

May 14, 2020

# H.R. 6800, The Heroes Act

Democrats' Urgently-Needed Package to Address The Coronavirus Crisis

## **Key Points:**

- On Friday, the House will consider H.R. 6800, the Heroes Act, urgently-needed legislation to address the unprecedented coronavirus health and economic crisis. Members are urged to vote YES.
- Every day, we see the need for further action to combat the coronavirus crisis. Months into the pandemic, the numbers are devastating:
  - > More than 85,000 dead;
  - > More than 1.3 million confirmed cases;
  - More than 36 million initial unemployment claims in the past two months, with the April jobs report showing the highest national unemployment rate since the Great Depression.
- The dire situation shows the urgent need for a legislative package that is equal to the crisis gripping our nation. That is why Democrats have unveiled the Heroes Act to protect the lives and livelihoods of the American people and the life of our democracy responding to the pandemic and the economic catastrophe that has followed:
  - Commits another \$75 billion for the testing, tracing and treatment we need in order to have a science-based path to safely reopen our country and helping ensure that every American can access free coronavirus treatment.
  - Provides strong support for our heroes with nearly \$1 trillion for state, local, territorial and tribal governments on the frontlines who desperately need funds to pay the health care workers, police, fire, transportation, EMS, teachers and other vital workers who keep us safe and are in danger of losing their jobs. The

Heroes Act also will establish a \$200 billion Heroes' fund to ensure that essential workers receive hazard pay.

- Puts money in the pockets of workers with a second round of direct payments to families of up to \$6,000 per household, new payroll protection measures to keep 60 million workers connected with their jobs and extending weekly \$600 federal unemployment payments through next January.
- Supports small businesses by strengthening the Payroll Protection Program to ensure that it reaches underserved communities, nonprofits of all sizes and types and responds flexibly to small businesses by providing \$10 billion for Covid-19 emergency grants through the Economic Injury Disaster Loan program.
- Ensures further support for Americans, including for:

   <u>health security</u> with COBRA subsidies and a special enrollment period in the ACA Marketplaces for those without insurance

-workplace security – requiring OSHA to ensure that all workplaces develop science-based infection control plans and preventing employers from retaliating against workers who report problems

-housing security – with \$175 billion in new supports to assist renters and homeowners make monthly rent, mortgage and utility payments and other housing-related costs.

- **food security** – with a 15 percent increase to the maximum SNAP benefit and additional funding for nutrition programs that help families put food on the table.

• **Protects the life of our democracy** with new resources to ensure safe elections, an accurate Census, and preserve the Postal Service.

## Some of the Various Key Provisions of the Bill

## HONORING OUR HEROES – CRITICAL AID TO STATE, LOCAL, TERRITORIAL AND TRIBAL GOVERNMENTS

Honoring Our Heroes: Provides nearly \$1 trillion to state, local, territorial and tribal governments who desperately need funds to pay vital workers like the health care workers, police, firefighters, transportation workers, EMS, teachers and other critical workers who help keep us safe. Without this critical funding, many of these workers will lose their jobs. Specifically, the bill provides \$500 billion for state governments, \$375 billion for local governments, \$20 billion for tribal governments, and \$20 billion for the territories.

## A HEROES' FUND FOR ESSSENTIAL WORKERS

• **A Heroes' Fund for Essential Workers:** Establishes a \$200 billion Heroes' Fund to ensure that essential workers who have risked their lives working during the pandemic receive hazard pay.

## TESTING, TRACING AND TREATMENT; FREE COVID-19 TREATMENT; & SUPPORTING HEALTH CARE PROVIDERS

- An Additional \$75 Billion for Coronavirus Testing, Contact Tracing and Isolation Measures: <u>The only way to safely open the country is to have a science-based, robust</u> <u>testing and contact tracing program.</u> As a result, this bill provides an additional \$75 billion to public health departments and workforce agencies to support testing, contact tracing, and isolation or quarantine -- on top of the \$25 billion already provided in the Paycheck Protection Program and Health Care Enhancement Act. The bill provides that grants will consider a grantee's burden of COVID-19, need for surge mitigation, and intention to serve populations experiencing disparities in impact or access to services.
- Requiring An Updated National Strategic Plan on Testing With Clear Benchmarks and Timelines: The bill requires the Administration to submit to Congress by June 15 an updated national strategic plan on testing with clear benchmarks and timelines.
- Requiring the Use of Culturally Competent and Multilingual Strategies for Contact **Tracing:** The bill requires public health departments to use culturally competent and multilingual strategies for contact tracing and permits contracting with community-based organizations to reach diverse populations.
- Ensuring Every American Can Access Free COVID-19 Treatment: The bill ensures every American can access free COVID-19 treatment eliminating cost sharing for coronavirus treatment for Medicare and Medicaid beneficiaries as well as those with private health insurance, TRICARE, VA Health Care, and Federal Employee Health Benefits.
- **Supporting Hospitals and Frontline Health Care Providers:** The bill infuses an additional \$100 billion into the Health Care Provider Relief Fund along with requirements on allocation of such funding to ensure that funds are distributed to providers in an equitable and efficient way.

# STRENGTHENING FEDERAL SUPPORT FOR STATES' CRITICAL MEDICAID PROGRAMS

- Strengthening Federal Support for States' Vital Medicaid Programs, As Millions of Jobless Americans Are Expected To Enroll In The Program: <u>The bill increases</u> <u>Medicaid's Federal Matching Assistance (FMAP) by 14 percentage points through June</u> <u>30, 2021</u> – providing federal dollars that are critically needed by the states. (The Congress had increased the FMAP by 6.2 percentage points in the Families First Coronavirus Response Act enacted in early March – but that increase has proven insufficient to meet the enormous need).
- Also Strengthening Federal Support for State Medicaid Services For Patients In Home And Community-Based Care: The bill also increases Medicaid FMAP for state Medicaid services for patients in home and community-based care by 10 percentage points.

• These Increases Are Critical to The States, Facing Dire Financial Situations: As a result of the pandemic, states are cash-strapped and this funding will allow then to continue providing life-saving services.

#### **MORE DIRECT PAYMENTS:**

• Providing A Second Round of More Substantial Direct Payments to Individuals and Households: The bill provides a direct payment of \$1,200 per family member, up to a maximum of \$6,000 per household. The payment begins to phase out at \$75,000 of modified adjusted gross income for single individuals (and at \$112,500 for head of household filers and \$150,000 for joint filers.)

#### **PROTECTS PAYROLLS:**

• Enhancing the New Employee Retention Tax Credit That Encourages Employers to Keep Employees on Payroll: The bill enhances the new Employee Retention Tax Credit, created in the CARES Act, that encourages employers to keep employees on payroll, allowing 60 million Americans to remain connected to their paychecks and benefits. For example, the bill increases the amount of wages eligible for the credit from \$10,000 annually per employee to \$15,000 quarterly and increases the applicable percentage of qualified wages reimbursed through the employee retention credit from 50 percent to 80 percent for employers whose business has been financially impacted by the coronavirus. The bill also makes the credit more accessible for businesses, sole proprietors and gig workers. A separate credit also allows small- and medium-sized businesses to use a tax credit to offset the costs of fixed expenses.

## WORKER SAFETY

- Requiring OSHA, Within Seven Days of Enactment, to Issue a <u>Temporary</u> Strong, Enforceable Standard for Infection Control Plans in Workplaces: The bill requires OSHA to issue an emergency temporary enforceable standard within seven days of enactment to require all workplaces to develop and implement infection control plans, based on CDC expertise.
- Requiring OSHA, Within 24 Months of Enactment, to Issue a <u>Permanent Strong</u>, Enforceable Standard for Infection Control Plans in Workplaces: The bill also requires OSHA to issue a permanent strong, enforceable standard within 24 months of enactment to require workplaces to develop and implement infection control plans, based on CDC expertise.
- Prohibits Employers from Retaliating Against Workers Who Report Infection Control Problems: The bill also prohibits employers from retaliating against workers for reporting or publicizing health and safety hazards, including infection control problems.

## SUPPORTS SMALL BUSINESSES AND NONPROFITS

• Strengthening the Paycheck Protection Program (PPP) to ensure that it reaches underserved communities: The bill includes provisions to ensure PPP reaches

underserved communities, including creating a carve-out of 25 percent of existing funds to be used specifically for small businesses with 10 or fewer employees to guarantee they are fully able to access PPP assistance. It also creates an additional set aside of existing funds of the lesser of 25 percent or \$10 billion specifically for community financial institutions, such as Community Development Financial Institutions (CDFIs), Minority Development Institutions (MDIs), SBA microlenders, and SBA Certified Development Companies.

- Strengthening the Paycheck Protection Program (PPP) to Ensure That It Reaches Nonprofits of All Sizes and Types: The bill includes provisions to ensure PPP reaches nonprofits of all sizes and types, including creating a carve-out of 25 percent of existing funds solely for the use of nonprofits, no matter their size or type but requiring that at least half this amount go to small nonprofits under the 500-employee threshold.
- **Making Improvements to PPP Loan Forgiveness:** The bill makes improvements to PPP Loan Forgiveness, by for example adding flexibility in the covered period for borrowers by extending the current 8-week period to 24 weeks and extending the covered period from June 30 to December 31.
- Supporting Small Businesses By Providing \$10 Billion for COVID-19 emergency grants through SBA's Economic Injury Disaster Loan (EIDL) program: The bill also includes additional provisions supporting small businesses, including by providing \$10 billion for the EIDL grant program, which offers up to \$10,000 in cash advances for immediate relief to small businesses and eligible nonprofits that apply for an EIDL loan. The cash advance does not have to be paid back.

## PRESERVES HEALTH COVERAGE

- **Protecting Americans At Risk of Losing Their Employer-Provided Health Insurance:** The bill protects Americans at risk of losing their employer-provided health insurance by fully subsidizing the cost of their COBRA coverage and furloughed workers' premiums, in order to allow workers to maintain their employer-sponsored coverage if they lose employment, have their hours reduced, or are furloughed as a result of the pandemic.
- Establishing a Special Enrollment Period for the Affordable Care Act Marketplaces: With many more Americans now having no access to affordable health coverage, the bill creates a special enrollment period for the uninsured for the Affordable Care Act Marketplaces.

## **EXTENDS UNEMPLOYMENT BENEFITS**

- Extending Weekly \$600 Federal Unemployment Payments Through January 31, 2021: The bill extends weekly \$600 federal unemployment payments through January 31, 2021, thereby providing a vital safety net for the record number of Americans who are unemployed.
- Extending 100% Federal Funding of Extended Unemployment Compensation (EB) Through June 30, 2021: The Families First Coronavirus Response Act had increased the federal reimbursement for Extended Unemployment Compensation (EB) from 50

percent to 100 percent through December 31, 2020. This bill extends the 100% federal funding through June 30, 2021.

## HOUSING ASSISTANCE

- Creating a \$100 Billion Emergency Rental Assistance Program, To Help Ensure Struggling Families Continue to Have A Safe Place to Live During this Pandemic: The bill creates a \$100 billion Emergency Rental Assistance Program that would allocate funds to states, territories, counties, and cities to help renters pay their rent and utility bills during the COVID-19 pandemic, and help rental property owners of all sizes continue to cover their costs.
- Creating A \$75 Billion Homeowner Assistance Program, To Help Homeowners Struggling to Afford Their Housing As A Result of the Pandemic: The bill also creates a \$75 billion Homeowner Assistance Fund that would allocate funds to states, territories, and tribes to address the ongoing needs of homeowners struggling to afford their housing due directly or indirectly to the impacts of the COVID-19 pandemic by providing direct assistance with mortgage payments, property taxes, property insurance, utilities, and other housing related costs.
- **Protecting Renters and Homeowners from Evictions and Foreclosures:** The bill extends and expands the eviction moratorium and foreclosure moratorium in the CARES Act to include all renters and homeowners and improves the forbearance provided under the CARES Act.

## FOOD SECURITY:

- **Making Key Investments in Food Security:** In response to rising hunger, the bill makes a number of key improvements to SNAP, nutrition, and food assistance, including:
  - Boosts SNAP maximum benefits by 15 percent (through September 30, 2021)
  - > Nearly doubles the minimum monthly SNAP benefit from \$16 to \$30;
  - Prevents funding to be used for USDA to implement the Administration's three harmful SNAP rules that weaken benefits and access to food; and
  - Bolsters Farm-to-Food Bank pipelines by providing reimbursements for harvesting, transporting, packing and processing produce and commodities for donation to food banks.
- **Providing Additional Funds for The Emergency Food Assistance Program (TEFAP):** The bill provides an additional \$150 million for The Emergency Food Assistance Program (TEFAP), for a total of \$1 billion provided by Congress to help local food banks meet the dramatically increased demand for food during this public health emergency.
- **Providing Additional Funds for Child Nutrition Programs:** The bill provides \$3 billion in additional funding to provide emergency financial relief to school meal providers and to USDA's Child and Adult Care Food Program.

## **PROVIDES CERTAINTY TO FARM COMMUNITIES, GROWERS AND PRODUCERS**

- Taking Key Steps to Aid Our Nation's Food System, Which Has Been Hit Hard by the Pandemic: The bill takes several key steps to provide emergency assistance to our nation's food producers and system, including:
  - Providing for a new dairy donation program, meant to prevent milk from being dumped by rerouting it to feeding programs, along with other key improvements to bolster cash flow for dairy operations and provide production stability.
  - Providing nearly \$1 billion in emergency assistance to processing facilities that shut down because of coronavirus outbreaks.
  - Providing emergency assistance to producers who have been forced to depopulate market-ready livestock due to processing plant shutdowns.
  - Providing \$300 million to support animal health surveillance and laboratories to maintain capacity and preparedness.
  - > Providing \$100 million to assist states with specialty crop supply chains.
  - Providing \$50 million to provide stability to local farmers, farmers' markets, and other local food outlets and organizations.
  - Providing \$50 million to support outreach and assistance for underserved and beginning farmers.
  - Providing \$28 million for farmer and rancher stress assistance networks to bolster mental health resources and mitigate suicide risk.
  - Providing the tools for the USDA Secretary to better assist agricultural processing plants and livestock and poultry producers in the event of a public health emergency or supply chain interruption and ensuring greater transparency with the Commodity Credit Corporation.

# PROVIDES CRITICAL RELIEF FOR STUDENTS, SCHOOLS, AND INSTITUTIONS OF HIGHER EDUCATION

- **Providing \$90 billion for the State Fiscal Stabilization Fund for Education:** The bill provides \$90 billion for the State Fiscal Stabilization Fund for Education for grants to states to support elementary and secondary schools and public postsecondary institutions, including the following:
  - Nearly \$58 billion for K-12 schools to continue delivering instruction, including purchasing education technology and hotspot devices, planning and implementing summer learning, professional development, and maintaining school personnel employment.
  - Nearly \$27 billion to support public institutions of higher education and their students.
  - Nearly \$4 billion to governors to award funding to school districts and institutions of higher education.
- Providing More Than \$10 Billion In Direct Emergency Funding For Institutions Of Higher Education, Including \$1.7 Billion For Historically Black Colleges And Other Minority-Serving Institutions: The bill provides more than \$10 billion in direct

emergency funding for institutions of higher education that have suffered severe financial losses due to COVID-19, including \$1.7 billion for Historically Black Colleges and Universities, Tribal Colleges and Universities, and Minority Serving Institutions.

- **Providing \$7 Billion For Childcare Providers:** The bill provides \$7 billion for childcare providers to serve individuals who are required to work during the public health emergency or to stay afloat during temporary closures, as well as providing childcare facilities with tuition relief.
- **Providing Student Loan Debt Relief:** The bill provides up to \$10,000 in student debt relief for economically-distressed federal borrowers; ensures <u>all</u> federal student loan borrowers benefit from the temporary suspension of payments, interest accrual and involuntary collections through September 2021; and provides debt relief to student borrowers defrauded by Corinthian Colleges and ITT Tech.

# PROTECTING AMERICANS' PENSIONS

- **Stabilizing Multiemployer Pension Plans:** The economic crisis has undermined many pension plans. The bill stabilizes Multiemployer Pension Plans by creating a special partition program allowing more troubled plans to obtain much-needed relief.
- **Stabilizing Single Employer Pension Plans:** The bill provides defined benefit pension plans with pension funding relief.

## BROADBAND

- This Pandemic Has Highlighted the Necessity of All Americans Having Access to Broadband: With America's students dependent on remote learning during this public health emergency, it is clearer than ever that all American households need access to broadband in their homes.
- **Providing \$1.5 Billion To Expand Access to Remote Learning:** The bill immediately provides \$1.5 billion for schools and libraries to purchase internet connectivity, hotspots and "connected devices" like tablets for students to facilitate remote learning throughout the length of the public health emergency.
- Creating A Pool of \$4 Billion To Help Ensure Families Do Not Lose Their Broadband Access During the Public Health Emergency. The bill creates a pool of \$4 billion to provide up to \$50-a-month subsidies to low-income families or laid-off and furloughed workers in order to help pay their internet service bills throughout the end of the pandemic.

# HONORING OUR LEGAL AND MORAL RESPONSIBILITY TO SOVEREIGN TRIBAL NATIONS

- **Guaranteeing Funding to Assist Tribal Governments:** This bill guarantees funding to assist tribal governments with the impacts of the public health emergency. The bill includes:
  - \$20 billion to assist federally recognized tribal governments with the fiscal impacts of the pandemic;

- \$3 billion to address health care and tribal government needs to prevent, prepare for, and respond to the coronavirus.
- **Ensuring Parity for Tribal Nations:** The bill ensures parity for tribal nations by dedicating resources in critical programs such as Centers for Disease Control and Prevention funding, education stabilization, transportation programs, drinking water and energy utility assistance, broadband connectivity programs, and more.

## SUPPORTING VETERANS AND SERVICEMEMBERS

- Making Key Investments in Our Veterans and Servicemembers: As veteran unemployment skyrockets to 12 percent and VA steps up to serve our nation's veterans, this bill builds on the nearly \$20 billion Congress secured in previous legislation by:
  - Ensuring veterans will not have any copays or cost-sharing for preventative treatment or services related to COVID-19 and streamlining VA's payment process for emergency care claims to community providers;
  - Providing VA's doctors, nurses and health care professionals access to hazard pay, paid sick leave if exposed or diagnosed with coronavirus and workers compensation if they fall ill.
  - Increasing VA's Aid and Attendance Funding by 25 percent to ensure that the most vulnerable veterans receive seamless in-home care and assistance with daily activities as well as providing reimbursements for PPE supplies for their aides.
  - Temporarily suspending VA's debt collection activities and extending the deadlines to file claims and appeals for VA benefits, including disability compensation, during the public health emergency.
  - Expanding emergency assistance for homeless veterans including transportation, food, shelter, clothing, blankets, and toiletries and streamlining HUD-VASH vouchers by processing applications online and waiving in-person inspection requirements.
  - Expanding eligibility for National Guard and Reserve Members deployed in support of the COVID-19 public health emergency to access mental health services at VA's Vet Centers and alleviating unfair financial penalties for servicemembers and families of the fallen impacted by "stop movement" orders.

# **REQUIRING CONSUMER PROTECTIONS**

## • Containing Key Consumer Protection Measures, Including:

- Providing a no shut-off guarantee during the public health emergency. The bill provides that no one will face a water, energy, phone or internet shut-off during the public health emergency. The bill also provides utility payment assistance for the recently unemployed, low-income families, seniors, and veterans.
- Banning price gouging during the public health emergency. The bill gives the FTC new tools to fight price gouging across the economy and bans broadband late fees and data caps during the emergency.

## VARIOUS OTHER CRITICAL HEALTH-RELATED PROVISIONS

- Taking Key Steps to Help Improve Care at Nursing Home Facilities and Better Protect Vulnerable Patients, Including:
  - Providing \$150 million for states to establish and deploy strike teams to help nursing homes manage outbreaks of coronavirus and assist with clinical care, infection control, and staffing.
  - Creating incentives to encourage the establishment of COVID-19-specific nursing home facilities.
  - > Providing new safety and quality protections for patients.
  - Ensuring facilities have a means for residents to conduct "televisitation" with loved ones while in-person visits are limited.
- Taking Key Steps to Help Make Improvements in Medical Supply Chain and Enhance Vaccine Manufacturing Capacity, Including:
  - Making important medical supply chain improvements, such as strengthening reporting requirements for device and drug manufacturers to help respond to critical supply shortages.
  - > Making improvements to management of the Strategic National Stockpile.
  - Taking steps to enhance vaccine manufacturing capacity and requiring the creation of a plan to distribute and administer COVID-19 vaccines once they are developed and authorized.
- Supporting Mental Health Care Needs, Including:
  - Providing grants to support behavioral health needs due to the COVID-19 crisis.
  - Taking steps to expand access to mental health services associated with the COVID-19 crisis.
  - Helping Americans with better access to mental health crisis counseling with a new nationwide suicide prevention and mental health crisis hotline number.

# SAFEGUARDS FOR OUR DEMOCRACY

- Provides \$3.6 billion to ensure that elections can be held safely in 2020.
- Provides \$25 billion to preserve the Postal Service, which will play a key role in ensuring safe elections.

Provides \$40 million to help ensure an accurate Census.