

## COVID-19 Legislative Analysis

### **COVID-19 Response Bill #1:**

#### [H.R.6074 - Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020](#)

H.R. 6074 was the first piece of legislation, of what we expected to be a series of bills, and its primary focus was delivering immediate support to the healthcare system. Its focus was non-partisan for the purpose of expedience and was the first of two “stop the bleeding” bills.

- Provided \$8.3 billion in emergency funding for federal agencies to respond to the coronavirus outbreak. Of the \$8.3 billion, \$6.7 billion is designated for the domestic response.
- Top line domestic funding:
  - \$1.9 billion for the Centers for Disease Control and Prevention (CDC), of which \$950 million is appropriated for state and local response efforts.
  - \$836 million for the National Institute of Allergy and Infectious Diseases (NIAID), to conduct research on therapies, vaccines, diagnostics, and other health technologies
  - \$61 million for the Food and Drug Administration (FDA) for the development and review of vaccines, therapeutics, medical devices and countermeasures, and address potential supply chain interruptions, among other things.
  - \$20 million is for the Small Business Administration (SBA) disaster loans program to support SBA’s administration of loan subsidies that will be made available to entities financially impacted as a result of the coronavirus.
  - This bill also included an estimated ~\$500 million in Medicare expenditures related to the waiving of restrictions on Medicare providers to allow them to provide telehealth benefits.

### **COVID-19 Response Bill #2:**

#### [H.R. 6201, the Families First Coronavirus Act](#)

H.R. 6201 offered broad economic support to individuals affected by the impacts of the COVID-19 health and economic crisis. The initial response was that of a public health crisis, and we see through this legislation that workers and the economy became an additional priority in the eyes of the federal government. The legislative still had a bipartisan focus, avoiding any issues that may hinder its expeditious passage. Although the scope of the bill expanded some, this was again a “band aid” bill, with the purpose of mitigating mostly short-term impacts.

- **Labor and Employment Funding and Provisions**
  - Emergency Paid Sick Days Program – Includes \$5 million for the Department of Labor to administer the emergency paid sick days program.
  - Creates a new federal emergency paid leave benefit program.
    - Eligible workers will receive a benefit for up to three months in which they must take 14 or more days of leave from their work due to “qualifying” COVID-19-related reasons.

- Days when an individual receives pay from their employer (regular wages, sick pay, or other paid time off) or unemployment compensation do not count as leave days for purposes of this benefit.
- Two-thirds of the individual's average monthly earnings (based on the most recent year of wages or self-employment income for which records are readily available), up to a cap of \$4,000.
- Provides \$1 billion in 2020 for emergency grants to states for activities related to processing and paying unemployment insurance (UI) benefits.
  - For states that experience an increase of 10 percent or more in their unemployment rate, 100 percent federal funding for Extended Benefits will be granted.
- **Food and Nutrition Funding and Provisions**
  - Includes funding to ensure the domestic nutrition assistance programs have adequate resources to help those impacted by the COVID-19 public health emergency. Funding includes:
    - \$500 million for The Special Supplemental Nutrition Program for Women Infants and Children (WIC)
    - \$300 million for The Emergency Food Assistance Program (TEFAP)
  - Suspends the work and work training requirements for SNAP during the crisis.

**COVID-19 Response Bill #3:****H.R. 748 Coronavirus Act, Relief, and Economic Security Act**

This \$2 trillion dollar stimulus package aimed to stop the downward slide of the U.S. economy and jumpstart business in the wake of the COVID-19 crisis. This was the most politically contentious of the three bills, which is no surprise as it the largest fiscal stimulus in U.S. history. This legislation marks some of the first appropriations for the workforce development system, however it is drastically underfunded. With 3.3 million unemployment filings in the last week alone the U.S. labor force will need to turn to the workforce development system to place those affected by this economic crisis into work. NAWB, along with support from local workforce development boards, partner organizations, and industry partners tirelessly advocated for funding levels that would equip the workforce system with the resources to handle this crisis along with the regulatory relief to allow workforce development boards to respond to the crisis. These funds were not included in this stimulus package. Our sense is that the idea is to get business back, open & this itself would mitigate some of the unemployment. We have been assured by Congressional staff that they are advocating for additional legislation to address the economic crisis and plan to address what will be workers impacted by a slow recovery and/or businesses which don't reopen by appropriately funding the workforce the workforce development system in that bill.

*Below are highlights of particular interest to local workforce development boards*

- **Section 3515: Workforce Response Activities**
  - Part (a) increases the administrative cap on funds allocated to local workforce development boards from 10% to 20% provided that the funds used above 10% are used to respond to the COVID-19, or other qualifying emergencies. This was put in place, in part, to respond to the increased needs of local areas to telework and change their day to day operations due to the COVID-19 crisis.
  - Part (b)(1) allows funds reserved by the Governor for PY19, that remain unobligated, to be used for statewide rapid response activities for COVID-19, or other qualifying emergencies.
  - Part (b)(2) funds reserved by the Governor for PY19, that remain unobligated, may be released within 30 days of 3/27/20 to local workforce development boards most impact by the COVID-19 crisis.
- **\$360 million appropriated through the Department of Labor**
  - \$345 million for the Employment and Training Administration (ETA)
    - Available through September 30, 2022
    - To prevent, prepare for, and respond to coronavirus, domestically or internationally, for necessary expenses for the dislocated workers assistance national reserve.
    - Funds provided may replace grant funds previously obligated to impacted areas.
      - It is our read that this allows ETA to act more quickly as it allows effected regions to essentially spend the appropriated money immediately from existing pools of grant money, then it will be replenished with the newly appropriated money on the back end.
  - \$15 million for “Departmental Management”
    - To enforce worker protection laws and regulations.
- **\$15.81 billion for Supplemental Nutrition Assistance Programs (SNAP)**
- **\$50 million for the Institute of Museum and Library Services**
  - To prevent, prepare for, and respond to coronavirus, including grants to States, territories and tribes to expand digital network access, purchase internet accessible devices, and provide technical support services:
- **\$25 million for the “Distance Learning, Telemedicine, and Broadband Program”**
  - To improve broadband in rural areas for the purpose of distance learning and telehealth.
- **\$5 billion in additional funding for the “Community Development Fund”**
- **\$3.5 billion for Child Care and Development Block Grants (CCDBG)**
  - States, Territories, and Tribes are authorized to use funds appropriated under CCDBG in to provide child care assistance to health care sector employees, emergency responders, sanitation workers, and other workers deemed essential during the response to coronavirus by public officials, without regard to the income eligibility requirements.

*For workforce development boards who are non-profits the following resources are made available through this act:*

- **Emergency Small Business Loans**
  - Provides funding for special emergency loans of up to \$10 million for eligible nonprofits and small businesses, permitting them to cover costs of payroll, operations, and debt service, and provides that the loans be forgiven in whole or in part under certain circumstances.
    - General Eligibility: Available to entities that existed on March 1, 2020 and had paid employees.
    - Nonprofit Eligibility: Available for charitable nonprofits with 500 or fewer employees.
    - Loan Use: Loan funds could be used to make payroll and associated costs, including health insurance premiums, facilities costs, and debt service.
    - Loan Forgiveness: Employers that maintain full employment between February 15 and June 30 or rehire employees by June 30 would be eligible to have their loans forgiven, essentially turning the loan into a grant.
- **Paycheck Protection Program (PPP) Loans**
  - This program provides cash-flow assistance through 100 percent federally guaranteed loans to 501(c)(3) employers who maintain their payroll during the COVID-19 emergency.
  - If employers maintain their payroll, the loans will be forgiven.
- **Economic Injury Disaster Loans & Emergency Economic Injury Grants**
  - These grants provide an emergency advance of up to \$10,000 to small businesses and private non-profits harmed by COVID-19 within three days of applying for an SBA Economic Injury Disaster Loan (EIDL).
  - May be used to keep employees on payroll, to pay for sick leave, meet increased production costs due to supply chain disruptions, or pay business obligations, including debts, rent and mortgage payments.
- **Small Business Tax Provisions**
  - This provision would provide a refundable payroll tax credit for 50 percent of wages paid by eligible employers to certain employees during the COVID-19 crisis.
  - The credit is available to employers, including non-profits, whose operations have been fully or partially suspended as a result of a government order limiting commerce, travel or group meetings.

*Below is a section by section breakdown of areas of interest to the workforce development system included in H.R. 748 (excludes sections listed above):*

#### **Health and Human Services Department**

HHS will receive \$140.4 billion, including:

- \$100 billion for the Public Health and Social Services Emergency Fund to reimburse eligible health-care providers for health-care expenses or lost revenue directly attributable to the coronavirus. Funding could go to public entities, providers enrolled in Medicare and Medicaid, and other for-profit and nonprofit entities that provide diagnoses, testing, or care for individuals with COVID-19.
- \$27 billion for the Public Health and Social Services Emergency Fund for coronavirus preparation and response, such as vaccines, countermeasures, and medical surge capacity. The bill sets aside at least \$3.5 billion for the Biomedical Advanced Research and Development Authority, and as much as \$16 billion for the Strategic National Stockpile.
- \$4.3 billion for the Centers for Disease Control and Prevention, of which at least \$1.5 billion will be provided to state, local, and tribal entities. Another \$500 million will be reserved for global disease detection and response and \$500 million for public health data surveillance and analytics infrastructure.
- \$1.87 billion for ACF's children and family's services programs, which includes \$1 billion for the Community Services Block Grant and \$750 million for Head Start.
- \$1.03 billion for the Indian Health Service, which could be used for surveillance, testing capacity, community health representatives, public health support, telehealth, and other activities.
- \$955 million for aging and disability programs operated by the Administration for Community Living.
- \$945 million for the National Institutes of Health, including \$706 million for the National Institute of Allergy and Infectious Diseases.
- \$900 million for the ACF Low-Income Home Energy Assistance Program.
- \$425 million for the Substance Abuse and Mental Health Services Administration, of which \$250 million would go to Certified Community Behavioral Health Clinics.
- \$275 million for the Public Health and Social Services Emergency Fund for other health needs, including \$90 million for the Ryan White HIV/AIDS Program.
- \$200 million for the Centers for Medicare and Medicaid Services program management account.
- \$80 million for the Food and Drug Administration for countermeasure development, advanced product manufacturing, and supply monitoring.

## **Transportation Department**

The Transportation Department will receive more than \$31 billion, including:

- \$25 billion for Federal Transit Administration grants that could be used for operating expenses relating to the coronavirus, including lost revenue, purchasing personal protective equipment, and preventative maintenance and cleaning.
- \$10 billion for the Federal Aviation Administration's Airport Improvement Program. At least \$500 million will be available to allow for a 100% federal share for grants provided under the fiscal 2020 appropriations law. The measure provides a separate \$56 million for the Essential Air Service that preserves operations at smaller airports.
- \$1 billion for Amtrak, including \$526 million for National Network Grants and \$492 million for Northeast Corridor Grants. The bill requires weekly reports on employee furloughs related to the coronavirus and require that employees can be recalled when service is restored to pre-March 1, 2020 levels.

## **Education Department**

The bill creates a \$30.8 billion Education Stabilization Fund relating to the coronavirus.

The Secretary will reserve as much as 2% for specified purposes, then divide the remainder up as follows: 43.9% for elementary and secondary school emergency relief grants, 46.3% for higher education, and 9.8% for grants to state governors. Assistance could go to nonpublic schools in some instances.

The measure also provides \$100 million for "Safe Schools and Citizenship Education," which could be used by elementary, secondary, and post-secondary schools for cleaning affected schools, counseling, and distance learning.

## **Veterans Affairs Department**

The VA will receive nearly \$20 billion, including:

- \$14.4 billion for medical services.
- \$2.15 billion for information technology systems.
- \$2.1 billion for medical community care.
- \$606 million for medical facilities.
- \$150 million for grants for construction of state extended care facilities.
- \$100 million for Medical Support and Compliance.

### **Housing and Urban Development Department**

- \$4 billion for Homeless Assistance Grants.
- \$1.25 billion for tenant-based rental assistance.
- \$1 billion for project-based rental assistance.
- \$685 million for the Public Housing Operating Fund.
- \$300 million for Native American Programs.
- \$453 million for the Bureau of Indian Affairs to deep clean facilities, purchase equipment to improve teleworking, and purchase personal protective equipment. An additional \$69 million will be provided to the Bureau of Indian Education for similar activities.
- \$158.4 million for supplies and equipment to clean buildings and public areas supporting law enforcement and emergency management operations.
- \$55 million for Insular Affairs to assist U.S. territories.

### **Agriculture Department**

- \$9.5 billion for the Office of the Secretary to provide aid to agricultural producers affected by the virus.
- \$8.8 billion for child nutrition programs.
- \$450 million for the Emergency Food Assistance Program (TEFAP), of which \$150 million could be used for costs associated with distribution.

### **Other Agencies**

- \$1.9 billion for the Commerce Department. Most of that amount, \$1.5 billion, would be provided to the Economic Development Administration to respond to “economic injury” resulting from the coronavirus outbreak.
- \$1 billion for the Justice Department, including \$850 million for state and local law enforcement assistance.
- \$400 million for election security grants that would be distributed by the Election Assistance Commission.
- \$300 million for the Social Security Administration.
- \$275 million for the General Services Administration Federal Buildings Fund.
- \$250 million for the Internal Revenue Service to cover costs associated with delaying tax filing deadlines and implementing tax changes under the second coronavirus measure.
- \$200 million for the Federal Communications Commission, including to help health-care providers with telecommunications services, information services, and devices to enable telemedicine.
- \$75 million each for the National Endowment for the Arts, National Endowment for the Humanities, and Corporation for Public Broadcasting, and \$25 million for the Kennedy Center.
- \$70 million for the Army Corps of Engineers.



**Additional Resources:**

<https://www.kff.org/global-health-policy/issue-brief/the-u-s-response-to-coronavirus-summary-of-the-coronavirus-preparedness-and-response-supplemental-appropriations-act-2020/>

<https://www.councilofnonprofits.org/sites/default/files/documents/cares-act-analysis.pdf>

<https://appropriations.house.gov/sites/democrats.appropriations.house.gov/files/Families%20First%20summary.pdf>

<https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/UC%20FAQ%20CARES%20Act.pdf>

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