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HOUSE CORONAVIRUS RELIEF RECONCILIATION PACKAGE

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STATE AND LOCAL AID

- The measure includes $350 billion to help state, local, tribal, and territorial governments pay for unbudgeted expenses tied to the Covid-19 emergency, including:
  - $195.3 billion for states and Washington, D.C.
  - $130.2 billion for local governments.
  - $20 billion for federally recognized tribal governments.
  - $4.5 billion for territories.
- Each state plus the District of Columbia would receive at least $500 million.
- The measure also would provide funds to compensate D.C. for the money it would have received as a state under the CARES Act, which grouped it in with territories. Democrats estimated that a similar provision in a Covid-19 relief package from the 116th Congress would have resulted in an additional payment of $755 million.
- Remaining state funds would be allocated based on the number of unemployed people.
- Funding for local governments would include $65.1 billion for counties, $45.6 billion for metropolitan cities, and $19.5 billion for towns with fewer than 50,000 people.
- The Treasury Department would have to make most payments within 60 days of receiving certification from state and local recipients describing their need and intended use for the funds.
- States would have to distribute funds to smaller towns within 30 days of receiving a payment from the department, with extensions permitted. States that miss the deadline would have to pay back any undistributed funds. A town couldn't receive more than 75% of its budget as of Jan. 27, 2020.
- **Use of Funds:** State and local recipients could the funds to:
  - Respond to the Covid-19 emergency and address its economic effects.
  - Cover costs incurred due to the emergency.
  - Replace revenue that was lost, delayed, or reduced relative to revenue projections as of Jan. 27, 2020.
- Recipients could transfer funds to private nonprofit groups, public benefit corporations or multistate entities involved in passenger or cargo transportation, and special-purpose units of state or local governments.

SMALL BUSINESS AID

Paycheck Protection Program

- The measure would increase funding and expand eligibility for the Paycheck Protection Program, and would allow forgiveness for additional expenses.

- **Program Funding:** The measure would increase the program's lending authority by $7.25 billion, to $813.7 billion, and appropriate the same amount for the Small Business Administration (SBA) to guarantee additional loans.
- **Tax-Exempt Groups:** Certain types of tax-exempt groups, such as 501(c)(3) charitable organizations, 501(c)(6) business associations, and 501(c)(19) veterans' organizations, already qualify for PPP loans.
- The measure would expand the eligibility rules to cover most other types of tax-exempt groups, including 501(c)(5) labor organizations, 501(c)(7) social and recreation clubs, and 501(c)(8) fraternal benefit societies. Religious educational groups that might otherwise be barred under SBA rules would be permitted. 501(c)(4) social welfare groups, such as AARP, the ACLU, Americans for Prosperity, and the National Rifle Association, would still be prohibited.
- The additional tax-exempt groups couldn't employ more than 300 employees per location or spend more than $1 million annually or 15% of their time on lobbying activities.
- **Larger Nonprofits:** Some nonprofits that currently qualify for PPP loans, such as 501(c)(3) groups, can't have more employees than the SBA's size standards for the relevant industry and are subject to the agency's restrictions for affiliated entities.
- The measure would replace those rules, allowing 501(c)(3) groups with as many as 500 employees per physical location to participate without further restrictions.
- **Online News Publishers:** Internet-only news publishers that were previously ineligible could receive PPP loans if they have 500 or fewer employees or a size set by the SBA per location. They would have to certify that the funds will be used to support local news.
- SBA affiliation rules and a ban on publicly traded companies would be waived for online news outlets seeking loans.
- **Loan Forgiveness:** The measure would expand PPP loan forgiveness to include payments made for premiums on behalf of individuals who qualify for COBRA health insurance continuation coverage. The change would apply to loan forgiveness applications received following the measure's enactment.

Restaurant Grants

- The measure would provide $25 billion for a Restaurant Revitalization Fund to be administered by the SBA.
- Eligible recipients would include restaurants, bars, food trucks, and caterers, including businesses in airport terminals and tribally owned entities.
- Disqualified businesses would include those run by state or local governments, companies that manage more than 20 locations including affiliates, live venues seeking grants under the year-end Covid-19 relief package, and publicly traded companies.
- For 60 days following the measure's enactment, $5 billion would be set aside for eligible entities with gross revenue of $500,000 or less in 2019. The SBA would also have to prioritize awards for small businesses owned by women, veterans, and socially or economically disadvantaged individuals during an initial 21-day award period.
- Other grant funds would be awarded on a first-come, first-served basis.
- Grant amounts would cover the difference between an entity's revenue in 2020 compared with 2019. Awards would be reduced by amounts received through the Paycheck Protection Program. Aggregate awards made to an entity and its affiliates couldn't exceed $10 million and would be limited to $5 million per location.
- Eligible expenses generally would include payroll costs, mortgage and rent payments, supplies, normal food and beverage costs, and paid sick leave. Grants couldn't be used to pay fees exceeding 10% of a company's annual net operating profits to investment advisers of certain private funds with an ownership stake.

- Funds could be used through Dec. 31, or a date set by the SBA that's no later than two years after the measure's enactment.

Disaster Loans

- Additional funding also would be made available for advance payments to eligible entities under the SBA's Economic Injury Disaster Loan (EIDL) program.
- The reconciliation measure would provide $15 billion for additional advance payments on a staggered schedule, as follows:
  - Within 14 days of enactment, the SBA would have to start processing applications for covered entities that didn't receive their full eligible advance payments under the year-end relief package. Those entities include recipients with 300 or fewer employees and economic losses of at least 30% over eight weeks compared with a similar period before the pandemic.
  - Starting 28 days after enactment, the agency would begin processing applications for new supplemental payments of $5,000 to covered entities with 10 or fewer employees that had economic losses of more than 50% during the covered period.
  - Starting 42 days after enactment, the SBA would begin processing applications for supplemental payments to entities with 10 or fewer employees that didn't previously qualify.

State Initiative

- The reconciliation measure would provide $10 billion to reauthorize the State Small Business Credit Initiative, which would support as much as $100 billion in small business financing through state and local programs, according to a House Financial Services Committee majority staff memo.
- The Treasury Department would have to set aside:
  - $1.5 billion for states to support businesses owned by social and economically disadvantaged people.
  - $1 billion for an incentive program to boost funding tranches for states that show robust support for such businesses.
  - $500 million for tribal governments.
  - $500 million to support small businesses with fewer than 10 employees.
- The department could set aside an additional $500 million for states to provide legal, accounting, and financial advisory services. It could also transfer the funds to the Commerce Department's Minority Business Development Agency to provide similar technical assistance.
- States that receive funding through the initiative would have to submit plans to increase participation by minority and community financial institutions and to help small businesses recover from the Covid-19 pandemic. They would also have to agree that the funds wouldn't be used to support predatory lending.
- The Treasury Department could establish a multistate participation program. Covered states could automatically approve small business entities that are already participating in a similar state's program.
- The department would have to complete all disbursements by Sept. 30, 2030. Any remaining amounts would be rescinded

Community Navigator Program

- The measure would provide $100 million for the SBA to establish a community navigator pilot program for small businesses.

- The agency would issue grants or enter into agreements with nonprofits, small business resource centers, states, territories, tribes, and localities. They would have to ensure the free delivery of assistance from community groups and financial institutions to help small businesses access SBA programs during Covid-19.
- The measure would provide an additional $75 million for the SBA to promote community navigator services to small businesses, including through its website, an advertising campaign, and a telephone hotline.
- The SBA's authority to issue grants would expire on Dec. 31, 2025.

Other SBA Funding

- $1.25 billion in additional funding for SBA grants to live venues and other cultural institutions under a program in the year-end relief package.
- $840 million in additional administrative funds for the SBA to carry out the Paycheck Protection Program and other initiatives to aid small businesses during Covid-19.
- $390 million to administer the SBA's disaster loan program and $70 million for the cost of additional loans.

HOUSING AID

Rental Assistance

- The reconciliation measure would provide $19.1 billion for rental assistance payments through the Treasury Department, building off the $25 billion in the year-end Covid-19 package.
- Funds would be allocated to states and to localities with at least 200,000 people. Each state plus the District of Columbia would receive at least $152 million. The measure also would set aside $305 million for several U.S. territories.
- The Treasury Department would have to ensure each grantee receives at least half of its allocation within 60 days of the measure's enactment.
- Grantees would have to use the funds to provide financial assistance to eligible households, including for rental and utility payments. Total assistance provided to a household under the measure and the year-end package couldn't cover more than 18 months.
- Households would qualify for rental assistance if they have:
    - At least one member who qualified for unemployment benefits, had their income reduced, or experienced other financial hardship due to Covid-19.
    - At least one member who can provide an eviction notice, evidence of unsafe living conditions, or other information to show they're at risk of homelessness or housing instability.
    - Household income that doesn't exceed 80% of the area median income.
- Funds provided to grantees under the measure would remain available through Sept. 30, 2025. The measure also would extend the use of rental assistance funds under the year-end package through Sept. 30, 2022.

Homeowner Assistance

- The measure would provide $9.96 billion to establish a Homeowner Assistance Fund at the Treasury Department.
- The department would allocate funds to states, territories, and tribes to prevent homeowner mortgage defaults, foreclosures, and displacements. Funds could be used to:
    - Reduce mortgage principal amounts.

    - Assist homeowners with mortgage, utilities, tax, and insurance payments.
    - Reimburse state and local governments for money spent since Jan. 21, 2020, to prevent housing losses due to Covid-19.
- Covered mortgages would include those with an unpaid principal balance at the time of origination that was less than a loan limit set by the Federal Housing Finance Agency.
- Each state, along with the District of Columbia and Puerto Rico, would receive at least $40 million. Additional amounts would be set aside for other U.S. territories and tribes.
- Funding recipients would have to set aside at least 60% of their allocation to assist homeowners who make less than 100% of the local or national median income, whichever is greater.

Emergency Housing

- The measure would provide $5 billion for emergency Section 8 Housing Choice Vouchers.
- The Housing and Urban Development Department would have to provide the vouchers through public housing agencies to individuals and families who are currently or recently homeless, and to those who are fleeing domestic violence, sexual assault, or human trafficking.
- Public housing agencies couldn't reissue the vouchers after Sept. 30, 2023.
- An additional $5 billion would be allocated to state and local governments to provide supportive services for homeless and other at-risk individuals. The funds could be used to:
    - Provide tenant-based rental assistance.
    - Develop affordable housing.
    - Offer services such as housing counseling and homelessness prevention.
    - Acquire non-congregate shelter units, such as hotel rooms, that could be converted to permanent housing.

Other Housing Funds

- $750 million to provide housing assistance and community development services through tribal grant programs.
- $100 million to support individuals living in rural Agriculture Department-subsidized properties who have experienced income loss but aren't receiving federal rental aid.
- $100 million for grants to housing counseling groups, including through NeighborWorks America.

TRANSPORTATION

Transit Aid

- The measure would provide $30 billion for grants to transit agencies, which could use the money for operating expenses including payroll costs and purchasing personal protective equipment.

Airport Assistance

- The bill would provide $8 billion in fiscal 2021 for airports, including airport concessions.
- Airports that receive funding would be required to retain at least 90% of personnel employed as of March 27, 2020, through Sept. 30.

- The Transportation Department could provide a waiver for the requirement if it determines that an airport is experiencing economic hardship or the requirement reduces aviation safety or security.

Aviation Manufacturers Payroll Support

- The measure would provide $3 billion to create a payroll support program for aviation manufacturers.
- The measure would allow a 50% federal cost-share to cover wages and benefits for eligible employees for a maximum of six months. Employers would cover the other 50% and would have to maintain compensation at their April 1, 2020, levels. It would apply to a maximum of 25% of employees earning less than $200,000 a year. Employers couldn't use funds to provide backpay for returning rehired or recalled employees.
- Eligible employers would be required to demonstrate that they have involuntarily furloughed or laid off at least 10% of their workforce or experienced a 15% decrease in revenue in 2020 compared to 2019. They also would have to agree not to conduct layoffs or reduce pay for eligible employees until Sept. 30. Employers receiving other pandemic assistance, such as through the Payroll Protection Program, wouldn't be eligible.

Airline Payroll Support

- The measure includes $15 billion for the airline industry, building on previous tranches of support.
- The CARES Act included $32 billion for the Treasury Department to provide financial assistance to the aviation workforce: as much as $25 billion for passenger airlines, $4 billion for cargo airlines, and $3 billion for catering and ground support contractors. Payments reflected employee payroll expenses from April 1, 2019, through Sept. 30, 2019.
- The year-end relief package directed the department to provide as much as $15 billion in additional funds for airlines and $1 billion for contractors to cover payroll expenses.
- The reconciliation measure would provide another $14 billion for airlines and $1 billion for contractors to extend the Payroll Support Program. The department would have to make initial requested payments within 10 days of enactment.
- Participating airlines and contractors couldn't lay off workers until Sept. 30. They'd also have to continue complying with restrictions on stock buybacks, dividend payments, and executive pay.

Rail Funding

- The measure would provide $1.5 billion for Amtrak in fiscal 2021, including funds to restore the frequency of long-distance routes.

EDUCATION

- The measure would provide $128.6 billion for grants to states to support local educational agencies in addressing learning loss.
- Funds could be used for summer learning or extended-day or extended-year programs, as well as to provide equitable services in private schools. States that receive the grants couldn't reduce their spending levels on education as a proportion of their budgets during fiscal 2022 or 2023, compared with the average level from fiscal 2017 through 2019. Similar restrictions would apply to spending reductions in high-poverty school districts.

- It also would provide $39.6 billion for emergency financial aid grants at higher education institutions, including postsecondary vocational programs. Funding would be used to monitor and suppress the coronavirus and for outreach to financial aid applicants regarding potential adjustments related to the pandemic.
- The Education Department would also receive:
  - $850 million for support to outlying U.S. territories.
  - $850 million for support to schools funded or operated by the Bureau of Indian Education and for tribal colleges and universities.
  - $100 million for research on addressing learning loss related to the pandemic.
- Outside of the Education Department, the measure would provide:
  - $200 million to the Institute of Museum and Library Services for library improvements.
  - $135 million for grants through the National Endowment for the Arts.
  - $135 million for grants through the National Endowment for the Humanities.
- The measure would also modify the "90/10" rule, under which for-profit institutions that obtain more than 90% of their revenue from federal student aid become ineligible for federal support. It would expand the rule to include additional programs, including veterans' benefits. The provision would reduce the cost of the bill by $124 million, according to CBO.

VETERANS AFFAIRS

The measure would provide $17 billion to the Veterans Affairs Department, including:

- $13.5 billion for health care, which would include as much as $4 billion for the Veterans Community Care program.
- $750 million for State Veterans Homes.
- $272 million for claims and appeals processing.
- $100 million for supply chain modernization initiatives.

Copayments and Cost Sharing

- The measure would provide $2 billion for the VA to waive health insurance copayments and other cost-sharing expenses incurred by veterans from April 6, 2020, when the department first paused medical billing, through Sept. 30, 2021.
- The VA would be directed to reimburse veterans for copayments made during that period.

Job Training

- The measure would also provide $386 million to create a rapid retraining program for veterans who are unemployed because of the pandemic and who haven't received VA educational assistance or unemployment payments.
- The program would provide no more than 12 months of assistance for eligible veterans to receive training for high-demand jobs or in high-technology programs. The program would be limited to 17,250 veterans and would end after 21 months.
- The VA would provide monthly benefit payments directly to eligible programs and a monthly housing stipend to veterans. Programs would receive 50% of funding when the veteran starts, 25% when they complete the program, and 25% when they find a job.
- The VA would also have to contract with a nonprofit organization to facilitate employment for participants.

TAX PROVISIONS

Direct Payments

- The bill would provide another round of direct payments of as much as $1,400 for an individual, $2,800 for joint filers, and $1,400 for each qualifying dependent.
- The payments would begin to phase out for individuals with adjusted gross incomes of $75,000 and would be zero for AGIs of $100,000 or more. Those amounts would be doubled for joint filers.
- Dependents would include full-time students younger than 24 and adult dependents. Individuals who died before Jan. 1, 2021, wouldn't be eligible for the payments.
- Payments would be based on 2019 or 2020 tax returns. The Treasury Department could provide payments to individuals who haven't filed based on return information available to the department.
- It would direct the Treasury Department to pay U.S. territories to cover the costs of providing the payments.

Earned Income Tax Credit

- The measure would expand the earned income tax credit for taxpayers without children for 2021 by increasing the credit percentage and phase out thresholds. That would result in a maximum credit of $1,502, from $543, according to a summary from the House Ways and Means Committee.
- It also would allow taxpayers ages 19 and older without children to qualify, eliminating the 25 to 64 age range for the year. Individuals who are homeless or were in foster care could claim the credit beginning at age 18, and full-time students could claim it beginning at age 24.
- Other changes to the EITC that would apply beginning in 2021 include:
  - Eliminating a rule that bars individuals who have children without Social Security numbers from claiming the childless EITC.
  - Allowing individuals who are separated from their spouses to claim the EITC on a separate return if they live with their child for more than half of the year.
  - Increasing the limitation on the EITC for individuals with a certain amount of investment income to $10,000, from $3,650 in 2021, and adjusted for inflation.
- The measure would direct the Treasury Department to make payments to U.S. territories for their EITC costs. The department would match up to three times the cost of the EITC in Puerto Rico if it increases its current credit.

Child Tax Credit

- The measure would expand the child tax credit, which provides a credit of as much as $2,000 for each child younger than 17, for 2021.
- The bill's changes to the CTC would include:
  - Making it fully refundable, meaning the entire credit could be provided as a refund if it exceeds an individual's income tax liability, instead of partially refundable under current law.
  - Increasing the maximum credit to $3,600 for each child younger than 6 and $3,000 for other children.
  - Allowing it to be claimed for 17-year-olds.
- The increased credit amount would be phased out beginning at an adjusted gross income level of $75,000 for individuals and $150,000 for joint filers. Once the credit reaches $2,000, the current law phase-outs levels, $200,000 for individuals and $400,000 for joint filers, would apply.

- The Treasury Department would have to establish a program to advance CTC payments on a monthly basis beginning on July 1, to the extent feasible. The advanced payments would be for half of the credit amount and the other half would be claimed on 2021 tax returns, according to a summary from the House Ways and Means Committee. The department would be directed to establish an online portal to allow individuals to opt-out of receiving the advanced payments.
- The department would also have to make payments to U.S. territories to cover their CTC costs, except for Puerto Rico, whose residents would file directly with the IRS.

Dependent Care

- The bill would temporarily increase the value of the child and dependent care tax credit, which covers 35% of care expenses of as much as $3,000 for one dependent or $6,000 for two or more dependents.
- The measure would, during 2021:
    - Make the credit refundable.
    - Increase the maximum allowable expenses to $8,000 for one dependent and $16,000 for two or more.
    - Allow the credit to cover 50% of expenses.
    - Begin phasing out the credit at $125,000, instead of $15,000.
- The measure would also exclude as much as $10,500 in employer-provided dependent care from tax in 2021, instead of as much as $5,000.

Employee Retention Credit

- The measure would extend through Dec. 31 an employee retention credit established by the CARES Act.
- Employers would receive refundable credits against the Medicare payroll tax beginning July 1.

Paid Leave Credits

- The bill would extend through Sept. 30 tax credits for employer-provided paid sick and family leave, which were established under the Families First Coronavirus Response Act.
- The credits would be taken against the Medicare payroll tax after March 31. The value of the credits would be increased to match the employer's share of Medicare and Social Security taxes on qualifying wages.
- The measure also would:
    - Increase the wages covered by the paid family leave credit to $12,000 per worker, from $10,000.
    - Cover 60 days of paid leave for self-employed individuals instead of 50.
    - Expand the paid family leave credit to cover a Covid-19 diagnosis or caregiving for a quarantined individual.
    - Expand the paid leave credits to cover Covid-19 vaccinations.
    - Allow government entities that are tax-exempt organizations to claim the credits.
    - Bar employers from receiving credits if their paid leave favors highly compensated employees, full-time workers, or employees based on tenure.

Corporate Interest Expenses

- The measure would eliminate the ability of companies to allocate interest expenses on a worldwide basis beginning in 2021. The election allows corporations to claim additional foreign tax credits against their U.S. tax liability, according to a Congressional Budget Office estimate.

Small Business Grants Exclusion

- Advance funds provided through the Small Business Administration's Economic Injury Disaster Loan program and restaurant grants created by the bill would be excluded from gross income for tax purposes.

LABOR PROVISIONS

Minimum Wage Increases

- The federal minimum wage would be increased to $15 an hour from $7.25 by 2025, starting with an increase to at least $9.50 in 2021.
- Beginning in the fifth year after the initial increase, the wage would be annually adjusted to reflect any increases in the median hourly wage for all workers, as determined by the Bureau of Labor Statistics. The bill would stipulate that the minimum wage couldn't decrease.
- The measure also would effectively eliminate subminimum wages by increasing them until they equal the federal rate. The alternate rates would match the federal rate as follows, according to a summary from the House Education and Labor Committee:
    - 2025 for alternative rates paid to disabled workers.
    - 2027 for the base rate, currently $2.13, for tipped workers.
    - 2027 for workers younger than 20.
- The bill would end the certificate process that employers use to provide subminimum wages to workers with disabilities. Existing certificate holders could continue to use their subminimum wage certificates for five years after the measure takes effect.
- The change to the minimum wage would increase the deficit by $54.1 billion from fiscal 2021 through 2031, according to CBO. The budget window for the budget resolution runs through fiscal 2030.

Unemployment Extensions

- The measure would modify and extend several pandemic-related unemployment benefits created under the CARES Act and extended under the year-end spending and aid package.
- It would increase to $400 per week, from $300, the Federal Pandemic Unemployment Compensation. The extra payments would apply to weeks of unemployment after March 14 and through Aug. 29.
- The bill would extend through Aug. 29 other CARES Act jobless benefits slated to expire on March 14, with changes that would include:
    - Increasing the duration of Pandemic Unemployment Assistance (PUA) benefits to as long as 74 weeks, from 50 weeks, for individuals who don't qualify for regular benefits.
    - Extending to 48 weeks, from 24 weeks, benefits for those who've exhausted regular benefits under the Pandemic Emergency Unemployment Compensation program.
- It also would extend through Aug. 29:
    - Federal payments to nonprofits and government agencies for 75%, increased from 50%, of the costs of providing unemployment benefits.
    - Interest-free federal loans for state unemployment trust funds.
    - Full federal funding to qualifying states for the Extended Benefit and work-sharing programs.

    - Full, instead of partial, federal funding for states to provide regular unemployment benefits without a waiting period.
- The measure would provide $2 billion for the Labor Department to address fraud and access to unemployment benefits. Funds could be used to provide grants to states and territories to develop tools for identity verification and fraud detection and to accelerate claims processing.
- It would exclude the additional $100 weekly jobless benefit for self-employed individuals who weren't eligible for PUA benefits, created under Public Law 116-260, from income for eligibility purposes under Medicaid and the Children's Health Insurance Program.
- The bill would extend similar additional unemployment benefits for railroad workers and increase their extra payments to $800, from $600, among other changes.
- It also would include about $28 million for the Railroad Retirement Board to respond to the pandemic, most of which would support information technology improvements.

Workplace Safety

- The measure would provide $150 million for the Labor Department to carry out worker protection activities related to the Covid-19 pandemic.
- Of that amount, at least $75 million would be allocated to the Occupational Safety and Health Administration (OSHA). Funding would support OSHA enforcement in high-risk sectors, such as meat processing and health care, and the Susan Harwood grant program, which promotes workplace safety in higher education institutions and nonprofit organizations.

Federal Employee Leave

- The measure would provide $570 million for an Emergency Federal Employee Leave Fund to be administered by the Office of Personnel Management.
- The fund could be used to reimburse federal agencies for emergency leave taken by civilian employees and postal workers who are:
    - Subject to quarantine or isolation due to Covid-19 or caring for someone else under quarantine.
    - Experiencing Covid-19 symptoms and seeking a diagnosis.
    - Looking after children during virtual classes or when child care providers are unavailable.
    - Caring for family members with mental or physical disabilities while their place of care is closed.
    - Obtaining Covid-19 immunization or recovering from a related condition.
- Paid leave under the measure couldn't exceed 600 hours per employee and would have to be used by Sept. 30. The measure would cover some District of Columbia employees and exclude military personnel.

Other Labor Provisions

- The bill would establish a presumption that a Covid-19 diagnosis is work-related and would authorize eligibility for lost wages, medical benefits, and survivor benefits for federal and postal employees as well as maritime workers under the Longshore and Harbor Workers' Compensation Act. It would cover employees who worked and contracted Covid-19 during a three-year period starting Jan. 27, 2023, including federal workers who had engaged with patients or members of the public.
- Employers and insurers would be reimbursed for any compensation paid to maritime workers if they're in compliance with coronavirus safety and health guidelines and standards, including those issued by OSHA or a state OSHA plan.

- The bill would provide “such funds as may be necessary” through Sept. 30, 2030, to cover the costs of reimbursements.

HEALTH CARE

Medicaid Expansion

- **Covid-19 Coverage:** Covid-19 vaccines and treatments would be covered until a year after the pandemic ends at no cost to beneficiaries under Medicaid and the Children’s Health Insurance Program. The federal medical assistance percentage (FMAP) would be increased to 100% for vaccine costs during that period.
    - Vaccines and treatment would also be covered for the uninsured. Outpatient drugs used for Covid-19 treatment would be included in the Medicaid Drug Rebate Program.
- **Coverage Expansions:** The measure would increase a state’s FMAP by 5 percentage points for two years if it expands Medicaid to cover the newly eligible adult population under the Affordable Care Act. The provision is intended to encourage the 12 states that haven’t expanded the program to do so.
    - The measure, for five years, would allow:
        - Postpartum women to receive full Medicaid benefits for a year after giving birth.
        - Incarcerated individuals to receive Medicaid coverage for 30 days before they are released.
    - It also would increase the FMAP for various services, including:
        - Providing an 85% FMAP for the first three years of covering mobile crisis intervention services for mental health or substance use disorders, which would expire after five years.
        - Providing a 100% FMAP for two years for services received through an Urban Indian Organization or Native Hawaiian Health Center.
        - Increasing a state’s FMAP by 7.35 percentage points for home and community-based services for one year.
- **Drug Rebates:** The measure would end, in 2023, a cap on the rebate that drug companies provide to Medicaid, which is currently limited to 100% of the average manufacturer price. Once that cap is reached, drug makers can raise their prices without increasing the net rebates that must be paid.

Health-Care Funding

- Funding for the Health and Human Services Department to respond to the pandemic would include:
    - $46 billion for testing and tracing activities.
    - $8.5 billion for vaccine activities at the Centers for Disease Control and Prevention.
    - $7.66 billion to expand the public health workforce, including grants to state, local, and territorial health departments.
    - $7.6 billion for community health centers.
    - $6.09 billion for tribal health programs.
    - $5.2 billion to support manufacturing and purchasing vaccines.
    - $3.5 billion for block grant programs under the Substance Abuse and Mental Health Services Administration.

- $1.8 billion for testing and mitigation activities in congregate settings, such as prisons, long-term care facilities, and residential treatment facilities.
- $1.75 billion for genomic sequencing and surveillance.

- The measure also would provide $250 million for “strike teams” to assist skilled nursing facilities and $200 million for infection control support at those facilities.

ACA Tax Credits

- The measure would expand the Affordable Care Act’s premium tax credits for health insurance purchased through an exchange.
- The law provides refundable credits for households with income that’s 100% to 400% of the federal poverty level (FPL). The law caps premium costs based on a percentage of income, and the credit covers any amount above that cap up to the cost of a “benchmark” plan.
- For 2021 and 2022, the bill would eliminate premiums for individuals at 150% of the FPL or less, and reduce premiums for all other households. It also would make households above 400% of the FPL eligible, with a premium cap of 8.5% of income. The premium caps currently range from about 2% to 9.8%, and are adjusted annually for inflation.
- The measure would also allow taxpayers who receive unemployment compensation in 2021 to be eligible for the credit without any premiums, by disregarding any income above 133% of the FPL.
- The measure also wouldn’t allow excess premium credits to be recaptured in 2020.

COBRA Coverage

- The measure would subsidize 85% of premiums for individuals eligible for COBRA continuation coverage if they lose their job.
- The premium assistance under the measure would be available through Sept. 30 for individuals who were involuntarily separated from their jobs or had their hours reduced. It wouldn’t be available once an individual becomes eligible for coverage under another group health plan or Medicare.
- The employee would pay 15% of the premium and the employer or health plan could claim a refundable tax credit against its Medicare payroll tax liability for paying the remaining amount.

TANF Funding

- The measure would provide $1 billion for a Pandemic Emergency Assistance Fund under the Temporary Assistance for Needy Families (TANF) program.
- The bulk of the funding would be allotted to states and Washington, D.C., based on the number of children in the state and its spending for assistance in 2019. States could use a maximum of 15% of funding for administrative purposes.
- The remaining 7.5% would be allotted to territories and American Indian tribes. Funding would be exempt from the cap on total TANF payments to the territories.

Child Care

- The measure would provide about $24 billion for grants to child care providers to use for payroll, rent, personal protective equipment, mental health support, and other needs. They would have to provide tuition relief to families and couldn’t furlough or reduce pay for employees.
- The Child Care and Development Block Grant, a discretionary program that subsidizes child care for low-income families, would receive $15 billion. The bill would allow funds to be used for essential workers regardless of income.

- Funding for the Child Care Entitlement to States, a mandatory program that subsidizes child care for low-income families, would be increased to $3.55 billion per year, from $2.92 billion.
- Head Start, which supports preschool for low-income children, would receive an additional $1 billion.

Defense Production Act
- The measure would provide $10 billion to use the Defense Production Act to purchase, produce, and distribute medical supplies and equipment related to Covid-19. That would include tests, face masks, personal protective equipment, and drugs and vaccines to treat or prevent Covid-19.
- Under the DPA, the president can require manufacturers to prioritize contracts related to national defense and other emergencies. It also authorizes the president to allocate scarce goods and provide incentives such as loans and contracts to help expand production.

Other HHS Programs
- $4.5 billion for the Low-Income Home Energy Assistance Program.
- $1.44 billion for programs under the Older Americans Act, including $750 million for nutrition programs.
- $852 million for the Corporation for National and Community Service, including $620 million for AmeriCorps.
- $450 million for programs under the Family Violence Prevention and Services Act, including $198 million for grants to support survivors of sexual assault.
- $425 million for programs under the Administration for Children and Families that provide direct services to children as needed for pandemic-related costs.
- $350 million for programs under the Child Abuse Prevention and Treatment Act
- $50 million for the Title X Family Planning program.

AGRICULTURE & NUTRITION

- The measure would extend a 15% increase to monthly benefits under the Supplemental Nutrition Assistance Program (SNAP) through Sept. 30. Created by the year-end spending and coronavirus response package, the increase is scheduled to lapse on June 30.
- The package also would provide $1.15 billion to states for SNAP administration, as well as $1 billion for grants for nutrition assistance programs in U.S. territories.
- The measure would provide $490 million to the Agriculture Department to increase the amount of the cash-value voucher provided under the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) to as much as $35 during the pandemic. Participating states could apply the increase for as long as four months after opting in. The increased authority for both states and the department would end on Sept. 30.
- The measure also would provide $390 million to increase participation in WIC through outreach and program modernization.
- It would direct the Agriculture Department to reimburse emergency shelters under the National School Lunch Program for meals provided to individuals younger than 25 who receive services there.
- It would extend the Pandemic Electronic Benefit Transfer (EBT) program, established by the Families First Coronavirus Response Act, through any school year or summer period following an academic year during a designated public health emergency. The program, which allows for food aid to be provided to families during school closures, had been

limited to fiscal 2020 and 2021 and to school year 2020-2021. It would also include Puerto Rico, American Samoa, and the Northern Mariana Islands in the program.

Other USDA Programs

- The measure would appropriate $4 billion to the Agriculture Department to purchase and distribute food and agricultural commodities and to make grants and loans to small and midsized food processors and distributors.
- From that total, the department would use:
    - $300 million for monitoring and surveillance of animals susceptible to Covid-19 transmission.
    - $100 million to reduce the amount of overtime meat, poultry, and egg inspection costs at small establishments.
- The measure would provide $500 million for an Agriculture Department emergency pilot grant program, supporting organizations providing Covid-19-related services in low-income rural areas.
- The package also would appropriate such sums as may be necessary for loan modifications and payments to address "longstanding and widespread discrimination against socially disadvantaged farmers and ranchers" in Agriculture Department programs.
- It would provide $1.01 billion for grants and loans to improve land access for socially disadvantaged farmers, ranchers, and forest landowners, as well as scholarships, outreach, financial training, and other technical assistance.
- The measure would also provide $800 million for Food for Peace grants.

PENSIONS PROVISIONS

Multiemployer Pensions

- The measure would establish a fund for the Pension Benefit Guaranty Corporation (PBGC) to provide financial assistance to struggling multiemployer pension plans. It would appropriate "such amounts as are necessary" from the general fund to cover the costs of the assistance, which plans wouldn't have to repay.
- The assistance would cover all benefits due from the bill's enactment through 2051, with generally no reduction to a beneficiary's accrued benefit.
- A plan would be eligible for assistance if it meets any of the following:
    - Is in critical and declining status, the most severe of several "zones" used to classify plans' financial distress, in any plan year beginning in 2020 through 2022.
    - Is certified to be in the critical zone in any of those years with additional markers of distress, such as the ratio of assets to liabilities and active to inactive participants.
    - Is insolvent and hasn't been terminated as of the bill's enactment.
    - Has been approved to suspend benefit payments as of enactment.
- Applications for assistance would have to be submitted by Dec. 31, 2025.
- The bill would also:
    - Allow plans to retain their 2019 funding zone designation for 2020 and 2021, with an exception for some plans that enter the critical zone in that period. Plans in endangered or critical status in 2020 or 2021 to extend their rehabilitation periods for an extra five years.
    - Permit plans to amortize investment and other losses incurred after Feb. 29, 2020, over 30 years instead of 15.

    - Set plan premiums at $52 per participant beginning in 2031. The rate would be adjusted using the national average wage index after that.

Pension Smoothing

- The measure would extend and modify "pension smoothing," which increases the interest rates used to calculate pension fund liabilities, allowing companies to contribute less money to pension plans in the short term. The contributions are tax deductible, so lower payments would increase taxable income and federal revenue.
- The tactic has been used to help pay for previous laws, including the 2015 Bipartisan Budget Act (Public Law 114-74), which imposed higher rates through 2021 that were phased down by 2023.
- The bill would extend the higher rates through 2026, after which they would phase down by 2030. The measure would also impose a 5% floor on the interest rates used in the calculation.

Other Pension Provisions

- The measure would set previous funding shortfalls in single-employer plans to zero and extend to 15 years, from seven, the amortization periods for shortfalls beginning in 2020. The measure would allow plan sponsors to apply the extended period for the 2019 plan year.
- The measure would freeze limits on defined benefit pension plans and defined contribution retirement plans beginning in 2031. The annual limits are currently adjusted for inflation. The provisions wouldn't apply to individual retirement accounts, plans for state and local governments and tax-exempt organizations, or union plans.

ADDITIONAL PROVISIONS

- **FEMA Disaster Relief**: The measure would provide $50 billion for the Federal Emergency Management Agency in fiscal 2021. Funding would remain available through September 30, 2025.
    - The funding could also be used to provide financial assistance for pandemic-related funeral expenses with a 100% federal cost share.
- **Economic Adjustment Assistance:** The measure would provide $3 billion for the Commerce Department's Economic Adjustment Assistance Program to assist states and territories with pandemic response efforts. The total amount allocated to eligible recipients would be determined using federal economic data sources, such as unemployment claims and gross domestic product, to measure levels of economic injury.
    - The measure would allocate 15% of the funds for communities with job losses in the tourism industry.
- **Broadband:** The measure would create an "Emergency Connectivity Fund" in the U.S. Treasury and appropriate $7.6 billion into it to cover the purchase of broadband service and devices by schools and libraries for use by students, staff, and patrons at other locations.
- **Consumer Protection:** The measure would provide $50 million for additional consumer product safety inspectors at U.S. ports of entry during the pandemic, with a particular focus on products related to Covid-19.
- **Water Assistance:** The package would provide $500 million for the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program created under the year-end spending deal.

- **EPA Programs:** The legislation includes $100 million for the Environmental Protection Agency, which would be split among grants to promote environmental justice and grants under the Clean Air Act.
- **GAO:** The Government Accountability Office would receive $77 million.
- **Oversight Committee:** The Pandemic Response Accountability Committee would receive $40 million to oversee the use of Covid-19 relief funds. The panel is part of the Council of the Inspectors General on Integrity and Efficiency and includes IGs and acting IGs from around the government.