

## House Democrats Introduce Fifth COVID Response Measure

House Democratic leaders have released their latest bill designed to address the COVID-19 pandemic. The text of the legislation, entitled the *Health and Economic Recovery Omnibus Emergency Solutions Act* (HEROES Act), can be found [here](#). A title-by-title summary of the measure can be accessed [here](#).

All told, the bill (HR 6800) would invest nearly \$3 trillion in a broad array of programs to alleviate the COVID-19 pandemic's devastating effects on the economy and the nation's health-care system. Notably, the price tag of the *HEROES Act* is roughly equivalent to the combined cost of the four previous COVID-19 relief bills approved by Congress (PL 116-123; PL 116-127; PL 116-136; and, PL 116-139).

Looking ahead, HR 6800 could be considered by the full House as early as this Friday, with votes expected to fall along party lines. For their part, Senate Republican leaders have been quick to dismiss the legislation as a partisan wish list that has no chance of passing the upper chamber. Instead of taking up a fifth coronavirus relief measure, Senate Majority Leader Mitch McConnell (R-KY) is calling for a "pause" in legislative action in order to assess the impact of previous federal COVID-19 spending.

The bill includes:

### Social Services

- The Social Services Block Grant would be increased from \$1.7 billion to \$9.6 billion. In those states where human services are county-administered, preference is given for direct funding from the state to those counties.
- The Chafee Independent Living program would be increased by \$193 million and the education and training vouchers would be increased by \$78 million. Age limits and the work and education participation requirements would be waived.
- The Child Abuse Prevention and Treatment Act (CAPTA) would receive a \$40 million increase.
- The Low Income Home Energy Assistance Program (LIHEAP) would receive another \$1.5 billion to be spent by September 30, 2021.
- The Child Care Development and Block Grant would get another \$7 billion increase to be spent by September 30, 2021 with a proviso that workers deemed essential by public officials may be provided child care assistance without regard to their income.
- Older Americans Act programs would receive another \$85 million to be spent by September 30, 2021.

- Flexibility and waivers of performance penalties would be given for child welfare, TANF, child support through January 31, 2021. Additionally, states would have flexibility in determining how daily child welfare activities would be conducted. The bill also contains CWDA proposed language allowing electronic visits for foster youth over the age of 18 if the caseworker makes an in-person visit not less than once every six months.
- The Workforce Innovation and Opportunity Act (WIOA) would receive a \$485 million increase for adult training; \$518 million for youth activities and \$597 million for the dislocated worker program.

### **Nutrition**

- The bill includes a 15 percent increase in the Supplemental Nutrition Assistance Program (SNAP/CalFresh) benefit beginning June 1 and ending September 30, 2021.
- The minimum SNAP benefit would be increased from \$16 to \$30 per month.
- USDA would be prohibited from implementing proposed and final rules on Able Bodied Adults Without Dependents, Categorical Eligibility and the Standard Utility Allowance.
- Federal pandemic unemployment compensation payments made to individuals shall not be regarded as income when determining SNAP eligibility.
- The bill directs the USDA to allow the use of SNAP to purchase hot foods or hot food products ready for immediate consumption from authorized retail food stores.

### **Health**

- The bill Includes a 14 percentage point increase (up from the 6.2 percentage point increase in CARES) in the federal financial match for Medicaid/Medi-Cal and IV-E foster care share beginning July 1, 2020 through June 30, 2021 and returns to the 6.2 percentage point increase on July 1, 2021 until the public health emergency ends.
- Medicaid 1115 waivers would be extended until December 31, 2021
- The Medicaid Fiscal Accountability Rule would not be allowed to be implemented by HHS.
- Jail inmates would be eligible for Medicaid coverage 30 days before release
- An additional \$2 billion would be appropriated to state and local health departments responding to COVID-19 (\$1 billion) and infrastructure (\$1 billion). Funds must be expended by September 30, 2024.
- Medicaid disproportionate share payments to hospitals (DSH) would be increased by 2.5 percent through fiscal year 2021.
- An additional \$100 billion would be appropriated under the health care provider relief fund.

### **Housing and Homelessness Programs**

- Tenant-based rental assistance programs would be given an additional \$4 billion to remain available until September 30, 2024.

- The Community Development Block Grant would be boosted another \$5 billion with funding to remain available until September 30, 2023.
- Emergency Solutions Grants would receive an additional \$11.5 billion to be spent through September 30, 2025. Of that amount, \$4 billion is directed to be allocated using the current FY 2020 formula within 30 days after enactment. The remaining funds would be distributed in \$500 million increments every 60 days.
- The measure also would appropriate \$100 billion in emergency rental assistance to provide short or medium-term assistance with rent and rent-related costs.
- A \$75 billion homeowner assistance fund would be created to help prevent homeowner mortgage defaults, foreclosures, and displacements of individuals and families experiencing financial hardship.

#### **Individual Stimulus Payments**

- The measure provides a \$1,200 refundable tax credit for each family member that shall be paid out in advance payments, similar to the Economic Impact Payments in the CARES Act. The credit is \$1,200 for a single taxpayer (\$2,400 for joint filers), in addition to \$1,200 per dependent up to a maximum of 3 dependents. The credit phases out starting at \$75,000 of modified adjusted gross income (\$112,500 for head of household filers and \$150,000 for joint filers) at a rate of \$5 per \$100 of income.

#### **Coronavirus Local Fiscal Relief Fund**

- The *HEROES Act* includes a \$375 billion “Coronavirus Local Fiscal Relief Fund.” Under the bill, the federal dollars would be split evenly between counties and cities and could be used to cover costs or replace foregone revenues stemming from the COVID-19 public health emergency or its negative economic impacts. Funds would be available to local governments until expended.

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