SENATE RPC

Senator Roy Blunt, Chairman
March 10, 2021

H.R.1319 – AMERICAN RESCUE PLAN ACT OF 2021 – FINAL TEXT

KEY TAKEAWAYS

- The Senate passed the Democrats' nearly $2 trillion reconciliation bill on a party-line vote of 50-49 on March 6.
- The House passed the final version of the bill on March 10 by a vote of 220-211, with all Republicans and one Democrat voting against it.
- This paper summarizes the notable provisions of H.R.1319 as amended in the Senate and passed by both chambers.

The American Rescue Plan Act of 2021 was considered under the budget reconciliation process. The partisan fiscal year 2021 budget resolution included reconciliation instructions for 12 House committees and 11 Senate committees. The House committees reported legislation in February that was combined into the American Rescue Plan Act of 2021, H.R.1319. It passed the House on February 27 by a vote of 219-212. The reconciliation package bypassed Senate committees and went straight to the Senate floor. The legislation was amended on the floor and it passed the Senate on March 6 by a vote of 50-49. The House passed the Senate-passed version of the legislation on March 10 by a vote of 220-211 – all Republicans and one Democrat voted against it. The president is expected to sign the legislation on Friday.

SUMMARY OF FINAL TEXT OF H.R.1319

Title I – Committee on Agriculture, Nutrition, and Forestry

Subtitle A – Agriculture

$3.6 billion for the secretary of agriculture to purchase commodities to be disbursed to people in need and facilitate grants and loans to small and midsize food processors and distributors, as well as grants and loans to bolster supply chains.

Provides a payment to each "socially disadvantaged farmer or rancher" with an outstanding USDA farm loan, in an amount up to 120% of his or her outstanding indebtedness. CBO scores this at a cost of $4 billion.

Appropriates an additional $1 billion in further support for socially disadvantaged farmers and ranchers.

Appropriates $500 million to the secretary of agriculture to establish an emergency community facilities pilot program to provide grants for COVID-related needs.

Subtitle B – Nutrition

Extends the 15% increase in Supplemental Nutrition Assistance Program benefits provided under the Consolidated Appropriations Act, 2021 through fiscal year 2021, which CBO scores at a cost of $3.54 billion.

Expands and extends the Pandemic EBT program, which CBO scores with a cost of $5.6 billion.

$1 billion for nutrition grants to Puerto Rico, American Samoa, and the Northern Mariana Islands, and $1.2 billion for administration of the SNAP program by states.

Title II – Committee on Health, Education, Labor, and Pensions

Subtitle A – Education Matters

$122.8 billion more for K-12 schools through the CARES Act's elementary and secondary school emergency relief fund. The bill includes "maintenance of effort" and "maintenance of equity" funding requirements. It reserves $800 million of the K-12 funding for identifying and providing services to homeless children and youth, as well as providing assistance to enable them to attend school. It also requires local educational agencies to seek public comment and then put a plan for returning to in-person learning on their website within 30 days of receiving funds.

$2.8 billion for emergency assistance to non-public schools. The bill requires schools to "enroll a significant percentage of low-income students" and be most affected by the pandemic in order to be eligible. The money cannot be used to reimburse schools for expenses they have incurred.

$39.6 billion for institutions of higher education through the higher education emergency relief fund.

$850 million for the outlying areas.

Funding for other education programs, such as $91.1 million for student aid administration at the Department of Education and $35 million for Howard University.

$3 billion for grants and programs under the Individuals with Disabilities Education Act.

Changes the Higher Education Act's "90-10 rule," which requires proprietary institutions of higher education to get at least 10% of their revenue from sources beyond Title IV federal education aid. The bill broadens the rule to require that these schools receive at least 10% of their revenue from sources beyond all "federal education assistance funds." The term "federal education assistance funds" is not defined in the U.S. Code, but House Democrats' summary document says the provision is intended to include GI Bill education benefits, which are not under Title IV. The bill requires these changes to go

through negotiated rulemaking no sooner than October 1. The rulemaking will apply to schools' fiscal years beginning on or after January 1, 2023.

$135 million for the National Endowment for the Arts.

$135 million National Endowment for the Humanities.

$200 million for the Institute of Museum and Library Services.

Subtitle B – Labor Matters

$200 million for worker protection activities at the Department of Labor. At least half of this total is for the Occupational Safety and Health Administration. The bill reserves $5 million of the OSHA funds for COVID-related enforcement in high-risk workplaces such as meat and poultry processing facilities.

Subtitle C – Human Services and Community Supports

$15 billion in Child Care and Development Block Grant funding.

$24 billion for Child Care Stabilization grants.

$1 billion for Head Start agencies.

Provides $425 million to HHS to be used as the secretary determines for cost increases resulting from the pandemic to carry out programs under the Administration for Children and Families.

Subtitle D – Public Health

$7.5 billion for the Centers for Disease Control and Prevention for vaccine distribution.

$1 billion for CDC vaccine confidence activities, including vaccine education and increasing vaccination rates.

$5.6 billion for vaccine and treatment supply chain activities, including research, development, manufacturing, and purchasing of vaccines, treatments, and ancillary supplies.

$500 million for vaccine, treatment, and diagnostics activities at the FDA.

Subtitle E – Testing

$47.8 billion for coronavirus testing, contact tracing, surveillance, and mitigation of COVID-19.

$1.8 billion is provided to CDC for genome sequencing and surveillance to identify and characterize viruses.

$750 million for global health activities conducted through the CDC.

Subtitle F – Public Health Workforce

$7.7 billion to HHS for a new public health workforce, including contact tracers and community health workers.

Subtitle G – Public Health Investments

$7.6 billion to community health centers to distribute vaccines and to test and monitor coronavirus infections $50 million for the Title X family planning program

Subtitle H – Mental Health and Substance Use Disorder

$1.5 billion for community mental health block grant programs.

$1.5 billion for block grants for the Substance Abuse Prevention and Treatment.

Subtitle L – Assistance for Older Americans, Grandfamilies, and Kinship Families

Provides $1.4 billion to fund programs authorized through the Older Americans Act.

Title III – Committee on Banking, Housing, and Urban Affairs

Subtitle A – Defense Production Act of 1950

Provides $10 billion for Defense Production Act activities including purchase or production of COVID-related medical supplies and equipment under DPA Titles I, III, and VII authorities.

Subtitle B – Housing Provisions

Provides $21.6 billion to the Treasury, available through September 2027, for emergency assistance grants for rent, utilities, and other housing expenses by eligible households, including those that have COVID-related financial hardships or have someone who qualifies for unemployment. The bill reserves $2.5 billion of the total for high-need grantees. It allows grantees to use, subject to certain restrictions, any funds unobligated after September 2022 for other affordable housing purposes, to be defined by Treasury. This is in addition to the $25 billion Congress provided for rental assistance in December in the Consolidated Appropriations Act, 2021.

$5 billion to the Department of Housing and Urban Development, available through September 2030, to provide emergency rental assistance vouchers to people who are homeless, at risk of homelessness, or fleeing domestic violence or human trafficking.

$100 million, available through September 2022, to support unassisted households living in USDA-subsidized properties.

$100 million, available through September 2025, for the Neighborhood Reinvestment Corporation to make grants to organizations it approves for activities including housing counseling, operational funding of grantees, and technology upgrades.

$5 billion, generally available through September 2025, to state and local government grantees for homelessness assistance, including financing support, housing counseling, and acquiring non-congregate shelters such as hotels.

$10 billion to the Treasury, available through September 2025, for a new homeowner assistance fund, through which states and other grantees could use the funds to assist people with paying for things such as mortgages, utilities, and homeowner's insurance.

$39 million for other homeowner assistance funding for section 502 and 504 loans at the USDA.

$20 million to HUD to fund legal aid, fair housing, and other eligible nonprofit organizations promoting fair housing initiatives program activities.

Subtitle C – Small Business

Provides $10 billion to the Treasury to restart the Obama-era State Small Business Credit Initiative, which provides funding to states to use for state programs that lend to or invest in small businesses.

Subtitle D – Public Transportation

$30.5 billion for the Federal Transit Administration grants.

Title IV – Committee on Homeland Security and Governmental Affairs

$50 billion for the Disaster Relief Fund under the Federal Emergency Management Agency.

$400 million to the FEMA emergency food and shelter program.

$110 million for FEMA assistance at the border. This departs from FEMA's traditional mission by using the agency to help process migrants at the border.

$300 million for fire-related grants given out by the Department of Homeland Security.

$100 million for FEMA emergency management performance grants.

$650 million to the Cybersecurity and Infrastructure Security Agency for cybersecurity risk mitigation.

$200 million to the U.S. Digital Service.

$1 billion to the Technology Modernization Fund.

$150 million to the General Services Administration for the Federal Citizen Services Fund.

Creates a $570 million Emergency Federal Employee Leave Fund.

Extends the expiration date for agencies to modify contract terms and conditions without consideration from September 30, 2020, to September 30, 2021. Agencies were authorized to make those payments by section 3610 of the CARES Act of 2020. The authority applies only to contractors whose employees or subcontractors cannot perform work due to COVID-19.

Title V – Committee on Small Business and Entrepreneurship

Provides $7.3 billion for the Paycheck Protection Program.

Expands program eligibility to a number of non-profits, as well as certain internet publishing organizations. Does not allow individual Planned Parenthood locations to be eligible for PPP. Does not allow larger non-profits, like labor unions to qualify for PPP.

Provides $15 billion for the Targeted Economic Injury Disaster Loan program and sets aside $5 billion for entities with 50% or more revenue disruption and with 10 or fewer employees.

Establishes a program to assist restaurants and other food and drinking establishments and provides $28.6 billion for it.

Provides $1.3 billion for the SBA Shuttered Venue Operators Grant Program.

$175 million for a new community navigators program.

Title VI – Committee on Environment and Public Works

$3 billion for the Economic Development Administration to facilitate economic adjustment assistance for pandemic response and preparedness.

$100 million for the Environmental Protection Agency to respond to health disparities stemming from pollution and the pandemic.

$105 million for the U.S. Fish and Wildlife Service: $20 million to address wildlife trafficking; $30 million for efforts pertaining to care of species including in facilities that lost revenue during COVID; $45 million for research to avoid and mitigate future pandemics stemming from wildlife disease outbreaks; and $10 million to implement the Lacey Act.

Title VII – Committee on Commerce, Science, and Transportation

Subtitle A – Transportation and Infrastructure

$1.7 billion for Amtrak.

$8 billion for airports, including $800 million to aid airport concessionaires.

$9 million for FAA employee leave fund.

$13 million for Transportation Security Administration employee leave fund.

Subtitle B – Aviation Manufacturing Jobs Protection

$3 billion to provide relief for aviation manufacturing businesses.

Subtitle C – Airlines

$15 billion to extend payroll support provisions for aviation sector employees, including $14 billion for passenger airlines and $1 billion for contractors.

Subtitle D – Consumer Protection and Commerce Oversight

Establishes a $7.6 billion Emergency Connectivity Fund at the Federal Communications Commission to provide funding for eligible schools and libraries to offer connected devices, internet service, hotspots, etc. to students and teachers to connect to the internet at home.

Subtitle E – Science and Technology

$150 million for the National Institute of Standards and Technology to support COVID-related research at existing Manufacturing USA institutes.

$600 million for the National Science Foundation to fund new and existing research grants aimed at supporting COVID-related impacts and response efforts.

Title VIII – Committee on Veterans' Affairs

$14.5 billion for VA medical services.

$100 million for supply chain modernization efforts.

$500 million for VA for State Veterans Homes construction funds.

$250 million in emergency payments for State Veterans Homes operations.

$386 million for the VA rapid retraining program.

Waives copayment requirements until September 30, 2021, which CBO scores at $1 billion.

Title IX – Committee on Finance

Subtitle A – Crisis Support for Unemployed Workers

Extends the "pandemic unemployment assistance" program – for independent contractors, the self-employed, and other workers who normally do not qualify for regular state benefits – to September 6.

Extends the "federal pandemic unemployment compensation" program to September 6 at the current level of $300 per week.

Extends the "mixed-earner supplemental benefit" – for people with at least $5,000 of self-employment income who do not qualify for PUA because they also have wage income that makes them qualify for some amount of regular state benefits – to September 6.

Extends the "pandemic emergency unemployment compensation" program to September 6. This is for people who have used up regular state benefits.

Adds a special rule for 2020 that the first $10,200 of unemployment compensation someone receives is not included as gross income for tax purposes. This applies for households with incomes under $150,000. Pays for this provision by extending, through 2026, section 461(l) of the tax code, which pertains to limits on excess business losses of noncorporate taxpayers.

$2 billion for a program administered by the Department of Labor to help states upgrade their unemployment insurance systems.

Subtitle C – Emergency Assistance to Children and Families

$1 billion for pandemic emergency assistance to provide nonrecurring short-term benefits to low-income families.

Subtitle D – Elder Justice and Support Guarantee

Provides $276 million in elder justice funding for fiscal years 2021 and 2022

Subtitle E – Support to Skilled Nursing Facilities in Response to COVID-19

Provides $200 million for infection-control support for skilled nursing facilities.

Subtitle F – Preserving Health Benefits for Workers

Provides additional federal assistance to people who have lost their jobs due to the coronavirus pandemic. Pays for the full premium of their COBRA continuation insurance until September 30.

Subtitle G – Promoting Economic Security

Tax code provisions for individuals, including additional "recovery rebates" and changes to the child tax credit, Earned Income Tax Credit, child and dependent care tax credit, and ACA marketplace subsidies. Includes COVID-related tax provisions for employers and self-employed people, including credits for paid sick and family leave and the employee retention credit.

2021 Recovery Rebates to Individuals

- Provides a $1,400 refundable tax credit to individuals with up to $75,000 in adjusted gross income (or AGI of $112,500 for heads of household and $150,000 for married couples filing jointly). For couples filing jointly, the credit is $2,800.
- The refundable tax credit will be paid out in advance like the Economic Impact Payments previously provided in the CARES Act and the Consolidated Appropriations Act, 2021.
- The credit will be phased out entirely for those with incomes above $80,000 (or $120,000 for heads of household and $160,000 for married couples filing jointly). The credit is reduced between $75,000 and 80,000 (or $112,500 and $120,000 for heads of household and $150,000 and $160,000 for married couples filing jointly).
- Provides $1,400 for both children and non-child dependents.

Child Tax Credit

- Increases the CTC amount to $3,000 per child for 2021, up from $2,000 under current law. For children under the age of six, the credit is increased to $3,600. The provision also broadens the definition of "qualifying child" to include children under 18 years old instead of 17.
- Phases out the additional credit amount – $1,000 per child six and over; $1600 per child under six – for joint filers with a modified adjusted gross income above $150,000 ($112,500 for head of household filers and $75,000 for other filers).
- Makes the CTC fully refundable in 2021. The CTC is currently only refundable up to $1,400 per qualifying child. With a refundable tax credit, taxpayers can generate a refund in excess of their income tax liability.
- Creates a new program at the IRS to make periodic advance payments of the CTC based on 2019 or 2020 tax return information, from July 2021 through December 2021. These payments would comprise half of the child tax credit for which the taxpayer is otherwise entitled for 2021, with the remaining half claimed on the 2021 tax return.
- Directs the IRS to establish an online portal to allow taxpayers to opt out of receiving advanced payments and provide information regarding changes in income, marital status, and number of qualifying children for purposes of CTC eligibility.
- JCT estimates that these changes would increase outlays by $88 billion and reduce revenues by $21 billion over the 2021-2030 period.

Earned Income Tax Credit

- For 2021, the bill expands eligibility requirements for the EITC for taxpayers without dependents, reducing the minimum age from 25 years old to 19 years old and increasing the upper age limit to include taxpayers over 64 years old. Special age provisions for students, qualified former foster youth, and qualified homeless youth are applicable.
- For 2021, the bill increases the maximum credit amount for taxpayers without dependents.
- The bill also makes several permanent changes to the EITC, including increasing the amount of investment income that would disqualify a taxpayer from receiving the credit.
- JCT estimates these changes would reduce revenues by $4 billion and increase outlays by $21 billion over the 2021-2030 period.

Premium Tax Credit

- Expands ACA subsidies for 2021 and 2022 to higher-income earners who currently do not qualify for ACA coverage. Allows households making above 400% of the federal poverty level eligible for a premium cap of 8.5%. These subsidies vary in generosity based on the eligibility income level.
- Waives the requirement for taxpayers to pay back excess advance premium tax credits to the IRS for the 2020 tax year. ACA marketplace enrollees receive APTCs, which are based on their annual income and lower the amount they pay monthly throughout the plan year.
- Increases the amount of premium tax credits for people receiving unemployment insurance benefits during 2021. This provision would take UI payments out of the calculation of eligibility for PTCs if their income was 133% of the federal poverty level or less.

Exempts student loan forgiveness in years 2021-2025 from federal income tax.

Subtitle H – Pensions

Provides taxpayer assistance for underfunded multiemployer pension plans. Under the bill, the Pension Benefit Guaranty Corporation would give grants, called "special financial assistance," to eligible MEP plans out of a newly established PBGC fund, which will be funded with money from the Treasury. Plans would have to apply by December 31, 2025, and the grants will cover projected benefits through 2051. Plans must meet one of several criteria, which include already having been approved by Treasury to reduce participant benefits or being in critical and declining status in any plan year from 2020 through 2022. The bill also increases MEP premiums to $52 per participant in 2031 and then indexes the rate to inflation. Under current law, CBO projects premium rates would increase from $31 in 2021 to $44 in 2031. CBO projects an average of 185 MEP plans will receive $86 billion in federally funded grants.

The bill makes changes that reduce employer funding requirements for single-employer pension plans. It includes a provision for community newspapers that allows them to contribute less to their pension plans and fund their plan shortfalls over a longer period of time.

Expands the limitation on deducting compensation for publicly traded companies' five most highly paid executives to include the next five highly compensated employees beginning in 2027.

Subtitle I – Child Care for Workers

Increases funding for the child care entitlement to states program to $3.6 billion per year.

Subtitle J – Medicaid

Requires Medicaid coverage for coronavirus vaccines and treatment with no cost sharing for beneficiaries. Vaccines are matched at 100% federal Medicaid matching rate for one year after the public health emergency.

Incentivizes Medicaid expansion by increasing states' base FMAP by five points for two years for states that expand their Medicaid programs. The FMAP increase would apply to states that expand their Medicaid program after this legislation is enacted.

Provides additional federal support for Medicaid home and community-based services. Increases the FMAP by 10 percentage points for expenditures for these services for the duration of the public health emergency.

Provides $250 million for "strike teams" to assist skilled nursing facilities with diagnosed or suspected coronavirus cases among residents and staff.

Subtitle K – Children's Health Insurance Program

Requires CHIP coverage for coronavirus vaccines and treatment with no cost sharing to the beneficiary. Vaccines are matched at 100% FMAP for one year after the public health emergency.

Subtitle L – Medicare

Allows ambulance providers to receive reimbursement for services delivered to Medicare beneficiaries during the coronavirus pandemic. Currently, Medicare does not cover ambulance providers when an enrollee is treated on-location. The provision would give the Centers for Medicare and Medicaid Services the authority to reimburse ambulance providers for care provided to beneficiaries even if the patient is not transported to a health care facility due to the coronavirus public health emergency protocols.

Subtitle M – Coronavirus State and Local Fiscal Recovery Funds

Provides $350 billion for states, localities, tribes, and territories.

$4.5 billion for territories – half equally divided and half based on population.

$20 billion for federally recognized tribes.

- $1 billion equally divided.
- $19 billion divided by the secretary of the treasury.

$195.3 billion for states and the District of Columbia.

- $25.5 billion divided equally among the states and D.C.
- $169.8 billion divided based on state's and D.C.'s share of total unemployed people in the country.
- Treats D.C. as if it were a state under the CARES Act.
- Gives the treasury secretary the authority to withhold payment of up to 50% of the amount allocated to each state and territory for up to a year, based on the unemployment rate in the state or territory. Before paying the remainder withheld funds, the secretary must require the state or territory to submit a second certification that the funds are needed and will be used in compliance with statutory limitations.

$130.2 billion for cities and counties.

- $65.1 billion for counties, divided based on population.
- $65.1 billion for cities, divided based on a modified CDBG formula.
    - $45.6 billion for cities with populations over 50,000.
    - $19.5 billion for cities with populations under 50,000.

Allows states and territories to use funds to provide premium pay to eligible workers of the state, territory, or tribal government who are performing "essential" work or provide grants to eligible employers that have eligible workers who perform essential work.

Adds "broadband infrastructure" to the list of permitted uses of state and local fiscal recovery funds.

Adds $10 billion for making payments to states, territories, and tribal governments to carry out critical capital projects directly enabling work, education, and health monitoring, including remote options, in response to COVID-19.

Final bill adds another $2 billion for counties and tribal governments.

- County payments will be allocated by the treasury secretary, "taking into account economic conditions of each eligible revenue sharing county, using measurements of poverty rates, household income, land values, and unemployment rates as well as other economic indicators, over the 20-year period ending with September 30, 2021."

- Tribal payments will be allocated by the treasury secretary, taking into account economic conditions of each eligible tribe.

Subtitle N – Other Provisions

Allocates $8.5 billion to rural hospitals and providers.

Title X – Committee on Foreign Relations

Global Response

$8.7 billion to prepare, prevent, and respond to coronavirus.

- $3.8 billion for HIV/AIDS programs to control coronavirus, with $3.5 billion of this going to the Global Fund to Fight AIDS, Tuberculosis, and Malaria.

- $3 billion to the U.S. Agency for International Development to address COVID-19 internationally.

Multilateral Assistance

$580 million to support the United Nations Global Humanitarian Response Plan for COVID-19.

Title XI – Committee on Indian Affairs

$900 million for Indian affairs, including $772.5 million for tribal government services and assistance, $100 million to support tribal housing, and $20 million to facilitate potable water.

$850 million for the Bureau of Indian Education.

$6.1 billion for tribal health programs.

$750 million, available through September 2025, for housing assistance and support services through Indian Community Development Block Grants, Native American Housing Block Grants, and Native Hawaiian Housing Block Grant programs.

$20 million for the preservation of Native American languages.

American Rescue Plan Act of 2021: Summary

The U.S. House of Representatives on March 10, 2021, passed the Senate-amended H.R. 1319, the American Rescue Plan (ARP). The ARP provides $1.9 trillion in additional relief to respond to the novel coronavirus (COVID-19). This follows the enactment of nearly $4 trillion in COVID relief in 2020. President Joe Biden called for Congress to enact the ARP to provide relief for individuals and business struggling due to COVID-19, as well as to achieve other priorities of the Biden Administration and Congress. ARP includes provisions on aid to state and local governments, hard-hit industries and communities, tax changes affecting individuals and business, and other provisions.

The latest COVID relief legislation was enacted as part of Congress' fiscal year (FY) 2021 budget, and includes provisions impacting a wide variety of stakeholders. The following chart highlights some noteworthy provisions.

	Key Provisions of American Rescue Plan

Agriculture	<u>Food supply chain and agriculture pandemic response</u>
	• Provides $4 billion for the U.S. Department of Agriculture (USDA) Secretary to:
	  ○ Purchase food and agricultural commodities
	  ○ Purchase and distribute agricultural commodities (including fresh produce, dairy, seafood, eggs and meat) to individuals in need
	  ○ Make grants and loans for small or midsized food processors or distributors, producers or other organizations to respond to COVID
	  ○ Make loans and grants to maintain and improve food and agricultural supply chain resiliency
	• Provides $300 million to monitor and survey susceptible animals for incidents of COVID
	• Provides $100 million to reduce the amount of overtime inspection costs of federally inspected small establishments and very small establishments engaged in meat processing
	
	<u>Emergency rural development grants for rural healthcare</u>
	• Provides $500 million to establish an emergency pilot program within 150 days after the enactment of ARP to increase capacity for vaccine distribution, purchase medical supplies, reimburse lost revenue, increase telehealth capabilities, construct temporary or permanent structures to provide healthcare services, support staffing needs for vaccine administration and testing, and engage in other efforts to support rural healthcare facilities in addressing COVID
	
	<u>Pandemic program administration funds</u>
	• Provides $47.5 million for necessary expenditures associated with carrying out the agriculture subtitle
	
	<u>Funding for the USDA Office of Inspector General for oversight of COVID-related programs</u>
	• Provides $2.5 million for audits, investigations and other oversight activities carried out with funds made available to the USDA related to the COVID pandemic
	
	<u>Farm loan assistance for socially disadvantaged farmers and ranchers</u>
	• Provides that the USDA Secretary shall provide a payment up to 120 percent of the outstanding indebtedness of each socially disadvantaged farmer or rancher as of Jan. 1, 2021, to pay off the loan directly or to the

	socially disadvantaged farmer or rancher for a direct farm loan or farm loan guaranteed by the Secretary
	
	<u>USDA assistance and support for socially disadvantaged farmers, ranchers, forest land owners and operators, and groups</u>
	• Provides $1.01 billion to provide assistance for socially disadvantaged farmers, ranches, forest land owners, operators and groups, including:
	  ○ not less than 5 percent to provide outreach, mediation, financial training, capacity building training, cooperative development training and support, and other technical assistance
	  ○ not less than 5 percent to provide grants and loans to improve land access for socially disadvantaged farmers, ranchers or forest landowners
	  ○ not less than 0.5 percent to support the activities of equity commissions
	  ○ not less than 5 percent to support research, education and extension, including scholarships and internships that provide pathways to federal employment
	  ○ not less than 5 percent to provide assistance to socially disadvantaged farmers, ranchers, or forest landowners who have suffered adverse actions, past discrimination or bias
	
	<u>Use of the Commodity Credit Corporation (CCC) for commodities and associated expenses</u>
	• Provides $800 million for the CCC to acquire and make available commodities under Section 406(b) of the Food for Peace Act

Nutrition Assistance	<u>Supplemental nutrition assistance program (SNAP)</u>
	• Extends the 15 percent increase in SNAP benefits through Sept. 30, 2021, to address the hunger crisis.
	• Provides $1.15 billion for SNAP. Of these funds:
	  ○ $15 million for the management and oversight of the program
	  ○ $1.135 billion to make grants to each state agency for fiscal years 2021-2023:
	  ▪ 75 percent of funds will be distributed based on the share of each state's households that participated in the program for the most recent 12-month period
	  ▪ 25 percent of funds will be distributed based on the increased number of households that participated in the program for the most recent 12-month period
	
	<u>Additional assistance for SNAP online purchasing and technology improvements</u>
	• Provides $25 million to make technological improvements to improve online purchasing, modernize electronic benefit transfer technology, support mobile technologies demonstration projects and provide technical assistance to educate retailers on the online acceptance of SNAP benefits
	
	<u>Additional funding for nutrition assistance programs</u>
	• Provides $1 billion in nutrition assistance for the Commonwealth of Northern Mariana Islands, Puerto Rico and American Samoa
	
	<u>Commodity supplemental food program</u>
	• Provides $37 million for the commodity distribution program to maintain the traditional levels of assistance for food assistance programs, including but not limited to, distribution to institutions (including hospitals and facilities caring for needy infants and children), supplemental feeding programs serving women, infants and children (WIC) or elderly persons, disaster areas, summer camps for children, the Trust Territory of the

	Pacific Islands and tribal organization requests for the distribution of federally donated foods pursuant to Section 4(b) of the Food and Nutrition Act of 2008 Improvements to WIC benefits • Provides $490 million to increase cash vouchers for any state agency that notifies the Secretary of the Department of Agriculture of the intent to use the increased amounts. The authority of a state agency to increase the amount of a cash-value voucher will terminate on Sept. 30, 2021 WIC program modernization • Provides $390 million to carry out outreach, innovation and program modernization efforts, including appropriate waivers and flexibility, to increase participate in and redemption of benefits under programs established under Section 17 of the Child Nutrition Act of 1966 Meals and supplements reimbursements for individuals who have not attained the age of 25 • Permits the Secretary of the Department of Agriculture to reimburse emergency shelter institutions for meals and supplements serving individuals who are under the age of 25 and are receiving assistance, including non-residential assistance, from the emergency shelter Pandemic Electronic Benefit Transfer (P-EBT) program • Amends Section 1101 of the Families First Coronavirus Response Act to permit a state agency to extend a state agency plan for 90 days for the purpose of operating a program during a covered summer period when the school lunch program under the Richard B. Russell National School Lunch Act or the school breakfast program under Section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773) and covered child care facilities are closed

Education	K-12 Education
	• Nearly $122 billion for the K-12 General Stabilization Fund
	• $2.6 billion for State Special Education Grants under the Individuals with Disabilities Education Act (IDEA), to be used in FY 2021.
	• $800 million to help children experiencing homelessness
	• Stipulations for use:
	  ○ States are required to sub-grant at least 90 percent of the Elementary and Secondary School Emergency Relief Fund (ESSERF) to school districts according to Title I of the Every Student Succeeds Act (ESSA) – this includes charter schools that are considered Local Educational Agencies (LEAs)
	  ○ Of these funds, State Educational Agencies (SEAs) need to reserve at least 5 percent and LEAs must reserve at least 20 percent to "address learning loss through the implementation of evidence-based interventions, such as summer learning or summer enrichment, extended day, comprehensive afterschool programs, or extended school year programs, and ensure that such interventions respond to students' academic, social, and emotional needs"
	  ○ States need to disseminate the funding within 60 days of receipt; within 30 days of getting the new relief funding, school districts have to publish "a plan for the safe return to in-person instruction" if they have not already done so

	Higher Education
	• $40 billion to colleges and universities through the Higher Education Emergency Relief Fund (HEERF), which will remain available through Sept. 30, 2023, including:
	  ○ $36 billion for public and nonprofit institutions of higher education
	  ▪ institutions are required to direct 50 percent of their funding to students in the form of emergency grants
	  ○ $3 billion for Historically Black Colleges and Universities (HBCUs), Tribal Colleges and Universities (TCUs) and other Minority Serving Institutions (MSIs)
	  ○ $198 million for institutions with the greatest pandemic-related needs

Child Care	Child Care
	• $40 billion for child care agencies and aid to providers affected by the pandemic:
	  ○ $15 billion of these funds will go to the Child Care and Development Block Grant (CCDBG) to subsidize child care for 875,000 children during the next year
	  ○ $24 billion is for child care stabilization funds to save and sustain nearly 449,000 child care programs, impacting 7.3 million children
	  ○ $1 billion for Head Start to ensure that programs can continue to provide vital services to children and families

Water and Utility Assistance	Funding for LIHEAP • Provides $4.5 billion for utility assistance through the Low Income Home Energy Assistance Program (LIHEAP) Funding for water assistance program • $500 million for water assistance grants to states "to assist low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for drinking water and wastewater services"; the states will provide the funds to" owners or operators of public water systems or treatment works to reduce arrearages of and rates charged to such households for such services"
Healthcare	**Public Health** Funding for COVID-19 vaccine activities at the Centers for Disease Control and Prevention (CDC) • Provides $7.5 billion to the CDC for activities to plan, distribute and track COVID-19 vaccines; these funds may also go to state, local, tribal and territorial public health departments for wraparound support for vaccine distribution and administration, and will be available until expended and will be distributed through existing CDC vehicles/cooperative agreements to the public health departments/officials in the 64 CDC jurisdictions • This section also provides additional supplemental funding to states, localities and territories within 21 days of enactment above and beyond similar funding provided in the FY 2021 regular appropriations bill based upon the difference between FY 2021 funding and the FY 2020 Public Health Emergency Preparedness grant formula funding Funding for Vaccine Confidence Activities • Provides $1 billion to the CDC to strengthen public understanding and confidence in COVID-19 vaccines to ultimately improve U.S. vaccination rates; the funds will be available until expended and will be distributed through existing CDC vehicles/cooperative agreements to the public health departments/officials in the 64 CDC jurisdictions

Funding for Supply Chain for COVID-19 Vaccines, Therapeutics and Medical Supplies

- Provides $6.05 billion for research, development, manufacturing, production and purchase of vaccines, therapeutics and ancillary medical products and supplies to respond to COVID; funding may apply not only to COVID-19 but also to any pandemic-capable disease, and will be available until expended and will likely be available through U.S. Department of Health and Human Services (HHS) contract vehicles/Broad Agency Announcements

Funding for COVID-19 Vaccine, Therapeutic and Device Activities at the FDA

- Provides $500 million to the U.S. Food and Drug Administration (FDA) to evaluate the continued effectiveness of FDA-regulated products approved to address COVID-19; funding also applies to expand continuous manufacturing abilities to ensure a robust supply chain of COVID-related products, and also may also be used to expand FDA facility inspections to accelerate the review of products delayed due to COVID

Reduced Cost-Sharing

- Ensures that individuals who received unemployment compensation in 2021 receive cost-sharing subsidies as those whose family income is no greater than 133 percent of the federal poverty line

Testing

Funding for COVID-19 Testing, Contact Tracing and Mitigation Activities

- Provides HHS with $47.8 billion to fund activities to respond to and mitigate the spread of COVID-19, and that may be used to:
  - implement a national COVID-19 testing strategy
  - provide technical assistance to state, local and territorial public health departments to detect, diagnose and trace COVID-19
  - support expanded COVID-19 testing and development, including through the acquisition of non-federally owned facilities to increase testing capacity
  - enhance IT resources for public health data sharing.
- The funds will be available until expended and will be distributed through existing CDC vehicles/cooperative agreements, including and especially the Epidemiology and Laboratory Capacity (ELC) Cooperative Agreement to the public health departments/officials in the 64 CDC jurisdictions

Funding for SARS-COV-2 Genomic Sequencing and Surveillance

- Provides HHS/CDC with $1.75 billion to expand and improve activities around the sequencing of COVID-19 and its variants; funding may also apply to local, state and territorial health departments to develop COVID variant mitigation strategies

Funding for Global Health

- Provides $750 million to HHS/CDC to combat COVID-19 and emerging infectious diseases globally

Funding for Data Modernization and Forecasting Center

- Provides $500 million to HHS/CDC for public health data surveillance and analytics infrastructure modernization

Public Health Workforce

Funding for Public Health Workforce

- Provides $7.66 billion to HHS to maintain and expand the U.S. public health workforce, including through grant support to public health departments to recruit and hire new public health workers and related administrative support as well as providing PPE and other supplies to new workers

Funding for Medical Reserve Corps

- Provides $100 million for the Medical Reserve Corps

Public Health Investments

Funding for community health centers and community care

- Provides $7.6 billion to HHS to be awarded for grants and cooperative agreements to community health centers and qualified Hawaiian entities for COVID-19 vaccine distribution, testing, contract tracing, equipment, staff, infrastructure, and community education and outreach

Funding for National Health Service Corps

- Provides $800 million to HHS for state loan repayment programs

Funding for Nurse Corps

- Provides $200 million to HHS for loan repayment programs

Funding for teaching health centers that operate graduate medical education

- Provides $330 million through FY 2023 to HHS for new graduate medical residency training programs, maintaining existing staff and expanding existing programs, establishing new or expanding existing primary care residency programs, funding a per resident increase of $10,000 and boosting the federal response to public health emergencies

Funding for family planning

- Provides $50 million to HHS for federal grants to assist in the establishment and operation of family planning and preventive health projects and services not including abortion services

Mental Health and Substance Use Disorder

Funding for block grants for community mental health services

- Provides $1.5 billion to HHS through FY 2025 for grants to states for providing community mental health services

Funding for block grants for prevention and treatment of substance abuse

- Provides $1.5 billion to HHS through FY 2025 for substance abuse prevention and treatment

Funding for mental health and substance use disorder training for healthcare professionals, paraprofessionals, and public safety officers

- Provides $80 million to HHS and the Health Resources and Services Administration (HRSA) for grants or contracts with qualifying entities in rural and underserved communities to train health professionals in evidence-informed strategies for reducing and addressing suicide, burnout, mental health conditions and substance use disorders among healthcare professionals

Funding for education and awareness campaign encouraging healthy work conditions and use of mental health and substance use disorder services by healthcare professionals

- Provides $20 million to HHS/CDC to carry out a national evidence-based education and awareness campaign directed at healthcare professionals and first responders by encouraging them to identify risk factors and seek support and treatment for their own mental health and substance use concerns

Funding for grants for healthcare providers to promote mental health among their health professional workforce

- Provides $40 million to HHS/HRSA for grants or contracts with healthcare entities, including provider trade associations and Federally Qualified Health Centers (FQHCs), to establish or expand protocols to promote mental health among healthcare providers, particularly in rural and underserved communities

Funding for community-based funding for local substance use disorder services

- Provides $30 million to HHS to support community-based overdose prevention programs, syringe services programs and other harm reduction services

Funding for community-based funding for local behavioral health needs

- Provides $50 million to HHS for grants to address increased community behavioral health needs worsened by the COVID-19 public health emergency to be used for care coordination, workforce training, surge capacity, integrating evidence-based care models, providing mental and behavioral health services via telehealth, and preventive and crisis intervention services

Funding for the National Child Traumatic Stress Network

- Provides $10 million to HHS in funding for the national child traumatic stress network

Funding for Project AWARE

- Provides $30 million to HHS for Project AWARE for advancing wellness and resiliency in education

Funding for youth suicide prevention

- Provides $20 million to HHS for grants for youth suicide and early prevention programs

Funding for behavioral health workforce education and training

- Provides $100 million to HHS for grants for mental and behavioral health education and training programs

Funding for pediatric mental health care access

- Provides $80 million to HHS for grants to promote behavioral health integration in pediatric primary care by supporting the development of new or improvement of existing statewide or regional pediatric mental health care telehealth access programs

Funding for expansion grants for certified community behavioral health clinics

- Provides $420 million to HHS for grants to Certified Community Behavioral Health Clinics

Exchange Grant Program

Establishing a grant program for ACA Exchange modernization

- Provides $20 million through FY 2022 to HHS to award grants to Affordable Care Act (ACA) Exchanges to modernize or update systems, programs or other technology

Medicaid

Mandatory coverage of COVID–19 vaccines and administration and treatment under Medicaid

- The bill builds on provisions in the Families First Coronavirus Response legislation that required Medicaid and Children's Health Insurance Program (CHIP) coverage of COVID-19 testing without cost-sharing to explicitly require Medicaid and CHIP coverage of COVID-19 vaccines, treatment including prescription drugs and treatment of conditions that complicate COVID-19 treatment, without the imposition of cost-sharing charges

Modifications to certain coverage under Medicaid for pregnant and postpartum women

- Full benefits would be available to women during pregnancy and throughout the 12-month postpartum period, or up to a year after the last day of her pregnancy, extending their coverage well beyond the current cutoff of 60 days; if a state selects this option for its Medicaid program, it must provide it under its CHIP program

State option to provide qualifying community-based mobile crisis intervention services

- The bill allows states to offer community-based mobile crisis intervention services for five years, with an 85 percent Federal Medical Assistance Percentage (FMAP)

Temporary increase in FMAP for medical assistance under state Medicaid plans that begin to expend amounts for certain mandatory individuals

- States that newly expand Medicaid would receive an additional 5 percentage point increase in their regular FMAP for two years, no matter when they newly expand – this increase would be in addition to the temporary 6.2 percentage point FMAP increases enacted as part of the Families First Coronavirus legislation available through the duration of the COVID-19 public health emergency; the 5-percentage point increase would not apply to other Medicaid spending that is not subject to the regular FMAP, such as administrative costs and Disproportionate Share Hospital (DSH) spending

Extension of 100 percent federal medical assistance percentage to Urban Indian Health Organizations and Native Hawaiian Health Care Systems

- For two years, the bill would temporarily apply the 100 percent FMAP available to Indian Health Service (IHS) providers furnishing care to Medicaid beneficiaries to include Urban Indian Health Programs and Native Hawaiian Health Care Systems services; such providers are grantees of the IHS and serve IHS-eligible patients on Medicaid, but they are not formally part of the IHS and, as a result, do not receive the 100 percent FMAP like other IHS providers

	Sunset of limit on maximum rebate amount for single-source drugs and innovator multiple source drugs • The bill delayed by one year, until 2024, the removal of the cap on Medicaid inflation rebates; Medicaid requires a minimum 23 percent rebate on brand drugs, and companies pay an additional inflation rebate when they raise prices faster than inflation – that inflationary rebate is currently capped at 100 percent of the Average Manufacturer Price (AMP) to avoid making drug companies pay rebates that are greater than the price of drugs Additional support for Medicaid home and community-based services during the COVID–19 emergency • States would have the option of receiving a 7.35 percentage point increase in their Medicaid matching rate for home and community-based services (subject to a 95 percent limit) for one year starting April 1, 2021; as a condition of the increase, states would be required to use this additional funding to expand and enhance home and community-based services in one or more enumerated ways, including increasing home and community-based reimbursement rates and providing payments to financially stressed providers Funding for state strike teams for resident and employee safety in nursing facilities • The bill appropriates $250 million to support state-based "strike" teams to help respond to COVID-19 in nursing homes **Medicare** Floor on the Medicare area wage index for hospitals in all-urban states • The bill restores an area wage index floor for hospitals in all-urban states starting Oct. 1, 2021, and directs the HHS Secretary to create a Medicare area wage index for hospitals in all-urban states to address a 2019 rule that imposed across-the-board cuts to increase pay for low-wage hospitals Secretarial authority to temporarily waive or modify application of certain Medicare requirements with respect to ambulance services furnished during certain emergency periods • The bill provides for Medicare reimbursement to ambulance providers even if the patients aren't transported to a healthcare facility; the authority would last the duration of the public health emergency Funding for Office of Inspector General • The bill provides $5 million to the HHS Office of Inspector General (OIG) for oversight activities with respect to the Provider Relief Fund
Defense Production Act	• Provides $10 billion to carry out the Defense Production Act for medical supplies and equipment such as testing, personal protective equipment (PPE) and vaccines.

Housing, Homelessness and Rental Assistance	Emergency rental assistance
	• Of the $27.4 billion provided for rental assistance, $21.55 billion will be funded through the Coronavirus Relief Fund (CRF) and administered by the U.S. Department of the Treasury:
	  ○ $305 million is set aside for territories
	  ○ $152 million is set aside for states
	  ○ $2.5 billion will be distributed to high-need communities and will be distributed based on the number of very low-income renter households paying more than 50 percent of income on rent or

living in substandard or overcrowded conditions, rental market costs and employment trends.
    - See State Estimates for Emergency Rental Assistance
- **Allocations**: The first 40 percent of funds must be paid to grantees within 60 days of enactment; when a grantee has obligated not less than 75 percent of funds already dispersed, the Treasury Secretary may provide additional disbursements of the grantee's allocation
- **Eligibility**: Under the bill, households are eligible for emergency rental assistance funds if one or more individuals: 1) has qualified for unemployment benefits or experienced a reduction in household income, incurred significant costs, or experienced other financial hardship during or due, directly or indirectly, to the pandemic; 2) can demonstrate a risk of experiencing homelessness or housing instability; and 3) has a household income below 80 percent of the Area Median Income (AMI)
    - States and localities must prioritize households below 50 percent of AMI or those who are unemployed and have been unemployed for 90 days; states and localities can provide additional prioritization of funds
- **Use of Funds**: The funds must be used to provide financial assistance, including back and forward rent and utility payments, and other housing expenses, and assistance can be provided for 18 months; not more than 10 percent of funds may be used to provide case management and other services intended to help keep households stably housed, and not more than 15 percent of funds paid to a state or local government can be used for administrative costs
- **Deadlines**: After March 31, 2022, the Treasury Secretary may recapture excess funds not obligated by a state or locality and reallocate and repay these dollars to eligible grantees who, at the time of such reallocation, have obligated at least 50 percent of the amount originally allocated and have met other criteria; funds not obligated may be used to provide affordable housing to very low-income households, so long as the grantee has obligated at least 75 percent of its total allocation, and funds provided under this bill are available until Sept. 30, 2025
    - The bill extends the deadline to spend the initial $25 billion tranche of funding provided by Congress in December 2020 from Dec. 31, 2021 to Sept. 30, 2022.

Emergency housing vouchers

- Provides $5 billion for housing vouchers with funds available through Sept. 30, 2030.
- **Use of Funds**: These funds must be used to provide and renew emergency vouchers, to cover administrative costs and to make adjustments for public housing agencies that would otherwise be required to terminate rental assistance due to a significant increase in voucher per-unit costs due to extraordinary circumstances
- **Eligibility**: Under the bill, households are eligible for emergency vouchers if they 1) are or are at risk of experiencing homelessness, 2) are fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault or human trafficking, or 3) are recently homeless and rental assistance will prevent the family's homelessness or having a high risk of housing instability
- **Allocations**: Public housing agencies will be notified of the number of vouchers allocated to them within 60 days, with vouchers to be distributed by a formula that includes capacity and ensures geographic diversity, and the Secretary may revoke and redistribute any unleased vouchers after a reasonable time; a public housing agency may not reissue any vouchers after Sept. 30, 2023, when assistance for the family assisted ends

Emergency assistance for rural housing

- Provides $100 million in rental assistance to assist rural households living in USDA-financed properties; funds are available until Sept. 30, 2022, and they may be used to cover back rent and ongoing rental assistance

Housing counseling

- $100 million for housing counseling through NeighborWorks America. Of the funds provided, not less than 40 percent must be provided to housing counseling organizations that 1) target minority and low-income homeowners, renters and individuals experiencing homelessness or 2) provide services in neighborhoods with high concentrations of minority and low-income homeowners, renters and individuals experiencing homelessness.

Homelessness assistance and supportive services program

- Provides $5 billion to provide rental assistance and supportive services, to develop affordable rental housing, to help acquire non-congregate shelter to be converted into permanent affordable housing or used as emergency shelter
- **Eligibility**: These funds must primarily benefit 1) individuals or households that are or are at risk of experiencing homelessness, 2) people who are fleeing or attempting to flee domestic violence, dating violence, stalking, sexual assault or human trafficking, 3) populations for whom supportive services would prevent the family's homelessness or having a high risk of housing instability, or 4) households with a veteran family member that meets one of these criteria
- **Allocations**: Funds will be allocated within 30 days of enactment using the HOME Investment Partnerships program formula; the bill waives statutory requirements, including a commitment deadline, matching requirements and set-aside for Community Housing Development Organizations (CHDOs).
    - See National Low Income Housing Coalition Estimated Allocations of Homeless Assistance Grants
- **Administrative Costs**: Up to 15 percent of the funds may be used to cover administrative costs; a grantee may receive up to an additional 5 percent of its allocation for operating costs for certain CHDOs and nonprofit organizations if the funds are used to build capacity

Homeowner Assistance Fund

- Provides $9.961 billion in funding to be distributed to states through the U.S. Department of the Treasury
- States can apply for the fund 45 days after enactment – reducing the likelihood that there will be implementing regulations; instead, Treasury will dictate terms through the contracts with the states
- Impacts existing pipeline of delinquencies – tolling date is Jan 21, 2020; expenses related to delinquencies prior to January 2020 are not eligible, but there is no requirement that the loan be performing as of January 2020 in order to avail themselves of support
- Eligible uses of the funds include: mortgage payments; principal reduction; interest rate reductions; funds to reinstate a mortgage after forbearance, delinquency or default; payment assistance for utilities, internet, property taxes, homeowners insurance, mortgage insurance, flood insurance, condo fees and homeowner association fees; and a catch-all for "any other assistance to promote housing stability"
- Unlike the Hardest Hit Fund, the money is not directly earmarked to state housing finance agencies (HFAs), but it is likely that states will rely on state HFAs to do principal write-downs and interest rate reduction refinance loans (IRRLs)

	• States can also use the money to reimburse themselves for their own programs that pre-date disbursement from the Treasury Department • States have to spend 60 percent of the funds on borrowers at or below the AMI • The maximum amount of support is the government-sponsored enterprise (GSE) conforming loan limit <u>Relief measures for Section 502 and 504 direct loan borrowers</u> • Provides $39 million to assist rural homeowners through USDA's Section 502 and Section 504 direct loan programs <u>Fair Housing Initiatives Program</u> • $20 million increase to the U.S. Department of Housing and Urban Development's (HUD) Fair Housing Initiatives Program (FHIP) to help identify government agencies that handle complaints of housing discrimination • Eligible grantees include state or local governments, qualified fair housing enforcement organizations with at least two years of experience, and other public or private nonprofit organizations representing individuals who have been victims of housing discrimination

Public Transportation	<u>Federal Transit Administration Grants</u>
	• $30.5 billion for transit
	  ○ $26.086 billion for Federal Transit Administration (FTA) Urbanized Area Formula Grants (Section 5307)
	  ▪ This amount, combined with CARES Act and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) grants, allows urbanized areas to receive 132 percent of their 2018 operating costs; for urbanized areas that received grants totaling 130 to 132 percent of operating costs from the CARES Act and CRRSAA, they receive an additional 10 percent of their 2018 operating costs
	  ○ $317 million for FTA Rural Area Formula Grants (Section 5311)
	  ○ $50 million for FTA Enhanced Mobility for Seniors and Individuals with Disabilities Grants (Section 5310)
	  ○ $100 million for non-urbanized intercity bus program recipients
	  ○ $25 million for Section 5307 planning grants to restore service
	• $2.21 billion for operating assistance grants to eligible recipients that require additional support for operations, personnel, cleaning, sanitization and debt payments costs incurred to maintain operations and avoid layoffs and furloughs due to COVID-19, with grants to be evaluated by the FTA based on the level of financial need demonstrated; the FTA is required to issue a Notice of Funding Opportunity (NOFO) for these grants within 180 days after the bill is signed into law
	• $1.675 billion for Capital Investment Grants (CIG)
	  ○ $1.425 billion for New Start and Core Capacity projects:
	  ▪ $1.25 billion for CIG project sponsors that have an existing Full Funding Grant Agreement (FFGA) and have received a FY 2019 or FY 2020 CIG allocation.
	  ▪ $175 million to CIG projects with an existing FFGA that received a CIG allocation prior to FY 2019
	  ○ $250 million for Small Start projects that are a recipient of a CIG allocation or an applicant in the project development phase

Disaster Relief	<u>Emergency Federal Employee Leave Fund</u> • Provides $570 million to establish a fund, the Emergency Federal Employee Leave Fund, to be administered by the Office of Personnel Management (OPM) to remain available through Sept. 30, 2022; funds may be used for reimbursement to an agency or for paid leave by any employee who is unable to work due to quarantine or isolation related to COVID-19, including caring for family members or dependents, and paid leave may not exceed 600 hours for each full-time employee <u>Pandemic Response Accountability Committee funding availability</u> • Provides $40 million to support oversight of the coronavirus response via the Pandemic Response Accountability Committee <u>Funding for the White House</u> • Provides $12.8 million for the White House to prevent, prepare for and respond to the coronavirus <u>Federal Emergency Management Agency appropriation</u> • Provides $50 billion for the Federal Emergency Management Agency (FEMA) for the purposes of the Disaster Relief Fund (DRF) for cost associated with major disaster declarations <u>Emergency food and shelter program funding</u> • Provides $400 million for the emergency food and shelter program <u>Humanitarian relief</u> • Provides $110 million for the emergency food and shelter program for the purposes of providing humanitarian relief to families and individuals encountered by the U.S. Department of Homeland Security (DHS) <u>AFG and SAFER program funding</u> • Provides $100 million for Assistance to Firefighter Grants (AFG) and $200 million for Staffing for Adequate Fire and Emergency Response Grants (SAFER) <u>Emergency management performance grant funding</u> • Provides $100 million for emergency management performance grant funding
Cybersecurity and Technology Modernization	<u>Cybersecurity and Infrastructure Security Agency.</u> • Provides $650 million for the DHS Cybersecurity and Infrastructure Security Agency (CISA) to mitigate cybersecurity risks <u>Appropriation for the U.S. Digital Service</u> • Provides $200 million for the U.S. Digital Service, a White House unit that provides IT support to federal agencies <u>Appropriation for the Technology Modernization Fund</u> • Provides $1 billion for the General Services Administration Technology Modernization Fund, which was established to upgrade federal agency IT systems
Paycheck Protection Program (PPP)	• Appropriates an additional $7.25 billion to the U.S. Small Business Administration (SBA) for the PPP program • Expands PPP eligibility to include:

	○ Additional tax-exempt nonprofits, such as 501(c)(5) labor and agricultural organizations and community locations of larger nonprofits, whose lobbying activities do not comprise more than 15 percent of its activities ○ Internet publishing organizations assigned a North American Industry Classification System (NAICS) Code of 519130 and engaged in the collection and distribution of local or regional and national news and information • Adds COBRA premium assistance as an allowable payroll cost under the PPP program • Program expires March 31, 2021
Economic Injury Disaster Loans (EIDL)	• Appropriates $15 billion to the SBA to provide EIDL $10,000 grants to small businesses eligible under Section 331 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act or Section 1110(e) of the CARES Act
Restaurants	• Appropriates $28.6 billion for the SBA to administer a grant program to restaurants through a new Restaurant Revitalization Fund • The new grant program follows the enactment of a similar grant program for shuttered live venues enacted in Section 324 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act enacted in December 2020 • Eligible restaurants must certify that the uncertainty of current economic conditions makes necessary the grant request to support the ongoing operations of the restaurant • The bill prohibits eligibility of a restaurant that: ○ is a state or local government operated business ○ owns or operates more than 20 locations as of March 13, 2020 ○ has a pending application for or has received a grant under SBA shuttered live venues grant program, or ○ is a publicly traded company • The maximum grant amount is: ○ $10 million per eligible entity and any affiliated businesses, and ○ $5 million per physical location of the eligible entity
Shuttered Venue Operators	• This bill provides $1.25 billion in additional funds for the Shuttered Venue Operators Grant Program enacted in Section 324 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act enacted in December 2020 • The bill also allows eligible applicants to access both the Shuttered Venue Operators Grant (SVOG) and PPP to address SVOG's delayed start
Aviation/Airlines	<u>Air Transportation Payroll Support Program Extension</u> • Provides $14 billion to extend Payroll Support Program funding for eligible air carriers and contractors, with the new round of funding extending restrictions on involuntary furloughs and reductions in pay rates or benefits through Sept. 30, 2021, or the date on which funds are expended; it also extends the restrictions on stock buybacks, dividends and capital distributions through Sept. 30, 2022, and restrictions on executive compensation to April 1, 2023. • The Secretary of the Treasury is required to issue streamlined procedures within five days of enactment and make initial payments under the program within 10 days of enactment <u>Relief for Airports</u> • $8 billion for airports ○ $6.492 billion for primary airports and certain cargo airports to use for "costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments"; the federal share is 100 percent

	• $800 million "to provide relief from rents and minimum annual guarantees to airport concessions" • $608 million to pay the federal share of 100 percent for Airport Improvement Program (AIP) grants awarded in FY 2021 or FY 2020 Emergency TSA Employee Leave Fund • The legislation also adds an $13 billion emergency paid leave fund for TSA employees that is similar to a leave program for FAA employees included in the bill; the fund expires in September 2022.
Broadband	Funding for E-Rate support for emergency educational connections and devices • Nearly $7.2 billion to create an Emergency Connectivity Fund to reimburse schools and libraries for internet access and connected devices for students and teachers learning remotely due to the pandemic; requires the FCC to issue rules within 60 days of enactment to provide funding to eligible schools and libraries to enable them to provide eligible connected devices, internet service and equipment necessary to support internet service to students and teachers, regardless of technology, for internet use in locations other than a school or library, among other things • $10 billion for states, territories and tribal governments to carry out critical capital projects directly enabling work, education and health monitoring, including remote options, in response to the public health emergency with respect to COVID-19; this funding is intended to be focused on broadband investment
Unemployment Provisions	Unemployment Insurance extension • Extends enhanced unemployment insurance until Sept. 6. 2021, including the extra $300 Federal Pandemic Unemployment Compensation • Extends Pandemic Unemployment Assistance to the self-employed, gig workers, freelancers and others who would otherwise not regularly qualify for unemployment insurance • Extends Pandemic Emergency Unemployment Compensation for those who exhaust state benefits to 53 weeks, from 24 weeks Unemployment Insurance tax relief • Creates a $10,200 tax exclusion for unemployment compensation in tax year 2020 for those with incomes under $150,000
Tax	Stimulus payments • Provides an additional $1,400 per qualifying individual in direct stimulus payments; in addition to the $600 in supplemental payments enacted in the December 2020 relief bill, this would fulfill Democratic demands for $2,000 in payments Child Tax Credit • Temporary, fully refundable enhancement of the value of the Child Tax Credit to $3,000 for children older than 6 and to $3,600 for children younger than 6 – an increase in the current credit of $2,000, of which only $1,400 is refundable; envisions that the tax credit can be claimed on a monthly basis, rather than annually Earned Income Tax Credit • Temporarily and significantly increases the value of the Earned Income Tax Credit, along with loosening eligibility requirements on income

	Dependent Care Assistance • Child and Dependent Care Tax Credit: Temporary, fully refundable enhancement of the Child and Dependent Care Credit from the current limitation of $1,050 per child or dependent up to $4,000 Credits for Paid Sick and Family Leave • Extends the availability of paid sick and paid family leave tax credits, as established in the Families First Coronavirus Response Act through Sept. 30, 2021 • Also expands eligibility to state and local governments that provide this benefit Employee Retention Credit • Increases the availability and value of credit to those employers who "severely financially distressed" (i.e., those who experienced a severe decline in gross receipts) by allowing such employers to take all wages into account, not just those that are paid for employees not providing services • Expands credit availability to employers who qualify as a "recovery startup business" (i.e., those employers who began a trade or business after Feb. 15, 2020, and whose gross receipts average less than $1 million) • Expands availability of the credit from the current deadline of June 30, 2021, to those wages paid in 2021 Premium Tax Credit • Expands the Affordable Care Act's premium tax credits for health insurance that is purchased through an exchange **Miscellaneous Provisions** Repeal of election to allocate on worldwide basis • Revokes an election that came into effect in 2021 to allow multinational companies to allocate their interest expenses on a worldwide basis Extension of Excess Business Loss Limitation • Extends the limitation on excess business losses of non-corporate taxpayers for one year, through 2026 **Pensions** Expansion of limitation on excessive employee remuneration • Expands the denial of deductibility currently found in IRC Section 162(m) to an additional five highest compensated individuals Pension Benefit Guaranty Corporation (PBGC) fund • Creates a fund for the PBGC to assist certain struggling multiemployer plans to cover benefits due through plan years ending in 2051

State and Local Assistance	Coronavirus State and Local Fiscal Recovery Funds
	• Of the approximately $350 billion for fiscal relief, 57 percent is allocated to states and 35 percent to local governments
	• The distribution formula is as follows:
	  ○ **States and District of Columbia**: $195.3 billion
	  • $25.5 billion is equally divided with state minimum of $500 million

        - $169 billion based on the state share of unemployed workers over a three-month period from October to December 2020
    - **Local Governments**: $130.2 billion divided evenly between non-county municipalities and counties
        - **Counties**: $65.1 billion in direct federal aid to all counties based on the county share of the U.S. population based on the most recent data available from the Census Bureau
        - **Non-County Municipalities**: $65.1 billion to cities and other non-county municipalities:
            - $45.57 billion in **direct federal aid for municipalities with populations of at least 50,000**, using a modified Community Development Block Grant formula
            - $19.53 billion for **municipalities with populations of less than 50,000** based on each jurisdiction's percentage of the state's population; aid is distributed through the states, with the ability for states to request an extension if they are unable to distribute within 30 days
            - See State and Local Allocation Estimates
    - U.S. Territories: $4.5 billion
    - $20 billion to federally recognized tribal governments
- **Allowable Uses of Funds:** Funds may be used to:
    1. respond to the public health emergency with respect to COVID-19 or its negative economic impacts, including assistance to households, small businesses and nonprofits, or aid to impacted industries such as tourism, travel and hospitality
    2. for the provision of government services to the extent of the reduction in revenue (i.e. online, property or income tax) due to the public health emergency
    3. make necessary investments in water, sewer or broadband infrastructure, or
    4. include premium pay for eligible workers performing essential work (as determined by each state or tribal government) during the pandemic
        - Other key provisions:
            - states are not allowed to use the funds to either directly or indirectly offset a reduction in the net tax revenue that results from a change in law, regulation or administrative interpretation during the covered period that reduces any tax
            - No funds shall be deposited into any pension fund
            - State and local governments are allowed to transfer to a private nonprofit organization, a public benefit corporation involved in the transportation of passengers or cargo, or a special-purpose unit of state or local government
- **Reporting Requirements, Certification and Recoupment:** Requires state and local governments to fulfill reporting requirements, such as:
    - states are required to report how funds are used and how their tax revenue was modified during the time that funds were spent during the covered period (covered period begins on March 3, 2021, and ends on the last day of the fiscal year a state or local government has expended or returned all funds to the U.S. Treasury).
    - local governments would be required to provide "periodic reports" providing a detailed accounting of the use of funds
    - if a state, county or municipality does not comply with any provision of this bill, they will be required to repay the U.S. Treasury an equal amount to the funds used in violation

	• **Administration of Recovery Funds:** Funds will administered as follows:
	  ○ funds would be distributed by the U.S. Department of the Treasury
	  ○ the deadline to spend funds would be Dec. 31, 2024
	  ○ payments will be divided into two equal tranches – within 60 days after enactment, the U.S. Treasury is required to release the first tranche allocated to a city, county or state; the second tranche cannot be released earlier than 12 months after the first payment
	  ○ in order to receive a payment either under the first or second tranche, local governments must provide the U.S. Treasury with a certification signed by an authorized officer; the U.S. Treasury is required to pay the first tranche to counties not later than 60 days after enactment and the second payment no earlier than 12 months after the first payment
	  ○ The bill would provide $117 million for oversight and to promote transparency and accountability of all federal coronavirus relief funds, with $77 million for the Government Accountability Office and $40 million for the Pandemic Response and Accountability Committee
	
	<u>State Small Business Credit Initiative</u>
	• $10 billion for the fund, administered by the Treasury Department
	• The money is allocated to states to support programs of their own design and can include: loan participation programs, venture capital programs, collateral support programs, loan guarantee programs and capital access programs
	
	<u>Funding for providers relating to COVID-19</u>
	• The bill provides an additional $8.5 billion in relief funding for rural entities – far short of the $35 billion sought by stakeholders

Tribal Provisions	<u>COVID State Fiscal Recovery Fund</u>
	• Provides $20 billion (of $219.8 billion allocated to the COVID State Fiscal Recovery Fund) for tribal governments to mitigate the fiscal effects stemming from the COVID pandemic
	  ○ $1 billion will be allocated equally among all tribal governments
	  ○ $19 billion will be allocated among all tribal governments in amounts determined by the Secretary
	  ○ Payments will be made to each tribal government within 60 days of enactment
	  ○ Tribal governments can use the funds by Dec. 31, 2024, to:
	  ▪ respond to or mitigate the COVID public health emergency and its negative economic impacts, including assistance to households, small businesses and nonprofits or to impacted industries such as tourism, travel and hospitality
	  ▪ respond to workers performing essential work during the COVID public health emergency by providing premium pay to eligible workers of tribal governments that are performing such essential work, or by providing grants to eligible employers that have eligible workers who perform essential work
	  ▪ provide government services to the extent of the reduction in revenue due to the pandemic in the most recent full fiscal year
	  ▪ make necessary investments in water, sewer or broadband infrastructure
	  ○ A tribal government is defined as the governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, community, component band or component reservation individually identified

in the annual list published pursuant to the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 5131)

Indian Health Service

- Provides $6.094 for Indian health
- $5.484 billion is allocated to carry out the Transfer Act, the Indian Self-Determination and Education Assistance Act, the Indian Health Care Improvement Act, and titles II and III of the Public Health Service Act.
  - $2 billion is for lost reimbursements in accordance with Section 207 of the Indian Health Care Improvement Act
  - $500 million is for Purchased/Referred Care
  - $140 million is for information, technology, telehealth infrastructure, and the Indian Health Service electronic health records system
  - $84 million is for maintaining operations of the Urban Indian health program
  - $600 million is for necessary expenses to plan, prepare for, promote, distribute, administer and track COVID vaccines
  - $1.5 billion is for necessary expenses to detect, diagnose, trace and monitor COVID infections; mitigate the spread of COVID; and purchase supplies necessary for these activities
  - $240 million is to establish, expand and sustain a public health workforce to prevent, prepare for and respond to COVID
  - $420 million is for necessary expenses related to mental and behavioral health prevention and treatment services
- $600 million is for lease, purchase, construction, alteration, renovation or equipping health facilities to respond to COVID
- $10 million is for expenses relating to potable water delivery

Bureau of Indian Affairs

- Provides $900 million to the Bureau of Indian Affairs
  - $100 million for tribal housing improvement
  - $772.5 million for tribal government services, public safety and justice, social services, child welfare assistance and other related expenses
  - $7.5 million for federal administrative costs and oversight
  - $20 million to provide and deliver potable water

Housing Assistance and Supportive Services Programs for Native Americans

- Provides $750 million to remain available until Sept. 30, 2025, for tribal housing, of which:
  - $450 million is allocated for the Native American Housing Block Grant program and $5 million for the Native Hawaiian Housing Block Grant program
    - distributed according to the same funding formula used in FY 2021
    - may be used to prevent, prepare for and respond to COVID, including maintaining normal operations and funding affordable housing activities
  - $280 million is allocated for Indian Community Development Block Grants
    - may be used to address emergencies that constitute imminent threats to health and safety and are designed to prevent, prepare for and respond to COVID
  - $10 million is allocated for technical assistance
  - $5 million is allocated for administrative costs

	COVID-19 Response Resources for the Preservation and Maintenance of Native American Languages
	• Provides $20 million for grants to ensure the survival and continuing vitality of Native American languages during the COVID pandemic
	
	Bureau of Indian Education
	• Provides $850 million to be allocated by the Director of the Bureau of Indian Education for programs and activities operated or funded by the Bureau of Indian Education, for Bureau-funded schools, and for tribal colleges and universities
	
	American Indian, Native Hawaiian and Alaska Native Education
	• Provides $190 million to be allocated by the Secretary of the Department of Education, of which:
	  ○ $20 million for tribal education agencies pursuant to Section 612(c) of the Elementary and Secondary Education Act of 1965
	  ○ $85 million in grants pursuant to Section 6205(a)(1) of the Elementary and Secondary Education Act of 1965
	  ○ $85 million for grants pursuant to Section 6304(a)(1) of the Elementary and Secondary Education Act of 1965
	
	For a complete list of tribal provisions, please email Kayla Gebeck Carroll at kayla.gebeck@hklaw.com.

This summary was compiled by members of Holland & Knight's Public Policy & Regulation Group. If you have questions or need further information, please contact the authors.

DISCLAIMER: Please note that the situation surrounding COVID-19 is evolving and that the subject matter discussed in these publications may change on a daily basis. Please contact the your responsible Holland & Knight lawyer for timely advice.

WHAT IT MEANS FOR STATES

The American Rescue Plan Act Provisions

The latest COVID-19 relief package provides $1.9 trillion in mandatory funding, program changes and tax policies aimed at mitigating the continuing effects of the pandemic.

The American Rescue Plan builds upon previously enacted aid measures in 2020:

- The year-end spending and aid package.
- The Coronavirus Aid, Relief, and Economic Security (CARES) Act.
- The Families First Coronavirus Response Act (FFCRA).

Please see below for a summary of provisions of interest.

State and Local Aid

- Provides $350 billion to help states, counties, cities and tribal governments cover increased expenditures, replenish lost revenue and mitigate economic harm from the COVID-19 pandemic.
- State and local government recipients could use the funds to cover costs incurred by Dec. 31, 2024. The funds would be distributed in two tranches, with 50% delivered no later than 60 days from the date of enactment, and the remainder delivered no earlier than one year later. States would have to distribute funds to smaller towns within 30 days of receiving a payment from the department. States that miss the deadline would have to pay back any undistributed funds. A town cannot receive more than 75% of its budget as of Jan. 27, 2020. The Treasury Department could also withhold up to half of a state or territory's allocation for as long as 12 months based on its unemployment rate and require an updated certification of its funding needs.
- **Provides $195.3 billion to states and the District of Columbia:**
  - $25.5 billion would be equally divided to provide each state a minimum of $500 million.
  - $169 billion would be allocated based on the states' share of unemployed workers over a three-month period, from October-December 2020.
- **Provides $130.2 billion to Local Governments:**
  - $65.1 billion for counties.
  - $45.6 billion for metropolitan cities.
  - $19.5 billion for towns with fewer than 50,000 people.
- Provides $4.5 billion to U.S. territories.
- Provides $20 billion to tribal governments.
- Provides $10 billion for a Coronavirus Capital Projects Fund to carry out projects to support work, education and health monitoring during COVID-19.

- **Use of funds:**
  - Respond to the COVID-19 emergency and address its economic effects, including through aid to households, small businesses, nonprofits, and industries such as tourism and hospitality.
  - Provide premium pay to essential employees or grants to their employers. Premium pay couldn't exceed $13 per hour or $25,000 per worker.
  - Provide government services affected by a revenue reduction resulting from COVID-19.
  - Make investments in water, sewer and broadband infrastructure.
- State and local governments cannot use the funds towards pensions or to offset revenue resulting from a tax cut enacted since March 3, 2021.
- State and local governments could transfer funds to private nonprofit groups, public benefit corporations involved in passenger or cargo transportation, and special-purpose units of state or local governments.

Direct Payments to Citizens

- Provides another round of direct payments of $1,400 for individuals, $2,800 for joint filers, and $1,400 for each qualifying dependent.
- Dependents would include full-time students younger than 24 and adult dependents.
- The payments would begin to phase out for individuals with an adjusted gross income (AGI) of $75,000 ($150,000 for couples) and would be zero for AGIs of $80,000 ($160,000 for couples) or more. Heads of households will receive the full amount if they earned up to $112,500, and it will phase out completely at $120,000.
- Payments would be based on 2019 or 2020 tax returns. The Treasury Department could provide payments to individuals who have not filed based on return information available to the department.

Tax Provisions

- **Earned Income Tax Credit**: Raises the maximum Earned Income Tax Credit (EITC) for adults without children from $543 to $1,502. It would also lower the age eligibility for the childless EITC from 25 to 19 and eliminate the upper age limit, which currently bars the credit for childless people age 65 and older. Other changes include eliminating a rule that bars individuals who have children without Social Security numbers from claiming the childless EITC and 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.
- **Child Tax Credit**: Increases the Child Tax Credit maximum amount to $3,000 per child and $3,600 for children under age 6. It would also extend the credit to 17-year-olds. The increase in the maximum amount would begin to phase out at $150,000 in income for married couples, $112,500 for heads of households and $75,000 for other parents. Other changes to the Child Tax Credit 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.
- **Dependent Care:** Temporarily increases the value of the child and dependent care tax credit, which currently covers 35% of care expenses up to $3,000 for one dependent or $6,000 for two or more dependents. The measure would make the credit refundable, increases the maximum allowable expenses to $8,000 for one dependent and $16,000 for two or more, and allows the credit to cover 50% of expenses.

- **Employee Retention Credit:** Extends the employee retention credit established by the CARES Act through Dec. 31, 2021. The measure also would expand eligibility for the credit to new startups that were established after Feb. 15, 2020, and companies if their revenue declined by 90% compared to the same calendar quarter of the previous year. The credit would be capped at $50,000 per calendar quarter for startups.
- **Paid Leave Credits**: Extends tax credits for employer-provided paid sick and family leave established under the Families First Coronavirus Response Act through Sept. 30, 2021. The measure would also increase the wages covered by the paid family leave credit to $12,000 per worker, from $10,000; cover as many as 60 days of paid family leave for self-employed individuals, instead of 50; and bar employers from receiving credits if their paid leave favors highly compensated employees, full-time workers, or employees based on tenure.
- Makes state and local governments eligible for the FFCRA paid leave reimbursable tax credit.
- Due to budget reconciliation rules the reimbursable tax credit will not be retroactive (for state and local governments) prior to FFCRA becoming law, and the effective date begins after March 31, 2021.

Expanded Unemployment Benefits

- Extends the Pandemic Unemployment Assistance program through Sep. 6, 2021, while increasing the total number of weeks of benefits available to individuals who are not able to return to work from 50 to 79 weeks and provides guidance to states on coordinating with other unemployment benefits when needed.
- Extends the CARES Act provisions that provided a 75% subsidy for costs incurred by employers who provide unemployment benefits on a reimbursable basis rather than via tax contributions through Sep. 6, 2021.
- Extends the Federal Pandemic Unemployment Compensation (FPUC) through Sep. 6, 2021, while maintaining the FPUC benefit amount of $300.
- Exempts the first $10,200 in 2020 unemployment benefits from federal income tax for households with incomes below $150,000 per year.
- Restores full reimbursement for state costs related to waiving the waiting week beginning Dec. 31, 2020, and continues it through Sep. 6, 2021.
- Extends temporary exceptions to state unemployment insurance staffing restrictions from the CARES Act through Sep. 6, 2021.
- Increases the number of weeks of benefits an individual worker may receive in the Pandemic Emergency Unemployment Compensation (PEUC) program from 24 to 53 and extends the length of time in which workers can receive PEUC benefits if they exhaust regular state unemployment insurance benefits to last until Sep. 6, 2021.
- Extends full federal financing of benefits provided in the Short-Time Compensation program for states that have laws establishing such programs through Sep. 6, 2021.
- Ensures the earliest date on which states would begin accumulating interest of federal loans they have taken out to pay state unemployment benefits would be Sep. 6, 2021.
- Extends the FFCRA provisions that provided temporary full federal financing of extended benefits (EB) through Sep. 6, 2021. States are traditionally required to pay 50% of the cost of the EB.
- Appropriates $2 billion to the Department of Labor specifically to support program integrity and timely and equitable access to benefits. The secretary of Labor would be authorized to use the funds directly to develop system-wide program integrity solutions and address access barriers or processing backlogs, distribute funds to state and territorial unemployment insurance programs for these purposes, or make transfers to the Office of the Inspector General or the Department of Justice, or other agencies to support unemployment fraud investigations or prosecutions.

Small Business Provisions

- Provides $7.25 billion for the Paycheck Protection Program (PPP) forgivable loans.
  - With about half of the $284 billion in current funding available, the American Rescue Plan Act appropriates just $7.25 billion in additional funding and does not extend the PPP's current application period, which is scheduled to close March 31.
  - Makes more not-for-profits eligible for the PPP by creating a new category called "additional covered nonprofit entity," which are those not-for-profits listed in Sec. 501(c) of the Internal Revenue Code other than 501(c)(3), 501(c)(4), 501(c)(6), or 501(c)(19) organizations, that can receive an initial PPP loan, provided that:
    - The organization does not receive more than 15% of receipts from lobbying activities.
    - The lobbying activities do not comprise more than 15% of activities.
    - The cost of lobbying activities of the organization did not exceed $1 million during the most recent tax year that ended prior to Feb. 15, 2020.
    - The organization employs not more than 300 employees.
  - Also made eligible for the PPP are some larger not-for-profits.
    - Larger 501(c)(3) organizations and veterans' organizations that employ not more than 500 employees per physical location.
    - Larger 501(c)(6) organizations, domestic marketing organizations, and additional covered not-for-profit entities that employ not more than 300 employees per physical location.
- $15 billion for targeted Economic Injury Disaster Loan (EIDL) advance payments.
  - Provides funds to businesses located in low-income communities that have no more than 300 employees and that have suffered an economic loss of more than 30%, as determined by the amount that the entity's gross receipts declined during an eight-week period, between March 2, 2020 and Dec. 31, 2021, relative to a comparable eight-week period immediately preceding March 2, 2020.
  - Funds from Targeted EIDL Advances shall not be included in the gross income of the person who receives the grant and that no tax deductions will be denied, no tax attribute reduced, and no basis increase denied due to the exclusion of the grant funds from gross income.
- $25 billion for restaurants, bars, and other eligible providers of food and drink.
  - Allows for grants equal to the pandemic-related revenue loss of the eligible entity, up to $10 million per entity, or $5 million per physical location. The grants are calculated by subtracting 2020 revenue from 2019 revenue. Entities are limited to 20 locations.
- $1.25 billion for shuttered venue operators.
- $175 million to create a "community navigator" pilot program to increase awareness of and participation in COVID-19 relief programs for business owners currently lacking access, with priority for businesses owned by socially and economically disadvantaged individuals, women, and veterans.

Health and Human Services Provisions

HEALTH FUNDING

- The bill provides:
- $8.5 billion to the Centers for Disease Control and Prevention (CDC) for vaccine activities.
- $47.8 billion for testing and tracing activities for COVID-19.
- $8.5 billion for vaccine activities at the CDC, including a supplemental funding opportunity for state, locality and territory vaccine distribution grants from the December COVID relief package based on entities receiving the higher of the two distribution formulas as well as clarifies use of standards for data and data sharing.
- $7.66 billion for state, local and territorial public health departments to establish, expand and sustain their public health workforce.
- $7.6 billion for community health centers.
- $3 billion for block grant programs under the Substance Abuse and Mental Health Services Administration.
- $6.09 billion to the Indian Health Service.
- $800 million for the health workforce.
- $200 million to support COVID-19 infection control in skilled nursing facilities and $250 million for "strike teams" to assist skilled nursing facilities, funding will be provided until one year after the end of the public health emergency. Clarifies that secretary of Health and Human Services (HHS) most require Quality Improvement Organizations to provide support to skilled nursing facilities and add vaccination uptake support as a part of required activities.
- In total, $92.2 billion allocated for various activities aimed at improving public health and responding to COVID-19.

HUMAN SERVICES FUNDING

The bill provides:

- $39 billion for child care through:
  - $15 billion for the Child Care and Development Block Grant (CCDBG) and
  - $24 billion for newly created child care stabilization grants.
- $1 billion for Head Start programs.
- $150 million in additional funds for the Maternal, Infant, and Early Childhood Home Visiting program.
- $1 billion for the Pandemic Emergency Fund, which provides one-time benefits such as cash and vouchers to eligible families with low incomes.
- $1.5 billion for Community Mental Health Services Block grant for 2021.
- $1.5 billion for Prevention and Treatment of Substance Abuse Block grants for 2021.
- $420 million for grants to Certified Community Behavioral Health Clinics.
- $450 million for programs under the Family Violence Prevention and Services Act, including $198 million for grants to support survivors of sexual assault.
- $250 million for programs under the Child Abuse Prevention and Treatment Act.

- Permanently increases the total funding for the Child Care Entitlement to States from $2.9 billion to $3.05 billion per year (an increase of $130 million) and temporarily waived state matching funds for 2021 and 2022.

ADDITIONAL HHS PROGRAMS FUNDING

The bill provides:

- $1.434 billion for programs under the Older Americans Act, including $750 million for nutrition programs for 2021.
- $4.5 billion for the Low-Income Home Energy Assistance Program.
- $50 million for the Title X Family Planning program.

Medicaid/Medicare Policy Funding

- Requires state Medicaid and Children's Health Insurance Program (CHIP) to cover vaccines and COVID treatment without any cost sharing and extends the period of this policy by a year for one year after the end of the Public Health emergency. Would increase federal FMAP to 100 percent for vaccine costs during this period.
- States that extended a Medicaid option to provide testing and treatment to uninsured people must also do so without cost sharing.
- Outpatient drugs used for COVID-19 treatment will be included in the Medicaid Drug Rebate program.
- Provides a five-year state plan option of health coverage for women enrolled in Medicaid for 12 months after the birth of a child, instead of the previous 60 days.
- Establishes a minimum wage index for hospitals in all-urban states for Medicare hospital payments starting Oct. 1, 2021.
- Allows CMS to waive a Medicare requirement that a ground ambulance service include the transportation to a hospital to receive Medicare payments, if they didn't transport the beneficiary due to COVID-19 related protocols.
- Creates an $8.5 billion fund for rural providers.

MEDICAID FMAP FUNDING

- Provides a temporary (two year) 5 percentage point increase in the Medicaid FMAP to states that enact the Affordable Care Act's (ACA) Medicaid expansion and covers the newly eligible adult population per requirements of the ACA.
- Provides a 100 % FMAP for services to Medicaid enrollees, who access care in the Urban Indian Health Programs or the Native Hawaiian Health Care System for two years.
- Provides an 85% FMAP for the first three years that a state covers mobile crisis intervention services for mental health or substance use disorders, expiring after five years.
- Increases the federal FMAP by 10 percentage points for state expenditures on home and community-based services (HCBS) for four fiscal quarters.
- Eliminates the cap on the rebate amount manufacturers are required to pay Medicaid on covered drugs, starting in 2024. Currently, the cap is limited to 100% of the average manufacture price. Once this cap is reached prescription drug manufacturers can raise their prices without increasing the net rebates that have to be paid.

- Modifies Medicaid allotments for disproportionate share hospitals (DSH) to account for the 6.2 percentage point increase to states' FMAP. The HHS would have to ensure that the total DSH payments that a state may make in a fiscal year is equal to the total payments it could have made without the FMAP increase during the pandemic.

HEALTH INSURANCE FUNDING AND POLICY PROVISIONS

- Subsidizes 100% of premiums for individuals eligible for the *Consolidated Omnibus Budget Reconciliation Act* continuation coverage if they lose their job through September 30, 2021. The individual won't have to pay any premiums, and the employer or health insurance plan could claim a refundable tax credit against its Medicare payroll tax liability for the cost of the premiums.
- If someone becomes eligible for coverage under another group health plan or Medicare, a $250 penalty could be imposed if individuals who do not notify the plan when they are no longer eligible or as much as 110% of the premium assistance due after they are no longer eligible for a fraudulent failure to notify.
- Provides $20 million to the HHS for grants to eligible states to modernize the health insurance marketplaces established under the ACA with funding limited to two years.
- Would expand the ACA's premium tax credits for health insurance purchased through an exchange.
- Provides refundable credits for households with income that is 100% to 400% of the federal poverty level (FPL), capping health insurance premium costs based on a percentage of income and the credit would cover any amount above that cap up to the cost of a "benchmark" insurance plan.
- For 2021 and 2022, eliminates insurance premiums for individuals at 150% of FPL or less and reduces insurance premiums for all other households. Also makes households above 400% of the FPL eligible for a premium cap of 8.5% of income. Premium caps currently range from around 2% to 9.8% and are adjusted annually for inflation.
- Taxpayers receiving unemployment compensation in 2021, to qualify for reduced cost-sharing under the ACA, would require insurers to reduce out-of-pocket costs, for enrollees whose income is between 100% and 400% of the FPL and who enroll in a silver plan through the law's exchanges. Disregards income exceeding 133% of the FPL for purposes of determining the cost-sharing reduction amounts.

Nutrition Provisions

- Extends a 15% increase to monthly benefits under the Supplemental Nutrition Assistance Program (SNAP) through Sept. 30; currently scheduled to lapse on June 30.
- Provides $1.15 billion to states for SNAP administration, as well as $1 billion for grants for nutrition assistance programs in U.S. territories.
- Provides $490 million to the USDA to increase the amount of the cash-value voucher provided under the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) to up to $35 during the pandemic.
    - Participating states can apply the increase for as long as four months after opting in, but not after it expires on Sept. 30.
    - Allocates $390 million to increase participation in WIC through outreach and program modernization.
- Directs the USDA to reimburse emergency shelters under the National School Lunch Program for meals provided to individuals younger than 25 who receive services there.

- Extends the Pandemic Electronic Benefit Transfer program through any school year or summer period following a designated public health emergency. The program, which provides food aid to families during school closures, had initially been limited to fiscal years 2020 and 2021 and to school year 2020-2021, and now includes select American territories.

Homeland Security Provisions

- Appropriates $50 billion to the Disaster Relief Fund for COVID-19 and other disaster assistance under FEMA. The assistance is meant to bolster vaccine rollout efforts under FEMA and provide assistance to state and local governments at 100% federal cost share.
- Directs the President to provide disaster-related funeral expenses to individuals and households at 100% federal cost share.
- Provides $400 million to the Emergency Food and Shelter Program.
- Provides $300 million for assistance to firefighter grants.
- Provides $100 million via the Emergency Management Performance Grants to state and local emergency management agencies to help communities address COVID-19 and facilitate vaccine rollout.

Agriculture Provisions

- Provides $4 billion to the U.S. Department of Agriculture (USDA), of which:
  - $3.6 billion is dedicated to supporting the food supply chain, including purchasing food and agricultural commodities; making grants and loans for small to mid-size processors; seafood processing facilities; farmers markets, producers and other organizations responding to COVID; providing assistance to maintain and improve food and agricultural supply chain resiliency; and making payments for expenses related to crop losses pursuant to the Wildfire Hurricane Indemnity Program Plus.
  - $300 million is dedicated to the surveillance and monitoring of animals susceptible to COVID-19 transmission.
  - $100 million is dedicated to reducing the amount of overtime meat, poultry and egg inspection costs at small establishments.
- $1.01 billion is dedicated for grants and loans to improve land access for socially disadvantaged farmers, ranchers, and forest landowners, in addition to scholarships, outreach, financial training, and other technical assistance.
- $800 million is provided to use the Commodity Credit Corporation to make purchases and distributions under the Food for Peace Program.
- Appropriates funds as may be necessary for loan modifications and payments to farmers and ranchers, who are members of groups that have been socially disadvantaged in the USDA programs. The department could pay as much as 120% of each such farmer's or rancher's debt on loans it made or guaranteed.

Transportation and Infrastructure Provisions

TRANSIT FUNDING

- Provides $30.5 billion for grants to transit agencies for use for operating expenses, including payroll and personal protective equipment costs.
  - $26.1 billion for Urbanized Area Formula Grants to aid transit service in urbanized areas.

- $2.21 billion for urban and rural area grantees that require additional assistance due to the pandemic.
- $1.7 billion for Capital Investment Grants.
- $281 million in operating assistance formula grants for states to support rural transit agencies in areas with fewer than 50,000 people.
- $100 million for intercity bus services to support essential connections in rural areas.

AVIATION FUNDING

- Provides $8 billion for airports and airport concessions, with a caveat that those receiving funding must retain a minimum of 90% of personnel employed as of March 27, 2020 thru Sept. 30. However, the *Department of Transportation* can issue a waiver if the airport is experiencing significant economic hardship, or if the requirement has negative impacts on aviation safety or security. Of that amount:
  - $6.4 billion is distributed for costs related to operations, personnel, and combating the spread of COVID-19 at airport facilities.
  - $800 million for sponsors of primary airports ad concession relief.
  - $600 million to ensure all airports receive 100% federal cost share for any airport improvement grant awarded to them in FY 2021.
  - $100 million to non-primary airports to aid in the costs related to the pandemic.
- Provides $18 billion for aviation manufacturers and airlines.
  - $3 billion for airline manufacturers to create a payroll support program.
  - $14 billion to airlines to extend the payroll support program.
  - $1 billion for contractors to extend the payment of wages, salaries and benefits.

RAILWAY FUNDING

- Provides $1.7 billion for Amtrak in FY 2021.
  - $970 million to support the Northeast Corridor.
  - $730 million to support the National Network, of which:
    - $175 million is to be used by Amtrak to offset amounts required to be paid by states for state-supported routes.
  - $166 million out of the amounts allocated for the Northeast Corridor, and the National Network, to support the restoration of long-distance service and employee recalls.

Education Provisions

- Provides $122.7 billion for the existing Elementary and Secondary School Emergency Relief Fund to remain available through Sept. 30, 2023.
  - States receive funds based on the same proportion that each state receives under the Elementary and Secondary Education Act (ESEA) Title-IA. State Education Agencies (SEAs) must distribute at least 90% of funds to local education agencies (LEAs) based on their proportional share of ESEA Title I-A funds.

- The LEAs must reserve at least 20% of the funding they receive to address learning loss. Remaining funds are flexible and can address a variety of needs, including repairing ventilation systems, reducing class sizes and implementing social distancing guidelines, purchasing personal protective equipment, and hiring support staff to care for students' health and well-being. School districts will be required to create and share plans publicly for returning to in-person instruction within 30 days.
- The SEAs are also required to reserve their allocations to carry out activities: 5% to address learning loss, 1% for afterschool activities, and 1% for summer learning programs. Funds to the SEAs must be spent within one year of receipt.

- Provides $3.03 billion in additional FY21 funding for IDEA
  - $2.58 billion for grants to states under Part B of IDEA
  - $200 million for preschool grants under IDEA
  - $250 million for programs for infants and toddlers under Part C of IDEA
- Provides $2.75 billion to governors through the existing Emergency Assistance to Non-Public Schools Program to provide services or assistance to non-public schools that enroll a significant percentage of low-income students and are most impacted by the qualifying emergency.
- Provides $800 million to support the identification, enrollment, and school participation of children and youth experiencing homelessness, including through wrap-around services.
- Provides $850 million for grants to Bureau of Indian Education-operated and funded elementary and secondary schools and Tribal Colleges or Universities.
- Provides $40 billion through the existing Higher Education Emergency Relief (HEER) Fund.
  - $36 billion is allocated to public and private non-profit institutions to remain available through Sept. 30, 2023. Institutions must spend at least 50% of their allocation on emergency financial aid grants provided directly to students. Institutions can use remaining funds to replace lost revenue, reimburse for emergency expenses, and more. Funds are allocated as follows:
    - 37.5% based on full-time equivalent (FTE) enrollment of Federal Pell Grant recipients.
    - 37.5% based on headcount enrollment of Pell recipients.
    - 11.5% based on FTE enrollment of non-Pell recipients.
    - 11.5% based on headcount enrollment of non-Pell recipients.
    - 1% based on the relative share of FTE enrollment of students who were Federal Pell Grant recipients and who were exclusively enrolled in distance education courses prior to the qualifying emergency.
    - 1% based on the relative share of the total number of students who were Federal Pell grant recipients and who were exclusively enrolled in distance education courses prior to the qualifying emergency.
  - Provides $3 billion to historically Black colleges and universities, tribal colleges and minority-serving institutions.
  - Provides $400 million to for-profit colleges to provide financial aid grants to students.
  - Provides $200 million for institutions with the greatest unmet need related to the pandemic or those not served by the HEER formula.
- **Maintenance of Effort (MOE)**: States must maintain spending on both K-12 and higher education in FY 2022 and FY 2023 at least at the proportional levels relative to a state's overall spending, averaged over FY 2018, FY 2019 and FY 2020. The MOE can be waived by the secretary of Education.

- **Maintenance of Equity:** All provisions apply to FY 2022 and FY 2023.
  - State Maintenance of Equity:
    - States cannot cut per-pupil spending for "high-need" LEAs (group of LEAs that serve the highest percentages of low-income, which collectively serve at least 50% of state's total student enrollment) at a rate steeper than overall cuts in per-pupil spending across all local education agencies.
    - States cannot fund "highest poverty" LEAs (group of LEAs that serve highest percentages of low-income students which collectively serve at least 20% of state's total student enrollment) below their FY 2019 funding.
  - LEA Maintenance of Equity:
    - LEAs cannot cut per-pupil spending for any high-poverty school at a rate steeper than overall cuts in per-pupil spending across all schools served by the LEA.
    - LEAs cannot reduce per-pupil staffing for any high-poverty school at a rate steeper than overall cuts in per-pupil staffing across all schools served by the LEA.
    - The provision does not apply if an LEA serves less than 1,000 students or operates a single school or serves all students in single grade span in one school or is granted waiver by secretary of Education.
- Makes changes to the federal 90/10 rule, which prohibits for-profit colleges from receiving more than 90% of their revenue from federal aid programs. Regulations would not take effect until January 2023.
- Treats any student loan forgiven or discharged on a tax-free basis from 2021 through 2025.

Environmental Provisions

- Provides $100 million for the Environmental Protection Agency to provide grants to address disproportionate environmental harms to minority and low-income populations, in addition to funding air quality monitoring grants under the Clean Air Act.
- Provides $95 million to the Fish and Wildlife Service for wildlife inspections, care of captive endangered species, and research related to wildlife disease outbreaks.

Energy and Utility Provisions

- Provides $4.5 billion for the Low-Income Home Energy Assistance Program to assist eligible low-income households with heating and cooling energy costs.
- Provides $500 million for the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program created under the FY 2021 Omnibus to assist with payments for drinking water and wastewater expenses.

Consumer Protection Provisions

- Provides $50 million in funding for Consumer Product Safety Fund to protect consumers from potentially dangerous products related to Covid-19.
  - Enhance targeting, surveillance and screening of consumer products entering the United States at ports of entry.

Housing Provisions

- Appropriates $27.4 billion in emergency rental assistance including:
  - $21.55 billion for emergency rental assistance via Corona Relief Fund (remains available through Sept. 30, 2027 if obligated by Oct. 1, 2022).
  - $5 billion for emergency housing vouchers (funds available through Sept. 30, 2030).
  - $750 million for tribal housing needs.
  - $100 million for rural housing.
- Appropriates $305 million to Puerto Rico, the U.S. Virgin Islands, the Northern Mariana Islands and American Samoa for emergency rental assistance.
- Appropriates $5 billion to assist people who are homeless with immediate and long-term assistance (emergency housing vouchers). Funds will remain available until September 20, 2030.
- Provides $9.96 billion for a Homeowner Assistance Fund.
  - $100 million for housing counseling via NeighborWorks America (funding remains available through Sept. 30, 2022).
- The first 40% of funding for the emergency rental assistance program will be provided within 60 days of enactment.
- Appropriates $750 million for the Native American Housing Block Grants, Native Hawaiian Housing Block Grant and Indian Community Block Grant programs.
- Not more than 15% of funds paid to state and local governments can be used for administrative costs.
- Appropriates $39 million to assist rural homeowners through the USDA's Section 502 and Section 504 direct loan programs.

Veterans

- Provides $14.4 billion for the Veterans Health Administration (VA) to provide healthcare services and related support to eligible veterans, which includes funding for sustainment of CARES Act-supported staffing and service-level expansions, inclusive of areas such as suicide prevention, women's health, the VA homelessness programs and telehealth.
- Includes $750 million for the VA to provide construction funds to states, provided they have required matching funds to projects that will upgrade and enhance safety and operation of state veterans' homes.
- Provides $250 million in one-time emergency federal payments to support these state-operated facilities, to be allocated based on the number of beds at each home that could be occupied by eligible veteran residents. This emergency funding can be used to enhance treatment of veterans during the pandemic, including by enhancing cleaning services, procuring personal protective equipment or other equipment, and temporarily expanding staffing levels to care for veterans.
- Allocates $386 million for up to 12 months of retraining assistance for veterans who are unemployed due to COVID-19 and do not have other veteran education benefits. This funding covers the cost of the retraining program and provides a housing allowance for veterans while they undergo this training.

Technology, Broadband and Cyber

- Creates a $7.2 billion Emergency Connectivity Fund to reimburse schools and libraries for internet access and connected devices.
  - Includes wi-fi hotspots, modems, routers, devices that combine a modem and router, connected devices.
- Provides $650 million for cybersecurity risk mitigation at the Cybersecurity and Infrastructure Security Agency, which is leading the federal response to the SolarWinds Corp. breach of government networks.
- Provides $1 billion for the Technology Modernization Fund.
- Provides $200 million for the U.S. Digital Service.
- Provides $150 million to the National Institute of Standards and Technology to fund awards for research, development, and testbeds to prevent, prepare for, and respond to coronavirus.
- Provides $175 million to the Corporation for Public Broadcasting to prevent, prepare for, and respond to coronavirus.
  - Includes fiscal stabilization grants to public telecommunications entities to maintain programming and services and preserve small and rural stations threatened by declines in non-Federal revenues.

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