



## **NACo Summary: COVID-19 Funding Packages** *Last updated May 22, 2020*

Over the last several weeks, Congress and the administration have been working to address national challenges related to COVID-19. In a short period, they have quickly passed four bipartisan emergency packages which are directing billions of dollars to Coronavirus response and relief efforts. NACo has compiled short summaries of each bill and additional resources below:

- [Coronavirus Preparedness and Response Supplemental Appropriations Act \(H.R. 6074\)](#)
- [The Families First Coronavirus Response Act \(H.R. 6201\)](#)
- [Coronavirus Aid, Relief and Economic Security \(CARES\) Act \(H.R. 748\)](#)
- [Paycheck Protection Program and Health Care Enhancement Act \(H.R. 266\)](#)
- [The Health Economic Recovery Omnibus Emergency Solutions \(HEROES\) Act \(H.R. 6800\)](#)

**Note: for a side-by-side comparison of key provisions impacting county priorities in COVID-19 relief packages, view the NACo Brief: [Comparison of Legislation to Address the COVID-19 Pandemic](#).**

### **Coronavirus Preparedness and Response Supplemental Appropriations Act ([H.R. 6074](#))**

*March 6, 2020*

On March 6, President Trump signed an \$8.3 billion emergency supplemental appropriations package [[P.L. 116-123](#)] that included comprehensive resources to enhance the national response to coronavirus, as well as key provisions to support state and local efforts to address cases of the illness.

The legislation specifically included:

- **Prevention Assistance:** \$2.2 billion in public health funding to support prevention, preparedness and response efforts, including a \$1 billion set-aside for State and Local Public Health Emergency Preparedness (PHEP) grants to support states, counties, cities and tribes
- **Research Funding:** \$3 billion in funding for research and development of coronavirus vaccines and diagnostic tools, and \$100 million in supplemental appropriations for Community Health Centers (CHC)



- **Public Health Funding:** \$3.1 billion in funding will support the Public Health and Social Services Emergency Fund under the U.S. Department of Health and Human Services Office of the Assistant Secretary for Preparedness and Response.

#### **NACo Resources:**

- [NACo's Analysis of Federal Legislation on Coronavirus Pandemic](#)
  - [NACo Statement on Passage of the Families First Coronavirus Response Act](#)
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### **Families First Coronavirus Response Act (H.R. 6201)**

*March 18, 2020*

On March 18, this multibillion-dollar emergency aid package [[P.L. 116-127](#)] was enacted into law. The package includes five main provisions meant to respond to the deepening economic crisis caused by the coronavirus outbreak:

- **Free Coronavirus testing:** The Families First Coronavirus Response Act ensures that all individuals, including those with private insurance, Medicare Advantage or Original Medicare, Medicaid, CHIP, VA, FEHBP and TRICARE, as well as the uninsured, will have access to tests at no cost.
- **Food assistance:** The bill includes more than \$1 billion to provide nutritious foods to low-income pregnant women and mothers with young children, help food banks and provide meals to seniors. It protects students' access to school meals in the event of school closures and provides \$400 million to assist local food banks to meet increased demand for low-income Americans during the emergency.
- **Medicaid FMAP Rates:** The U.S. House bill increased by 6.2 percent the Federal Medical Assistance Percentage (FMAP) that the federal government provides to state and territorial Medicaid programs. This temporary increase will prevent states from cutting Medicaid benefits. It requires states to maintain eligibility standards that are no less restrictive than the date of enactment.
- **Unemployment Aid:** H.R. 6201 gives states the resources and flexibility to provide unemployment benefits to laid off and furloughed workers, as well as to those workers who exhaust their allotted paid leave. It provides \$1 billion in 2020 for emergency grants to states for activities related to processing and paying unemployment insurance (UI) benefits, under certain conditions.
- **Paid Sick and Medical Leave:** The bill establishes an Emergency Paid Leave Program that replaces a significant share of lost wages so that those who take leave to avoid spreading the virus or due to illness or caregiving responsibilities can pay their bills. The bill requires employers with fewer than 500 employees and government employers to provide employees



two weeks of paid sick leave, paid at two-thirds the employee's regular rate to care for a child whose school has closed, or if childcare provider is unavailable, due to the coronavirus.

#### **NACo Resources:**

- [Analysis: Congress and White House pass second COVID-19 legislative package, looks to a third](#)
  - [National Call on COVID-19 Response Efforts, Featuring Special Guest U.S. Secretary of Labor Eugene Scalia](#) (4/21)
  - [NACo Paid Leave Brief](#) (4/15)
  - [NACo Calls on Congress to Make Counties Eligible for Stabilization Fund in COVID-19 Package](#) (3/21)
  - [NACo Statement on Passage of the Families First Coronavirus Response Act](#) (3/18)
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### **Coronavirus Aid, Relief and Economic Security (CARES) Act ([H.R. 748](#))**

March 27, 2020

The "Coronavirus Aid, Relief, and Economic Security (CARES) Act" [[P.L. 116-136](#)] and associated emergency supplemental appropriations was passed by the U.S. Senate on March 25 and would provide \$2 trillion towards coronavirus relief efforts.

The legislation includes several key provisions and funding for county governments to assist efforts with the coronavirus. The following are highlights:

- **Establishes new Coronavirus Relief Fund (CRF) for state and local governments to address spending shortages related to the coronavirus pandemic:** The bill provides \$150 billion in aid to states, tribal governments, territories and local governments with populations of over 500,000 people to address necessary expenditures incurred due to the COVID-19 public health emergency.

*\*For an in-depth look at the CRF view our NACo Brief: [U.S. Treasury Coronavirus Relief Fund](#)*

- **Gives U.S. Treasury new authority to authorize loans and make municipal bond purchases to aid state and local governments:** The bill creates a \$500 billion Economic Stabilization Fund that authorizes the U.S. Treasury to purchase obligations of states, local governments and political subdivisions of them, to cover losses incurred as a result of COVID-19.
- **Provides hospitals and health care facilities with additional funding for response efforts:** The bill provides \$100 billion in funding for local hospitals to address medical surge capacity issues and offset the cost of increased healthcare related expenses and loss revenue.



- **Protects payments to hospitals serving the uninsured and underinsured:** The bill would delay statutory cuts to Medicaid Disproportionate Share Hospital (DSH) payments until FY 2021 to help hospitals, including eligible county-owned hospitals, serving indigent and underinsured people make up for revenue losses and continue to provide high quality care to all patients especially during this time of crisis.
- **Extends the Temporary Assistance for Needy Families (TANF) program:** The bill delays the expiration of TANF from May 22, 2020 to November 30, 2020, providing important short-term certainty for county human services agencies and helping vulnerable county residents maintain access to this safety net program.

#### **NACo Resources:**

- [NACo Analysis of the Third COVID-19 Supplemental: The Coronavirus Aid, Relief, and Economic Security Act](#)
- [How Counties Can Access and Utilize Funds from FEMA's Public Assistance \(PA\) Program for COVID-19 Response and Recovery](#) (5/1)
- [NACo Brief of U.S. Treasury Coronavirus Relief Fund Guidance](#) (4/28)
- [National Call on COVID-19 Response Efforts, Featuring Special Guest U.S. Department of Health and Human Services Assistant Secretary for Aging Lance Robertson](#) (4/27)
- [NACo Letter to Congressional Leadership on Continued Coronavirus Response](#) (4/6)
- [NACo Welcomes Passage of Third Coronavirus Relief Package](#) (3/27)

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### **Paycheck Protection Program and Health Care Enhancement Act ([H.R. 266](#))**

**April 24, 2020**

On April 24, the Paycheck Protection Program and Health Care Enhancement Act [[P.L. 116-139](#)], also known as the "COVID-19 3.5" relief package was signed by the President. The \$484 billion package is the second largest of the four coronavirus response bills Congress has passed so far.

The package includes additional funding to support small businesses, hospitals and enhance COVID-19 testing.

- **New funding for small businesses:** \$320 billion to replenish the Small Business Administration's (SBA) Paycheck Protection Program (PPP), a loan initiative aimed at helping small businesses weather the economic fallout from the COVID-19 response.
- **More support for hospitals and healthcare providers.** The interim relief package would provide an additional \$75 billion to support local hospitals and health care providers by providing reimbursements for COVID-19 related expenses, lost revenue and public health services for uninsured Americans who have been infected by COVID-19.



- **New funding for target COVID-19 testing in rural areas and for the uninsured.** The interim package would provide \$25 billion for “necessary expenses to research, develop, validate, manufacture, purchase, administer and expand capacity for COVID–19 tests” to help effectively monitor and suppress the COVID-19 pandemic.
- **Mandates states and localities to report how resources will be used for testing and COVID-19 community mitigation policies.** Alongside increased funding for testing, the legislation would also require that state and localities that receive funds provide a plan for COVID-19 testing to the HHS Secretary no later than 30 days following the bill’s enactment.

#### **NACo Resources:**

- [Analysis: \\$484 billion coronavirus relief package](#)
  - [Administration issues guidance for health care facilities to reopen, eyes broader reopening plan \(4/21\)](#)
  - [HHS releases \\$30 billion in provider relief funding for COVID-19 \(4/13\)](#)
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### **The Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act ([H.R. 6800](#)) May 12, 2020**

On May 12, the U.S. House of Representatives introduced H.R. 6800, the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act and passed it three days later. 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.**

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:

- **Medicaid Inmate Exclusion Policy (MIEP):** Allow inmates to access Medicaid 30 days prior to their release
- **Federal Medical Assistance Percentage (FMAP):** Increase Medicaid FMAP by 14 percent from July 1, 2020 through June 2021
- **Medicaid Fiscal Accountability Regulation (MFAR):** Place a moratorium on MFAR until the end of the public health emergency



- **Payments to hospitals:** Increase (temporarily) payments to hospitals serving a disproportionate share of low-income and uninsured patients
- **FEMA local match requirement:** Waive the 25 percent local match requirement for FEMA funding under the Emergency Disaster Declaration
- **Payroll tax deductions:** Make county employers eligible for CARES Act payroll tax deductions
- **State and Local Tax (SALT):** Suspend the \$10,000 cap placed on SALT deductions for FY 2020 and FY 2021
- **Community Development Block Grant (CDBG):** Provide an additional \$5 billion for the CDBG for local communities by the current formula
- **Supplemental Nutrition Assistance Program (SNAP):** Increase SNAP benefits by 15 percent
- **Social Services Block Grant (SSBG):** Provide \$9.6 billion in emergency funding for the SSBG, half of which states must pass through to local governments or community-based organizations
- **Homeless Assistance Grants:** 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
- **Local farmers:** 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
- **Transportation:** Provide \$15 billion for highways and \$15.75 billion for transit

**NACo Resources:**

- [Analysis: NACo Analysis for Counties: The Health and Economic Recovery Omnibus Emergency Solutions \(HEROES\) Act \(H.R. 6800\)](#)