.

Streamlines voucher program for homeless veterans during the COVID-19 public health emergency: The HEROES Act would allow public housing agencies administering the U.S. Department of Housing and Urban Development (HUD) – Veterans Affairs Supportive Housing (VASH) rental assistance vouchers to process applications electronically and waive in-person inspection requirements to rapidly house veterans during the COVID-19 public health emergency. Counties can use HUD-VASH vouchers to reduce veterans' homelessness in our communities and provide much-needed care to veterans to address the root causes of homelessness.

Extends full COVID-19 testing coverage (zero cost-sharing) to veterans under VA health plans: The legislation would ensure zero cost-sharing (out-of-pocket costs) for veterans receiving COVID-19 treatment under VA health plans.

DIVISION I—SMALL BUSINESS PROVISIONS

Enhances employee retention credits for employers: The bill would increase the applicable percentage of wages reimbursed for employers retaining employees from 50 percent to 80 percent. It would also modify the gross revenue requirement for businesses to allow a partial credit, phased in for a decline in gross revenue between 10 percent and 50 percent compared to the same calendar quarter of the previous year. It would increase the limit on wages taken in per employee from \$10,000 for the year to \$15,000 per quarter (capped at \$45,000 for the calendar year). Helpful for counties, the bill would allow state and local governments to claim the employee retention credit if they continue to pay employees while their operations are fully or partially shut down.

Provides 50 percent payroll credit for certain fixed expenses of employers facing closure: The bill would provide a 50 percent refundable payroll tax credit for certain expenses. These expenses would include certain rent obligations, mortgage obligations and utility payments. This credit would be limited to employers with no more than 1,500 full-time employees or no more than \$41.5 million in revenue for 2019. Eligible employers must be subject to a full or partial closure due to a COVID-19 government order or have a decline in gross revenue of at least 20 percent compared to the same calendar quarter of the previous year. This credit would be phased in for employers with a decline in gross revenue between 10 percent and 50 percent. The section would apply to expenses paid between March 12, 2020 and December 31, 2020.

Provides a 90 percent income tax credit for certain self-employed workers: The bill would provide a 90 percent refundable individual income tax credit for certain self-employed individuals who have experienced a significant loss of income as a result of the pandemic. The credit may be claimed on “qualified self-employment income,” which is the loss in total income for self-employment that exceeds a 10 percent reduction from 2019 to 2020. The amount of qualified self-employment income considered could not exceed the reduction in gross income from 2019 to 2020 and would be capped at \$45,000. The credit would phase out beginning at incomes of \$60,000 (\$120,000 for married filing jointly). The provision could offset costs for counties facing increased demands for social supports as unemployment levels reach new highs.

Allows payroll tax deferral for recipients of the Paycheck Protection Program: The bill would allow businesses receiving Paycheck Protection Program loan forgiveness to defer payment of payroll taxes under Section 2302 of the CARES Act (P.L. 116-136). Important to counties in our response to COVID-19, the PPP has helped small businesses weather the economic fallout of lost revenue and surging costs around our pandemic response efforts.

Provides new clarity on coronavirus loan forgiveness programs: The bill would clarify that expenses paid using the proceeds from Paycheck Protection Program (PPP) loans and funds subject to loan forgiveness by the Small Business Administration (SBA) and Economic Injury Disaster Loan (EIDL) do not result in a denial of any deduction or basis of any asset for federal tax purposes.

DIVISION J—SUPPORT FOR ESSENTIAL WORKERS, AT-RISK INDIVIDUALS, FAMILIES, AND COMMUNITIES

Title I—Family Care for Essential Workers

Suspends SALT deduction cap: The bill would suspend the \$10,000 cap placed on state and local tax (SALT) deductions for FY 2020 and FY 2021.

Authorizes roughly \$10.5 billion increase for Social Services Block Grant (SSBG): The bill would increase the overall authorization level of the SSBG from \$1.7 billion to \$12.15 billion in 2020, including a direct appropriation of \$850 million to support child and family care for essential workers. States would have several options for providing care with this funding, including reimbursing workers directly, paying providers or establishing emergency childcare according to state and local licensing laws. These funds would not be allowed to supplant state funding used for childcare or the Child Care and Development Block Grant (CCDBG), or to exclude essential workers from services by requiring means testing.

Provides funds to states and localities for emergency services: The bill would provide \$9.6 billion in funding for the SSBG to be available until December 31, 2020. The bill includes specific language championed by NACo requiring that states pass at least 50 percent of this emergency funding to county governments, local governments working in partnership with community-based organizations or community-based organizations with

experience serving disadvantaged individuals or families. Additionally, states where county governments administer or contribute financially to the non-federal share of a program funded by Title IV of the *Social Security Act*—such as Child Support Enforcement, the Temporary Assistance for Needy Family program or Child and Family Services—would be required to pass the funding directly to the chief elected official of the county that administers the program. The bill would direct the U.S. Department of Health and Human Services (HHS) to disburse the funds within 45 days of the bill’s enactment and states would be required to provide HHS with their plan for the distribution of funds within 90 days of receipt.

Offers additional flexibilities for children and family services programs: The bill would provide additional flexibilities across various children and family services programs, including:

- **Temporary Assistance for Needy Families Program (TANF):** The bill would suspend the federal work participation rate requirements and the federal time limit for TANF during the COVID-19 emergency, and create penalties for any state or tribal TANF program that fails to “stop the clock” on federal time limits for families and/or that sanctions families for failure to work or participate in “work participation” activities. These provisions would remain in effect through January 31, 2021.
- **Child welfare programs:** The bill would enable state child welfare programs to provide services, including caseworker visits and court proceedings for children in care, using electronic means to comply with public health directives to remain in effect through January 31, 2021.
- **Child support programs:** The bill would provide states with the option to suspend penalties for non-custodial parents unable to pay child support during the COVID-19 pandemic, given that some courts have suspended non-emergency proceedings, including requests to modify child support orders. The bill would also suspend federal penalties for custodial parents participating in TANF, and for non-custodial parents participating in Child Support Enforcement for failure to comply with paternity establishment rules (may require a change in state law in some cases). These provisions would remain in effect through January 31, 2021.

DIVISION K—COVID-19 HERO ACT

Title II—Protecting Renters and Homeowners from Evictions and Foreclosures

Provides \$309 million for rental assistance programs: The bill would provide \$309 million in supplemental funding for U.S. Department of Agriculture (USDA) rental assistance programs, including \$25 million for rural vouchers, to absorb reductions in tenant rent contributions and to provide rental assistance to unassisted households living in USDA subsidized properties who are struggling to pay rent during the COVID-19 pandemic.

Title VI—Standing Up for Small Businesses, Minority-Owned Businesses, and Non-Profits

Expands access for cannabis banking: Under the bill, cannabis related legitimate businesses would have expanded access to bank accounts and loans, as well as insurance. This language was drawn directly from H.R. 1595, the [SAFE Banking Act](#), which passed the U.S. House with bipartisan support in September 2019.

Title VIII—Providing Assistance for State, Territory, Tribal, and Local Governments

Expands eligibility for counties under the Municipal Liquidity Facility (MLF): The HEROES Act would expand eligibility for smaller units of local government, including counties, under the Federal Reserve’s MLF. MLF aims to help states and local governments gain access to funds up to \$500 billion in short-term credit. Expanded eligibility would allow substantially more entities to borrow directly from the MLF than the initial plan announced on April 9.

Increases funding for the Community Development Block Grant (CDBG): The bill would provide \$5 billion to the CDBG for coronavirus response and to mitigate impacts on local communities. These funds would be distributed by formula to current grantees. The legislation would continue to waive the CDBG 15 percent public services cap to allow communities to respond to the impacts of the pandemic, to remain available until September 30, 2023.

DIVISION L—FAMILIES, WORKERS, AND COMMUNITY SUPPORT PROVISIONS

Title I—Amendments to Emergency Family and Medical Leave Expansion Act and Emergency Paid Sick Leave Act

Clarifies that public agencies are covered under FMLA, suspends eligibility requirement: The bill would temporarily suspend, until December 31, 2022, the current 1,250-hour eligibility requirement and reduce the tenure eligibility requirement from 12 months to 90 days under non-emergency P.L. 103-3, the *Family and Medical Leave Act* (FMLA) requirements. This would ensure rampant unemployment and furloughs do not leave workers unable to qualify for FMLA benefits in the near future. This section would also clarify that public agencies are covered under the FMLA, regardless of the number of employees.

Removes DOL regulatory authorities: This section would remove the U.S. Department of Labor's (DOL) authority to issue regulations, as authorized under P.L. 116-127, the *Families First Coronavirus Response Act*, to exempt employees of businesses with fewer than 50 employees or to issue regulations to exempt health care providers and emergency responders from the right to paid leave. Any regulations issued under the previous authority would no longer have effect.

Expands FMLA paid leave, definitions and extends benefits: The bill would ensure that workers are provided with a full 12 weeks of paid emergency FMLA leave and that such leave would not count towards an employee's 12 weeks of nonemergency unpaid FMLA leave. The bill would also clarify that only the employee can decide to take emergency FMLA leave concurrently with any other paid leave they have available.

Employees could take FMLA leave to:

- self-isolate because they were diagnosed with COVID-19
- obtain a medical diagnosis or to care for symptoms of COVID-19
- comply with a recommendation or order to self-isolate because physical presence at work would jeopardize the health of the employee, other employees, or a person in the employee's household
- care for a family member who is self-isolating, care for a child whose school has closed or childcare provider is unavailable due to COVID-19
- care for a family member who is individual with a disability or senior citizen whose place of care or direct care provider is unavailable

The bill would also provide private and public sector employees who have been on the job for at least 30 calendar days with the right to take up to 12 weeks of job protected paid leave under FMLA, regardless of the size of their employers.

Finally, the legislation would also extend the availability of Emergency FMLA benefits from December 31, 2020 to December 31, 2021.

Clarifies wage rates: The bill would ensure employees receive a benefit from their employers that would be no less than two-thirds of the employee’s usual pay, up to \$200 a day, but no less than the applicable minimum wage in their area.

Amends the Families First Emergency Family and Medical Leave Expansion Act: The bill would clarify that employees who work under a multiemployer collective bargaining agreement and whose employers pay into a multiemployer plan be provided with leave.

The bill would eliminate provisions that allow employers of health care providers and emergency responders to exclude their employees from emergency FMLA leave.

The bill would also eliminate provisions that restrict employees from exercising a private right of action against employers with fewer than 50 employees.

Clarifies paid sick time requirement: The bill would allow eligible employees to use paid sick leave for the uses allowed under the emergency FMLA. Additionally, it would:

- For each 12-month period, entitle eligible full-time employees to two workweeks (80 hours) of emergency paid sick leave
- For each 12-month period, entitle eligible part-time employees to the hours of emergency paid sick leave that equals the typical number of hours worked in a typical two-week period
- Ensure employees receive emergency paid sick leave in addition to any existing employer provided paid leave
- Clarify that employees can take leave intermittently or on a reduced work schedule, regardless of a previous agreement between an employer and employee
- Allow employers to require requests for paid sick leave to be supported by basic documentation, but not before 7 days after the employee has returned to work
- Require employees to provide their employers with notice of need to take leave as soon as is practicable
- Clarify that full emergency paid sick leave is available to employees where they begin employment with a new employer
- Require employers to restore employees to their positions after returning from paid sick leave

Revises definitions: The bill would eliminate the large employer exemption and clarify that nonprofit organizations are covered employers. The bill would ensure that full-time and part-time employees earn full wage replacement (up to \$511 per day) for all emergency paid sick leave uses.

DIVISION M—CONSUMER PROTECTION AND TELECOMMUNICATIONS PROVISIONS

Title II—E—Rate Support for Wi-Fi Hotspots, Other Equipment, and Connected Devices

Provides \$1.5 billion to support virtual learning: The bill would provide \$1.5 billion in immediate funding for a temporary disbursement to be administered through the Federal Communications Commission’s (FCC) E-Rate Program for schools and libraries to purchase hot spots and “connected devices” to help facilitate distance learning throughout the length of the emergency.

Title III—Emergency Benefit for Broadband Service

Authorizes \$9 billion for internet services in disadvantaged households: The bill would provide \$9 billion in funding to support a \$50 benefit to households in which a member has been laid off or furloughed to put toward the monthly price of internet service during the COVID-19 public health emergency.

Authorizes \$200 million to facilitate state participation in Lifeline program: The package would require that Lifeline providers make unlimited minutes and data available to those that rely on the Lifeline program to stay connected to phone or internet service, and to provide additional support. The legislation would authorize \$200 million in funding to help states participate in the National Lifeline Eligibility Verifier.

Title IV—Continued Connectivity

Prohibits internet and phone service providers from terminating service: The bill would prohibit broadband and telephone providers from terminating service due to a customer's inability to pay because of financial hardships caused by the COVID-19 pandemic, or imposing late fees incurred because of hardships caused by the COVID-19 pandemic. It would also prohibit broadband providers from employing data caps or charging customers from exceeding data caps and requires providers to open Wi-Fi hotspots to the public at no cost during the COVID-19 public health emergency.

Title V—Don't Break Up the T-Band

Prevents auction of T-Band spectrum: The legislation would prevent the auction of the T-Band spectrum and allow local public safety operators to continue to use the spectrum for emergency communications.

Title VIII—Healthcare Broadband Expansion During COVID-19

Provides \$2 billion for rural healthcare: The bill would provide \$2 billion for a temporary expansion of the FCC's Rural Health Care Program (RHCP) to partially subsidize their health care providers' broadband service. Authorized subsidies would flow to all nonprofit and public hospitals, not just rural those in rural areas. Additionally, the package would increase the broadband subsidy rate from 65 percent to 85 percent and expand eligibility of the RHCP to ensure mobile and temporary health care delivery sites are eligible.

DIVISION P—ACCESS ACT

Implements new election COVID-19 legislation: Under the HEROES Act, the *American Coronavirus/COVID-19 Election Safety and Security (ACCESS) Act*, would be implemented. The ACCESS Act would make several changes to state and local government election administration requirements, including establishing vote-by-mail and election contingency plans and providing postage-free voting materials. The ACCESS Act would also provide additional funding to the U.S. Election Assistance Commission (EAC) to make payments to eligible states for the costs of complying with the new requirements under the bill.

DIVISION S—OTHER MATTERS

Title X—Jabara-Heyer NO HATE Act

Provides new grant opportunity to assist local law enforcement in identifying and classifying hate crimes: The bill would provide new grant opportunities for state and local law enforcement to train personnel in identifying and classifying hate crimes and provide technical assistance for submitting this information through the National Incident-Based Reporting System.

Title XI—Prisons and Jails

Provides \$600 million for new grant programs to combat COVID-19 in correctional facilities: The bill would provide \$600 million for the creation of grant programs under H.R. 6414, the *COVID-19 Correctional Facility*

Emergency Response Act, including \$500 million in assistance to prevent, detect and address the presence of COVID-19 in correctional facilities. This would include funds for the testing of all arrestees, detainees and inmates, and the transfer of such individuals into the community for treatment. Additionally, these funds could be used to provide transition and reentry services for individuals reentering the community, along with the testing of personnel, volunteers, visitors, court personnel and certain law enforcement officers. There is no local match required for these funds.

Eligible applicants would include local governments that release or plan to release individuals from custody who are suffering from certain pre-existing conditions, those most vulnerable to COVID-19 and those who do not pose a risk to the community. Applicants would also need to establish individualized target capacities that reflect the maximum number of individuals who may be incarcerated, in accordance with the CDC's guidelines for physical distancing, hygiene and sanitation of correctional facilities. Finally, applicants would be required to include a certification from a local public health professional certified in epidemiology or infectious diseases that the correctional facility receiving these funds meets the appropriate target capacity.

Of the remaining \$100 million, \$75 million in grants would be made available to state and local governments to assist with the development of more effective education, treatment and rehabilitation programs for juvenile delinquents, with \$25 million in grants being made available for rapid COVID-19 testing capabilities in correctional facilities.

Directs \$150 million annually through FY 2022 for local courts that have suspended the collection of fines and fees: The bill would provide \$150 million annually through FY 2022 for grants to state and local courts who implement, or have already implemented, a moratorium on the collection and imposition of fines and fees issued by that court during the COVID-19 public health crisis. These funds could be used to ensure that court operations are able to continue through the pandemic.

Title XIV—Rural Digital Opportunity

Requires FCC to expedite internet service to rural America: The legislation would require the FCC to expedite its Rural Digital Opportunity Fund auction to fast-track the build out of high-speed internet service to rural America. This fast-track would only be available to uncontested applicants with the ability to build networks that could provide service within a year of having funding authorized.

Requires FCC to improve broadband data collection: The package would require the FCC to implement P.L. 116-130, the *Broadband DATA Act* – which makes improvements to the maps and data collection processes for determining connectivity – by October 21, 2020 and would authorize \$88 million in funding for that purpose.

DIVISION T—ADDITIONAL OTHER MATTERS

Removes 25 percent local match for funds provided under COVID-19 emergency disaster declarations: The bill would adjust the cost share for assistance provided under the emergency declaration issued by the president on March 13 and any subsequent major disaster declaration from 75 percent federal/25 percent non-federal to 100 percent federal. Removing the local match has been a key priority for counties in response to COVID-19, as this would provide much needed flexibility to combat the pandemic.

Clarifies eligible activities, costs and purchases local governments may submit for federal assistance: The bill would provide clarity on different eligible costs and activities state and local governments may submit for federal assistance. These would include, but not be limited to, housing for first responders, emergency managers and other health providers, costs for establishing and operating remote test sites, PPE and other critical supplies,

maintaining alternate care facilities, costs for implementing continuity plans and backfill costs for first responders and other employees who are ill or quarantined.

Expands application of law: The bill would temporarily waive the prohibition on using federal funds to retain consultants or counsel to allow U.S. Department of Commerce - Economic Development Administration (EDA) grantees to obtain the assistance of consultants in developing grant applications for funds under P.L. 116-136, the *Coronavirus Aid, Relief, and Economic Security (CARES) Act*.

Enhances Disaster Recovery Office authority and the defederalization of RLF: The bill would grant the EDA disaster hiring authority, which it currently does not have, and defederalize the EDA revolving loan funds (RLF), which are vital lifelines to small, family owned businesses.