

Analysis of House's Fourth COVID-19 Relief Package — the HEROES Act

On May 12, Speaker Pelosi and House Democrats introduced the House's version of the fourth COVID-19 response package, H.R. 6800 — The Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act. Read FRAC's statement.

The bill provides significant relief for struggling individuals and families. Below is a top-line summary of the nutrition provisions, as well as other provisions and investments designed to address hardship and provide much-needed economic stimulus.

Supplemental Nutrition Assistance Program (SNAP) — The bill provides **\$10 billion** in additional funding for SNAP through September 30, 2021. The bill also

- **boosts SNAP maximum benefits by 15 percent** through September 30, 2021, including the Puerto Rico and American Samoa block grant versions of SNAP;
- increases the minimum monthly SNAP benefit from \$16 to \$30;
- **suspends SNAP time limits** for certain adults and mandatory SNAP Employment and Training until two years after enactment;
- **prevents the administration from implementing or finalizing** the Able-Bodied Adults Without Dependents, Broad-Based Categorical Eligibility, and Standard Utility Allowance **SNAP rules** that would terminate or cut benefits;
- excludes Pandemic Unemployment Compensation under the <u>CARES Act</u> as income toward SNAP eligibility and benefit levels from the month of receipt and the nine months following;
- permits the purchase of hot foods or hot food products ready for immediate consumption with SNAP benefits at authorized retailers until the end of the COVID-19 public health emergency;
- allocates \$150 million for fiscal year 2020 and \$150 million for fiscal year
 2021 for states for SNAP administrative expenses;
- provides flexibility for **SNAP Nutrition Education (SNAP Ed)**; and
- requires USDA to make publicly available on its website any state agency request and the subsequent approval or denial to participate in SNAP online purchasing and waive, adjust, or modify statutory or regulatory requirements related to COVID-19.

Child Nutrition Provisions (School and Out-of-School Time Programs and the Child and Adult Care Food Program, CACFP) — The bill provides **\$3 billion** in additional funding for child nutrition programs through September 30, 2021. The bill also

- provides emergency funding to school meal programs to help cover operational costs during COVID-19;
- provides emergency funding to Child and Adult Care Food Program sponsors, centers, homes, and afterschool programs to help cover operating cost deficits created by shutdowns and a shift in services during COVID-19 (the formula will replace 55 percent of the reimbursement funding lost each claiming month for March 2020 through June 2020);

- extends the Pandemic Electronic Benefit Transfer (P-EBT) program through fiscal year 2021, which allows families to receive benefits through the summer until schools reopen and if schools close due to another outbreak; the bill also
 - includes several provisions to strengthen P-EBT, including allowing states to include children who would have otherwise received meals through child care;
 - requires that state plans support access to families who have been economically impacted by the pandemic and become newly eligible for benefits, and provides funding for the state administrative costs of operating the program; and
 - requires USDA to assess the feasibility of Puerto Rico, the Commonwealth
 of the Northern Mariana Islands, and American Samoa to participate in
 P-EBT, and allow them to submit plans based on those assessments;
- extends waiver authority provided to USDA under the Families First Coronavirus
 Response Act to the Fresh Fruit and Vegetable Program (FFVP) to give more
 flexibility for schools to serve FFVP foods;
- ensures that certain calculations under the Richard B. Russell National School Lunch Act and the Child Nutrition Act that are based on reimbursements for the school year 2019–2020 (e.g., commodity allocations and administrative funding amounts) may not be less than the amounts provided for school year 2018–2019; and
- requires USDA to make public all child nutrition waiver applications
 authorized by the Families First Coronavirus Response Act, as well as USDA's
 response to such applications, in a timely manner.

Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) — The bill provides \$1.1 billion in additional funding to meet increased demand for WIC, to remain available through September 30, 2022. The bill also

• allows USDA to increase the value of the WIC Cash Value Voucher (CVV) from \$9 for children and \$11 for women per month to \$35 per month for women and children through the end of fiscal year 2020.

Older Americans Act Nutrition Programs — The bill provides an additional \$19 million in funding for nutrition services and \$1 million for nutrition programs for Native Americans.

Emergency Food Programs — The bill provides \$150 million for The Emergency Food Assistance Program (TEFAP) for commodities and administration through September 30, 2021, \$25 million for Farm to Food Bank, and waives the non-federal match for TEFAP administrative funds.

Food Distribution Program on Indian Reservations (FDPIR) — The bill waives the payment of the non-federal share requirement for FDPIR funding provided in the CARES Act. The bill also allows Tribal member households participating in SNAP and unable to access approved retail food stores due to COVID-19 to have access to FDPIR.

Earned Income Tax Credit (EITC)/Child Tax Credit (CTC) — The bill strengthens EITC and CTC through several provisions, including by expanding the eligibility and the amount of the EITC for taxpayers with no qualifying children; making CTC fully refundable for 2020, and increasing the amount to \$3,000 per child over age 6 (\$3,600 for a child under age 6); and making 17-year-olds qualifying children for CTC.

Direct Payments to Households — The bill provides a second round of direct payments to households, with more substantial payments (\$1,200 per member, with up to \$6,000 per household). The bill also extends stimulus payments authorized in the CARES Act and in this round (HEROES Act) to Individual Taxpayer Identification Number (ITIN) filers and their family members.

Unemployment Benefits — The bill extends the weekly federal \$600 Federal Pandemic Unemployment Compensation (FPUC) supplement to state and federal unemployment benefits authorized in the CARES Act through January 2021. The payments would otherwise expire on July 31, 2020. The bill also requires federal, state, and local programs that receive any federal funding to disregard FPUC when calculating income in determining eligibility for benefits or assistance, and to exclude it from resource limits for nine months following receipt.

Funding to State and Local Governments — The bill provides <u>assistance to states and localities</u> through flexible grant aid and extending the temporary increase in the federal share of Medicaid costs provided through the Families First package. Without strong federal assistance to states and localities, state budget shortfalls could result in deep budget cuts.

Housing Assistance — The bill provides \$175 billion in new funding to assist renters and homeowners with rent, mortgage, utility payments, and other housing-related costs.

In addition to the provisions mentioned above, the bill includes other important public health, worker safety, small business, and healthcare provisions that will help struggling individuals and families through the public health and economic hardships resulting from the COVID-19 crisis.

Resources:

- House press statement on release of H.R. 6800 HEROES Act
- H.R. 6800 legislative text
- H.R. 6800 section-by-section summary from House
- FRAC statement on H.R. 6800 introduction
- FRAC <u>COVID-19 Updates</u> page