COVID-19 Response and Relief Supplemental Appropriations Act, 2021

Last Updated December 30, 2020

On Monday, December 21st, Congress passed the COVID-19 Response and Relief Supplemental Appropriations Act as part of an appropriations package that funds the federal government through federal fiscal year 2021. The bill was signed into law by the President on December 27th. The over $900 billion COVID-19 relief package covers a wide range of human services and related priorities. APHSA has summarized below the relevant provisions that impact human services delivery. For additional questions or clarifications, please contact Matthew Lyons, Director of Policy & Research at mlyons@aphsa.org.

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Nutrition Programs

1. **SNAP Benefit Increase** – Increases the max allotments used as the basis for calculating SNAP benefits by 15% for the period January 1 – June 30th, 2021. In implementing the benefit increase, the bill establishes that:
   - The benefit increase is a mass change that requires a simple process to notify households of the increase in benefits. This language mirrors prior guidance from ARRA that does not require individual mailed notices to households.
   - Errors resulting in application of the change are excluded in the payment error rate without regard to the 120-day limit set in 7 USC 2025(c)(3)(A).
   - Additional amounts of benefits received as a result of the SNAP benefit increase are disregarded in determining the amount of overissuances under 7 USC 2022.
   - While not addressed directly in the bill, it is our understanding that states that are unable to update their benefits ahead of the January 1st effective date may issue the difference between the current and updated benefit amount as a supplemental benefit at a later date.

2. **P-EBT Administrative Funds** – Clarifies that state and local agencies and schools are eligible for reimbursement at the 100% federal match rate for administrative expenses incurred related to P-EBT. This revision addresses prior direction from FNS that indicated schools are not eligible for reimbursement for P-EBT administrative expenses.

3. **P-EBT Child Care Revision** – Amends the Pandemic EBT program by instructing USDA to approve State plans that deem any child who has not attained the age of six, as a child who is enrolled in a covered child care facility for the purposes of P-EBT eligibility. Additionally, the bill clarifies that an agency may use the status of a covered child care facility, the status of schools in the area of a covered child care facility, or (newly added) schools in the area of a child’s residence to determine P-EBT eligibility. These changes, put together, permit states to propose providing P-EBT benefits to SNAP households with a child under six that live in an area where a school is closed or operating under hybrid learning.

4. **P-EBT Simplifying Assumptions** – Makes several additions to the scope of simplifying assumptions that may be used in P-EBT program design, including:
   - Use of a state or local public health ordinance developed in response to COVID-19 to make a simplifying assumption.
   - Explicitly states an agency may develop simplifying assumptions to determine the status of a school or covered child care facility as opened, closed, or with reduced number of days or hours.
   - Explicitly states an agency may develop simplifying assumptions to establish State or regionally-based benefit levels.

5. **SNAP Administrative Funds** – Allocates $100 million in administrative funding to states for carrying out the SNAP benefit increases and administering the SNAP program.

6. **Exclusion of Pandemic Unemployment Compensation Payments** – Excludes federal pandemic unemployment compensation payments from being counted as income or resources for SNAP eligibility for the month of receipt or any of the following 9 months.
7. **Shortening of Quality Control Waiver** – Shortens the time period states may waive quality control review requirements previously authorized through September 30, 2021 through the Continuing Appropriations Act of 2021 to June 30, 2021.

8. **College Student Eligibility** – Establishes the following criteria that exempts certain college students from SNAP student eligibility requirements set forth in 7 USC 2015(e) for individuals who:
   - Are enrolled in an institution of higher education; and
   - Are eligible to participate in a State or federally financed work study program during the regular school year, as determined by the institution of higher education; or,
   - In the current academic year, has an expected family contribution of $0, as determined in accordance with Part F of Title IV of the Higher Education Act of 1965.

These eligibility standards shall be in effect for initial SNAP applications until 30 days after the date on which the COVID-19 public health emergency is lifted and until the first recertification of a household under SNAP beginning no earlier than 30 days after the date on which the public health emergency is lifted.

9. **Appropriation of SNAP Funding** – Appropriates such sums as necessary to carry out SNAP provisions referenced.

10. **Funding for SNAP Online Purchasing and EBT Technology** – Appropriates $5 million for SNAP online purchasing and mobile and electronic benefit transfer technology improvements, including:
   - Increased FNS capacity to perform testing and technical assistance for retailers to participate in SNAP online purchasing,
   - Funding for FNS to enter into agreements with up to 5 entities to provide grants that support direct-marketing farmers and farmers’ markets to accept SNAP through online transactions, and
   - Review of technological developments to support the use of mobile technologies and test methods to modernize electronic benefit transfer technology.

11. **Provides $400 Million for the Emergency Food Assistance Program** – Funding through September 30, 2021, with up to 20% of funds to be used for commodity distribution.

12. **Provides $13 Million for the Commodity Supplemental Food Program** – Funding through September 30, 2021, with up to 20% of funds to be used for commodity distribution.

13. **Provides Emergency Relief to Child Nutrition Programs** – To help school meal and child and adult care food programs in dire need of financial assistance to continue serving children and families.

14. **Provides $75 Million in GusNIP Funds** – Funding for the Gus Schumacher Nutrition Incentive Program with discretion for USDA to reduce matching requirements for additional funds.
Child Care

1. **Provides an Additional $10 Billion Child Care Development Block Grant Payment** – Provides funding to state child care agencies to issue grants to assist child care providers with paying for costs and increased operating expenses due to COVID-19 and to reenroll children in an environment that supports the health and safety of children and staff.

2. **Waives Requirements in Sections 658E(c)(3)(D)-(E) and 658G** – Of the Child Care and Development Block Grant Act that limit assistance to low-income families, require 70% of funds be used towards direct services, and reserve a portion of funds to be used towards improvements in the quality of child care.

3. **Establishes Allowable Uses of Funds** – Including for:
   - Providing relief from copayments and tuition payments for families,
   - Paying the portion of child care providers’ costs ordinarily paid through family copayments to provide continued payments and assistance to child care providers in the case of decreased enrollment or closures related to COVID-19, and
   - Assuring providers are able to remain open or reopen, including for fixed costs and increased operating expenses.

4. **Directs States to Publicize and Provide Technical Assistance** – Regarding funds available to support the stability of the child care sector and offset increased operating expenses during the public health emergency, including for center-based child care providers, family child care providers, and group home child care providers.

5. **Encourages States to Delink Reimbursement Rates from Child Attendance** – By updating enrollment and eligibility policies as needed.

6. **Authorizes Use of Funds to Support Child Care Needs of Emergency Workers** – Including health care sector employees, farmworkers, emergency responders, sanitation workers, and other workers deemed essential, without regard to income eligibility requirements.

7. **Requires States Use a Portion of Funds to Assist Providers Not Receiving CCDBG** – For the purposes of cleaning and sanitation and other activities necessary to maintain or resume operations of programs, including for fixed costs and increased operating expenses.

8. **Permits Reimbursement of Costs Incurred Prior to Enactment of the Bill** – That were used to prevent, prepare for, or respond to COVID-19.

9. **Requires States to Submit Reports** – No later than 60 days after enactment of the Act describing how funds will be appropriated. Furthermore, directs states to submit a report no later than October 31, 2022 describing how funds were spent.
Child Welfare

1. **Additional Funds and Flexibilities for John H. Chafee Program** – Including:
   - Provides $400 million in additional appropriations for FY 2021,
   - Reserves $50 million for the provision of education and training vouchers and increases max award to $12,000 per youth,
   - Waives state match for additional Chafee funds appropriated,
   - Increases the age limit for Chafee services in FY2020 and FY2021 to age 26,
   - Suspends education and training requirements for older youth for the duration of the public health emergency and permits the use of vouchers for expenses that are not part of the cost of attendance but would help youth in remaining enrolled, and
   - Permits states to use more than 30% of funds for housing and provides authority for using funds for driving and transportation assistance, up to $4,000 per year.

2. **Prohibits Aging Out of Foster Care During the Pandemic** – By restricting states operating Title IV-E programs from requiring a child to leave foster care solely due to the child’s age.

3. **Permits the Re-Entry of Foster Youth that Age Out During the Pandemic** – By requiring states that extend assistance to older children to permit youth who exit foster care due to age during the public health emergency to re-enter, notify each youth who have exited of their option to return to foster care, facilitate the voluntary return of such youth, and to conduct a public awareness campaign of this option.

4. **Permits the Use of Additional Funding to Prevent Youth Aging Out and Supporting Re-Entry of Older Youth** – Funds are limited to costs incurred after enactment of the Act, cannot be incurred on behalf of children eligible for foster care maintenance payments, and states must take reasonable steps to determine eligibility for foster care maintenance payments prior to using funds.

5. **Clarifies Additional Flexibilities and State Requirements for Older Youth are Effective through FY 2021**

6. **Appropriates $85 Million for the Marylee Allen Promoting Safe and Stable Families Program** – And waives state match requirements for additional funds.

7. **Appropriates $10 Million for Grants to the Court Improvement Program** – In accordance with the following rules –
   - Waives matching requirements for grant funds allocated,
   - Permits funds to be used towards technology needed for remote hearings, training for participation in remote hearings, programs to help families address aspects of the case plan to avoid delays due to the public health emergency, and other purposes related to the public health emergency.
8. **Waives Family First Prevention Services Act (FFPSA) State Match Requirements During the Public Health Emergency** – For expenditures on eligible evidence-based programs for states with approved IV-E prevention plans.

9. **Waives FFPSA Evidence Standards for Kinship Navigator Programs** – In addition to waiving state match requirements, temporarily waives IV-E evidence standards for kinship navigator programs, so long as states provide an assurance a program will be or is in the process of being evaluated for the purpose of building an evidence base. Further allows states to use funds for short-term supports for direct support and assistance to kinship families, including access to resources for necessities, access to technology, health care and legal assistance, and other services and assistance that allow children to safely live with kin.

10. **Holds Harmless Family First Transition Act from FMAP Increase** – For states transitioning off IV-E waivers.

11. **Updates the Fostering Stable Housing Opportunities Act** – By streamlining access to Family Unification Program (FUP) vouchers for public housing authorities in more communities and extending foster youth’s FUP vouchers for up to an additional 24 months as they are working toward self-sufficiency.

### Unemployment Assistance

1. **Extends Pandemic Unemployment Assistance** – Through March 14, 2021, and allows individuals receiving benefits as of March 14 to continue through April 5, so long as they have not reached the maximum number of weeks. Increases the number of weeks of benefits an individual may claim from 39 to 50.

2. **Restores Federal Pandemic Unemployment Compensation Supplement** – By $300 per week starting after December 26 and ending March 14, 2021.

3. **Extends Pandemic Emergency Unemployment Compensation** – To March 14, 2021, and allows individuals receiving benefits as of March 14 to continue through April 5 so long as they have not reached the maximum number of weeks. Increases the number of weeks of benefits an individual may claim through PEUC from 13 to 24.

### Emergency Rental Assistance

1. **Appropriates $25 Billion for Rental Assistance** – To state and local government entities, territories, and tribes. Funding will be directly allocated to local governments with populations that exceed 200,000.

2. **Establishes Eligible Households** – For rental assistance as having an income below 80% of Area Median Income, can demonstrate housing instability, and qualify for unemployment benefits or experienced financial hardship due to the pandemic. Assistance is prioritized for households below 50% of Area Median Income.

3. **Requires 90% of Funds be Used for Rent or Utility Payments** – With the remaining 10% eligible for other housing-related expenses, including case management.

Head Start

1. **Provides $250 Million for COVID-related Expenses** – For Head Start agencies to prevent, prepare for, and respond to COVID-19 (including reimbursement of incurred costs). No funds made available will be included in the calculation of the “base grant” in subsequent fiscal years and are not subject to allocation requirements.

Broadband

1. **Establishes the Emergency Broadband Benefit Program** – Funded at $3.2 billion at the FCC, under which eligible households may receive a discount of $50 off the cost of internet service and a subsidy for low-cost devices such as computers and tablets. Eligible households include those with children that qualify for the free and reduced lunch program, Pell grant recipients, individuals who qualify for the Lifeline program, recently laid off or furloughed workers, and individuals who qualify for low-income or COVID discount programs offered by internet service providers.

2. **Appropriates $300 Million Broadband Deployment Program** – To support broadband infrastructure in areas lacking broadband, especially rural areas, through grants to qualifying partnerships between state and local governments and fixed broadband providers.

Low-Income Water Assistance

1. **Funds New Low-Income Water Assistance Program** – Provides $638 million to establish a Low-Income Household Drinking Water and Wastewater Emergency Assistance Program, administered through HHS ACF to assist low-income households with paying water bills.

Testing and Vaccine Distribution to Underserved Populations

1. **Funds Vaccine Distribution for High Risk and Underserved Populations** – Reserves $300 million out of $4.5 billion in funding through CDC for states and localities for promoting, distributing, administering, monitoring, and tracking vaccine distribution for high-risk and underserved populations, including racial and ethnic minority populations and rural communities.

2. **Funds Testing and Contact Tracing for High Risk and Underserved Populations** – Reserves $2.5 billion out of $25.4 billion Public Health and Social Services Emergency Fund to improve testing capabilities and contact tracing in high risk and underserved populations, including racial and ethnic minority populations and rural communities.
Substance Abuse and Mental Health Services

1. Provides $4.25 Billion to Provide Increased Mental Health and Substance Abuse Services – Including:
   - $1.65 billion for the Substance Abuse and Prevention Treatment Block Grant,
   - $1.65 billion for the Mental Health Services Block Grant,
   - $600 million for Certified Community Behavioral Health Clinics,
   - $50 million for suicide prevention programs,
   - $50 million for Project AWARE to support school-based mental health for children,
   - $240 million for emergency grants to states, and
   - $10 million for the National Child Traumatic Stress Network.

Funeral Expenses

1. Provides $2 Billion through States for Funeral Expenses – Appropriates funds by FEMA to provide financial assistance for individuals and households to meet disaster-related funeral expenses incurred since the start of the public health emergency through December 31, 2020 at a 100% federal cost share.