

**Union Calendar No. 1**

117TH CONGRESS }  
*1st Session* }

HOUSE OF REPRESENTATIVES

{ REPORT  
117-7

**AMERICAN RESCUE PLAN ACT OF 2021**

—  
R E P O R T

OF THE

COMMITTEE ON THE BUDGET  
HOUSE OF REPRESENTATIVES

TO ACCOMPANY

**H.R. 1319**

together with

MINORITY VIEWS



FEBRUARY 24, 2021.—Committed to the Committee of the Whole House  
on the State of the Union and ordered to be printed

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WASHINGTON : 2021

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## CONTENTS

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	Page
Introduction by the Committee on the Budget .....	2
Title I—Committee on Agriculture .....	7
Title II—Committee on Education and Labor .....	47
Title III—Committee on Energy and Commerce .....	130
Title IV—Committee on Financial Services .....	360
Title V—Committee on Oversight and Reform .....	400
Title VI—Committee on Small Business .....	456
Title VII—Committee on Transportation and Infrastructure .....	486
Title VIII—Committee on Veterans' Affairs .....	532
Title IX—Committee on Ways and Means .....	561
Committee on the Budget:	
Votes of the Committee on the Budget .....	899
Other House Report Requirements .....	915
Views of Committee Members .....	920
American Rescue Plan Act of 2021 (legislative text) .....	925



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## AMERICAN RESCUE PLAN ACT OF 2021

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FEBRUARY 24, 2021.—Committed to the Committee of the Whole House on the State of the union and ordered to be printed

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Mr. YARMUTH, from the Committee on the Budget,  
submitted the following

### R E P O R T

together with

### MINORITY VIEWS

[To accompany H.R. 1319]

[Including cost estimate of the Congressional Budget Office]

The Committee on the Budget, to whom reconciliation recommendations were submitted pursuant to title II of S. Con. Res. 5, the concurrent resolution on the budget for fiscal year 2021, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

**INTRODUCTION BY THE COMMITTEE ON THE BUDGET**

It has been roughly one year since the first COVID-19 case was diagnosed in the United States. Our nation is struggling to endure the unrelenting devastation spawned by the pandemic and corresponding economic fallout. The need for bold, compassionate, and aggressive action remains unparalleled and undeniable.

**THE CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2021  
PAVED THE WAY FOR THE AMERICAN RESCUE PLAN**

The 2021 budget resolution (S. Con. Res. 5) laid the groundwork for bold action by providing the option of using the budget reconciliation process to deliver crucial relief to the American people and achieve the goals of President Biden's American Rescue Plan. This reconciliation bill is the next step toward implementing the plan.

Budget reconciliation has been used by Democrats and Republicans over the past four decades for a variety of purposes, including reducing the deficit, expanding access to health coverage, restricting eligibility and benefits in safety-net programs, and handing out deficit-increasing GOP tax cuts heavily weighted to the wealthy. There is nothing inherently partisan about using budget reconciliation to move legislation forward. Many past budget reconciliation bills had bipartisan support; some did not. Using the reconciliation process does not preclude reaching a bipartisan agreement on a COVID-19 relief package, but it doesn't require it either. This process can help ensure that Congress can move forward and meet the country's needs. Without reconciliation, the bold action outlined by the President could languish indefinitely in the Senate, putting the health and well-being of millions of American families at risk. This is not an acceptable option.

Congress must act expeditiously to enact the American Rescue Plan Act and help workers, families, communities, and small businesses survive these crises.

**LIVES AND LIVELIHOODS ARE AT STAKE**

The coronavirus pandemic and economic crisis are destroying lives and livelihoods across the country. Tens of millions of Americans have been infected and nearly half a million have died – with almost one-fifth of deaths occurring last month alone. Our economy has faced lows unseen since the Great Depression. And our most vulnerable communities are forced to bear the brunt of these twin crises as underlying health and economic inequities grow worse.

This recovery is sputtering, painful, and the most unequal on record. Already, there are two stories of recovery in America right now as underlying racial, wealth, social, and gender disparities are exacerbated by the pandemic, increasing the divergence between wealthier and poorer Americans. In fact, workers making over \$60,000 a year have seen their employment rates *increase* by nearly 3 percent since February 2020, while employment rates for workers making less than \$27,000 have *decreased* by more than 20 percent. The American people cannot afford any more delays. Millions of Americans remain out of work, forced to leave their careers as entire industries crumble. Women – especially mothers and women of color – are exiting the workforce at alarming rates, eight out of ten minority-owned businesses are on the brink of closure, and without intervention, vital unemployment benefits are set to expire for more than 11.4 million workers in just a few short weeks.

In homes across America, food insecurity is climbing. Nearly 24 million Americans are going hungry and as many as 12 million children live in a household without enough food. Widespread school closures threaten to derail our children's education, with students of color experiencing learning loss at a higher rate than their white peers. And 30 to 40 million Americans are living under the threat of eviction because they cannot afford to pay their rent.

The public health and economic crises are inextricably tied. We cannot rescue our economy without first containing the virus. Congress passed bipartisan legislation that provided help. But these short-term measures have not been enough to respond to a pandemic that has been ongoing for a year. Additional humanitarian relief and economic support are needed, and the American people cannot afford delay. Absent additional government assistance, the economic and public health crises will worsen in the months ahead; schools will not be able to safely reopen; vaccination rates will remain far too low; and more Americans will needlessly suffer.

#### **THE AMERICAN RESCUE PLAN ACT OF 2021**

President Biden's American Rescue Plan takes a multipronged approach to tackle the public health and economic crises resulting from the COVID-19 pandemic. This ambitious \$1.9 trillion plan provides the resources needed to change the direction of the pandemic and spur an inclusive and strong economic recovery. With the American Rescue Plan Act, we will:

*Beat the virus and safely reopen schools.* The plan will mount a national vaccination program that includes setting up community vaccination sites nationwide. It will also take complementary measures to combat the virus, including scaling up testing and tracing, addressing shortages of personal protective equipment and other critical supplies, investing in high-quality treatments, and addressing health care disparities. The plan will also make the investments necessary to safely reopen schools.

*Deliver immediate relief to working families bearing the brunt of the crisis.* The plan will increase direct assistance to households in need across America by \$1,400 per person, bringing the total (including the \$600 down payment enacted in December) to \$2,000. The plan will also provide direct housing and nutrition assistance to families struggling to get by, expand access to safe and reliable child care and affordable health care, extend and expand unemployment insurance so American workers can pay their bills, and give families with children as well as childless workers a boost through enhanced tax credits. The plan will also give 27 million workers a raise by increasing the federal minimum wage. These measures will not only ensure working families can make ends meet now but will also help to generate an inclusive economic recovery, rather than a recovery that leaves behind millions of Americans.

*Support communities struggling with the economic fallout.* The plan will provide crucial support for the hardest-hit small businesses, especially those owned by entrepreneurs who have experienced systemic discrimination, with Economic Injury Disaster Loan (EIDL) grants, expanded Paycheck Protection Program (PPP) eligibility, and more. The plan also provides crucial resources to protect the jobs of first responders, frontline public health workers, teachers, transit workers, and other essential workers that all Americans depend on.

#### **WEAK SUPPORT WILL SOW A WEAK RECOVERY**

Responses to past crises have made it clear that doing too little will cost us far more. Recessions can lead to permanent economic losses and reduced opportunity, and our economy still bears scars from

insufficient support during the Great Recession. The relief Congress has provided to date has been instrumental in staving off an even more destructive downturn. However, because of the one-two punch of an economic crisis fueled by a health crisis, more must be done to safeguard Americans' health and economic security through this prolonged downturn. Our nation and our economy cannot wait for the aggressive, bold relief included in the American Rescue Plan Act.

Without the American Rescue Plan Act, CBO estimates real GDP will not recover to its pre-pandemic projection until 2025. That is four years of the economy operating below its potential, and years of needless human suffering. The American Rescue Plan Act will get the economy back on track much faster, with real GDP reaching CBO's pre-pandemic projection by the end of this year.

Far too many Americans are finding themselves out of work through no fault of their own. Many are being forced to choose between their health and a paycheck. Not only does prolonged unemployment lead to lost income, it has consequences for mental and physical health. Without the American Rescue Plan Act, CBO estimates it will take at least three years before employment returns to pre-pandemic levels. But with this vital support, economists estimate that we can bring the economy back to near full employment in a little over 12 months.

#### **WE MUST LEARN FROM PAST CRISES AND PAST MISTAKES**

Unfounded fears of the federal debt, rather than any real economic constraint, hobbled the response to the Great Recession from the outset, producing a fiscal response that was too small and was withdrawn too soon to fully match the depth of the downturn. As a result, the U.S. economy experienced a slow and painful recovery, and it took nearly a decade for unemployment rates to recover. Years of forced austerity and chronic underinvestment in public health, infrastructure, education, and more have left the United States less safe, less resilient, and less able to effectively respond to crises – a reality the pandemic has magnified.

Fortunately, economists across the ideological spectrum agree that the United States has ample fiscal space to provide the resources necessary to end the pandemic, mitigate its economic damage, and rebuild a stronger and more equitable economy. Interest rates and inflation are at historic lows – lower today than before the pandemic – and consequently, returns on smart investments in the economy have never been higher. In fact, economists warn that *failing* to deliver the relief in the American Rescue Plan Act and squandering this opportunity will lead to a weak, prolonged, and unequal recovery, posing more severe risks to our economic and budget outlooks than any deficits we might incur.

The quicker we act the more lives can be saved and the faster our economy will recover. Multiple variant strains of the novel coronavirus are now infecting Americans across the United States, and our vaccine rollout and efforts to contain the virus are in desperate need of resources. We are in a race against time, and aggressive, bold action is needed before our communities are permanently scarred by the human and economic costs of inaction.

#### **THE BUDGET COMMITTEE'S ROLE IN DELIVERING THE AMERICAN RESCUE PLAN ACT**

The major steps in the reconciliation process, as provided for under Section 310 of the Budget Act, and how they apply in this instance, are the following:

*The Budget Resolution.* Reconciliation can be triggered only by the adoption of a budget resolution. Therefore, the fiscal year 2021 budget resolution (S. Con. Res. 5), passed in early February, carried reconciliation instructions for 12 committees that have jurisdiction over some portion of the American Rescue Plan Act.

The resolution's budget reconciliation framework sets a budgetary target of up to \$1.9 trillion – the estimated cost of President Biden's American Rescue Plan.

Figure 1

RECONCILIATION INSTRUCTIONS TO HOUSE COMMITTEES	
Deficit increase (2021-2030), billions of dollars	
COMMITTEE	AMOUNT
Agriculture	16
Education and Labor	358
Energy and Commerce	188
Financial services	75
Foreign Affairs	10
Natural Resources	1
Oversight and Reform	351
Science, Space, and Technology	1
Small Business	50
Transportation and Infrastructure	96
Veterans' Affairs	17
Ways and Means	941
Subtotal	2103
<i>Remove overlap</i>	215
<b>TOTAL</b>	<b>1,889</b>

*Authorizing Committees.* Nine authorizing committees marked up legislative provisions pursuant to their instructions and transmitted them to the Committee on the Budget. This report incorporates the detailed descriptions of the provisions provided in the committees' submissions to the Budget Committee, summarized below. Three authorizing committees did not submit recommendations to the Budget Committee in response to the reconciliation instruction.

- **The Agriculture Committee:** Provisions help families put food on the table by extending enhanced SNAP benefits, providing funds to alleviate backlogs and respond to pandemic impacts in our food supply chains, and supporting debt relief and other financial and technical assistance to Black farmers and other farmers of color.
- **The Education and Labor Committee:** Provides critical funding to help K-12 schools safely reopen and address lost time in the classroom, as well as provisions to increase workers' income by raising the federal minimum wage and expanding grants to make child care safer and more affordable for families.

- **The Energy and Commerce Committee** Provisions provide critical funding and resources to increase COVID-19 vaccinations across the country and to test, treat and protect all Americans, including communities of color.
- **The Financial Services Committee** Provisions include funds to protect renters and homeowners, prevent homelessness, and procure essential medical supplies and equipment through the Defense Production Act.
- **The Committee on Oversight and Reform** Provisions provide urgent funding to help communities across the country battle the coronavirus, restore critical services to struggling families, and help save the jobs of our heroes – health care workers, first responders, sanitation and transportation workers, and teachers – in states, localities, tribes, and territories.
- **The Small Business Committee** Provisions help small businesses get back on track with additional funding for EIDL and restaurant grants, expanded PPP eligibility for nonprofits, and support for shuttered and struggling live venues.
- **The Veterans' Affairs Committee** Provisions will provide critical funds to help the VA meet the health and economic needs of our nation's veterans, including funds to waive copays for treatment and help the VA reduce claims and appeals backlogs caused by COVID.
- **The Transportation and Infrastructure Committee** Provisions provide key funding for transit, airports, and FEMA's disaster relief fund that help put people back to work.
- **The Ways and Means Committee:** Provisions include additional direct payments, extended pandemic-related unemployment benefits, financial assistance for individuals to retain health coverage through the Affordable Care Act, and funding for enhancements to refundable tax credits - like the Child Tax Credit and the Earned Income Tax Credit - designed to help low-income Americans and combat child poverty.

*The Budget Committee.* Having received the submissions, the Committee on the Budget, as provided for under Section 310 of the Budget Act, has bound the provisions together, without substantive change, into a single measure—a reconciliation bill—and met to report the measure to the House for floor consideration.

**U.S. House of Representatives**  
**Committee on Agriculture**  
**Washington, DC 20515**

February 16, 2021

The Honorable John A. Yarmuth  
Chairman  
Committee on the Budget  
204-E Cannon House Office Building  
Washington, D.C. 20515

Dear Chairman Yarmuth,

Pursuant to section 2001 of the Concurrent Resolution on the Budget, I hereby transmit these recommendations which have been approved by vote of the Committee on Agriculture and the appropriate accompanying material including additional and minority views, to the House Committee on the Budget. This submission is in order to comply with reconciliation directives included in S. Con. Res. 5, the fiscal year 2021 budget resolution, and is consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974.

Sincerely,

A handwritten signature in black ink, appearing to read "David Scott".

David Scott  
Chairman

## TITLE I—COMMITTEE ON AGRICULTURE

**TABLE OF CONTENTS**

TABLE OF CONTENTS.....	2
TITLE I – COMMITTEE ON AGRICULTURE .....	3
SUBTITLE A—AGRICULTURE.....	3
SUBTITLE B—NUTRITION .....	15
BRIEF EXPLANATION .....	20
PURPOSE AND NEED.....	20
SECTION-BY-SECTION DESCRIPTION.....	26
COMMITTEE CONSIDERATION .....	29
TRANSMITTING THE MEASURE.....	31
ROLL CALL VOTES.....	31
CONGRESSIONAL BUDGET ACT COMPLIANCE.....	40
CONGRESSIONAL BUDGET OFFICE (CBO) ESTIMATE AND COMPARISONS .....	41
CONSTITUTIONAL AUTHORITY STATEMENT.....	47
PERFORMANCE GOALS AND OBJECTIVES .....	47
COMMITTEE OVERSIGHT FINDINGS .....	47
ADVISORY COMMITTEE STATEMENT .....	47
APPLICABILITY TO THE LEGISLATIVE BRANCH .....	47
FEDERAL MANDATES STATEMENT.....	47
EARMARK STATEMENT.....	48
DUPLICATION OF FEDERAL PROGRAMS .....	48
CHANGES IN EXISTING LAW .....	48
MINORITY VIEWS .....	49
ADDITIONAL VIEWS.....	57

## TITLE I—COMMITTEE ON AGRICULTURE

**BRIEF EXPLANATION**

The provisions passed by the Committee increase spending within the jurisdiction of the Committee on Agriculture, as instructed by S. Con. Res. 5, establishing the congressional budget for the United States Government for Fiscal Year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030, as passed by the House of Representatives on February 5, 2021.

**PURPOSE AND NEED**

The Senate Concurrent Resolution, S. Con. Res. 5, included budget reconciliation instructions directing the Committee on Agriculture to report changes in laws within its jurisdiction that result in increases to the deficit by not more than \$16,112,000,000 for fiscal years 2021 through 2030. The Committee on Agriculture reported provisions out of Committee that meet those instructions and are intended to address the ongoing crises across our country.

The United States faces unprecedented crises of a pandemic because of a zoonotic virus, recession, joblessness, poverty, and hunger. The pandemic has exposed structural inadequacies of the food supply chain, highlighting the need for improved resiliency from farm to fork.

The COVID-19 pandemic has claimed the lives of at least 484,000 Americans and sickened over 27 million Americans to date, with nearly 62,000 Americans lost in January 2021 alone. The impact of the virus on Americans has been uneven, with communities of color more likely to contract the virus, more likely to be hospitalized because of the virus, and more likely to die from the virus according to statistics from the Centers for Disease Control. Additionally, as compared to urban and suburban communities, rural communities often had less access to intensive care hospital resources needed to survive this disease, with 17 rural hospitals closing in 2020 alone.

This ongoing pandemic has led to an economic recession, with significant unemployment, hunger, and economic wellbeing impacts to Americans and families across the country. In April 2020, the unemployment rate of the United States rose to a level not seen since the data has been collected. Both the Federal Reserve and the Congressional Budget Office project that the country will have unemployment rates over 6 percent for the next three years. In February 2021, the Bureau of Labor Statistics found that nearly 40 percent of the total of unemployed Americans have been without a job for at least 27 weeks. Another 7 million Americans want a job but are not currently in the labor force.

Not surprisingly, the poverty and hunger rates of families, children, seniors, and working age Americans have increased in the past year. Before the pandemic, the Census Bureau reported an overall poverty rate of 10.5 percent, with significant differences across races. In 2019, the poverty rate for black Americans was 18.8 percent, Hispanic Americans was 15.7 percent, and American Indian and Alaska Natives was 18.5 percent. Poverty in America in 2020 is defined as having an annual income of approximately \$12,760 for an individual, \$17,240 for a family of

## TITLE I—COMMITTEE ON AGRICULTURE

two, and \$26,200 for a family of four. In 2019, those guidelines were \$12,490; \$16,910; and \$25,750. Even before the pandemic, one in ten American households and one in eight American households with children experienced food insecurity. Rural households also experienced these high rates of food insecurity and poverty. While Congress has provided some relief for households suffering from food insecurity by providing crucial waivers for state agencies administering the Supplemental Nutrition Assistance Program (SNAP) to efficiently process significant increases in their caseloads and by providing emergency allotments under the Families First Coronavirus Response Act to SNAP households, as determined by the Secretary, the rates of food insecurity and poverty due to the pandemic remain high.

Across the country, more than 420 Republican and Democratic mayors from states including Arizona, Florida, California, Ohio, Oklahoma, Kentucky, and Minnesota have exhorted Congress to provide critical assistance for their cities and states, including assistance contained in this measure. In a February 2021 article in the *Washington Post*, Mayor Jerry Dyer of Fresno, California stated that Federal aid for cities and states, including to help care for the hungry, “[is] not a Republican issue or a Democrat issue. . . . It’s a public health issue. It’s an economic issue. And it’s a public safety issue.”

## Food Supply Chain and Agriculture Pandemic Response

The impacts of the COVID-19 pandemic have been acutely experienced by food and farmworkers. News reports estimate nearly 90,000 food processing plant workers located across nearly 1,400 facilities have had confirmed cases of COVID-19. Economists at Purdue University estimate nearly 500,000 agriculture and farmworkers have contracted the disease. These essential employees have continued to perform despite challenges in acquiring adequate personal protective equipment, difficulty with socially distancing while working, and the lack of culturally appropriate literature on COVID-19 in workers’ preferred language. In December 2020, the National Academy of Sciences published an article titled “Livestock plants and COVID-19 transmission” that “suggests that, among essential industries, livestock processing poses a particular public health risk extending far beyond meatpacking companies and their employees.” An article published in the CDC journal *Emerging Infectious Diseases* titled “Coronavirus Disease among Workers in Food Processing, Food Manufacturing, and Agriculture Workplaces” highlighted how the COVID-19 pandemic has affected food and farmworkers, particularly racial minorities within the sector. Of the states reporting race and ethnicity data, 36.5 percent of food and farm workers were Hispanic or Latino, but these workers accounted for 72.8 percent of workers with COVID-19.

Acknowledging these needs, forty-three groups representing specialty crop growers and processors wrote to the Secretary of Agriculture requesting that at least \$1,000,000,000 be prioritized specifically for the procurement and distribution of worker protective equipment.

The negative impacts of COVID-19 on food and farmworkers, as well as the simultaneous shutdown of the food service sector in the initial days of the pandemic, crippled agricultural supply chains that were heavily dependent on human labor and “just in time” processing and

## TITLE I—COMMITTEE ON AGRICULTURE

delivery of products to retailers and consumers. According to the United States Department of Agriculture (USDA), consumers typically spend 54 percent of all food and drink dollars on products that are purchased and consumed outside of the home. As restaurants, bars, and other food service institutions such as schools and universities quickly closed in response to the pandemic, agricultural processors and distributors were forced to pivot to other available channels of trade such as retail grocery outlets.

Challenges with safe processing capacity, product packaging, and shelf-life led to the backup of supply chains, causing increases in food costs and bare grocery store shelves, while on-farm prices dropped and necessitated the destruction of livestock and agriculture products that could not be timely rerouted or repurposed. Some livestock and poultry producer groups forecast that on-farm losses for hog farmers alone total \$5,000,000,000.

The destruction of these products was happening as more and more Americans faced unemployment and hunger. Food and agricultural supply chain security needs will persist as pandemic recovery continues and understanding of SARS-CoV-2 continues to evolve.

To meet these critical needs, section 1001 of the Committee Print invests \$4 billion in the United States food supply chain and agriculture pandemic response. \$3.6 billion of these funds are intended to purchase food and agricultural commodities; purchase and distribute agricultural commodities to Americans in need; make grants and loans to eligible organizations to respond to COVID-19; and, make loans and grants and other assistance to improve the resiliency of the food and agricultural supply chain.

This virus is of zoonotic origin, has demonstrated the ability to cross species boundaries and mutate in multiple species, and may have unknown reservoir host or hosts. Cases have been documented and tracked by the World Organization for Animal Health (OIE) in multiple genera of the *Felidae* family; mustelids; primates; dogs; and more. To fully respond to the threat of SARS CoV-2 and protect public health, a one health approach to surveillance must be adopted and fully implemented. On November 12, 2020, the OIE issued a statement on COVID-19 and mink. The statement observed that “[t]he risk of susceptible animals...becoming a SARS-CoV-2 reservoir generates worldwide concern, as it could pose a continued public health risk and lead to future spillover events to humans.” The OIE went on to assert that “a global One Health approach is needed” and that “actions should be taken to . . . monitor susceptible animals.” An OIE guidance document on November 16, 2020 notes that “[t]ransmission from infected minks to humans was demonstrated in the Netherlands” and that “in high mink density areas there is a risk of establishing a reservoir of SARS-CoV-2.” With these recommendations and observations from the international organization supporting global animal welfare and disease, the Committee invests \$300 million in monitoring and surveillance of SARS CoV-2 in susceptible animals.

In 2020, the meat and poultry supply chain in America was significantly disrupted by COVID-19. Temporary actions to protect public health resulted in a supply chain backlog, mismatch of product availability and accessible markets, and the euthanasia of animals. Very small and small meat and poultry plants across the country are still working to reduce the backlog from that time period. The Committee invests \$100 million to defray the costs of overtime fees for Federal

## TITLE I—COMMITTEE ON AGRICULTURE

inspectors at small and very small Federally inspected meat and poultry facilities. These funds will support resiliency and capacity in the domestic meat and poultry supply chains.

## Emergency Grants for Rural Health Care

As stated earlier, rural communities may have less access to health care providers and infrastructure, and some rural communities are also impacted by persistent poverty and hunger. Even with Federal assistance earlier investments to combat COVID-19, rural communities have been hit hard by COVID-19 as the pandemic has spread across the country, with the USDA Economic Research Service noting that “non-metro death rates from COVID-19 surpassed metro rates starting in late August”. Accordingly, the Committee provides the Department funds for emergency grants to entities eligible under the USDA Community Facilities Grant Program to maintain and increase health care and nutritional assistance capacity related to COVID-19.

## Socially Disadvantaged Farmers, Ranchers, Forest Land Owners and Operators, and Groups

The USDA spends billions of dollars annually to provide crucial support to American agricultural producers. Black farmers and other agricultural producers belonging to racial or ethnic minority groups have received a disproportionately small share of the farm loans and payments administered by USDA as a result of the longstanding and widespread discrimination against these groups. Despite multiple lawsuits, numerous government reports, and the limited programs created by Congress since the 1980s attempting to address the disproportionately low rates of agricultural spending on socially disadvantaged groups, USDA farm loan and payment programs continue to disproportionately benefit farmers who are not racial or ethnic minorities. Consequently, the Committee has agreed to achieve its directed spending target by using a tailored approach to increase spending to address these longstanding inequities.

For this purpose, the Committee provides funds for payment or modification of existing Department of Agriculture Farm Service Agency loans and Commodity Credit Corporation Farm Storage Facility Loans held by socially disadvantaged farmers or ranchers. The Committee also ensures that these payments do not affect the eligibility of farmers or ranchers for future farm loans.

For the same purpose, the Committee provides \$1.01 billion for assistance to socially disadvantaged farmers, ranchers, forest landowners, and groups who have historically faced discrimination on the basis of race or ethnicity by USDA. These funds will support outreach, financial training, cooperative development and capacity building, and other technical assistance to socially disadvantaged groups. These funds will also support the development of agricultural legal centers and agricultural credit institutions to serve socially disadvantaged groups, including other financing institutions funded by the Farm Credit System. These funds will support pilot projects to provide technical and financial assistance to socially disadvantaged groups focused on land acquisition, financial planning, technical assistance, and access to credit. The funds will also support grants and loans to improve land access, including heirs' property issues, and aid former

## TITLE I—COMMITTEE ON AGRICULTURE

farm loan borrowers that suffered adverse actions or past discrimination or bias. These funds will support the activities of equity commissions. These funds will also support research, education, and extension activities at minority serving institutions, including scholarships, internships, and pathways to Federal employment for students; eligible institutions include 1890 Land-Grant Institutions, 1994 Tribal Land-Grant Colleges and Universities, Alaska Native/Native Hawaiian Serving Institutions, Hispanic-Serving Institutions, and Insular Area Institutions.

## Food Assistance

To ease food and agricultural supply chain disruptions and address increased hunger due to COVID-19, the Committee provides an additional \$800 million in necessary funds to facilitate delivery of U.S. commodities abroad via Title II grants of the Food for Peace Act, most recently reauthorized in the Agriculture Improvement Act of 2018 (P.L. 115-334).

## Domestic Hunger and Nutrition

As stated earlier in this report, the crisis of hunger in this country has been exacerbated by the ongoing pandemic. News story after news story has highlighted the impact of this in communities across the country.

Subtitle B of the Committee Print is intended to reduce this real threat of hunger to American families. The Committee extends for 3 additional months, through September 30, 2021, the requirement that the value of SNAP benefits be calculated using 115 percent of the June 2020 value of the thrifty food plan. This temporary increase to SNAP benefits is necessary because of the significant increase in food insecurity and rise in food prices during the COVID-19 pandemic. The Committee provides additional funds to states to administer the program, as caseloads are expected to remain high through the fiscal year due to the economic indicators. The Committee also provides funds to the Nutrition Assistance Programs for Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands. In order to achieve greater equity in the distribution of Federal resources to the underserved, minority community in the Commonwealth of the Northern Mariana Islands, the Committee encourages the Secretary of Agriculture to collaborate with leadership of the Northern Mariana Islands to better meet the nutrition and anti-hunger needs of communities across the islands.

The Committee also provides funds to support improvements for online purchases using SNAP, modernize the electronic benefit transfer system, and support mobile payment technologies. And, the Committee provides additional funding for the Commodity Supplemental Food Program to ensure sufficient inventory of food and to provide flexibility for increased caseload of low-income seniors for this critical program.

## Program Administration and Oversight

TITLE I—COMMITTEE ON AGRICULTURE

The Committee designates \$47.5 million for administration of the programs and policies in Subtitle A of this title.

Over the past 12 months, the United States Department of Agriculture has received an additional \$111 billion to respond to the impacts of COVID-19. Congress and the public have an interest in ensuring that all funds used to implement projects and activities have followed appropriate laws and regulations. The Committee provides \$2.5 million to the USDA Office of the Inspector General for such purposes.

## TITLE I—COMMITTEE ON AGRICULTURE

**SECTION-BY-SECTION DESCRIPTION****SUBTITLE A - AGRICULTURE***Section 1001. Food supply chain and agriculture pandemic response*

Section 1001 provides \$4,000,000,000 to the Secretary of Agriculture, \$3,600,000,000 of which is to support the food supply chain, including purchasing food and agricultural commodities; making grants and loans for small to mid-sized processors, seafood processing facilities, farmers markets, producers and other organizations to respond to COVID-19; providing assistance to maintain and improve food and agricultural supply chain resiliency; and making payments for necessary expenses related to losses of crops (including losses due to derechos) pursuant to the Wildfire Hurricane Indemnity Program Plus.

The section requires the Secretary to use \$300,000,000 of the \$4,000,000,000 made available, to conduct animal surveillance related to COVID-19.

The section requires that Secretary use \$100,000,000 of the \$4,000,000,000 made available, to reduce the amount of overtime inspection costs borne by federally-inspected small and very small meat, poultry, and egg processors.

*Section 1002. Emergency grants for rural health care*

Section 1002 provides \$500,000,000 for the Secretary of Agriculture to award emergency grants for rural health care costs related to COVID-19, including increasing capacity for vaccine distribution, constructing temporary or permanent structures to provide vaccine administration or testing, and supporting staffing needs for vaccine administration or testing. Grants awarded under this section may be used to reimburse for costs incurred prior to the issuance of the grant.

The funds provided to carry out this section shall remain available until September 30, 2023. Not more than three percent of the funds may be used by the Secretary for administrative purposes and not more than two percent may be used by the Secretary for technical assistance.

*Section 1003. Pandemic program administration funds*

Section 1003 provides \$47,500,000 for necessary administrative expenses associated with carrying out this subtitle.

*Section 1004. Funding for the USDA Office of Inspector General for oversight of COVID-19-related programs*

Section 1004 provides \$2,500,000 for the USDA Office of the Inspector General to audit, investigate, and conduct other oversight activities of projects and activities carried out with funds made available to the Department of Agriculture related to the COVID-19 pandemic. These funds remain available until September 30, 2022.

*Section 1005. Farm loan assistance for socially disadvantaged farmers and ranchers*

Section 1005 requires the Secretary of Agriculture to make payments of 120 percent of any outstanding farm loan indebtedness, as of January 1, 2021, to pay off such loan debt for each socially disadvantaged farmer or rancher. A payment under this section shall not affect the

## TITLE I—COMMITTEE ON AGRICULTURE

eligibility of the affected socially disadvantaged farmer or rancher for a farm loan after the date on which the payment under this section is made.

*Section 1006. Assistance and support for socially disadvantaged farmers, ranchers, forest land owners and operators, and groups*

Section 1006 provides \$1,010,000,000 for the Secretary of Agriculture to provide assistance and support for socially disadvantaged farmers, ranchers, and forest land owners and operators, and socially disadvantaged groups, including providing technical assistance, cooperative development training and support, and other activities to support socially disadvantaged groups; providing grants and loans to improve land access for socially disadvantaged farmers, ranchers, or forest land owners or operators, including issues related to heirs' property; supporting the development of agricultural credit institutions that are designed to serve socially disadvantaged groups; to support the activities of one or more equity commissions; to support and supplement research, education, and extension, as well as scholarships and programs that provide internships and pathways to Federal employment, at 1890 institutions, 1994 institutions, Alaska Native, Native Hawaiian, and Hispanic-serving institutions, and insular area institutions of higher education.

*Section 1007. Funding for Food for Peace Title II grants*

Section 1007 provides \$800,000,000 for Food for Peace Title II grants. These funds remain available until September 30, 2022.

## SUBTITLE B—NUTRITION

*Section 1011. Supplemental nutrition assistance program*

Section 1011 extends from June 30, 2021 to September 30, 2021, the requirement that the value of supplemental nutrition assistance program benefits be calculated using 115 percent of the June 2020 value of the thrifty food plan.

This section also provides \$1,150,000,000 to the Secretary of Agriculture, \$1,135,000,000 of which shall be for the Secretary to make grants for each of fiscal years 2021 through 2023 to each State agency for the costs of State administrative expenses associated with the supplemental nutrition assistance program. The remaining \$15,000,000 is made available to the Secretary of Agriculture for necessary expenses for management and oversight of the supplemental nutrition assistance program.

*Section 1012. Additional assistance for SNAP online purchasing and technology improvements*

Section 1012 provides \$25,000,000 for the Secretary of Agriculture to make technological improvements to online purchasing in the supplemental nutrition assistance program, to modernize electronic benefit transfer technology, to support the use of mobile technologies, and to provide technical assistance to educate retailers on such technologies. These funds remain available until September 30, 2026.

TITLE I—COMMITTEE ON AGRICULTURE

*Section 1013. Additional funding for nutrition assistance programs*

Section 1013 provides \$1,000,000,000 to remain available until September 30, 2027 for the Secretary of Agriculture to provide grants for nutrition assistance to Puerto Rico, American Samoa, and the Commonwealth of Northern Mariana Islands. \$30,000,000 of the total funding shall be made available to the Commonwealth of Northern Mariana Islands.

*Section 1014. Commodity supplemental food program*

Section 1014 provides \$37,000,000 for the Commodity Supplemental Food Program, to remain available until September 30, 2022.

## TITLE I—COMMITTEE ON AGRICULTURE

**COMMITTEE CONSIDERATION**

The Committee on Agriculture met, pursuant to notice, with a quorum present, on Wednesday, February 10, 2021, to consider the Committee on Agriculture Committee Print pursuant to the budget reconciliation instructions provided in the fiscal year 2021 budget resolution, S. Con. Res. 5.

Chairman David Scott offered an opening statement as did Ranking Member Glenn ‘GT’ Thompson. Without objection the Committee on Agriculture Committee Print was placed before the Committee for consideration and the first reading of the measure was waived. The measure was open for amendment on a section by section basis and subsequently for amendment at any point.

The Committee engaged in discussion of specific sections and of the Committee Print in general. Fourteen amendments were offered, all by the Minority.

Ranking Member Thompson offered an amendment to the Committee Print that would have reduced by half each dollar amount specified in any section of the measure, excluding sections 1005 and 1006. The amendment would have provided payments through the Renewable Fuel Reimbursement Program and would have provided funding for certain broadband programs, rural utility bridge loans, and rural hospitals and other community facilities. Mr. Thompson called for a recorded vote and it failed by a vote of 23 yeas to 24 nays.

Mr. Feenstra offered an amendment to section 1001 of the Committee Print that would provide payments for necessary expenses related to crop losses, including losses due to high winds or derechos, pursuant to the Wildfire Hurricane Indemnity Program Plus. Mr. Feenstra called for a recorded vote and the amendment was adopted by a vote of 24 yeas to 23 nays.

Mr. Feenstra offered an amendment to section 1001 of the Committee Print that would have prioritized small and medium-sized processors and distributors, where available, for purchases and distribution of agricultural commodities under section 1001(b)(2). Mr. Thompson called for recorded vote and it failed by a vote of 23 yeas to 24 nays.

Mr. Davis offered an amendment to section 1001 of the Committee Print that would have provided payments to biofuels producers for unexpected market losses due to COVID-19. Mr. Thompson called for a recorded vote and it failed by a vote of 23 yeas to 25 nays.

Mr. LaMalfa offered an amendment to section 1001 of the Committee Print that would have reduced funding for COVID-19 animal surveillance by \$200 million and increased funding for grants and loans for measures to protect workers against COVID-19 by \$200 million. Mr. LaMalfa withdrew his amendment.

Mr. Johnson offered an amendment to section 1001 of the Committee Print that would have allowed funds for COVID-19 animal monitoring and surveillance to be used to conduct animal research and vaccination. Mr. Johnson withdrew his amendment.

Mr. Hagedorn offered an amendment to the Committee Print that would have prevented any funds provided under this measure from being allocated until 80 percent of the funds made available under the Coronavirus Aid, Relief, and Economic Security Act and the Consolidated Appropriations Act, 2021 have been obligated. Mr. Hagedorn called for a recorded vote and it failed by a vote of 23 yeas to 25 nays.

Mr. Feenstra offered an amendment to section 1005 of the Committee Print that would have reduced farm loan assistance to socially disadvantaged farmers and ranchers to 100 percent of the outstanding farm loan indebtedness of each such farmer or rancher. Mr. Thompson called for recorded vote and it failed by a vote of 23 yeas to 24 nays.

Mrs. Hartzler offered an amendment to section 1005 of the Committee Print that would

## TITLE I—COMMITTEE ON AGRICULTURE

have limited farm loan assistance to socially disadvantaged farmers and ranchers to farm loan debt incurred as a direct result of the COVID-19 pandemic. Mr. Thompson called for a recorded vote and it failed by a vote of 23 yeas to 25 nays.

Mr. Davis offered an amendment to section 1006 of the Committee Print that would have expanded section 1006(b)(6) of the measure to include any entities eligible to receive funds under a capacity and infrastructure program under the Department of Agriculture Reorganization Act of 1994. Mr. Davis withdrew his amendment.

Mrs. Cammack offered an amendment to section 1011 of the Committee Print that would have eliminated the 3-month extension of the temporary increase in Supplemental Nutrition Assistance Program benefits and provided \$3 billion for employment and training programs. Mr. Thompson called for a recorded vote and it failed by a vote of 23 yeas to 25 nays.

Mr. Bacon offered an amendment to the Committee Print that would have provided a \$380 million increase in agricultural research and cooperative extension and education programs. Mr. Thompson called for a recorded vote and it failed by a vote of 23 yeas to 25 nays.

Mr. Feenstra offered an amendment to the Committee Print that would have rescinded the unobligated balance of each amount made available without fiscal year limitation by the Act, as of September 22, 2022. Mr. Thompson called for recorded vote and it failed by a vote of 23 yeas to 25 nays.

Mr. Baird offered an amendment to the Committee Print that would withhold all funds made available under this measure until the Secretary of Agriculture reinstated the processing of payments under the program under part 9 of title 7, Code of Federal Regulations. Mr. Thompson called for a recorded vote and it failed by a vote of 22 yeas to 25 nays.

Hearing no further debate or amendments, Vice Chair Alma Adams moved that the Committee transmit the Committee Print, with amendment, to the Committee on the Budget. Ranking Member Thompson called for a recorded vote and it passed by a vote of 25 yeas to 23 nays.

Ranking Member Thompson reserved the right for Minority views to be included with the Committee Report.

Chairman David Scott advised Members that, consistent with Committee and House rules, Members would have until the end of the day on Sunday, February 14, 2021 to file such views with the Committee. Without objection, staff were given the authority to make any necessary clerical, technical, or conforming changes to the Committee Report reflect the intent of the Committee. Chairman David Scott thanked the Members and the Committee meeting was adjourned.

## TITLE I—COMMITTEE ON AGRICULTURE

**TRANSMITTING THE MEASURE**

On a motion by Vice Chair Adams, the Committee voted to transmit the Agriculture and Nutrition title Committee Print, with amendment, to the Committee on the Budget, by a vote of 25 yeas to 23 nays.

**ROLL CALL VOTES**

In compliance with clause 3(b) of rule XIII of the House of Representatives, the Committee sets forth the record of the following roll call votes taken with respect to the Agriculture and Nutrition title Committee Print.

*Rollcall No. 1*

Summary: An amendment that would have reduced by half each dollar amount specified in any section of the measure, excluding sections 1005 and 1006. The amendment would have provided payments through the Renewable Fuel Reimbursement Program and would have provided funding for certain broadband programs, rural utility bridge loans, and rural hospitals and other community facilities.

Offered by: Mr. Thompson  
Result: Failed  
23 yeas, 24 nays, 1 not voting

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Mann	

## NAYS

1. Mr. David Scott	7. Mrs. Hayes	13. Mrs. Bustos	19. Mr. Correa
2. Mr. Costa	8. Mr. Delgado	14. Mr. Maloney	20. Ms. Craig
3. Mr. McGovern	9. Mr. Rush	15. Mr. O'Halleran	21. Mr. Harder
4. Mr. Vela	10. Ms. Pingree	16. Mr. Carbajal	22. Mrs. Axne
5. Ms. Adams	11. Mr. Sablan	17. Mr. Khanna	23. Ms. Schrier
6. Ms. Spanberger	12. Ms. Kuster	18. Mr. Lawson	24. Mr. Panetta

## NOT VOTING

1. Ms. Plaskett

## TITLE I—COMMITTEE ON AGRICULTURE

*Rollcall No. 2*

Summary: An amendment to section 1001 that would provide payments for necessary expenses related to crop losses, including losses due to high winds or derechos, pursuant to the Wildfire Hurricane Indemnity Program Plus.

Offered by: Mr. Feenstra

Result: Passed

24 yeas, 23 nays, 1 not voting

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Mann	24. Mrs. Axne

## NAYS

1. Mr. David Scott	7. Mrs. Hayes	13. Mrs. Bustos	19. Mr. Correa
2. Mr. Costa	8. Mr. Delgado	14. Mr. Maloney	20. Ms. Craig
3. Mr. McGovern	9. Mr. Rush	15. Mr. O'Halleran	21. Mr. Harder
4. Mr. Vela	10. Ms. Pingree	16. Mr. Carbajal	22. Ms. Schrier
5. Ms. Adams	11. Mr. Sablan	17. Mr. Khanna	23. Mr. Panetta
6. Ms. Spanberger	12. Ms. Kuster	18. Mr. Lawson	

## NOT VOTING

1. Ms. Plaskett

*Rollcall No. 3*

Summary: An amendment to section 1001 that would have prioritized small and medium-sized processors and distributors, where available, for purchases and distribution of agricultural commodities under section 1001(b)(2).

Offered by: Mr. Feenstra.

Result: Failed

23 yeas, 24 nays, 1 not voting

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach

## TITLE I—COMMITTEE ON AGRICULTURE

6. Mr. LaMalfa                      12. Mr. Johnson                      18. Mr. Mann

## NAYS

1. Mr. David Scott	7. Mrs. Hayes	13. Mrs. Bustos	19. Mr. Correa
2. Mr. Costa	8. Mr. Delgado	14. Mr. Maloney	20. Ms. Craig
3. Mr. McGovern	9. Mr. Rush	15. Mr. O'Halleran	21. Mr. Harder
4. Mr. Vela	10. Ms. Pingree	16. Mr. Carbajal	22. Mrs. Axne
5. Ms. Adams	11. Mr. Sablan	17. Mr. Khanna	23. Ms. Schrier
6. Ms. Spanberger	12. Ms. Kuster	18. Mr. Lawson	24. Mr. Panetta

## NOT VOTING

1. Ms. Plaskett

*Rollcall No. 6*

Summary: An amendment to section 1001 that would have provided payments to biofuels producers for unexpected market losses due to COVID-19.

Offered by: Mr. Davis

Result: Failed

23 yeas, 25 nays

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Mann	

## NAYS

1. Mr. David Scott	8. Mr. Delgado	15. Ms. Plaskett	22. Mr. Harder
2. Mr. Costa	9. Mr. Rush	16. Mr. O'Halleran	23. Mrs. Axne
3. Mr. McGovern	10. Ms. Pingree	17. Mr. Carbajal	24. Ms. Schrier
4. Mr. Vela	11. Mr. Sablan	18. Mr. Khanna	25. Mr. Panetta
5. Ms. Adams	12. Ms. Kuster	19. Mr. Lawson	
6. Ms. Spanberger	13. Mrs. Bustos	20. Mr. Correa	
7. Mrs. Hayes	14. Mr. Maloney	21. Ms. Craig	

## TITLE I—COMMITTEE ON AGRICULTURE

*Rollcall No. 7*

Summary: An amendment to the measure that would have prevented any funds provided under this measure from being allocated until 80 percent of the funds made available under the Coronavirus Aid, Relief, and Economic Security Act and the Consolidated Appropriations Act, 2021 have been obligated.

Offered by: Mr. Hagedorn  
Result: Failed  
23 yeas, 25 nays

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Mann	

## NAYS

1. Mr. David Scott	8. Mr. Delgado	15. Ms. Plaskett	22. Mr. Harder
2. Mr. Costa	9. Mr. Rush	16. Mr. O'Halleran	23. Mrs. Axne
3. Mr. McGovern	10. Ms. Pingree	17. Mr. Carbajal	24. Ms. Schrier
4. Mr. Vela	11. Mr. Sablan	18. Mr. Khanna	25. Mr. Panetta
5. Ms. Adams	12. Ms. Kuster	19. Mr. Lawson	
6. Ms. Spanberger	13. Mrs. Bustos	20. Mr. Correa	
7. Mrs. Hayes	14. Mr. Maloney	21. Ms. Craig	

*Rollcall No. 8*

Summary: An amendment to section 1005 that would have reduced farm loan assistance to socially disadvantaged farmers and ranchers to 100 percent of the outstanding farm loan indebtedness of each such farmer or rancher.

Offered by: Mr. Feenstra  
Result: Failed  
23 yeas, 24 nays, 1 not voting

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Mann	

## TITLE I—COMMITTEE ON AGRICULTURE

## NAYS

1. Mr. David Scott	8. Mr. Delgado	15. Ms. Plaskett	22. Mrs. Axne
2. Mr. Costa	9. Mr. Rush	16. Mr. O'Halleran	23. Ms. Schrier
3. Mr. McGovern	10. Ms. Pingree	17. Mr. Carbajal	24. Mr. Panetta
4. Mr. Vela	11. Mr. Sablan	18. Mr. Lawson	
5. Ms. Adams	12. Ms. Kuster	19. Mr. Correa	
6. Ms. Spanberger	13. Mrs. Bustos	20. Ms. Craig	
7. Mrs. Hayes	14. Mr. Maloney	21. Mr. Harder	

## NOT VOTING

1. Mr. Khanna

*Rollcall No. 9*

Summary: An amendment to section 1005 that would have limited farm loan assistance to socially disadvantaged farmers and ranchers to farm loan debt incurred as a direct result of the COVID-19 pandemic.

Offered by: Mrs. Hartzler

Result: Failed

23 yeas, 25 nays

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Mann	

## NAYS

1. Mr. David Scott	8. Mr. Delgado	15. Ms. Plaskett	22. Mr. Harder
2. Mr. Costa	9. Mr. Rush	16. Mr. O'Halleran	23. Mrs. Axne
3. Mr. McGovern	10. Ms. Pingree	17. Mr. Carbajal	24. Ms. Schrier
4. Mr. Vela	11. Mr. Sablan	18. Mr. Khanna	25. Mr. Panetta
5. Ms. Adams	12. Ms. Kuster	19. Mr. Lawson	
6. Ms. Spanberger	13. Mrs. Bustos	20. Mr. Correa	
7. Mrs. Hayes	14. Mr. Maloney	21. Ms. Craig	

## TITLE I—COMMITTEE ON AGRICULTURE

*Rollcall No. 10*

Summary: An amendment to section 1011 that would have eliminated the 3-month extension of the temporary increase in Supplemental Nutrition Assistance Program benefits and provided \$3 billion for employment and training programs.

Offered by: Mrs. Cammack  
Result: Failed  
23 yeas, 25 nays

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Mann	

## NAYS

1. Mr. David Scott	8. Mr. Delgado	15. Ms. Plaskett	22. Mr. Harder
2. Mr. Costa	9. Mr. Rush	16. Mr. O'Halleran	23. Mrs. Axne
3. Mr. McGovern	10. Ms. Pingree	17. Mr. Carbajal	24. Ms. Schrier
4. Mr. Vela	11. Mr. Sablan	18. Mr. Khanna	25. Mr. Panetta
5. Ms. Adams	12. Ms. Kuster	19. Mr. Lawson	
6. Ms. Spanberger	13. Mrs. Bustos	20. Mr. Correa	
7. Mrs. Hayes	14. Mr. Maloney	21. Ms. Craig	

*Rollcall No. 11*

Summary: An amendment to the measure that would have provided a \$380 million increase in agricultural research and cooperative extension and education programs.

Offered by: Mr. Bacon  
Result: Failed  
23 yeas, 25 nays

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Mann	

## TITLE I—COMMITTEE ON AGRICULTURE

## NAYS

1. Mr. David Scott	8. Mr. Delgado	15. Ms. Plaskett	22. Mr. Harder
2. Mr. Costa	9. Mr. Rush	16. Mr. O'Halleran	23. Mrs. Axne
3. Mr. McGovern	10. Ms. Pingree	17. Mr. Carbajal	24. Ms. Schrier
4. Mr. Vela	11. Mr. Sablan	18. Mr. Khanna	25. Mr. Panetta
5. Ms. Adams	12. Ms. Kuster	19. Mr. Lawson	
6. Ms. Spanberger	13. Mrs. Bustos	20. Mr. Correa	
7. Mrs. Hayes	14. Mr. Maloney	21. Ms. Craig	

*Rollcall No. 12*

Summary: An amendment to the measure that would have rescinded the unobligated balance of each amount made available without fiscal year limitation by the Act, as of September 22, 2022.

Offered by: Mr. Feenstra

Result: Failed

23 yeas, 25 nays

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mr. Feenstra
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Hagedorn	20. Mrs. Miller
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Jacobs	21. Mr. Moore
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Balderson	22. Mrs. Cammack
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Cloud	23. Mrs. Fischbach
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Mann	

## NAYS

1. Mr. David Scott	8. Mr. Delgado	15. Ms. Plaskett	22. Mr. Harder
2. Mr. Costa	9. Mr. Rush	16. Mr. O'Halleran	23. Mrs. Axne
3. Mr. McGovern	10. Ms. Pingree	17. Mr. Carbajal	24. Ms. Schrier
4. Mr. Vela	11. Mr. Sablan	18. Mr. Khanna	25. Mr. Panetta
5. Ms. Adams	12. Ms. Kuster	19. Mr. Lawson	
6. Ms. Spanberger	13. Mrs. Bustos	20. Mr. Correa	
7. Mrs. Hayes	14. Mr. Maloney	21. Ms. Craig	

## TITLE I—COMMITTEE ON AGRICULTURE

*Rollcall No. 13*

Summary: An amendment to the measure that would withhold all funds made available under this measure until the Secretary of Agriculture reinstated the processing of payments under the program under part 9 of title 7, Code of Federal Regulations.

Offered by: Mr. Baird

Result: Failed

22 yeas, 25 nays, 1 not voting

## YEAS

1. Mr. Thompson	7. Mr. Davis	13. Mr. Baird	19. Mrs. Miller
2. Mr. Austin Scott	8. Mr. Allen	14. Mr. Jacobs	20. Mr. Moore
3. Mr. Crawford	9. Mr. Rouzer	15. Mr. Balderson	21. Mrs. Cammack
4. Mr. DesJarlais	10. Mr. Kelly	16. Mr. Cloud	22. Mrs. Fischbach
5. Mrs. Hartzler	11. Mr. Bacon	17. Mr. Mann	
6. Mr. LaMalfa	12. Mr. Johnson	18. Mr. Feenstra	

## NAYS

1. Mr. David Scott	8. Mr. Delgado	15. Ms. Plaskett	22. Mr. Harder
2. Mr. Costa	9. Mr. Rush	16. Mr. O'Halleran	23. Mrs. Axne
3. Mr. McGovern	10. Ms. Pingree	17. Mr. Carbajal	24. Ms. Schrier
4. Mr. Vela	11. Mr. Sablan	18. Mr. Khanna	25. Mr. Panetta
5. Ms. Adams	12. Ms. Kuster	19. Mr. Lawson	
6. Ms. Spanberger	13. Mrs. Bustos	20. Mr. Correa	
7. Mrs. Hayes	14. Mr. Maloney	21. Ms. Craig	

## NOT VOTING

1. Mr. Hagedorn

*Rollcall No. 13*

Summary: Motion to transmit the measure, as amended, to the Committee on the Budget.

Offered by: Vice Chair Adams

Result: Passed

## YEAS

1. Mr. David Scott	8. Mr. Delgado	15. Ms. Plaskett	22. Mr. Harder
2. Mr. Costa	9. Mr. Rush	16. Mr. O'Halleran	23. Mrs. Axne
3. Mr. McGovern	10. Ms. Pingree	17. Mr. Carbajal	24. Ms. Schrier
4. Mr. Vela	11. Mr. Sablan	18. Mr. Khanna	25. Mr. Panetta
5. Ms. Adams	12. Ms. Kuster	19. Mr. Lawson	
6. Ms. Spanberger	13. Mrs. Bustos	20. Mr. Correa	
7. Mrs. Hayes	14. Mr. Maloney	21. Ms. Craig	

TITLE I—COMMITTEE ON AGRICULTURE

NAYS

- |                    |                 |                   |                    |
|--------------------|-----------------|-------------------|--------------------|
| 1. Mr. Thompson    | 7. Mr. Davis    | 13. Mr. Baird     | 19. Mr. Feenstra   |
| 2. Mr Austin Scott | 8. Mr. Allen    | 14. Mr. Hagedorn  | 20. Mrs. Miller    |
| 3. Mr. Crawford    | 9. Mr. Rouzer   | 15. Mr. Jacobs    | 21. Mr. Moore      |
| 4. Mr. DesJarlais  | 10. Mr. Kelly   | 16. Mr. Balderson | 22. Mrs. Cammack   |
| 5. Mrs. Hartzler   | 11. Mr. Bacon   | 17. Mr. Cloud     | 23. Mrs. Fischbach |
| 6. Mr. LaMalfa     | 12. Mr. Johnson | 18. Mr. Mann      |                    |

## TITLE I—COMMITTEE ON AGRICULTURE

**BUDGET ACT COMPLIANCE (SECTIONS 308, 402, AND 423)**

The provisions of clause 3(c)(2) of rule XIII of the House of Representatives and section 308(a)(1) of the Congressional Budget Act of 1974 (relating to estimates of new budget authority, new spending authority, new credit authority, or increased or decreased revenues or tax expenditures) are not considered applicable. The estimate and comparison required to be prepared by the Director of the Congressional Budget Office under clause 3(c)(3) of rule XIII of the House of Representatives and sections 402 and 423 of the Congressional Budget Act of 1974 submitted to the Committee prior to the filing of the report are as follows (on the subsequent pages):

<b>At a Glance</b>			
<b>Reconciliation Recommendations of the House Committee on Agriculture</b>			
As ordered reported on February 10, 2021			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>13,018</b>	<b>16,072</b>	<b>16,072</b>
Revenues	<b>0</b>	<b>0</b>	<b>0</b>
Increase or Decrease (-) in the Deficit	<b>13,018</b>	<b>16,072</b>	<b>16,072</b>
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
CBO has not reviewed the legislation for effects on spending subject to appropriation.			
<b>The bill would</b>			
<ul style="list-style-type: none"> <li>• Appropriate funds to address the effects of COVID-19, the disease caused by coronavirus, on the food supply chain, including the purchase and distribution of agricultural commodities to people in need</li> <li>• Appropriate funds to aid in vaccine administration and expand health care capacity in rural areas</li> <li>• Provide debt relief to socially disadvantaged farmers and ranchers</li> <li>• Fund new programs to increase the participation of socially disadvantaged groups in agriculture</li> <li>• Extend the period for increased benefits under the Supplemental Nutrition Assistance Program (SNAP)</li> <li>• Provide funds for SNAP and other nutrition programs</li> </ul>			
<b>Estimated budgetary effects would mainly stem from</b>			
<ul style="list-style-type: none"> <li>• Debt relief for socially disadvantaged farmers and ranchers</li> <li>• Purchase and distribution of agricultural commodities</li> <li>• Support for the food supply chain</li> <li>• New programs to support socially disadvantaged groups in agriculture</li> <li>• Extended higher funding for SNAP</li> <li>• Increased spending from additional funding provided for nutrition programs</li> </ul>			
<b>Areas of uncertainty include</b>			
<ul style="list-style-type: none"> <li>• Estimating the cost of debt relief for socially disadvantaged farmers and ranchers</li> <li>• Estimating the cost of extending the period for increased SNAP benefits</li> </ul>			
<b>Detailed estimate begins on the next page.</b>			

**Bill Summary**

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Agriculture approved legislation on February 10, 2021, with a number of provisions that would increase deficits.

Subtitle A would appropriate an estimated \$10.4 billion for measures intended to strengthen the food supply chain, purchase and distribute agricultural commodities, increase health care capacity in lower-income rural areas and other efforts to address the pandemic. Also included are provisions that would provide debt relief for socially disadvantaged farmers and ranchers and establish new programs to support socially disadvantaged groups in agriculture.

Subtitle B would extend increased SNAP benefits through September 30, 2021, and provides administrative and technology support for SNAP, as well as increased funding to other nutrition programs.

**Estimated Federal Cost**

The estimated budgetary effects of the Reconciliation Recommendations of the House Committee on Agriculture are shown in Table 1. The costs of the legislation fall within budget functions 150 (international affairs), 350 (agriculture), 450 (community and regional development), 550 (health), and 600 (income security).

**Basis of Estimate**

For this estimate, CBO assumes that the Reconciliation Recommendations of the House Committee on Agriculture will be enacted by the end of March 2021. CBO estimates that enacting the legislation would increase direct spending by \$16.1 billion over the 2021-2030 period.

As required by the Federal Credit Reform Act of 1990 (FCRA), CBO estimates most costs of USDA loan programs on a net-present-value basis. A present value is a single number that expresses a flow of current and future payments in terms of an equivalent lump sum received or paid at a specific time. Under credit reform, the present value of all loan-related cash flows is calculated by discounting those expected cash flows to the year of disbursement, using the rates for comparable maturities on Treasury securities. (For example, the cash flow for a one-year loan is discounted using the rate for a one-year, zero-coupon Treasury note.) As required by FCRA, changes to the estimated costs of outstanding direct loans are shown in the year of enactment. CBO's estimated cost of \$4 billion to pay off certain USDA loans represents the net-present-value of the change in cash flows resulting from the loan

forgiveness. That \$4 billion comprises the cost of the loan forgiveness and an additional cash payment to those borrowers equal to 20 percent of their outstanding indebtedness, as directed in the legislation.

#### **Direct Spending**

Subtitle A of the legislation would provide funds to USDA and other agencies to respond to the pandemic by appropriating:

- \$3.7 billion to purchase and distribute agricultural products to persons in need; to provide loans and grants for small- and mid-sized food processors and distributors, including seafood processors, farmers markets, producers, or other organizations to improve supply chain resiliency; to reduce fees charged to small and very small meat, poultry, and egg processing facilities for overtime inspection costs; and to compensate producers for losses in crop year 2020 due to natural disasters, including high winds or derechos;
- \$300 million for monitoring animals like mink and domesticated cats that are susceptible to the viral strain that causes COVID-19 in humans;
- \$500 million to make grants to hospitals and clinics located in rural communities to provide testing and vaccination services related to COVID-19, increase health care capacity, and engage in other efforts critical to addressing the pandemic;
- \$50 million for USDA administrative expenses and oversight of COVID-19-related programs;
- An estimated \$4 billion to pay off farm ownership, operating, emergency, and farm storage facility loans for farmers and ranchers who are members of socially disadvantaged groups, and to provide, as directed by the legislation, an additional cash payment equal to 20 percent of the outstanding indebtedness of those producers;
- \$1.01 billion to develop programs that provide assistance to socially disadvantaged farmers, ranchers, forest land owners and operators, and to provide additional funding for institutions of higher education dedicated to supporting socially disadvantaged groups; and
- \$800 million in additional funding for donations of U.S. food assistance to meet emergency and nonemergency food needs around the world, including support for food security goals.

In total, enacting those provisions would cost \$10.3 billion over the 2021-2030 period, CBO estimates.

The Consolidated Appropriations Act, 2021, increased SNAP benefits through June 2021. Subtitle B would extend the period for those increased SNAP benefits through September 30, 2021, at an estimated cost of \$3.54 billion. It also would provide:

- \$1.15 billion for SNAP state administrative expenses;
- \$25 million for SNAP online purchasing and technology improvements;
- \$1 billion for nutrition assistance programs in the Commonwealth of the Northern Mariana Islands, Puerto Rico, and American Samoa; and
- \$37 million for the Commodity Supplemental Food Program.

In total, enacting those provisions would cost \$5.8 billion over the 2021-2030 period, CBO estimates.

**Uncertainty**

Uncertainty in the estimate of the cost of debt relief for socially disadvantaged farmers and ranchers arises from incomplete data on the actual indebtedness of those producers. If the number of affected producers and the net-present-value of future interest on the loans is higher or lower than our estimate, then the cost of loan forgiveness and the additional payment would increase or decrease accordingly.

Additionally, the cost of extending increased SNAP benefits depends on the level of participation in that program and the average benefits for participants. Uncertainty in the estimate arises around both of those factors. For example, if SNAP participation is higher or lower than CBO forecasts, costs for extending increased benefits would be higher or lower.

**Pay-As-You-Go Considerations:**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 1.

**Increases On-Budget Deficits in any Year after 2030:** None.

**Mandates:** None.

**Estimate Prepared By**

## Federal Costs:

Tiffany Arthur for agriculture  
Susan Yeh Beyer for nutrition programs  
Jennifer Gray for SNAP and nutrition programs  
Etaf Khan for international development  
Erik O'Donoghue for agriculture  
Jon Sperl for rural development  
Ellen Werble for food safety

Mandates: Lilia Ledezma

**Estimate Reviewed By**

Sheila Dacey  
Chief, Income Security and Education Cost Estimates Unit

Susan Willie  
Chief, Natural and Physical Resources Cost Estimates Unit

H. Samuel Papenfuss  
Deputy Director of Budget Analysis

Theresa Gullo  
Director of Budget Analysis



**Table 3.**  
**Estimated Budgetary Effects of Reconciliation Recommendations of the House Committee on Agriculture**

	By Fiscal Year, Millions of Dollars											2021-2030	2021-2031		
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031				
<b>Increases in Direct Spending</b>															
<b>Sec. 1001 - Food Supply Chain and Agriculture Pandemic Response</b>															
Budget Authority	4,000	0	0	0	0	0	0	0	0	0	0	0	0	4,000	4,000
Estimated Outlays	3,774	108	55	42	3	3	3	4	4	4	4	0	0	4,000	4,000
<b>Sec. 1002 - Emergency Grants for Rural Healthcare</b>															
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	0	0	500	500
Estimated Outlays	200	150	100	50	0	0	0	0	0	0	0	0	0	500	500
<b>Sec. 1003 - Pandemic Program Administration Funds</b>															
Budget Authority	47	0	0	0	0	0	0	0	0	0	0	0	0	47	47
Estimated Outlays	41	4	1	*	*	*	*	*	*	*	*	0	0	47	47
<b>Sec. 1004 - Office of the Inspector General</b>															
Budget Authority	3	0	0	0	0	0	0	0	0	0	0	0	0	3	3
Estimated Outlays	1	2	0	0	0	0	0	0	0	0	0	0	0	3	3
<b>Sec. 1005 - Farm Loan Assistance for Socially Disadvantaged Farmers and Ranchers</b>															
Estimated Budget Authority	4,000	0	0	0	0	0	0	0	0	0	0	0	0	4,000	4,000
Estimated Outlays	4,000	0	0	0	0	0	0	0	0	0	0	0	0	4,000	4,000
<b>Sec. 1006 - Assistance and Support for Socially Disadvantaged Farmers, Ranchers, Forest Land Owners and Operators, and Groups</b>															
Budget Authority	1,010	0	0	0	0	0	0	0	0	0	0	0	0	1,010	1,010
Estimated Outlays	475	296	64	25	25	25	25	25	25	25	25	0	0	1,010	1,010
<b>Sec. 1007 - Food for Peace Title II Grants</b>															
Budget Authority	800	0	0	0	0	0	0	0	0	0	0	0	0	800	800
Estimated Outlays	128	440	120	48	16	8	0	0	0	0	0	0	0	760	760
<b>Sec. 1011 - SNAP Value of Benefits</b>															
Estimated Budget Authority	3,540	0	0	0	0	0	0	0	0	0	0	0	0	3,540	3,540
Estimated Outlays	3,540	0	0	0	0	0	0	0	0	0	0	0	0	3,540	3,540
<b>SNAP Administrative Expenses</b>															
Budget Authority	1,150	0	0	0	0	0	0	0	0	0	0	0	0	1,150	1,150
Estimated Outlays	345	460	345	0	0	0	0	0	0	0	0	0	0	1,250	1,250
<b>Sec. 1012 - Additional Assistance for SNAP Online Purchasing and Technology Improvements</b>															
Budget Authority	25	0	0	0	0	0	0	0	0	0	0	0	0	25	25
Estimated Outlays	3	11	11	0	0	0	0	0	0	0	0	0	0	25	25
<b>Sec. 1013 - Additional Funding for Nutrition Assistance Programs</b>															
Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	0	0	1,000	1,000
Estimated Outlays	500	500	0	0	0	0	0	0	0	0	0	0	0	1,000	1,000
<b>Sec. 1014 - Commodity Supplemental Food Program</b>															
Budget Authority	37	0	0	0	0	0	0	0	0	0	0	0	0	37	37
Estimated Outlays	11	22	4	0	0	0	0	0	0	0	0	0	0	37	37
<b>Total Direct Spending</b>															
Estimated Budget Authority	16,112	0	0	0	0	0	0	0	0	0	0	0	0	16,112	16,112
Estimated Outlays	13,018	1,993	700	165	44	36	28	29	29	29	29	0	0	16,072	16,072

Components may not sum to totals because of rounding; SNAP = Supplemental Nutrition Assistance Program \* = between -\$500,000 and \$500,000.

## TITLE I—COMMITTEE ON AGRICULTURE

**CONSTITUTIONAL AUTHORITY STATEMENT**

The Committee finds the Constitutional authority for this legislation in Article I, section 8, clause 18, that grants Congress the power to make all laws necessary and proper for carrying out the powers vested by Congress in the consideration of the United States or in any department or officer thereof. The Committee further finds the Constitutional authority for this legislation in Article I, section 8, clause 1, that grants Congress the power to provide for the general welfare of the United States.

**PERFORMANCE GOALS AND OBJECTIVES**

Pursuant to clause 3(c)(4) of rule XIII of the House of Representatives, the performance goals and objectives of this measure are to increase spending through changes in laws within the jurisdiction of the Committee on Agriculture as required by S. Con. Res. 5, the fiscal year 2021 budget resolution.

**COMMITTEE OVERSIGHT FINDINGS**

Pursuant to clause 3(c)(1) of rule XIII of the House of Representatives, the Committee on Agriculture's oversight findings and recommendations are reflected in the body of this report.

**ADVISORY COMMITTEE STATEMENT**

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this measure.

**APPLICABILITY TO THE LEGISLATIVE BRANCH**

The Committee finds that the measure does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

**FEDERAL MANDATES STATEMENT**

The Committee adopted as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104-4).

TITLE I—COMMITTEE ON AGRICULTURE

**EARMARK STATEMENT**

This measure does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the House of Representatives.

**DUPLICATION OF FEDERAL PROGRAMS**

This measure does not establish or reauthorize a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program in the most recent Catalog of Federal Domestic Assistance.

**CHANGES IN EXISTING LAW**

At the time of transmission to the Committee on the Budget, a comparative print (Ramseyer) showing changes in existing law was not available to the Committee.

## TITLE I--COMMITTEE ON AGRICULTURE

**Minority Views on Committee Print, as reported by the Committee on Agriculture,  
required by S. Con. Res. 5****Summary**

S. Con. Res. 5 provides reconciliation instructions to certain Committees of the House. For its part, the Agriculture Committee is responsible for producing legislation that achieves \$16.112 billion in new spending. The Committee Print to accompany this legislation is a partisan exercise, developed behind closed doors with zero input from the Minority, and the measure fails to meet the needs of rural America while exploding the deficit to fund programs including those just funded two months ago, programs with a tenuous connection to the pandemic, and priorities that manage to ignore most farmers and ranchers.

This partisan approach is particularly galling in the context of the Agriculture Committee, which has long prided itself on being the most bipartisan Committee in the House. In addition, the Agriculture Committee has never before been utilized in a reconciliation process for the sole purpose of increasing deficit spending without any provisions to create mandatory savings. All told, this exercise will saddle future generations with \$1.9 trillion in additional debt while more than \$1 trillion in already enacted coronavirus relief funds remain unspent.

The United States Department of Agriculture (USDA) has only obligated 62 percent of the monies provided by Congress to date.

In order to highlight just a few of the priorities missing from the bill, Republican Leader Glenn “GT” Thompson (R-PA) offered an amendment that would have redirected 23 percent of spending under the bill - holding harmless provisions for socially disadvantaged producers and Supplemental Nutrition Assistance Program benefits - to support critical needs for rural families, businesses, and communities. The amendment would have provided critical investments in biofuels, needed assistance for rural communities through distance learning and telemedicine grants, broadband infrastructure improvements, and aid for rural hospitals, community facilities, rural utility providers, and rural businesses.

During the markup, the Majority universally praised the proposals offered in the amendment and professed that they shared the same priorities yet labeled them as “poison pills” that would derail the entire process. The amendment failed 24-23 along partisan lines.

Additionally, an amendment offered by Representative Jim Baird (R-IN) was rejected on a party line vote. The amendment would have required the Biden Administration to unfreeze funding for the Coronavirus Food Assistance Program (CFAP) – for which signup has already begun – prior to moving forward with additional spending under this bill. If the impact of the COVID-19 crisis is so acute it necessitates moving additional aid through Congress in this hurried partisan manner, it would make eminent sense not to hold up critical assistance ready to be delivered in a matter of days, rather than delaying help for weeks or months on an arbitrary review process.

**Subtitle A****Sec. 1001 – Food Supply Chain and Agriculture Pandemic Response**

## TITLE I--COMMITTEE ON AGRICULTURE

Section 1001 provides \$3.6 billion in funding for the Secretary to purchase food and agricultural commodities, distribute commodities to individuals in need, make grants and loans to processors and distributors for measures to protect workers against COVID-19, and provide assistance available to improve agricultural supply chain resiliency. While all important provisions, the Minority would note that these are all authorities that were provided to the Secretary in the Consolidated Appropriations Act, 2021 (PL 116-260) along with \$11 billion in funding that has yet to be obligated by USDA. Additionally, the original text of the legislation completely ignored the needs of production agriculture and did not contain any provision that would provide direct support to producers.

An amendment offered by Representative Randy Feenstra (R-IA), which makes disaster relief for 2020 losses (including losses by high winds or derechos) eligible for funding under the section, was adopted by a 24-23 margin with one Democrat joining all members of the Minority in supporting. All other amendments offered by the Minority were defeated along partisan lines, including an amendment offered by Representative Jim Hagedorn (R-MN) to require that 80 percent of previous funding made available to USDA for COVID-19 relief be expended before any new funds under the bill could be obligated.

Additionally, this section makes \$300 million available to the Secretary to carry out monitoring and surveillance of susceptible animals for incidence of SARS-CoV-2 despite USDA and Centers for Disease Control (CDC) guidance advising against such testing.

**Sec. 1002 – Emergency Grants for Rural Health Care**

Section 1002 provides \$500 million in funding for the Secretary to make grants to entities eligible for the Community Facilities Program in order to assist eligible entities in meeting the healthcare needs of rural residents.

Almost one year and \$3.5 trillion into this pandemic, the Majority's belated recognition of the needs of rural health providers and the unique challenges that they face is welcome. Yet, this program is poorly targeted, badly designed, and insufficient for the crisis facing rural hospitals and other essential service providers in rural communities.

The Majority's legislation excludes hospitals and health facilities which are ineligible for the Community Facilities program. In many communities this blanket prohibition excludes the sole hospital or healthcare provider. We do not believe that essential assistance to battle the pandemic should be limited to health providers who meet the limited requirements of the Community Facilities program.

Similarly, the Majority's further restrictions on the usage of grant funds, the complex limitations on median household income, and wage mandates, all further conspire to make this program needlessly complicated and treat similar situated communities unequally.

Finally, the \$500 million in funds is woefully insufficient for the scope of this crisis. Last Congress, Subcommittee Ranking Member Austin Scott (R-GA) offered a more robust proposal which would have addressed the concerns the Minority raised with the Majority and provided \$4 billion in funding.

## TITLE I--COMMITTEE ON AGRICULTURE

Ranking Member Glenn “GT” Thompson’s (R-PA) amendment included a program which was modeled on Subcommittee Ranking Member Austin Scott’s (R-GA) legislation. It would have provided a more flexible, responsive program for USDA to meet the needs of rural hospitals, educational institutions, and public safety facilities. Unfortunately, it was rejected out of hand by the Majority.

In doing so, the Majority suggested the amendment would cost lives and hinder vaccine deployment, while failing to note that under Republican Leader Glenn “GT” Thompson’s amendment, \$150 million more would have been made available for rural healthcare needs.

**Sec. 1005 – Farm Loan Assistance for Socially Disadvantaged Farmers and Ranchers and Assistance and Sec. 1006 – Assistance and Support for Socially Disadvantaged Farmers, Ranchers, Forest Land Owners and Operators, and Groups**

The Minority believes that issues of social justice and addressing historical racial inequities in USDA programs is a worthy and important endeavor for the Committee. These issues certainly deserve thorough review, thoughtful analysis, and a deliberative process to determine the best policy solutions to address the problems faced by socially disadvantaged farmers. The Chairman of the Committee highlighted his intentions to hold a hearing on the matter. However, the Minority believes it is prudent to hold such a hearing prior to enacting unvetted legislation that could have unintended impacts, including for the very producers who are the intended beneficiaries.

The Majority was unable to answer simple questions such as those regarding what specific producers would be eligible under these sections, if women would be eligible for these programs, or even if there was a nexus between the purpose of the program and the COVID-19 pandemic. The Majority’s inability to articulate responses makes it clear that if these provisions are to have coherent purpose, further discussions of these provisions are necessary before they become law.

**Subtitle B**

**Section 1011. Supplemental Nutrition Assistance Program**

Section 1011 both extends a 15 percent increase to Supplemental Nutrition Assistance Program (SNAP) benefits from June 30, 2021 to September 30, 2021 and provides \$1.15 billion to States for administrative-related expenses.

The Supplemental Nutrition Assistance Program currently provides nutrition assistance to 43 million individuals, providing an average benefit of \$183 per person, up from \$122 in October 2019, the last full fiscal year of data made available. Total SNAP-related spending in FY 2020 was \$78.9 billion, which includes benefits, administration, nutrition education, employment and training, and program integrity. Total benefits provided to households in FY 2020 totaled \$74.2 billion.

The COVID-19 pandemic impacted households in need in unprecedented ways, and the Congressional response to hunger remains colossal. By way of the Families First Coronavirus Response Act (FFCRA), the Coronavirus Aid, Relief, and Economic Security Act (CARES), and

## TITLE I--COMMITTEE ON AGRICULTURE

the Consolidated Appropriations Act, 2021, more than \$37.8 billion has been appropriated to respond to the nutrition needs of our nation's vulnerable. This magnificent response is also in addition to the more than \$7.7 billion per month in standard SNAP benefits. Beyond direct funding from Congress, over 3,000 administrative waivers have been provided to all States; these waivers impact operations related to program eligibility, distribution of benefits, employment and training, etc.

Like other Committees, this Committee has found itself victim to an Administration and a Majority who have repeatedly failed to take into consideration the plight of the American worker, the worker who has fallen victim to shuttered businesses, job-killing shutdowns, and canceled classes and training.

Rather than perpetuate our Nation's second largest expansion of welfare entitlements, and continue down a pathway of never-ending work disincentives and prolonged dependency, Representative Kat Cammack (FL-03) introduced a commonsense amendment that would have taken \$3 billion from an extension of an (arbitrary) benefit increase and injected it directly into SNAP Employment and Training (E&T). These funds would have provided a lifeline to individuals staring at a post-pandemic economy unlike one ever seen.

Instead of entertaining the amendment, the Majority immediately launched into a tirade against it, also calling into question Republicans' commitment to the Congressional response to hunger. Unfortunately, a few facts were left out of this response, including the fact that the SNAP benefit formula assumes households will spend at least 30 percent of their net income on food; SNAP makes up the difference between that contribution and the cost of the Thirty Food Plan. To claim that SNAP is the only means of purchasing food is disingenuous at best. The Majority relies on a half-truth – that anyone on SNAP who can work, does – which begs the question, which is it? Is SNAP the only means to food access, or do working households spend some amount of money on food? Worse, the Majority acknowledged that “many people lost their jobs because of the pandemic.” The ensuing rant against using the benefit increase, not the benefit itself, for employment and training further proved the Majority has no interest in helping the very unemployed workers they rely on for political messaging to regain employment, an income, and independence, particularly as this pandemic begins to recede.

Additionally, the Majority continues to rely on (anecdotal) evidence related to the Farmers to Families Food Box Program. The Majority fails to acknowledge that this program has open eligibility, making certain anyone and everyone in need, regardless of status, income, household size, has access to nutritious foods that run the gamut from fruits and vegetables to meat and dairy. This program has provided over 136 million boxes to households across the nation. And with this program, farmers were able to redirect their products, American workers were able to sustain their employment or join new ventures, and most importantly, a vast selection of foods that would have otherwise been wasted found their way into the homes of millions.

**Section 1012. Additional Assistance for SNAP Online Purchasing and Technology Improvements**

## TITLE I--COMMITTEE ON AGRICULTURE

This section provides an additional \$25 million, to remain available until September 30, 2026, to make technological improvements to improve SNAP online purchasing, to modernize electronic benefit transfer (EBT) technology, to support mobile technologies demonstration projects, and for technical assistance purposes. This appropriation is in addition to the \$5 million provided in the Consolidated Appropriations Act, 2021, of which it is unknown what has been obligated as of February 12, 2021.

**Section 1013. Additional Funding for Nutrition Assistance Programs**

Section 1013 provided an additional \$1 billion to remain available until September 30, 2027, for nutrition assistance grants to be provided to the Commonwealth of the Northern Mariana Islands, Puerto Rico, and American Samoa, of which \$30 million is guaranteed for the Commonwealth of the Northern Mariana Islands. This appropriation is in addition to the \$614 million provided in the Consolidated Appropriations Act, 2021, of which to date, zero has been obligated. This calls into question the need, and the desire of the Majority to circumvent the annual appropriations process without a clear understanding of the needs of these communities.

**Section 1014. Commodity Supplemental Food Program**

This section appropriates \$37 million to the Commodity Supplemental Food Program, a program geared toward seniors in need. It is important to note that the Speaker of the House was the sole arbiter of every policy related to nutrition since the beginning of the pandemic, and yet never once acknowledged the needs of our Nation's seniors. Until the Consolidated Appropriations Act, 2021, where the Minority reflected on the need based on data from USDA, the Majority had no proposal to fund this important program. Instead, the Majority has spent eleven months advocating for various legislative proposals aimed at pausing program integrity measures, allowing SNAP benefits to be used for diapers and sundries, expanding SNAP to be accepted in restaurants, and earmarking millions of dollars to further bloat multi-billion dollar nonprofits.

**Grants for Distance Learning and Telemedicine Needs**

Perhaps there is no more urgent need than additional funds for the Distance Learning and Telemedicine (DLT) program, which helps hospitals, health clinics, schools, and libraries purchase the equipment needed to help rural residents see doctors and teachers safely during this pandemic.

USDA has indicated that this program is dramatically oversubscribed, with over \$200 million worth of application requests that have sat unfulfilled since the pandemic began. Republican Leader Glenn "GT" Thompson's (R-PA) amendment would have addressed this backlog by providing an immediate infusion of \$200 million into the DLT program. Unfortunately, it was unanimously rejected by the Majority on the grounds that providing funds for broadband programs would "derail the bill."

Distance learning and telemedicine tools require broadband access and this pandemic has laid bare the stark divide between those with broadband access and those without broadband access. The Minority agrees with the concerns of the Majority, that construction of broadband infrastructure is a long-term investment and will not be solved overnight. However, the Minority

## TITLE I--COMMITTEE ON AGRICULTURE

strongly believes that this amendment is the right way to continue to make investments in those programs.

**Assistance for Rural Families and Essential Rural Utility Providers**

Many families have been forced to make difficult financial choices over the past year and at times, that has understandably included skipping utility bills. Rural utility operators – like electric cooperatives, local telephone companies, municipal water systems, and waste disposal services – are facing crippling drops in revenue from bills their subscribers cannot pay and lost demand due to idled businesses. These costs have been mounting month after month for rural utility operators, who nevertheless continue to provide their essential services to the families and communities who rely on them.

Unlike large, diversified utility companies, many utility companies serving isolated rural communities are small, independent, and lack access to the capital markets and financial services that might enable them to better withstand these temporary disruptions.

The Minority does not believe that this situation is sustainable, which is why Republican Leader Glenn “GT” Thompson’s (R-PA) amendment included an important provision - based on legislation introduced by Representative Rick Crawford (R-AR) - to provide bridge loans to rural utility operators to see them through this time of disruption, and provide them with the necessary breathing room until economic conditions return to normal. The legislation would encourage operators to work with their customers to provide flexible repayment options, extended repayment periods, and even debt forgiveness for those who are in need.

**Assistance for Rural Businesses**

The Minority notes with concern the lack of parity between the treatment of business lending programs at the Small Business Administration (SBA) and the Rural Business Service (BRS) of USDA. In the CARES Act and again in the Consolidated Appropriations Act, 2021, borrowers in loan programs operated by SBA were provided with significant temporary assistance with their loan and interest payments. No such similar assistance was extended to borrowers in similar loan programs operated by RBS. Bipartisan legislation was introduced by Representatives Cynthia Axne (D-IA) and Troy Balderson (R-OH) which would have addressed this inequity.

The Minority strongly believes this is an oversight in need of correction, which is why the amendment included a provision which would have rectified this oversight.

**In Closing**

As we have detailed in these views, we believe the Majority’s proposal fails to fully address the myriad of problems facing rural communities. It doubles down on assistance where it is unnecessary while ignoring proposals that would alleviate tangible, immediate problems.

Perhaps more concerning was the Majority’s continued and inexplicable insistence that any alterations to the plan - devised in secret by their Leadership - would result in delays to the passage of this relief bill. We are incredulous at such claims and would not find them worthy of

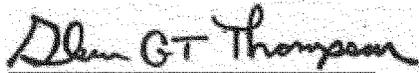
## TITLE I--COMMITTEE ON AGRICULTURE

discussion, if they were not the sole reason the Majority could offer for their indestructible blockade of common sense.

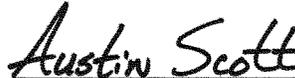
There is no plausible or rational argument that can be made that adopting an amendment during a markup delays the legislative process. Perhaps the Majority was simply seeking to save time for the Leadership staff, who would have had to find and delete any text added during markup, so as to preserve their legislation, in its perfect inception. If that is the concern, it makes one wonder why we bothered with this charade to begin with.

Yet, we need not stretch for hypotheticals in this argument. The Majority surprised itself by adopting Representative Randy Feenstra's (R-IA) amendment. We shall see if its inclusion delays or derails the Budget and Rules Committees as they prepare this Reconciliation Package. The Minority suspects that it will not, whether the Majority keeps the provision or takes the time to carefully strike it from the text.

To say that members of the Minority were frustrated with this process would be an understatement. We take the Chairman at his word that this process will not be the process we undertake in future Committee business. We look forward to the many opportunities for hearings and oversight and fruitful participation in the work of this Committee in the months to come.



Representative Glenn 'GT' Thompson (PA-15)  
Republican Leader  
House Committee on Agriculture



Representative Austin Scott (GA-08)



Representative Rick Crawford (AR-01)



Representative Scott DesJarlais, M.D. (TN-04)



Representative Vicky Hartzler (MO-04)



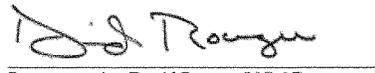
Representative Doug LaMalfa (CA-01)



Representative Rodney Davis (IL-13)



Representative Rick W. Allen (GA-12)

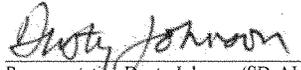


Representative David Rouzer (NC-07)

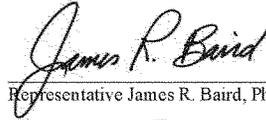


Representative Don Bacon (NE-02)

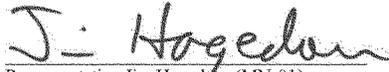
TITLE I--COMMITTEE ON AGRICULTURE



Representative Dusty Johnson (SD-AL)



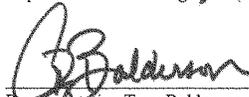
Representative James R. Baird, Ph.D. (IN-04)



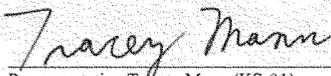
Representative Jim Hagedorn (MN-01)



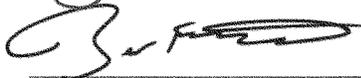
Representative Chris Jacobs (NY-27)



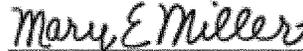
Representative Troy Balderson (OH-12)



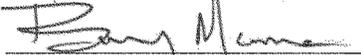
Representative Tracey Mann (KS-01)



Representative Randy Feenstra (IA-04)



Representative Mary E. Miller (IL-15)



Representative Barry Moore (AL-02)



Representative Kat Cammack (FL-03)



Representative Michelle Fischbach (MN-07)

## TITLE I--COMMITTEE ON AGRICULTURE

**Additional Views of Mr. O'Halleran**

As a Representative of a cotton producing district, the economic stability of the U.S. cotton industry is important to me. The United States is the top cotton exporting country in the world, and our ability to remain competitive in the global marketplace is crucial to the livelihoods of every cotton farmer in my district.

The COVID pandemic has created challenges to the entire U.S. cotton supply chain, including the merchandiser-shippers who are the crucial link connecting the U.S. supply chain to the global marketplace. For nearly a year, business shutdowns and disruptions throughout the transportation network have caused, widespread delays and cancellations of shipments of U.S. cotton. These cancellations and delays have imposed onerous carrying and logistical costs associated with destination displacement, which have been borne on the entire industry. While there has been some recent recovery in demand and shipments, port congestion and lack of container availability at major U.S. west coast ports, which handle the majority of U.S. exports, continue to squeeze supply chain capacity, adding more costs and risks to U.S. cotton exporters. Industry estimates indicate that COVID-related losses and added costs already total at least \$700 million for U.S. cotton merchandisers.

I am pleased to support this bill that will provide the funding the Secretary of Agriculture needs to respond to the food and agricultural supply chain challenges brought by COVID, including challenges in the cotton supply chain. I look forward to working with the Chairman and with incoming Secretary Vilsack to ensure the Secretary uses this authority to assist cotton merchandisers as this legislation is implemented in the coming weeks.





COMMITTEE ON  
EDUCATION AND LABOR  
U.S. HOUSE OF REPRESENTATIVES  
2176 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6100

February 16, 2021

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JOE COURTNEY, CONNECTICUT  
OREGONIO KILU-GAMACHO DABLAN,  
NORTHERN MARIANA ISLANDS  
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SUSANNE BONAMICI, OREGON  
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ALAN S. ADAMS, NORTH CAROLINA  
MARK DESJARDIN, CALIFORNIA  
DONALD NORCROSS, NEW JERSEY  
FRANLA JAYAPAL, WASHINGTON  
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SUSAN WALD, PENNSYLVANIA  
LUCY McBATH, GEORGIA  
JOSHUA HAYES, CONNECTICUT  
ANDY LEVIN, MICHIGAN  
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Ranking Member  
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JAMES COMER, KENTUCKY  
RUSS FULCHER, IDAHO  
FERD KELLER, PENNSYLVANIA  
GREGORY F. MURPHY, NORTH CAROLINA  
MARIANETTE MILLER-MEEKS, IOWA  
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VICTORIA SPARTZ, INDIANA  
SCOTT FITZGERALD, WISCONSIN  
MADISON CAVYTHORN, NORTH CAROLINA  
MICHELLE STEEL, CALIFORNIA  
VACANCY

The Honorable John Yarmuth  
Chairman  
Committee on the Budget  
204-E Cannon House Office Building  
Washington, DC 20515

Dear Chairman Yarmuth:

Pursuant to section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2021, S. Con. Res. 5, I hereby transmit these recommendations that have been approved by vote of the Committee on Education and Labor, and the appropriate accompanying material including Minority Views, to the House Committee on the Budget. This submission is in order to comply with reconciliation directives included in the Concurrent Resolution on the Budget for Fiscal Year 2021, S. Con. Res. 5, and is consistent with section 310 of the *Congressional Budget and Impoundment Control Act of 1974*.

Sincerely,

Robert C. "Bobby" Scott  
Chairman

Table of Contents

Purpose and Summary  
Committee Action  
Committee Views  
Section-by-Section Analysis  
Explanation of Amendments  
Application of Law to the Legislative Branch  
Unfunded Mandate Statement  
Earmark Statement  
Roll Call Votes  
Statement of Performance Goals and Objectives  
Duplication of Federal Programs  
Hearings  
Statement of Oversight Findings and Recommendations of the Committee  
New Budget Authority and CBO Cost Estimate  
Committee Cost Estimate  
Changes in Existing Law Made by the Bill, as Reported  
Advisory Committee Statement  
Minority Views

### PURPOSE AND SUMMARY

The purpose of the Committee Print is to respond to the needs of students, workers, and communities as the country continues to grapple with the COVID-19 pandemic and to comply with the reconciliation directive given to the Committee on Education and Labor (Committee) included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5. As of February 2021, the public health crisis has sickened more than 27 million people and left over 470,000 dead in the United States alone,<sup>1</sup> with the nation's most vulnerable populations—in particular communities of color, low-income families, and older Americans—bearing the brunt of the harm. While Congress has previously acted to provide relief during the pandemic, the Committee Print will provide continued and urgent relief to struggling workers, students, and families.

### COMMITTEE ACTION

#### 117<sup>th</sup> Congress

On February 9, 2021, the Committee began consideration of the Committee Print, and on February 10, 2021, the Committee concluded its consideration and voted to transmit the Committee Print, as amended, to the Committee on the Budget by a vote of 27 ayes and 21 nays.

The Committee considered and adopted the following amendments to the Committee Print:

- Chairman Robert C. “Bobby” Scott (D-VA-03) offered an Amendment in the Nature of a Substitute (ANS) that made one technical edit to the Committee Print. The amendment was adopted by voice vote.
- Rep. Joe Courtney (D-CT-02) offered a manager’s amendment that made technical and clarifying edits to the ANS, clarified the uses of funding in section 2201, provided \$10 million to carry out the long-term care ombudsman program under title VII of the *Older Americans Act (OAA) of 1965*,<sup>2</sup> and reduced funding to carry out Part B of Title III of OAA from \$480 million to \$470 million. The amendment was adopted by voice vote.

The Committee also considered the following amendments:

- Rep. Rick Allen (R-AL-12) offered an amendment to deny Elementary and Secondary School Emergency Relief (ESSER) funds to school districts that do not offer the option of in-person instruction to all students. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Greg Murphy (R-NC-03) offered an amendment to deny ESSER funds unless in-person instruction is available to subgroups of students. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.

<sup>1</sup> *Coronavirus in the U.S.: Latest Map and Case Count*, N.Y. TIMES (Feb. 10, 2021), <https://www.nytimes.com/interactive/2020/us/coronavirus-us-cases.html>.

<sup>2</sup> 42 U.S.C. §§ 3001-3058ff.

- Rep. Michelle Steel (R-CA-48) offered an amendment to deny ESSER funds unless in-person instruction is available and all teachers have had access to the COVID-19 vaccine. The amendment was defeated by a recorded vote of 21 ayes and 26 nays.
- Rep. Mary Miller (R-IL-15) offered an amendment to deny ESSER funds unless instruction is entirely in-person and require each state that receives ESSER funds to open an Education Savings Account to divert funding from away public schools and to private school vouchers. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Bob Good (R-VA-05) offered an amendment to require school districts that accept ESSER funds to document in writing and make public all negotiations regarding reopening between the school district and the teacher's union. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Ranking Member Foxx (R-NC-05) offered an amendment to strike sections 2103 and 2104 of the Committee Print. Section 2103 expands eligibility under the *Federal Employees' Compensation Act* for workers' compensation benefits for federal employees diagnosed with COVID-19,<sup>3</sup> and Section 2104 expands eligibility under the *Longshore and Harbor Workers' Compensation Act* for workers' compensation benefits for maritime workers diagnosed with COVID-19.<sup>4</sup> The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 1.
- Reps. Burgess Owens (R-UT-04) and Veronica Spartz (R-IN-05) offered an amendment to prohibit any ESSER funds from being used on the assessments required under section 1111 of the *Elementary and Secondary Education Act*.<sup>5</sup> The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Fred Keller (R-PA-12) offered an amendment to exempt certain small businesses from provisions of section 2101 of the Committee Print that raises the federal minimum wage. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Madison Cawthorn (R-NC-11) offered an amendment to exempt certain geographical areas from section 2101 of the Committee Print, which raises the federal minimum wage. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Steel offered an amendment to prohibit the implementation of the increase of the minimum wage in section 2101 of the Committee Print if the U.S. Government Accountability Office determines that at least 200,000 jobs will be lost due to automation from implementation of section 2101. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Owens offered an amendment to condition the minimum wage increase in section 2101 of the Committee Print on various employment statistics. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Murphy offered an amendment to strike section 2101 of the Committee Print, which raises the federal minimum wage. The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 1.

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<sup>3</sup> 5 U.S.C. § 8101 *et seq.*

<sup>4</sup> 33 USC § 901 *et seq.*

<sup>5</sup> 20 U.S.C. § 6311.

- Rep. Glenn Grothman (R-WI-06) offered an amendment to strike the language in Section 2101 phasing out the 14(c) subminimum wage certificates for individuals with disabilities. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Ranking Member Foxx offered an amendment to strike the provisions closing the *Higher Education Act*'s<sup>6</sup> 90/10 loophole and instead exclude veterans' education benefits from the calculation entirely. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Keller offered an amendment to increase the share of Higher Education Emergency Relief (HEER) funds that flow to students at for-profit colleges. The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 1.
- Rep. Jim Banks (R-IN-03) offered an amendment to exclude workers from receiving premium assistance if their health plan provides coverage of abortion care. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Spartz offered an amendment to provide \$1 billion to entities receiving funding under Title II of the *Juvenile Justice and Delinquency Prevention Act of 1974*.<sup>7</sup> The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Tim Walberg (R-MI-07) offered an amendment to allocate \$20 million for the Office of Labor-Management Standards from U.S. Department of Labor (DOL) appropriations. The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 1.
- Rep. Elise Stefanik (R-NY-21) offered an amendment to add \$4.58 billion in funding to the *Workforce Innovation and Opportunity Act* and require that 75 percent of such funds be spent on skills development and education.<sup>8</sup> The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Stefanik offered an amendment to deny HEER funds to institutions of higher education that have partnerships with entities owned or controlled by China. The amendment was defeated by a recorded vote of 20 ayes and 27 nays.
- Rep. Stefanik offered an amendment to reserve a very low percentage of funds from the child care stabilization fund for rural care child care providers. The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 1.
- Rep. Mariannette Miller-Meeke (R-IA-02) offered an amendment to divert two percent of ESSER and HEER funds to multi-year competitive grants for mental health services. The amendment was defeated by a recorded vote of 20 ayes and 28 nays.
- Rep. Stefanik offered an amendment to cut funding and limit allowable uses for institutions of higher education subject to the excise tax on endowments. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Good offered an amendment to deny emergency aid under HEER to undocumented students. The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 2.
- Rep. Russ Fulcher (R-ID-01) offered an amendment to exclude workers from premium assistance unless they provide a social security number. The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 2.

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<sup>6</sup> 20 U.S.C. § 1001 *et seq.*

<sup>7</sup> 34 U.S.C. § 11101 *et seq.*

<sup>8</sup> 29 U.S.C. § 3101 *et seq.*

- Rep. Cawthorn offered an amendment to add \$2 billion to ESSER for competitive grants to rural schools to use for education technology. The amendment was defeated by a recorded vote of 19 ayes and 29 nays.
- Rep. Good offered an amendment to eliminate the \$270 million appropriation to the National Endowment for the Arts and the National Endowment for the Humanities and redirect that funding to the Rural Education Achievement Program. The amendment was defeated by a recorded vote of 20 ayes and 28 nays.
- Rep. Miller-Meeks offered an amendment to appropriate an additional \$30 million to the Occupational Safety and Health Administration (OSHA) to carry out compliance assistance activities related to COVID-19. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Spartz offered an amendment to require the U.S. Department of Health and Human Services (HHS) to prioritize foster care services with funding appropriated to assist programs under the Administration for Children and Families. The amendment was defeated by a recorded vote of 21 ayes and 27 nays.
- Rep. Spartz offered an amendment to require the Inspector General of HHS to issue a report to Congress on fraud, performance, and compliance audits related to emergency funding provided under the Committee Print for *Older Americans Act* programs. The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 3.
- Rep. Spartz offered an amendment to prohibit ESSER funds from going to a state educational agency unless the governor and state and local legislatures are notified of the maintenance of effort and maintenance of equity conditions, which the governor and legislature must approve if required by law. The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 3.
- Rep. Spartz offered an amendment to require the Inspector Generals of the U.S. Department of Education (ED) and the Corporation for National and Community Service (CNCS) to transmit reports to the authorizing committees regarding audits and oversight of activities funded by the Committee Print. The amendment was defeated by a recorded vote of 21 ayes and 27 nays as part of en bloc 3.

## COMMITTEE VIEWS

### Background

The COVID-19 pandemic has impacted every aspect of daily life. It has forced early childhood care and education programs, schools, and institutions of higher education across the nation to close and operate remotely, leading to an unprecedented disruption in learning and exacerbating pre-existing educational disparities faced by tens of millions of vulnerable students.<sup>9</sup> At the same time, the virus's effects have upended the U.S. economy and labor market; economic output shrank by 3.5 percent in 2020, the largest decline since the end of World War II.<sup>10</sup> The

<sup>9</sup> *Map: Coronavirus and School Closures*, EDUC. WK., (Sept. 16, 2020), <https://www.edweek.org/leadership/map-coronavirus-and-school-closures-in-2019-2020/2020/03>; *College Crisis Initiative @ Davidson College*, (Sept. 9, 2020), <https://collegecrisis.shinyapps.io/dashboard/>.

<sup>10</sup> News Release, U.S. Bureau of Econ. Analysis, Gross Domestic Product, 4th Quarter and Year 2020 (Advance Estimate) (Jan. 28, 2021), <https://www.bea.gov/news/2021/gross-domestic-product-4th-quarter-and-year-2020-advance-estimate>.

United States lost an estimated 22 million payroll jobs in a two-month period—nearly 10 million of which have not yet been recovered—while initial weekly claims for unemployment benefits have exceeded their historical high-point for 47 consecutive weeks and counting.<sup>11</sup>

Throughout the course of the COVID-19 pandemic, systemic and structural inequities in access to quality, affordable, and effective health care, education, housing, and community support services have contributed to disproportionately high rates of COVID-19-related death among patients of color.<sup>12</sup> Low-wage essential workers of color (many of whom are women) often serve in environments that increase their risk for COVID-19 exposure (e.g., hospitals and meat-processing facilities), have limited access to personal protective equipment (PPE) and COVID-19 testing, live in areas with few opportunities for social distancing, and lack telehealth access to manage chronic conditions that can cause life-threatening COVID-19 symptoms.<sup>13</sup> COVID-19 hospitalization rates for Native American, Latino, and Black patients are currently 4.0 times higher, 4.1 times higher, and 3.7 times higher than rates for non-Hispanic White patients respectively.<sup>14</sup> Families have reported that bias, discrimination, and limited access to translation services were barriers to COVID-19 testing and treatment for symptomatic patients of color who died from COVID-19 while seeking medical care.<sup>15</sup> Against this backdrop, Congress must do more to address the ways in which COVID-19 has exacerbated these barriers and the underlying causes of these inequities.

Congressional action to date, including policy advanced by the Committee, has been critical in securing relief for schools and institutions of higher education, providing workers with access to paid leave, protecting workplace safety and health, making sure school-age children have enough

<sup>11</sup> As of the week ending February 6, 2021, seasonally adjusted initial claims for Unemployment Insurance (UI) had exceeded the previous high of 695,000 (October 1982) for 46 weeks in a row. U.S. Dep’t of Lab., “Unemployment Insurance Weekly Claims,” <https://www.dol.gov/ui/data.pdf> (last visited Feb. 11, 2021).

<sup>12</sup> Kristen Azar et. al, *Disparities In Outcomes Among COVID-19 Patients In A Large Health Care System In California*, HEALTH AFF. (May 2020), <https://www.healthaffairs.org/doi/10.1377/hlthaff.2020.00598>. According to the Centers for Disease Control and Prevention and the World Health Organization (WHO), the term “health inequity” refers to the presence of health disparities in controllable or remediable aspects of health and health care access. World Health Organization, *Health Systems: Equity* (2021), <https://www.who.int/healthsystems/topics/equity/en/>; Jamila Taylor, *Racism, Inequality, and Health Care for African Americans*, THE CENTURY FOUND. (Dec. 19, 2019), <https://tcf.org/content/report/racism-inequality-health-care-african-americans/>.

<sup>13</sup> Katy O’Donnell, *Black community braces for next threat: Mass evictions*, POLITICO (Jun. 12, 2020), <https://www.politico.com/news/2020/06/12/mass-evictions-314699>; Blair Levin, *COVID-19 proves we need to continue upgrading America’s broadband infrastructure*, BROOKINGS INST. (Mar. 30, 2020), <https://www.brookings.edu/blog/the-avenue/2020/03/30/covid-19-proves-we-need-to-continue-upgrading-americas-broadband-infrastructure/>; Chris Geary, Vincent Palacios, and Laura Tatum, *Who Are Essential Workers? The U.S. Economy Depends on Women, People of Color, & Immigrant Workers*, Georgetown Center on Poverty and Inequality, Georgetown University Law Center (Jul. 20, 2020), <http://www.georgetownpoverty.org/wp-content/uploads/2020/07/GCPI-ESOI-Essential-Workers-July2020.pdf>.

<sup>14</sup> Centers for Disease Control and Prevention, *Infographic: COVID-19 Cases, Hospitalization, and Death by Race/Ethnicity* (Dec. 10, 2020), <https://www.cdc.gov/coronavirus/2019-ncov/community/health-equity/racial-ethnic-disparities/infographic-cases-hospitalization-death.html>.

<sup>15</sup> John Eligon and Audra Burch, *Questions of Bias in COVID-19 Treatment Add to the Mourning for Black Families*, N.Y. Times (May 20, 2020), <https://www.nytimes.com/2020/05/10/us/coronavirus-african-americans-bias.html>.

to eat, supporting access to health care, and more.<sup>16</sup> However, further action is needed, as the nation's economic policy leaders, including Federal Reserve Chairman Jerome Powell and Treasury Secretary Janet Yellen, have repeatedly advised Congress.<sup>17</sup>

On January 20, 2021, President Joseph R. Biden, Jr., laid out the *American Rescue Plan*, the first step of an aggressive, two-step plan for rescue from the depths of the COVID-19 pandemic.<sup>18</sup> The Committee's consideration of the Committee Print is in response to the budget resolution adopted by Congress that instructed the Committee to "submit changes in laws within its jurisdiction to increase the deficit by not more than \$357,926,000,000 for the period of Fiscal Years 2021 through 2030."<sup>19</sup>

More than a year after the first case of COVID-19 was confirmed in the United States, the need to help our constituents overcome this pandemic has only grown. Over 470,000 people in this country have died from the virus; students across the country are falling further behind; millions of workers remain unemployed, and the latest research predicts that 7 million of the jobs lost will not come back; and an unprecedented number of children and families are facing hunger and homelessness. The Committee on Education and Labor's piece of the budget reconciliation measure will provide our communities with the immediate relief they need and deserve.

## SECTION-BY-SECTION ANALYSIS

### *Subtitle A: Education Matters*

#### Part 1 – Department of Education

##### **Section 2001. Elementary and Secondary School Emergency Relief Fund**

Provides \$128,554,800,000 for grants to state educational agencies (SEAs), with 90 percent allocated to local educational agencies (LEAs), to be made in accordance with the same terms and conditions applicable to funds provided in Fiscal Year 2021 for the Elementary and Secondary School Emergency Relief Fund (ESSERF) of the Education Stabilization Fund. SEAs are required to reserve at least 5 percent of new ESSERF allocations to carry out activities to address learning loss. LEAs must reserve at least 20 percent of newly allocated ESSERF subgrants to address learning loss. The LEA reservation for learning loss is the only provision subject to equitable services. LEAs are required to provide equitable services to students and teachers in non-public schools in the same manner as Section 1117 of the *Elementary and*

<sup>16</sup> Including the *Families First Coronavirus Response Act* (FFCRA) (Pub. L. No. 116-127), the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* (Pub. L. No. 116-136), and the *Consolidated Appropriations Act, 2021* (Pub. L. No. 116-260).

<sup>17</sup> Erica Werner and Jeff Stein, "Janet Yellen tells lawmakers it's 'critically important to act now' on economic relief plan," WASH. POST. (Jan. 19, 2021), <https://www.washingtonpost.com/us-policy/2021/01/19/yellen-confirmation-hearing-stimulus/>; "Transcript of Chair Powell's Press Conference January 27, 2021," <https://www.federalreserve.gov/mediacenter/files/FOMCpresconf20210127.pdf>.

<sup>18</sup> The White House, President Biden Announces American Rescue Plan, (Jan. 20, 2021), <https://www.whitehouse.gov/briefing-room/legislation/2021/01/20/president-biden-announces-american-rescue-plan/>.

<sup>19</sup> S.Con.Res. 5, 117th Cong. § 2001(b) (2021).

*Secondary Education Act*, as determined in consultation with representatives of non-public schools.

**Section 2002. Higher Education Emergency Relief Fund**

Provides \$39,584,570,000 for grants to institutions of higher education to be made in accordance with the same terms and conditions applicable to funds provided in Fiscal Year 2021 for the Higher Education Emergency Relief Fund (HEERF) of the Education Stabilization Fund. Public and private non-profit institutions receiving new HEERF allocations will be required to spend at least 50 percent of such allocations on emergency financial aid grants to students, while for-profit institutions receiving allocations and institutions receiving allocations due to the enrollment of students enrolled exclusively online will have to spend 100 percent of such allocations on student aid. Institutions will be solely responsible for determining which students receive emergency financial aid grants. Institutions are required to use a portion of the institutional share of new allocations to implement evidence-based practices to mitigate COVID-19 and conduct outreach to students regarding the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or other changes in financial circumstances. Restrictions that were applied exclusively to institutions subject to the endowment tax in the previous Higher Education Emergency Relief Fund will not apply to new allocations under this section. The share of funds for for-profit institutions is reduced from 3 percent to 1 percent, with the difference reinvested in funds for institutions as defined in section 101 of the *Higher Education Act*. The share of funds for Historically Black Colleges and Universities, Tribal Colleges and Universities, Minority-Serving Institutions, and other under-resourced institutions is unchanged at 7.5 percent. Similarly, the share of funds for institutions with the greatest unmet needs related to coronavirus is unchanged at .5 percent.

**Section 2003. Maintenance of Effort and Maintenance of Equity**

Requires each state receiving funds under the Elementary and Secondary School Emergency Relief Fund to maintain spending in Fiscal Years 2022 and 2023 on both elementary and secondary education and higher education, at least at the proportionate levels of the state's spending on those categories relative to the state's overall spending, averaged over Fiscal Years 2017, 2018, and 2019. The Secretary of Education may waive maintenance of effort requirements for the purpose of relieving fiscal burdens incurred by states in preventing, preparing for, and responding to the coronavirus. This section also includes fiscal equity guardrails to prevent state budget cuts from disproportionately impacting high-poverty school districts and low-income students. This section prohibits state educational agencies (SEAs) from cutting per-pupil spending on high-poverty local education agencies (LEAs) at a rate steeper than overall cuts in per-pupil spending across all local education agencies. SEAs are further prohibited from reducing funding for the 20 percent of LEAs with the highest percentage of economically disadvantaged students below the level of funding provided to those LEAs in Fiscal Year 2019. Lastly, LEAs are prohibited from cutting per-pupil spending on any high-poverty school at a rate steeper than overall cuts in per-pupil spending across all schools served by the LEA, and from reducing per-pupil staffing in any high-poverty school at a rate steeper than overall cuts in per-pupil staffing across all schools served by the LEA.

**Section 2004. Outlying Areas**

Provides \$850,000,000 for grants to the outlying areas.

**Section 2005. Bureau of Indian Education**

Provides \$850,000,000 for grants to Bureau of Indian Education-operated and funded elementary and secondary schools and Tribal Colleges or Universities.

**Section 2006. Gallaudet University**

Provides \$19,250,000 for the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and Gallaudet University.

**Section 2007. Student Aid Administration**

Provides \$91,130,000 for Student Aid Administration within the Department of Education to prevent, prepare for, and respond to coronavirus, domestically and internationally, including direct outreach to students and borrowers about financial aid, economic impact payments, means-tested benefits, and tax benefits for which they may be eligible.

**Section 2008. Howard University**

Provides \$35,000,000 for Howard University.

**Section 2009. National Technical Institute for the Deaf**

Provides \$19,250,000 for the National Technical Institute for the Deaf.

**Section 2010. Institute of Education Sciences**

Provides \$100,000,000 for the Institute of Education Sciences to study learning loss and disseminate findings to SEAs, LEAs, and other appropriate entities.

**Section 2011. Program Administration**

Provides \$15,000,000 for Program Administration within the Department of Education to prevent, prepare for, and respond to coronavirus, domestically and internationally, and for salaries and expenses necessary to implement this part.

**Section 2012. Office of Inspector General**

Provides \$5,000,000 for the Office of the Inspector General of the Department of Education.

**Section 2013. Modification of Revenue Requirements for Proprietary Institutions of Higher Education**

Modifies the requirement in Sec. 487 of the *Higher Education Act* to require proprietary institutions to derive not less than ten percent of revenue from funds other than federal education assistance funds, including from the GI Bill.

**Part 2 – Miscellaneous****Section 2021. National Endowment for the Arts**

Provides \$135,000,000 for the National Endowment for the Arts, with forty percent of funds reserved for grants to state art agencies and regional art organizations, and sixty percent of funds reserved for direct grants that support organizations' programming and general operating expenses.

**Section 2022. National Endowment for the Humanities**

Provides \$135,000,000 for the National Endowment for the Humanities, with forty percent of funds reserved for grants to state humanities councils, and sixty percent of funds reserved for direct grants that support humanities organizations' programming and general operating expenses.

**Section 2023. Institute of Museum and Library Services**

Provides \$200,000,000 to carry out the *Library Service and Technology Act* as authorized under Subtitle B of the *Museum and Library Services Act* with a minimum allocation of \$2,000,000 for each state.

**Section 2024. COVID-19 Response Resources for the Preservation and Maintenance of Native American Languages**

Provides \$10,000,000 for emergency grants to support Native American language preservation and maintenance. Funding will mitigate COVID-19-related disruptions or threats to Native American languages and the continued vitality of Native American languages during and after the COVID-19 public health emergency.

**Subtitle B: Labor Matters****Section 2101. Raising the Federal Minimum Wage**

Increases the federal minimum wage ("6(a)(1) wage") for employees from \$7.25 per hour to \$15 per hour by 2025 (\$9.50 in 2021; \$11.00 in 2022; \$12.50 in 2023; \$14.00 in 2024; and \$15.00 in 2025). Thereafter, annual increases in the 6(a)(1) wage are indexed to the percentage increase, if any, in the median hourly wages of all employees.

Increases the tipped minimum wage from \$2.13 to \$4.95 in 2021. For each succeeding year, the tipped minimum wage increases by the lesser of either \$2.00 or the difference between the tipped minimum wage and the 6(a)(1) wage. Once the tipped minimum wage reaches the 6(a)(1) wage (2027), the tipped minimum wage is eliminated by stipulating that the tipped minimum wage will be the 6(a)(1) wage.

Increases the youth subminimum wage, which employers may currently pay to individuals under 20 years of age for the first 90 calendar days of employment, from \$4.25 to \$6.00 in 2021. Each subsequent year, the youth subminimum wage increases by the lesser of either \$1.75 or the difference between the youth subminimum wage and the 6(a)(1) wage. Once the youth minimum wage reaches the 6(a)(1) wage (in 2027), the youth subminimum wage is eliminated by stipulating that the youth minimum wage will be the 6(a)(1) wage.

Discontinues the issuance of new 14(c) certificates, which permit the payment of subminimum wages to workers with disabilities, while allowing existing 14(c) certificate holders to continue using their subminimum wage certificates for five years after enactment. Sets the hourly wage paid to 14(c) covered employees to at least \$5.00 in 2021 (or, if greater, the wage that was paid to the employee before enactment). Each subsequent year, the 14(c) subminimum wage

increases by \$2.50. In 2025, the subminimum wage paid to 14(c) covered employees must be the same as the 6(a)(1) wage and remaining 14(c) certificates will have no legal effect.

Unless otherwise specified, these amendments to the *Fair Labor Standards Act* take effect on the first day of the third month that begins after the date of enactment. The effective date for the Commonwealth of the Northern Mariana Islands is 18 months after this general effective date.

**Section 2102. Funding for U.S. Department of Labor Worker Protection Activities**

Provides \$150,000,000 for the Secretary of Labor to implement COVID-19 worker protection activities across the Department, with not less than \$75,000,000 allocated to the Occupational Safety and Health Administration (OSHA), and within this allocation funds are reserved for OSHA enforcement in high risk sectors (such as meat processing, corrections, and health care) and the Susan Harwood Training Grant Program. As part of the \$150,000,000, \$12,500,000 is provided for the DOL Inspector General.

**Section 2103. COVID-19 Presumption of Eligibility for Federal and Postal Employees Under the *Federal Employees' Compensation Act***

Provides that federal and postal employees who (1) came into contact with patients, the public, or co-workers in the course of their duties, and (2) were diagnosed with COVID-19 between January 27, 2020, and January 30, 2023, will receive a presumption that COVID-19 is a work-related illness for purposes of eligibility under the *Federal Employees' Compensation Act* (FECA). FECA provides wage loss compensation for temporary or total disability, medical costs, and death benefits to survivors. Funds are appropriated to the Employees' Compensation Fund to pay benefit costs through September 30, 2030.

**Section 2104. COVID-19 Presumption of Eligibility for Maritime Workers Under the *Longshore and Harbor Workers' Compensation Act***

Provides that employees who were engaged in maritime employment between January 27, 2020, and January 27, 2023, and were diagnosed with COVID-19, or were ordered to quarantine, shall receive a conclusive presumption that such illness or quarantine was work related for purposes of workers' compensation benefits under the *Longshore and Harbor Workers' Compensation Act* (LHWCA). The LHWCA provides medical benefits, wage loss compensation for disability, funeral expenses, and survivors benefits. Self-insured employers and insurance carriers shall be reimbursed for the cost of such claims from the Employees' Compensation Fund in the U.S. Treasury, provided the employer is in compliance with any safety and health guidelines and standards related to COVID-19, including those issued by the OSHA, a state OSHA plan, or applicable public health authority. Funds are appropriated from the Treasury to the Employees' Compensation Fund through September 30, 2030, to cover the cost of such reimbursements.

***Subtitle C: Human Services and Community Supports***

**Section 2201. Additional Funding for Aging and Disability Services Programs**

Provides a total of \$276,000,000 in funding for the *Elder Justice Act* for Fiscal Years 2021 and 2022; ensures that Adult Protective Services (APS) funding may be used to serve all adults.

**Section 2202. Supporting Older Americans and Their Families**

Provides \$1,444,000,000 in funding for programs authorized under the *Older Americans Act* (OAA):

- \$740,000,000 to support nutrition programs for older Americans;
- \$25,000,000 for services, including nutrition, for Native American communities;
- \$470,000,000 to support home-and community-based support services programs, including support for COVID-19 vaccination outreach and coordination and addressing social isolation;
- \$44,000,000 for evidence-based health promotion and disease prevention;
- \$145,000,000 for the National Family Caregiver Support Program; and
- \$10,000,000 for the long-term care ombudsman program.

**Section 2203. Child Care and Development Block Grant Program**

Provides \$14,990,000,000 for the Child Care and Development Block Grant (CCDBG) program. Lead agencies may obligate funds during the current fiscal year and succeeding two fiscal years. Lead agencies may use such funds to provide child care assistance to essential workers without regard to such workers' income.

Provides an additional \$23,975,000,000 to be used for child care stabilization as described in section 2204 and in accordance with the requirements of the *Child Care and Development Block Grant Act* except for requirements in subparagraphs (C) through (E) of section 658E(c)(3) and section 658G of such Act.

Provides an additional \$35,000,000 for federal administrative costs, including technical assistance and research, to carry out child care stabilization and implement the additional funding for CCDBG.

**Section 2204. Child Care Stabilization**

Establishes child care stabilization grants to be awarded to each lead agency in accordance with allocation requirements under the *Child Care and Development Block Grant Act*. A lead agency may reserve up to 10 percent of grant funds for administrative and technical assistance costs and must use the remainder of funds to award subgrants to qualified child care providers that were, on the date of submission of the application for the subgrant, either open and available to provide child care services or closed for reasons related to the COVID-19 public health emergency. The subgrant amount must be based on the child care provider's stated current operating expenses. The Committee Print specifies the allowable uses of funds for subgrants, which include but are not limited to personnel expenses, cleaning supplies and personal protective equipment, and mental health supports. Subgrant funds may be used for sums obligated or expended prior to the date of enactment of this Act.

A child care provider that receives funds must certify that for the duration of the subgrant, the child care provider will: implement practices in line with guidance from state, Tribal, and local authorities, and to the greatest extent possible, guidance from the Centers for Disease Control and Prevention; pay no less than the full compensation the provider was paying each employee on the date of submission of the application for the subgrant; and provide relief from copayments and tuition payments to families enrolled in the provider's program, to the greatest extent possible, and prioritize such relief for families struggling to make either type of payment. The

lead agency shall notify the Secretary of Health and Human Services if the lead agency is unable to obligate at least 50 percent of funds awarded to carry out this section within nine months of the date of the enactment of this Act.

**Section 2205. Head Start**

Provides \$1,000,000,000 for Head Start programs, to be allocated to each Head Start agency according to the number of children enrolled in that agency as compared to the total number of children enrolled in all Head Start agencies. Such funding shall not be included in the calculation of base grants in subsequent fiscal years and shall not be subject to allocation requirements in section 640(a) of the *Head Start Act*.

**Section 2206. Programs for Survivors**

Provides a total of \$450,000,000, which shall not be subject to matching requirements for the duration of the COVID-19 pandemic, for *Family Violence Prevention and Services Act* (FVPSA) programs and related programs:

- \$180,000,000 to support FVPSA formula grants;
- \$18,000,000 for grants for Indian tribes;
- \$2,000,000 for the national domestic violence hotline, of which \$1,000,000 is directed to support Tribal communities;
- \$49,500,000 for grants to support culturally-specific populations;
- \$198,000,000 for grants to support survivors of sexual assault; and
- \$2,500,000 for the federal administrative costs of implementing grants to support culturally-specific populations and grants to support survivors of sexual assault.

**Section 2207. Child Abuse Prevention and Treatment**

Provides \$250,000,000 for child abuse and neglect prevention programs as authorized under Title II of the *Child Abuse Prevention and Treatment Act* (CAPTA), except that such funds shall not be subject to state match requirements and shall be distributed to each state in an amount that bears the same proportion to such amount appropriated for all states as the number of children under the age of 18 residing in the state bears to the total number of children under the age of 18 residing in all states.

Provides \$100,000,000 for the child abuse and neglect treatment and response state grant program authorized under section 106 of CAPTA, which shall be allocated without regard to the discretionary activity allocation requirements under section 112(a)(2) of CAPTA.

**Section 2208. LIHEAP**

Provides \$4,500,000,000 for the Low Income Home Energy Assistance Program (LIHEAP) to help families afford home heating and cooling costs, to remain available through September 30, 2022.

**Section 2209. Department of Health and Human Services**

Provides \$425,000,000 to the Secretary of Health and Human Services for increased costs associated with the COVID-19 pandemic in any programs administered under the Administration for Children and Families that provide direct program services to children.

**Section 2210. Corporation for National and Community Service and the National Service Trust**

Provides \$1,000,000,000 to the Corporation for National and Community Service and the National Service Trust to support an increase in AmeriCorps volunteers to respond to communities impacted by COVID-19 such as helping schools safely reopen and tackling the growing hunger crisis. Grants will be prioritized based on grantees located in and recruiting from communities disproportionately impacted by COVID-19 and taking into account the diversity of communities and participants served by such entities, including racial, ethnic, socioeconomic, linguistic, or geographic diversity.

*Subtitle D: Child Nutrition & Related Programs*

**Section 2301. Improvements to WIC Benefits**

Provides the Secretary of Agriculture with authority and funding to temporarily boost the value of the Cash Value Voucher (CVV) in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) up to \$35 per month for women and children for a four-month period during the COVID-19 pandemic.

**Section 2302. WIC Program Modernization**

Provides \$390 million for outreach, innovation, and program modernization efforts to improve participation and benefit redemption in the WIC program.

**Section 2303. Meals and Supplementals Reimbursements for Individuals who Have Not Attained the Age of 25**

Temporarily expands the age of eligibility for the Child and Adult Care Food Program (CACFP) at emergency homeless shelters from 18 to 25 for the duration of the COVID-19 pandemic.

**Section 2304. Pandemic EBT Program**

Allows the Pandemic Electronic Benefit Transfer (P-EBT) program to be implemented for any school year in which the COVID-19 public health emergency designation is in effect and allows for P-EBT benefits to be extended through the summer.

*Subtitle E: COBRA Continuation Coverage*

**Section 2401. Preserving Health Benefits for Workers**

Provides subsidies to support workers who are eligible for continuation coverage under the *Consolidated Omnibus Reconciliation Act of 1985* (COBRA) due to involuntary termination or reduction in hours. Eighty-five percent premium assistance will be available beginning the first month following the date of enactment and will remain available through September 30, 2021. Provides for an extended election period to allow individuals who previously experienced a qualifying event to enroll in subsidized coverage. Requires clear and understandable written notices and establishes an expedited review process for workers who are denied premium assistance. Provides a refundable payroll tax credit to allow employers and health plans to be reimbursed for the full amount of COBRA premiums.

Provides \$10 million to the Secretary of Labor to support implementation by the Employee Benefits Security Administration (EBSA).

**EXPLANATION OF AMENDMENTS**

The Committee Print to comply with the reconciliation directive included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5, as amended, including the amendment in the nature of a substitute, are explained in the descriptive portions of this report.

**APPLICATION OF LAW TO THE LEGISLATIVE BRANCH**

Pursuant to section 102(b)(3) of the *Congressional Accountability Act*, Pub. L. No. 104-1, Section 2103 of this Committee Print to comply with the reconciliation directive included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5, as amended, applies to terms and conditions of employment within the legislative branch by expanding access to benefits under the *Federal Employees' Compensation Act* (5 U.S.C. 8101 *et seq.*) for civilian federal employees who are diagnosed with COVID-19.

**UNFUNDED MANDATE STATEMENT**

Pursuant to Section 423 of the *Congressional Budget and Impoundment Control Act* (as amended by Section 101(a)(2) of the *Unfunded Mandates Reform Act*, Pub. L. No. 104-4), the Committee adopts as its own the estimate of federal mandates regarding the Committee Print, as amended, prepared by the Director of the Congressional Budget Office.

**EARMARK STATEMENT**

In accordance with clause 9 of Rule XXI of the Rules of the House of Representatives, the Committee Print to comply with the reconciliation directive included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5, as amended, does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as described in clauses 9(e), 9(f), and 9(g) of Rule XXI.

**ROLL CALL VOTES**

In compliance with clause 3(b) of Rule XIII of the Rules of the House of Representatives, the Committee advises that the following roll call votes occurred during the Committee's consideration of the Committee Print to comply with the reconciliation directive included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5, as amended:

Date: 02/09/2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 1

Bill: H.R. Cmte Print Amendment Number: 3

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: Allen/ RAMD\_11.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 2 Bill: H.R. Cmte Print Amendment Number: 4

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: Murphy/RAMD\_12.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURTNEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 3

Bill: H.R. Cmte Print Amendment Number: 5

Disposition: Defeated by a vote of 21-26

Sponsor/Amendment: Steel/RAMD\_13.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)			X	Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 26

Not Voting: 3

Total: 53 / Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 4

Bill: H.R. Cmte Print Amendment Number: 6

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: Miller/RAMD\_14.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRUJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53 / Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 5

Bill: H.R. Cmte Print Amendment Number: 7

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: Good/RAMD\_15.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURTNEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 6

Bill: H.R. Cmte Print Amendment Number: 9

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: Owens/RAMD\_21.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53 / Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 7

Bill: H.R. Cmte Print Amendment Number: 10

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: Keller/SMALLBUSINESS\_01.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTHEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		<i>Vacancy</i>			
Mr. BOWMAN (NY)		X		<i>Vacancy</i>			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
<i>Vacancy</i>							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53 / Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 8 Bill: H.R. Cmte Print Amendment Number: 11

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: CAWTHORN/RURALEXCEPTION\_01.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRUJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 9

Bill: H.R. Cmte Print Amendment Number: 12

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: STEEL/JOBLOSSAUTO\_01.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURTNEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53 / Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 10

Bill: H.R. Cmte Print Amendment Number: 13

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: OWENS/JOBLOSSTRIGGER\_01.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53 / Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 11

Bill: H.R. Cmte Print Amendment Number: 15

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: GROTHMAN/GROTWI\_004.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURTNEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 12

Bill: H.R. Cmte Print Amendment Number: 16

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: FOXX/RAMD2.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPALLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 13

Bill: H.R. Cmte Print Amendment Number: 18

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: BANKS/FC-AMD-PROLIFE-CVGE-PROT\_01.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURTNEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 14

Bill: H.R. Cmte Print Amendment Number: 19

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: SPARTZ/SPARTZ\_001.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 15

Bill: H.R. Cmte Print Amendment Number: 21

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: STEFANIK/AMD18.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		<i>Vacancy</i>			
Mr. BOWMAN (NY)		X		<i>Vacancy</i>			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
<i>Vacancy</i>							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 16

Bill: H.R. Cmte Print Amendment Number: 22

Disposition: Defeated by a vote of 20-27

Sponsor/Amendment: STEFANIK/RAMD\_04.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)			X
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 20

Nos: 27

Not Voting: 3

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 17

Bill: H.R. Cmte Print Amendment Number: 24

Disposition: Defeated by a vote of 20-28

Sponsor/Amendment: MILLER-MEEKS/RAMD\_05.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)			X
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 20

Nos: 28

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 18

Bill: H.R. Cmte Print Amendment Number: 25

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: STEFANIK/RAMD\_08.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		<i>Vacancy</i>			
Mr. BOWMAN (NY)		X		<i>Vacancy</i>			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
<i>Vacancy</i>							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 19

Bill: H.R. Cmte Print Amendment Number: 28

Disposition: Defeated by a vote of 19-29

Sponsor/Amendment: CAWTHORN/RAMD\_16.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRUJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)		X	
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)		X	
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 19

Nos: 29

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 20

Bill: H.R. Cmte Print Amendment Number: 29

Disposition: Defeated by a vote of 20-28

Sponsor/Amendment: GOOD/GOOD\_010.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRUJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)		X	
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 20

Nos: 28

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 21

Bill: H.R. Cmte Print Amendment Number: 30

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: MILLER-MEEKS/DOLFUND2.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRUJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 22

Bill: H.R. Cmte Print Amendment Number: 31

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: SPARTZ/SPARTZ\_06.xml

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRUJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		<i>Vacancy</i>			
Mr. BOWMAN (NY)		X		<i>Vacancy</i>			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
<i>Vacancy</i>							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 23

Bill: H.R. Cmte Print Amendment Number: 8,14,17,20,23 en bloc

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: FOXX (amend #8), Murphy (amend #14), Keller (amend #17),  
Walberg (amend #20), Stefanik (amend #23)

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURTNEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 24

Bill: H.R. Cmte Print Amendment Number: 26, 27 en bloc

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: Good (amend #26), Fulcher (amend #27)

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRUJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		<i>Vacancy</i>			
Mr. BOWMAN (NY)		X		<i>Vacancy</i>			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPALLAT (NY)		X					
<i>Vacancy</i>							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: Feb 9, 2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 25

Bill: H.R. Cmte Print Amendment Number: 32,33,34 en bloc

Disposition: Defeated by a vote of 21-27

Sponsor/Amendment: Spartz (amends #32, 33, 34)

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)		X		Mrs. FOXX (NC) (Ranking)	X		
Mr. GRIJALVA (AZ)		X		Mr. WILSON (SC)			X
Mr. COURNTEY (CT)		X		Mr. THOMPSON (PA)	X		
Mr. SABLAN (MP)		X		Mr. GROTHMAN (WI)	X		
Ms. WILSON (FL)		X		Ms. STEFANIK (NY)	X		
Ms. BONAMICI (OR)		X		Mr. ALLEN (GA)	X		
Mr. TAKANO (CA)		X		Mr. BANKS (IN)	X		
Ms. ADAMS (NC)		X		Mr. COMER (KY)	X		
Mr. DESAULNIER (CA)		X		Mr. FULCHER (ID)	X		
Mr. NORCROSS (NJ)		X		Mr. KELLER (PA)	X		
Ms. JAYAPAL (WA)		X		Mr. MURPHY (NC)	X		
Mr. MORELLE (NY)		X		Ms. MILLER-MEEKS (IA)	X		
Ms. WILD (PA)		X		Mr. OWENS (UT)	X		
Mrs. MCBATH (GA)		X		Mr. GOOD (VA)	X		
Mrs. HAYES (CT)		X		Mrs. MCCLAIN (MI)	X		
Mr. LEVIN (MI)		X		Mrs. HARSHBARGER (TN)	X		
Ms. OMAR (MN)		X		Mrs. MILLER (IL)	X		
Ms. STEVENS (MI)		X		Mrs. SPARTZ (IN)	X		
Ms. LEGER FERNANDEZ (NM)		X		Mr. FITZGERALD (WI)	X		
Mr. JONES (NY)		X		Mr. CAWTHORN (NC)	X		
Ms. MANNING (NC)		X		Mrs. STEEL (CA)	X		
Mr. MRVAN (IN)		X		Vacancy			
Mr. BOWMAN (NY)		X		Vacancy			
Mr. POCAN (WI)		X					
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)		X					
Mr. YARMUTH (KY)		X					
Mr. ESPAILLAT (NY)		X					
Vacancy							

TOTALS: Ayes: 21

Nos: 27

Not Voting: 2

Total: 53/ Quorum: / Report:

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

Date: 02/09/2021

**COMMITTEE ON EDUCATION AND LABOR RECORD OF COMMITTEE VOTE**

Roll Call: 26

Bill: Committee Print Amendment Number: (Reconciliation)

Disposition: Agreed to by a vote of 27-21

Sponsor/Amendment: Scott/ Motion to transmit the Committee Print (Reconciliation), as amended, with recommendations to the House Committee on the Budget

Name & State	Aye	No	Not Voting	Name & State	Aye	No	Not Voting
Mr. SCOTT (VA) (Chairman)	X			Mrs. FOXX (NC) (Ranking)		X	
Mr. GRUJALVA (AZ)	X			Mr. WILSON (SC)			X
Mr. COURNTEY (CT)	X			Mr. THOMPSON (PA)		X	
Mr. SABLAN (MP)	X			Mr. GROTHMAN (WI)		X	
Ms. WILSON (FL)	X			Ms. STEFANIK (NY)		X	
Ms. BONAMICI (OR)	X			Mr. ALLEN (GA)		X	
Mr. TAKANO (CA)	X			Mr. BANKS (IN)		X	
Ms. ADAMS (NC)	X			Mr. COMER (KY)		X	
Mr. DESAULNIER (CA)	X			Mr. FULCHER (ID)		X	
Mr. NORCROSS (NJ)	X			Mr. KELLER (PA)		X	
Ms. JAYAPAL (WA)	X			Mr. MURPHY (NC)		X	
Mr. MORELLE (NY)	X			Ms. MILLER-MEEKS (IA)		X	
Ms. WILD (PA)	X			Mr. OWENS (UT)		X	
Mrs. MCBATH (GA)	X			Mr. GOOD (VA)		X	
Mrs. HAYES (CT)	X			Mrs. MCCLAIN (MI)		X	
Mr. LEVIN (MI)	X			Mrs. HARSHBARGER (TN)		X	
Ms. OMAR (MN)	X			Mrs. MILLER (IL)		X	
Ms. STEVENS (MI)	X			Mrs. SPARTZ (IN)		X	
Ms. LEGER FERNANDEZ (NM)	X			Mr. FITZGERALD (WI)		X	
Mr. JONES (NY)	X			Mr. CAWTHORN (NC)		X	
Ms. MANNING (NC)	X			Mrs. STEEL (CA)		X	
Mr. MRVAN (IN)	X			Vacancy			
Mr. BOWMAN (NY)	X			Vacancy			
Mr. POCAN (WI)	X						
Mr. CASTRO (TX)			X				
Ms. SHERRILL (NJ)	X						
Mr. YARMUTH (KY)	X						
Mr. ESPAILLAT (NY)	X						
Vacancy							

TOTALS: Ayes: 27

Nos: 21

Not Voting: 2

Total: 53/ Quorum: 27/ Report: 27

(29 D - 24 R)

\*Although not present for the recorded vote, Member expressed he/she would have voted AYE if present at time of vote.

\*Although not present for the recorded vote, Member expressed he/she would have voted NO if present at time of vote.

### STATEMENT OF PERFORMANCE GOALS AND OBJECTIVES

Pursuant to clause (3)(c) of Rule XIII of the Rules of the House of Representatives, the goals of the Committee Print are to provide urgent and needed relief to struggling students, workers, and families and to comply with the reconciliation directive included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5.

### DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of Rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the Committee Print to comply with the reconciliation directive included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5, establishes or reauthorizes a program of the Federal Government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Pub. L. No. 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

### HEARINGS

Pursuant to Section 3(u) of H.Res. 8, Adopting the Rules of the House of Representatives of the One Hundred Seventeenth Congress, and for other purposes, which passed the House of Representatives on January 4, 2021, the Committee is not required to conduct hearings on legislation reported or transmitted from the Committee before April 1, 2021.

### STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with clause 3(c)(1) of Rule XIII and clause 2(b)(1) of Rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

### NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

Pursuant to clause 3(c)(2) of Rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974*, and pursuant to clause 3(c)(3) of Rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, the Committee has received the following estimate for the Committee Print to comply with the reconciliation directive included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5, as amended, from the Director of the Congressional Budget Office. Pursuant to clause 3(v) of H.Res. 8, Adopting the Rules of the House of Representatives of the One Hundred Seventeenth Congress, and for other purposes, which passed the House of Representatives on January 4, 2021, the chair of the Committee on the Budget may adjust an estimate under clause 4 of Rule XXIX of the Rules of the House of Representatives to "exempt the budgetary effects of measures to prevent, prepare for, or respond to economic or public health consequences resulting from the COVID-19 pandemic."



CONGRESSIONAL BUDGET OFFICE  
U.S. Congress  
Washington, DC 20515

*Phillip L. Swagel, Director*

February 15, 2021

Honorable Robert C. (Bobby) Scott  
Chairman  
Committee on Education and Labor  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The Congressional Budget Office has prepared the enclosed cost estimate for Reconciliation Recommendations of the House Committee on Education and Labor.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Leah Koestner.

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip L. Swagel".

Phillip L. Swagel

Enclosure

cc: Honorable Virginia Foxx  
Ranking Member

<b>At a Glance</b>			
<b>Reconciliation Recommendations of the House Committee on Education and Labor</b>			
<b>As ordered reported on February 9, 2021</b>			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>22,849</b>	<b>280,073</b>	<b>293,784</b>
Revenues	<b>-11,986</b>	<b>-1,261</b>	<b>3,786</b>
Increase or Decrease (-) in the Deficit	<b>34,835</b>	<b>281,334</b>	<b>289,998</b>
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	Yes	Contains intergovernmental mandate?	<b>Yes, Over Threshold</b>
		Contains private-sector mandate?	<b>Yes, Over Threshold</b>
CBO has not completed a review of the legislation for effects on spending subject to appropriation.			
<b>The legislation would</b>			
<ul style="list-style-type: none"> <li>• Appropriate funds for education-related programs, labor-related programs, child care, human services and community support programs, and nutrition programs</li> <li>• Increase the federal minimum wage to \$15 per hour by 2025, which would affect the federal budget and impose intergovernmental and private-sector mandates</li> <li>• Expand eligibility for federally funded workers' compensation benefits to certain federal employees and maritime workers affected by the coronavirus</li> <li>• Subsidize premiums for coverage under the Consolidated Omnibus Budget Reconciliation Act (COBRA) at 85 percent for people enrolled in that coverage through September 2021</li> </ul>			
<b>Estimated budgetary effects would mainly stem from</b>			
<ul style="list-style-type: none"> <li>• Increased federal spending on education and child care programs</li> <li>• Increased federal spending resulting from changes in employment, prices, and the distribution of income caused by a higher minimum wage</li> <li>• Federal subsidies for COBRA premiums</li> </ul>			
<b>Areas of significant uncertainty include</b>			
<ul style="list-style-type: none"> <li>• Projecting the rate at which various entities would spend new budget authority</li> <li>• Projecting the duration of school closures related to the coronavirus pandemic</li> <li>• Estimating the behavior of businesses and individuals in response to a higher minimum wage and how those responses would affect federal spending and revenues</li> </ul>			
<b>Detailed estimate begins on the next page.</b>			

See also CBO's *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437);  
*How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).



### Legislation Summary

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of the reconciliation process, the House Committee on Education and Labor approved legislation on February 9, 2021, that contains provisions that CBO estimates would, on net, increase deficits over that period by \$281.3 billion.

The legislation would appropriate specified amounts totaling \$220.1 billion for education-related programs, labor-related programs, child care, human services and community support programs, and nutrition programs.

The reconciliation recommendations also would make the following changes:

- Modify the 90/10 rule for proprietary postsecondary education institutions to include all federal education benefits in the formula for aid eligibility (a decrease in direct spending of \$124 million over the 2021-2030 period);
- Amend the Fair Labor Standards Act (FLSA) to increase the federal minimum wage to \$15 per hour by 2025 (an increase in direct spending of \$60.1 billion and an increase in revenues of \$14.7 billion over the 2021-2030 period);
- Expand eligibility for federally funded workers' compensation benefits to federal employees and maritime workers affected by the coronavirus (an increase in direct spending of \$103 million and \$224 million, respectively, over the 2021-2030 period);
- Expand eligibility for certain nutrition programs (an increase in direct spending of \$5.74 billion over the 2021-2030 period); and
- Provide a subsidy, in the form of a tax credit, for 85 percent of premiums for continuation coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA) to people enrolled in such coverage from the first of the month following the date of enactment through September 30, 2021 (an increase in the deficit of \$9.9 billion over the 2021-2030 period).

### Estimated Federal Cost

The estimated budgetary effect of the Committee's reconciliation recommendations is shown in Table 1. The changes in outlays from the legislation fall within budget functions 370 (commerce and housing credit), 400 (transportation), 500 (education, training, employment, and social services), 550 (health), 570 (Medicare), 600 (income security), 650 (Social Security), and 700 (veterans benefits and services).



### **Basis of Estimate**

For this estimate, CBO assumes that the reconciliation legislation will be enacted at the end of March 2021. Outlay estimates are based on historical spending patterns for affected programs and on information from affected agencies about implementation.

### **Direct Spending and Revenues**

CBO and the staff of the Joint Committee on Taxation (JCT) estimate that enacting the Committee's reconciliation recommendations would increase direct spending by \$280.1 billion and reduce federal revenues by \$1.3 billion over the 2021-2030 period, for a net effect on the deficit of \$281.3 billion.

**Subtitle A: Education Matters.** Subtitle A would appropriate \$170.6 billion mostly for education grants to respond to the coronavirus pandemic; the legislation also would amend the 90/10 rule, which would reduce spending by about \$0.1 billion. Thus, CBO estimates that enacting subtitle A would cost \$170.5 billion over the 2021-2030 period.

*Part 1—Department of Education.* The legislation would appropriate \$170.1 billion for the Department of Education mostly to make grants to states, local education agencies, and postsecondary education institutions, which would result in outlays totaling \$170.1 billion over the 2021-2030 period, CBO estimates. The Congress previously provided nearly \$31 billion for education stabilization in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, enacted on March 27, 2020, and another \$82 billion for this purpose in the Consolidated Appropriations Act, 2021, enacted on December 27, 2020. Because most of those funds remain to be spent, CBO anticipates that the bulk of spending of funds provided in the reconciliation recommendations would occur after 2021. Specifically, the legislation would appropriate:

- \$128.6 billion for the Elementary and Secondary School Emergency Relief Fund for preparation for, prevention of, and response to the coronavirus pandemic or for other uses allowed by other federal education programs;
- \$39.6 billion to the Higher Education Emergency Relief Fund to provide grants to students or to defray institutional expenses related to the pandemic; and
- \$2.0 billion for other education programs, including \$850 million for the Bureau of Indian Education, \$850 million for Outlying Areas (American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, and the U.S. Virgin Islands), \$100 million for the Institute of Education Sciences, and \$91 million for student aid administration.

Section 2013 would modify the 90/10 rule, under which proprietary institutions that receive more than 90 percent of their overall revenue from student aid programs authorized under title IV of the Higher Education Act (including Pell grants and federal student loans) are



ineligible to participate in the federal aid programs. The legislation would expand the definition of federal aid to include additional non-title-IV programs, such as veterans' education benefits. CBO expects that amending the 90/10 rule would reduce the number of students enrolled in proprietary schools, resulting in an estimated savings of \$124 million over the 2021-2030 period. Those savings would stem from a reduction in mandatory spending for Pell grants (\$78 million), student loans (\$25 million), and veterans' education benefits (\$21 million).

*Part 2—Miscellaneous.* The legislation would appropriate \$480 million for grants to fund activities related to the arts, humanities, libraries and museums, and Native American language preservation and maintenance. CBO estimates outlays for those activities would total \$479 million over the 2021-2030 period.

**Subtitle B: Labor Matters.** Subtitle B would increase the federal minimum wage, provide funding to the Department of Labor (DOL) for activities to help protect workers from contracting COVID-19 (the disease caused by the coronavirus), and expand the eligibility of federal employees and maritime workers who contract COVID-19 for federally funded workers' compensation benefits. CBO estimates that enacting subtitle B would increase outlays by \$60.6 billion over the 2021-2030 period.

*Raising the Federal Minimum Wage.* Section 2101 would amend the FLSA to increase the federal minimum wage in annual increments from \$7.25 per hour to \$15 per hour in 2025 (shortly after enactment, the minimum wage would be \$9.50 per hour). After 2025, the minimum wage would rise by the annual percentage increase, if any, in the median hourly wage of all employees. The legislation also would repeal the separate minimum wage for tipped workers, teenagers, and disabled workers.

CBO estimates that enacting the higher minimum wage would increase the cumulative budget deficit by \$45.4 billion over the 2021-2030 period (and by \$54.1 billion over the 2021-2031 period). The \$45.4 billion increase over the 2021-2030 period is the net effect of a \$60.1 billion increase in direct spending and a \$14.7 billion increase in revenues. (This provision would affect both on- and off-budget spending and revenues. The increase in the on-budget deficit would be \$66.7 billion over the 2021-2030 period, CBO estimates, consisting of a \$48.8 billion increase in on-budget mandatory spending and a reduction in on-budget revenues of \$17.9 billion.)<sup>1</sup>

Increasing the minimum wage would induce a number of behaviors among businesses and people that would result in changes in prices, the distribution of income, employment, and

1. Off-budget effects are designated by law as excluded from budget totals. The revenues and outlays of the two Social Security trust funds (the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund) and the transactions of the Postal Service are off-budget.



other economic factors, CBO estimates.<sup>2</sup> Those changes in turn would produce budgetary effects in revenues and in a broad set of federal programs, including the major health care programs, unemployment compensation, Social Security, nutrition programs, student loans, and retirement programs.

CBO estimates that the higher wages of some workers would lead to higher prices for goods and services, which would contribute to increases in spending for some federal programs. For example, CBO estimates that higher prices for long-term services and supports and medical services would increase costs to Medicaid. Changes in employment and in the distribution of income would increase spending for some programs (such as unemployment compensation) and reduce spending for others (such as nutrition programs).

Changes in employment and the distribution of income also would affect revenues. On net, revenues would increase under the provision, but those changes would result from a number of factors that worked in opposite directions. Revenues from payroll taxes for Social Security (which are categorized as off-budget) would increase. Other revenues would decline, on net, in part because income would shift toward lower-income people and away from higher-income people under the legislation, and lower-income people face lower tax rates, on average, than higher-income people do.

The basis of this estimate is described in significantly greater detail in CBO's analysis of the budgetary effects of S. 53, the Raise the Wage Act of 2021, published on February 8, 2021.<sup>3</sup>

*Other Provisions.* Sections 2102–2104 would make additional changes to labor programs; CBO estimates enacting those sections would increase outlays by \$477 million over the 2021-2030 period.

Section 2102 would provide \$150 million to DOL for activities to help protect workers from contracting COVID-19. Much of the funding would be spent by the Occupational Safety and Health Administration on enforcement of workplace safety standards.

Section 2103 would expand through 2030 the number of federal employees with COVID-19 who are eligible for medical, wage replacement, and death benefits under the Federal Employees' Compensation Act (FECA), under an assumption that those workers had contracted the illness on the job. FECA benefits are treated as direct spending; however,

2. Consistent with CBO's conventional approach to estimating the costs of legislation, these estimates incorporate the assumption that nominal gross domestic product would be unchanged. As a result, total income is roughly unchanged. Even so, the set of effects incorporated in this estimate is more extensive than the set incorporated in most cost estimates. That is because the effects on economic behavior that would affect the federal budget would be broader for increases in the minimum wage than for most policies that CBO examines.

3. See Congressional Budget Office, *The Budgetary Effects of the Raise the Wage Act of 2021* (February 2021), [www.cbo.gov/publication/56975](http://www.cbo.gov/publication/56975).



employing agencies ultimately bear the cost of federal workers' compensation claims. Because FECA costs are charged back to a claimant's employing agency by DOL, the ultimate costs are borne by those agencies' accounts for salaries and expenses. CBO estimates enacting this provision would cost \$103 million over the 2021-2030 period.

Section 2104 would establish the presumption that maritime workers with COVID-19 have contracted the illness on the job, making them eligible for medical, wage replacement, and death benefits under the Longshore and Harbor Workers' Compensation Act. Employers or the employers' insurance carriers would be reimbursed for the cost of those benefits through the end of fiscal year 2030. CBO estimates enacting this provision would increase outlays by \$224 million over the 2021-2030 period.

**Subtitle C: Human Services and Community Supports.** Subtitle C would appropriate \$48.4 billion for child care and other human service and community support programs, which CBO estimates would result in outlays of \$48.4 billion over the 2021-2030 period. Specifically, the legislation would appropriate the following amounts:

- \$276 million for programs authorized by the Elder Justice Act;
- \$1.4 billion for programs authorized by the Older Americans Act;
- \$39.0 billion for the Child Care and Development Block Grant program (including \$24.0 billion for the new Child Care Stabilization Fund to provide assistance to providers);
- \$1.0 billion for Head Start;
- \$450 million for programs authorized by the Family Violence Prevention and Services Act and other programs to support survivors of sexual assault and domestic violence;
- \$350 million for programs authorized by the Child Abuse Prevention and Treatment Act;
- \$4.5 billion for the Low Income Home Energy Assistance Program;
- \$425 million for the Department of Health and Human Services to allow for pandemic-related cost increases in programs of the Administration for Children and Families that provide direct services to children, which CBO interprets as funding that would support care provided by the Office of Refugee Resettlement to unaccompanied alien children; and
- \$1.0 billion for the Corporation for National and Community Service, primarily to make new grants to community service programs and to increase the living allowances of AmeriCorps volunteers.



**Subtitle D: Child Nutrition and Related Programs.** Subtitle D would amend and provide funds for nutrition programs; CBO estimates enacting subtitle D would increase outlays by \$6.6 billion over the 2021-2030 period.

Sections 2301 and 2302 would appropriate \$490 million to fund an increase in certain benefits under the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) and an additional \$390 million for activities to increase participation in WIC. Enacting those provisions would cost \$880 million over the 2021-2030 period, CBO estimates.

Section 2303 would raise the age of eligibility from 18 to 25 for the Child and Adult Care Food Program at emergency homeless shelters for the duration of the public health emergency, which CBO estimates will end in July 2022. CBO estimates that enacting this provision would cost \$180 million over the 2021-2030 period.

Section 2304 would expand the Pandemic Electronic Benefit Transfer (P-EBT) program by providing benefits in the summer months after a period during which schools are closed for at least five consecutive days, and expand eligibility to children under the age of 6 in households that receive Nutrition Assistance Program benefits in Puerto Rico, the Commonwealth of the North Mariana Islands, and American Samoa. CBO estimates that enacting this provision would cost \$5.6 billion over the 2021-2030 period. Section 2304 would also extend P-EBT for the duration of the public health emergency. However, CBO anticipates that all schools will return to in-person instruction for school year 2021-2022, so CBO estimates that the extension would result in an insignificant cost in 2022.

**Subtitle E: COBRA Continuation Coverage.** Under current law, people who lose their job or experience another qualifying event that results in a termination of their employment-based health insurance are eligible to continue health insurance coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA). If an individual chooses to enroll in COBRA coverage, he or she may be required to pay up to 102 percent of the total premium and can maintain the coverage for 18 months. Under section 2401, qualifying COBRA enrollees would be required to pay 15 percent of the total COBRA premium from the first of the month following the date of enactment through September 30, 2021. The federal government would provide a subsidy on behalf of the individual for the remainder. People would be eligible for premiums to be paid on their behalf if they are enrolled in, or are eligible to enroll in, COBRA coverage because of an involuntary termination or reduction of hours at the time of enactment. Section 2401 would permit eligible people who did not previously elect COBRA coverage and eligible people who discontinued COBRA coverage prior to enactment to enroll within 60 days of being notified about the availability of these subsidies.



CBO and JCT estimate that enacting section 2401 would increase federal deficits by \$9.9 billion over the 2021-2030 period. That increase in deficits would consist of a decrease in direct spending of \$6.1 billion and a decrease in revenues of \$16.0 billion over the period. Those effects would primarily stem from federal subsidies for COBRA premiums, partially offset by a reduction in federal subsidies for other sources of health insurance coverage.

Under current law, CBO and JCT project that about 1.3 million people would be enrolled in COBRA coverage on a full year equivalent basis (FYE), representing less than 10 percent of the eligible population. The estimated take-up of COBRA coverage is low because premiums are not typically subsidized by employers as they are when people are actively employed. The remaining estimated 11.4 million eligible people who do not enroll in COBRA coverage would enroll in another form of insurance coverage or be uninsured.

In response to the availability of those subsidies, CBO and JCT estimate that an additional 2.2 million people, on a FYE basis, would enroll in COBRA coverage, resulting in a total of about 3.5 million FYE COBRA enrollees in 2021. In total, the agencies estimate that subsidies for COBRA—for existing and new enrollees—would increase deficits by \$16.3 billion over the 2021-2030 period.

CBO and JCT estimate there would be offsetting effects as people who would newly enroll in COBRA coverage would no longer enroll in other sources of health insurance coverage that are subsidized by the federal government. Of the 2.2 million FYEs that CBO and JCT estimate would newly enroll in COBRA coverage, an estimated 1.1 million would have otherwise been enrolled in Medicaid or CHIP and about 600,000 would have forgone insurance coverage and been uninsured. About 200,000 FYEs would otherwise have enrolled in subsidized nongroup coverage and about 100,000 would have enrolled in nongroup coverage without subsidies. The remainder, about 200,000, would have been enrolled in employment-based coverage. CBO and JCT estimate that those changes in health insurance coverage would offset the cost of the new COBRA subsidy by \$6.4 billion over the 2021-2030 period. On net, the COBRA provisions in the legislation would increase deficits by \$9.9 billion over the 2021-2030 period.

#### **Uncertainty**

The Committee's reconciliation recommendations would appropriate \$220 billion in budget authority to new and existing programs—a substantial increase in funding for those activities. For example, funding to help K-12 and higher education institutions respond to the coronavirus pandemic and funding for the Child Care and Development Block Grant program would increase significantly. As a result, CBO's estimates of the rate at which federal agencies, states, local education agencies, and other entities would spend those new funds are subject to considerable uncertainty, as is the question of whether those entities could spend the new funds within the allotted time.



CBO's estimates are subject to other significant areas of uncertainty:

- Projecting the behavior of businesses and individuals in response to a higher minimum wage and how those responses would affect federal spending and revenues;
- Anticipating effects among proprietary postsecondary education institutions in response to a change in the 90/10 rule; and
- Projecting the duration of school closures related to the coronavirus pandemic.

#### **Pay-As-You-Go Considerations**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 1.

#### **Increase in Long-Term Deficits**

CBO estimates that enacting the Committee's reconciliation recommendations would increase on-budget deficits in every year after 2030. Those increases would total more than \$5 billion in each of the four consecutive 10-year periods beginning in 2031.

#### **Mandates**

The Committee's reconciliation recommendations would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) by requiring employers to pay a higher minimum wage to workers who are covered under the Fair Labor Standards Act. Among that group are workers who receive tips, teenage workers, and workers with disabilities. The legislation also would impose mandates by requiring group health insurance plans to provide notifications to beneficiaries related to continuation of coverage under COBRA.

CBO estimates that the aggregate additional amount paid to workers to meet the new minimum wage requirements would significantly exceed the thresholds established in UMRA for private-sector and intergovernmental entities in each year beginning in 2021 and 2022, respectively. In 2021, the intergovernmental threshold under UMRA is \$85 million and the private-sector threshold is \$170 million; both are adjusted annually for inflation.

CBO estimates that by 2025—when the minimum wage reaches \$15 per hour—state, local, and tribal employers would be required to pay covered workers approximately \$4 billion in additional wages annually. The additional annual cost to private-sector employers would be \$45 billion. Those amounts do not account for employers' possible responses to the higher minimum wage, which could include reducing hiring, altering the composition of the minimum-wage and non-minimum-wage workforce, or purchasing equipment that would substitute for workers.



If employers reduce hiring, CBO estimates that in 2025, public-sector employers would be required to pay covered workers \$3 billion in additional wages. The additional cost to private-sector employers in that year would be \$32.5 billion. CBO did not estimate the changes in costs to employers associated with other possible responses.

CBO estimated the cost of the mandates using monthly data from the Census Bureau's Current Population Survey to estimate the distribution of workers' hourly wages under current law. In projecting hourly wages, CBO accounted for prospective increases in some states' minimum wage rates, including those coming into effect under current and future state law.

CBO then identified the subset of workers covered under the FLSA whose hourly wages, in CBO's projections, would fall below the schedule of minimum wages set by the legislation. For this analysis, CBO excluded workers who are not covered under the FLSA (including those in most small businesses and in occupations that generally are exempt from the FLSA) and workers whose estimated wages would be more than \$15 per hour in 2025.

Employers would be expected to incur additional costs to increase the wages of workers who are not directly covered under this legislation, but that increase would not result from the employers' compliance with the mandate.

The legislation also would impose a private-sector mandate by requiring group health insurance plans to include additional information about COBRA eligibility and premium assistance in notifications to beneficiaries. Because group plans routinely provide information to beneficiaries, CBO estimates that the additional cost of the mandate would be small.

#### **Estimate Prepared By**

##### Federal Costs:

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**Effects of the Minimum-Wage Increase:**

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**Table 1**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Ordered Reported by the House Committee on Education and Labor on February 9, 2021**

		By Fiscal Year, Millions of Dollars												
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-2030	2021-2031
		Increases or Decreases (+) in Direct Spending												
<b>Subtitle A. Education Matters</b>														
<b>Part 1 - Department of Education</b>														
Sec.	2001 Elementary and Secondary School Emergency Relief Fund													
	Budget Authority	128,555	0	0	0	0	0	0	0	0	0	0	128,555	128,555
	Estimated Outlays	6,428	32,139	32,139	25,711	18,263	9,999	2,571	1,285	0	0	0	138,555	128,555
Sec.	2002 Higher Education Emergency Relief Fund													
	Budget Authority	38,588	0	0	0	0	0	0	0	0	0	0	38,588	38,588
	Estimated Outlays	5,938	13,825	5,838	5,838	3,968	1,979	1,863	386	0	0	0	34,889	38,588
Sec.	2004 Outlying Areas													
	Budget Authority	850	0	0	0	0	0	0	0	0	0	0	850	850
	Estimated Outlays	43	212	212	170	138	60	17	8	0	0	0	850	850
Sec.	2005 Bureau of Indian Education													
	Budget Authority	850	0	0	0	0	0	0	0	0	0	0	850	850
	Estimated Outlays	43	153	153	153	153	128	42	25	0	0	0	850	850
Sec.	2008 Gallaudet University													
	Budget Authority	19	0	0	0	0	0	0	0	0	0	0	19	19
	Estimated Outlays	1	8	7	3	0	0	0	0	0	0	0	19	19
Sec.	2007 Student Aid Administration													
	Budget Authority	91	0	0	0	0	0	0	0	0	0	0	91	91
	Estimated Outlays	9	30	25	9	9	0	0	0	0	0	0	91	91
Sec.	2008 Howard University													
	Budget Authority	35	0	0	0	0	0	0	0	0	0	0	35	35
	Estimated Outlays	2	15	13	5	0	0	0	0	0	0	0	35	35
Sec.	2009 National Technical Institute for the Deaf													
	Budget Authority	19	0	0	0	0	0	0	0	0	0	0	19	19
	Estimated Outlays	1	8	7	3	0	0	0	0	0	0	0	19	19
Sec.	2010 Institute of Education Sciences													
	Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
	Estimated Outlays	1	15	15	30	30	9	0	0	0	0	0	100	100
Sec.	2011 Program Administration													
	Budget Authority	15	0	0	0	0	0	0	0	0	0	0	15	15
	Estimated Outlays	1	3	8	3	2	0	0	0	0	0	0	15	15
Sec.	2012 Office of Inspector General													
	Budget Authority	5	0	0	0	0	0	0	0	0	0	0	5	5
	Estimated Outlays	*	1	2	1	1	0	0	0	0	0	0	5	5
Sec.	2013 Modification of Revenue Requirements for Proprietary Institutions of Higher Education													
	Estimated Budget Authority	0	-3	-10	-13	-16	-18	-17	-19	-19	-20	-20	-132	-153
	Estimated Outlays	0	-2	-6	-11	-15	-16	-17	-19	-19	-19	-20	-134	-144
<b>Part 2 - Miscellaneous</b>														
Sec.	2021 National Endowment for the Arts													
	Budget Authority	135	0	0	0	0	0	0	0	0	0	0	135	135
	Estimated Outlays	30	64	34	7	0	0	0	0	0	0	0	135	135
Sec.	2022 National Endowment for the Humanities													
	Budget Authority	135	0	0	0	0	0	0	0	0	0	0	135	135
	Estimated Outlays	30	64	34	7	0	0	0	0	0	0	0	135	135
Sec.	2023 Institute of Museum and Library Services													
	Budget Authority	209	0	0	0	0	0	0	0	0	0	0	209	209
	Estimated Outlays	18	102	82	13	6	0	0	0	0	0	0	198	198
Sec.	2024 COVID-19 Response: Resources for the Preservation and Maintenance of Native American Languages													
	Budget Authority	10	0	0	0	0	0	0	0	0	0	0	10	10
	Estimated Outlays	*	8	2	0	0	0	0	0	0	0	0	10	10
<b>Subtotal, Subtitle A</b>														
	Estimated Budget Authority	170,804	-3	-10	-13	-16	-18	-17	-19	-19	-20	-20	170,411	170,451
	Estimated Outlays	12,543	48,684	38,643	32,042	23,565	11,159	4,188	1,695	-19	-19	-20	170,479	170,458
<b>Subtitle B. Labor Matters</b>														
Sec.	2101 Raising the Federal Minimum Wage <sup>1)</sup>													
	Estimated Budget Authority	-593	1,864	2,907	3,710	4,889	6,483	8,194	9,555	8,457	10,050	12,881	54,426	67,387
	Estimated Outlays	-593	2,070	3,113	4,144	5,615	7,115	8,880	9,412	8,387	11,005	13,732	60,138	73,868
	Estimated Budget Authority - On-budget	-593	1,658	2,673	3,594	4,364	5,303	6,397	6,515	5,333	6,922	8,650	40,373	52,228
	Estimated Outlays - On-budget	-593	2,069	3,079	3,838	4,940	6,327	7,239	7,372	6,843	7,697	9,681	46,692	58,710
	Estimated Budget Authority - Off-budget	*	8	24	206	625	1,778	1,597	2,040	2,524	3,108	3,841	13,318	15,159
	Estimated Outlays - Off-budget	*	6	24	208	625	1,778	1,597	2,040	2,524	3,108	3,841	13,319	15,159
Sec.	2102 Funding for Department of Labor Worker Protection Activities													
	Budget Authority	150	0	0	0	0	0	0	0	0	0	0	150	150
	Estimated Outlays	97	38	9	8	2	0	0	0	0	0	0	150	150

**Table 1**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Ordered Reported by the House Committee on Education and Labor on February 9, 2021**

		By Fiscal Year, Millions of Dollars														
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-2030	2021-2031		
		Increases or Decreases (-) in Direct Spending														
Sec.	2101 Eligibility for Workers' Compensation Benefits for Federal Employees Diagnosed with COVID-19															
	Estimated Budget Authority	37	17	11	8	8	8	5	5	4	4	0	193	103		
	Estimated Outlays	37	17	11	8	8	8	5	5	4	4	0	193	103		
Sec.	2104 Compensation Pursuant to the Longshore and Harbor Workers' Compensation Act															
	Estimated Budget Authority	120	65	7	6	5	5	4	4	4	4	0	224	224		
	Estimated Outlays	120	65	7	6	5	5	4	4	4	4	0	224	224		
<b>Subtotal, Subtitle B</b>																
	Estimated Budget Authority	-286	2,046	2,925	3,724	5,000	6,494	8,203	9,564	8,465	10,028	12,691	56,113	67,864		
	Estimated Outlays	-239	2,188	3,140	4,164	5,628	7,128	8,899	9,421	9,375	11,013	13,732	60,415	74,346		
<b>Subtitle C: Human Services and Community Supports</b>																
Sec.	2201 Additional Funding for Aging and Disability Services Programs															
	Budget Authority	88	188	0	0	0	0	0	0	0	0	0	276	276		
	Estimated Outlays	40	120	86	28	0	0	0	0	0	0	0	276	276		
Sec.	2202 Supporting Older Americans and Their Families															
	Budget Authority	1,444	0	0	0	0	0	0	0	0	0	0	1,444	1,444		
	Estimated Outlays	745	817	82	0	0	0	0	0	0	0	0	1,444	1,444		
Sec.	2203 Child Care and Development Block Grant Program															
	Budget Authority	14,800	0	0	0	0	0	0	0	0	0	0	14,800	14,800		
	Estimated Outlays	2,898	4,797	4,197	2,698	0	0	0	0	0	0	0	14,800	14,800		
	Child Care Stabilization															
	Budget Authority	23,975	0	0	0	0	0	0	0	0	0	0	23,975	23,975		
	Estimated Outlays	4,555	12,467	6,473	480	0	0	0	0	0	0	0	23,975	23,975		
	Child Care Administration															
	Budget Authority	35	0	0	0	0	0	0	0	0	0	0	35	35		
	Estimated Outlays	4	11	11	7	2	0	0	0	0	0	0	35	35		
Sec.	2205 Head Start															
	Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000	1,000		
	Estimated Outlays	200	750	50	0	0	0	0	0	0	0	0	1,000	1,000		
Sec.	2206 Programs for Survivors															
	Budget Authority	450	0	0	0	0	0	0	0	0	0	0	450	450		
	Estimated Outlays	88	225	113	23	21	0	0	0	0	0	0	450	450		
Sec.	2207 Child Abuse Prevention and Treatment															
	Budget Authority	350	0	0	0	0	0	0	0	0	0	0	350	350		
	Estimated Outlays	53	175	86	19	19	0	0	0	0	0	0	350	350		
Sec.	2208 LMI/EAP															
	Budget Authority	4,500	0	0	0	0	0	0	0	0	0	0	4,500	4,500		
	Estimated Outlays	1,508	1,727	467	422	188	168	0	0	0	0	0	4,500	4,500		
Sec.	2209 Department of Health and Human Services															
	Budget Authority	428	0	0	0	0	0	0	0	0	0	0	428	428		
	Estimated Outlays	13	17	64	66	74	70	64	51	4	0	0	428	428		
Sec.	2210 Corporation for National and Community Service and the National Service Trust															
	Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000	1,000		
	Estimated Outlays	200	425	130	90	79	50	30	0	0	0	0	1,000	1,000		
<b>Subtotal, Subtitle C</b>																
	Budget Authority	46,257	129	0	0	0	0	0	0	0	0	0	48,445	48,445		
	Estimated Outlays	10,384	21,331	11,785	4,134	378	308	94	51	4	0	0	48,445	48,445		
<b>Subtitle D: Child Nutrition &amp; Related Programs</b>																
Sec.	2301 Improvements to WIC Benefits															
	Budget Authority	490	0	0	0	0	0	0	0	0	0	0	490	490		
	Estimated Outlays	490	0	0	0	0	0	0	0	0	0	0	490	490		
Sec.	2302 WIC Program Modernization															
	Budget Authority	390	0	0	0	0	0	0	0	0	0	0	390	390		
	Estimated Outlays	59	156	137	28	0	0	0	0	0	0	0	390	390		
Sec.	2303 Meals and Supplements Reimbursements for Individuals who have not Attained the Age of 25															
	Estimated Budget Authority	70	110	0	0	0	0	0	0	0	0	0	180	180		
	Estimated Outlays	70	110	0	0	0	0	0	0	0	0	0	180	180		
Sec.	2304 Pandemic EBT Program															
	Estimated Budget Authority	5,560	0	0	0	0	0	0	0	0	0	0	5,560	5,560		
	Estimated Outlays	5,560	0	0	0	0	0	0	0	0	0	0	5,560	5,560		
<b>Subtotal, Subtitle D</b>																
	Estimated Budget Authority	6,510	110	0	0	0	0	0	0	0	0	0	6,620	6,620		
	Estimated Outlays	6,179	266	137	28	0	0	0	0	0	0	0	6,620	6,620		

**Table 1:**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Ordered Reported by the House Committee on Education and Labor on February 9, 2021**

		By Fiscal Year, Millions of Dollars													
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-2030	2021-2031	
<b>Increase or Decrease (-) in Direct Spending</b>															
<b>Subtitle E: COBRA Continuation Coverage</b>															
Sec.	2401	Preserving Health Benefits for Workers <sup>1)</sup>													
		Estimated Budget Authority	-5,915	-171	0	0	0	0	0	0	0	0	-6,086	-6,086	
		Estimated Outlays	-5,918	-168	0	0	0	0	0	0	0	0	-6,098	-6,098	
<b>Total Increase in Direct Spending (on- and off-budget)</b>		Estimated Budget Authority	219,170	2,170	2,915	3,711	-4,904	6,478	8,186	8,545	8,448	10,018	12,671	274,423	
		Estimated Outlays	22,849	70,301	53,683	40,379	26,559	19,563	13,169	11,167	9,560	10,804	13,712	283,273	
<b>Total Increase in Direct Spending (on-budget)</b>		Estimated Budget Authority	218,170	2,564	2,891	3,305	-4,359	5,300	6,589	6,303	5,922	6,910	8,830	261,303	
		Estimated Outlays	22,849	70,293	53,649	40,172	28,034	17,415	11,592	8,127	6,636	7,686	8,871	284,755	
<b>Total Increase in Direct Spending (off-budget)</b>		Estimated Budget Authority	*	6	34	206	625	1,178	1,597	2,040	2,224	3,108	3,841	11,318	
		Estimated Outlays	*	6	34	206	625	1,178	1,597	2,040	2,524	3,108	3,841	11,318	
<b>Increase or Decrease (-) in Revenues</b>															
<b>Subtitle B: Labor Matters</b>															
Sec.	2101	Raising the Federal Minimum Wage <sup>2)</sup>													
		Total Revenues	-14	43	-222	-250	-2,313	1,690	2,839	3,792	4,638	5,009	5,047	-14,702	
		On-budget Revenues	-72	-312	-1,332	-2,497	-3,914	-2,349	-2,080	-1,330	-697	-321	-305	-12,096	
		Off-budget Revenues	58	358	1,091	2,247	3,601	-4,639	-4,919	5,142	5,335	5,430	5,352	12,318	
<b>Subtitle E: COBRA Continuation Coverage</b>															
Sec.	2401	Preserving Health Benefits for Workers <sup>3)</sup>													
		Total Revenues	-11,972	-3,891	0	0	0	0	0	0	0	0	0	-15,863	
		On-budget Revenues	-11,978	-3,892	0	0	0	0	0	0	0	0	0	-15,868	
		Off-budget Revenues	4	1	0	0	0	0	0	0	0	0	0	5	
<b>Revenues</b>		Total Revenues	-11,858	-3,940	-222	-250	-2,313	1,090	2,839	3,792	4,638	5,009	5,047	-12,251	
		On-budget Revenues	-12,048	-4,305	-1,283	-2,497	-3,914	-2,949	-2,080	-1,350	-697	-321	-305	-13,494	
		Off-budget Revenues	62	357	1,061	2,247	3,601	-4,639	-4,919	5,142	5,335	5,430	5,352	37,935	
<b>Net Increase or Decrease (-) in the Deficit</b>															
<b>From Changes in Direct Spending and Revenues</b>															
<b>Estimated Change in the Deficit</b>			34,835	74,249	53,905	40,828	31,872	17,563	10,350	7,375	4,722	5,895	8,665	-281,234	
		On-budget Deficit	34,897	74,600	54,632	42,669	34,848	20,784	13,672	10,477	7,533	8,207	10,176	302,249	
		Off-budget Deficit	62	-351	-1,027	-2,041	-2,976	-3,261	-3,322	-5,102	-2,811	-2,312	-1,511	-21,283	

Components may not sum to totals because of rounding.  
 Estimates relative to CBO's February 2021 baseline.  
 LIHEAP = Low Income Home Energy Assistance Program; Pandemic EBT = Pandemic Electronic Benefits Transfer Program; WIC = Special Supplemental Nutrition Program for Women, Infants and Children; n.a. = not applicable; \* = between -\$500,000 and \$500,000.

Off-budget effects are designated by law as excluded from budget totals. The revenues and outlays of the two Social Security trust funds (the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund) and the transactions of the Postal Service are off-budget. All effects in this table are on-budget unless otherwise noted.

- For more detail, see Congressional Budget Office, The Budgetary Effects of the Raise the Wage Act of 2021 (February 2021), [www.cbo.gov/publication/56975](http://www.cbo.gov/publication/56975).
- These sections would affect direct spending and revenues, which are shown separately.
- The estimated budgetary effects shown here differ from the estimated effects of the same provision that was included in the Reconciliation Recommendations of the House Committee on Ways and Means. The estimated budgetary effects of the provision in the Ways & Means legislation accounted for interactions with sections 9661 and 9663 in subtitle G of that legislation, which would increase marketplace subsidies for certain individuals, whereas this estimate does not.

**COMMITTEE COST ESTIMATE**

Clause 3(d)(1) of Rule XIII of the Rules of the House of Representatives requires an estimate and a comparison of the costs that would be incurred in carrying out the Committee Print to comply with the reconciliation directive included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5, as amended. However, clause 3(d)(2)(B) of that rule provides that this requirement does not apply when the committee has included in its report a timely submitted cost estimate of the Committee Print prepared by the Director of the Congressional Budget Office under section 402 of the *Congressional Budget Act of 1974*.

**CHANGES IN EXISTING LAW MADE BY THE COMMITTEE PRINT, AS REPORTED**

Pursuant to clause 3(e) of Rule XIII of the Rules of the House of Representatives, a comparative print of changes in existing law made by the Committee Print, as reported, has been requested but not received.

**ADVISORY COMMITTEE STATEMENT**

No advisory committees within the meaning of section 5(b) of the *Federal Advisory Committee Act* were created by this Committee Print.

**SUMMARY OF THE RECONCILIATION MEASURE**

The purpose of the Committee Print is to respond to the needs of students, workers, and communities as the country continues to grapple with the COVID-19 pandemic and to comply with the reconciliation directive given to the Committee on Education and Labor included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5. As of February 2021, the public health crisis has sickened more than 27 million people and left over 470,000 dead in the United States alone,<sup>1</sup> with the nation's most vulnerable populations—in particular communities of color, low-income families, and older Americans—bearing the brunt of the harm. While Congress has previously acted to provide relief during the pandemic, the Committee Print will provide continued and urgent relief to struggling workers, students, and families.

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<sup>1</sup> *Coronavirus in the U.S.: Latest Map and Case Count*, N.Y. TIMES (Feb. 10, 2021), <https://www.nytimes.com/interactive/2020/us/coronavirus-us-cases.html>.

**Minority Views on S. Con. Res. 5****Introduction**

At a time when hardworking American families need Congress to come together to find responsible, bipartisan solutions and provide critical COVID-19 relief, Democrats are ignoring those needs and using a sham process to ram left wing priorities through this Committee. The legislation the Democrats are reporting to the Committee on Budget is a socialist policy wish list disguised as pandemic relief. Rather than considering this partisan measure, we should have worked together to convene hearings to examine where relief was needed, identified any gaps in previous relief packages, and then negotiated a bipartisan relief package as Congress did under the Trump administration. Instead of advancing proposals that help schools safely reopen, get Americans the skills they need to reenter the workforce, and allow our economy to return to its pre-pandemic prosperity, the Democrats included radical provisions to mandate a \$15 national minimum wage and allow an extreme and flawed expansion of certain workers' compensation programs. Committee Democrats then blocked amendments that would have achieved legitimate and effective bipartisan goals.

Furthermore, Democrats labeled themselves experts, deciding that the pandemic only impacts their chosen groups. COVID-19 doesn't pick winners and losers. The public health emergency we currently face has disrupted our nation's school systems across the country. The way this legislation cherry picks which students and schools receive assistance is wildly insulting. Democrats are operating under the assumption that only some schools and some students need relief. We need all schools to reopen safely so future generations do not fall further behind. While Democrats may have an unfounded bias against K-12 private schools, those students do not deserve to be left behind while Democrats play partisan politics. Additionally, their nonsensical approach to determining who is worthy of aid extends into higher education. Democrats decided that students who attend for-profit colleges and universities are not as worthy of financial relief because the Democrats do not approve of the institutions they enrolled in. This is wrong. Those students are just as impacted as other students by the pandemic, and they desperately need financial relief.

**Process**

Only twenty-six hours after first sharing legislative text, the Chairman gavelled in the markup on how to allocate the funding this Committee was instructed to spend. Congressional Democrats seem to never let a crisis go to waste, so it's no surprise they used this process as an opportunity to create wasteful, permanent programs and expand the power of Washington bureaucrats to the detriment of students, workers, and job creators.

The first thing Democrats did under the jurisdiction of this Committee was move a bill on an important issue, apprenticeships, that silenced half of the Committee by sidestepping any committee processes. Then, less than a week later, the Committee marked up a supposed COVID relief bill that was written completely in secret by the Democrats. The majority provided the text almost exactly one day before the markup was to begin. Committee Republicans were expected to analyze and assess the bill's policy and spending priorities and then carefully and thoughtfully

craft our position in one day. This was not a small, five-page bill with a narrow scope and impact. This bill includes hundreds of billions of dollars and covers broad, complex policy provisions.

Congress and this Committee are supposed to be better. There are times every committee pursues partisan measures, but a relief package for the American people facing a once in a century pandemic is not the time to play politics. This is an issue that impacts all our districts and constituents, but the Democrats' process left half of the country without a voice, at a time when families are desperate to reopen their small businesses, get their kids back to school, and get the vaccine. It would be surprising to learn even Democrats had time to review the legislation. Americans have seen what happens when weeks of work is crammed into 24 hours - it's never good.

### **Missed Opportunities for Needed COVID Relief**

Despite the cost and scope of this partisan bill, Democrats fail to help mitigate the challenges faced by so many American families. Parents and students have relayed heartbreaking stories about the failures of their schools' transition to online learning while teachers' unions continue the push for remote learning. Students are falling behind, and mental health issues are on the rise. Democrats aren't listening, opting to pursue the interests of their political allies rather than the interests of American families.

We know the costs of keeping schools closed are high. So why are schools still closed, especially when so many private schools are open? The science tells us schools can reopen safely. The Biden administration's own experts have said this. In a piece in the *Journal of the American Medical Association*, Centers for Disease Control and Prevention (CDC) researchers wrote, "the preponderance of available evidence from the fall school semester has been reassuring..."<sup>1</sup> They went on to say, "there has been little evidence that schools have contributed meaningfully to increased community transmission." A second CDC report found, "with proper mitigation strategies, K-12 schools might be capable of opening for in-person learning with minimal in-school transmission of SARS-CoV-2."<sup>2</sup>

Democrats claim that schools cannot reopen without significantly more federal spending, but this claim does not hold up to scrutiny. The CDC has estimated that implementing its recommended mitigation strategies in pre-K through 12th grade schools should cost between \$55 and \$442 per student.<sup>3</sup> There are approximately 51 million public school students<sup>4</sup> and another approximately 6 million private school students.<sup>5</sup> Using the top of the per-pupil range, the total cost of implementing the CDC's recommended mitigation strategies is approximately \$25 billion.

So far, Congress has appropriated nearly \$70 billion in dedicated K-12 funding for coronavirus relief. That does not include additional funds provided to governors, much of which has also been spent on K-12 schools. In other words, Congress has already provided significantly more

<sup>1</sup> <https://jamanetwork.com/journals/jama/fullarticle/2775875>

<sup>2</sup> [https://www.cdc.gov/mmwr/volumes/70/wr/mm7004e3.htm?s\\_cid=mm7004e3\\_w](https://www.cdc.gov/mmwr/volumes/70/wr/mm7004e3.htm?s_cid=mm7004e3_w)

<sup>3</sup> <https://www.cdc.gov/mmwr/volumes/69/wr/mm6950e1.htm>

<sup>4</sup> [https://nces.ed.gov/programs/digest/d19/tables/dt19\\_203.10.asp?current=yes](https://nces.ed.gov/programs/digest/d19/tables/dt19_203.10.asp?current=yes)

<sup>5</sup> [https://nces.ed.gov/programs/digest/d19/tables/dt19\\_205.10.asp?current=yes](https://nces.ed.gov/programs/digest/d19/tables/dt19_205.10.asp?current=yes)

funding than the CDC says is necessary. Even if some of the federal school aid is also meant to offset lost state and local operating revenue, and some is meant to support interventions in the months and years ahead to support learning loss recovery, the argument that Congress has shortchanged schools as they cope with COVID-19 is false.

Finally, some Democrats argue that schools cannot reopen until teachers are vaccinated. To be clear, We believe that teachers should be prioritized for vaccines and should be vaccinated as quickly as possible. We owe that to our educators, many of whom are above reopening politics and are eager to serve their students and communities.

Do the experts agree that schools should not reopen until teachers have been vaccinated? The answer is no. Just last week, the Biden administration's CDC director, Dr. Rochelle Walensky, said, "vaccination of teachers is not a prerequisite for safe reopening of schools."<sup>6</sup> However, the next day, the White House press secretary inexplicably tried to walk that statement back, saying that Dr. Walensky, "spoke to this in her personal capacity," despite the fact that Dr. Walensky made those comments at an official White House coronavirus briefing.<sup>7</sup> In a particularly surreal moment, Democrats said during the markup that President Biden would never politicize the CDC, apparently unaware his White House has been busy doing exactly that.

During the markup, Republicans offered commonsense solutions to these challenges. Unfortunately, Democrats rejected each of these. Specifically, Democrats voted against the following amendments:

- Rep. Rick Allen's (R-GA) amendment requiring K-12 school districts offer in-person instruction in order to receive most of the COVID relief funds appropriated under the bill.
- Rep. Gregory F. Murphy's (R-NC) amendment requiring schools reopen to serve high-risk students if school districts receive COVID relief funds.
- Rep. Michelle Steel's (R-CA) amendment requiring schools reopen if teachers have had access to the COVID-19 vaccine.
- Rep. Miller's (R-IL) amendment putting COVID relief funds into education savings accounts for parents to use to pay for education if their children's public schools are closed.
- Rep. Bob Good's (R-VA) amendment to increase transparency of school reopening negotiations between school districts and teachers' unions.

The science is clear. Congress has provided the funding. Yet, children are still stuck learning from behind a screen, which is forcing our youngest and most vulnerable to overcome insurmountable barriers to success.

Another missed opportunity in this bill is the lack of support for students and workers, many of whom have lost jobs during this pandemic or are facing a challenging labor market. The

<sup>6</sup> [https://www.washingtonpost.com/politics/2021/02/05/biden-administrations-muddled-confusing-message-reopening-schools/?utm\\_campaign=wp\\_the\\_5\\_minute\\_fix&utm\\_medium=email&utm\\_source=newsletter&wpisrc=nl\\_fix&car-a-url=https%3A%2F%2Fs2.washingtonpost.com%2Fcar-in-fr%2F2f2f3cab8%2F601db9299d2fda4c88d51978%2F5d2490edade4e25d4bf63ba6%2F29%2F42%2F601db9299d2fd4c88d51978](https://www.washingtonpost.com/politics/2021/02/05/biden-administrations-muddled-confusing-message-reopening-schools/?utm_campaign=wp_the_5_minute_fix&utm_medium=email&utm_source=newsletter&wpisrc=nl_fix&car-a-url=https%3A%2F%2Fs2.washingtonpost.com%2Fcar-in-fr%2F2f2f3cab8%2F601db9299d2fda4c88d51978%2F5d2490edade4e25d4bf63ba6%2F29%2F42%2F601db9299d2fd4c88d51978)

<sup>7</sup> Ibid

Democrat bill allocates nearly \$40 billion for traditional higher education, and not a dime for those who choose to pursue other pathways outside of the same brick and mortar, four or more year postsecondary education that Democrats believe is the best and only option for students seeking skills. At a time of unprecedented turmoil for workers across the country, funding for workforce development was so low on the Democrats' list of priorities that they determined it wasn't even worth consideration in a \$1.9 trillion dollar package. Around 150,000 individuals receive upskilling or reskilling through programs under the *Workforce Innovation and Opportunity Act* every year, which would hardly scratch the surface of meeting the skills gap we are currently facing. Once again, Democrats passed on the opportunity to provide targeted support to American workers so they can receive competitive skills. Instead, Democrats chose progressive priorities that will put more Americans out of work. Republicans sought to rectify this error. Rep. Elise M. Stefanik (R-NY) offered an amendment to provide targeted funding for workforce development, but Democrats rejected that amendment on a party-line vote.

This one-sided budget reconciliation scheme accomplishes more for the left-wing playbook than it does for struggling Americans who are desperate to get back to school and work. Instead, we should be focused on solutions that will help get our economy back on track. To do so, we must ensure that relief for Americans is temporary, targeted, and tied to COVID-19.

#### **Permanent Partisan Policy Provisions**

##### ***\$15 National Minimum Wage***

Committee Democrats are attempting to circumvent the legitimate Committee process for considering legislation by including a \$15 national minimum wage in the House budget reconciliation bill. This sham process is a disgraceful attempt to enact policy which should be soundly rejected. The Democrat Amendment in the Nature of a Substitute (ANS) enacts a \$15 national minimum wage by 2025; indexes the wage hike so it automatically increases in subsequent years; and eliminates the separate minimum wages for youth employment, tipped workers, and employers providing opportunities to individuals with disabilities. Instead of providing tangible benefits to American workers during a worldwide pandemic, this 107 percent increase in the national minimum wage will cause the most harm to the very people its supporters claim to benefit. Studies cited below, including sources such as the nonpartisan Congressional Budget Office (CBO), demonstrate that this extreme wage hike will result in significant job losses. Lesser-skilled workers in entry-level jobs, Americans without a GED, and tipped employees would bear the brunt of job losses caused by the mandate. Committee Republicans know that a radical, one-size-fits-all minimum wage hike will redistribute poverty, not reduce it.

First, mandating a \$15 national minimum wage will harm students, as it will have a negative impact on youth employment. Forty percent of workers paid the minimum wage are below the age of 25.<sup>8</sup> These are individuals at the start of their careers, working part-time or in summer jobs. Raising the minimum wage to \$15 an hour puts these types of jobs at risk of elimination. More than doubling the current national minimum wage will harm businesses, especially small

<sup>8</sup> U.S. BUREAU OF LAB. STATISTICS, CHARACTERISTICS OF MINIMUM WAGE WORKERS, 2019 (Apr. 2020), <https://www.bls.gov/opub/reports/minimum-wage/2019/home.htm>.

and local businesses, as well as the economy. This kind of unprecedented, one-size-fits-all mandate will force many job creators to reduce workers' hours, let employees go, or close their doors for good, not to mention the acceleration of workplace automation.

This legislation is not being considered in a vacuum and will compound COVID-19 job which has crippled large sectors of the economy over the past year. Congress should be cautious when considering a policy that will come with such significant economic repercussions, especially when employment opportunities are dwindling due to the effects of the pandemic, and businesses of all sizes are already facing unprecedented challenges. Committee Democrats have failed miserably in this regard and are rushing ahead with a sham process without scheduling public hearings with impacted business owners, workers, and economists about the destructive effects of this ill-advised proposal.

*The ANS Imposes a Radical and Unprecedented Minimum Wage Hike*

Imposing a 107 percent increase in the national minimum wage to \$15 an hour would be a historically unprecedented mandate. The value of the minimum wage has typically averaged \$7.44 in today's dollars, slightly above the current wage rate of \$7.25 per hour.<sup>9</sup> The last increase in the federal minimum wage, passed by Congress in 2007 and implemented through 2009, was 41 percent, but prior increases were "typically lower."<sup>10</sup> According to CBO, the federal minimum wage reached its peak in 1968, when its value in 2018 dollars was \$9.42 if the conversion is done with the price index for personal consumption expenditures published by the U.S. Bureau of Economic Analysis, which is the index CBO favors.<sup>11</sup>

In January 2021, the National Bureau of Economic Research issued an analysis on the key findings of academic literature concerning the economic effects of a minimum wage increase. This report states that over 79 percent of the studies conducted since 1992 found that an increase in the minimum wage leads to a decrease in the level of employment.<sup>12</sup> Similarly, a survey of nearly 200 U.S. economists conducted in February 2019 found that 84 percent believe a \$15 federal minimum wage would have negative effects on youth employment, and 77 percent believe it would have a negative impact on jobs available.<sup>13</sup> Even President Obama's former Chairman of Economic Advisers Alan Krueger argued in October 2015 that raising the minimum wage to \$15 would "put us in uncharted waters, and risk undesirable and unintended consequences."<sup>14</sup>

<sup>9</sup> EMP. POLICIES INST., THE STATE EMPLOYMENT IMPACT OF A \$15 MINIMUM WAGE 5 (Jan. 2021), [https://epionline.org/wp-content/uploads/2020/10/EPI\\_StateEmployment15MinimumWage-5.pdf](https://epionline.org/wp-content/uploads/2020/10/EPI_StateEmployment15MinimumWage-5.pdf).

<sup>10</sup> CBO, THE EFFECTS OF A MINIMUM-WAGE INCREASE ON EMPLOYMENT AND FAMILY INCOME 26 (Feb. 2014).

<sup>11</sup> CBO, THE EFFECTS ON EMPLOYMENT AND FAMILY INCOME OF INCREASING THE FEDERAL MINIMUM WAGE 5 (July 2019).

<sup>12</sup> David Neumark & Peter Shirley, *Myth or Measurement: What Does the New Minimum Wage Research Say About Minimum Wages and Job Loss in the United States?*, NAT'L BUREAU OF ECON. RESEARCH, WORKING PAPER 28388, at 3 (Jan. 2021).

<sup>13</sup> LLOYD CORDER, EMP. POLICIES INST., SURVEY OF US ECONOMISTS ON A \$15 FEDERAL MINIMUM WAGE 4 (Mar. 2019), [https://www.epionline.org/wp-content/uploads/2019/03/EPI\\_Feb2019\\_MinWageSurvey-FINAL.pdf](https://www.epionline.org/wp-content/uploads/2019/03/EPI_Feb2019_MinWageSurvey-FINAL.pdf).

<sup>14</sup> Alan B. Krueger, *The Minimum Wage: How Much Is Too Much?*, N.Y. TIMES, Oct. 9, 2015.

*The ANS Threatens Small and Local Businesses*

In a January 2021 survey conducted by the National Federation of Independent Business (NFIB), 74 percent of small businesses said a five-year phased-in \$15 minimum wage would negatively impact their business.<sup>15</sup> Of those reporting a negative impact, 87 percent anticipated they would have to increase the price of goods and services, passing on some of those price increases to consumers. Fifty-six percent anticipated using less expensive or part-time workers, 67 percent would not fill an open position, 60 percent would reduce employee hours, and 58 percent would reduce the number of employees working for them. According to a January 2019 study done by NFIB, enacting a \$15 national minimum wage would, over a 10-year period, reduce U.S. private sector employment by over 1.6 million jobs and result in a cumulative reduction in U.S. real output of over \$2 trillion.<sup>16</sup> Small businesses would be particularly hurt. Businesses with fewer than 500 employees would see 57 percent of private sector job losses—over 900,000 lost jobs; businesses with fewer than 100 employees would see about 43 percent of all jobs lost—nearly 700,000 jobs.

The job losses imposed by a \$15 national minimum wage would spread beyond small businesses to vulnerable sectors of the economy already suffering job losses during the COVID-19 pandemic. The National Restaurant Association's 2021 State of the Industry report found that in 2020, food service industry sales fell by \$240 billion, and the industry finished 2020 at 2.5 million jobs below a pre-coronavirus level. Additionally, 62 percent of fine dining operators and 54 percent of family dining and casual dining operators reported staffing levels more than 20 percent below normal. As of December 2020, 110,000 eating and drinking establishments were closed for business temporarily and, in many cases, permanently.<sup>17</sup>

In 2019, about three-fourths of hourly workers earning the minimum wage or less were employed in service occupations, mostly in food preparation and serving-related jobs. About three-fifths of all hourly workers paid at or below the minimum wage were employed in the leisure and hospitality industry, almost entirely in restaurants and other food services, but many of these workers supplement their wages with tips. As a result of the number of affected workers in this sector, an increase to a \$15 national minimum wage would result in the restaurant and bar industry accounting for 45 percent of total job losses.<sup>18</sup>

*The ANS Will Cause Extensive Job Losses*

Raising the national minimum wage to \$15 an hour would cause extensive and disruptive job losses, harming entry-level workers in many regions around the country. In a report issued in February 2021, CBO estimates that up to 2.7 million jobs would be lost from a minimum wage increase to \$15, with a median impact of 1.4 million workers becoming jobless due to the hike.<sup>19</sup>

<sup>15</sup> NFIB COVID-19 SMALL BUSINESS SURVEY (2021), [https://assets.nfib.com/nfibcom/Covid-19-15-Questionnaire\\_.pdf](https://assets.nfib.com/nfibcom/Covid-19-15-Questionnaire_.pdf).

<sup>16</sup> MICHAEL J. CHOW & PAUL S. BETTENCOURT, NFIB RESEARCH FOUND., ECONOMIC EFFECTS OF ENACTING THE RAISE THE WAGE ACT ON SMALL BUSINESSES AND THE U.S. ECONOMY I (Jan. 25, 2019).

<sup>17</sup> News Release, National Restaurant Association Releases 2021 State of the Restaurant Industry Report (Jan. 26, 2021), <https://restaurant.org/news/pressroom/press-releases/2021-state-of-the-restaurant-industry-report>.

<sup>18</sup> EMP. POLICIES INST., THE STATE EMPLOYMENT IMPACT OF A \$15 MINIMUM WAGE 19 (Jan. 2021).

<sup>19</sup> CBO, THE BUDGETARY EFFECTS OF THE RAISE THE WAGE ACT OF 2021, at 9 (Feb. 2021).

CBO also predicts that half of the individuals losing their job would drop out of the labor force completely.<sup>20</sup> This report estimates that a \$15 national minimum wage would lift 900,000 individuals out of poverty—500,000 less than the median number of expected job losses imposed by such a proposal.<sup>21</sup> Therefore, the ANS would cause roughly 1.6 jobs to be lost for every person who moved out of poverty, and in the worst-case scenario estimated by CBO, as many as approximately three jobs would be lost for every individual moving out of poverty. Significantly, those losing their jobs, and the broader population, would face higher prices for goods and services.<sup>22</sup>

The job losses detailed above would be concentrated among certain populations and areas of employment. Minimum wage workers tend to be young. In 2019, while workers under 25 were about one-fifth of all hourly paid workers, they were about two-fifths of those paid the minimum wage or less. Of hourly workers, 8.3 percent of 16- to 19-year-olds and 5.6 percent of 16- to 24-year-olds were paid at or below the minimum wage.<sup>23</sup> A January 2021 report by the Employment Policies Institute using CBO methodology found that a \$15 minimum wage would cost more than two million jobs.<sup>24</sup> Significantly, among individuals losing their jobs, 61 percent would be female workers, and 60 percent would be young workers aged 16 to 24.<sup>25</sup> The CBO also predicts that job losses stemming from a \$15 national minimum wage would have a disproportionate effect on younger, less educated individuals.<sup>26</sup> In fact, the unprecedented, one-size-fits-all 107 percent wage hike included in the Democrat ANS would hurt workers and decimate small businesses, forcing many job creators to cope by reducing workers' hours, eliminating workers' jobs, increasing automation, or closing their doors for good. As such, the provision creates a very ill-advised and dangerous trade off.

#### ***Federal Employees' Compensation Act COVID-19 Presumption***

Section 2103 of the ANS establishes a presumption that certain federal workers covered under the *Federal Employees' Compensation Act* (FECA) who contract COVID-19 contracted the virus through work and are eligible for medical benefits, lost wages, and survivor benefits under FECA programs. This provision applies to federal workers employed by specific agencies that are deemed to be high risk due to contact with the public, patients, or coworkers.

This expansion of the FECA program creates an unprecedented and extremely broad presumption that many federal workers who are designated as high risk and contract COVID-19 have contracted the virus through work-related activities. This provision is problematic for several reasons. First, under long-standing law governing federal workers' compensation programs, there is no list of specific injuries or illnesses that are automatically covered. Worker claims have always been evaluated on a case-by-case basis formed on the medical and supporting evidence available to back the benefit claim. The broad, sweeping, untested, and

<sup>20</sup> *Id.* at 8.

<sup>21</sup> *Id.* at 2.

<sup>22</sup> *Id.* at 8.

<sup>23</sup> U.S. BUREAU OF LAB. STATISTICS, CHARACTERISTICS OF MINIMUM WAGE WORKERS, 2019 (Apr. 2020), <https://www.bls.gov/opub/reports/minimum-wage/2019/home.htm>.

<sup>24</sup> EMP. POLICIES INST., THE STATE EMPLOYMENT IMPACT OF A \$15 MINIMUM WAGE 11 (Jan. 2021).

<sup>25</sup> *Id.* at 15.

<sup>26</sup> CBO, THE BUDGETARY EFFECTS OF THE RAISE THE WAGE ACT OF 2021, at 8 (Feb. 2021).

unprecedented definitions related to COVID-19 in Section 2103 would set a new expansive precedent by designating a specific illness for coverage, force taxpayers to cover many non-employment-related claims, and pose a new and significant financial burden on federal agencies and taxpayers.

The U.S. Department of Labor (DOL) has already recognized the unique circumstances that COVID-19 presents related to the federal workforce and has issued guidance to address these issues based on longstanding FECA procedures.<sup>27</sup> DOL has also created a COVID-19 Task Force to support claims examiners and assist staff, employing agencies, and the general public with COVID-19 claims.<sup>28</sup> Additionally, DOL maintains a reporting dashboard for employing-agency leadership to flag positions and duty stations as high risk for claims evaluation.<sup>29</sup>

In July 2020, DOL's Office of Inspector General found that COVID-19 had not affected DOL's ability to meet timeliness and quality-performance indicators for claims processing.<sup>30</sup> A DOL spokesperson indicated that as of November 2020, there have been 6,620 COVID-19 FECA claims, of which 3,477 have been accepted, 339 were denied, 191 have been withdrawn, and 2,613 are still being adjudicated.<sup>31</sup> These statistics indicate that a large majority of FECA claimants are being accepted into the program upon adjudication, and a majority have already been accepted into the program. They further indicate that Section 2103 is unnecessary to ensure federal workers receive the benefits they deserve.

#### ***Longshore and Harbor Workers Compensation Act COVID-19 Presumption***

Section 2104 of the ANS establishes a presumption that all maritime workers covered under the *Longshore and Harbor Workers' Compensation Act* (LHWCA) who contract COVID-19 contracted the virus through work and are eligible for medical benefits, lost wages, and survivor benefits under LHWCA programs. Self-insured employers and insurance carriers in the LHWCA program will be reimbursed from the U.S. Treasury Employees' Compensation Fund.

Similar to the FECA provision in Section 2103, the LHWCA provision creates an unprecedented and extremely broad presumption that maritime workers who caught COVID-19 have contracted the virus through work-related activities. Additionally, because of unique aspects of the maritime industry, these workers can also be employed by multiple companies over a short time, which further complicates LHWCA benefits administration. As previously stated, under long-standing law governing workers' compensation programs administered by the federal government, there is no list of injuries or illnesses that are covered, and this framework applies for workers covered

<sup>27</sup> DOL, OFF. OF WORKERS' COMPENSATION PROGRAMS (OWCP), FECA BULLETIN 20-05 (Mar. 31, 2020), FECA BULLETIN 21-01 (Oct. 21, 2020).

<sup>28</sup> OWCP, CLAIMS UNDER THE FEDERAL EMPLOYEES' COMPENSATION ACT DUE TO THE NOVEL CORONAVIRUS (COVID-19).

<sup>29</sup> Information provided to Committee staff by DOL.

<sup>30</sup> DOL, OFF. OF INSPECTOR GEN., REPORT TO OFFICE OF WORKERS' COMPENSATION ON COVID-19: OWCP SHOULD CONTINUE TO CLOSELY MONITOR IMPACT ON CLAIMS PROCESSING (July 2020).

<sup>31</sup> Stephanie Weaver, *Nearly 3,500 federal employees to be compensated for contracting COVID-19 at work*, FOX 5 WASHINGTON, DC, Nov. 25, 2020, <https://www.fox5dc.com/news/nearly-3500-federal-employees-to-be-compensated-for-contracting-covid-19-at-work>.

under the LHWCA. Claims have always been evaluated on a case-by-case basis depending on the medical and supporting evidence available to support the benefit claim.

Under current law, these private-sector workers already have access to unemployment and disability benefits. In addition, the labor unions representing longshore workers—the International Longshoremen’s Association and the International Longshore and Warehouse Union—have negotiated a special fund for COVID-19 claims, which certain workers have accessed since early 2020.<sup>32</sup>

The broad and unprecedented LHWCA presumption contained in the bill would create new financial burdens on private employers and the federal government by requiring that workers’ compensation benefits are covered for maritime workers who potentially contracted COVID-19 outside of work or were exposed to COVID-19 and ordered to remain home by a public health official but did not test positive for the virus. Significantly, industry estimates the impact of this presumption to range from \$700 million to \$1 billion, far more than the CBO preliminary estimate of \$212 million.<sup>33</sup> As such, Section 2104 creates unnecessary costs to private employers and the federal government for workers who are already eligible for a range of private-sector and LHWCA benefits.

#### *Consolidated Omnibus Budget Appropriations Act of 1985 Coverage*

Section 2401 of the ANS establishes an 85 percent health care insurance premium reduction for individuals enrolled in *Consolidated Omnibus Budget Appropriations Act of 1985* (COBRA) continuation coverage and reimburses employers for this cost through a payroll tax credit. However, under current law, workers who lose employer-sponsored coverage already have access to additional coverage options, many of which are subsidized by the federal government. In addition to COBRA, anyone who loses their employer-sponsored coverage qualifies for an Exchange Special Enrollment Period (SEP).<sup>34</sup> Depending on their income, they may also be eligible for tax credits or Medicaid coverage.

During the COVID-19 pandemic, the majority of the 3.9 million workers who lost their employer-sponsored coverage were able to obtain coverage elsewhere. CBO reported that two-thirds of these workers have enrolled in other employer-sponsored coverage through the existing COBRA program, or other employer-sponsored coverage through a family member with employer-sponsored coverage, Medicaid, or Exchange coverage.<sup>35</sup> Committee Democrats have not demonstrated that Section 2401 is necessary to ensure those who have lost coverage obtain the coverage they need.

There are other significant concerns with Section 2401. The provision fails to ensure only those authorized to work in the United States can receive subsidies. Additionally, the subsidies could be greater for people when they are unemployed than when they are employed, which could

<sup>32</sup> Information provided to Committee staff from the National Association of Waterfront Employers.

<sup>33</sup> *Id.*

<sup>34</sup> 29 C.F.R. § 2590.701-6.

<sup>35</sup> CONG. BUDGET OFF., FEDERAL SUBSIDIES FOR HEALTH INSURANCE COVERAGE FOR PEOPLE UNDER AGE 65: 2020 TO 2030 (Sept. 2020).

make it less attractive to return to work. Providing subsidies for COBRA coverage during the public health emergency could also establish a precedent for a new program that will continue once the emergency has passed.

Finally, Section 2401 does not prohibit federal spending for abortion services. Committee Republicans believe that any federal funds used to subsidize private coverage must include protections to ensure that no federal funds are used to provide abortion services. Consistent with long-standing, bipartisan agreement, provisions included in annual Congressional appropriations legislation prevent the federal government from using taxpayer dollars on abortion services.<sup>36</sup> Section 2401 excludes these protections, and Committee Democrats have been unwilling to address these concerns.

#### *Department of Labor Appropriations*

Section 2102 of the ANS provides DOL with \$150 million in supplemental appropriations to remain available until September 30, 2023, for the Wage and Hour Division, the Office of Workers' Compensation Programs, the Office of the Solicitor, the Mine Safety and Health Administration, and the Occupational Safety and Health Administration (OSHA) to carry out COVID-19-related worker protection activities. Of the \$150 million, \$75 million is allocated to OSHA and \$12.5 million is directed to the Office of Inspector General.

This provision further highlights the Democrats' inappropriate focus on aggressive government enforcement policies rather than a proper balance of activities that includes compliance assistance to help business owners better understand their obligations and how best to fulfill them. A balanced approach involves both the carrot and the stick to ensure compliance. Unfortunately, the Democrat bill only focuses on using more "sticks." Chairman Robert C. "Bobby" Scott (D-VA) made clear in his opening statement at the markup that these supplemental funds are intended to create and enforce new one-size-fits-all national workplace safety regulations specific to COVID-19. Committee Democrats fail to acknowledge that such standards would place onerous new mandates on business owners already struggling to stay afloat. These regulations would tie the hands of employers, forcing them to follow top-down edicts that would be quickly outdated and fail to keep pace with the ever-evolving threat of COVID-19. Instead of rushing one-size-fits-all regulations, the Trump administration's DOL provided robust, industry-specific guidance and compliance assistance that was regularly updated based on scientific recommendations to help employers protect their workers from exposure to COVID-19, while also using its existing enforcement authority to hold bad actors accountable.<sup>37</sup>

#### *Amending College and University Program Participation Agreements*

The legislation amends the *Higher Education Act's* (HEA) Program Participation Agreement (PPA) that institutions enter into with the Department of Education to operate federal student aid programs like the Pell Grant program or the Direct Loan program. Specifically, the bill changes a

<sup>36</sup> See, e.g., Michael J. New, *The Hyde Amendment is Life-Saving and Worth Saving*, NAT'L REV., July 27, 2020.

<sup>37</sup> News Release, U.S. Department of Labor's OSHA Announces \$3,930,381 In Coronavirus Violations (Jan. 8, 2021).

revenue requirement applicable to proprietary colleges and universities. Currently, for-profit institutions must derive at least 10 percent of their revenue from sources other than the aid programs located in Title IV of the HEA. This requirement is commonly referred to as the 90/10 rule. Sources of funding like private student loans and military or veteran education benefits like the Post-9/11 GI Bill funds count towards the 10 percent part of the calculation. Democrats alter the 90/10 rule in their bill by including all “Federal funds” as part of the 90 percent portion of the equation.

The 90/10 rule has nothing to do with COVID-19 relief. Democrats are attempting to sneak a hyper-partisan irrelevant policy into what should be a bipartisan pandemic relief legislative vehicle. Even worse, the 90/10 rule changes proposed in the legislation will be devastating for student veterans in particular, and lead to a combination of higher college costs for students and decreased student access to postsecondary education in general. The accounting gimmick in the PPA does not measure the quality of the education delivered. The provision does not lead to better outcomes for students. The 90/10 rule does not hold all colleges and universities accountable. In sum, this is a terrible proposal. Attempting to jam unrelated Democrat pet projects through budget reconciliation is not what the American people expect of Congress.

#### **Amendments not Accepted**

Committee Democrats did not accept any Republican amendments. Despite receiving the bill at the very last minute, Committee Republicans offered thoughtful amendments that would have improved the bill. Many of these amendments would have addressed key needs of the American people suffering during the pandemic. The following are just a few of the many commonsense proposals Republicans offered to dramatically improve the bill:

**Mental Health Among Students.** Rep. Marianne Miller-Meeks (R-IA) offered an amendment to direct the Secretary to reserve 2 percent of the appropriation for both the Elementary and Secondary School Emergency Relief and Higher Education Emergency Relief funds to award competitive grants to elementary and secondary schools and institutions of higher education, respectively, for mental health services. A study by the American Academy of Pediatrics found that higher rates of suicide-related behaviors in youths corresponded with COVID-19 stressors and community responses, like school closures.<sup>38</sup> Additionally, a special report by the American Psychological Association quotes a mental health expert saying, “we can reasonably anticipate increases in anxiety, depression and trauma, and it goes without saying there will be significant grief and loss issues. . . we can also anticipate increases in child abuse and neglect.”<sup>39</sup> As we work to overcome the virus, we must address the need for mental health services in elementary and secondary schools, as well as colleges and universities.

**Education Technology.** Rep. Madison Cawthorn (R-NC) offered an amendment to increase the Elementary and Secondary School Emergency Relief Fund by \$2 billion to award formula funds to states. States then would award competitive grants to their rural school districts to support the technology needs of students and educators in those districts. Funds can be used to purchase hardware, software, and connectivity to support educational activities. We know that rural school

<sup>38</sup> <https://www.aappublications.org/news/2020/12/16/pediatricssuicidestudy121620>

<sup>39</sup> <https://www.apa.org/monitor/2020/09/safeguarding-mental-health>

districts often have less access to educational technology, and this amendment would address that disparity.

**Rural Child Care.** Rep. Elise Stefanik offered an amendment to reserve about \$1 billion of the almost \$40 billion from child care and early childhood education funds to address child care needs in rural communities. The funds would recruit new providers to rural communities and help businesses offer new options for on-site child care for employees' children, among a myriad of other benefits. Democrats opposed the amendment, choosing instead to dole out tens of billions of dollars in neither a targeted nor thoughtful way.

**Colleges, China, and Confucius Institutes.** Rep. Elise Stefanik also offered an amendment to prevent HEER money from going to colleges and universities that have a partnership with any entity owned, controlled, or organized under the laws of the People's Republic of China. The Chinese Communist Party (CCP) uses Confucius Institutes and other entities to influence operations throughout academia and poison the well of free thought and expression. Taxpayer money should not be going to further prop up the inhumane efforts of the CCP. Democrats voted along party lines to preserve the CCP's efforts and jeopardize our colleges and universities.

**Juvenile Justice.** Rep. Victoria Spartz (R-IN) offered an amendment to provide funds to the Department of Justice to help improve conditions for juveniles and staff in juvenile detention centers and support PROMISE grants authorized in Title V of the *Juvenile Justice Delinquency Prevention Act of 1974*. The funds for PROMISE grants would garner community support for at-risk youth with pandemic-related struggles, preventing youth from becoming engaged or more deeply engaged in the juvenile justice system. This amendment was also defeated along party lines.

**Remove Worker's Compensation Presumptions.** Republican Leader Virginia Foxx (R-NC) offered an amendment to strike Sections 2103 and 2104. These are two provisions from the ANS that establish an unprecedented and burdensome presumption that certain federal workers covered by the FECA and maritime workers covered by the LWHCA who caught COVID-19 contracted the virus through work and are thereby eligible for medical benefits, lost wages, and survivor benefits. This amendment ensures that covered workers who contract COVID-19 through their employment can continue to receive appropriate compensation under the law without exposing private-sector businesses and the federal government to a flood of non-work-related claims and increased costs to taxpayers. Unfortunately, Committee Democrats proved that they are willing to sacrifice longstanding precedents regarding how these programs are responsibly administered by creating a new, expensive, and untested presumption without the benefit of even one oversight hearing to receive outside expert input on the implications of these provisions. The amendment was defeated on a party-line vote.

**Small Business Survival.** Rep. Fred Keller (R-PA) offered an amendment to exempt employers with fewer than 10 employees or annual sales under \$1 million from an increase of the national minimum wage to \$15 per hour. This amendment shielded the smallest of businesses from the bill's mandated extreme spike in labor costs. This provision would protect small establishments, which drive local economies and are the most vulnerable to the negative impacts of the radical wage increase contained in this bill. Small businesses employ almost half of American workers

and account for two-thirds of net new jobs. A 2019 study by the NFIB estimated that 57 percent of job losses caused by increasing the national minimum wage to \$15 will come from small businesses,<sup>40</sup> which make up 99.9 percent of all businesses in the United States.<sup>41</sup> Committee Democrats signaled their lack of concern about the dire conditions facing small businesses and the destructive impacts of a \$15 national minimum wage and this amendment was defeated on a party-line vote.

**Protect Rural Jobs.** Rep. Madison Cawthorn offered an amendment to protect workers in rural communities around the country from the devastating impacts of a \$15 national minimum wage. This amendment prevents the 107 percent minimum wage hike in the ANS from going into effect in nonmetropolitan regions with a median hourly wage of less than \$18. These are generally rural areas with a cost of living unable to bear the shocks of implementing such a radical proposal. By unanimously voting against this amendment, Committee Democrats demonstrated a lack of concern and understanding about the regional implications of this radical legislation which threatens millions of American jobs around the country.

**Stop Job Loss Due to Automation.** Rep. Michelle Steel offered an amendment to stop the damaging effects of a \$15 national minimum wage if the Government Accountability Office finds that the wage hike will cause more than 200,000 jobs to be lost due to automation. The Democrat ANS will precipitate a sudden and extreme hike in labor costs that will only accelerate the rate of workforce automation. Committee Democrats opposed and defeated the amendment on a party-line vote, choosing to stand behind a partisan political priority at the expense of jobs, in the middle of a global pandemic.

**Stop Job Loss Due to Adverse Economic Conditions.** Rep. Burgess Owens (R-UT) offered an amendment stating that no prospective increase in the national minimum wage will take effect if the monthly unemployment rate increases for at least three months in the year prior to a wage hike taking effect, the unemployment rate increases by 0.25 percentage points from the month prior in any of the 12 months before a scheduled increase, or the national unemployment rate is above 6.5 percent for any month during the prior 12 months. The amendment highlights a key priority for Committee Republicans—American job growth and economic recovery from the COVID-19 pandemic. The CBO estimated that the 107 percent increase in the national minimum wage contained in this legislation will result in 1.4 million lost jobs, and could range as high as 2.7 million job losses.<sup>42</sup> It would be egregiously irresponsible to enact this legislation without an “off ramp” to prevent the radical increase from phasing in if harmful economic conditions arise. Mr. Owens proposed a commonsense amendment to ensure that the extreme wage hikes mandated by the Democrat ANS stop if jobs are being lost or the U.S. faces sudden economic downturns, such as the one which occurred due to the COVID-19 pandemic. Committee Democrats demonstrated a willful ignorance of economic realities by voting to defeat this amendment on a party-line vote.

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<sup>40</sup> MICHAEL J. CHOW & PAUL S. BETTENCOURT, NFIB RESEARCH FOUND., ECONOMIC EFFECTS OF ENACTING THE RAISE THE WAGE ACT ON SMALL BUSINESSES AND THE U.S. ECONOMY (Jan. 25, 2019).

<sup>41</sup> U.S. SMALL BUS. ADMIN. OFF. OF ADVOCACY, WHAT'S NEW WITH SMALLBUSINESS? (Oct. 2020), <https://cdn.advocacy.sba.gov/wp-content/uploads/2020/10/22094424/Whats-New-With-Small-Business-2020.pdf>.

<sup>42</sup> CBO, THE BUDGETARY EFFECTS OF THE RAISE THE WAGE ACT OF 2021 (Feb. 2021).

**Remove \$15 National Wage Provision.** Rep. Greg Murphy offered an amendment to highlight the destructive economic impacts imposed by a \$15 national minimum wage and the inappropriate use of the budget reconciliation process to advance this ill-conceived policy change. Budget reconciliation is reserved for spending and revenue provisions, not extraneous partisan proposals. The nonpartisan CBO recently released a report finding that increasing the national minimum wage to \$15 would result in 1.4 million lost jobs, with half of affected individuals leaving the job market completely.<sup>43</sup> Mr. Murphy's amendment would have mitigated these effects, saving millions of American jobs, by striking Section 2101, the radical wage-hike provisions, from the ANS. Instead of truly helping American workers find opportunity and secure employment during a pandemic, Committee Democrats displayed their commitment to partisan political objectives unrelated to the COVID-19 pandemic by defeating the amendment, as a part of en bloc amendment #1 on a party-line vote.

**Protect Employment Opportunities for Individuals of Differing Abilities.** Rep. Glenn Grothman (R-WI) offered an amendment to strike language in the ANS which would threaten the elimination of the Section 14(c) certificate program that allows employers to offer employment opportunities to individuals with differing levels of abilities.<sup>[1]</sup> The 14(c) program encourages the building of employment-based skills while also affording individuals of differing abilities the dignity and pride that result from paid, productive work. According to the Bureau of Labor Statistics, in 2019 the unemployment rate for individuals with a disability was 7.5 percent compared to 3.5 percent overall. Moreover, only 19.3 percent of individuals with a disability were employed, compared to 66.3 percent of individuals without a disability.<sup>[2]</sup> By defeating this amendment on a party line vote, Committee Democrats unanimously supported mandating a \$15 national minimum wage on workers at 14(c) establishments, effectively eliminating this valued and successful program which provides employment opportunities for individuals of differing abilities.

**Ensure Pro-Life Protections.** Rep. Jim Banks (R-IN) offered an amendment to ensure that any federal government funds or credits provided to cover COBRA premiums include a prohibition on subsidizing abortion services. This amendment would apply protections consistent with long-standing, bipartisan policy to avoid violating taxpayers' consciences by preventing any federal funds from being spent on abortion services. The amendment was defeated on a party-line vote.

**Support Worker Rights.** Rep. Tim Walberg (R-MI) offered an amendment to appropriate \$20 million to the Office of Labor Management Standards (OLMS) for enforcement activities. OLMS is vital to protecting the rights of workers and ensuring labor-management transparency and financial integrity in our nation's labor unions. The integrity of union programs that are funded by forced union dues is of paramount importance. The recurring problem of corruption and wrongdoing by leaders of private- and public-sector unions has not subsided during the COVID-19 pandemic, with notable examples including the United Auto Workers corruption scandal that resulted in the conviction of 15 individuals connected with the union, including

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<sup>43</sup> *Id.*

<sup>[1]</sup> Fair Labor Standards Act § 14(c), 29 U.S.C. § 214(c).

<sup>[2]</sup> U.S. BUREAU OF LAB. STATISTICS, PERSONS WITH A DISABILITY: LABOR FORCE CHARACTERISTICS SUMMARY, (Feb. 2020).

multiple past presidents and officers.<sup>44</sup> The ANS appropriates \$150,000,000 for worker protection activities at the DOL's Wage and Hour Division, Office of Workers' Compensation Programs, Office of the Solicitor, Mine Safety and Health Administration, and OSHA, but did not designate funding for the agency responsible for providing oversight of labor organization activities on behalf of union members. Deciding to put the interest of labor unions ahead of workers, Committee Democrats defeated this amendment on party lines.

**Limit COBRA Coverage to Individuals with Lawful Immigration Status.** Rep. Russ Fulcher (R-ID) offered an amendment to prevent federal government-funded COBRA subsidies provided in the ANS from flowing to individuals who are not lawfully authorized to work in the United States. This amendment ensures that tax dollars only go to individuals authorized to work in the country, and it treats COBRA subsidies consistently with programs such as Medicare, Medicaid, and *Affordable Care Act* exchanges, in which illegal immigrants are not eligible for federal benefits. By opposing this amendment, Committee Democrats demonstrated their continued support for unlawful immigration and the amendment was defeated on a party-line vote.

**Compliance Assistance for Business Owners.** Rep. Mariannette Miller-Meeks offered an amendment to direct \$30 million to the DOL's OSHA for compliance assistance activities to support employers, including small business owners, in complying with OSHA guidelines and regulations related to protecting workers from COVID-19. Since the beginning of the COVID-19 pandemic, employers have worked around the clock to keep their workplaces safe under ever-changing science, state and local mandates, evolving CDC and OSHA guidelines, and industry-recognized best practices. President Biden has asked OSHA to consider imposing new and sweeping mandates on business owners in the form of a one-size-fits-all regulation specific to COVID-19. Rather than pursue this harmful, heavy-handed approach, Committee Republicans believe it is critical that Congress support OSHA in its mission to provide compliance assistance to help business owners understand evolving scientific and operational guidance on how to best protect their workers and operate their businesses safely. Unfortunately, on a party line vote, Committee Democrats rejected funding that would help employers, including small business owners struggling to stay afloat, keep their workplaces safe.

## Conclusion

While there has been no true evaluation of how trillions in hardworking taxpayer money has been spent, there have been plenty of stories of waste, fraud, and abuse. USA Today reported that international scammers have taken \$36 billion in fraudulent unemployment benefits alone from the United States.<sup>45</sup> Without protections against further fraud, Committee Democrats rushed through hundreds of billions in new spending and radical policy changes. Sadly, far too much of the legislation was devoted to long held policy wishes that the Democrats are sneaking in under the guise of pandemic relief.

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<sup>44</sup> Ben Foldy & Nora Naughton, *UAW Reaches Settlement With Feds in Multiyear Corruption Probe*, WALL ST. J., Dec. 14, 2020.

<sup>45</sup> <https://www.usatoday.com/in-depth/news/investigations/2020/12/30/unemployment-fraud-how-international-scammers-took-36-b-us/3960263001/>

This is not a timely and targeted legislative proposal. It is one-third of a trillion dollars to support misguided Democrat priorities. Not one Republican amendment was accepted or given a fair debate. This is not a package of unity. This is not a package of relief for those begging for support from the federal government. This is a left wing wish list that will destroy jobs, decimate small businesses, bolster unions, and ensure our schools' doors remain shut.

**Virginia Foxx, Ranking Member**  
**Glenn “GT” Thompson**  
**Tim Walberg**  
**Glenn Grothman**  
**Elise M. Stefanik**  
**James Comer**  
**Fred Keller**  
**Gregory F. Murphy**  
**Bob Good**  
**Diana Harshbarger**  
**Mary E. Miller**  
**Victoria Spartz**  
**Madison Cawthorn**

**Table 1**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Ordered Reported by the House Committee on Education and Labor on February 9, 2021**

		By Fiscal Year, Millions of Dollars												
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2022-2030	2021-2031
		Increases or Decreases (+) in Direct Spending												
<b>Subtitle A: Education Matters</b>														
<b>Part 1 - Department of Education</b>														
Sec.	2001 Elementary and Secondary School Emergency Relief Fund													
	Budget Authority	128,555	0	0	0	0	0	0	0	0	0	0	128,555	128,555
	Estimated Outlays	6,428	32,159	32,139	25,711	18,283	6,999	2,971	1,295	0	0	0	128,699	128,265
Sec.	2002 Higher Education Emergency Relief Fund													
	Budget Authority	39,585	0	0	0	0	0	0	0	0	0	0	39,585	39,585
	Estimated Outlays	5,909	13,655	5,939	5,938	3,908	1,979	1,583	396	0	0	0	38,585	29,596
Sec.	2004 Outlying Areas													
	Budget Authority	850	0	0	0	0	0	0	0	0	0	0	850	850
	Estimated Outlays	43	212	212	170	128	80	17	8	0	0	0	850	850
Sec.	2005 Bureau of Indian Education													
	Budget Authority	850	0	0	0	0	0	0	0	0	0	0	850	850
	Estimated Outlays	43	153	153	153	153	128	42	25	0	0	0	850	850
Sec.	2006 Calaveras University													
	Budget Authority	19	0	0	0	0	0	0	0	0	0	0	19	19
	Estimated Outlays	1	8	7	3	0	0	0	0	0	0	0	19	19
Sec.	2007 Student Aid Administration													
	Budget Authority	91	0	0	0	0	0	0	0	0	0	0	91	91
	Estimated Outlays	9	38	25	8	8	0	0	0	0	0	0	91	91
Sec.	2008 Howard University													
	Budget Authority	35	0	0	0	0	0	0	0	0	0	0	35	35
	Estimated Outlays	2	15	13	5	0	0	0	0	0	0	0	35	35
Sec.	2009 National Technical Institute for the Deaf													
	Budget Authority	19	0	0	0	0	0	0	0	0	0	0	19	19
	Estimated Outlays	1	9	7	3	0	0	0	0	0	0	0	19	19
Sec.	2010 Institute of Education Sciences													
	Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
	Estimated Outlays	1	15	15	30	30	9	0	0	0	0	0	100	100
Sec.	2011 Program Administration													
	Budget Authority	15	0	0	0	0	0	0	0	0	0	0	15	15
	Estimated Outlays	1	3	6	3	2	0	0	0	0	0	0	15	15
Sec.	2012 Office of Inspector General													
	Budget Authority	5	0	0	0	0	0	0	0	0	0	0	5	5
	Estimated Outlays	1	1	2	1	1	0	0	0	0	0	0	5	5
Sec.	2013 Modification of Revenue Requirements for Proprietary Institutions of Higher Education													
	Estimated Budget Authority	0	-2	-8	-11	-13	-18	-16	-17	-19	-19	-20	-132	-153
	Estimated Outlays	0	-2	-8	-11	-15	-16	-17	-19	-19	-19	-20	-134	-144
<b>Part 2 - Miscellaneous</b>														
Sec.	2021 National Endowment for the Arts													
	Budget Authority	135	0	0	0	0	0	0	0	0	0	0	135	135
	Estimated Outlays	39	64	34	7	0	0	0	0	0	0	0	135	135
Sec.	2022 National Endowment for the Humanities													
	Budget Authority	135	0	0	0	0	0	0	0	0	0	0	135	135
	Estimated Outlays	30	64	34	7	0	0	0	0	0	0	0	135	135
Sec.	2023 Institute of Museum and Library Services													
	Budget Authority	200	0	0	0	0	0	0	0	0	0	0	200	200
	Estimated Outlays	19	102	62	13	8	0	0	0	0	0	0	198	198
Sec.	2024 COVID-19 Response Resources for the Preservation and Maintenance of Native American Languages													
	Budget Authority	10	0	0	0	0	0	0	0	0	0	0	10	10
	Estimated Outlays	1	8	2	0	0	0	0	0	0	0	0	10	10
<b>Subtotal, Subtitle A</b>		170,004	-3	-10	-13	-19	-18	-17	-19	-19	-20	-20	110,471	170,461
	Estimated Budget Authority	170,004	-3	-10	-13	-19	-18	-17	-19	-19	-20	-20	110,471	170,461
	Estimated Outlays	12,540	46,084	38,643	52,042	23,656	11,159	4,198	1,806	-19	-19	-20	170,478	170,469
<b>Subtitle B: Labor Matters</b>														
Sec.	2101 Raising the Federal Minimum Wage <sup>(1)</sup>													
	Estimated Budget Authority	-593	1,064	2,907	3,710	4,989	6,483	8,194	9,655	8,457	10,030	12,991	64,699	67,387
	Estimated Outlays	-583	2,070	3,113	4,144	5,615	7,115	8,690	9,412	9,367	11,005	13,732	66,138	73,699
	Estimated Budget Authority - On-budget	-593	1,058	2,879	3,504	4,864	6,305	8,087	9,515	8,333	9,922	12,850	63,370	66,228
	Estimated Outlays - On-budget	-583	2,064	3,079	4,038	5,507	7,023	8,643	9,397	9,397	10,999	13,732	66,138	73,699
	Estimated Budget Authority - Off-budget	0	6	28	206	625	1,178	1,097	2,040	2,524	3,108	3,641	11,329	15,159
	Estimated Outlays - Off-budget	0	6	34	208	625	1,178	1,097	2,040	2,224	3,108	3,641	11,329	15,159
Sec.	2102 Funding for Department of Labor Worker Protection Activities													
	Budget Authority	150	0	0	0	0	0	0	0	0	0	0	150	150
	Estimated Outlays	57	36	9	5	2	0	0	0	0	0	0	150	150

**Table 1:**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Ordered Reported by the House Committee on Education and Labor on February 9, 2021**

	By Fiscal Year, Millions of Dollars											2021-2025	2021-2025		
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031				
<b>Increase or Decrease (-) in Direct Spending</b>															
Sec. 2103 Eligibility for Workers' Compensation Benefits for Federal Employees Diagnosed with COVID-19															
Estimated Budget Authority	37	17	11	8	6	6	5	5	4	4	0	193	103		
Estimated Outlays	37	17	11	8	6	6	5	5	4	4	0	193	103		
Sec. 2104 Compensation Pursuant to the Longshore and Harbor Workers' Compensation Act															
Estimated Budget Authority	120	85	7	6	5	5	4	4	4	4	0	224	224		
Estimated Outlays	120	85	7	6	5	5	4	4	4	4	0	224	224		
<b>Subtotal, Subtitle B</b>															
Estimated Budget Authority	-286	2,048	2,025	3,724	5,000	6,494	8,703	9,954	8,465	10,038	12,891	56,173	87,804		
Estimated Outlays	-338	2,189	3,140	4,164	5,628	7,138	8,899	9,421	9,375	11,013	15,732	60,815	74,346		
<b>Subtitle C. Human Services and Community Supports</b>															
Sec. 2201 Additional Funding for Aging and Disability Services Programs															
Budget Authority	88	188	0	0	0	0	0	0	0	0	0	276	276		
Estimated Outlays	40	120	88	28	0	0	0	0	0	0	0	238	276		
Sec. 2202 Supporting Older Americans and Their Families															
Budget Authority	1,444	0	0	0	0	0	0	0	0	0	0	1,444	1,444		
Estimated Outlays	745	817	82	0	0	0	0	0	8	8	0	1,444	1,444		
Sec. 2203 Child Care and Development Block Grant Program															
Budget Authority	14,990	0	0	0	0	0	0	0	0	0	0	14,990	14,990		
Estimated Outlays	2,999	4,797	4,197	2,999	0	0	0	0	0	0	0	14,990	14,990		
Child Care Stabilization															
Budget Authority	23,975	0	0	0	0	0	0	0	0	0	0	23,975	23,975		
Estimated Outlays	4,555	12,487	6,473	480	0	0	0	0	0	0	0	25,813	23,975		
Child Care Administration															
Budget Authority	35	0	0	0	0	0	0	0	0	0	0	35	35		
Estimated Outlays	4	11	11	7	2	7	0	0	0	0	0	36	35		
Sec. 2205 Head Start															
Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000	1,000		
Estimated Outlays	200	780	50	0	0	0	0	0	0	0	0	1,000	1,000		
Sec. 2206 Programs for Survivors															
Budget Authority	450	0	0	0	0	0	0	0	0	0	0	450	450		
Estimated Outlays	68	225	113	23	21	0	0	0	0	0	0	450	450		
Sec. 2207 Child Abuse Prevention and Treatment															
Budget Authority	350	0	0	0	0	0	0	0	0	0	0	350	350		
Estimated Outlays	53	175	98	19	16	0	0	0	0	0	0	350	350		
Sec. 2208 LINEAP															
Budget Authority	4,500	0	0	0	0	0	0	0	0	0	0	4,500	4,500		
Estimated Outlays	1,509	1,727	467	422	189	188	0	0	0	0	0	4,500	4,500		
Sec. 2209 Department of Health and Human Services															
Budget Authority	425	0	0	0	0	0	0	0	0	0	0	425	425		
Estimated Outlays	13	17	64	68	74	70	64	61	4	0	0	425	425		
Sec. 2210 Corporation for National and Community Service and the National Service Trust															
Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000	1,000		
Estimated Outlays	200	425	130	90	75	50	30	0	0	0	0	1,000	1,000		
<b>Subtotal, Subtitle C</b>															
Budget Authority	48,257	189	0	0	0	0	0	0	0	0	0	48,441	48,441		
Estimated Outlays	10,354	21,331	11,763	4,134	378	309	94	51	4	0	0	48,441	48,441		
<b>Subtitle D. Child Nutrition &amp; Related Programs</b>															
Sec. 2301 Improvements to WIC Benefits															
Budget Authority	490	0	0	0	0	0	0	0	0	0	0	490	490		
Estimated Outlays	490	0	0	0	0	0	0	0	0	0	0	490	490		
Sec. 2302 WIC Program Modernization															
Budget Authority	390	0	0	0	0	0	0	0	0	0	0	390	390		
Estimated Outlays	59	156	137	38	5	0	0	0	0	0	0	390	390		
Sec. 2303 Meals and Supplements Reimbursements for Individuals who have not Attained the Age of 25															
Estimated Budget Authority	70	110	0	0	0	0	0	0	0	0	0	180	180		
Estimated Outlays	70	110	0	0	0	0	0	0	0	0	0	180	180		
Sec. 2304 Pandemic EBT Program															
Estimated Budget Authority	5,560	0	0	0	0	0	0	0	0	0	0	5,560	5,560		
Estimated Outlays	5,560	0	0	0	0	0	0	0	0	0	0	5,560	5,560		
<b>Subtotal, Subtitle D</b>															
Estimated Budget Authority	6,510	110	0	0	0	0	0	0	0	0	0	6,406	6,406		
Estimated Outlays	6,179	289	137	38	5	0	0	0	0	0	0	6,820	6,820		

**Table 1.**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Ordered Reported by the House Committee on Education and Labor on February 9, 2021**

		By Fiscal Year, Millions of Dollars												
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-2031	2021-2031
<b>Increase or Decrease (s) in Direct Spending</b>														
<b>Subtitle E. COBRA Continuation Coverage</b>														
Sec.	2401	Preserving Health Benefits for Workers <sup>a</sup>												
		-5,916	-171	0	0	0	0	0	0	0	0	0	4	-6,086
		-5,918	-168	0	0	0	0	0	0	0	0	0	4	-6,088
<b>Total Increase in Direct Spending (on- and off-budget)</b>		218,170	2,170	2,915	3,711	4,584	6,478	8,166	9,546	8,444	10,018	12,671	114,423	287,204
		22,849	70,301	63,883	40,378	28,858	18,583	13,189	11,167	8,300	10,894	13,712	280,873	283,784
<b>Total Increase in Direct Spending (on-budget)</b>		218,170	2,164	2,851	3,555	4,330	5,300	6,850	6,509	5,222	6,910	8,430	103,309	272,150
		22,348	70,295	59,648	40,172	28,934	17,415	11,992	6,137	6,816	7,888	9,471	281,758	278,625
<b>Total Increase in Direct Spending (off-budget)</b>		*	6	34	208	625	1,178	1,597	2,048	2,524	3,108	3,841	11,114	16,154
		*	6	34	206	625	1,178	1,597	2,048	2,524	3,108	3,841	11,118	18,159
<b>Increase or Decrease (s) in Revenues</b>														
<b>Subtitle B. Labor Matters</b>														
Sec.	2101	Raising the Federal Minimum Wage <sup>b</sup>												
		-14	43	-222	-250	-2,313	1,080	2,839	3,782	4,638	5,099	5,047	4,702	18,749
		-72	-313	-1,283	-2,497	-8,914	-3,349	-2,080	-1,350	-697	-321	-305	-17,878	-18,191
		58	356	1,061	2,247	3,601	4,439	4,919	5,142	6,335	5,420	5,372	32,559	37,290
<b>Subtitle E. COBRA Continuation Coverage</b>														
Sec.	2401	Preserving Health Benefits for Workers <sup>a</sup>												
		-11,972	-3,991	0	0	0	0	0	0	0	0	0	-15,963	-15,963
		-11,970	-3,992	0	0	0	0	0	0	0	0	0	-15,968	-15,968
		4	1	0	0	0	0	0	0	0	0	0	5	5
<b>Revenues</b>		-11,888	-3,848	-222	-256	-2,313	1,880	2,839	3,782	4,638	5,099	5,847	1,341	3,786
		-12,148	-4,308	-1,283	-2,497	-8,914	-3,349	-2,080	-1,350	-697	-321	-305	-17,884	-18,149
		62	357	1,061	2,247	3,601	4,439	4,919	5,142	6,335	5,420	5,382	32,583	37,925
<b>Net Increase or Decrease (s) in the Deficit</b>														
<b>From Changes in Direct Spending and Revenues</b>														
<b>Estimated Changes in the Deficit</b>		34,239	74,519	33,608	48,038	31,872	12,863	18,359	7,275	4,722	5,899	8,843	181,204	288,492
		34,697	74,600	34,935	42,669	24,468	20,784	13,672	16,477	7,533	6,207	10,176	322,891	312,774
		62	-351	-1,027	-2,041	-2,978	-3,261	-3,322	-3,102	-2,811	-2,312	-1,511	-21,285	-22,778

Components may not sum to totals because of rounding.  
 Estimates relative to CBO's February 2021 baseline.  
 LIHEAP = Low Income Home Energy Assistance Program; Pandemic EBT = Pandemic Electronic Benefits Transfer Program; WIC = Special Supplemental Nutrition Program for Women, Infants and Children; n.a. = not applicable; \* = between -\$500,000 and \$500,000.

Off-budget effects are designated by law as excluded from budget totals. The revenues and outlays of the two Social Security trust funds (the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund) and the transactions of the Postal Service are off-budget. All effects in this table are on-budget unless otherwise noted.

a. For more detail, see Congressional Budget Office, The Budgetary Effects of the Raise the Wage Act of 2021 (February 2021), [www.cbo.gov/publication/56975](http://www.cbo.gov/publication/56975).  
 b. These sections would affect direct spending and revenues, which are shown separately.  
 c. The estimated budgetary effects shown here differ from the estimated effects of the same provision that was included in the Reconciliation Recommendations of the House Committee on Ways and Means. The estimated budgetary effects of the provision in the Ways & Means legislation accounted for interactions with sections 9661 and 9663 in subtitle G of that legislation, which would increase marketplace subsidies for certain individuals, whereas this estimate does not.

**SUMMARY OF THE RECONCILIATION MEASURE**

The purpose of the Committee Print is to respond to the needs of students, workers, and communities as the country continues to grapple with the COVID-19 pandemic and to comply with the reconciliation directive given to the Committee on Education and Labor included in section 2001(b) of the Concurrent Resolution on the Budget for Fiscal Year 2021, S.Con.Res. 5. As of February 2021, the public health crisis has sickened more than 27 million people and left over 470,000 dead in the United States alone,<sup>1</sup> with the nation's most vulnerable populations—in particular communities of color, low-income families, and older Americans—bearing the brunt of the harm. While Congress has previously acted to provide relief during the pandemic, the Committee Print will provide continued and urgent relief to struggling workers, students, and families.

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<sup>1</sup> *Coronavirus in the U.S.: Latest Map and Case Count*, N.Y. TIMES (Feb. 10, 2021), <https://www.nytimes.com/interactive/2020/us/coronavirus-us-cases.html>.

**ADVISORY COMMITTEE STATEMENT**

No advisory committees within the meaning of section 5(b) of the *Federal Advisory Committee Act* were created by this Committee Print.

FRANK PALLONE, JR., NEW JERSEY  
CHAIRMAN

CATHY McMORRIS RODGERS, WASHINGTON  
RANKING MEMBER

ONE HUNDRED SEVENTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
2125 RAYBURN HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515-6115

Majority (202) 225-2927  
Minority (202) 225-3641

February 16, 2021

The Honorable John Yarmuth  
Chairman  
Committee on the Budget  
204-E Cannon House Office Building  
Washington, DC 20515

Dear Chairman Yarmuth:

Pursuant to section 2001 of the Concurrent Resolution on the Budget, I hereby transmit these recommendations which have been approved by vote of the Committee on Energy and Commerce, and the appropriate accompanying material including additional, supplemental or dissenting views, to the House Committee on the Budget. This submission is in order to comply with reconciliation directives included in S. Con. Res. 5, the fiscal year 2021 budget resolution, and is consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974.

Sincerely,



Frank Pallone, Jr.  
Chairman  
Committee on Energy and Commerce



CONGRESSIONAL BUDGET OFFICE  
U.S. Congress  
Washington, DC 20515

*Phillip L. Swagel, Director*

February 14, 2021

Honorable Frank Pallone Jr.  
Chairman  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The Congressional Budget Office has prepared the enclosed cost estimate for the Reconciliation Recommendations of the House Committee on Energy and Commerce.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Alice Burns.

Sincerely,

A handwritten signature in black ink that reads "Phillip L. Swagel".

Phillip L. Swagel

Enclosure

cc: Honorable Cathy McMorris Rodgers  
Ranking Member

## CONTENTS

Page

<b>I.</b>	Purpose and Summary
<b>II.</b>	Background and Need for the Legislation
<b>III.</b>	Committee Consideration
<b>IV.</b>	Committee Votes
<b>V.</b>	Oversight Findings
<b>VI.</b>	New Budget Authority, Entitlement Authority, and Tax Expenditures
<b>VII.</b>	Congressional Budget Office Estimate
<b>VIII.</b>	Federal Mandates Statement
<b>IX.</b>	Statement of General Performance Goals and Objectives
<b>X.</b>	Duplication of Federal Programs
<b>XI.</b>	Committee Cost Estimate
<b>XII.</b>	Earmarks, Limited Tax Benefits, and Limited Tariff Benefits
<b>XIII.</b>	Advisory Committee Statement
<b>XIV.</b>	Applicability to Legislative Branch
<b>XV.</b>	Section-by-Section Analysis of the Legislation
<b>XVI.</b>	Changes in Existing Law Made by the Bill, as Reported
<b>XVII.</b>	Additional Views

**I. PURPOSE AND SUMMARY**

Subtitle A: Budget Reconciliation Legislative Recommendations Relating to Public Health provides budget reconciliation recommendations related to public health to the House Committee on Budget pursuant to S. Con. Res. 5 to provide comprehensive relief to the American people in response to the coronavirus disease of 2019 (COVID-19) pandemic and the resulting public health emergency (PHE).

The legislation provides funding for comprehensive activities related to COVID-19 vaccines, including greater communication related to vaccines, strengthening vaccine confidence, and the deployment of vaccines across the country. In addition, it invests in the research, development, manufacturing, and purchase of vaccines, therapeutics, and ancillary medical products and supplies utilized for the treatment and prevention of COVID-19, as well as supports the continued evaluation of the performance, safety, and effectiveness of vaccines, therapeutics, and diagnostics for COVID-19. It further provides funding for comprehensive activities related to testing, contact tracing and mitigation of COVID-19, including expansion of a COVID-19 data surveillance system and genomic sequencing activities. It invests in public health workforce and supports tribal health programs and services. Funding is also provided for congregate settings to mitigate the effects of COVID-19 as well as to invest in public health and disparities as it relates to COVID-19.

Finally, the legislation provides funding to address mental health and substance use disorders worsened by the pandemic.

## II. BACKGROUND AND NEED FOR LEGISLATION

Since the first case of COVID-19 in the United States was discovered on January 21, 2020,<sup>1</sup> the United States response efforts have failed to mitigate or reduce COVID-19 transmission in the country. As of February 8, 2021, more than 26 million Americans have been infected with COVID-19, and more than 462,000 people have died from the disease.<sup>2</sup>

### *Vaccines*

On May 15, 2020, the Trump Administration announced Operation Warp Speed (OWS), a partnership led by HHS, including the Centers for Disease Control and Prevention (CDC), the National Institutes of Health (NIH), the Biomedical Advanced Research and Development Authority (BARDA), and the Department of Defense (DoD), along with private companies and other federal agencies. The partnership's goal was to facilitate and accelerate development, manufacturing, and distribution of COVID-19 vaccines, therapeutics, and diagnostics.<sup>3</sup> Less than a year from when COVID-19 was first detected, the Food and Drug Administration (FDA) issued the first emergency use authorization (EUA) for Pfizer and BioNTech's COVID-19 vaccine on December 11, 2020, allowing it to be distributed and administered in the United States.<sup>4</sup> On December 18, 2020, FDA issued an EUA for a second vaccine manufactured by Moderna.<sup>5</sup>

As promising clinical trial data from the first vaccine candidates became public, Dr. Slaoui stated in early December 2020 he was confident that 20 million Americans would be vaccinated by the end of the year.<sup>6</sup> However, by December 31, 2020, less than three million individuals had received even one dose of the vaccine, and total administered vaccine doses did not cross 20 million until January 23, 2021.<sup>7</sup> Supply chain experts attribute these delays in part to a

<sup>1</sup> Centers for Disease Control and Prevention, *First Travel-related Case of 2019 novel Coronavirus Detected in United States* (Jan. 21, 2020) ([www.cdc.gov/media/releases/2020/p0121-novel-coronavirus-travel-case.html](http://www.cdc.gov/media/releases/2020/p0121-novel-coronavirus-travel-case.html)) (press release).

<sup>2</sup> Centers for Disease Control and Prevention, *United States COVID-19 Cases and Deaths by State* ([covid.cdc.gov/covid-data-tracker/#cases\\_casesper100klast7days](https://covid.cdc.gov/covid-data-tracker/#cases_casesper100klast7days)) (accessed Feb. 9, 2021).

<sup>3</sup> U.S. Department of Health and Human Services, *Trump Administration Announces Framework and Leadership for 'Operation Warp Speed'* (May 5, 2020) ([www.hhs.gov/about/news/2020/05/15/trump-administration-announces-framework-and-leadership-for-operation-warp-speed.html](http://www.hhs.gov/about/news/2020/05/15/trump-administration-announces-framework-and-leadership-for-operation-warp-speed.html)) (press release).

<sup>4</sup> U.S. Food and Drug Administration, *FDA Takes Key Action in Fight Against COVID-19 By Issuing Emergency Use Authorization for First COVID-19 Vaccine* (Dec. 11, 2020) ([www.fda.gov/news-events/press-announcements/fda-takes-key-action-fight-against-covid-19-issuing-emergency-use-authorization-first-covid-19](http://www.fda.gov/news-events/press-announcements/fda-takes-key-action-fight-against-covid-19-issuing-emergency-use-authorization-first-covid-19)) (press release).

<sup>5</sup> U.S. Food and Drug Administration, *FDA Takes Additional Action in Fight Against COVID-19 By Issuing Emergency Use Authorization for Second COVID-19 Vaccine* (Dec. 18, 2020) ([www.fda.gov/news-events/press-announcements/fda-takes-additional-action-fight-against-covid-19-issuing-emergency-use-authorization-second-covid-19](http://www.fda.gov/news-events/press-announcements/fda-takes-additional-action-fight-against-covid-19-issuing-emergency-use-authorization-second-covid-19)) (press release).

<sup>6</sup> U.S. Department of Health and Human Services, *Briefing with Senior Officials on OWS and COVID-19 Vaccines* (Dec. 2, 2020) ([www.youtube.com/watch?v=WBdDUlqXE3M](https://www.youtube.com/watch?v=WBdDUlqXE3M)).

<sup>7</sup> U.S. CDC says 41.4 million doses of COVID-19 vaccines distributed, 20.5 million administered, Reuters (Jan. 23, 2021) ([www.reuters.com/article/us-health-coronavirus-usa-cdc-idUSKBN29S0NO](http://www.reuters.com/article/us-health-coronavirus-usa-cdc-idUSKBN29S0NO)).

decentralized distribution plan that relies heavily on underfunded state and local health entities whose resources have already been spread thin by the pandemic.<sup>8</sup> While CDC required states and other jurisdictions to begin planning to receive vaccines in October, which was before any COVID-19 vaccines were authorized, few resources were made available for states that cited hardships or distribution concerns in their plans.<sup>9</sup> State public health leaders urged Congress to appropriate an additional \$8.4 billion for vaccine distribution activities in a letter to congressional leadership on October 15, 2020, noting the funding was “urgently needed” to support a “herculean effort for a rapid, safe, and effective nationwide vaccination program.”<sup>10</sup> Additional vaccine funding was not appropriated until December 27, 2020, when the Consolidated Appropriations Act, 2021 was signed into law, after vaccine doses were already being delivered to states.<sup>11</sup>

As the national COVID-19 vaccine rollout began, states noted a myriad of distribution concerns. For example, states have cited miscommunication or a lack of communication from the federal government about the number of doses they can expect to receive.<sup>12</sup> Lacking sufficient clarity as to the number of doses they would receive, some states were forced to cancel appointments due to a lack of supply relative to the amount the state expected to receive, and other states have allowed vaccines to sit on shelves to ensure they would have an adequate supply to administer both required doses.<sup>13</sup> Additionally, states have also cited concerns with the complexity of administering a large number of vaccines in sparsely populated areas and following recommendations for equitable distribution from the Advisory Committee on Immunization Practices (ACIP) at CDC.<sup>14</sup> Other states, which have administered the vaccine more quickly, have noted ongoing challenges related to lack of vaccine supply.<sup>15</sup>

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<sup>8</sup> *U.S. Covid-19 Vaccination Plan Limits Speed of Rollout, Supply-Chain Experts Say*, Wall Street Journal (Jan. 11, 2021) ([www.wsj.com/articles/u-s-covid-19-vaccination-plan-limits-speed-of-rollout-supply-chain-experts-say-11610283601](http://www.wsj.com/articles/u-s-covid-19-vaccination-plan-limits-speed-of-rollout-supply-chain-experts-say-11610283601)).

<sup>9</sup> Kaiser Family Foundation, *States Are Getting Ready to Distribute COVID-19 Vaccines. What Do Their Plans Tell Us So Far?* (Nov. 18, 2020) ([www.kff.org/coronavirus-covid-19/issue-brief/states-are-getting-ready-to-distribute-covid-19-vaccines-what-do-their-plans-tell-us-so-far/](http://www.kff.org/coronavirus-covid-19/issue-brief/states-are-getting-ready-to-distribute-covid-19-vaccines-what-do-their-plans-tell-us-so-far/)).

<sup>10</sup> Letter to Senate Majority Leader Mitch McConnell, Speaker Nancy Pelosi, Senate Minority Leader Charles Schumer, and House Minority Leader Kevin McCarthy from Michael Fraser, Chief Executive Officer of the Association of State and Territorial Health Officials, and Clare Hannan, Executive Director of the Association of Immunization Managers (Oct. 15, 2020).

<sup>11</sup> Pub. L. 116-260.

<sup>12</sup> *‘Pixie dust’: Why some vaccine sits on shelves while shortages intensify nationwide*, Washington Post (Jan. 21, 2021) ([www.washingtonpost.com/health/2021/01/21/vaccine-rollout-states-shortages/](http://www.washingtonpost.com/health/2021/01/21/vaccine-rollout-states-shortages/)).

<sup>13</sup> *Id.*

<sup>14</sup> *‘Pixie dust’: Why some vaccine sits on shelves while shortages intensify nationwide*, Washington Post (Jan. 21, 2021) ([www.washingtonpost.com/health/2021/01/21/vaccine-rollout-states-shortages/](http://www.washingtonpost.com/health/2021/01/21/vaccine-rollout-states-shortages/)); Kaiser Family Foundation, *The COVID-19 Vaccine Priority Line Continues to Change as States Make Further Updates* (Jan. 21, 2021) ([www.kff.org/policy-watch/the-covid-19-vaccine-priority-line-continues-to-change-as-states-make-further-updates/](http://www.kff.org/policy-watch/the-covid-19-vaccine-priority-line-continues-to-change-as-states-make-further-updates/)); Centers for Disease Control and Prevention, COVID-19, Advisory Committee on Immunization Practices (ACIP) ([www.cdc.gov/vaccines/hcp/acip-recs/vacc-specific/covid-19.html](http://www.cdc.gov/vaccines/hcp/acip-recs/vacc-specific/covid-19.html)) (accessed Jan. 26, 2021).

<sup>15</sup> *States’ new vaccine worry: Not enough doses*, Politico (Jan. 20, 2021) ([www.politico.com/news/2021/01/20/states-coronavirus-vaccine-shortages-460899](http://www.politico.com/news/2021/01/20/states-coronavirus-vaccine-shortages-460899)).

The legislation takes concrete steps to address vaccine development and distribution challenges by investing \$7.5 billion for vaccine distribution activities at the CDC. Activities in this space would include: establishing community vaccination centers, facilities enhancements, and mobile vaccination units, particularly in underserved areas; information technology, data, and reporting enhancements, to ensure vaccines are getting where they are most needed; and communication activities so people will know when, where, and how to receive COVID-19 vaccines. In addition, it invests \$1 billion to strengthen vaccine confidence through education and information sharing, and \$5.2 billion for research, development, manufacturing, production, and purchase of COVID-19 vaccines, therapeutics, and ancillary supplies. To ensure continued safety in a resilient vaccine, therapeutic, and medical device supply chain, the legislation also invests \$500 million for activities at FDA.

### *Testing*

Testing is a critical component of COVID-19 response efforts, including for use in identifying infected individuals and informing public health decisions such as reopening strategies. Widespread testing in the United States has faced many hurdles. Initial tests for COVID-19 in the United States were developed and produced by CDC, which first received an EUA from FDA on February 4, 2020<sup>16</sup> and began shipping testing kits to public health laboratories on February 5.<sup>17</sup> Shortly after distribution of these tests, the reagent components were found to be contaminated, further slowing the rollout of reliable tests.<sup>18</sup> Following this discovery, CDC issued guidance to states on how to augment the faulty tests and released an updated test on February 28.<sup>19</sup> The first commercial test for COVID-19 was not authorized until March 12.<sup>20</sup>

While testing in the United States has expanded since the start of the pandemic, public health officials believe that the absence of robust COVID-19 testing has impacted the ability of the United States to contain the virus.<sup>21</sup> Today, the United States tests approximately 1.5 million

<sup>16</sup> Centers for Disease Control and Prevention, COVID-19, Diagnostic Testing

([www.cdc.gov/coronavirus/2019-ncov/lab/testing.html](http://www.cdc.gov/coronavirus/2019-ncov/lab/testing.html)) (accessed Jan. 26, 2021).

<sup>17</sup> Centers for Disease Control and Prevention, *Distribution of CDC Diagnostic Test Kits Will Expand Laboratory Capacity to Detect 2019-nCoV* (Feb. 6, 2021)

([www.cdc.gov/media/releases/2020/p0206-coronavirus-diagnostic-test-kits.html](http://www.cdc.gov/media/releases/2020/p0206-coronavirus-diagnostic-test-kits.html)). While most tests must typically go through an approval process at FDA before their use, during declared public health emergencies, tests may come to market after being authorized under an EUA. See 21 U.S.C. § 360bbb-3.

<sup>18</sup> *EXCLUSIVE: Internal HHS investigation finds CDC's early test kits were 'contaminated'*, KATU 2 ABC News (June 19, 2020) ([katu.com/news/nation-world/exclusive-internal-hhs-investigation-finds-cdcs-early-test-kits-were-contaminated](http://katu.com/news/nation-world/exclusive-internal-hhs-investigation-finds-cdcs-early-test-kits-were-contaminated)).

<sup>19</sup> *Amid testing concerns, US officials unveil new coronavirus test kits and streamline commercial development*, CNBC (Feb. 28, 2020) ([www.cnbc.com/2020/02/28/amid-testing-capacity-concerns-cdc-unveils-new-coronavirus-test-kits.html](http://www.cnbc.com/2020/02/28/amid-testing-capacity-concerns-cdc-unveils-new-coronavirus-test-kits.html)).

<sup>20</sup> U.S. Food and Drug Administration, Emergency Use Authorization ([www.fda.gov/emergency-preparedness-and-response/mcm-legal-regulatory-and-policyframework/emergency-use-authorization](http://www.fda.gov/emergency-preparedness-and-response/mcm-legal-regulatory-and-policyframework/emergency-use-authorization)) (accessed May 29, 2020).

<sup>21</sup> *The Lost Month: How a Failure to Test Blinded the U.S. to Covid-19*, New York Times (March 28, 2020) ([www.nytimes.com/2020/03/28/us/testing-coronavirus-pandemic.html](http://www.nytimes.com/2020/03/28/us/testing-coronavirus-pandemic.html)).

people a day, far less than what public health experts say is needed to suppress or contain COVID-19.<sup>22 23</sup>

The legislation would provide the resources to establish a robust, coordinated federal testing plan, and for other activities necessary to mitigate the spread of COVID-19. It provides \$46 billion for: the implementation of a national strategy for testing, contact tracing, surveillance, and mitigation of COVID-19; providing guidance and support for state and local public health departments in their work to implement the COVID-19 activities and strategies to mitigate infections; supporting the development, manufacturing, procurement, distribution, and administration of tests, including other supplies necessary for COVID-19 testing, such as personal protective equipment; establishing and expanding federal, state, or local testing and contact tracing capabilities, including investments in laboratory capacity, community-based testing sites, and mobile testing units; and sustaining a public health workforce necessary for testing, contact tracing, surveillance, and mitigation of COVID-19.

Further, the legislation invests resources to strengthen and expand genomic sequencing, analytics, and disease surveillance activities and workforce, as well as activities to support public health data surveillance and analytics infrastructure modernization initiatives, modernizing the United States disease warning system, and provide support for COVID-19 global health activities.

#### *Public Health Investments*

The COVID-19 pandemic has now laid bare vast health disparities in our most vulnerable populations. From 2010 to 2016, the uninsured rate for Black Americans dropped from nearly 20 percent to 10.7 percent, while the uninsured rate for Hispanic Americans dropped from 32.6 percent to 19.1 percent.<sup>24</sup> However, the uninsured rate for Black and Hispanic Americans increased from 2016 on.<sup>25</sup> Recent data also shows that although differences in COVID-19 testing rates are small, disparities in positivity rate are vast; Black patients are two times more likely and Hispanic patients are two and a half times more likely to have a positive COVID-19 test result than their white counterparts.<sup>26</sup> Despite that fact that people of color in America are disproportionately burdened by the pandemic, the of lack access to paid sick leave or the inability to work from home forces many Black and Hispanic workers to choose between going

<sup>22</sup> The COVID Tracking Project at The Atlantic, US Daily Tests ([covidtracking.com/data/charts/us-daily-tests](https://covidtracking.com/data/charts/us-daily-tests)) (accessed Feb. 9, 2021).

<sup>23</sup> Harvard University Edmond J. Safra Center for Ethics, *Why We Must Test Millions a Day* (Apr. 8, 2020) ([ethics.harvard.edu/test-millions](https://ethics.harvard.edu/test-millions)).

<sup>24</sup> Kaiser Family Foundation, *Changes in Health Coverage by Race and Ethnicity since the ACA, 2010-2018* (Mar. 5, 2020) ([www.kff.org/racial-equity-and-health-policy/issue-brief/changes-in-health-coverage-by-race-and-ethnicity-since-the-aca-2010-2018/](https://www.kff.org/racial-equity-and-health-policy/issue-brief/changes-in-health-coverage-by-race-and-ethnicity-since-the-aca-2010-2018/)).

<sup>25</sup> *Id.*

<sup>26</sup> Kaiser Family Foundation, *COVID-19 Racial Disparities in Testing, Infection, Hospitalization, and Death: Analysis of Epic Patient Data* (Sept. 16, 2020). ([www.kff.org/coronavirus-covid-19/issue-brief/covid-19-racial-disparities-testing-infection-hospitalization-death-analysis-epic-patient-data/](https://www.kff.org/coronavirus-covid-19/issue-brief/covid-19-racial-disparities-testing-infection-hospitalization-death-analysis-epic-patient-data/)).

to work in higher-risk places or quarantining.<sup>27</sup>

Furthermore, death rates from COVID-19 also show marked disparities with Black and Hispanic people dying at twice the rate of Whites.<sup>28</sup> Despite these disparities in COVID-19 outcomes, as well as higher occupational risks,<sup>29</sup> Black and Hispanic patients lag markedly in their uptake of the vaccine, with only 11.5 percent of vaccines being provided to someone of Hispanic ethnicity and 5.4 percent to people who are Black.<sup>30</sup>

Rural communities have also noted a negative impact of COVID-19, with over 50 percent of rural community members reporting that the COVID-19 pandemic has had a negative impact on their lives, and 44 percent reporting a negative impact on their mental health.<sup>31</sup>

The pandemic has also taken its toll on tribal communities. The United States has a treaty and trust responsibility to provide health care to all 574 federally recognized Tribes and their members. The COVID-19 pandemic has highlighted health care delivery and infrastructure challenges experienced by tribal communities. Data has shown that Native Americans suffer from COVID-19 at three and a half times higher rates than Whites and have more severe outcomes.<sup>32</sup> Further, according to CDC, American Indian and Alaskan Native populations have an age-adjusted hospitalization rate approximately five times that of Whites.<sup>33</sup>

The legislation takes numerous steps to address health disparities as they are related to and exacerbated by the COVID-19 pandemic. It provides: \$7.6 billion for Community Health Centers to test, treat, vaccinate, and sustain COVID-19 activities, supplies, and infrastructure, including \$20 million for Native Hawaiian Health Centers to support Native health centers; \$800 million for National Health Service Corps to invest in primary care services for health professional shortage areas nationwide; \$200 million for Nurse Corps to sustain our nursing

<sup>27</sup> *Addressing Racial Health Disparities In The COVID-19 Pandemic: Immediate And Long-Term Policy Solutions*, Health Affairs (July 20, 2020) ([www.healthaffairs.org/doi/10.1377/hblog20200716.620294/full/](http://www.healthaffairs.org/doi/10.1377/hblog20200716.620294/full/)).

<sup>28</sup> *Id.*

<sup>29</sup> Centers for Disease Control and Prevention, *COVID-19 Racial and Ethnic Health Disparities* (Dec. 10, 2020) ([www.cdc.gov/coronavirus/2019-ncov/community/health-equity/racial-ethnic-disparities/index.html](http://www.cdc.gov/coronavirus/2019-ncov/community/health-equity/racial-ethnic-disparities/index.html)).

<sup>30</sup> Centers for Disease Control and Prevention, *Morbidity and Mortality Weekly Report (MMWR): Demographic Characteristics of Persons Vaccinated During the First Month of the COVID-19 Vaccination Program – United States, December 14, 2020–January 14, 2021* (Feb. 1, 2021) ([www.cdc.gov/mmwr/volumes/70/wr/mm7005e1.htm](http://www.cdc.gov/mmwr/volumes/70/wr/mm7005e1.htm)).

<sup>31</sup> Centers for Disease Control and Prevention, *Morbidity and Mortality Weekly Report (MMWR): COVID-19 Stats: COVID-19 Incidence by Urban-Rural Classification – United States, January 22–October 31, 2020* (Nov. 20, 2020) ([www.cdc.gov/mmwr/volumes/69/wr/mm6946a6.htm](http://www.cdc.gov/mmwr/volumes/69/wr/mm6946a6.htm)).

<sup>32</sup> Centers for Disease Control and Prevention, CDC data show disproportionate COVID-19 impact in American Indian/Alaska Native populations (Aug. 19, 2020) ([www.cdc.gov/media/releases/2020/p0819-covid-19-impact-american-indian-alaska-native.html](http://www.cdc.gov/media/releases/2020/p0819-covid-19-impact-american-indian-alaska-native.html)) (press release).

<sup>33</sup> Centers for Disease Control and Prevention, *Coronavirus Disease 2019, Racial & Ethnic Minority Groups* (June 25, 2020) ([www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/racial-ethnic-minorities.html](http://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/racial-ethnic-minorities.html)).

workforce in critical shortage facilities nationwide; \$330 million for Teaching Health Centers that operate Graduate Medical Education to support and expand primary care medical and dental residency programs; and \$100 million in funding to HRSA's Behavioral Health Workforce Education and Training Program to improve access to behavioral health services, particularly in rural and underserved parts of the country. It would also enable CDC to deploy mobile vaccination units and community vaccination centers in underserved areas; providing supplemental funding for the Title X Family Planning Program; and supporting the care of children in the care of HHS.

#### *Mental Health and Substance Use Disorders*

The COVID-19 pandemic has put a strain on the mental health of many Americans and has made access to mental health and substance use disorder services more important than ever. Recent data shows that drug overdose deaths are up to an all-time high, with 81,230 Americans dying of a drug overdose.<sup>34</sup> Underscoring the severity of this data, this past December, the CDC issued an advisory to alert public health departments and health care professionals of the substantial increases in drug overdose deaths during the COVID-19 pandemic.<sup>35</sup> An article published in the *Journal of the American Medical Association* found that emergency department visits for mental health, suicide attempts, overdose, and violence were higher in mid-March through October 2020, when the pandemic first began, compared to the same period in 2019.<sup>36</sup>

Additionally, data shows elevated adverse mental health conditions such as depression and anxiety since the start of the pandemic, with younger adults more likely to have worse mental health outcomes compared to other age groups.<sup>37</sup> Health workers and front-line workers are also experiencing burnout, trauma, and grief due to difficulties managing COVID-19 patients, shortages of personal protective equipment, and fears of infecting loved ones.<sup>38</sup> Tragically, these stressors have resulted in suicide for some.<sup>39</sup>

This legislation includes \$3.5 billion for SAMHSA's Mental Health and Substance Abuse Prevention Treatment Block Grants, which support evidence-based practices for preventing substance misuse, community-based mental health services for children, and wraparound services for children and their families. In addition, it provides \$80 million in additional grants to direct funds to local communities; \$100 million in funding to HRSA's Behavioral Health Workforce Education and Training Program; \$80 million for mental and behavioral health

<sup>34</sup> Centers for Diseases Control and Prevention, Health Alert Network, HAN00438 (Dec. 17, 2020) ([emergency.cdc.gov/han/2020/han00438.asp](https://emergency.cdc.gov/han/2020/han00438.asp)).

<sup>35</sup> *Id.*

<sup>36</sup> JAMA, *Trends in US Emergency Department Visits for Mental Health, Overdose, and Violence Outcomes Before and During the COVID-19 Pandemic* (Feb. 3, 2021) ([jamanetwork.com/journals/jamapsychiatry/fullarticle/2775991](https://jamanetwork.com/journals/jamapsychiatry/fullarticle/2775991)).

<sup>37</sup> Centers for Disease Control and Prevention, *Morbidity and Mortality Weekly Report (MMWR): Mental Health, Substance Use, and Suicidal Ideation During the COVID-19 Pandemic — United States, June 24–30, 2020*. (Aug. 14, 2020) ([www.cdc.gov/mmwr/volumes/69/wr/mm6932a1.htm](https://www.cdc.gov/mmwr/volumes/69/wr/mm6932a1.htm)).

<sup>38</sup> *'I Can't Turn My Brain Off': PTSD and Burnout Threaten Medical Workers*, New York Times (May 16, 2020) ([www.nytimes.com/2020/05/16/health/coronavirus-ptsd-medical-workers.html](https://www.nytimes.com/2020/05/16/health/coronavirus-ptsd-medical-workers.html)).

<sup>39</sup> *Top E.R. Doctor Who Treated Virus Patients Dies by Suicide*, New York Times (Apr. 27, 2020) ([www.nytimes.com/2020/04/27/nyregion/new-york-city-doctor-suicide-coronavirus.html](https://www.nytimes.com/2020/04/27/nyregion/new-york-city-doctor-suicide-coronavirus.html)).

training for health care professionals, para-professionals, and public safety officers; \$20 million for a national evidence-based education and awareness campaign targeting health care professionals and first responders, and \$40 million for grants for health care providers to promote mental and behavioral health among their health professional workforce; \$20 million to develop and implement youth suicide prevention and early intervention strategies and to provide trainings and activities aimed at identifying youth at risk for suicide; \$30 million to aid strategies for addressing mental health in schools, including support for mental wellness in education settings, building awareness of mental health issues, and early intervention with coordinated support; \$10 million for SAMHSA's National Child Traumatic Stress Network, which is sharing critical COVID-19 resources nationwide to improve behavioral health services and interventions for children and adolescents exposed to traumatic events; and \$420 million for the Indian Health Service to bolster substance use disorder and mental health efforts with tribes and tribal entities.

### III. COMMITTEE CONSIDERATION

The Committee on Energy and Commerce met in virtual open markup session, pursuant to notice, on February 11 and 12, 2021. During consideration of Subtitle A on February 11, an amendment in the nature of a substitute (AINS) offered by Mr. Pallone was agreed to by a voice vote, without amendment. During consideration of the AINS, 13 amendments were offered to the Pallone AINS, but were not agreed to. Mr. Pallone, Chairman of the Committee, subsequently moved that Subtitle A be ordered transmitted favorably to the House Committee on Budget, amended, by a roll call vote: 31-25 (*Roll call no. 13*), a quorum being present.

### IV. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list each record vote on the motion to report legislation and amendments thereto. The Committee advises that there were 13 record votes taken on Subtitle A, including a motion by Mr. Pallone ordering Subtitle A favorably reported to the House, amended. The motion on final passage of the bill was approved by a record vote of 31 yeas to 25 nays. The following are the record votes taken during Committee consideration, including the names of those members voting for and against:

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #1

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations  
Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by Mr. Upton of Michigan, No. 1a, to add a new chapter regarding the National Institutes of Health (NIH), which provides the Director of the NIH \$10 billion for coronavirus-related efforts and for restarting research delayed due to COVID-19. Of this amendment, \$1 billion is reserved for clinical trials on the long-term studies of COVID-19 and \$500 million is reserved for the Rapid Acceleration of Diagnostics.

Disposition: **NOT AGREED TO** by a roll call vote of 25 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long			
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Rep. Trahan		x					
Rep. Fletcher		x					

02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #2

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by Mr. Scalise of Louisiana, No. 1b, appropriates an additional \$2 billion to the Secretary of Health and Human Services (HHS) for COVID-19 vaccine activities upon receipt of a plan to vaccinate two million individuals against COVID-19 per day by Congress.

Disposition: **NOT AGREED TO** by a roll call vote of 25 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long			
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Rep. Fletcher		x					
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02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #3

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations  
Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by Mr. Crenshaw of Texas, No. 1c, requires the Secretary of HHS to publish the formula used to determine allocation of COVID-19 vaccines to states, localities, the Department of Defense, the Department of Veterans Affairs, the Indian Health Service, the Department of Homeland Security, and other federal agencies, as appropriate.

Disposition: **NOT AGREED TO** by a roll call vote of 25 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long			
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cardenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Rep. Fletcher		x					
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02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #4

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by Mr. Carter of Georgia, No. 1d, adds a new subsection to reserve \$10 billion from the legislation's testing provision to assist States in testing teachers and school personnel for COVID-19 for the purpose of reopening schools.

Disposition: **NOT AGREED TO** by a roll call vote of 25 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long			
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Rep. Fletcher		x					
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02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #5

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations  
Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by Mr. Hudson of North Carolina, No. 1e, increases the amount made available for COVID-19 vaccine distribution activities at the CDC by \$2 billion. Requires the Secretary of HHS, in making any grants or cooperative agreements related to vaccine distribution activities under Section 3001(a) to reserve \$1 billion for states for purposes of vaccinating teachers and school personnel for COVID-19.

Disposition: **NOT AGREED TO** by a roll call vote of 25 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long			
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Rep. Trahan		x					
Rep. Fletcher		x					

02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #6

Bill: **Subtitle A.** "Budget Reconciliation Legislative Recommendations  
Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by  
Mr. Bucshon of Indiana, No. 1f, adds a new subsection to reserve \$10  
billion from the legislation's testing provision to assist States in testing  
individuals for COVID-19 for the purpose of reopening workplaces.

Disposition: **NOT AGREED TO** by a roll call vote of 25 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long			
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #7

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations  
Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by  
Mr. Dunn of Florida, No. 1g, requires the Secretary to reserve \$100  
million of the funds appropriated to the Food and Drug Administration to  
be used for review of applications related to COVID-19 therapeutics.

Disposition: **NOT AGREED TO** by a roll call vote of 26 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #8

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by Mr. McKinley of West Virginia, No. 1h, increases the appropriated amount for the Substance Abuse and Mental Health Services Administration (SAMHSA) Substance Abuse Prevention and Treatment Block Grant program from \$1.75 billion to \$4.75 billion.

Disposition: **NOT AGREED TO** by a roll call vote of 26 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Rep. Fletcher		x					
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02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

**Full Committee**  
(ratio: 32-26)

ROLL CALL VOTE #9

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by Mr. Guthrie of Kentucky, No. 1i, provides \$35 million in funding to the Public Health and Social Services Emergency Fund for the purpose of making grants and providing other funding mechanisms to eligible health care providers for health care related expenses or lost revenues that are attributable to the coronavirus. Of this funding, \$5 million is directed to Medicaid enrolled suppliers and providers, and \$5 million is directed to suppliers and providers located in rural areas.

Disposition: **NOT AGREED TO** by a roll call vote of 25 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long			
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #10

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by Ms. Lesko of Arizona, No. 1j, transfers appropriations for family planning to suicide prevention program for children and adolescents at SAMHSA.

Disposition: **NOT AGREED TO** by a roll call vote of 26 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #11

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations  
Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by Mr. Mullin of Oklahoma, No. 1k, increases the appropriated amount for SAMHSA's Substance Community Mental Health Services Block Grant from \$1.75 billion to \$2.75 billion. Also requires the Secretary to obligate five percent of the amount available to support mental health services in States with higher rates of unemployment related to the Keystone XL pipeline permit or the pause in new oil and natural gas leases on public lands or offshore waters as required by Executive Order 14008.

Disposition: **NOT AGREED TO** by a roll call vote of 26 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

02/11/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #12

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations  
Relating to Public Health"

Amendment: An amendment to the amendment in the nature of a substitute, offered by  
Mrs. Rodgers of Washington, No. 1m, applies the funding limitations  
specified in sections 506 and 507 of division A of Public Law 116-94 to  
the provisions under Subtitle A.

Disposition: **NOT AGREED TO** by a roll call vote of 26 yeas to 30 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush				Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #13

Bill: **Subtitle A**, "Budget Reconciliation Legislative Recommendations Relating to Public Health"

Motion: A motion by Mr. Pallone of New Jersey to order **Subtitle A**, "Budget Reconciliation Legislative Recommendations Relating to Public Health" transmitted favorably to the House Committee on Budget, amended (Final Passage).

Disposition: **AGREED TO** by a roll call vote of 31 yeas to 25 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone	x			Rep. Rodgers		x	
Rep. Rush	x			Rep. Upton		x	
Rep. Eshoo	x			Rep. Burgess		x	
Rep. DeGette				Rep. Scalise		x	
Rep. Doyle	x			Rep. Latta		x	
Rep. Schakowsky	x			Rep. Guthrie		x	
Rep. Butterfield	x			Rep. McKinley		x	
Rep. Matsui	x			Rep. Kinzinger		x	
Rep. Castor	x			Rep. Griffith		x	
Rep. Sarbanes	x			Rep. Bilirakis		x	
Rep. McNerney	x			Rep. Johnson		x	
Rep. Welch	x			Rep. Long		x	
Rep. Tonko	x			Rep. Bucshon		x	
Rep. Clarke	x			Rep. Mullin		x	
Rep. Schrader	x			Rep. Hudson		x	
Rep. Cárdenas	x			Rep. Walberg		x	
Rep. Ruiz	x			Rep. Carter		x	
Rep. Peters	x			Rep. Duncan		x	
Rep. Dingell	x			Rep. Palmer		x	
Rep. Veasey	x			Rep. Dunn		x	
Rep. Kuster	x			Rep. Curtis		x	
Rep. Kelly	x			Rep. Lesko		x	
Rep. Barragán	x			Rep. Pence		x	
Rep. McEachin	x			Rep. Crenshaw		x	
Rep. Blunt Rochester	x			Rep. Joyce		x	
Rep. Soto	x			Rep. Armstrong		x	
Rep. O'Halleran	x						
Rep. Rice	x						
Rep. Craig	x						
Rep. Schrier	x						
Rep. Trahan	x						

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Rep. Fletcher	x						
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02/11/2021

**V. OVERSIGHT FINDINGS**

Pursuant to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee are reflected in the descriptive portion of the report.

**VI. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES**

Pursuant to 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

**VII. CONGRESSIONAL BUDGET OFFICE ESTIMATE**



CONGRESSIONAL BUDGET OFFICE  
U.S. Congress  
Washington, DC 20515

*Phillip L. Swagel, Director*

February 14, 2021

Honorable Frank Pallone Jr.  
Chairman  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The Congressional Budget Office has prepared the enclosed cost estimate for the Reconciliation Recommendations of the House Committee on Energy and Commerce.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Alice Burns.

Sincerely,

A handwritten signature in black ink that reads "Phillip L. Swagel".

Phillip L. Swagel

Enclosure

cc: Honorable Cathy McMorris Rodgers  
Ranking Member

<b>At a Glance</b>			
<b>Reconciliation Recommendations of the House Committee on Energy and Commerce</b>			
As ordered reported on February 12, 2021			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>27,498</b>	<b>126,130</b>	<b>123,827</b>
Revenues	<b>0</b>	<b>1,474</b>	<b>1,488</b>
Increase or Decrease (-) in the Deficit	<b>27,498</b>	<b>124,656</b>	<b>122,339</b>
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	<b>Yes, Under Threshold</b>
CBO has not reviewed the legislation for effects on spending subject to appropriation.			
<b>The legislation would</b>			
<ul style="list-style-type: none"> <li>• Appropriate \$105 billion for various activities related to testing for, treating, and responding to COVID-19 (the disease cause by the coronavirus); and for other activities related to COVID-19</li> <li>• Allow extended postpartum coverage in Medicaid and the Children's Health Insurance Program (CHIP)</li> <li>• Increase the federal medical assistance percentage (FMAP) to encourage states to expand Medicaid coverage and increase their provision of certain types of long-term services and supports</li> <li>• Eliminate the cap on rebates that drug manufacturers pay to Medicaid</li> <li>• Increase the cost of an existing private-sector mandate on certain commercial entities if the Federal Communications Commission increases annual fee collections</li> </ul>			
<b>Estimated budgetary effects would mainly stem from</b>			
<ul style="list-style-type: none"> <li>• Increased direct spending resulting from \$105 billion in new budget authority</li> <li>• Additional direct spending from increasing the number of months of postpartum coverage under Medicaid and CHIP</li> <li>• Increased Medicaid and CHIP spending on COVID-19 vaccines, new enrollees, services for inmates in jails and prisons, and long-term services and supports</li> <li>• Reduced Medicaid spending on prescription drugs</li> </ul>			
<b>Areas of significant uncertainty include</b>			
<ul style="list-style-type: none"> <li>• Estimating the rate at which the new budget authority would be spent by federal agencies</li> <li>• Predicting how many women would participate in postpartum coverage under Medicaid and CHIP</li> <li>• Estimating how many states would expand Medicaid coverage as the result of higher FMAPs</li> <li>• Estimating future growth in drug prices</li> </ul>			
<b>Detailed estimate begins on the next page.</b>			

See also CBO's *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437);  
*How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).



### Summary of the Legislation

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Energy and Commerce approved legislation on February 12, 2021, with a number of provisions that would increase deficits.

The legislation would appropriate \$92.2 billion for various activities related to testing for, treating, and responding to COVID-19, the disease caused by the coronavirus. The legislation would also make changes to the Medicaid program and the Children's Health Insurance Program (CHIP), which include expanding coverage for women after the birth of their child, encouraging states that have not already done so to expand Medicaid coverage to adults made eligible by the Affordable Care Act (ACA), and eliminating the limit on the rebates paid by drug manufacturers to Medicaid. Finally, the legislation would appropriate \$12.8 billion for various activities related to addressing the energy, environmental, educational, and commerce-related effects of the coronavirus pandemic.

### Estimated Federal Cost

The estimated budgetary effects of the reconciliation recommendations of the House Committee on Energy and Commerce are shown in Table 1. The costs of the legislation fall within budget functions 300 (natural resources and environment), 370 (commerce and housing credit), 500 (education, training, employment, and social services), 550 (health), and 600 (income security).

### Basis of Estimate

For this estimate, CBO assumes that the reconciliation bill will be enacted by the end of March 2021. Outlay estimates are based on historical spending patterns for affected programs and information from the agencies about program implementation.

### Direct Spending and Revenues

CBO and the staff of the Joint Committee on Taxation (JCT) estimate that enacting the reconciliation recommendations of the House Committee on Energy and Commerce would increase direct spending by \$126.1 billion and would increase federal revenues by \$1.5 billion over the 2021-2030 period, for a net effect on the deficit over that period of \$124.7 billion.

**Funding for Public Health.** Subtitle A would appropriate \$92.2 billion for various activities aimed at improving public health and responding to COVID-19.

Within subtitle A, Chapter 1 would provide \$14.2 billion to fund activities related to vaccination and treatment with the following specific appropriations:



- \$7.5 billion to the Centers for Disease Control and Prevention (CDC) to plan, prepare for, promote, distribute, administer, monitor, and track COVID-19 vaccines;
- \$1.0 billion to the CDC to improve vaccine education and confidence and vaccination rates;
- \$5.2 billion to the Secretary of Health and Human Services (HHS) to advance research, development, manufacturing, production, and the purchase of vaccines, therapeutics, and ancillary medical products to prevent, prepare, and respond to SARS-CoV-2, COVID-19, or any disease with potential for creating a pandemic; and
- \$0.5 billion to the Food and Drug Administration to oversee the development and marketing of COVID-19 therapeutics, vaccines, and diagnostic tests.

Chapter 2 would provide \$49.0 billion for testing for COVID-19, specifically appropriating:

- \$46.0 billion to the Secretary of HHS to detect, diagnose, trace, and monitor COVID-19 infections;
- \$1.8 billion to the CDC for genomic sequencing, analytics, and disease surveillance;
- \$0.8 billion to the CDC to combat COVID-19 and other emerging infectious threats globally; and
- \$0.5 billion to the CDC to support the surveillance and analytic infrastructure of public health data.

Chapter 3 would provide \$7.8 billion for strengthening the public health workforce with two specific appropriations:

- \$7.7 billion for state, local, and territorial public health departments to establish, expand, and sustain their public health workforce; and
- \$0.1 billion to the Medical Reserve Corps.

Chapter 4 would provide \$11.2 billion for other public health investments that specifically cover:

- \$7.6 billion for awarding grants and cooperative agreements to community health centers and qualified entities under the Native Hawaiian Health Care Improvement Act to support activities related to testing for, treating, and vaccinating against COVID-19;
- \$0.8 billion to the National Health Service Corps to support qualified health care providers working in areas with limited access to care;
- \$0.2 billion to the Nurse Corps to support nurses working in facilities that provide primary health care or maternal health care to underserved populations;
- \$0.3 billion to health centers that provide graduate medical education;



- \$1.8 billion for activities related to testing, tracing, and mitigating COVID-19 infections in congregate settings; and
- \$0.4 billion for HHS to provide services for children under its care, including unaccompanied alien children in the custody of the Office of Refugee Resettlement.

Chapter 5 would provide \$6.1 billion to the Indian Health Service (IHS) for lost reimbursements resulting from people deferring routine and elective health care, testing and tracing of COVID-19 infections, COVID-19 vaccine promotion, distribution and administration, additional support for purchased and referred care, and for other purposes.

Chapter 6 would provide \$3.9 billion to strengthen activities related to mental health and substance abuse, specifically appropriating:

- \$1.8 billion to the Secretary of HHS for community mental health services;
- \$1.8 billion to the Secretary of HHS for activities relating to the prevention and treatment of substance abuse;
- \$0.1 billion for the Health Resources and Services Administration (HRSA) to award grants to eligible institutions that provide mental and behavioral health education and training; and
- \$0.3 billion for other activities.

Chapter 7 would appropriate \$20 million to HHS for grants to eligible states to modernize the health insurance marketplaces established under the ACA.

In total, CBO estimates that the funds appropriated by subtitle A would increase direct spending by \$91.3 billion over the 2021-2030 period.

**Coverage of COVID-19 Vaccinations and Treatments.** Subtitles B and C would make various changes to the Medicaid and CHIP programs' coronavirus-related spending. In total, sections 3101 and 3201 would increase direct spending by an estimated \$1.1 billion and \$68 million, respectively, over the 2021-2030 period.

*Mandatory Coverage of COVID-19 Vaccination, Without Cost Sharing.* Sections 3101 and 3201 would require state Medicaid and CHIP programs to cover vaccinations, without cost sharing, for all eligible enrollees. Under current law, the federal government is expected to provide the vaccines administered through both programs, but some patients would still have to pay the cost sharing associated with having the vaccine administered. In addition, if a state implements an option under Medicaid to provide COVID-19 testing for uninsured people, it would have to do so without cost sharing. The sections also would extend for a year the period in which a state must vaccinate, without cost sharing, adults enrolled in Medicaid under the program's traditional eligibility rules.

CBO estimates that 4 million Medicaid and CHIP enrollees are currently ineligible for vaccination under either program. By the end of the public health emergency (PHE), CBO



estimates, fewer than 1 million adults enrolled under Medicaid's traditional eligibility rules would be subject to cost-sharing requirements to receive the vaccine.

If enacted, CBO estimates, the requirements in sections 3101 and 3201 would increase the number of vaccinations administered to Medicaid and CHIP enrollees by about 2 million doses in 2021 and by about 6 million over the 2021-2023 period. Because the federal government is expected to provide the vaccine itself, sections 3101 and 3102 would only affect the costs associated with administering the vaccines. Using information from the Centers for Medicare & Medicaid Services, CBO estimates that in 2021, the cost of administering a single dose will vary between \$17 and \$28, depending on the type of vaccine. Over the 2021-2030 period, CBO estimates, the requirement to provide vaccination coverage without cost sharing would increase Medicaid's direct spending by \$107 million and CHIP's by less than \$1 million.

*Increased Federal Medical Assistance Percentage for Vaccinations.* Sections 3101 and 3201 also would raise the federal medical assistance percentage (FMAP) to 100 percent for payments to states for administering vaccines for one year after the end of the PHE. Over the 2021-2030 period, CBO estimates, the higher FMAP would increase direct spending for Medicaid and CHIP by \$747 million and by \$68 million, respectively.

*Mandatory Coverage of Treatment or Prevention, Without Cost Sharing.* Sections 3101 and 3201 also would require state Medicaid and CHIP programs to provide coverage, without cost sharing, for treatment or prevention of COVID-19 for one year after the end of the PHE. Additionally, over the same period, if a state chose to implement an option under Medicaid to provide COVID-19 testing for uninsured people, section 3101 also would extend the requirement to provide treatment and prevention to those people without requiring cost sharing.

About 5 million people enrolled in Medicaid or CHIP are expected to receive COVID-19 treatment in 2021. CBO expects that number to decline to fewer than 100,000 by 2022 and estimates that about 25 percent of those people would be subject to cost-sharing requirements for a physician service (\$2, on average, in 2021), an inpatient hospital service (\$70, on average, in 2021), or both. CBO estimates that the requirements in sections 3101 and 3201 that would prohibit cost sharing for treatment would increase direct spending by \$34 million for Medicaid and by less than \$1 million for CHIP over the 2021-2030 period.

CBO anticipates that 3 million uninsured people will receive COVID-19 treatment in 2021. By 2022, that number is expected to fall below 50,000. In 2020, 10 states had implemented an option under Medicaid to test uninsured people for COVID-19. In those states, CBO estimates, the requirement in section 3101 to provide vaccinations or treatment services would increase direct spending for Medicaid by \$243 million over the 2021-2030 period.

**Coverage for Pregnant and Postpartum Women.** Sections 3102 and 3202 would allow states to extend health coverage for women enrolled in Medicaid or CHIP for 12 months after the birth of a child. In total, CBO estimates, those sections would increase federal



deficits by \$5.1 billion over the 2021-2030 period—an increase in direct spending of \$6.0 billion and an increase in revenues of \$0.8 billion over the period.

Under current law, for 60 days after the birth of a child, states must provide Medicaid coverage to women whose income does not exceed 138 percent of the federal poverty level (FPL). Forty-six states and the District of Columbia exercise an option under current law to provide Medicaid coverage to pregnant women whose income is above 138 percent of the FPL, 29 extend coverage if their income is equal to or above 200 percent of the FPL, and 3 extend coverage if their income is above 300 percent of the FPL. Under current law, states also can provide pregnancy-related services to women under CHIP, but they may only provide postpartum services to women who, if not for their income, would otherwise be eligible for coverage under Medicaid.

CBO estimates that in 2020, Medicaid and CHIP provided pregnancy-related coverage to about 2 million women; approximately 1.8 million carried their pregnancy to term. CBO estimates that about 35 percent of those recipients have income above 138 percent of the FPL, which reflects the coverage options currently available to states under Medicaid and CHIP. Regardless of a state's decision to provide optional coverage to eligible women, the state must reevaluate applicants' eligibility for other coverage before the end of the 60-day postpartum period. Medicaid coverage after that point can include the full scope of health services or be limited to family-planning services.

*Medicaid Coverage Under the 12-Month Option.* CBO estimates that under current law, at the end of the 60-day postpartum period about 30 percent of women will continue to receive comprehensive services from Medicaid, 30 percent will enroll either in employment-based or in marketplace coverage, and about 45 percent will be uninsured (although roughly two-thirds of those women would still receive family-planning services).

Section 3102 would provide women in states that exercise the option with 10 additional months of Medicaid coverage. CBO estimates that by 2024, about 25 percent of all women who would be expected to receive postpartum services from Medicaid will live in states that implement the 12-month option. Using administrative data and information from industry sources, CBO estimates that the combined federal and state cost to provide 10 additional months of Medicaid coverage would be about \$1,500 per person, on average, in 2022; that amount would increase at an average annual rate of about 6 percent over the 2022-2030 period. For women whose current-law Medicaid services are limited to family planning, CBO estimates that the cost per person would be about \$1,100, on average. In total, CBO estimates, the additional months of coverage would increase direct spending for Medicaid by \$6.1 billion over the 2021-2030 period.

*CHIP Coverage for Pregnant and Postpartum Women.* Under current law, states can provide CHIP coverage to eligible women during pregnancy and for 60 days after the birth of a child. CHIP cannot be used to replace existing Medicaid coverage for pregnant women. To cover pregnant women under CHIP, states must provide, at a minimum, Medicaid coverage to



women whose income is up to 185 percent of the FPL. In 2020, approximately 15,000 women received pregnancy and postpartum care under CHIP. CBO estimates that all of those women became ineligible for comprehensive Medicaid and CHIP services at the end of the 60-day postpartum period.

If a state provides CHIP coverage to eligible women up to the end of the 60-day postpartum period, and if the state chooses to implement the Medicaid option under section 3102, the legislation would require the state to extend similar coverage under CHIP. However, because not all states extend CHIP coverage to pregnant women, CBO estimates that by 2024 fewer than 1,000 pregnant women would reside in a state that implemented the option. CBO expects that additional months of coverage under CHIP would cost about the same as under Medicaid. On net, CBO estimates, section 3202 would increase direct spending for CHIP by \$5 million over the 2021-2030 period.

*Private Health Insurance for Pregnant and Postpartum Women.* Some women whose Medicaid coverage ends after the birth of a child enroll in private health insurance. CBO estimates that in states that are expected to implement the option under section 3102, fewer than 5 percent of women who become ineligible each year for Medicaid or CHIP currently receive coverage through a marketplace and 30 percent enroll in employment-based coverage. Under section 3102, over the 2021-2030 period, about 10,000 and 100,000 women annually would delay enrollment either in marketplace coverage or in employment-based coverage, respectively, for about 10 months. That delay would lower subsidies for private health insurance, thereby reducing direct spending by \$137 million and increasing revenues by \$816 million over the 2021-2030 period, according to CBO and JCT's estimates.

**Medicaid for Inmates During the 30-Day Period Preceding Release.** Section 3103 would create an exception for 5 years, starting one year after enactment, to the prohibition on making Medicaid payments for services provided to inmates of correctional institutions. Section 3103 would permit payments for services to inmates who are enrolled in Medicaid during the last 30 days of their incarceration. According to data from the Bureau of Justice Statistics:

- Local jails admit and release about 10 million people per year, 89 percent of whom are admitted and released within 30 days, and
- State prisons admit and release about 600,000 people per year, almost all of whom remain incarcerated for longer than 30 days.

As a result, section 3103 would allow the vast majority of Medicaid enrollees to maintain their Medicaid coverage during their incarceration in local jails and would permit those jails to bill Medicaid for medical care provided to the incarcerated enrollees. Section 3103 would allow incarcerated enrollees in prisons to receive Medicaid coverage in the final 30 days of their incarceration, which would permit state prisons to bill Medicaid for services provided pre-release.



Based on a report by the Prison Policy Initiative, CBO estimates that about 45 percent of inmates released from jails and prisons would be enrolled in Medicaid in the early years of the 2021-2030 period, rising to 55 percent by the end of the period as CBO projects additional states will adopt the ACA expansion over time.

CBO expects that the costs per Medicaid inmate would be modest, as local jails generally provide limited services, such as generic medications to assist with drug withdrawals and mental health crises during the short-term stays, while prisons would be expected to provide pre-release health screenings and short-term supplies of medications to help with the transition to the post-release period. CBO estimates that the average cost per prisoner would be about \$100 in the beginning of the period, rising to about \$200 by the end of the period because of increases in the costs of providing medical care.

Lastly, CBO projects that state prisons would quickly develop the infrastructure to bill Medicaid for services to inmates in the last 30 days of their stay, which in many cases would allow them to defray the costs incurred for pre-release services. Local jails would more gradually establish similar capacity to bill Medicaid, delaying the full implementation of section 3103 for several years. In total, CBO estimates that section 3103 would increase direct spending by \$3.7 billion over the 2021-2030 period.

**Bundled Community-Based Mobile Crisis Intervention.** Section 3104 would, for 12 fiscal quarters, increase a state's FMAP for crisis intervention services that qualify as mobile and community-based, as defined by the bill. The enhanced FMAP would equal 85 percent and would apply only to services that otherwise would be reimbursed at a state's traditional FMAP. Based on information from state mental health agencies, CBO estimates that at least 16 states have programs that provide services that would qualify for the enhanced FMAP provided under section 3104. Not all of those programs currently seek Medicaid reimbursement for crisis intervention services provided to Medicaid; CBO expects that the programs would be more likely to do so under section 3104. CBO also anticipates that those changes would encourage all of the programs to request reimbursement under their state Medicaid programs and that the states would receive the enhanced FMAP under section 3104 for such services. In addition, based on the rate at which state Medicaid programs have adopted other services and demonstrations specific to behavioral health care, CBO expects additional states would begin reimbursing for crisis intervention services that qualify as mobile and community-based.

CBO estimates that the combined federal and state cost to provide crisis intervention services that qualify as mobile and community-based would be about \$1,500 per person, on average, in 2021; that amount would increase at an average annual rate of about 6 percent over the 2022-2030 period. In total, CBO estimates, the enhanced FMAP and the decision by states to establish new programs that provide crisis intervention services that qualify as mobile and community-based would increase direct spending for Medicaid by \$1.1 billion over the 2021-2030 period.



**Temporary Increase in FMAP for Expanding ACA Coverage.** Section 3105 would, for eight calendar quarters, provide a temporary, 5 percentage-point increase in the Medicaid FMAP to states that expand coverage to adults made eligible by the ACA. CBO and JCT estimate that the provision would increase federal deficits by \$15.5 billion over the 2021-2030 period—the net effect of an increase in outlays of \$16.2 billion and an increase in revenues of \$0.7 billion.

Under section 3105, the FMAP increase would be available only to states that expand such coverage after the legislation is enacted, and it would not be available to states that had previously expanded coverage. Only services provided to traditional eligibility groups could qualify for the increase; services provided to adults made eligible by the ACA would not be included. The higher FMAP also would not apply to the following expenditures:

- Medicaid payments to hospitals that serve a disproportionate share of low-income enrollees,
- Medicaid allotments to the territories, and
- Payments for programs other than Medicaid that use the FMAP to determine the federal share of payments (such as CHIP, payments from states toward Medicare Part D, and Title IV).

*Increased Medicaid Spending.* Section 3105 would increase Medicaid spending in two ways. First, CBO expects, the additional 5 percentage-point increase in the FMAP would induce some states to expand Medicaid coverage to low-income adults sooner than CBO's baseline projections for Medicaid enrollment would indicate. Currently, 37 states and the District of Columbia have implemented the expansion, and those states have enrolled roughly 60 percent of eligible adults nationwide. Under its baseline forecast, CBO projects that additional states will adopt the expansion at the historical rate of expansions since 2014 (the initial year of the expansion's availability). CBO anticipates that by 2030 about 70 percent of all potential enrollees will be covered.

Although the rate of expansion is subject to considerable uncertainty, CBO projects that the 5 percentage-point increase in the FMAP would induce states that would expand during the 2021-2030 period to do so about a year sooner, on average, than they otherwise would. The result would be an increase in Medicaid enrollment in those years among adults made eligible by the ACA in those states. Based on CBO's projections for enrollment in states that have not already adopted the expansion and the projected cost per adult made eligible by the ACA, CBO estimates that those earlier expansions would cost the federal government \$17.2 billion over the 2021-2030 period.

The second effect of section 3105 would be the added cost of the 5 percentage-point increase in the FMAP. Based on the average matching rates projected for states that have not yet adopted the expansion, CBO estimates the cost at \$4.7 billion. In total, CBO estimates,



section 3105 would increase direct spending on Medicaid by \$21.8 billion over the 2021-2030 period.

*Reduced Federal Subsidies for Private Health Insurance.* Section 3105 also would reduce enrollment in private health insurance as more people enroll in Medicaid in the states that adopt the ACA expansion. CBO and JCT estimate that over the 2021-2030 period Medicaid enrollment would increase, on average, by about 85,000 people who would otherwise have enrolled in coverage through the marketplaces and by another 33,000 people who would otherwise have enrolled in employment-based coverage. CBO and JCT estimate that those reductions in enrollment would reduce direct spending for health insurance subsidies by \$5.7 billion and increase revenues by \$0.7 billion over the 2021-2030 period.

**100 Percent FMAP for Urban Indian Organizations and Native Hawaiian Health Care.** Section 3106 would, for eight calendar quarters, provide a 100 percent federal matching rate for services to Medicaid enrollees who access care in the Urban Indian Health Programs (UIHPs) or the Native Hawaiian Health Care System (NHHCS). Under current law, services provided to Medicaid enrollees are matched at 100 percent if they are received through an IHS facility. IHS is the agency that is responsible for providing federal health services to American Indians and Alaska Natives. UIHPs are health care organizations that are grantees of the IHS but are not considered federal entities that are part of the IHS and therefore only receive the standard federal matching rates for services to Medicaid enrollees. Similarly, the NHHCS comprises five health care clinics that are grantees of HRSA that are not considered federal entities.

The standard federal matching rates under current law average an estimated 65 percent for traditional eligibility categories during 2021 and 2022, and will average an estimated 58.5 percent during 2023, the time period covered by the eight quarters specified under section 3106. The matching rates for adults made eligible by the ACA will be 90 percent during the same period.

According to information from the UIHP system, the UIHP treats about 90,000 Medicaid patients per year at an estimated average cost of about \$2,000 per patient. Applying the 100 percent matching rate for services to these enrollees would increase direct spending by \$155 million over the 2021-2030 period. Given the size of the NHHCS relative to the UIHP system, CBO estimates that applying a 100 percent matching rate to services provided at NHHCS clinics would increase direct spending by another \$7 million over the period.

**Sunset of Limit on Maximum Rebate for Certain Drugs.** Under current law, manufacturers are required to pay Medicaid a rebate on all covered outpatient drugs. The rebate amount is determined according to statute by two formulas that include a basic rebate with separate calculations for brand and generic drugs and an additional inflationary rebate that reflects differences in growth between the Average Manufacturer Prices (AMPs) and the consumer price index. The total rebate amount is capped at 100 percent of the AMP. The cap does not affect rebates paid for all drugs: It tends to be most relevant for drugs that have



experienced substantial price increases over time and for drugs that offer particularly large rebates to payers other than Medicaid. Section 3107 would eliminate the cap on the total rebate amount starting January 1, 2023.

Based on administrative data on AMPs and prescription drug spending in Medicaid, CBO estimates that in 2019, the cap on the total rebate amount prevented federal and state governments from collecting more than \$3 billion in rebates for covered outpatient drugs. CBO expects that section 3107 would increase the amount of rebates that manufacturers pay Medicaid and would reduce direct spending in Medicaid by \$15.9 billion over the 2021-2030 period.

**Additional Support for Medicaid HCBS.** Section 3108 would, for four fiscal quarters, increase the federal FMAP in Medicaid by 7.35 percentage points for state expenditures on home and community-based services (HCBS). HCBS are long-term care services that beneficiaries receive in their home or in the community rather than in institutions such as nursing facilities. CBO projects that the federal and state governments will spend almost \$200 billion on HCBS during the four quarters for which the enhanced FMAP is available to states. Increasing the federal share of such spending would increase federal spending on Medicaid by \$9.3 billion.

**Strike Teams for Nursing Facilities.** Section 3109 would appropriate \$250 million for states to establish strike teams that would be deployed to nursing facilities that have patients who have been diagnosed with COVID-19 or who are suspected of having the disease. CBO estimates that section 3109 would increase direct spending by \$250 million over the 2021-2030 period.

**Other Provisions.** Subtitle D would appropriate \$12.8 billion for environmental protections, utility assistance, distance learning, and other consumer product safety.

Within subtitle D, chapter 1 would appropriate \$5.1 billion to fund activities related to environmental health and assistance to people for paying utility bills:

- \$0.1 billion to the Environmental Protection Agency for grants and other activities that enhance environmental justice and to support implementation of the Clean Air Act;
- \$4.5 billion to the Low-Income Home Energy Assistance Program; and
- \$0.5 billion for grants to assist low-income households with the costs of drinking water and wastewater services.

Chapter 2 would appropriate \$7.7 billion for distance learning, primarily to reimburse schools and libraries for the costs of telecommunications equipment and services, and consumer product safety.

In total, CBO estimates that the funds appropriated by subtitle D would increase direct spending by \$12.8 billion over the 2021-2030 period.



### **Uncertainty**

There are two major types of uncertainty in CBO's estimate of the reconciliation recommendations of the House Committee on Energy and Commerce: For subtitles A and D, the primary forms of uncertainty stem from CBO's estimates of the pace at which federal agencies would spend the new budget authority. For subtitles B and C, most of the uncertainty of CBO's estimates stem from expectations about state behavior, people's enrollment in various forms of health coverage, and the of the increase in health care prices.

*Uncertainty About the Pace at Which Federal Agencies Would Spend New Budget Authority.* The reconciliation recommendations of the House Committee on Energy and Commerce would provide \$105 billion in new budget authority for fiscal year 2021, increasing individual agencies' funding for the year by a substantial amount. For example, the 2021 budget authority for the CDC, HRSA, and the IHS would see significant increases roughly halfway through the fiscal year. It is uncertain whether such agencies would be able to spend all of the new funds rapidly.

*Uncertainty About State Behavior, People's Enrollment in Various Forms of Health Coverage, and the Growth of Health Care Prices.* For subtitles B and C, CBO's estimates include projections of the results of states' choices to expand coverage, people's choices to enroll in coverage if they were newly eligible, and the future costs of providing health care services to beneficiaries—all of which are uncertain. Some of the more significant sources of uncertainty include:

- Estimating how many women would remain enrolled in Medicaid if states expand postpartum coverage and how many additional months of coverage they would have;
- Predicting how many states will expand Medicaid under current law and how the increased FMAP would accelerate the pace of state expansions;
- Forecasting future growth in drug prices and how drug manufacturers would change their pricing strategies if the cap on rebates were eliminated; and
- Estimating the future growth in prices for HCBS and how states would expand their coverage of HCBS on account of the higher FMAP.

### **Pay-As-You-Go Considerations**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 1.

**Increase in Long-Term Deficits:** None.

### **Mandates**

If the FCC increases annual fee collections to offset the costs of issuing rules to promote internet connectivity for schools and libraries as required by section 3312, the legislation



would increase the cost of an existing private-sector mandate on commercial entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold established in the Unfunded Mandates Reform Act for private-sector mandates (\$170 million in 2021, adjusted annually for inflation).

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**Table 1.**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Reported by the House Committee on Energy and Commerce on February 12, 2021**

By Fiscal Year, Millions of Dollars

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-	2021-	
												2030	2031	
	Increases or Decreases (-) in Direct Spending													
<b>Subtitle A. Funding for Public Health</b>														
<b>Chapter 1 - Vaccines and Therapeutics</b>														
Sec. 3001. Vaccine Activities at the CDC														
Budget Authority	7,500	0	0	0	0	0	0	0	0	0	0	7,500	7,500	
Estimated Outlays	1,500	4,500	750	450	225	0	0	0	0	0	0	7,425	7,425	
Sec. 3002. Vaccine Confidence Activities														
Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000	1,000	
Estimated Outlays	200	600	100	60	30	0	0	0	0	0	0	990	990	
Sec. 3003. Vaccines and Therapeutics Supply Chain														
Budget Authority	5,200	0	0	0	0	0	0	0	0	0	0	5,200	5,200	
Estimated Outlays	2,033	2,803	312	52	0	0	0	0	0	0	0	5,200	5,200	
Sec. 3004. Activities at the Food and Drug Administration														
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500	
Estimated Outlays	165	250	75	10	0	0	0	0	0	0	0	500	500	
<b>Chapter 1, Total</b>														
Budget Authority	<b>14,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,200</b>	<b>14,200</b>	
Estimated Outlays	<b>3,898</b>	<b>8,153</b>	<b>1,237</b>	<b>572</b>	<b>255</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,115</b>	<b>14,115</b>	
<b>Chapter 2 - Testing</b>														
Sec. 3011. Testing, Contact Tracing, and Mitigation Activities														
Budget Authority	46,000	0	0	0	0	0	0	0	0	0	0	46,000	46,000	
Estimated Outlays	9,200	27,600	4,600	2,760	1,380	0	0	0	0	0	0	45,540	45,540	
Sec. 3012. SARS-CoV-2 Genomic Sequencing and Surveillance														
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750	
Estimated Outlays	350	1,050	175	105	53	0	0	0	0	0	0	1,733	1,733	
Sec. 3013. Global Health														
Budget Authority	750	0	0	0	0	0	0	0	0	0	0	750	750	
Estimated Outlays	150	450	75	45	23	0	0	0	0	0	0	743	743	
Sec. 3014. Data Modernization and Forecasting Center														
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500	
Estimated Outlays	100	300	50	30	15	0	0	0	0	0	0	495	495	
<b>Chapter 2, Total</b>														
Budget Authority	<b>49,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,000</b>	<b>49,000</b>	
Estimated Outlays	<b>9,800</b>	<b>29,400</b>	<b>4,900</b>	<b>2,940</b>	<b>1,471</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,511</b>	<b>48,511</b>	
<b>Chapter 3 - Public Health Workforce</b>														
Sec. 3021. Public Health Workforce														
Budget Authority	7,660	0	0	0	0	0	0	0	0	0	0	7,660	7,660	
Estimated Outlays	1,532	3,064	2,681	383	0	0	0	0	0	0	0	7,660	7,660	
Sec. 3022. Medical Reserve Corps														
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100	
Estimated Outlays	20	56	16	6	2	0	0	0	0	0	0	100	100	
<b>Chapter 3, Total</b>														
Budget Authority	<b>7,760</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,760</b>	<b>7,760</b>	
Estimated Outlays	<b>1,552</b>	<b>3,120</b>	<b>2,697</b>	<b>389</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,760</b>	<b>7,760</b>	
<b>Chapter 4 - Public Health Investments</b>														
Sec. 3031. Community Health Centers														
Budget Authority	7,600	0	0	0	0	0	0	0	0	0	0	7,600	7,600	
Estimated Outlays	1,520	3,040	2,660	380	0	0	0	0	0	0	0	7,600	7,600	
Sec. 3032. National Health Service Corps														
Budget Authority	800	0	0	0	0	0	0	0	0	0	0	800	800	
Estimated Outlays	160	320	280	40	0	0	0	0	0	0	0	800	800	
Sec. 3033. Nurse Corps														
Budget Authority	200	0	0	0	0	0	0	0	0	0	0	200	200	
Estimated Outlays	46	100	40	10	0	0	0	0	0	0	0	196	196	
Sec. 3034. Teaching Health Centers that Operate Graduate Medical Education														
Budget Authority	330	0	0	0	0	0	0	0	0	0	0	330	330	
Estimated Outlays	66	132	116	13	0	0	0	0	0	0	0	327	327	

continued

Table 1: Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021  
continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
Sec. 3035. Testing, Tracing, and Mitigation Activities in Congregate Settings													
Budget Authority	1,800	0	0	0	0	0	0	0	0	0	0	1,800	1,800
Estimated Outlays	324	990	396	36	18	0	0	0	0	0	0	1,764	1,764
Sec. 3036. Family Planning													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	10	35	4	0	0	0	0	0	0	0	0	49	49
Sec. 3037. Children Under HHS Care													
Budget Authority	425	0	0	0	0	0	0	0	0	0	0	425	425
Estimated Outlays	13	17	64	68	74	70	64	51	4	0	0	425	425
Sec. 3038. HHS Inspector General													
Budget Authority	5	0	0	0	0	0	0	0	0	0	0	5	5
Estimated Outlays	2	3	0	0	0	0	0	0	0	0	0	5	5
<b>Chapter 4, Total</b>													
Budget Authority	<b>11,210</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,210</b>	<b>11,210</b>
Estimated Outlays	<b>2,141</b>	<b>4,637</b>	<b>3,560</b>	<b>547</b>	<b>92</b>	<b>70</b>	<b>64</b>	<b>51</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>11,166</b>	<b>11,166</b>
<b>Chapter 5 - Indian Health</b>													
Sec. 3041. Indian Health													
Budget Authority	6,094	0	0	0	0	0	0	0	0	0	0	6,094	6,094
Estimated Outlays	1,493	3,534	506	84	84	71	59	43	19	6	0	5,899	5,999
<b>Chapter 6 - Mental Health and Substance Use Disorder</b>													
Sec. 3051. Community Mental Health Services													
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750
Estimated Outlays	315	910	350	140	35	0	0	0	0	0	0	1,750	1,750
Sec. 3052. Prevention and Treatment of Substance Abuse													
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750
Estimated Outlays	315	910	350	140	35	0	0	0	0	0	0	1,750	1,750
Sec. 3053. Training for Health Care Professionals, Paraprofessionals, and Public Safety Officers													
Budget Authority	80	0	0	0	0	0	0	0	0	0	0	80	80
Estimated Outlays	18	40	16	4	0	0	0	0	0	0	0	78	78
Sec. 3054. Education and Awareness Campaign for Health Care Professionals													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	4	12	2	1	1	0	0	0	0	0	0	20	20
Sec. 3055. Grants to Health Care Providers for Mental and Behavioral Health Among Workforce													
Budget Authority	40	0	0	0	0	0	0	0	0	0	0	40	40
Estimated Outlays	9	20	8	2	0	0	0	0	0	0	0	39	39
Sec. 3056. Community-Based Funding for Local Substance Use Disorder													
Budget Authority	30	0	0	0	0	0	0	0	0	0	0	30	30
Estimated Outlays	0	15	6	2	1	0	0	0	0	0	0	30	30
Sec. 3057. Community-Based Funding for Local Behavioral Health													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	9	26	10	4	1	0	0	0	0	0	0	50	50
Sec. 3058. National Child Traumatic Stress Network													
Budget Authority	10	0	0	0	0	0	0	0	0	0	0	10	10
Estimated Outlays	2	5	2	1	0	0	0	0	0	0	0	10	10
Sec. 3059. Project Aware													
Budget Authority	30	0	0	0	0	0	0	0	0	0	0	30	30
Estimated Outlays	6	15	6	2	1	0	0	0	0	0	0	30	30

continued

Table 1: Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021  
continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
Sec. 3059A Youth Suicide Prevention													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	4	10	4	2	0	0	0	0	0	0	0	20	20
Sec. 3059B Behavioral Health Workforce													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	23	50	20	5	0	0	0	0	0	0	0	98	98
<b>Chapter 6, Total</b>													
<b>Budget Authority</b>	<b>3,880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,880</b>	<b>3,880</b>
<b>Estimated Outlays</b>	<b>711</b>	<b>2,013</b>	<b>774</b>	<b>303</b>	<b>74</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,875</b>	<b>3,875</b>
<b>Chapter 7 - Exchange Grant Program</b>													
Sec. 3061. Exchange Modernization													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	20	0	0	0	0	0	0	0	0	0	0	20	20
<b>Subtitle A, Total</b>													
<b>Budget Authority</b>	<b>92,164</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>92,164</b>	<b>92,164</b>
<b>Outlays</b>	<b>19,615</b>	<b>50,857</b>	<b>13,674</b>	<b>4,835</b>	<b>1,978</b>	<b>141</b>	<b>123</b>	<b>94</b>	<b>23</b>	<b>6</b>	<b>0</b>	<b>91,346</b>	<b>91,346</b>
<b>Subtitle B, Medicaid</b>													
Sec. 3101. Coverage of COVID-19 Vaccinations and Treatments													
Estimated Budget Authority	287	534	247	63	0	0	0	0	0	0	0	1,131	1,131
Estimated Outlays	287	534	247	63	0	0	0	0	0	0	0	1,131	1,131
Sec. 3102. Coverage for Pregnant and Postpartum Women (a, b)													
Estimated Budget Authority	0	0	756	1,249	1,417	1,429	1,108	0	0	0	0	5,959	5,959
Estimated Outlays	0	0	756	1,249	1,417	1,429	1,108	0	0	0	0	5,959	5,959
Sec. 3103. Medicaid for Inmates During 30-Day Period Preceding Release													
Estimated Budget Authority	0	177	444	683	918	1,014	510	0	0	0	0	3,746	3,746
Estimated Outlays	0	177	444	683	918	1,014	510	0	0	0	0	3,746	3,746
Sec. 3104. Bundled Community-Based Mobile Crisis Intervention													
Estimated Budget Authority	15	0	71	305	330	270	25	32	40	49	58	1,137	1,195
Estimated Outlays	0	5	77	307	332	270	25	32	40	49	58	1,137	1,195
Sec. 3105. Temporary Increase in FMAP for Expanding ACA Coverage													
Estimated Budget Authority	0	0	3,768	3,427	2,177	2,308	2,131	1,337	479	531	212	16,158	16,370
Estimated Outlays	0	0	3,768	3,427	2,177	2,308	2,131	1,337	479	531	212	16,158	16,370
Sec. 3106. 100% FMAP for Urban Indian Organizations and Native Hawaiian Health Care													
Estimated Budget Authority	38	81	43	0	0	0	0	0	0	0	0	162	162
Estimated Outlays	38	81	43	0	0	0	0	0	0	0	0	162	162
Sec. 3107. Sunset of Limit on Maximum Rebate for Certain Drugs													
Estimated Budget Authority	0	0	-217	-1,803	-2,293	-2,277	-2,258	-2,279	-2,318	-2,443	-2,573	-16,898	-18,461
Estimated Outlays	0	0	-217	-1,803	-2,293	-2,277	-2,258	-2,279	-2,318	-2,443	-2,573	-16,898	-18,461
Sec. 3108. Temporary Increase in FMAP for Expanding HCBS													
Estimated Budget Authority	4,795	4,515	0	0	0	0	0	0	0	0	0	9,310	9,310
Estimated Outlays	4,795	4,515	0	0	0	0	0	0	0	0	0	9,310	9,310
Sec. 3109. Strike Teams for Nursing Facilities													
Budget Authority	250	0	0	0	0	0	0	0	0	0	0	250	250
Estimated Outlays	50	175	25	0	0	0	0	0	0	0	0	250	250
<b>Subtitle B, Total</b>													
<b>Budget Authority</b>	<b>5,385</b>	<b>5,307</b>	<b>5,112</b>	<b>3,824</b>	<b>2,549</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>21,965</b>	<b>19,662</b>
<b>Outlays</b>	<b>5,170</b>	<b>5,487</b>	<b>5,143</b>	<b>3,926</b>	<b>2,551</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>21,965</b>	<b>19,662</b>
<b>Subtitle C. Children's Health Insurance Program</b>													
Sec. 3201. Coverage of COVID-19 Vaccinations and Treatments													
Budget Authority	0	47	17	4	0	0	0	0	0	0	0	68	68
Estimated Outlays	0	47	17	4	0	0	0	0	0	0	0	68	68
Sec. 3202. Coverage for Pregnant and Postpartum Women (a)													

continued

Table 1. Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021  
continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
<b>Subtitle D. Other Provisions</b>													
<b>Chapter 1 - Ensuring Environmental Health and Ratepayer Protection</b>													
Sec. 3301. Pollution and Disparate Impacts of the Pandemic													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	10	60	20	10	0	0	0	0	0	0	0	100	100
Sec. 3302. LIHEAP													
Budget Authority	4,500	0	0	0	0	0	0	0	0	0	0	4,500	4,500
Estimated Outlays	1,508	1,727	467	422	168	188	0	0	0	0	0	4,500	4,500
Sec. 3303. Water Assistance Program													
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500
Estimated Outlays	50	225	150	50	25	0	0	0	0	0	0	500	500
<b>Chapter 1, Total</b>													
Budget Authority	<b>5,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,100</b>	<b>5,100</b>
Estimated Outlays	<b>1,568</b>	<b>2,012</b>	<b>637</b>	<b>482</b>	<b>213</b>	<b>188</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,100</b>	<b>5,100</b>
<b>Chapter 2 - Distance Learning and Consumer Protections</b>													
Sec. 3311. Consumer Product Safety													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	4	6	8	10	9	8	2	1	0	0	0	48	48
Sec. 3312. Remote Learning Support													
Budget Authority	7,600	0	0	0	0	0	0	0	0	0	0	7,600	7,600
Estimated Outlays	1,140	3,800	1,900	760	0	0	0	0	0	0	0	7,600	7,600
<b>Chapter 2, Total</b>													
Budget Authority	<b>7,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,650</b>	<b>7,650</b>
Estimated Outlays	<b>1,144</b>	<b>3,806</b>	<b>1,908</b>	<b>770</b>	<b>9</b>	<b>8</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,648</b>	<b>7,648</b>
<b>Chapter 3 - Oversight of Department of Commerce Prevention and Response to COVID-19</b>													
Sec. 3321. Department of Commerce													
Budget Authority	3	0	0	0	0	0	0	0	0	0	0	3	3
Estimated Outlays	1	1	1	0	0	0	0	0	0	0	0	3	3
<b>Subtitle D, Total</b>													
Budget Authority	<b>12,753</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,753</b>	<b>12,753</b>
Outlays	<b>2,713</b>	<b>5,819</b>	<b>2,546</b>	<b>1,282</b>	<b>222</b>	<b>198</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,751</b>	<b>12,751</b>
<b>Total Increase in Direct Spending</b>													
Estimated Budget Authority	<b>110,302</b>	<b>5,354</b>	<b>5,129</b>	<b>3,828</b>	<b>2,549</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>126,950</b>	<b>124,647</b>
Estimated Outlays	<b>27,498</b>	<b>62,210</b>	<b>21,380</b>	<b>10,017</b>	<b>4,751</b>	<b>3,081</b>	<b>1,641</b>	<b>-815</b>	<b>-1,776</b>	<b>-1,857</b>	<b>-2,303</b>	<b>126,130</b>	<b>123,827</b>
<b>Increases in Revenues</b>													
Sec. 3102. Coverage for Pregnant and Postpartum Women (a, b)													
On-Budget Revenues	0	0	76	172	192	209	167	0	0	0	0	916	816
Off-Budget Revenues	0	0	43	98	109	119	95	0	0	0	0	464	464
Total Revenues	0	0	33	74	83	90	72	0	0	0	0	352	352
Sec. 3105. Temporary Increase in FMAP for Expanding ACA Coverage													
On-Budget Revenues	0	0	165	107	93	94	93	51	31	24	14	658	672
Off-Budget Revenues	0	0	96	63	55	58	60	33	20	15	9	400	409
Total Revenues	0	0	69	44	38	38	33	18	11	9	5	258	263
<b>Total Increase in Revenues</b>	<b>0</b>	<b>0</b>	<b>241</b>	<b>279</b>	<b>285</b>	<b>303</b>	<b>260</b>	<b>51</b>	<b>31</b>	<b>24</b>	<b>14</b>	<b>1,474</b>	<b>1,488</b>
On-Budget Revenues	0	0	139	161	164	177	155	33	20	15	9	864	873
Off-Budget Revenues	0	0	102	118	121	126	105	18	11	9	5	610	615
<b>Net Increase or Decrease (-) in the Deficit From Changes in Direct Spending and Revenues</b>													
<b>Estimated Effect on the Deficit</b>	<b>27,498</b>	<b>62,210</b>	<b>21,139</b>	<b>9,738</b>	<b>4,466</b>	<b>2,778</b>	<b>1,381</b>	<b>-866</b>	<b>-1,807</b>	<b>-1,881</b>	<b>-2,317</b>	<b>124,656</b>	<b>122,339</b>
On-Budget Deficits	27,498	62,210	21,241	9,856	4,587	2,904	1,486	-848	-1,796	-1,872	-2,312	125,266	122,954
Off-Budget Deficit	0	0	-102	-118	-121	-126	-105	-18	-11	-9	-5	-610	-615

Components may not sum to totals because of rounding.  
ACA = Affordable Care Act. CDC = Centers for Disease Control and Prevention. FMAP = federal medical assistance percentage. HCBS = home and community-based services. HHS = Department of Health and Human Services. LIHEAP = Low-Income Home Energy Assistance Program.  
a. Section would affect both revenues and spending, which is shown separately.  
b. The estimate for section 3102 includes the budgetary effects of sections 3202.

**VIII. FEDERAL MANDATES STATEMENT**

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

**IX. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES**

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to provide funding for coronavirus emergency response and relief, and for other purposes.

**X. DUPLICATION OF FEDERAL PROGRAMS**

Pursuant to clause 3(c)(5) of rule XIII, no provision of the Committee Print is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111-139 or the most recent Catalog of Federal Domestic Assistance.

**XI. COMMITTEE COST ESTIMATE**

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

**XII. EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS**

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that the Committee Print contains no earmarks, limited tax benefits, or limited tariff benefits.

**XIII. ADVISORY COMMITTEE STATEMENT**

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

**XIV. APPLICABILITY TO LEGISLATIVE BRANCH**

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

**XV. SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION****CHAPTER 1 – Vaccines and Therapeutics*****SECTION. 3001. FUNDING FOR COVID-19 VACCINE ACTIVITIES AT THE CENTERS FOR DISEASE CONTROL AND PREVENTION.***

Provides \$7.5 billion in funding for CDC to support vaccine related activities to prepare, promote, distribute, administer, monitor, and track COVID-19 vaccines. This includes funding for activities related to enhancing, expanding, and improving distribution and administration, including activities related to the distribution of ancillary medical products and supplies related to vaccines. This section further provides technical assistance, guidance, support, and awards to State, local, Tribal, and territorial public health departments for enhancement of COVID-19 vaccine distribution and administration capabilities, including the distribution and administration of licensed or authorized vaccines and ancillary medical products and supplies; the establishment and expansion of community vaccination centers, including in particularly underserved areas; the deployment of mobile vaccination units, particularly in underserved areas; IT, data, and reporting enhancements; facility enhancements; and public communication.

***SEC. 3002. FUNDING FOR VACCINE CONFIDENCE ACTIVITIES.***

Provides \$1 billion in funding for CDC to strengthen vaccine confidence in the United States, provide further information and education with respect to authorized or licensed vaccines, and improve vaccination rates.

***SEC. 3003. FUNDING FOR SUPPLY CHAIN FOR COVID-19 VACCINES, THERAPEUTICS, AND MEDICAL SUPPLIES.***

Provides \$5.2 billion in funding to the Secretary of HHS to support research, development, manufacturing, production, and purchase of vaccines, therapeutics, and ancillary medical products and supplies for SARS-CoV-2, or any viral variant mutating therefrom, and COVID-19 or any disease with potential for creating a pandemic.

***SEC. 3004. FUNDING FOR COVID-19 VACCINE, THERAPEUTIC, AND DEVICE ACTIVITIES AT THE FOOD AND DRUG ADMINISTRATION.***

Provides \$500 million in funding to be made available to FDA for the evaluation of the continued performance, safety, and effectiveness of COVID-19 vaccines, therapeutics, and diagnostics; invest in advanced continuous manufacturing activities related to the production of vaccines and related materials; conduct inspections; review of devices authorized for COVID-19; and supply chain oversight including to mitigate shortages.

**CHAPTER 2 – Testing**

**SEC. 3011. FUNDING FOR COVID-19 TESTING, CONTACT TRACING, AND MITIGATION ACTIVITIES.**

Provides \$46 billion in funding to the Secretary of HHS to detect, diagnose, trace, monitor and mitigate COVID-19 infections. Specified activities include: implementing a national strategy for testing, contact tracing, surveillance, and mitigation; providing technical assistance, guidance, support, and grants or cooperative agreements to States, localities, and territories for activities to detect, diagnose, trace, monitor, and mitigate COVID-19 infections; support the development, manufacturing, procurement, distribution, administration of tests, including supplies necessary for administration such as personal protective equipment (PPE); establishing and expanding federal, State, local, or territorial testing and contact tracing capabilities, including investments in laboratory capacity, community-based testing sites, and mobile testing units, particularly in medically underserved areas; enhancing IT, data modernization, and reporting; awarding grants, cooperative agreements, or contracts with State, local, and territorial public health departments to establish, expand, and sustain a public health workforce; and to cover administrative and program support costs

**SEC. 3012. FUNDING FOR SARS-COV-2 GENOMIC SEQUENCING AND SURVEILLANCE.**

Provides \$1.75 billion in funding to the Director of CDC to be used for activities and workforce related to genomic sequencing and analytics, and diseases surveillance. Such funds shall be used to conduct, expand, and improve activities to sequence genomes, identify mutations, and survey the circulation and transmission of viruses including strains of SARS-CoV-2; awarding grants or cooperative agreements to State, local, Tribal, and territorial public health departments or public health laboratories to increase their genomic sequencing, identifying mutations, identifying outbreaks, developing disease response strategies, enhancing and expanding informatics capabilities, and facility improvements.

**SEC. 3013. FUNDING FOR GLOBAL HEALTH.**

Provides \$750 million to CDC to combat COVID-19 and other emerging infectious disease threats globally, including efforts related to global health security, global disease detection and response, global health protection, global immunization, and global coordination on public health.

**SEC. 3014. FUNDING FOR DATA MODERNIZATION AND FORECASTING CENTER.**

Provides \$500 million to CDC to support health data surveillance and analytics infrastructure modernization initiatives and to establish, expand, and maintain efforts to modernize the United States disease warning system to forecast and track hotspots for COVID-19.

**CHAPTER 3 – Public Health Workforce****SEC 3021. FUNDING FOR PUBLIC HEALTH WORKFORCE.**

Provides \$7.66 billion in funding to the Secretary of HHS to establish, expand, and sustain a public health workforce, including by making awards to State, local, and territorial public health departments. Such funds shall be used for costs, including wages and benefits, related to the recruiting, hiring, and training of individuals to serve as case investigators, contact tracers, social support specialists, community health workers, public health nurses, disease intervention specialists, epidemiologists, program managers, laboratory personnel, informaticians, communication and policy experts, and any other positions as may be required to prevent, prepare for, and respond to COVID-19. Further, such individuals shall be employed by the State, territorial, or local public health department involved or a nonprofit private or public organization with demonstrated expertise in implementing public health programs and established relationships with such public health departments, particularly in medically underserved areas. Such funds shall also be used for PPE, data management and other technology, other supplies, administrative costs, reporting, or subawards.

**SEC. 3022. FUNDING FOR MEDICAL RESERVE CORPS.**

Provides \$100 million to the Medical Reserve Corps.

**CHAPTER 4 - Public Health Investments**

**SEC 3031. FUNDING FOR COMMUNITY HEALTH CENTERS AND COMMUNITY CARE.**

Provides \$7.6 billion in funding to the Secretary of HHS to support COVID-19 response at community health centers. No less than \$20 million of the funding shall be for grants or contracts to qualified Native Hawaiian Health Centers. Funds are required to be used to plan, prepare for, promote, distribute, administer, and track COVID-19 vaccines and related activities; detect, diagnose, trace, monitor, and mitigate COVID-19 infections, including equipment or supplies necessary for such activities; purchase equipment and supplies to conduct mobile testing or vaccinations for COVID-19, including purchasing and maintaining mobile vehicles and equipment to conduct such testing or vaccinations, and personnel needs, in particular in medically underserved areas; establish, expand, and sustain the health care workforce to prevent, prepare, and respond to COVID-19; modify, enhance and expand health care services and infrastructure; and conduct community outreach and education activities related to COVID-19. Awardees may use amounts made available to cover the costs of carrying out such related past COVID-19 activities.

**SEC. 3032. FUNDING FOR NATIONAL HEALTH SERVICE CORPS.**

Provides \$800 million in funding for the National Health Service Corps. This includes \$100 million for the State Loan Repayment Programs for which the state matching requirement shall not apply. State loan repayment programs shall not spend more than 10 percent of an award on the cost of administering the program.

**SEC. 3033. FUNDING FOR NURSE CORPS.**

Provides \$200 million in funding to support the Nurse Corps Loan Repayment Program.

**SEC. 3034. FUNDING FOR TEACHING HEALTH CENTERS THAT OPERATE GRADUATE MEDICAL EDUCATION.**

Provides \$330 million to remain available until September 30, 2023 for Teaching Health Centers (THC) Graduate Medical Education (GME) sites nationwide. Such funds shall be used for making payments to new approved graduate medical residency training programs, increasing the per resident allocation of existing and new THC GME providers, restoring the number of full-time equivalent residents in existing programs to at least the numbers between fiscal years 2016 through 2018, expanding existing approved graduate medical residency programs, establishing new accredited or expanded primary care residency programs, and covering administrative costs necessary for carrying out these activities.

**SEC. 3035. FUNDING FOR COVID-19 TESTING, CONTRACT TRACING, AND MITIGATION ACTIVITIES IN CONGREGATE SETTINGS.**

Provides \$1.8 billion to carry out activities to detect, diagnose, trace, monitor, and report on SARS-CoV-2 and COVID-19 infections and related strategies to mitigate the spread of SARS-CoV-2, in congregate settings. Funds shall be used to support activities related to testing through the use of in vitro diagnostic products for the detection or diagnosis of SARS-CoV-2 and the virus that causes COVID-19, including to purchase, procure, or administer tests and supplies necessary for administering and processing such tests to staff of, or individuals residing in, congregate settings. The Secretary of HHS shall pay through any mechanism deemed appropriate, all or part of the costs to entities administering or procuring tests. Funds shall also be used to support vaccine-related activities for authorized or licensed COVID-19 vaccines, for the vaccination of staff of, or individuals residing in, congregate settings. The Secretary shall pay through any mechanism deemed appropriate, all or part of the costs to entities administering or procuring vaccines. Funds shall also be used to purchase, procure, or distribute personal protective equipment or other products supplies for use in mitigation of COVID-19 transmission among staff of, or individuals residing in, congregate settings. Funds shall be used to provide technical assistance, guidance, and support and award grants, contracts, or cooperative agreements to public health departments or public and private entities that manage congregate settings for activities related to SARS-CoV-2 and COVID-19 infections. Congregate settings, are defined to include prisons, jails, detention centers (including juvenile detention centers), other correctional, detention, and reentry facilities, long-term care facilities, psychiatric hospitals and residential treatment facilities, shared living arrangements for individuals with disabilities, immediate care, and other residential care facilities.

**SEC. 3036. FUNDING FOR FAMILY PLANNING.**

Provides \$50 million in funding for fiscal year 2021 to the Secretary of HHS for necessary expenses for grants and contracts for the Title X Family Planning Program.

**SEC. 3037. FUNDING FOR CHILDREN UNDER THE CARE OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.**

Provides \$425 million in funding to the Secretary of HHS for expenses related to the care of children under the care of HHS. These expenses include providing child care, education services, health care services, case management services, or other necessary services for children in the care of personnel employed by or under a grant, cooperative agreement, or contract with HHS. The funds shall be used for costs related to capacity to provide care to the children described; cost related to the recruiting, hiring, and training of additional staff; activities to detect, diagnose, trace, treat, and monitor SAR-CoV-2 and COVID-19 infections; the purchase, procurement, or distribution of in vitro diagnostic products for the detection or diagnosis of SARS-CoV-2 and supplies necessary for administering tests; distribution of COVID-19 vaccines to children and staff caring for such children; or the purchase, procurement, or distribution of personal protective equipment for mitigation and prevention of COVID-19 transmission.

**SEC. 3038. FUNDING FOR OFFICE OF INSPECTOR GENERAL.**

Provides \$5 million in funding to the Inspector General of HHS for oversight of activities supported with funds provided to HHS to prevent, prepare for, and respond to COVID-19.

**CHAPTER 5 – Indian Health**

**SEC. 3041. FUNDING FOR INDIAN HEALTH.**

Provides \$6.94 billion to the Secretary of HHS, of which \$5.484 billion for carrying out activities of the Indian Health Service (IHS). Of these funds, \$2 billion for lost reimbursements from third party payers to IHS; \$500 million for additional health care services, services provided through the Purchased/Referred Care program, and other related services; \$140 million for IT infrastructure for telehealth and the IHS electronic health records system; \$84 million for urban Indian health programs; \$600 million for expenses to plan, prepare for, promote, distribute, administer, and track COVID-19 vaccines among Indian Tribes, Tribal organizations, and urban Indian organizations; \$1.5 billion for expenses to detect, diagnose, trace, and monitor COVID-19 infections, as well as activities to mitigate spread, necessary supplies for such activities including vaccine-related activities and workforce-related activities; \$240 million for expenses to establish, expand and sustain a public health workforce for COVID-19 response and public health workforce-related activities, including for vaccine-related activities and testing, contact tracing, and mitigation activities; \$420 million for expenses related to mental and behavioral health prevention and treatment services, and IT and facilities needs related to mental and behavioral health services; \$600 million for leasing, purchasing, constructing, altering, renovating, or equipping health facilities to respond to COVID-19 and for maintenance and improvement projects necessary to respond to COVID-19; and \$10 million for potable water delivery.

Funds appropriated in this section are available to restore funds that were incurred during since the COVID-19 PHE began on January 30, 2020 and are available to Tribes and Tribal organizations, including self-governance Tribes on a one-time allotment.

**CHAPTER 6 – Mental Health and Substance Use Disorder****SEC 3051. FUNDING FOR BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES.**

Provides \$1.75 billion to the Secretary of HHS or activities related to the Community Mental Health Services Block Grant program.

**SEC 3052. FUNDING FOR BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE.**

Provides \$1.75 billion to the Secretary for activities related to the Substance Abuse Prevention Treatment Block Grant program.

**SEC. 3053. FUNDING FOR MENTAL AND BEHAVIORAL HEALTH TRAINING FOR HEALTH CARE PROFESSIONALS, PARAPROFESSIONALS, AND PUBLIC SAFETY OFFICERS.**

Provides \$80 million in funding to the Secretary of HHS, acting through the Administrator of HRSA, to award grants or contracts to health professions schools, academic health centers, State or local governments, Indian Tribes and tribal organizations, or other appropriate public or private nonprofit entities. The funding shall be used to plan, develop, operate, or participate in health professions and nursing training activities for health care students, residents, professionals, paraprofessionals, trainees, public safety officers, and employers of such individuals in evidence-informed strategies for reducing and addressing suicide, burnout, and mental and behavioral health conditions (including substance use disorders) among health care professionals.

**SEC. 3054. FUNDING FOR EDUCATION AND AWARENESS CAMPAIGNS ENCOURAGING HEALTHY WORK CONDITIONS AND USE OF MENTAL AND BEHAVIORAL HEALTH SERVICES BY HEALTH CARE PROFESSIONALS.**

Provides \$20 million in funding to the Secretary of HHS, acting through the Director of CDC and in consultation with the medical professional community, to carry out a national evidence-based education and awareness campaign directed at health care professionals and first responders (such as emergency medical service providers), and employers of such professionals. Such awareness campaign shall encourage primary prevention of mental and behavioral health conditions and secondary tertiary prevention by encouraging health care professionals to seek support and treatment for their own behavioral health concerns; help such professionals to identify risk factors and respond to such risks; include information on reducing or preventing suicide, substance use disorders, burnout, and other mental and behavioral health conditions, and addressing stigma associated with seeking support and treatment; and consider the needs of rural and medically underserved communities.

**SEC. 3055. FUNDING FOR GRANTS FOR HEALTH CARE PROVIDERS TO PROMOTE MENTAL AND BEHAVIORAL HEALTH AMONG THEIR HEALTH PROFESSIONAL WORKFORCE.**

Provides \$40 million in funding to the Secretary of HHS, acting through the Administrator of HRSA, to award grants or contracts to entities providing health care, including health care providers associations and Federally qualified health centers to establish, enhance or expand evidence-informed programs or protocols to promote mental and behavioral health among health care providers and related personnel.

**SEC. 3056. FUNDING FOR COMMUNITY-BASED FUNDING FOR LOCAL SUBSTANCE USE DISORDER SERVICES.**

Provides \$30 million to the Secretary of HHS, acting through the Assistant Secretary of Mental Health and Substance Use and in consultation with the Director of CDC, to award grants to State, local, Tribal, and territorial governments, Tribal organizations, nonprofit community-based organizations, and primary care and behavioral health organizations to support community-based overdose prevention programs, syringe service programs, and other harm reduction services with respect to the harms of drug misuse exacerbated by the COVID-19 public health emergency. Such funds are to be used for preventing and controlling the spread of infectious diseases and the consequences of such diseases for individuals with substance use disorder, distributing opioid overdose reversal medication to at-risk individuals, connecting at-risk individuals to overdose education, counseling, and health education, and encouraging at-risk individuals to take steps to reduce the negative personal and public health impacts of substance use or misuse.

**SEC 3057. FUNDING FOR COMMUNITY-BASED FUNDING FOR LOCAL BEHAVIORAL HEALTH NEEDS.**

Provides \$50 million to the Secretary of HHS, acting through the Assistant Secretary of Mental Health and Substance Use to award grants to State, local, Tribal, and territorial governments, Tribal organizations, nonprofit community-based organizations, and primary care and behavioral health organizations to address increased community behavioral health needs worsened by the COVID-19 pandemic. Such funds are to be used for supporting care coordination among local entities; training workforce, relevant stakeholders, and community members; expanding evidence-based integrated models of care; addressing surge capacity for mental and behavioral health needs; providing mental and behavioral health services to individuals with mental health needs, including for those with co-occurring substance use disorders delivered by behavioral and mental health professionals using telehealth services; and supporting, enhancing, or expanding mental and behavioral health preventative and crisis intervention services.

**SEC. 3058. FUNDING FOR THE NATIONAL CHILD TRAUMATIC STRESS NETWORK.**

Provides \$10 million for the National Childhood Traumatic Stress Network at SAMHSA to address the problem of high-risk or medically underserved persons who experience violence-related stress.

**SEC. 3059. FUNDING FOR PROJECT AWARE.**

Provides \$30 million for Project AWARE at SAMHSA to advance wellness and resiliency in education.

**SEC. 3059A. FUNDING FOR YOUTH SUICIDE PREVENTION.**

Provides \$20 million to SAMHSA for youth suicide early intervention and prevention strategies program and suicide prevention for children and adolescents program.

**SEC. 3059B. FUNDING FOR BEHAVIORAL HEALTH WORKFORCE EDUCATION AND TRAINING.**

Provides \$100 million in funding to HRSA's Behavioral Health Workforce Education and Training Program.

**CHAPTER 7 – Exchange Grant Program**

**SEC. 3061. ESTABLISHING A GRANT PROGRAM FOR EXCHANGE MODERNIZATION.**

Provides \$20 million to the Secretary of HHS to award grants to State-Based Marketplaces (SBMs) to modernize or update any system, program or technology utilized by SBMs.

**XVI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED**

There are no changes to existing law made by the bill the Committee Print.

**XVII. ADDITIONAL VIEWS**

**Energy and Commerce Committee Republican Views**

Republicans have supported five targeted, bipartisan bills to crush COVID-19, to reopen schools, to get the economy back on track, and to improve health and wellness of those suffering from the pandemic. That is what we should be doing with this Reconciliation package. Unfortunately, this package falls well short, but at an extraordinary cost. The Congressional Budget Office (CBO) estimates that the Committee on Energy and Commerce's contribution to the Reconciliation process will cost approximately \$120 billion. That is still well short of the \$188 billion instruction to the Committee, which shows there was an opportunity to adopt some of the bipartisan, targeted, and timely amendments Republicans offered during markup. For instance:

- \$1 billion for teachers to get vaccinated and ensure our children can go back to school safely;
- \$10 billion for COVID-19 research at the National Institutes of Health (NIH);
- \$35 billion to support our frontline workers through the Provider Relief Fund (PRF); or
- \$1 billion to boost mental health services in states with unexpected job loss due to President Biden's various Executive Orders.

Unfortunately, the Democrats rushed this bill through a partisan markup without bipartisan consultation with CBO on cost, preventing any chance of adequate analysis and deliberation.

In addition to the wasteful spending, we must comment on the Democratic Majority's decision to bypass regular order. Democrats wrote this entire package in secret without any input from Republicans, and Republicans did not see a draft until 10:00 p.m. on Tuesday, February 9 for a markup scheduled to start at 11:00 a.m. on Thursday, February 11. Such secrecy might be expected on controversial measures, but Republicans and Democrats have already worked together to enact 5 bills in response to COVID-19. This partisan process on this package is a failure of Democratic leadership and a huge disappointment.

**Subtitle A: Budget Reconciliation Legislative Recommendations Relating to Public Health**

Republicans on the Energy and Commerce Committee strongly support additional funding for advanced research, development, manufacturing, production, and the purchase of vaccines, diagnostic tests, therapeutics, and ancillary medical products to prevent, prepare, and respond to SARS-CoV-2, COVID-19, or any disease with potential for creating a pandemic. Republicans on the Energy and Commerce Committee also support additional funding for the prevention and treatment of mental health and substance use disorders. The COVID-19 pandemic and resulting economic downturn have significantly impacted the mental health and wellbeing of all Americans.

Since the beginning of this pandemic, many Americans have reported that their mental health has been negatively impacted by recent events, with about 4 in 10 adults reporting

symptoms of anxiety or depressive disorder.<sup>1</sup> Reports have found that declines in the economy, lost jobs, and health challenges have all contributed to an increase in mental health difficulties. Individuals in states with more restrictive measures, such as stay-at-home orders, have recorded even more cases of mental health difficulties.<sup>2</sup> The pandemic has also presented unique challenges for individuals with substance use disorder (SUD) and those who are in recovery, as social distancing and stay at home orders make it harder for patients to access treatment, such as critical medications for opioid use disorders.<sup>3</sup>

However, Subtitle A is also a departure from how the Congress has previously provided emergency funding to address the coronavirus pandemic, and because of this, does not take into account the time it will take for federal agencies to spend these resources, or address all the needs, such as those of the National Institutes of Health and health care providers. The past five legislative packages that were signed into law were negotiated in good faith between Republicans and Democrats, with extensive input from all sides.<sup>4</sup>

We are disappointed that the Democrats rejected bipartisanship and embraced a partisan process. Instead of targeted and timely relief to COVID-19, the Democrats proposed mandatory funding for all of these initiatives, abdicating responsibility for oversight, which is a troubling departure from the oversight and reporting on the emergency designated discretionary appropriations provided in the previous five COVID-19 emergency appropriations bills passed last year.

Republicans agree with CBO that federal agencies might not be able to use the new budget authority provided in Subtitle A quickly enough. Republicans are also concerned that the resources may not be timely enough to help address any outstanding COVID-19 needs that remain after the most recent relief package.<sup>5</sup> Subtitle A increases individual agencies' funding for a single fiscal year by a substantial amount. The 2021 budget authority for the Centers for Disease Control and Prevention (CDC), the Health Resources and Services Administration (HRSA), and the Indian Health Service (IHS) would see enormous increases roughly halfway through the fiscal year. Republicans, like the CBO, do not understand how these agencies would be able to spend all of the new funds rapidly in a manner that has any meaningful near-term impact on reducing COVID-19 cases and deaths in the United States.<sup>6</sup>

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<sup>1</sup> Nirmita Panchal, et. al., The Implications of COVID-19 for Mental Health and Substance Use, Kaiser Family Foundation, available at <https://www.kff.org/health-reform/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/> (last updated Feb. 10, 2021).

<sup>2</sup> Madeline Holcombe, *Long-term social distancing may be traumatic. Here is what to expect and what to do*, CNN (Apr. 12, 2020), available at <https://www.cnn.com/2020/04/09/health/coronavirus-mental-health-long-term-wellness/index.html>.

<sup>3</sup> Dr. Francis Collins, Director, National Institutes of Health, *Coping with the Collision of Public Health Crises: COVID-19 and Substance Use Disorders*, NIH Director's Blog (Apr. 21, 2020), available at <https://directorsblog.nih.gov/2020/04/21/coping-with-the-collision-of-public-health-crises-covid-19-and-substance-use-disorders/>.

<sup>4</sup> P.L. 116-123; P.L. 116-127; P.L. 116-136; P.L. 116-139; and P.L. 116-260.

<sup>5</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

<sup>6</sup> *Id.*

For example, the state of the nation's public health infrastructure and workforce are a result of decades of neglect by state and local governments. At the same time, states have spent ever increasing amounts of their budgets on Medicaid. Support for states to build their public health workforce is laudable and could be accomplished by discretionary appropriations. However, it is unclear how an immediate infusion of \$7.6 billion in mandatory funding for establishing and expanding a public health workforce, as is done in section 3021, will lead to more public health professionals to fight COVID-19 now. State and local health departments have struggled for years to recruit public health professionals in a field that has lost more than 56,000 positions in the past decade.<sup>7</sup> A sustainable long-term increase in discretionary funding authorized through regular order would have been a more appropriate way to support state and local public health departments and address the dearth in public health professionals.

Republicans are concerned about the long-term health of critically important public health programs that Subtitle A sets on dangerous fiscal cliffs. For example, section 3031 provides \$7.6 billion for Federally-qualified health centers, \$800 million for the National Health Service Corps, and \$300 million for the Teaching Health Center Graduate Medical Education program. This is approximately twice the amount that was authorized for these programs for each of fiscal years 2021 through 2023 in the Consolidated Appropriations Act, 2021, which was just signed into law two months ago.<sup>8</sup> These are unsustainable funding levels.

Republicans are disappointed that Subtitle A opens the door to federal funding for elective abortions. Every Democrat voted against including the Hyde amendment protections in Subtitle A. The Hyde Amendment prevents all other federal funds for the Department of Health and Human Services appropriated through the discretionary appropriations process, and also mandatory health spending, from being used to fund abortion, except in the cases where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape or incest. Since 1976, Hyde, and similar policies governing other federal programs, have been supported and renewed annually on a bipartisan basis, multiple times, for decades.<sup>9</sup> Because there are no Hyde Amendment protections, many provisions in Subtitle A, particularly where funds have been authorized for broad purposes or for the provision of health services that are not directly related to preventing and treating COVID-19, will support elective abortions.

For example, section 3036 authorizes \$50 million in mandatory funding for grants and contracts under section 1001 of the Public Health Service Act, which is the Title X Family Planning Program. First, it is unclear to Republicans how Title X funding will reduce transmission of, and illness and death caused by, COVID-19. This funding is being authorized on the heels of President Biden directing the Department of Health and Human Services to

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<sup>7</sup> Blaire Bryant, Protect Funding for Core Local Public Health Services and Prevention Programs, National Association of Counties, *available at* [https://www.naco.org/resources/protect-funding-core-local-public-health-services-and-prevention-programs#:~:text=According%20to%20the%20National%20Association,in%20five%20local%20health%20departm,ents.\(last%20updated%20Feb.%2028,%202019\).](https://www.naco.org/resources/protect-funding-core-local-public-health-services-and-prevention-programs#:~:text=According%20to%20the%20National%20Association,in%20five%20local%20health%20departm,ents.(last%20updated%20Feb.%2028,%202019).)

<sup>8</sup> P.L. 116-260,

<sup>9</sup> H.R. 14232, Departments of Labor, and Health, Education, and Welfare, and Related Agencies, 1977, 94th Congress (1976); Roll no. 846.

reverse the “Protect Life Rule,”<sup>10</sup> a rule that prohibited Title X-funded family planning services to be performed at the same location where abortions are provided. Since existing Title X appropriations have been obligated to non-abortion providing entities, section 3036 is just a way to direct taxpayer dollars to abortion providers, like Planned Parenthood.

Lastly, Republicans are disappointed that the Democrats, in their haste to pass a partisan package, did not assess the true budgetary needs of these agencies. The exorbitant funding levels could lead to waste.

For example, section 3004 provides \$500 million to the Food and Drug Administration (FDA) for the evaluation of the continued performance, safety, and effectiveness of vaccines, therapeutics, and diagnostics approved, cleared, licensed, or authorized for use for the treatment, prevention, or diagnosis of COVID-19. Republicans believe that the agency should provide a detailed account of how funds previously appropriated have been spent, what amount of funding remains unobligated, and to what activities those unobligated dollars will be allocated before appropriating additional funds, especially considering that \$500 million is more than twice the amount that has been appropriated to FDA under all previously enacted Coronavirus relief legislation combined.<sup>11</sup>

Additionally, advancing this legislation through regular order would have allowed both Republicans and Democrats to have a better understanding of the FDA’s existing needs. During the full committee markup, the only opportunity provided to Republicans to ask questions and raise concerns about the legislation being considered, Democrats asserted they had conversations with FDA during which the agency expressed the need for this amount of funding. The FDA has not provided to Republicans any request or justification for these funds, nor has FDA explained how they will be used to advance the agency’s mission. In addition, the majority of FDA’s spending is on salaries. It is unclear how the \$500 million could be used to support salaries without creating a cliff where more funding is needed to retain those employees.

With respect to product reviews, Republicans question why these funds appear to be intended solely for post-market surveillance, as opposed to both pre- and post-market activities, given the likelihood that new COVID-19 vaccines, therapeutics, and diagnostics will warrant premarket review.<sup>12</sup> Furthermore, the funds may be used to facilitate and conduct inspections delayed or cancelled for reasons related to COVID-19.<sup>13</sup> While Republicans agree it is critical that FDA resume on-site inspections, we question why additional funds are required to do so.

Since March 2020, FDA has conducted few domestic or foreign inspections due to safety concerns and travel restrictions, not due to funding limitations. During fiscal year (FY) 2020, the total number of inspections conducted by FDA, of both foreign and domestic establishments,

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<sup>10</sup> 84 F.R. 7714.

<sup>11</sup> P.L. 116-123; P.L. 116-136; P.L. 116-260.

<sup>12</sup> S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021 (February 11, 2021), 117<sup>th</sup> Congress (2021-2022), available at <https://docs.house.gov/meetings/HF/HF00/20210211/111190/BILLS-117-A-P000034-Amdt-2.pdf>.

<sup>13</sup> *Id.*

was fifty-six percent lower than during each of the previous two fiscal years.<sup>14</sup> Between March and October of 2020, only three foreign mission critical inspections and only fifty-two domestic inspections took place.<sup>15</sup> In contrast, during a similar timeframe in each of the previous two years, more than 600 foreign and 400 domestic inspections took place.<sup>16</sup> Given the significant reduction in the number of inspections conducted, FDA must answer for how funds obligated for FY 2020 inspection activities have been used and why it needs more funds to carry out delayed or cancelled inspections.

**Subtitle B: Budget Reconciliation Legislative Recommendations Relating to Medicaid**

**Section 3101. Mandatory Coverage of COVID-19 Vaccines and Administration Treatment Under Medicaid.**

Republicans want every American to have access to the COVID-19 vaccine and we support fully covering the cost of the vaccine for Medicaid beneficiaries for the length of the public health emergency. This will ensure we can vaccinate every single American, which will help us reopen schools, workplaces, and the economy. However, in this section the Democrats, instead, chose to extend the timeframe where vaccines are fully covered by one year. The Democrats have provided no justification for this extension. Given that the public health emergency will continue throughout 2021, Republicans recommend ascertaining how the states are doing at the end of the year and extend the timeframe if needed. Instead, the Democrats are spending money on the extra year that could have been used to increase funding for mental health or SUD providers, or a number of other targeted and temporary priorities that both parties share.

The Democrats are also giving the states the option to provide coverage to the uninsured for COVID-19 vaccines and treatment without cost sharing at 100 percent federal medical assistance percentage (FMAP). Republicans want all eligible beneficiaries to receive care and want to work with the Democrats to improve access to care for all Americans. However, the Medicaid program has eligibility requirements for a reason and Republicans want to make sure that the program is able to continue serving the Americans who are eligible for Medicaid coverage.

**Section 3102. Modifications to Certain Coverage Under Medicaid for Pregnant and Postpartum Women.**

Republicans are disappointed that the Democrats chose this partisan approach to a bipartisan priority. H.R. 4996, the Helping MOMS Act of 2020, passed the House unanimously last year and is the same policy as section 3102, except, H.R. 4996 was a permanent state option to extend Medicaid eligibility to women for 12 months postpartum and section 3102 is a five-year option. At markup, Republicans offered an amendment that would have implemented the

<sup>14</sup> United States Government Accountability Office (GAO), *COVID-19: Critical Vaccine Distribution, Supply Chain, Program Integrity, and Other Challenges Require Focused Federal Attention* (January 2021), available at <https://www.gao.gov/assets/720/712030.pdf>.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

permanent policy. Predictably, the Democrats rejected the proposal because it would cause the Committee to exceed its reconciliation instructions. However, when CBO released its estimate of the Committee's reconciliation package, Republicans learned that the Committee is under its instruction of \$188.5 billion by over \$65 billion.<sup>17</sup> If the Committee had an estimate and technical assistance before markup, we could have made this change permanent.

**Section 3103. Allowing for Medical Assistance Under Medicaid for Inmates During 30-Day Period Preceding Release.**

Republicans are willing to work with the Democrats to address medical assistance for inmates during the 30-day period preceding their release from prison, but this is irrelevant to responding to COVID-19. This is especially true since the Democrats included the coverage of inmates in the vaccine development and distribution funding in Subtitle A, and included specific funding for COVID-19 for those that live in congregate facilities. If this policy had been considered through regular order, a hearing might have revealed how prisons differ from jails when handling inmates a month before release and how we can tailor the policy to be the most effective.

Republicans want all Americans to have access to the COVID-19 vaccine, including inmates during the 30-day period before their release. But why is Medicaid coverage for inmates 30 days prior to release necessary? Also, how long will it take prisons and jails to have the administrative capacity to bill Medicaid, and will prisons need additional resources to do so? If the Committee followed regular order, some of these questions could have been answered.

**Section 3104. Enhanced Federal Medicaid Support for Bundled Community-Based Mobile Crisis Intervention Services.**

This section is another partisan disappointment. The Democrats never explained how this section will provide immediate relief to those suffering from COVID-19's devastating impact on mental health or SUD. CBO indicated that only 16 states have programs that would immediately qualify for this provision, suggesting the limited impact this provision will have on addressing nationwide mental health and SUD impacts from COVID-19.<sup>18</sup> Republicans believe that tailoring a policy like the one in section 3108 for mental health and substance use providers would have been a better way to provide immediate relief for the next year.

**Section 3105. Temporary Increase in FMAP for Medical Assistance Under State Medicaid Plans which Begin to Expend Amounts for Certain Mandatory Individuals.**

Incentivizing states to expand Medicaid to address COVID-19 is a mistake. It is neither a targeted nor a timely approach to continue the fight against COVID. We understand the need to provide Americans access to affordable health insurance options, but, at a minimum, it takes

<sup>17</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

<sup>18</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

several months to expand Medicaid.<sup>19</sup> Republicans believe that any COVID-19 relief package should aim to end the pandemic in weeks now that a vaccine is available. The \$16 billion cost associated with this policy should be targeted to immediate COVID-19 relief for Medicaid providers who are working with the most at risk beneficiaries, including SUD, mental illness, hospitals in rural areas, and nursing homes.

**Section 3106. Extension of 100 Percent Federal Medical Assistance Percentage to Urban Indian Health Organizations and Native Hawaiian Health Care Systems.**

Republicans would have preferred to consider this section through regular order to ensure that there are proper reporting and data requirements on the impact of the policy given that it is only a two-year extension.

**Section 3107. Sunset of Limit on Maximum Rebate Amount for Single Source Drugs and Innovator Multiple Source Drugs.**

Including this provision in this partisan package is another disappointment. Republicans have supported this policy to pay for a permanent option for states to provide Medicaid coverage to women for 12 months after birth. That was the bipartisan approach taken in H.R. 4996, the Helping MOMS Act of 2020, which passed the House unanimously in the 116th Congress. But including this spending offset to fund unnecessary spending unrelated to the COVID-19 fight will only make it harder to enact permanent needed support for new mothers who rely on Medicaid.

**Section 3108. Additional Support for Medicaid Home and Community Based Services During the COVID-19 Emergency Period.**

This is another provision that could have been done through regular order, but instead, Democrats chose partisanship. Republicans support a temporary FMAP increase of 7.35 percentage points for states to make improvements to Medicaid home- and community-based services (HCBS) for one year. However, the Democrats would impose a litany of required uses of the funds, which are overly burdensome at a time when states Medicaid programs need flexibility to target efficiently their response to COVID-19. Republicans recommend providing states more flexibility on how to use those funds.

**Section 3109. Funding for State Strike Teams for Resident and Employee Safety in Nursing Facilities.**

Nursing homes have been devastated by COVID-19, and the pandemic has brought attention to the need for improved infectious disease control at nursing homes. The Trump Administration deployed “strike teams” to nursing homes starting in July, 2020,<sup>20</sup> and Republicans support providing funding to continue this important initiative. However, Republicans prefer that this funding be provided through emergency supplemental appropriations

<sup>19</sup> <https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/>.

<sup>20</sup> <https://www.cms.gov/newsroom/press-releases/trump-administration-announces-new-resources-protect-nursing-home-residents-against-covid-19>.

through regular order to ensure we have proper reporting and data on the impact of the policy and its effectiveness.

**Subtitle C: Budget Reconciliation Legislative Recommendations Relating to CHIP**

**Section 3201. Mandatory Coverage of COVID-19 Vaccines and Administration and Treatment Under CHIP.**

Republicans want every American to have access to the COVID-19 vaccine. We support fully covering the cost to vaccinate CHIP beneficiaries for the length of the public health emergency. However, the Democrats' partisan decision to extend that timeframe for a year is not based on any data or technical assistance. Since the public health emergency will continue through 2021, a better way would have been to see how the states are doing at the end of the year and adjust if needed.

**Section 3202. Modifications to Certain Coverage Under CHIP for Pregnant and Postpartum Women.**

It is disappointing the Democrats chose to include a bipartisan priority in the partisan package. As noted earlier, H.R. 4996, the Helping MOMS Act of 2020, passed the House unanimously last year and is the same policy as section 3102.

**Subtitle D: Budget Reconciliation Legislative Recommendations Relating to Other Provisions**

**Chapter 1**

Chapter 1 of Subtitle D is another disappointment and lost opportunity. Our concerns with this chapter can be divided into two distinct categories: big-picture concerns and specific policy choices reflected in the reported text, as well as those rejected by the votes of the Democrats

Generally, the three sections in this Chapter are not consistent with the Democrats' claims about what this bill does. Rather than providing the immediate aid the Democrats insisted was essential for all Americans struggling with or vulnerable to COVID-19, the provisions instead appear to craft long-term policies that deserved closer, deliberate attention.

To illustrate this overarching point, the authorized funding appropriated in sections 3301 and 3303 is not time limited – it is supposed to “remain available until expended” – and section 3302 makes its funding available until September 30, 2022 – a time frame exceeding current predictions on the length of the pandemic in the United States. Moreover, none of the sections reference the public health emergency related to COVID-19 that was issued by the Department of Health and Human Services (HHS) and only section 3301 attempts to create a COVID-19

nexus.

We believe the aid in this chapter would have been more efficiently and effectively provided had the explicit statutory focus only been on directing actions necessary for the nation's COVID-19 response. Frustratingly, the Democrats were not interested in a bipartisan response of targeted relief that was time-limited and tied directly to COVID-19.

Unfortunately, Chapter 1, particularly section 3301 and 3303, also was not considered through regular order in the Committee. Regular order would have allowed careful review of the scope and timing of these provisions. For example, it would have provided opportunity to adjust the focus of Section 3301 to include increasing employment and economic opportunity, in addition to technical assistance concerning air quality. Providing more scrutiny and opportunity for improvement of the legislative language would have ensured resources are directed to the most urgent economic impacts of the pandemic.

Beyond these overarching concerns, each of the three sections in this chapter contained specific provisions that gave us pause.

For section 3301, the lack of meaningful Congressional input is concerning – we should have had more of a process to obtain assurances as to what this language intends and, considering that these provisions could be in force for a few years, understand what this language might practically mean. These insights also are critical to conducting Congressional oversight on the provisions, should they become enacted.

Another area of concern for us in section 3301 is its omission of health disparities of certain workers related to COVID-19. Unemployment is well established as a risk factor for elevated illness and mortality rates in epidemiological studies performed since the early 1980s. In fact, the National Center for Health Statistics concluded that “children in poor families were four times as likely to be in fair or poor health as children in families that are not poor.” Most significantly, as it relates to COVID-19 and the emergence of new more contagious variants, Yale researcher Dr. William Gallo has stated in the past that late-career job loss results include “substantial health consequences” and are a “potential risk factor for adverse vascular health changes” -- the most troubling comorbidities threatening the survival of any person exposed to the coronavirus.

The people made jobless via the White House executive orders in the first month of the Biden Administration have been disregarded in these provisions. Our Democratic colleagues not only rejected efforts to help these economically disadvantaged people, but their views were punctuated by suggestions that welfare programs and green jobs for half the wages of their recent employment should be an adequate replacement for these people.<sup>21</sup>

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<sup>21</sup>“The average salary of oil and natural gas workers is approximately \$112,000, more than double the national private-sector average of \$51,000. But oil and gas workers don't just make double that of the national average. They make double that of wind and solar workers.

Moving to section 3302, it provides \$4.5 billion through the end of fiscal year 2022 for the Low-Income Home Energy Assistance Program (LIHEAP). This amount exceeds the entire amount enacted for LIHEAP in fiscal year 2021 just eight weeks ago (\$3.75 billion).<sup>22</sup> In addition, this funding is to be disbursed without regard to existing financial reasonableness requirements placed on states for how much LIHEAP funding can be allotted at any one time. As mentioned earlier, while we do not oppose addressing LIHEAP at this time, this scale of spending should have been directly connected to COVID-19, and adjusted to ensure it will do what it is supposed to do, minimizing waste and abuse.

Section 3303 provides \$500 million – for as long as it takes to spend it all – to a new program to pay the water and wastewater bills of low-income people. This \$500 million amount is in addition to the \$638 million provided for a nearly identical purpose in the Consolidated Appropriations Act, 2021.<sup>23</sup> Taken together, this eight-week total comes to \$1.138 billion for this new program – \$12 million more than the Federal government provided in capitalization grants in fiscal year 2021 for all public water system infrastructure under the Drinking Water State Revolving Loan Fund.

Of note, the biggest difference between the language in section 3303 and that from the Consolidated Appropriations Act, 2021 is that section 3303 omits provisions encouraging HHS to use its existing processes and procedures under LIHEAP to distribute this money to utilities efficiently. This is an important omission. There was no Committee of review whether this omission will create problems. For, example, because the language in the Consolidated Appropriations Act, 2021 is only valid for that fiscal year and section 3303 is drafted to outlast it, when section 3303 still has funding on October 1, 2021, HHS would be free to use whatever process it wants to distribute the money, even if it is untested or inefficient. This seems like a recipe for potential waste and abuse; and only further reinforces why a targeted and temporary program is the preferred way to handle this matter.

While President Biden and the Democrats should be focused on defeating COVID-19 and rebuilding our economy, they are waging a war on fossil energy jobs that is resulting in significant and negative disparate impacts in rural and low-income communities. Immediately upon taking office, President Biden revoked the permit for the Keystone XL pipeline and imposed a moratorium on oil and gas drilling on Federal lands and offshore waters. These

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According to data from the U.S. Department of Labor's Bureau of Labor Statistics, in 2019 a worker installing solar panels made an average of a little more than \$21 an hour. Workers in oil and gas extraction made more than twice as much, at an average of over \$42 an hour."

<https://thefederalist.com/2021/01/27/bidens-green-energy-jobs-really-mean-no-energy-jobs-and-low-paying-energy-jobs/>

<sup>22</sup> House Energy and Commerce Committee Republican Leader Cathy McMorris Rodgers sent a letter to the Office of Management and Budget on February 4, 2021, requesting an accounting of what funds have been expended already in connection with the \$3.75 billion in LIHEAP funding from the Consolidated Appropriations Act, 2021. OMB has provided no response to that letter to date.

<sup>23</sup> House Energy and Commerce Committee Republican Leader Cathy McMorris Rodgers sent a letter to the Office of Management and Budget on February 4, 2021, requesting an accounting of what funds have been expended already in connection with the \$638 million from the Consolidated Appropriations Act, 2021. OMB has provided no response to that letter to date.

decisions will eliminate tens of thousands of jobs and deprive states of billions of dollars of tax revenue to help pay for schools, hospitals, and government services.

Republicans offered several amendments to protect jobs, stimulate economic growth, and provide mental health services for unemployed energy workers – particularly critical during the global pandemic and economic downturn -- Democrats rejected them all.

In connection with Subtitle A, Rep. Mullin offered an amendment to increase funds for community mental health block grants to strengthen mental health services in states that have had unexpected jobs losses due to President Biden’s Executive Orders. This Administration’s policies, such as implementing moratoria on oil and gas development and production, will put tens of thousands of people in the energy sector out of work and deprive states of billions of dollars in tax revenues. This amendment would have required the HHS Secretary to obligate 5 percent of the amounts under the mental health block grants to states suffering unemployment from the Biden Administration’s recent energy and climate executive orders. Every Democrat rejected the Mullin amendment.

Rep. Armstrong offered an amendment to resume construction of the Keystone XL pipeline and immediately put thousands of people back to work. This \$1.7 billion investment would have created over 10,000 American union jobs and contributed billions to U.S. workers through direct jobs in construction and indirect jobs in hotels, restaurants, and thousands of businesses across the country that were lined up to provide their services to help build the project. This construction program was already underway when the Biden Administration revoked their permit and eliminated thousands of jobs and over \$3 billion in contracts that would have gone to U.S. contractors and suppliers. Again, every Democrat rejected the Armstrong amendment to authorize construction of the Keystone XL pipeline.

Rep. Duncan offered an amendment to prevent President Biden from following through on his campaign promise to ban hydraulic fracturing — perhaps the most direct threat to our economic security and national security. If the Biden Administration were to ban hydraulic fracturing, this would eliminate millions of jobs across our American energy industry and our economy. States and local governments, schools, hospitals, and community centers would be cut off from billions of dollars in funding that currently comes from the oil and gas industry. According to a recent study,<sup>24</sup> placing a moratorium on hydraulic fracturing would mean a \$900 billion increase in U.S. household energy costs, \$7.1 trillion in potential losses to the U.S. economy through 2030, and over 7 million fewer U.S. jobs by 2022. Additionally, such a moratorium would force the U.S. to import 40 percent of our oil and petroleum products and 29 percent of our natural gas by 2030. Again, every Democrat rejected the Duncan amendment.

We understand the importance of this package and wanted to support it, but defects such as those outlined above and the unwillingness of the Democrats to accept any of our ideas to

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<sup>24</sup> *America’s Progress at Risk: An Economic Analysis of a Ban on Fracking and Federal Leasing for Natural Gas and Oil Development*, American Petroleum Institute, <https://www.api.org/-/media/Files/Oil-and-Natural-Gas/Hydraulic-Fracturing/2020/fracking-ban-study-americas-progress-at-risk.pdf?la=en&hash=13423D13150A5594442D84D507F6EAB04A231246>.

protect workers and focus the delivery of funding on those most in need leaves us no choice but to oppose it.

## **Chapter 2**

### **Section 3311. Funding for Consumer Protection Safety Fund to protect consumers from potentially dangerous products related to COVID-19.**

We are disappointed that the Democrats continued its partisan approach in drafting section 3311, which is similar to the provisions of H.R. 8134, the Consumer Product Safety Inspection Enhancement Act, a bill to authorize additional resources for the Consumer Product Safety Commission (CPSC). During the 116th Congress, the Committee on Energy and Commerce passed H.R. 8134 by a voice vote on September 24, 2020, and the bill passed the full House of Representatives by a voice vote on September 29, 2020. Because of the Committee's bipartisan efforts, an authorization for additional port inspection personnel for the CPSC was included in division F, title XX, of H.R. 133, the Consolidated Appropriations Act of 2021, enacted on December 27, 2020.

The Democrats ignored the bipartisan consensus recognizing the threat posed by the People's Republic of China (PRC) and instead, allocated \$50 million that are desperately needed for the CPSC's port inspection responsibilities to a Commission slush fund to be used however the CPSC chooses and without regard for our bipartisan agreement.

We support enhancing our ports security and providing the necessary resources to do so. In 2020, the House Republican China Task Force issued a report outlining many of the Chinese Communist Party's (CCP) subversive acts against our country. The PRC is a threat to our way of life. Resources are needed to enhance targeting, surveillance, and screening of consumer products originating from China. But section 3311 includes new definitions like "COVID-19 products," which have not been vetted and may reach beyond the CPSC's authority.

Section 3311 also includes new provisions that were not included in the 2020 bipartisan agreement and that the Democrats never discussed with us. In particular, we are concerned that authorizing the CPSC to undertake "enhanced monitoring of Internet websites" will distract the Commission from its port inspection duties.

The CPSC does not need more full-time personnel surfing the Internet. The Commission needs more personnel on the ground at ports, protecting us from dangerous products from the CCP. These resources should be targeted on counterfeit and illicit products originating in the PRC. In a January 24, 2020, report entitled "Combating Trafficking in Counterfeit and Pirated Goods," the Department of Homeland Security (DHS) estimated that 100,000 packages that

could harm or defraud our constituents arrive in America every day from China and more than 85 percent of all contraband seized at our borders comes from China and Hong Kong.

There is another DHS report, "Operation Stolen Promise," which found that more than 50 percent of the nations' counterfeit COVID-19 products originate from China and Hong Kong. And a recent article from Reuters found that Chinese internment camps in the Xinjiang region force Uighur Muslims into labor camps and often shave the heads of women to use their hair in products shipped to the U.S. We wrote to the CPSC about these Uighur women recently, and the CPSC has acknowledged that it has not tracked this matter.

This section is a disappointment and a missed opportunity to continue our bipartisan work to keep Americans safe from dangerous products from China.

**Section 3312. Funding for E-Rate Support for Emergency Educational Connections and Devices.**

This section wastes \$7.6 billion dollars in taxpayer funding for purposes that Congress has already funded. It provides funding for schools and libraries to buy and distribute Wi-Fi hotspots, modems, routers, and other devices for students to use for off-premise schoolwork. This funding is duplicative of a cumulative \$110 billion that Congress appropriated in 2020 to the Department of Education to respond to the coronavirus pandemic, and much of that money remains unspent. It is irresponsible for Congress to appropriate more money for this purpose before the existing money is spent and Congress can determine where, if any, there are remaining gaps.

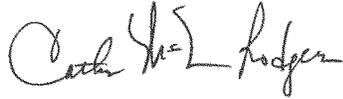
Besides the fact that Congress already appropriated money in the early days of the pandemic for remote learning purposes, this program is also inconsistent with the President's goal to reopen schools because it encourages the continuation of remote learning. Similarly, it conflicts with the Administration's Centers for Disease Control and Prevention guidance, which states that it is safe for schools to reopen and that they should do so as quickly as possible.

In addition, and contrary to claims from the Democrats, section 3312 does nothing to support the Federal Communications Commission's (FCC) E-Rate program. Rather, it creates a new program with no rules, no requirements, and no oversight to track the devices once they are given to students, or to verify eligibility and ensure that there is no double dipping at schools and libraries. The statute also does not clearly state whether or not this funding is available only for the duration of the COVID-19 pandemic, or until 2030, which is well beyond the scope of the pandemic. This program is simply a vehicle for the Democrats to implement its longstanding partisan policies endorsed by the teachers' unions rather than helping Americans.

During the Committee markup of this provision, Rep. Latta and Rep. Walberg offered amendments that would provide long-term solutions to close the digital divide and incentivize schools to re-open for in-person learning. To provide a permanent solution to close the digital divide, Rep. Latta offered an amendment to redirect this funding to rural broadband deployment in unserved areas. Rep. Walberg offered an amendment to put this money directly into the existing E-Rate program at the FCC, which funds connections and certain technologies in

schools and libraries where it is not economically feasible for carriers to otherwise serve. Eligibility would have been contingent on schools and libraries being open 5 days per week. The word “open” was not defined, which would ensure that schools and libraries had the flexibility to follow appropriate CDC guidance to reopen safely. Both proposals were unanimously opposed by the Democrats.

Section 3312 is another bad public policy and missed opportunity. The only way to close the so-called “homework gap” is to invest in permanent broadband infrastructure that closes the digital divide between urban and rural America once and for all. In order to recover from this pandemic and ensure our students are not left behind, we need to focus on policies that reopen schools and the economy as quickly as possible. We are disappointed the Democrats rejected bipartisanship and again embraced a partisan process that will waste billions of dollars on temporary, unreliable options such as hotspots, with no oversight and no accountability.



Cathy McMorris Rodgers  
Ranking Member



Fred Upton  
Ranking Member  
Subcommittee on Energy



Robert E. Latta  
Ranking Member  
Subcommittee on Communications  
and Technology



Brett Guthrie  
Ranking Member  
Subcommittee on Health



David B. McKinley  
Ranking Member  
Subcommittee on Environment  
and Climate Change



Gus M. Bilirakis  
Ranking Member  
Subcommittee on Consumer Protection  
and Commerce

## CONTENTS

Page

<b>I.</b>	Purpose and Summary
<b>II.</b>	Background and Need for the Legislation
<b>III.</b>	Committee Consideration
<b>IV.</b>	Committee Votes
<b>V.</b>	Oversight Findings
<b>VI.</b>	New Budget Authority, Entitlement Authority, and Tax Expenditures
<b>VII.</b>	Congressional Budget Office Estimate
<b>VIII.</b>	Federal Mandates Statement
<b>IX.</b>	Statement of General Performance Goals and Objectives
<b>X.</b>	Duplication of Federal Programs
<b>XI.</b>	Committee Cost Estimate
<b>XII.</b>	Earmarks, Limited Tax Benefits, and Limited Tariff Benefits
<b>XIII.</b>	Advisory Committee Statement
<b>XIV.</b>	Applicability to Legislative Branch
<b>XV.</b>	Section-by-Section Analysis of the Legislation
<b>XVI.</b>	Changes in Existing Law Made by the Bill, as Reported
<b>XVII.</b>	Additional Views

**I. PURPOSE AND SUMMARY**

Subtitle B: Budget Reconciliation Legislative Recommendations Relating to Medicaid provides budget reconciliation recommendations related to the Medicaid program to the House Committee on Budget pursuant to S. Con. Res. 5 to provide comprehensive relief to the American people in response to the coronavirus disease of 2019 (COVID-19) pandemic and the resulting public health emergency (PHE).

Subtitle B requires Medicaid coverage of COVID-19 vaccines without beneficiary cost sharing with a 100 percent federal medical assistance percentage (FMAP) through one-year after the end of the PHE, as well as a 100 percent FMAP for vaccine administration. It requires states to cover treatment for COVID-19 without cost sharing through one-year after the end of the PHE. It also gives states the option to provide coverage to the uninsured for COVID-19 vaccines and treatment without cost sharing at 100 percent FMAP through the PHE.

The legislation provides Medicaid eligibility, for five years, to incarcerated individuals 30 days prior to their release; allows states the option to expand Medicaid coverage to women for 12 months postpartum; provides an enhanced FMAP for state Medicaid programs to cover mobile crisis intervention services for individuals experiencing a mental health or substance use disorder crisis; provides a temporary five percentage point increase to a state's base FMAP for two years for a state that newly expands Medicaid; provides a two-year 100 percent FMAP for services provided to Medicaid beneficiaries receiving care through Urban Indian Organizations and Native Hawaiian Centers; eliminates the cap on Medicaid drug rebates, starting in calendar year 2023; provides a one-year temporary FMAP increase of 7.35 percentage points for states to

spend on Medicaid home- and community-based services (HCBS). Finally, Subtitle D provides funding to states to create nursing home strike teams to help facilities manage COVID-19 outbreaks.

## II. BACKGROUND AND NEED FOR LEGISLATION

Since the first case of COVID-19 in the United States was discovered on January 21, 2020,<sup>1</sup> the United States response efforts have failed to mitigate or reduce COVID-19 transmission in the country. As of February 8, 2021, more than 26 million Americans have been infected with COVID-19, and more than 462,000 people have died from the disease.<sup>2</sup>

The most recent data shows that 10 million Americans are still unemployed,<sup>3</sup> and there are still 9.8 million fewer jobs in the U.S. economy than there were in February 2020, right before the pandemic began.<sup>4</sup> In addition, non-universal take up of Medicaid expansion has left millions of working-age adults uninsured. Nationally, there are an estimated 2 million uninsured individuals who would gain coverage if their state expanded Medicaid.<sup>5</sup> The uninsured rate in non-expansion states was 42.5 percent for unemployed adults, nearly double that in expansion states, which stands at 22.6 percent.<sup>6</sup> Medicaid has been a critical safety net program helping states respond to and mitigate the effects of COVID-19 and the economic downturn. Medicaid enrollment grew by an estimated 7 million people as it helped to provide health insurance to the millions of Americans who lost their jobs and employer-based health insurance.<sup>7</sup> States expect these trends to continue into 2021, with many predicting enrollment growths of more than 8 percent this year.<sup>8</sup>

The legislation would strengthen the ability for Medicaid to help millions of Americans through numerous health coverage provisions intended to ensure that Americans get the health care needed as a result of COVID-19 and the resulting economic downturn from the COVID-19 pandemic.

<sup>1</sup> Centers for Disease Control and Prevention, *First Travel-related Case of 2019 novel Coronavirus Detected in United States* (Jan. 21, 2020) ([www.cdc.gov/media/releases/2020/p0121-novel-coronavirus-travel-case.html](http://www.cdc.gov/media/releases/2020/p0121-novel-coronavirus-travel-case.html)) (press release).

<sup>2</sup> Centers for Disease Control and Prevention, *United States COVID-19 Cases and Deaths by State* ([covid.cdc.gov/covid-data-tracker/#cases\\_casesper100klast7days](https://covid.cdc.gov/covid-data-tracker/#cases_casesper100klast7days)) (accessed Feb. 9, 2021).

<sup>3</sup> Bureau of Labor Statistics, *THE EMPLOYMENT SITUATION — JANUARY 2021* (Feb. 5, 2021) ([www.bls.gov/news.release/pdf/empst.pdf](http://www.bls.gov/news.release/pdf/empst.pdf)) (press release).

<sup>4</sup> *The economy gained just 49,000 jobs in January as recovery sputters amid pressure from virus*, Washington Post (Feb. 6, 2021) ([www.washingtonpost.com/business/2021/02/05/january-jobs-report-2021-unemployment/](https://www.washingtonpost.com/business/2021/02/05/january-jobs-report-2021-unemployment/)).

<sup>5</sup> Kaiser Family Foundation, *The Coverage Gap: Uninsured Poor Adults in States that Do Not Expand Medicaid* (Jan. 21, 2021) ([www.kff.org/medicaid/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid/](http://www.kff.org/medicaid/issue-brief/the-coverage-gap-uninsured-poor-adults-in-states-that-do-not-expand-medicaid/)).

<sup>6</sup> *Id.*

<sup>7</sup> Center on Budget and Policy Priorities, *Medicaid Enrollment Still Rising* (Nov. 10, 2020) ([www.cbpp.org/blog/medicaid-enrollment-still-rising](http://www.cbpp.org/blog/medicaid-enrollment-still-rising)).

<sup>8</sup> Kaiser Family Foundation, *Medicaid Enrollment & Spending Growth: FY 2020 & 2021* (Oct. 14, 2020) ([www.kff.org/medicaid/issue-brief/medicaid-enrollment-spending-growth-fy-2020-2021/](http://www.kff.org/medicaid/issue-brief/medicaid-enrollment-spending-growth-fy-2020-2021/)).

In addition, although federal legislation in previous COVID relief packages expanded access to vaccines and treatment for COVID-19 free of cost-sharing, gaps in coverage remain both for Medicaid beneficiaries and the uninsured.<sup>9</sup> The legislation takes concrete steps to address these gaps and expand access to vaccination and treatment for COVID-19.

The legislation also includes measures to address the issue of COVID-19 in congregate settings. COVID-19 has had a disproportionate impact on nursing home and other long-term care facility residents and staff.<sup>10</sup> Six percent of all COVID-19 cases nationally and 38 percent of deaths from the virus have been associated with long-term care settings.<sup>11</sup> The legislation strengthens Medicaid home and community-based services (HCBS) and helps keep vulnerable populations out of congregate settings and helps states establish strike teams to be deployed to nursing facilities with diagnosed or suspected cases of COVID-19 among residents.

Finally, the legislation includes measures to address the ongoing issue of affordability in prescription drug prices, as drug manufacturers continue to raise prices throughout the pandemic.<sup>12</sup>

### III. COMMITTEE CONSIDERATION

The Committee on Energy and Commerce met in virtual open markup session, pursuant to notice, on February 11 and 12, 2021. During consideration of Subtitle B on February 12, an amendment in the nature of a substitute (AINS) offered by Ms. Eshoo was agreed to by a voice vote, without amendment. During consideration of the AINS, three amendments were offered to the Eshoo AINS, but were not agreed to. Mr. Pallone, Chairman of the Committee, subsequently moved that Subtitle B be ordered transmitted favorably to the House Committee on Budget, amended, and the Committee on Energy and Commerce agreed to the motion by a record vote of 30 yeas to 25 nays, a quorum being present.

### IV. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list each record vote on the motion to report legislation and amendments thereto.

<sup>9</sup> Kaiser Family Foundation, *Gaps in Cost Sharing Protections for COVID-19 Testing and Treatment Could Spark Public Concerns About COVID-19 Vaccine Costs* (Dec. 18, 2020) ([www.kff.org/health-costs/issue-brief/gaps-in-cost-sharing-protections-for-covid-19-testing-and-treatment-could-spark-public-concerns-about-covid-19-vaccine-costs/](http://www.kff.org/health-costs/issue-brief/gaps-in-cost-sharing-protections-for-covid-19-testing-and-treatment-could-spark-public-concerns-about-covid-19-vaccine-costs/)).

<sup>10</sup> Kaiser Family Foundation, *Despite Efforts to Slow the Spread of the Virus in Long-Term Care Facilities, KFF Analysis Finds Many States Experienced the Worst COVID-19 Outbreaks and Highest Number of Deaths in December* (Jan. 14, 2021) ([www.kff.org/coronavirus-covid-19/press-release/despite-efforts-to-slow-the-spread-of-the-virus-in-long-term-care-facilities-kff-analysis-finds-many-states-experienced-the-worst-covid-19-outbreaks-and-highest-number-of-deaths-in-december/](http://www.kff.org/coronavirus-covid-19/press-release/despite-efforts-to-slow-the-spread-of-the-virus-in-long-term-care-facilities-kff-analysis-finds-many-states-experienced-the-worst-covid-19-outbreaks-and-highest-number-of-deaths-in-december/)).

<sup>11</sup> *Id.*

<sup>12</sup> 46Brooklyn, *Drugmakers break record for most January list price increases in a decade* (Jan. 29, 2021) ([www.46brooklyn.com/news/1/29/2020/whats-happening-to-generic-drug-prices-jan-2021-nadac-survey-update-hmthw-yzgb-db9lb-pkwcs-tw4ya-ashfh-rlgc](http://www.46brooklyn.com/news/1/29/2020/whats-happening-to-generic-drug-prices-jan-2021-nadac-survey-update-hmthw-yzgb-db9lb-pkwcs-tw4ya-ashfh-rlgc)).

The Committee advises that there were four record votes taken on Subtitle B, including a motion by Mr. Pallone ordering Subtitle B favorably transmitted to the House Committee on Budget, amended. The motion on final passage of the bill was approved by a record vote of 30 yeas to 25 nays. The following are the record votes taken during Committee consideration, including the names of those members voting for and against:

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #14

Bill: **Subtitle B**, "Budget Reconciliation Legislative Recommendations Relating to Medicaid"

Motion: An amendment to Subtitle B by Mr. Scalise of Louisiana, No. 2, to decrease the Federal medical assistance percentage by one percentage point for a state Medicaid program during the period which the State Attorney General of such State finds the State department of health undercounted the number of deaths of residents of nursing facilities.

Disposition: **NOT AGREED TO** by a roll call vote of 26 yeas to 30 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin				Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

02/12/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

**Full Committee**  
(ratio: 32-26)

ROLL CALL VOTE #15

Bill: **Subtitle B**, "Budget Reconciliation Legislative Recommendations  
Relating to Medicaid"

Motion: An amendment to the amendment in the nature of a substitute, offered by  
Mr. Burgess of Texas, No. 1a, to permanently authorize a state plan option  
to extend Medicaid eligibility for 12 months postpartum.

Disposition: **NOT AGREED TO** by a roll call vote of 26 yeas to 30 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin				Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

02/12/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

**Full Committee**  
(ratio: 32-26)

ROLL CALL VOTE #16

Bill: **Subtitle B, "Budget Reconciliation Legislative Recommendations Relating to Medicaid"**

Motion: An amendment to the amendment in the nature of a substitute, offered by Mr. Burgess of Texas, No. 1b, to direct the Secretary of Health and Human Services to issue and disseminate guidance to states to increase access to telehealth in Medicaid. It requires the Medicaid and CHIP Payment and Access Commission to issue a report to Congress to health care access, utilization, cost, and outcomes. It requires a report by the Comptroller General with recommendations on expanding access to telehealth in Medicaid.

Disposition: **NOT AGREED TO** by a roll call vote of 25 yeas to 30 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter			
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin				Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #17

Bill: **Subtitle B**, "Budget Reconciliation Legislative Recommendations Relating to Medicaid"

Motion: A motion by Mr. Pallone of New Jersey to order **Subtitle B**, "Budget Reconciliation Legislative Recommendations Relating to Medicaid" reported favorably to the House Committee on Budget, amended (Final Passage).

Disposition: **AGREED TO** by a roll call vote of 30 yeas to 25 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone	x			Rep. Rodgers		x	
Rep. Rush	x			Rep. Upton		x	
Rep. Eshoo	x			Rep. Burgess		x	
Rep. DeGette				Rep. Scalise		x	
Rep. Doyle	x			Rep. Latta		x	
Rep. Schakowsky	x			Rep. Guthrie		x	
Rep. Butterfield	x			Rep. McKinley		x	
Rep. Matsui	x			Rep. Kinzinger		x	
Rep. Castor	x			Rep. Griffith		x	
Rep. Sarbanes	x			Rep. Bilirakis		x	
Rep. McNerney	x			Rep. Johnson		x	
Rep. Welch	x			Rep. Long		x	
Rep. Tonko	x			Rep. Bucshon		x	
Rep. Clarke	x			Rep. Mullin		x	
Rep. Schrader	x			Rep. Hudson		x	
Rep. Cárdenas	x			Rep. Walberg		x	
Rep. Ruiz	x			Rep. Carter			
Rep. Peters	x			Rep. Duncan		x	
Rep. Dingell	x			Rep. Palmer		x	
Rep. Veasey	x			Rep. Dunn		x	
Rep. Kuster	x			Rep. Curtis		x	
Rep. Kelly	x			Rep. Lesko		x	
Rep. Barragán	x			Rep. Pence		x	
Rep. McEachin				Rep. Crenshaw		x	
Rep. Blunt Rochester	x			Rep. Joyce		x	
Rep. Soto	x			Rep. Armstrong		x	
Rep. O'Halleran	x						
Rep. Rice	x						
Rep. Craig	x						
Rep. Schrier	x						
Rep. Trahan	x						
Rep. Fletcher	x						

02/12/2021



February 2021

**Fact Sheet on House's Reconciliation Package & the  
Biden Administration's COVID-19 American Rescue Plan  
COMMITTEE ON ENERGY & COMMERCE**

The Fiscal Year 2021 Reconciliation Act puts into action the policies and budgetary requests outlined by the Biden Administration's American Rescue Plan.

**VACCINES:**

The American Rescue Plan calls for the establishment of a national vaccination program, and this legislation provides critical funding and resources to increase COVID-19 vaccinations across the country.

- Many states have struggled to distribute vaccines after the Trump Administration chose to defer almost entirely to the states to distribute and administer all vaccines.
- The American Rescue Plan requests **\$20 billion** for improving COVID-19 vaccine administration and distribution, including vaccination clinics and mobile vaccination units, a vaccine awareness campaign, and increasing the Federal Medical Assistance Percentage (FMAP) to Medicaid-covered recipients of a vaccine. It also requests over **\$5 billion** for research, development, and manufacturing of vaccines, therapeutics, and ancillary supplies.
- **Specifically, the Fiscal Year 2021 Reconciliation Act provides:**
  - **\$7.5 billion** for Centers for Disease Control and Prevention (CDC) to prepare, promote, distribute, administer, monitor, and track COVID-19 vaccines. This includes distribution and administration, support for state, local, tribal, and territorial public health departments, community vaccination centers, IT enhancements, facility enhancements, and public communication;
  - **\$600 million** to be directed to the Indian Health Service (IHS) for vaccine-related activities;
  - **\$5.2 billion** to the Biomedical Advanced Research and Development Authority (BARDA) to support advanced research, development, manufacturing, production, and purchase of vaccines, therapeutics, and ancillary medical products for COVID-19;
  - **\$1 billion** for the CDC to undertake a vaccine awareness and engagement campaign;
  - **\$500 million** for the Food and Drug Administration (FDA) to support the review, facilitate the development of, and post-marketing surveillance of COVID-19 vaccines and therapeutics and address drug shortages, among other activities; and
  - Medicaid coverage of COVID-19 vaccines, including the option for states to provide coverage to the uninsured, without cost sharing at 100 percent FMAP for the duration of the public health emergency.

**TESTING:**

The American Rescue Plan proposes scaling up testing in order to stop the spread of COVID-19, safely reopen schools, and protect at-risk populations. A robust testing program remains a critical tool in the

**fight against this virus in conjunction with vaccinations. This legislation provides the funding and resources to do just that.**

- Despite innovations and adaptations in the testing space, COVID-19 tests are still not widely accessible, and supplies continue to be in shortage.
- According to a Government Accountability Office (GAO) [report from November 2020](#), a national survey to states and territories found that 21 states reported shortages of testing reagents, 16 states reported shortages of testing instruments, and 24 states reported shortages of rapid point-of-care tests in the 30 days prior to the report's release, and those same states predicted shortages would continue through the winter months.
- The American Rescue Plan requests **\$50 billion** for testing related resources and activities, including procurement and administration of regular screening tests, and investments in United States laboratory capacity for diagnostic and screening tests.
- **The Fiscal Year 2021 Reconciliation Act provides:**
  - **\$46 billion** for testing, contact tracing, and mitigation. These activities include: implementing a national strategy for testing, contact tracing, surveillance, and mitigation; providing technical assistance, guidance, support, and grants or contracts to States; manufacturing, procurement, distribution, administration of tests, including personal protective equipment (PPE) and supplies necessary for administration; and establishing and expanding federal, State, or local testing and contact tracing capabilities, including investments in laboratory capacity, community-based testing sites, and mobile testing units;
  - **\$1.5 billion** for IHS testing, tracing, and mitigation needs;
  - **\$1.75 billion** for genomic sequencing and surveillance of the circulating strains of COVID-19. There are currently [multiple strains of COVID-19 circling the globe](#), some of which have recently emerged in the United States; and
  - **\$500 million** to allow CDC to establish, expand, and maintain data surveillance and analytics, including to modernize the United States' disease warning system to forecast and track hotspots for COVID-19.

**PUBLIC HEALTH WORKFORCE:**

**The American Rescue Plan calls for the mobilization of a public health jobs program to support the COVID-19 response.**

- **The Fiscal Year 2021 Reconciliation Act provides:**
  - **\$7.6 billion** in funding to public health departments to hire 100,000 full time employees into the public health workforce. These positions would include contact tracers, social support specialists, community health workers, public health nurses, epidemiologists, lab personnel, and communications. Funds would also support PPE, technology, data management, supplies, and reporting;
  - **\$240 million** for IHS public health workforce needs; and

- **\$100 million** to support the Medical Reserve Corps, which consists of a network of volunteer medical and public health professionals that support emergency response efforts and community health activities.

**HEALTH DISPARITIES:**

**The American Rescue Plan includes funding to provide health services to the underserved and addressing ongoing health disparities.**

- COVID-19 has laid bare the harsh realities of health disparities in the United States. For instance, Black and Hispanic Americans are getting vaccinated at significantly lower rates than White Americans, a trend that advocates blame on the federal government's failure to prioritize equitable distribution. Communities of color are also experiencing higher rates of COVID-19 cases, and higher hospitalization and death rates as a result.
- **The Fiscal Year 2021 Reconciliation Act provides a total of \$25.2 billion** for addressing health disparities and protecting vulnerable populations, including:
  - **\$250 million** for nursing home strike teams to help facilities manage COVID-19 outbreaks when they occur;
  - **\$7.6 billion** in funding to support COVID-19 response at Community Health Centers;
  - **\$1.8 billion** to support the purchase, procurement, or distribution of COVID-19 test and testing supplies, PPE, and vaccines for staff and individuals in congregate settings. This would include support to states, localities, territories, and tribes for strategies and activities to detect, diagnose, trace or monitor COVID-19 in congregate settings, including prisons, jails, detention centers, long-term care facilities, psychiatric hospitals and residential treatment facilities, intermediate care facilities, and other settings providing care for individuals with disabilities;
  - **\$3.3 billion** to IHS in flexible funding to support lost third-party revenue, information technology infrastructure for telehealth and electronic health records, urban Indian organizations, and other health services and costs;
  - **\$800 million** to the National Health Service Corps to support primary health care clinicians in high-need areas;
  - **\$331 million** for Teaching Health Centers to expand the number of sites nationwide, increase resident allocations, and provide administrative support for expanding the program;
  - **\$240 million** to support the Nurse Corps Loan Repayment program, which helps support nurses working in critical shortage and underserved areas;
  - A Medicaid state option to allow states to cover postpartum women for 12 months after birth, to help address the maternal mortality crisis disproportionately affecting women of color; and
  - Medicaid coverage for incarcerated individuals 30 days prior to their release, to ensure continuity of care for justice-connected individuals.

**MENTAL HEALTH:**

**The American Rescue Plan proposes scaling up mental health services, including to expand access to behavioral and mental health prevention and treatment.**

- **The Fiscal Year 2021 Reconciliation Act provides a total of \$4 billion** for behavioral and mental health services, including:
  - **\$3.5 billion** for the Substance Abuse and Mental Health Services Agency (SAMHSA) to be split between the Substance Abuse Prevention and Treatment and Community Mental Health block grant programs. Both programs provide funding to all 50 States, the District of Columbia, Puerto Rico, the United States Virgin Islands, and six Pacific jurisdictions. The Substance Abuse block grant program also supports one tribal entity, the Chippewa Tribe;
  - **\$420 million** will be made available to IHS for mental and behavioral health prevention and treatment services;
  - **\$100 million** to the Behavioral Health Workforce Education and Training Program within the Health Resources and Services Administration (HRSA) to expand access to behavioral health services by focusing on training behavioral health paraprofessionals, such as peer support specialists;
  - **\$140 million** to develop a program for mental and behavioral health and to prevent burnout among health care providers and public safety officers, including training and outreach;
  - **\$80 million** to provide support for mental health and substance use disorder services at community-based entities and behavioral health organizations;
  - **\$10 million** to support the National Childhood Traumatic Stress Network, which works to develop and promote effective community practices for children and adolescents exposed to a wide array of traumatic events; and
  - **\$50 million** to Suicide Prevention and Project Aware programs at SAMHSA, which support youth mental health services and suicide prevention efforts.

**HEALTH COVERAGE:**

**The American Rescue Plan commits to preserving and expanding access to health care coverage during the pandemic.**

- Between March and September of 2020, roughly 2 to 3 million people lost employer sponsored health insurance.
- Prior to that, 30 million people already lacked coverage, barring them from accessing the health care system from the outset of the pandemic.
- **The Fiscal Year 2021 Reconciliation Act provides a number of complementary provisions to make coverage more affordable and accessible to millions of Americans by:**
  - Expanding Affordable Care Act (ACA) Marketplace premium tax credits to more middle-class Americans for 2021 and 2022, including those with incomes above 400 percent of the federal poverty line (FPL).
  - Allowing individuals receiving unemployment compensation during the public health emergency to access ACA premium tax credits regardless of income.

- Providing a new incentive for states to expand Medicaid by temporarily increasing the federal medical assistance percentage by five percentage points. If all 12 remaining states expanded Medicaid, more than two million people currently in the coverage gap would gain access to Medicaid.
- Ensuring that workers can continue to afford their employer health care by providing partial COBRA subsidies. COBRA allows workers who experience layoffs or reduction in hours to continue with their job-based health coverage for a limited period of time to avoid a disruption in care.

**CONSUMER ENERGY AND WATER ASSISTANCE:**

**The American Rescue Plan helps Americans who are struggling to make ends meet keep the lights on, the heat working and the water running by proposing \$5 billion in assistance.**

- Energy access is crucial to residential health and to sustaining socially-distanced and remote work lifestyles.
- Unpaid electric and natural gas bills were expected to reach \$32 billion by the end of 2020, with an estimated 20 percent of residential customers at least 60 days behind on their bills. A projected five million additional households are eligible for energy assistance due to pandemic-related job losses.
- Households in California and Virginia, two states that are tracking water debt, are facing more than \$1 billion and more than \$88 million, respectively, in unpaid water bills. These debts threaten the long-term viability of municipal water utilities and raise the risk of interruptions in water service, which is essential to maintain hygiene during the Covid-19 pandemic.
- **The Fiscal Year 2021 Reconciliation Act provides \$5 billion to those most in need to pay their utility bills at a time when so many Americans are spending unprecedented amounts of time at home, including:**
  - **\$4.5 billion** to the Department of Health and Human Services (HHS) for home energy assistance through the Low-Income Home Energy Assistance Program (LIHEAP); and
  - **\$500 million** in additional funds for HHS for the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program established by Congress at the end of 2020. This brings the total amount of money available to assist families with their water and sewer bills to over \$1.1 billion.

**POLLUTION AND THE PANDEMIC:**

**The Fiscal Year 2021 Reconciliation Act helps address health outcome disparities from pollution and the COVID-19 Pandemic.**

- Recent work by GAO found that our national air monitoring network infrastructure is aging and needs to be modernized to identify localized pollution that threatens environmental justice communities.
- **The Fiscal Year 2021 Reconciliation Act provides the Environmental Protection Agency (EPA) with \$100 million to address health outcome disparities from pollution and the COVID-19 pandemic:**
  - **\$50 million** to EPA for environmental justice grants and activities to help communities facing a disproportionate burden of pollution and disease; and

- \$50 million to EPA for air quality monitoring grants and other purposes.

**REMOTE LEARNING:**

**The American Rescue Plan will help bridge the digital divide for students and teachers without home internet access.**

- To keep communities safe and prevent further spread of COVID-19, schools need the flexibility to engage in remote learning when necessary for public health and safety.
- Studies estimate that as many as 12 million students still lack internet service at their homes, with minorities and those in rural areas most often among the unconnected. Without a reliable internet connection to log into classes, submit work, and engage with teachers and other students, these students have fallen even further behind in school.
- **The Fiscal Year 2021 Reconciliation Act provides \$7.6 billion to expand internet connectivity to students and communities by:**
  - Reimbursing schools and libraries—central points for connectivity in many communities—to purchase equipment such as hotspots, internet service, and computers on behalf of students and patrons; and
  - Ensuring schools and libraries can quickly access this critical funding by relying upon the Federal Communications Commission and its E-rate program to administer the funds.

**CONSUMER PROTECTION:**

**The Fiscal Year 2021 Reconciliation Act will make Americans safer in their homes by reducing the number of unsafe imported consumer products.**

- More than \$174 billion spent by consumers online can be attributed to COVID-19-related boosts in online shopping with online spending jumping 44 percent in 2020 compared with 2019.
- The Consumer Product Safety Commission (CPSC) has not been able to keep pace with changing consumer trends brought on by the pandemic, including the substantial shift to online shopping and the influx of e-commerce shipments from foreign countries. The CPSC does not have enough funding to adequately staff United States ports of entry, leaving already struggling families vulnerable to risk of injury or death from uninspected consumer products, especially in-demand COVID-19 products.
- **The Fiscal Year 2021 Reconciliation Act provides \$50 million for the CPSC to ensure the safety of consumer products entering our country and into people's homes — an essential priority during the COVID-19 pandemic.**

**V. OVERSIGHT FINDINGS**

Pursuant to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee are reflected in the descriptive portion of the report.

**VI. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES**

Pursuant to 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

**VII. CONGRESSIONAL BUDGET OFFICE ESTIMATE**

<b>At a Glance</b>			
<b>Reconciliation Recommendations of the House Committee on Energy and Commerce</b>			
<b>As ordered reported on February 12, 2021</b>			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>27,498</b>	<b>126,130</b>	<b>123,827</b>
Revenues	<b>0</b>	<b>1,474</b>	<b>1,488</b>
Increase or Decrease (-) in the Deficit	<b>27,498</b>	<b>124,656</b>	<b>122,339</b>
Statutory pay-as-you-go procedures apply?	<b>Yes</b>	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	<b>No</b>	Contains intergovernmental mandate?	<b>No</b>
		Contains private-sector mandate?	<b>Yes, Under Threshold</b>
CBO has not reviewed the legislation for effects on spending subject to appropriation.			
<b>The legislation would</b>			
<ul style="list-style-type: none"> <li>• Appropriate \$105 billion for various activities related to testing for, treating, and responding to COVID-19 (the disease cause by the coronavirus); and for other activities related to COVID-19</li> <li>• Allow extended postpartum coverage in Medicaid and the Children's Health Insurance Program (CHIP)</li> <li>• Increase the federal medical assistance percentage (FMAP) to encourage states to expand Medicaid coverage and increase their provision of certain types of long-term services and supports</li> <li>• Eliminate the cap on rebates that drug manufacturers pay to Medicaid</li> <li>• Increase the cost of an existing private-sector mandate on certain commercial entities if the Federal Communications Commission increases annual fee collections</li> </ul>			
<b>Estimated budgetary effects would mainly stem from</b>			
<ul style="list-style-type: none"> <li>• Increased direct spending resulting from \$105 billion in new budget authority</li> <li>• Additional direct spending from increasing the number of months of postpartum coverage under Medicaid and CHIP</li> <li>• Increased Medicaid and CHIP spending on COVID-19 vaccines, new enrollees, services for inmates in jails and prisons, and long-term services and supports</li> <li>• Reduced Medicaid spending on prescription drugs</li> </ul>			
<b>Areas of significant uncertainty include</b>			
<ul style="list-style-type: none"> <li>• Estimating the rate at which the new budget authority would be spent by federal agencies</li> <li>• Predicting how many women would participate in postpartum coverage under Medicaid and CHIP</li> <li>• Estimating how many states would expand Medicaid coverage as the result of higher FMAPs</li> <li>• Estimating future growth in drug prices</li> </ul>			
<b>Detailed estimate begins on the next page.</b>			

See also CBO's *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437);  
*How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).

### Summary of the Legislation

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Energy and Commerce approved legislation on February 12, 2021, with a number of provisions that would increase deficits.

The legislation would appropriate \$92.2 billion for various activities related to testing for, treating, and responding to COVID-19, the disease caused by the coronavirus. The legislation would also make changes to the Medicaid program and the Children's Health Insurance Program (CHIP), which include expanding coverage for women after the birth of their child, encouraging states that have not already done so to expand Medicaid coverage to adults made eligible by the Affordable Care Act (ACA), and eliminating the limit on the rebates paid by drug manufacturers to Medicaid. Finally, the legislation would appropriate \$12.8 billion for various activities related to addressing the energy, environmental, educational, and commerce-related effects of the coronavirus pandemic.

### Estimated Federal Cost

The estimated budgetary effects of the reconciliation recommendations of the House Committee on Energy and Commerce are shown in Table 1. The costs of the legislation fall within budget functions 300 (natural resources and environment), 370 (commerce and housing credit), 500 (education, training, employment, and social services), 550 (health), and 600 (income security).

### Basis of Estimate

For this estimate, CBO assumes that the reconciliation bill will be enacted by the end of March 2021. Outlay estimates are based on historical spending patterns for affected programs and information from the agencies about program implementation.

### Direct Spending and Revenues

CBO and the staff of the Joint Committee on Taxation (JCT) estimate that enacting the reconciliation recommendations of the House Committee on Energy and Commerce would increase direct spending by \$126.1 billion and would increase federal revenues by \$1.5 billion over the 2021-2030 period, for a net effect on the deficit over that period of \$124.7 billion.

**Funding for Public Health.** Subtitle A would appropriate \$92.2 billion for various activities aimed at improving public health and responding to COVID-19.

Within subtitle A, Chapter 1 would provide \$14.2 billion to fund activities related to vaccination and treatment with the following specific appropriations:

- \$7.5 billion to the Centers for Disease Control and Prevention (CDC) to plan, prepare for, promote, distribute, administer, monitor, and track COVID-19 vaccines;

- \$1.0 billion to the CDC to improve vaccine education and confidence and vaccination rates;
- \$5.2 billion to the Secretary of Health and Human Services (HHS) to advance research, development, manufacturing, production, and the purchase of vaccines, therapeutics, and ancillary medical products to prevent, prepare, and respond to SARS-CoV-2, COVID-19, or any disease with potential for creating a pandemic; and
- \$0.5 billion to the Food and Drug Administration to oversee the development and marketing of COVID-19 therapeutics, vaccines, and diagnostic tests.

Chapter 2 would provide \$49.0 billion for testing for COVID-19, specifically appropriating:

- \$46.0 billion to the Secretary of HHS to detect, diagnose, trace, and monitor COVID-19 infections;
- \$1.8 billion to the CDC for genomic sequencing, analytics, and disease surveillance;
- \$0.8 billion to the CDC to combat COVID-19 and other emerging infectious threats globally; and
- \$0.5 billion to the CDC to support the surveillance and analytic infrastructure of public health data.

Chapter 3 would provide \$7.8 billion for strengthening the public health workforce with two specific appropriations:

- \$7.7 billion for state, local, and territorial public health departments to establish, expand, and sustain their public health workforce; and
- \$0.1 billion to the Medical Reserve Corps.

Chapter 4 would provide \$11.2 billion for other public health investments that specifically cover:

- \$7.6 billion for awarding grants and cooperative agreements to community health centers and qualified entities under the Native Hawaiian Health Care Improvement Act to support activities related to testing for, treating, and vaccinating against COVID-19;
- \$0.8 billion to the National Health Service Corps to support qualified health care providers working in areas with limited access to care;
- \$0.2 billion to the Nurse Corps to support nurses working in facilities that provide primary health care or maternal health care to underserved populations;
- \$0.3 billion to health centers that provide graduate medical education;
- \$1.8 billion for activities related to testing, tracing, and mitigating COVID-19 infections in congregate settings; and
- \$0.4 billion for HHS to provide services for children under its care, including unaccompanied alien children in the custody of the Office of Refugee Resettlement.

Chapter 5 would provide \$6.1 billion to the Indian Health Service (IHS) for lost reimbursements resulting from people deferring routine and elective health care, testing and tracing of COVID-19 infections, COVID-19 vaccine promotion, distribution and administration, additional support for purchased and referred care, and for other purposes.

Chapter 6 would provide \$3.9 billion to strengthen activities related to mental health and substance abuse, specifically appropriating:

- \$1.8 billion to the Secretary of HHS for community mental health services;
- \$1.8 billion to the Secretary of HHS for activities relating to the prevention and treatment of substance abuse;
- \$0.1 billion for the Health Resources and Services Administration (HRSA) to award grants to eligible institutions that provide mental and behavioral health education and training; and
- \$0.3 billion for other activities.

Chapter 7 would appropriate \$20 million to HHS for grants to eligible states to modernize the health insurance marketplaces established under the ACA.

In total, CBO estimates that the funds appropriated by subtitle A would increase direct spending by \$91.3 billion over the 2021-2030 period.

**Coverage of COVID-19 Vaccinations and Treatments.** Subtitles B and C would make various changes to the Medicaid and CHIP programs' coronavirus-related spending. In total, sections 3101 and 3201 would increase direct spending by an estimated \$1.1 billion and \$68 million, respectively, over the 2021-2030 period.

*Mandatory Coverage of COVID-19 Vaccination, Without Cost Sharing.* Sections 3101 and 3201 would require state Medicaid and CHIP programs to cover vaccinations, without cost sharing, for all eligible enrollees. Under current law, the federal government is expected to provide the vaccines administered through both programs, but some patients would still have to pay the cost sharing associated with having the vaccine administered. In addition, if a state implements an option under Medicaid to provide COVID-19 testing for uninsured people, it would have to do so without cost sharing. The sections also would extend for a year the period in which a state must vaccinate, without cost sharing, adults enrolled in Medicaid under the program's traditional eligibility rules.

CBO estimates that 4 million Medicaid and CHIP enrollees are currently ineligible for vaccination under either program. By the end of the public health emergency (PHE), CBO estimates, fewer than 1 million adults enrolled under Medicaid's traditional eligibility rules would be subject to cost-sharing requirements to receive the vaccine.

If enacted, CBO estimates, the requirements in sections 3101 and 3201 would increase the number of vaccinations administered to Medicaid and CHIP enrollees by about 2 million doses in 2021 and by about 6 million over the 2021-2023 period. Because the federal government is expected to provide the vaccine itself, sections 3101 and 3102 would only

affect the costs associated with administering the vaccines. Using information from the Centers for Medicare & Medicaid Services, CBO estimates that in 2021, the cost of administering a single dose will vary between \$17 and \$28, depending on the type of vaccine. Over the 2021-2030 period, CBO estimates, the requirement to provide vaccination coverage without cost sharing would increase Medicaid's direct spending by \$107 million and CHIP's by less than \$1 million.

*Increased Federal Medical Assistance Percentage for Vaccinations.* Sections 3101 and 3201 also would raise the federal medical assistance percentage (FMAP) to 100 percent for payments to states for administering vaccines for one year after the end of the PHE. Over the 2021-2030 period, CBO estimates, the higher FMAP would increase direct spending for Medicaid and CHIP by \$747 million and by \$68 million, respectively.

*Mandatory Coverage of Treatment or Prevention, Without Cost Sharing.* Sections 3101 and 3201 also would require state Medicaid and CHIP programs to provide coverage, without cost sharing, for treatment or prevention of COVID-19 for one year after the end of the PHE. Additionally, over the same period, if a state chose to implement an option under Medicaid to provide COVID-19 testing for uninsured people, section 3101 also would extend the requirement to provide treatment and prevention to those people without requiring cost sharing.

About 5 million people enrolled in Medicaid or CHIP are expected to receive COVID-19 treatment in 2021. CBO expects that number to decline to fewer than 100,000 by 2022 and estimates that about 25 percent of those people would be subject to cost-sharing requirements for a physician service (\$2, on average, in 2021), an inpatient hospital service (\$70, on average, in 2021), or both. CBO estimates that the requirements in sections 3101 and 3201 that would prohibit cost sharing for treatment would increase direct spending by \$34 million for Medicaid and by less than \$1 million for CHIP over the 2021-2030 period.

CBO anticipates that 3 million uninsured people will receive COVID-19 treatment in 2021. By 2022, that number is expected to fall below 50,000. In 2020, 10 states had implemented an option under Medicaid to test uninsured people for COVID-19. In those states, CBO estimates, the requirement in section 3101 to provide vaccinations or treatment services would increase direct spending for Medicaid by \$243 million over the 2021-2030 period.

**Coverage for Pregnant and Postpartum Women.** Sections 3102 and 3202 would allow states to extend health coverage for women enrolled in Medicaid or CHIP for 12 months after the birth of a child. In total, CBO estimates, those sections would increase federal deficits by \$5.1 billion over the 2021-2030 period—an increase in direct spending of \$6.0 billion and an increase in revenues of \$0.8 billion over the period.

Under current law, for 60 days after the birth of a child, states must provide Medicaid coverage to women whose income does not exceed 138 percent of the federal poverty level (FPL). Forty-six states and the District of Columbia exercise an option under current law to provide Medicaid coverage to pregnant women whose income is above 138 percent of the FPL, 29 extend coverage if their income is equal to or above 200 percent of the FPL, and 3 extend coverage if their income is above 300 percent of the FPL. Under current law, states

also can provide pregnancy-related services to women under CHIP, but they may only provide postpartum services to women who, if not for their income, would otherwise be eligible for coverage under Medicaid.

CBO estimates that in 2020, Medicaid and CHIP provided pregnancy-related coverage to about 2 million women; approximately 1.8 million carried their pregnancy to term. CBO estimates that about 35 percent of those recipients have income above 138 percent of the FPL, which reflects the coverage options currently available to states under Medicaid and CHIP. Regardless of a state's decision to provide optional coverage to eligible women, the state must reevaluate applicants' eligibility for other coverage before the end of the 60-day postpartum period. Medicaid coverage after that point can include the full scope of health services or be limited to family-planning services.

*Medicaid Coverage Under the 12-Month Option.* CBO estimates that under current law, at the end of the 60-day postpartum period about 30 percent of women will continue to receive comprehensive services from Medicaid, 30 percent will enroll either in employment-based or in marketplace coverage, and about 45 percent will be uninsured (although roughly two-thirds of those women would still receive family-planning services).

Section 3102 would provide women in states that exercise the option with 10 additional months of Medicaid coverage. CBO estimates that by 2024, about 25 percent of all women who would be expected to receive postpartum services from Medicaid will live in states that implement the 12-month option. Using administrative data and information from industry sources, CBO estimates that the combined federal and state cost to provide 10 additional months of Medicaid coverage would be about \$1,500 per person, on average, in 2022; that amount would increase at an average annual rate of about 6 percent over the 2022-2030 period. For women whose current-law Medicaid services are limited to family planning, CBO estimates that the cost per person would be about \$1,100, on average. In total, CBO estimates, the additional months of coverage would increase direct spending for Medicaid by \$6.1 billion over the 2021-2030 period.

*CHIP Coverage for Pregnant and Postpartum Women.* Under current law, states can provide CHIP coverage to eligible women during pregnancy and for 60 days after the birth of a child. CHIP cannot be used to replace existing Medicaid coverage for pregnant women. To cover pregnant women under CHIP, states must provide, at a minimum, Medicaid coverage to women whose income is up to 185 percent of the FPL. In 2020, approximately 15,000 women received pregnancy and postpartum care under CHIP. CBO estimates that all of those women became ineligible for comprehensive Medicaid and CHIP services at the end of the 60-day postpartum period.

If a state provides CHIP coverage to eligible women up to the end of the 60-day postpartum period, and if the state chooses to implement the Medicaid option under section 3102, the legislation would require the state to extend similar coverage under CHIP. However, because not all states extend CHIP coverage to pregnant women, CBO estimates that by 2024 fewer than 1,000 pregnant women would reside in a state that implemented the option. CBO expects that additional months of coverage under CHIP would cost about the same as under

Medicaid. On net, CBO estimates, section 3202 would increase direct spending for CHIP by \$5 million over the 2021-2030 period.

*Private Health Insurance for Pregnant and Postpartum Women.* Some women whose Medicaid coverage ends after the birth of a child enroll in private health insurance. CBO estimates that in states that are expected to implement the option under section 3102, fewer than 5 percent of women who become ineligible each year for Medicaid or CHIP currently receive coverage through a marketplace and 30 percent enroll in employment-based coverage. Under section 3102, over the 2021-2030 period, about 10,000 and 100,000 women annually would delay enrollment either in marketplace coverage or in employment-based coverage, respectively, for about 10 months. That delay would lower subsidies for private health insurance, thereby reducing direct spending by \$137 million and increasing revenues by \$816 million over the 2021-2030 period, according to CBO and JCT's estimates.

**Medicaid for Inmates During the 30-Day Period Preceding Release.** Section 3103 would create an exception for 5 years, starting one year after enactment, to the prohibition on making Medicaid payments for services provided to inmates of correctional institutions. Section 3103 would permit payments for services to inmates who are enrolled in Medicaid during the last 30 days of their incarceration. According to data from the Bureau of Justice Statistics:

- Local jails admit and release about 10 million people per year, 89 percent of whom are admitted and released within 30 days, and
- State prisons admit and release about 600,000 people per year, almost all of whom remain incarcerated for longer than 30 days.

As a result, section 3103 would allow the vast majority of Medicaid enrollees to maintain their Medicaid coverage during their incarceration in local jails and would permit those jails to bill Medicaid for medical care provided to the incarcerated enrollees. Section 3103 would allow incarcerated enrollees in prisons to receive Medicaid coverage in the final 30 days of their incarceration, which would permit state prisons to bill Medicaid for services provided pre-release.

Based on a report by the Prison Policy Initiative, CBO estimates that about 45 percent of inmates released from jails and prisons would be enrolled in Medicaid in the early years of the 2021-2030 period, rising to 55 percent by the end of the period as CBO projects additional states will adopt the ACA expansion over time.

CBO expects that the costs per Medicaid inmate would be modest, as local jails generally provide limited services, such as generic medications to assist with drug withdrawals and mental health crises during the short-term stays, while prisons would be expected to provide pre-release health screenings and short-term supplies of medications to help with the transition to the post-release period. CBO estimates that the average cost per prisoner would be about \$100 in the beginning of the period, rising to about \$200 by the end of the period because of increases in the costs of providing medical care.

Lastly, CBO projects that state prisons would quickly develop the infrastructure to bill Medicaid for services to inmates in the last 30 days of their stay, which in many cases would allow them to defray the costs incurred for pre-release services. Local jails would more gradually establish similar capacity to bill Medicaid, delaying the full implementation of section 3103 for several years. In total, CBO estimates that section 3103 would increase direct spending by \$3.7 billion over the 2021-2030 period.

**Bundled Community-Based Mobile Crisis Intervention.** Section 3104 would, for 12 fiscal quarters, increase a state's FMAP for crisis intervention services that qualify as mobile and community-based, as defined by the bill. The enhanced FMAP would equal 85 percent and would apply only to services that otherwise would be reimbursed at a state's traditional FMAP. Based on information from state mental health agencies, CBO estimates that at least 16 states have programs that provide services that would qualify for the enhanced FMAP provided under section 3104. Not all of those programs currently seek Medicaid reimbursement for crisis intervention services provided to Medicaid; CBO expects that the programs would be more likely to do so under section 3104. CBO also anticipates that those changes would encourage all of the programs to request reimbursement under their state Medicaid programs and that the states would receive the enhanced FMAP under section 3104 for such services. In addition, based on the rate at which state Medicaid programs have adopted other services and demonstrations specific to behavioral health care, CBO expects additional states would begin reimbursing for crisis intervention services that qualify as mobile and community-based.

CBO estimates that the combined federal and state cost to provide crisis intervention services that qualify as mobile and community-based would be about \$1,500 per person, on average, in 2021; that amount would increase at an average annual rate of about 6 percent over the 2022-2030 period. In total, CBO estimates, the enhanced FMAP and the decision by states to establish new programs that provide crisis intervention services that qualify as mobile and community-based would increase direct spending for Medicaid by \$1.1 billion over the 2021-2030 period.

**Temporary Increase in FMAP for Expanding ACA Coverage.** Section 3105 would, for eight calendar quarters, provide a temporary, 5 percentage-point increase in the Medicaid FMAP to states that expand coverage to adults made eligible by the ACA. CBO and JCT estimate that the provision would increase federal deficits by \$15.5 billion over the 2021-2030 period—the net effect of an increase in outlays of \$16.2 billion and an increase in revenues of \$0.7 billion.

Under section 3105, the FMAP increase would be available only to states that expand such coverage after the legislation is enacted, and it would not be available to states that had previously expanded coverage. Only services provided to traditional eligibility groups could qualify for the increase; services provided to adults made eligible by the ACA would not be included. The higher FMAP also would not apply to the following expenditures:

- Medicaid payments to hospitals that serve a disproportionate share of low-income enrollees,

- Medicaid allotments to the territories, and
- Payments for programs other than Medicaid that use the FMAP to determine the federal share of payments (such as CHIP, payments from states toward Medicare Part D, and Title IV).

*Increased Medicaid Spending.* Section 3105 would increase Medicaid spending in two ways. First, CBO expects, the additional 5 percentage-point increase in the FMAP would induce some states to expand Medicaid coverage to low-income adults sooner than CBO's baseline projections for Medicaid enrollment would indicate. Currently, 37 states and the District of Columbia have implemented the expansion, and those states have enrolled roughly 60 percent of eligible adults nationwide. Under its baseline forecast, CBO projects that additional states will adopt the expansion at the historical rate of expansions since 2014 (the initial year of the expansion's availability). CBO anticipates that by 2030 about 70 percent of all potential enrollees will be covered.

Although the rate of expansion is subject to considerable uncertainty, CBO projects that the 5 percentage-point increase in the FMAP would induce states that would expand during the 2021-2030 period to do so about a year sooner, on average, than they otherwise would. The result would be an increase in Medicaid enrollment in those years among adults made eligible by the ACA in those states. Based on CBO's projections for enrollment in states that have not already adopted the expansion and the projected cost per adult made eligible by the ACA, CBO estimates that those earlier expansions would cost the federal government \$17.2 billion over the 2021-2030 period.

The second effect of section 3105 would be the added cost of the 5 percentage-point increase in the FMAP. Based on the average matching rates projected for states that have not yet adopted the expansion, CBO estimates the cost at \$4.7 billion. In total, CBO estimates, section 3105 would increase direct spending on Medicaid by \$21.8 billion over the 2021-2030 period.

*Reduced Federal Subsidies for Private Health Insurance.* Section 3105 also would reduce enrollment in private health insurance as more people enroll in Medicaid in the states that adopt the ACA expansion. CBO and JCT estimate that over the 2021-2030 period Medicaid enrollment would increase, on average, by about 85,000 people who would otherwise have enrolled in coverage through the marketplaces and by another 33,000 people who would otherwise have enrolled in employment-based coverage. CBO and JCT estimate that those reductions in enrollment would reduce direct spending for health insurance subsidies by \$5.7 billion and increase revenues by \$0.7 billion over the 2021-2030 period.

**100 Percent FMAP for Urban Indian Organizations and Native Hawaiian Health Care.** Section 3106 would, for eight calendar quarters, provide a 100 percent federal matching rate for services to Medicaid enrollees who access care in the Urban Indian Health Programs (UIHPs) or the Native Hawaiian Health Care System (NHHCS). Under current law, services provided to Medicaid enrollees are matched at 100 percent if they are received through an IHS facility. IHS is the agency that is responsible for providing federal health services to American Indians and Alaska Natives. UIHPs are health care organizations that are grantees

of the IHS but are not considered federal entities that are part of the IHS and therefore only receive the standard federal matching rates for services to Medicaid enrollees. Similarly, the NHHCS comprises five health care clinics that are grantees of HRSA that are not considered federal entities.

The standard federal matching rates under current law average an estimated 65 percent for traditional eligibility categories during 2021 and 2022, and will average an estimated 58.5 percent during 2023, the time period covered by the eight quarters specified under section 3106. The matching rates for adults made eligible by the ACA will be 90 percent during the same period.

According to information from the UIHP system, the UIHP treats about 90,000 Medicaid patients per year at an estimated average cost of about \$2,000 per patient. Applying the 100 percent matching rate for services to these enrollees would increase direct spending by \$155 million over the 2021-2030 period. Given the size of the NHHCS relative to the UIHP system, CBO estimates that applying a 100 percent matching rate to services provided at NHHCS clinics would increase direct spending by another \$7 million over the period.

**Sunset of Limit on Maximum Rebate for Certain Drugs.** Under current law, manufacturers are required to pay Medicaid a rebate on all covered outpatient drugs. The rebate amount is determined according to statute by two formulas that include a basic rebate with separate calculations for brand and generic drugs and an additional inflationary rebate that reflects differences in growth between the Average Manufacturer Prices (AMPs) and the consumer price index. The total rebate amount is capped at 100 percent of the AMP. The cap does not affect rebates paid for all drugs: It tends to be most relevant for drugs that have experienced substantial price increases over time and for drugs that offer particularly large rebates to payers other than Medicaid. Section 3107 would eliminate the cap on the total rebate amount starting January 1, 2023.

Based on administrative data on AMPs and prescription drug spending in Medicaid, CBO estimates that in 2019, the cap on the total rebate amount prevented federal and state governments from collecting more than \$3 billion in rebates for covered outpatient drugs. CBO expects that section 3107 would increase the amount of rebates that manufacturers pay Medicaid and would reduce direct spending in Medicaid by \$15.9 billion over the 2021-2030 period.

**Additional Support for Medicaid HCBS.** Section 3108 would, for four fiscal quarters, increase the federal FMAP in Medicaid by 7.35 percentage points for state expenditures on home and community-based services (HCBS). HCBS are long-term care services that beneficiaries receive in their home or in the community rather than in institutions such as nursing facilities. CBO projects that the federal and state governments will spend almost \$200 billion on HCBS during the four quarters for which the enhanced FMAP is available to states. Increasing the federal share of such spending would increase federal spending on Medicaid by \$9.3 billion.

**Strike Teams for Nursing Facilities.** Section 3109 would appropriate \$250 million for states to establish strike teams that would be deployed to nursing facilities that have patients

who have been diagnosed with COVID-19 or who are suspected of having the disease. CBO estimates that section 3109 would increase direct spending by \$250 million over the 2021-2030 period.

**Other Provisions.** Subtitle D would appropriate \$12.8 billion for environmental protections, utility assistance, distance learning, and other consumer product safety.

Within subtitle D, chapter 1 would appropriate \$5.1 billion to fund activities related to environmental health and assistance to people for paying utility bills:

- \$0.1 billion to the Environmental Protection Agency for grants and other activities that enhance environmental justice and to support implementation of the Clean Air Act;
- \$4.5 billion to the Low-Income Home Energy Assistance Program; and
- \$0.5 billion for grants to assist low-income households with the costs of drinking water and wastewater services.

Chapter 2 would appropriate \$7.7 billion for distance learning, primarily to reimburse schools and libraries for the costs of telecommunications equipment and services, and consumer product safety.

In total, CBO estimates that the funds appropriated by subtitle D would increase direct spending by \$12.8 billion over the 2021-2030 period.

#### **Uncertainty**

There are two major types of uncertainty in CBO's estimate of the reconciliation recommendations of the House Committee on Energy and Commerce: For subtitles A and D, the primary forms of uncertainty stem from CBO's estimates of the pace at which federal agencies would spend the new budget authority. For subtitles B and C, most of the uncertainty of CBO's estimates stem from expectations about state behavior, people's enrollment in various forms of health coverage, and the of the increase in health care prices.

##### *Uncertainty About the Pace at Which Federal Agencies Would Spend New Budget Authority.*

The reconciliation recommendations of the House Committee on Energy and Commerce would provide \$105 billion in new budget authority for fiscal year 2021, increasing individual agencies' funding for the year by a substantial amount. For example, the 2021 budget authority for the CDC, HRSA, and the IHS would see significant increases roughly halfway through the fiscal year. It is uncertain whether such agencies would be able to spend all of the new funds rapidly.

*Uncertainty About State Behavior, People's Enrollment in Various Forms of Health Coverage, and the Growth of Health Care Prices.* For subtitles B and C, CBO's estimates include projections of the results of states' choices to expand coverage, people's choices to enroll in coverage if they were newly eligible, and the future costs of providing health care services to beneficiaries—all of which are uncertain. Some of the more significant sources of uncertainty include:

- Estimating how many women would remain enrolled in Medicaid if states expand postpartum coverage and how many additional months of coverage they would have;
- Predicting how many states will expand Medicaid under current law and how the increased FMAP would accelerate the pace of state expansions;
- Forecasting future growth in drug prices and how drug manufacturers would change their pricing strategies if the cap on rebates were eliminated; and
- Estimating the future growth in prices for HCBS and how states would expand their coverage of HCBS on account of the higher FMAP.

#### **Pay-As-You-Go Considerations**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 1.

**Increase in Long-Term Deficits:** None.

#### **Mandates**

If the FCC increases annual fee collections to offset the costs of issuing rules to promote internet connectivity for schools and libraries as required by section 3312, the legislation would increase the cost of an existing private-sector mandate on commercial entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold established in the Unfunded Mandates Reform Act for private-sector mandates (\$170 million in 2021, adjusted annually for inflation).

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**Table 1.**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Reported by the House Committee on Energy and Commerce on February 12, 2021**

	By Fiscal Year, Millions of Dollars											2021-	2021-	
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-	2021-	
<b>Increases or Decreases (-) in Direct Spending</b>														
<b>Subtitle A. Funding for Public Health</b>														
<b>Chapter 1 - Vaccines and Therapeutics</b>														
Sec. 3001. Vaccine Activities at the CDC														
Budget Authority	7,500	0	0	0	0	0	0	0	0	0	0	7,500	7,500	
Estimated Outlays	1,500	4,500	750	450	225	0	0	0	0	0	0	7,425	7,425	
Sec. 3002. Vaccine Confidence Activities														
Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000	1,000	
Estimated Outlays	200	600	100	60	30	0	0	0	0	0	0	990	990	
Sec. 3003. Vaccines and Therapeutics Supply Chain														
Budget Authority	5,200	0	0	0	0	0	0	0	0	0	0	5,200	5,200	
Estimated Outlays	2,033	2,803	312	52	0	0	0	0	0	0	0	5,200	5,200	
Sec. 3004. Activities at the Food and Drug Administration														
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500	
Estimated Outlays	165	250	75	10	0	0	0	0	0	0	0	500	500	
<b>Chapter 1, Total</b>														
<b>Budget Authority</b>	<b>14,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,200</b>	<b>14,200</b>	
<b>Estimated Outlays</b>	<b>3,898</b>	<b>8,153</b>	<b>1,237</b>	<b>572</b>	<b>255</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,115</b>	<b>14,115</b>	
<b>Chapter 2 - Testing</b>														
Sec. 3011. Testing, Contact Tracing, and Mitigation Activities														
Budget Authority	46,000	0	0	0	0	0	0	0	0	0	0	46,000	46,000	
Estimated Outlays	9,200	27,600	4,600	2,760	1,380	0	0	0	0	0	0	45,540	45,540	
Sec. 3012. SARS-CoV-2 Genomic Sequencing and Surveillance														
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750	
Estimated Outlays	350	1,050	175	105	53	0	0	0	0	0	0	1,733	1,733	
Sec. 3013. Global Health														
Budget Authority	750	0	0	0	0	0	0	0	0	0	0	750	750	
Estimated Outlays	150	450	75	45	23	0	0	0	0	0	0	743	743	
Sec. 3014. Data Modernization and Forecasting Center														
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500	
Estimated Outlays	100	300	50	30	15	0	0	0	0	0	0	495	495	
<b>Chapter 2, Total</b>														
<b>Budget Authority</b>	<b>49,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,000</b>	<b>49,000</b>	
<b>Estimated Outlays</b>	<b>9,800</b>	<b>29,400</b>	<b>4,900</b>	<b>2,940</b>	<b>1,471</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,511</b>	<b>48,511</b>	
<b>Chapter 3 - Public Health Workforce</b>														
Sec. 3021. Public Health Workforce														
Budget Authority	7,660	0	0	0	0	0	0	0	0	0	0	7,660	7,660	
Estimated Outlays	1,532	3,064	2,681	383	0	0	0	0	0	0	0	7,660	7,660	
Sec. 3022. Medical Reserve Corps														
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100	
Estimated Outlays	20	56	16	6	2	0	0	0	0	0	0	100	100	
<b>Chapter 3, Total</b>														
<b>Budget Authority</b>	<b>7,760</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,760</b>	<b>7,760</b>	
<b>Estimated Outlays</b>	<b>1,552</b>	<b>3,120</b>	<b>2,697</b>	<b>389</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,760</b>	<b>7,760</b>	
<b>Chapter 4 - Public Health Investments</b>														
Sec. 3031. Community Health Centers														
Budget Authority	7,600	0	0	0	0	0	0	0	0	0	0	7,600	7,600	
Estimated Outlays	1,520	3,040	2,680	380	0	0	0	0	0	0	0	7,600	7,600	
Sec. 3032. National Health Service Corps														
Budget Authority	800	0	0	0	0	0	0	0	0	0	0	800	800	
Estimated Outlays	160	320	280	40	0	0	0	0	0	0	0	800	800	
Sec. 3033. Nurse Corps														
Budget Authority	200	0	0	0	0	0	0	0	0	0	0	200	200	
Estimated Outlays	45	100	40	10	0	0	0	0	0	0	0	195	195	
Sec. 3034. Teaching Health Centers that Operate Graduate Medical Education														
Budget Authority	330	0	0	0	0	0	0	0	0	0	0	330	330	
Estimated Outlays	65	132	116	13	0	0	0	0	0	0	0	327	327	

continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
Sec. 3035. Testing, Tracing, and Mitigation Activities in Congregate Settings													
Budget Authority	1,800	0	0	0	0	0	0	0	0	0	0	1,800	1,800
Estimated Outlays	324	990	396	36	18	0	0	0	0	0	0	1,764	1,764
Sec. 3036. Family Planning													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	10	35	4	0	0	0	0	0	0	0	0	49	49
Sec. 3037. Children Under HHS Care													
Budget Authority	425	0	0	0	0	0	0	0	0	0	0	425	425
Estimated Outlays	13	17	64	68	74	70	64	51	4	0	0	425	425
Sec. 3038. HHS Inspector General													
Budget Authority	5	0	0	0	0	0	0	0	0	0	0	5	5
Estimated Outlays	2	3	0	0	0	0	0	0	0	0	0	5	5
<b>Chapter 4, Total</b>													
<b>Budget Authority</b>	<b>11,210</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,210</b>	<b>11,210</b>
<b>Estimated Outlays</b>	<b>2,141</b>	<b>4,637</b>	<b>3,560</b>	<b>547</b>	<b>92</b>	<b>70</b>	<b>64</b>	<b>51</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>11,166</b>	<b>11,166</b>
<b>Chapter 5 - Indian Health</b>													
Sec. 3041. Indian Health													
Budget Authority	6,094	0	0	0	0	0	0	0	0	0	0	6,094	6,094
Estimated Outlays	1,493	3,534	506	84	84	71	59	43	19	6	0	5,899	5,899
<b>Chapter 6 - Mental Health and Substance Use Disorder</b>													
Sec. 3051. Community Mental Health Services													
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750
Estimated Outlays	315	910	350	140	35	0	0	0	0	0	0	1,750	1,750
Sec. 3052. Prevention and Treatment of Substance Abuse													
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750
Estimated Outlays	315	910	350	140	35	0	0	0	0	0	0	1,750	1,750
Sec. 3053. Training for Health Care Professionals, Paraprofessionals, and Public Safety Officers													
Budget Authority	80	0	0	0	0	0	0	0	0	0	0	80	80
Estimated Outlays	18	40	16	4	0	0	0	0	0	0	0	78	78
Sec. 3054. Education and Awareness Campaign for Health Care Professionals													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	4	12	2	1	1	0	0	0	0	0	0	20	20
Sec. 3055. Grants to Health Care Providers for Mental and Behavioral Health Among Workforce													
Budget Authority	40	0	0	0	0	0	0	0	0	0	0	40	40
Estimated Outlays	9	20	8	2	0	0	0	0	0	0	0	39	39
Sec. 3056. Community-Based Funding for Local Substance Use Disorder													
Budget Authority	30	0	0	0	0	0	0	0	0	0	0	30	30
Estimated Outlays	6	15	6	2	1	0	0	0	0	0	0	30	30
Sec. 3057. Community-Based Funding for Local Behavioral Health													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	9	26	10	4	1	0	0	0	0	0	0	50	50
Sec. 3058. National Child Traumatic Stress Network													
Budget Authority	10	0	0	0	0	0	0	0	0	0	0	10	10
Estimated Outlays	2	5	2	1	0	0	0	0	0	0	0	10	10
Sec. 3059. Project Aware													
Budget Authority	30	0	0	0	0	0	0	0	0	0	0	30	30
Estimated Outlays	6	15	6	2	1	0	0	0	0	0	0	30	30

continued

Table 1: Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021  
continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2031	2021- 2031
Sec. 3059A Youth Suicide Prevention													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	0	20
Estimated Outlays	4	10	4	2	0	0	0	0	0	0	0	0	20
Sec. 3059B Behavioral Health Workforce													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	0	100
Estimated Outlays	23	50	20	5	0	0	0	0	0	0	0	0	98
<b>Chapter 6, Total</b>													
<b>Budget Authority</b>	<b>3,880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,880</b>
<b>Estimated Outlays</b>	<b>711</b>	<b>2,013</b>	<b>774</b>	<b>303</b>	<b>74</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,875</b>
<b>Chapter 7 - Exchange Grant Program</b>													
Sec. 3061. Exchange Modernization													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	0	20
Estimated Outlays	20	0	0	0	0	0	0	0	0	0	0	0	20
<b>Subtitle A, Total</b>													
<b>Budget Authority</b>	<b>92,164</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>92,164</b>
<b>Outlays</b>	<b>19,615</b>	<b>50,857</b>	<b>13,674</b>	<b>4,835</b>	<b>1,978</b>	<b>141</b>	<b>123</b>	<b>94</b>	<b>23</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>91,346</b>
<b>Subtitle B, Medicaid</b>													
Sec. 3101. Coverage of COVID-19													
Vaccinations and Treatments													
Budget Authority	287	534	247	63	0	0	0	0	0	0	0	0	1,131
Estimated Outlays	287	534	247	63	0	0	0	0	0	0	0	0	1,131
Sec. 3102. Coverage for Pregnant and Postpartum Women (a, b)													
Budget Authority	0	0	756	1,249	1,417	1,429	1,108	0	0	0	0	0	5,959
Estimated Outlays	0	0	756	1,249	1,417	1,429	1,108	0	0	0	0	0	5,959
Sec. 3103. Medicaid for Inmates During 30-Day Period Preceding Release													
Budget Authority	0	177	444	683	918	1,014	510	0	0	0	0	0	3,746
Estimated Outlays	0	177	444	683	918	1,014	510	0	0	0	0	0	3,746
Sec. 3104. Bundled Community-Based Mobile Crisis Intervention													
Budget Authority	15	0	71	305	330	270	25	32	40	49	58	1,137	1,195
Estimated Outlays	0	5	77	307	332	270	25	32	40	49	58	1,137	1,195
Sec. 3105. Temporary Increase in FMAP for Expanding ACA Coverage													
Budget Authority	0	0	3,768	3,427	2,177	2,308	2,131	1,337	479	531	212	16,158	16,370
Estimated Outlays	0	0	3,768	3,427	2,177	2,308	2,131	1,337	479	531	212	16,158	16,370
Sec. 3106. 100% FMAP for Urban Indian Organizations and Native Hawaiian Health Care													
Budget Authority	38	81	43	0	0	0	0	0	0	0	0	0	162
Estimated Outlays	38	81	43	0	0	0	0	0	0	0	0	0	162
Sec. 3107. Sunset of Limit on Maximum Rebate for Certain Drugs													
Budget Authority	0	0	-217	-1,803	-2,293	-2,277	-2,258	-2,279	-2,318	-2,443	-2,573	-15,888	-18,461
Estimated Outlays	0	0	-217	-1,803	-2,293	-2,277	-2,258	-2,279	-2,318	-2,443	-2,573	-15,888	-18,461
Sec. 3108. Temporary Increase in FMAP for Expanding HCBS													
Budget Authority	4,795	4,515	0	0	0	0	0	0	0	0	0	0	9,310
Estimated Outlays	4,795	4,515	0	0	0	0	0	0	0	0	0	0	9,310
Sec. 3109. Strike Teams for Nursing Facilities													
Budget Authority	250	0	0	0	0	0	0	0	0	0	0	0	250
Estimated Outlays	50	175	25	0	0	0	0	0	0	0	0	0	250
<b>Subtitle B, Total</b>													
<b>Budget Authority</b>	<b>5,385</b>	<b>5,307</b>	<b>5,112</b>	<b>3,924</b>	<b>2,549</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>21,965</b>	<b>19,662</b>
<b>Outlays</b>	<b>5,170</b>	<b>5,487</b>	<b>5,143</b>	<b>3,926</b>	<b>2,551</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>21,965</b>	<b>19,662</b>
<b>Subtitle C. Children's Health Insurance Program</b>													
Sec. 3201. Coverage of COVID-19													
Vaccinations and Treatments													
Budget Authority	0	47	17	4	0	0	0	0	0	0	0	0	68
Estimated Outlays	0	47	17	4	0	0	0	0	0	0	0	0	68
Sec. 3202. Coverage for Pregnant and Postpartum Women (a)													

continued

Table 1. Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021													
continued													
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2031	2021- 2031
<b>Subtitle D. Other Provisions</b>													
<b>Chapter 1 - Ensuring Environmental Health and Ratepayer Protection</b>													
Sec. 3301. Pollution and Disparate Impacts of the Pandemic													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	10	60	20	10	0	0	0	0	0	0	0	100	100
Sec. 3302. LIHEAP													
Budget Authority	4,500	0	0	0	0	0	0	0	0	0	0	4,500	4,500
Estimated Outlays	1,508	1,727	467	422	188	188	0	0	0	0	0	4,500	4,500
Sec. 3303. Water Assistance Program													
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500
Estimated Outlays	50	225	150	50	25	0	0	0	0	0	0	500	500
<b>Chapter 1, Total</b>													
<b>Budget Authority</b>	<b>5,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,100</b>	<b>5,100</b>
<b>Estimated Outlays</b>	<b>1,568</b>	<b>2,012</b>	<b>637</b>	<b>482</b>	<b>213</b>	<b>188</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,100</b>	<b>5,100</b>
<b>Chapter 2 - Distance Learning and Consumer Protections</b>													
Sec. 3311. Consumer Product Safety													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	4	6	8	10	9	8	2	1	0	0	0	48	48
Sec. 3312. Remote Learning Support													
Budget Authority	7,600	0	0	0	0	0	0	0	0	0	0	7,600	7,600
Estimated Outlays	1,140	3,800	1,900	760	0	0	0	0	0	0	0	7,600	7,600
<b>Chapter 2, Total</b>													
<b>Budget Authority</b>	<b>7,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,650</b>	<b>7,650</b>
<b>Estimated Outlays</b>	<b>1,144</b>	<b>3,806</b>	<b>1,908</b>	<b>770</b>	<b>9</b>	<b>8</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,648</b>	<b>7,648</b>
<b>Chapter 3 - Oversight of Department of Commerce Prevention and Response to COVID-19</b>													
Sec. 3321. Department of Commerce													
Budget Authority	3	0	0	0	0	0	0	0	0	0	0	3	3
Estimated Outlays	1	1	1	0	0	0	0	0	0	0	0	3	3
<b>Subtitle D, Total</b>													
<b>Budget Authority</b>	<b>12,753</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,753</b>	<b>12,753</b>
<b>Outlays</b>	<b>2,713</b>	<b>5,819</b>	<b>2,546</b>	<b>1,252</b>	<b>222</b>	<b>196</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,751</b>	<b>12,751</b>
<b>Total Increase in Direct Spending</b>													
<b>Estimated Budget Authority</b>	<b>110,302</b>	<b>5,354</b>	<b>5,129</b>	<b>3,928</b>	<b>2,549</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>126,950</b>	<b>124,647</b>
<b>Estimated Outlays</b>	<b>27,498</b>	<b>62,210</b>	<b>21,380</b>	<b>10,017</b>	<b>4,751</b>	<b>3,081</b>	<b>1,641</b>	<b>-815</b>	<b>-1,776</b>	<b>-1,857</b>	<b>-2,303</b>	<b>126,130</b>	<b>123,827</b>
<b>Increases in Revenues</b>													
Sec. 3102. Coverage for Pregnant and Postpartum Women (a, b)													
<i>On-Budget Revenues</i>	0	0	43	98	109	119	95	0	0	0	0	464	464
<i>Off-Budget Revenues</i>	0	0	33	74	83	90	72	0	0	0	0	352	352
Sec. 3105. Temporary Increase in FMAP for Expanding ACA Coverage													
<i>On-Budget Revenues</i>	0	0	69	44	38	36	33	18	11	9	5	258	263
<i>Off-Budget Revenues</i>	0	0	69	44	38	36	33	18	11	9	5	258	263
<b>Total Increase in Revenues</b>													
<b>On-Budget Revenues</b>	<b>0</b>	<b>0</b>	<b>139</b>	<b>161</b>	<b>164</b>	<b>177</b>	<b>155</b>	<b>33</b>	<b>20</b>	<b>15</b>	<b>9</b>	<b>864</b>	<b>873</b>
<b>Off-Budget Revenues</b>	<b>0</b>	<b>0</b>	<b>102</b>	<b>118</b>	<b>121</b>	<b>126</b>	<b>105</b>	<b>18</b>	<b>11</b>	<b>9</b>	<b>5</b>	<b>610</b>	<b>615</b>
<b>Net Increase or Decrease (-) in the Deficit From Changes in Direct Spending and Revenues</b>													
<b>Estimated Effect on the Deficit</b>	<b>27,498</b>	<b>62,210</b>	<b>21,139</b>	<b>9,738</b>	<b>4,466</b>	<b>2,778</b>	<b>1,381</b>	<b>-866</b>	<b>-1,807</b>	<b>-1,881</b>	<b>-2,317</b>	<b>124,856</b>	<b>122,339</b>
<i>On-Budget Deficits</i>	27,498	62,210	21,241	9,856	4,587	2,904	1,486	-848	-1,796	-1,872	-2,312	125,266	122,954
<i>Off-Budget Deficit</i>	0	0	-102	-118	-121	-126	-105	-18	-11	-9	-5	-610	-615

Components may not sum to totals because of rounding.  
 ACA = Affordable Care Act. CDC = Centers for Disease Control and Prevention. FMAP = federal medical assistance percentage. HCBS = home and community-based services. HHS = Department of Health and Human Services. LIHEAP = Low-income Home Energy Assistance Program.  
 a. Section would affect both revenues and spending, which is shown separately.  
 b. The estimate for section 3102 includes the budgetary effects of sections 3202.



February 2021

**Fact Sheet on House's Reconciliation Package & the  
Biden Administration's COVID-19 American Rescue Plan  
COMMITTEE ON ENERGY & COMMERCE**

The Fiscal Year 2021 Reconciliation Act puts into action the policies and budgetary requests outlined by the Biden Administration's American Rescue Plan.

**VACCINES:**

The American Rescue Plan calls for the establishment of a national vaccination program, and this legislation provides critical funding and resources to increase COVID-19 vaccinations across the country.

- Many states have struggled to distribute vaccines after the Trump Administration chose to defer almost entirely to the states to distribute and administer all vaccines.
- The American Rescue Plan requests **\$20 billion** for improving COVID-19 vaccine administration and distribution, including vaccination clinics and mobile vaccination units, a vaccine awareness campaign, and increasing the Federal Medical Assistance Percentage (FMAP) to Medicaid-covered recipients of a vaccine. It also requests over **\$5 billion** for research, development, and manufacturing of vaccines, therapeutics, and ancillary supplies.
- **Specifically, the Fiscal Year 2021 Reconciliation Act provides:**
  - **\$7.5 billion** for Centers for Disease Control and Prevention (CDC) to prepare, promote, distribute, administer, monitor, and track COVID-19 vaccines. This includes distribution and administration, support for state, local, tribal, and territorial public health departments, community vaccination centers, IT enhancements, facility enhancements, and public communication;
  - **\$600 million** to be directed to the Indian Health Service (IHS) for vaccine-related activities;
  - **\$5.2 billion** to the Biomedical Advanced Research and Development Authority (BARDA) to support advanced research, development, manufacturing, production, and purchase of vaccines, therapeutics, and ancillary medical products for COVID-19;
  - **\$1 billion** for the CDC to undertake a vaccine awareness and engagement campaign;
  - **\$500 million** for the Food and Drug Administration (FDA) to support the review, facilitate the development of, and post-marketing surveillance of COVID-19 vaccines and therapeutics and address drug shortages, among other activities; and
  - Medicaid coverage of COVID-19 vaccines, including the option for states to provide coverage to the uninsured, without cost sharing at 100 percent FMAP for the duration of the public health emergency.

**TESTING:**

The American Rescue Plan proposes scaling up testing in order to stop the spread of COVID-19, safely reopen schools, and protect at-risk populations. A robust testing program remains a critical tool in the

**fight against this virus in conjunction with vaccinations. This legislation provides the funding and resources to do just that.**

- Despite innovations and adaptations in the testing space, COVID-19 tests are still not widely accessible, and supplies continue to be in shortage.
- According to a Government Accountability Office (GAO) [report from November 2020](#), a national survey to states and territories found that 21 states reported shortages of testing reagents, 16 states reported shortages of testing instruments, and 24 states reported shortages of rapid point-of-care tests in the 30 days prior to the report's release, and those same states predicted shortages would continue through the winter months.
- The American Rescue Plan requests **\$50 billion** for testing related resources and activities, including procurement and administration of regular screening tests, and investments in United States laboratory capacity for diagnostic and screening tests.
- **The Fiscal Year 2021 Reconciliation Act provides:**
  - **\$46 billion** for testing, contact tracing, and mitigation. These activities include: implementing a national strategy for testing, contact tracing, surveillance, and mitigation; providing technical assistance, guidance, support, and grants or contracts to States; manufacturing, procurement, distribution, administration of tests, including personal protective equipment (PPE) and supplies necessary for administration; and establishing and expanding federal, State, or local testing and contact tracing capabilities, including investments in laboratory capacity, community-based testing sites, and mobile testing units;
  - **\$1.5 billion** for IHS testing, tracing, and mitigation needs;
  - **\$1.75 billion** for genomic sequencing and surveillance of the circulating strains of COVID-19. There are currently [multiple strains of COVID-19 circling the globe](#), some of which have recently emerged in the United States; and
  - **\$500 million** to allow CDC to establish, expand, and maintain data surveillance and analytics, including to modernize the United States' disease warning system to forecast and track hotspots for COVID-19.

**PUBLIC HEALTH WORKFORCE:**

**The American Rescue Plan calls for the mobilization of a public health jobs program to support the COVID-19 response.**

- **The Fiscal Year 2021 Reconciliation Act provides:**
  - **\$7.6 billion** in funding to public health departments to hire 100,000 full time employees into the public health workforce. These positions would include contact tracers, social support specialists, community health workers, public health nurses, epidemiologists, lab personnel, and communications. Funds would also support PPE, technology, data management, supplies, and reporting;
  - **\$240 million** for IHS public health workforce needs; and

- **\$100 million** to support the Medical Reserve Corps, which consists of a network of volunteer medical and public health professionals that support emergency response efforts and community health activities.

**HEALTH DISPARITIES:**

**The American Rescue Plan includes funding to provide health services to the underserved and addressing ongoing health disparities.**

- COVID-19 has laid bare the harsh realities of health disparities in the United States. For instance, Black and Hispanic Americans are getting vaccinated at significantly lower rates than White Americans, a trend that advocates blame on the federal government's failure to prioritize equitable distribution. Communities of color are also experiencing higher rates of COVID-19 cases, and higher hospitalization and death rates as a result.
- **The Fiscal Year 2021 Reconciliation Act provides a total of \$25.2 billion** for addressing health disparities and protecting vulnerable populations, including:
  - **\$250 million** for nursing home strike teams to help facilities manage COVID-19 outbreaks when they occur;
  - **\$7.6 billion** in funding to support COVID-19 response at Community Health Centers;
  - **\$1.8 billion** to support the purchase, procurement, or distribution of COVID-19 test and testing supplies, PPE, and vaccines for staff and individuals in congregate settings. This would include support to states, localities, territories, and tribes for strategies and activities to detect, diagnose, trace or monitor COVID-19 in congregate settings, including prisons, jails, detention centers, long-term care facilities, psychiatric hospitals and residential treatment facilities, intermediate care facilities, and other settings providing care for individuals with disabilities;
  - **\$3.3 billion** to IHS in flexible funding to support lost third-party revenue, information technology infrastructure for telehealth and electronic health records, urban Indian organizations, and other health services and costs;
  - **\$800 million** to the National Health Service Corps to support primary health care clinicians in high-need areas;
  - **\$331 million** for Teaching Health Centers to expand the number of sites nationwide, increase resident allocations, and provide administrative support for expanding the program;
  - **\$240 million** to support the Nurse Corps Loan Repayment program, which helps support nurses working in critical shortage and underserved areas;
  - A Medicaid state option to allow states to cover postpartum women for 12 months after birth, to help address the maternal mortality crisis disproportionately affecting women of color; and
  - Medicaid coverage for incarcerated individuals 30 days prior to their release, to ensure continuity of care for justice-connected individuals.

**MENTAL HEALTH:**

**The American Rescue Plan proposes scaling up mental health services, including to expand access to behavioral and mental health prevention and treatment.**

- **The Fiscal Year 2021 Reconciliation Act provides a total of \$4 billion** for behavioral and mental health services, including:
  - **\$3.5 billion** for the Substance Abuse and Mental Health Services Agency (SAMHSA) to be split between the Substance Abuse Prevention and Treatment and Community Mental Health block grant programs. Both programs provide funding to all 50 States, the District of Columbia, Puerto Rico, the United States Virgin Islands, and six Pacific jurisdictions. The Substance Abuse block grant program also supports one tribal entity, the Chippewa Tribe;
  - **\$420 million** will be made available to IHS for mental and behavioral health prevention and treatment services;
  - **\$100 million** to the Behavioral Health Workforce Education and Training Program within the Health Resources and Services Administration (HRSA) to expand access to behavioral health services by focusing on training behavioral health paraprofessionals, such as peer support specialists;
  - **\$140 million** to develop a program for mental and behavioral health and to prevent burnout among health care providers and public safety officers, including training and outreach;
  - **\$80 million** to provide support for mental health and substance use disorder services at community-based entities and behavioral health organizations;
  - **\$10 million** to support the National Childhood Traumatic Stress Network, which works to develop and promote effective community practices for children and adolescents exposed to a wide array of traumatic events; and
  - **\$50 million** to Suicide Prevention and Project Aware programs at SAMHSA, which support youth mental health services and suicide prevention efforts.

**HEALTH COVERAGE:**

**The American Rescue Plan commits to preserving and expanding access to health care coverage during the pandemic.**

- Between March and September of 2020, roughly 2 to 3 million people lost employer sponsored health insurance.
- Prior to that, 30 million people already lacked coverage, barring them from accessing the health care system from the outset of the pandemic.
- **The Fiscal Year 2021 Reconciliation Act provides a number of complementary provisions to make coverage more affordable and accessible to millions of Americans by:**
  - Expanding Affordable Care Act (ACA) Marketplace premium tax credits to more middle-class Americans for 2021 and 2022, including those with incomes above 400 percent of the federal poverty line (FPL).
  - Allowing individuals receiving unemployment compensation during the public health emergency to access ACA premium tax credits regardless of income.

- Providing a new incentive for states to expand Medicaid by temporarily increasing the federal medical assistance percentage by five percentage points. If all 12 remaining states expanded Medicaid, more than two million people currently in the coverage gap would gain access to Medicaid.
- Ensuring that workers can continue to afford their employer health care by providing partial COBRA subsidies. COBRA allows workers who experience layoffs or reduction in hours to continue with their job-based health coverage for a limited period of time to avoid a disruption in care.

**CONSUMER ENERGY AND WATER ASSISTANCE:**

**The American Rescue Plan helps Americans who are struggling to make ends meet keep the lights on, the heat working and the water running by proposing \$5 billion in assistance.**

- Energy access is crucial to residential health and to sustaining socially-distanced and remote work lifestyles.
- Unpaid electric and natural gas bills were expected to reach \$32 billion by the end of 2020, with an estimated 20 percent of residential customers at least 60 days behind on their bills. A projected five million additional households are eligible for energy assistance due to pandemic-related job losses.
- Households in California and Virginia, two states that are tracking water debt, are facing more than \$1 billion and more than \$88 million, respectively, in unpaid water bills. These debts threaten the long-term viability of municipal water utilities and raise the risk of interruptions in water service, which is essential to maintain hygiene during the Covid-19 pandemic.
- **The Fiscal Year 2021 Reconciliation Act provides \$5 billion to those most in need to pay their utility bills at a time when so many Americans are spending unprecedented amounts of time at home, including:**
  - **\$4.5 billion** to the Department of Health and Human Services (HHS) for home energy assistance through the Low-Income Home Energy Assistance Program (LIHEAP); and
  - **\$500 million** in additional funds for HHS for the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program established by Congress at the end of 2020. This brings the total amount of money available to assist families with their water and sewer bills to over \$1.1 billion.

**POLLUTION AND THE PANDEMIC:**

**The Fiscal Year 2021 Reconciliation Act helps address health outcome disparities from pollution and the COVID-19 Pandemic.**

- Recent work by GAO found that our national air monitoring network infrastructure is aging and needs to be modernized to identify localized pollution that threatens environmental justice communities.
- **The Fiscal Year 2021 Reconciliation Act provides the Environmental Protection Agency (EPA) with \$100 million to address health outcome disparities from pollution and the COVID-19 pandemic:**
  - **\$50 million** to EPA for environmental justice grants and activities to help communities facing a disproportionate burden of pollution and disease; and

- \$50 million to EPA for air quality monitoring grants and other purposes.

**REMOTE LEARNING:**

**The American Rescue Plan will help bridge the digital divide for students and teachers without home internet access.**

- To keep communities safe and prevent further spread of COVID-19, schools need the flexibility to engage in remote learning when necessary for public health and safety.
- Studies estimate that as many as 12 million students still lack internet service at their homes, with minorities and those in rural areas most often among the unconnected. Without a reliable internet connection to log into classes, submit work, and engage with teachers and other students, these students have fallen even further behind in school.
- **The Fiscal Year 2021 Reconciliation Act provides \$7.6 billion to expand internet connectivity to students and communities by:**
  - Reimbursing schools and libraries—central points for connectivity in many communities—to purchase equipment such as hotspots, internet service, and computers on behalf of students and patrons; and
  - Ensuring schools and libraries can quickly access this critical funding by relying upon the Federal Communications Commission and its E-rate program to administer the funds.

**CONSUMER PROTECTION:**

**The Fiscal Year 2021 Reconciliation Act will make Americans safer in their homes by reducing the number of unsafe imported consumer products.**

- More than \$174 billion spent by consumers online can be attributed to COVID-19-related boosts in online shopping with online spending jumping 44 percent in 2020 compared with 2019.
- The Consumer Product Safety Commission (CPSC) has not been able to keep pace with changing consumer trends brought on by the pandemic, including the substantial shift to online shopping and the influx of e-commerce shipments from foreign countries. The CPSC does not have enough funding to adequately staff United States ports of entry, leaving already struggling families vulnerable to risk of injury or death from uninspected consumer products, especially in-demand COVID-19 products.
- **The Fiscal Year 2021 Reconciliation Act provides \$50 million for the CPSC to ensure the safety of consumer products entering our country and into people's homes — an essential priority during the COVID-19 pandemic.**

**VIII. FEDERAL MANDATES STATEMENT**

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

**IX. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES**

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to provide coronavirus emergency response and relief, and for other purposes.

**X. DUPLICATION OF FEDERAL PROGRAMS**

Pursuant to clause 3(c)(5) of rule XIII, no provision of the Committee Print is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111-139 or the most recent Catalog of Federal Domestic Assistance.

**XI. COMMITTEE COST ESTIMATE**

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

**XII. EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS**

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that the Committee Print contains no earmarks, limited tax benefits, or limited tariff benefits.

**XIII. ADVISORY COMMITTEE STATEMENT**

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

**XIV. APPLICABILITY TO LEGISLATIVE BRANCH**

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

**XV. SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION**

**SECTION. 3101. MANDATORY COVERAGE OF COVID-19 VACCINES AND ADMINISTRATION TREATMENT UNDER MEDICAID**

This provision requires Medicaid coverage of COVID-19 vaccines and treatment without beneficiary cost sharing with coverage and administration of vaccines matched at a 100 percent FMAP through one year after the end of the PHE. It also gives states the option to provide coverage to the uninsured for COVID-19 vaccines and treatment without cost sharing through the PHE, with vaccines matched at 100 percent FMAP.

**SEC. 3102. MODIFICATIONS TO CERTAIN COVERAGE UNDER MEDICAID FOR PREGNANT AND POSTPARTUM WOMEN**

This provision allows states, for five years, to extend Medicaid eligibility to women for 12 months postpartum.

**SEC. 3103. ALLOWING FOR MEDICAL ASSISTANCE UNDER MEDICAID FOR INMATES DURING 30-DAY PERIOD PRECEDING RELEASE**

This provision provides Medicaid eligibility, for five years, to incarcerated individuals 30 days prior to their release.

**SEC. 3104. ENHANCED FEDERAL MEDICAID SUPPORT FOR BUNDLED COMMUNITY-BASED MOBILE CRISIS INTERVENTION SERVICES**

This provision provides an enhanced FMAP for state Medicaid programs to cover mobile crisis intervention services for individuals experiencing a mental health or substance use disorder crisis.

**SEC. 3105. TEMPORARY INCREASE IN FMAP FOR MEDICAL ASSISTANCE UNDER STATE MEDICAID PLANS WHICH BEGIN TO EXPEND AMOUNTS FOR CERTAIN MANDATORY INDIVIDUALS**

This provision temporarily increases a state's base FMAP by five percentage points for two years for states that newly expand Medicaid.

**SEC. 3106. EXTENSION OF 100 PERCENT FEDERAL MEDICAL ASSISTANCE PERCENTAGE TO URBAN INDIAN HEALTH ORGANIZATIONS AND NATIVE HAWAIIAN HEALTH CARE SYSTEMS**

This provision provides 100 percent FMAP for services provided to Medicaid beneficiaries receiving care through Urban Indian Organizations and Native Hawaiian Health Centers for two years.

**SEC. 3107. SUNSET OF LIMIT ON MAXIMUM REBATE AMOUNT FOR SINGLE SOURCE DRUGS AND INNOVATOR MULTIPLE SOURCE DRUGS**

This provision eliminates the cap on Medicaid drug rebates, starting in calendar year 2023.

**SEC. 3108. ADDITIONAL SUPPORT FOR MEDICAID HOME AND COMMUNITY BASED SERVICES DURING THE COVID-19 EMERGENCY PERIOD**

This provision provides a temporary FMAP increase of 7.35 percentage points for states to make improvements to Medicaid HCBS for one year.

**SEC. 3109. FUNDING FOR STATE STRIKE TEAMS FOR RESIDENT AND EMPLOYEE SAFETY IN NURSING FACILITIES**

This provision provides \$250 million to the Secretary of Health and Human Services to allocate to states for the purposes of establishing strike teams to be deployed to nursing facilities with diagnosed or suspected cases of COVID-19 among residents.

**XVI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED**

A Ramseyer was requested but not yet received. Therefore, with respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee advises that compliance prior to submission to the Committee on the Budget was not possible.

**XVII. ADDITIONAL VIEWS**

**Energy and Commerce Committee Republican Views**

Republicans have supported five targeted, bipartisan bills to crush COVID-19, to reopen schools, to get the economy back on track, and to improve health and wellness of those suffering from the pandemic. That is what we should be doing with this Reconciliation package. Unfortunately, this package falls well short, but at an extraordinary cost. The Congressional Budget Office (CBO) estimates that the Committee on Energy and Commerce's contribution to the Reconciliation process will cost approximately \$120 billion. That is still well short of the \$188 billion instruction to the Committee, which shows there was an opportunity to adopt some of the bipartisan, targeted, and timely amendments Republicans offered during markup. For instance:

- \$1 billion for teachers to get vaccinated and ensure our children can go back to school safely;
- \$10 billion for COVID-19 research at the National Institutes of Health (NIH);
- \$35 billion to support our frontline workers through the Provider Relief Fund (PRF); or
- \$1 billion to boost mental health services in states with unexpected job loss due to President Biden's various Executive Orders.

Unfortunately, the Democrats rushed this bill through a partisan markup without bipartisan consultation with CBO on cost, preventing any chance of adequate analysis and deliberation.

In addition to the wasteful spending, we must comment on the Democratic Majority's decision to bypass regular order. Democrats wrote this entire package in secret without any input from Republicans, and Republicans did not see a draft until 10:00 p.m. on Tuesday, February 9 for a markup scheduled to start at 11:00 a.m. on Thursday, February 11. Such secrecy might be expected on controversial measures, but Republicans and Democrats have already worked together to enact 5 bills in response to COVID-19. This partisan process on this package is a failure of Democratic leadership and a huge disappointment.

**Subtitle A: Budget Reconciliation Legislative Recommendations Relating to Public Health**

Republicans on the Energy and Commerce Committee strongly support additional funding for advanced research, development, manufacturing, production, and the purchase of vaccines, diagnostic tests, therapeutics, and ancillary medical products to prevent, prepare, and respond to SARS-CoV-2, COVID-19, or any disease with potential for creating a pandemic. Republicans on the Energy and Commerce Committee also support additional funding for the prevention and treatment of mental health and substance use disorders. The COVID-19 pandemic and resulting economic downturn have significantly impacted the mental health and wellbeing of all Americans.

Since the beginning of this pandemic, many Americans have reported that their mental health has been negatively impacted by recent events, with about 4 in 10 adults reporting

symptoms of anxiety or depressive disorder.<sup>1</sup> Reports have found that declines in the economy, lost jobs, and health challenges have all contributed to an increase in mental health difficulties. Individuals in states with more restrictive measures, such as stay-at-home orders, have recorded even more cases of mental health difficulties.<sup>2</sup> The pandemic has also presented unique challenges for individuals with substance use disorder (SUD) and those who are in recovery, as social distancing and stay at home orders make it harder for patients to access treatment, such as critical medications for opioid use disorders.<sup>3</sup>

However, Subtitle A is also a departure from how the Congress has previously provided emergency funding to address the coronavirus pandemic, and because of this, does not take into account the time it will take for federal agencies to spend these resources, or address all the needs, such as those of the National Institutes of Health and health care providers. The past five legislative packages that were signed into law were negotiated in good faith between Republicans and Democrats, with extensive input from all sides.<sup>4</sup>

We are disappointed that the Democrats rejected bipartisanship and embraced a partisan process. Instead of targeted and timely relief to COVID-19, the Democrats proposed mandatory funding for all of these initiatives, abdicating responsibility for oversight, which is a troubling departure from the oversight and reporting on the emergency designated discretionary appropriations provided in the previous five COVID-19 emergency appropriations bills passed last year.

Republicans agree with CBO that federal agencies might not be able to use the new budget authority provided in Subtitle A quickly enough. Republicans are also concerned that the resources may not be timely enough to help address any outstanding COVID-19 needs that remain after the most recent relief package.<sup>5</sup> Subtitle A increases individual agencies' funding for a single fiscal year by a substantial amount. The 2021 budget authority for the Centers for Disease Control and Prevention (CDC), the Health Resources and Services Administration (HRSA), and the Indian Health Service (IHS) would see enormous increases roughly halfway through the fiscal year. Republicans, like the CBO, do not understand how these agencies would be able to spend all of the new funds rapidly in a manner that has any meaningful near-term impact on reducing COVID-19 cases and deaths in the United States.<sup>6</sup>

<sup>1</sup> Nirmita Panchal, et. al., *The Implications of COVID-19 for Mental Health and Substance Use*, Kaiser Family Foundation, available at <https://www.kff.org/health-reform/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/> (last updated Feb. 10, 2021).

<sup>2</sup> Madeline Holcombe, *Long-term social distancing may be traumatic. Here is what to expect and what to do*, CNN (Apr. 12, 2020), available at <https://www.cnn.com/2020/04/09/health/coronavirus-mental-health-long-term-wellness/index.html>.

<sup>3</sup> Dr. Francis Collins, Director, National Institutes of Health, *Coping with the Collision of Public Health Crises: COVID-19 and Substance Use Disorders*, NIH Director's Blog (Apr. 21, 2020), available at <https://directorsblog.nih.gov/2020/04/21/coping-with-the-collision-of-public-health-crises-covid-19-and-substance-use-disorders/>.

<sup>4</sup> P.L. 116-123; P.L. 116-127; P.L. 116-136; P.L. 116-139; and P.L. 116-260.

<sup>5</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

<sup>6</sup> *Id.*

For example, the state of the nation's public health infrastructure and workforce are a result of decades of neglect by state and local governments. At the same time, states have spent ever increasing amounts of their budgets on Medicaid. Support for states to build their public health workforce is laudable and could be accomplished by discretionary appropriations. However, it is unclear how an immediate infusion of \$7.6 billion in mandatory funding for establishing and expanding a public health workforce, as is done in section 3021, will lead to more public health professionals to fight COVID-19 now. State and local health departments have struggled for years to recruit public health professionals in a field that has lost more than 56,000 positions in the past decade.<sup>7</sup> A sustainable long-term increase in discretionary funding authorized through regular order would have been a more appropriate way to support state and local public health departments and address the dearth in public health professionals.

Republicans are concerned about the long-term health of critically important public health programs that Subtitle A sets on dangerous fiscal cliffs. For example, section 3031 provides \$7.6 billion for Federally-qualified health centers, \$800 million for the National Health Service Corps, and \$300 million for the Teaching Health Center Graduate Medical Education program. This is approximately twice the amount that was authorized for these programs for each of fiscal years 2021 through 2023 in the Consolidated Appropriations Act, 2021, which was just signed into law two months ago.<sup>8</sup> These are unsustainable funding levels.

Republicans are disappointed that Subtitle A opens the door to federal funding for elective abortions. Every Democrat voted against including the Hyde amendment protections in Subtitle A. The Hyde Amendment prevents all other federal funds for the Department of Health and Human Services appropriated through the discretionary appropriations process, and also mandatory health spending, from being used to fund abortion, except in the cases where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape or incest. Since 1976, Hyde, and similar policies governing other federal programs, have been supported and renewed annually on a bipartisan basis, multiple times, for decades.<sup>9</sup> Because there are no Hyde Amendment protections, many provisions in Subtitle A, particularly where funds have been authorized for broad purposes or for the provision of health services that are not directly related to preventing and treating COVID-19, will support elective abortions.

For example, section 3036 authorizes \$50 million in mandatory funding for grants and contracts under section 1001 of the Public Health Service Act, which is the Title X Family Planning Program. First, it is unclear to Republicans how Title X funding will reduce transmission of, and illness and death caused by, COVID-19. This funding is being authorized on the heels of President Biden directing the Department of Health and Human Services to

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<sup>7</sup> Blaire Bryant, Protect Funding for Core Local Public Health Services and Prevention Programs, National Association of Counties, available at [https://www.naco.org/resources/protect-funding-core-local-public-health-services-and-prevention-programs#:~:text=According%20to%20the%20National%20Association,in%20five%20local%20health%20departments.\(last updated Feb. 28, 2019\).](https://www.naco.org/resources/protect-funding-core-local-public-health-services-and-prevention-programs#:~:text=According%20to%20the%20National%20Association,in%20five%20local%20health%20departments.(last updated Feb. 28, 2019).)

<sup>8</sup> P.L. 116-260,

<sup>9</sup> H.R. 14232, Departments of Labor, and Health, Education, and Welfare, and Related Agencies, 1977, 94th Congress (1976); Roll no. 846.

reverse the “Protect Life Rule,”<sup>10</sup> a rule that prohibited Title X-funded family planning services to be performed at the same location where abortions are provided. Since existing Title X appropriations have been obligated to non-abortion providing entities, section 3036 is just a way to direct taxpayer dollars to abortion providers, like Planned Parenthood.

Lastly, Republicans are disappointed that the Democrats, in their haste to pass a partisan package, did not assess the true budgetary needs of these agencies. The exorbitant funding levels could lead to waste.

For example, section 3004 provides \$500 million to the Food and Drug Administration (FDA) for the evaluation of the continued performance, safety, and effectiveness of vaccines, therapeutics, and diagnostics approved, cleared, licensed, or authorized for use for the treatment, prevention, or diagnosis of COVID-19. Republicans believe that the agency should provide a detailed account of how funds previously appropriated have been spent, what amount of funding remains unobligated, and to what activities those unobligated dollars will be allocated before appropriating additional funds, especially considering that \$500 million is more than twice the amount that has been appropriated to FDA under all previously enacted Coronavirus relief legislation combined.<sup>11</sup>

Additionally, advancing this legislation through regular order would have allowed both Republicans and Democrats to have a better understanding of the FDA’s existing needs. During the full committee markup, the only opportunity provided to Republicans to ask questions and raise concerns about the legislation being considered, Democrats asserted they had conversations with FDA during which the agency expressed the need for this amount of funding. The FDA has not provided to Republicans any request or justification for these funds, nor has FDA explained how they will be used to advance the agency’s mission. In addition, the majority of FDA’s spending is on salaries. It is unclear how the \$500 million could be used to support salaries without creating a cliff where more funding is needed to retain those employees.

With respect to product reviews, Republicans question why these funds appear to be intended solely for post-market surveillance, as opposed to both pre- and post-market activities, given the likelihood that new COVID-19 vaccines, therapeutics, and diagnostics will warrant premarket review.<sup>12</sup> Furthermore, the funds may be used to facilitate and conduct inspections delayed or cancelled for reasons related to COVID-19.<sup>13</sup> While Republicans agree it is critical that FDA resume on-site inspections, we question why additional funds are required to do so.

Since March 2020, FDA has conducted few domestic or foreign inspections due to safety concerns and travel restrictions, not due to funding limitations. During fiscal year (FY) 2020, the total number of inspections conducted by FDA, of both foreign and domestic establishments,

<sup>10</sup> 84 F.R. 7714.

<sup>11</sup> P.L. 116-123; P.L. 116-136; P.L. 116-260.

<sup>12</sup> S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021 (February 11, 2021), 117<sup>th</sup> Congress (2021-2022), available at <https://docs.house.gov/meetings/IF/IF00/20210211/111190/BILLS-117-A-P000034-Amdt-2.pdf>.

<sup>13</sup> *Id.*

was fifty-six percent lower than during each of the previous two fiscal years.<sup>14</sup> Between March and October of 2020, only three foreign mission critical inspections and only fifty-two domestic inspections took place.<sup>15</sup> In contrast, during a similar timeframe in each of the previous two years, more than 600 foreign and 400 domestic inspections took place.<sup>16</sup> Given the significant reduction in the number of inspections conducted, FDA must answer for how funds obligated for FY 2020 inspection activities have been used and why it needs more funds to carry out delayed or cancelled inspections.

**Subtitle B: Budget Reconciliation Legislative Recommendations Relating to Medicaid**

**Section 3101. Mandatory Coverage of COVID-19 Vaccines and Administration Treatment Under Medicaid.**

Republicans want every American to have access to the COVID-19 vaccine and we support fully covering the cost of the vaccine for Medicaid beneficiaries for the length of the public health emergency. This will ensure we can vaccinate every single American, which will help us reopen schools, workplaces, and the economy. However, in this section the Democrats, instead, chose to extend the timeframe where vaccines are fully covered by one year. The Democrats have provided no justification for this extension. Given that the public health emergency will continue throughout 2021, Republicans recommend ascertaining how the states are doing at the end of the year and extend the timeframe if needed. Instead, the Democrats are spending money on the extra year that could have been used to increase funding for mental health or SUD providers, or a number of other targeted and temporary priorities that both parties share.

The Democrats are also giving the states the option to provide coverage to the uninsured for COVID-19 vaccines and treatment without cost sharing at 100 percent federal medical assistance percentage (FMAP). Republicans want all eligible beneficiaries to receive care and want to work with the Democrats to improve access to care for all Americans. However, the Medicaid program has eligibility requirements for a reason and Republicans want to make sure that the program is able to continue serving the Americans who are eligible for Medicaid coverage.

**Section 3102. Modifications to Certain Coverage Under Medicaid for Pregnant and Postpartum Women.**

Republicans are disappointed that the Democrats chose this partisan approach to a bipartisan priority. H.R. 4996, the Helping MOMS Act of 2020, passed the House unanimously last year and is the same policy as section 3102, except, H.R. 4996 was a permanent state option to extend Medicaid eligibility to women for 12 months postpartum and section 3102 is a five-year option. At markup, Republicans offered an amendment that would have implemented the

<sup>14</sup> United States Government Accountability Office (GAO), *COVID-19: Critical Vaccine Distribution, Supply Chain, Program Integrity, and Other Challenges Require Focused Federal Attention* (January 2021), available at <https://www.gao.gov/assets/720/712030.pdf>.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

permanent policy. Predictably, the Democrats rejected the proposal because it would cause the Committee to exceed its reconciliation instructions. However, when CBO released its estimate of the Committee's reconciliation package, Republicans learned that the Committee is under its instruction of \$188.5 billion by over \$65 billion.<sup>17</sup> If the Committee had an estimate and technical assistance before markup, we could have made this change permanent.

**Section 3103. Allowing for Medical Assistance Under Medicaid for Inmates During 30-Day Period Preceding Release.**

Republicans are willing to work with the Democrats to address medical assistance for inmates during the 30-day period preceding their release from prison, but this is irrelevant to responding to COVID-19. This is especially true since the Democrats included the coverage of inmates in the vaccine development and distribution funding in Subtitle A, and included specific funding for COVID-19 for those that live in congregate facilities. If this policy had been considered through regular order, a hearing might have revealed how prisons differ from jails when handling inmates a month before release and how we can tailor the policy to be the most effective.

Republicans want all Americans to have access to the COVID-19 vaccine, including inmates during the 30-day period before their release. But why is Medicaid coverage for inmates 30 days prior to release necessary? Also, how long will it take prisons and jails to have the administrative capacity to bill Medicaid, and will prisons need additional resources to do so? If the Committee followed regular order, some of these questions could have been answered.

**Section 3104. Enhanced Federal Medicaid Support for Bundled Community-Based Mobile Crisis Intervention Services.**

This section is another partisan disappointment. The Democrats never explained how this section will provide immediate relief to those suffering from COVID-19's devastating impact on mental health or SUD. CBO indicated that only 16 states have programs that would immediately qualify for this provision, suggesting the limited impact this provision will have on addressing nationwide mental health and SUD impacts from COVID-19.<sup>18</sup> Republicans believe that tailoring a policy like the one in section 3108 for mental health and substance use providers would have been a better way to provide immediate relief for the next year.

**Section 3105. Temporary Increase in FMAP for Medical Assistance Under State Medicaid Plans which Begin to Expend Amounts for Certain Mandatory Individuals.**

Incentivizing states to expand Medicaid to address COVID-19 is a mistake. It is neither a targeted nor a timely approach to continue the fight against COVID. We understand the need to provide Americans access to affordable health insurance options, but, at a minimum, it takes

<sup>17</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

<sup>18</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

several months to expand Medicaid.<sup>19</sup> Republicans believe that any COVID-19 relief package should aim to end the pandemic in weeks now that a vaccine is available. The \$16 billion cost associated with this policy should be targeted to immediate COVID-19 relief for Medicaid providers who are working with the most at risk beneficiaries, including SUD, mental illness, hospitals in rural areas, and nursing homes.

**Section 3106. Extension of 100 Percent Federal Medical Assistance Percentage to Urban Indian Health Organizations and Native Hawaiian Health Care Systems.**

Republicans would have preferred to consider this section through regular order to ensure that there are proper reporting and data requirements on the impact of the policy given that it is only a two-year extension.

**Section 3107. Sunset of Limit on Maximum Rebate Amount for Single Source Drugs and Innovator Multiple Source Drugs.**

Including this provision in this partisan package is another disappointment. Republicans have supported this policy to pay for a permanent option for states to provide Medicaid coverage to women for 12 months after birth. That was the bipartisan approach taken in H.R. 4996, the Helping MOMS Act of 2020, which passed the House unanimously in the 116th Congress. But including this spending offset to fund unnecessary spending unrelated to the COVID-19 fight will only make it harder to enact permanent needed support for new mothers who rely on Medicaid.

**Section 3108. Additional Support for Medicaid Home and Community Based Services During the COVID-19 Emergency Period.**

This is another provision that could have been done through regular order, but instead, Democrats chose partisanship. Republicans support a temporary FMAP increase of 7.35 percentage points for states to make improvements to Medicaid home- and community-based services (HCBS) for one year. However, the Democrats would impose a litany of required uses of the funds, which are overly burdensome at a time when states Medicaid programs need flexibility to target efficiently their response to COVID-19. Republicans recommend providing states more flexibility on how to use those funds.

**Section 3109. Funding for State Strike Teams for Resident and Employee Safety in Nursing Facilities.**

Nursing homes have been devastated by COVID-19, and the pandemic has brought attention to the need for improved infectious disease control at nursing homes. The Trump Administration deployed “strike teams” to nursing homes starting in July, 2020,<sup>20</sup> and Republicans support providing funding to continue this important initiative. However, Republicans prefer that this funding be provided through emergency supplemental appropriations

<sup>19</sup> <https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/>.

<sup>20</sup> <https://www.cms.gov/newsroom/press-releases/trump-administration-announces-new-resources-protect-nursing-home-residents-against-covid-19>.

through regular order to ensure we have proper reporting and data on the impact of the policy and its effectiveness.

**Subtitle C: Budget Reconciliation Legislative Recommendations Relating to CHIP**

**Section 3201. Mandatory Coverage of COVID-19 Vaccines and Administration and Treatment Under CHIP.**

Republicans want every American to have access to the COVID-19 vaccine. We support fully covering the cost to vaccinate CHIP beneficiaries for the length of the public health emergency. However, the Democrats' partisan decision to extend that timeframe for a year is not based on any data or technical assistance. Since the public health emergency will continue through 2021, a better way would have been to see how the states are doing at the end of the year and adjust if needed.

**Section 3202. Modifications to Certain Coverage Under CHIP for Pregnant and Postpartum Women.**

It is disappointing the Democrats chose to include a bipartisan priority in the partisan package. As noted earlier, H.R. 4996, the Helping MOMS Act of 2020, passed the House unanimously last year and is the same policy as section 3102.

**Subtitle D: Budget Reconciliation Legislative Recommendations Relating to Other Provisions**

**Chapter 1**

Chapter 1 of Subtitle D is another disappointment and lost opportunity. Our concerns with this chapter can be divided into two distinct categories: big-picture concerns and specific policy choices reflected in the reported text, as well as those rejected by the votes of the Democrats.

Generally, the three sections in this Chapter are not consistent with the Democrats' claims about what this bill does. Rather than providing the immediate aid the Democrats insisted was essential for all Americans struggling with or vulnerable to COVID-19, the provisions instead appear to craft long-term policies that deserved closer, deliberate attention.

To illustrate this overarching point, the authorized funding appropriated in sections 3301 and 3303 is not time limited – it is supposed to “remain available until expended” – and section 3302 makes its funding available until September 30, 2022 – a time frame exceeding current predictions on the length of the pandemic in the United States. Moreover, none of the sections reference the public health emergency related to COVID-19 that was issued by the Department of Health and Human Services (HHS) and only section 3301 attempts to create a COVID-19

nexus.

We believe the aid in this chapter would have been more efficiently and effectively provided had the explicit statutory focus only been on directing actions necessary for the nation's COVID-19 response. Frustratingly, the Democrats were not interested in a bipartisan response of targeted relief that was time-limited and tied directly to COVID-19.

Unfortunately, Chapter 1, particularly section 3301 and 3303, also was not considered through regular order in the Committee. Regular order would have allowed careful review of the scope and timing of these provisions. For example, it would have provided opportunity to adjust the focus of Section 3301 to include increasing employment and economic opportunity, in addition to technical assistance concerning air quality. Providing more scrutiny and opportunity for improvement of the legislative language would have ensured resources are directed to the most urgent economic impacts of the pandemic.

Beyond these overarching concerns, each of the three sections in this chapter contained specific provisions that gave us pause.

For section 3301, the lack of meaningful Congressional input is concerning – we should have had more of a process to obtain assurances as to what this language intends and, considering that these provisions could be in force for a few years, understand what this language might practically mean. These insights also are critical to conducting Congressional oversight on the provisions, should they become enacted.

Another area of concern for us in section 3301 is its omission of health disparities of certain workers related to COVID-19. Unemployment is well established as a risk factor for elevated illness and mortality rates in epidemiological studies performed since the early 1980s. In fact, the National Center for Health Statistics concluded that “children in poor families were four times as likely to be in fair or poor health as children in families that are not poor.” Most significantly, as it relates to COVID-19 and the emergence of new more contagious variants, Yale researcher Dr. William Gallo has stated in the past that late-career job loss results include “substantial health consequences” and are a “potential risk factor for adverse vascular health changes” -- the most troubling comorbidities threatening the survival of any person exposed to the coronavirus.

The people made jobless via the White House executive orders in the first month of the Biden Administration have been disregarded in these provisions. Our Democratic colleagues not only rejected efforts to help these economically disadvantaged people, but their views were punctuated by suggestions that welfare programs and green jobs for half the wages of their recent employment should be an adequate replacement for these people.<sup>21</sup>

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<sup>21</sup>“The average salary of oil and natural gas workers is approximately \$112,000, more than double the national private-sector average of \$51,000. But oil and gas workers don't just make double that of the national average. They make double that of wind and solar workers.

Moving to section 3302, it provides \$4.5 billion through the end of fiscal year 2022 for the Low-Income Home Energy Assistance Program (LIHEAP). This amount exceeds the entire amount enacted for LIHEAP in fiscal year 2021 just eight weeks ago (\$3.75 billion).<sup>22</sup> In addition, this funding is to be disbursed without regard to existing financial reasonableness requirements placed on states for how much LIHEAP funding can be allotted at any one time. As mentioned earlier, while we do not oppose addressing LIHEAP at this time, this scale of spending should have been directly connected to COVID-19, and adjusted to ensure it will do what it is supposed to do, minimizing waste and abuse.

Section 3303 provides \$500 million – for as long as it takes to spend it all – to a new program to pay the water and wastewater bills of low-income people. This \$500 million amount is in addition to the \$638 million provided for a nearly identical purpose in the Consolidated Appropriations Act, 2021.<sup>23</sup> Taken together, this eight-week total comes to \$1.138 billion for this new program – \$12 million more than the Federal government provided in capitalization grants in fiscal year 2021 for all public water system infrastructure under the Drinking Water State Revolving Loan Fund.

Of note, the biggest difference between the language in section 3303 and that from the Consolidated Appropriations Act, 2021 is that section 3303 omits provisions encouraging HHS to use its existing processes and procedures under LIHEAP to distribute this money to utilities efficiently. This is an important omission. There was no Committee of review whether this omission will create problems. For, example, because the language in the Consolidated Appropriations Act, 2021 is only valid for that fiscal year and section 3303 is drafted to outlast it, when section 3303 still has funding on October 1, 2021, HHS would be free to use whatever process it wants to distribute the money, even if it is untested or inefficient. This seems like a recipe for potential waste and abuse; and only further reinforces why a targeted and temporary program is the preferred way to handle this matter.

While President Biden and the Democrats should be focused on defeating COVID-19 and rebuilding our economy, they are waging a war on fossil energy jobs that is resulting in significant and negative disparate impacts in rural and low-income communities. Immediately upon taking office, President Biden revoked the permit for the Keystone XL pipeline and imposed a moratorium on oil and gas drilling on Federal lands and offshore waters. These

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According to data from the U.S. Department of Labor's Bureau of Labor Statistics, in 2019 a worker installing solar panels made an average of a little more than \$21 an hour. Workers in oil and gas extraction made more than twice as much, at an average of over \$42 an hour."

<https://thefederalist.com/2021/01/27/bidens-green-energy-jobs-really-mean-no-energy-jobs-and-low-paying-energy-jobs/>

<sup>22</sup> House Energy and Commerce Committee Republican Leader Cathy McMorris Rodgers sent a letter to the Office of Management and Budget on February 4, 2021, requesting an accounting of what funds have been expended already in connection with the \$3.75 billion in LIHEAP funding from the Consolidated Appropriations Act, 2021. OMB has provided no response to that letter to date.

<sup>23</sup> House Energy and Commerce Committee Republican Leader Cathy McMorris Rodgers sent a letter to the Office of Management and Budget on February 4, 2021, requesting an accounting of what funds have been expended already in connection with the \$638 million from the Consolidated Appropriations Act, 2021. OMB has provided no response to that letter to date.

decisions will eliminate tens of thousands of jobs and deprive states of billions of dollars of tax revenue to help pay for schools, hospitals, and government services.

Republicans offered several amendments to protect jobs, stimulate economic growth, and provide mental health services for unemployed energy workers – particularly critical during the global pandemic and economic downturn -- Democrats rejected them all.

In connection with Subtitle A, Rep. Mullin offered an amendment to increase funds for community mental health block grants to strengthen mental health services in states that have had unexpected jobs losses due to President Biden’s Executive Orders. This Administration’s policies, such as implementing moratoria on oil and gas development and production, will put tens of thousands of people in the energy sector out of work and deprive states of billions of dollars in tax revenues. This amendment would have required the HHS Secretary to obligate 5 percent of the amounts under the mental health block grants to states suffering unemployment from the Biden Administration’s recent energy and climate executive orders. Every Democrat rejected the Mullin amendment.

Rep. Armstrong offered an amendment to resume construction of the Keystone XL pipeline and immediately put thousands of people back to work. This \$1.7 billion investment would have created over 10,000 American union jobs and contributed billions to U.S. workers through direct jobs in construction and indirect jobs in hotels, restaurants, and thousands of businesses across the country that were lined up to provide their services to help build the project. This construction program was already underway when the Biden Administration revoked their permit and eliminated thousands of jobs and over \$3 billion in contracts that would have gone to U.S. contractors and suppliers. Again, every Democrat rejected the Armstrong amendment to authorize construction of the Keystone XL pipeline.

Rep. Duncan offered an amendment to prevent President Biden from following through on his campaign promise to ban hydraulic fracturing — perhaps the most direct threat to our economic security and national security. If the Biden Administration were to ban hydraulic fracturing, this would eliminate millions of jobs across our American energy industry and our economy. States and local governments, schools, hospitals, and community centers would be cut off from billions of dollars in funding that currently comes from the oil and gas industry. According to a recent study,<sup>24</sup> placing a moratorium on hydraulic fracturing would mean a \$900 billion increase in U.S. household energy costs, \$7.1 trillion in potential losses to the U.S. economy through 2030, and over 7 million fewer U.S. jobs by 2022. Additionally, such a moratorium would force the U.S. to import 40 percent of our oil and petroleum products and 29 percent of our natural gas by 2030. Again, every Democrat rejected the Duncan amendment.

We understand the importance of this package and wanted to support it, but defects such as those outlined above and the unwillingness of the Democrats to accept any of our ideas to

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<sup>24</sup> *America’s Progress at Risk: An Economic Analysis of a Ban on Fracking and Federal Leasing for Natural Gas and Oil Development*, American Petroleum Institute, <https://www.api.org/-/media/Files/Oil-and-Natural-Gas/Hydraulic-Fracturing/2020/fracking-ban-study-americas-progress-at-risk.pdf?la=en&hash=13423D13150A5594442D84D507F6EAB04A231246>.

protect workers and focus the delivery of funding on those most in need leaves us no choice but to oppose it.

## **Chapter 2**

### **Section 3311. Funding for Consumer Protection Safety Fund to protect consumers from potentially dangerous products related to COVID-19.**

We are disappointed that the Democrats continued its partisan approach in drafting section 3311, which is similar to the provisions of H.R. 8134, the Consumer Product Safety Inspection Enhancement Act, a bill to authorize additional resources for the Consumer Product Safety Commission (CPSC). During the 116th Congress, the Committee on Energy and Commerce passed H.R. 8134 by a voice vote on September 24, 2020, and the bill passed the full House of Representatives by a voice vote on September 29, 2020. Because of the Committee's bipartisan efforts, an authorization for additional port inspection personnel for the CPSC was included in division F, title XX, of H.R. 133, the Consolidated Appropriations Act of 2021, enacted on December 27, 2020.

The Democrats ignored the bipartisan consensus recognizing the threat posed by the People's Republic of China (PRC) and instead, allocated \$50 million that are desperately needed for the CPSC's port inspection responsibilities to a Commission slush fund to be used however the CPSC chooses and without regard for our bipartisan agreement.

We support enhancing our ports security and providing the necessary resources to do so. In 2020, the House Republican China Task Force issued a report outlining many of the Chinese Communist Party's (CCP) subversive acts against our country. The PRC is a threat to our way of life. Resources are needed to enhance targeting, surveillance, and screening of consumer products originating from China. But section 3311 includes new definitions like "COVID-19 products," which have not been vetted and may reach beyond the CPSC's authority.

Section 3311 also includes new provisions that were not included in the 2020 bipartisan agreement and that the Democrats never discussed with us. In particular, we are concerned that authorizing the CPSC to undertake "enhanced monitoring of Internet websites" will distract the Commission from its port inspection duties.

The CPSC does not need more full-time personnel surfing the Internet. The Commission needs more personnel on the ground at ports, protecting us from dangerous products from the CCP. These resources should be targeted on counterfeit and illicit products originating in the PRC. In a January 24, 2020, report entitled "Combating Trafficking in Counterfeit and Pirated Goods," the Department of Homeland Security (DHS) estimated that 100,000 packages that

could harm or defraud our constituents arrive in America every day from China and more than 85 percent of all contraband seized at our borders comes from China and Hong Kong.

There is another DHS report, "Operation Stolen Promise," which found that more than 50 percent of the nations' counterfeit COVID-19 products originate from China and Hong Kong. And a recent article from Reuters found that Chinese internment camps in the Xinjiang region force Uighur Muslims into labor camps and often shave the heads of women to use their hair in products shipped to the U.S. We wrote to the CPSC about these Uighur women recently, and the CPSC has acknowledged that it has not tracked this matter.

This section is a disappointment and a missed opportunity to continue our bipartisan work to keep Americans safe from dangerous products from China.

**Section 3312. Funding for E-Rate Support for Emergency Educational Connections and Devices.**

This section wastes \$7.6 billion dollars in taxpayer funding for purposes that Congress has already funded. It provides funding for schools and libraries to buy and distribute Wi-Fi hotspots, modems, routers, and other devices for students to use for off-premise schoolwork. This funding is duplicative of a cumulative \$110 billion that Congress appropriated in 2020 to the Department of Education to respond to the coronavirus pandemic, and much of that money remains unspent. It is irresponsible for Congress to appropriate more money for this purpose before the existing money is spent and Congress can determine where, if any, there are remaining gaps.

Besides the fact that Congress already appropriated money in the early days of the pandemic for remote learning purposes, this program is also inconsistent with the President's goal to reopen schools because it encourages the continuation of remote learning. Similarly, it conflicts with the Administration's Centers for Disease Control and Prevention guidance, which states that it is safe for schools to reopen and that they should do so as quickly as possible.

In addition, and contrary to claims from the Democrats, section 3312 does nothing to support the Federal Communications Commission's (FCC) E-Rate program. Rather, it creates a new program with no rules, no requirements, and no oversight to track the devices once they are given to students, or to verify eligibility and ensure that there is no double dipping at schools and libraries. The statute also does not clearly state whether or not this funding is available only for the duration of the COVID-19 pandemic, or until 2030, which is well beyond the scope of the pandemic. This program is simply a vehicle for the Democrats to implement its longstanding partisan policies endorsed by the teachers' unions rather than helping Americans.

During the Committee markup of this provision, Rep. Latta and Rep. Walberg offered amendments that would provide long-term solutions to close the digital divide and incentivize schools to re-open for in-person learning. To provide a permanent solution to close the digital divide, Rep. Latta offered an amendment to redirect this funding to rural broadband deployment in unserved areas. Rep. Walberg offered an amendment to put this money directly into the existing E-Rate program at the FCC, which funds connections and certain technologies in

## CONTENTS

Page

<b>I.</b>	Purpose and Summary
<b>II.</b>	Background and Need for the Legislation
<b>III.</b>	Committee Consideration
<b>IV.</b>	Committee Votes
<b>V.</b>	Oversight Findings
<b>VI.</b>	New Budget Authority, Entitlement Authority, and Tax Expenditures
<b>VII.</b>	Congressional Budget Office Estimate
<b>VIII.</b>	Federal Mandates Statement
<b>IX.</b>	Statement of General Performance Goals and Objectives
<b>X.</b>	Duplication of Federal Programs
<b>XI.</b>	Committee Cost Estimate
<b>XII.</b>	Earmarks, Limited Tax Benefits, and Limited Tariff Benefits
<b>XIII.</b>	Advisory Committee Statement
<b>XIV.</b>	Applicability to Legislative Branch
<b>XV.</b>	Section-by-Section Analysis of the Legislation
<b>XVI.</b>	Changes in Existing Law Made by the Bill, as Reported
<b>XVII.</b>	Additional Views

**I. PURPOSE AND SUMMARY**

Subtitle C: Budget Reconciliation Legislative Recommendations Relating to Children's Health Insurance Program (Subtitle C) provides budget reconciliation recommendations related to the Children's Health Insurance Program (CHIP) to the House Committee on Budget pursuant to S. Con. Res. 5 to provide comprehensive relief to the American people in response to the coronavirus disease of 2019 (COVID-19) pandemic and the resulting public health emergency (PHE). The legislation would give states the option to extend CHIP eligibility to women for 12 months postpartum for five years. It also requires CHIP coverage of COVID-19 vaccines and treatment without beneficiary cost sharing with the vaccines and the administration of vaccines matched at a 100 percent of Federal Medical Assistance Percentages (FMAP) through one year after the end of the PHE.

**II. BACKGROUND AND NEED FOR LEGISLATION**

Since the first case of COVID-19 in the United States was discovered on January 21, 2020,<sup>1</sup> the United States response efforts have failed to mitigate or reduce COVID-19 transmission in the country. As of February 4, 2021, approximately 2.93 million children in American have

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<sup>1</sup> Centers for Disease Control and Prevention, *First Travel-related Case of 2019 novel Coronavirus Detected in United States* (Jan. 21, 2020) ([www.cdc.gov/media/releases/2020/p0121-novel-coronavirus-travel-case.html](http://www.cdc.gov/media/releases/2020/p0121-novel-coronavirus-travel-case.html)) (press release).

tested positive for COVID-19.<sup>2</sup>

The most recent data shows that 10 million Americans are still unemployed,<sup>3</sup> and there are still 9.8 million fewer jobs in the U.S. economy than there were in February 2020, right before the pandemic began.<sup>4</sup> CHIP has been an important source of coverage that has helped states respond to and mitigate the effects of COVID-19 and the economic downturn.<sup>5</sup> The legislation would strengthen CHIP coverage by authorizing states to invest additional resources to extend CHIP eligibility for women to 12 months postpartum.

In addition, although federal legislation in previous COVID relief packages has expanded access to vaccines and treatment for COVID-19 free of cost-sharing, gaps in coverage remain.<sup>6</sup> The legislation expands access to vaccination and treatment for COVID-19, by providing children and pregnant and postpartum women enrolled in CHIP with free COVID-19 vaccines and treatment fully funded by the federal government through one-year after the end of the PHE.

### III. COMMITTEE CONSIDERATION

The Committee on Energy and Commerce met in virtual open markup session, pursuant to notice, on February 11 and 12, 2021. During consideration of Subtitle C on February 12, an amendment in the nature of a substitute (AINS) offered by Ms. Eshoo was agreed to by a voice vote. Mr. Pallone, Chairman of the committee, subsequently moved that Subtitle C be ordered transmitted favorably to the House Committee on Budget, amended, by a roll call vote: 30-24 (*Roll call no. 18*), a quorum being present.

### IV. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list each record vote on the motion to report legislation and amendments thereto. The Committee advises that there was one record vote taken on Subtitle C, including a motion by Mr. Pallone ordering Subtitle C favorably transmitted to the Committee on Budget, amended. The motion on final passage of the bill was approved by a record vote of 30 yeas to 24 nays. The

<sup>2</sup> American Academy of Pediatrics, *Children and COVID-19: State-Level Data Report*, (Feb. 8, 2021) ([services.aap.org/en/pages/2019-novel-coronavirus-covid-19-infections/children-and-covid-19-state-level-data-report/](https://services.aap.org/en/pages/2019-novel-coronavirus-covid-19-infections/children-and-covid-19-state-level-data-report/)).

<sup>3</sup> Bureau of Labor Statistics, *THE EMPLOYMENT SITUATION — JANUARY 2021* (Feb. 5, 2021) ([www.bls.gov/news.release/pdf/empst.pdf](https://www.bls.gov/news.release/pdf/empst.pdf)) (press release).

<sup>4</sup> *The economy gained just 49,000 jobs in January as recovery sputters amid pressure from virus*, Washington Post (Feb. 6, 2021) ([www.washingtonpost.com/business/2021/02/05/january-jobs-report-2021-unemployment](https://www.washingtonpost.com/business/2021/02/05/january-jobs-report-2021-unemployment/)).

<sup>5</sup> Kaiser Family Foundation, *Analysis of Recent National Trends in Medicaid and CHIP Enrollment* (Jan. 21, 2021) ([www.kff.org/coronavirus-covid-19/issue-brief/analysis-of-recent-national-trends-in-medicaid-and-chip-enrollment](https://www.kff.org/coronavirus-covid-19/issue-brief/analysis-of-recent-national-trends-in-medicaid-and-chip-enrollment/)).

<sup>6</sup> Kaiser Family Foundation, *Gaps in Cost Sharing Protections for COVID-19 Testing and Treatment Could Spark Public Concerns About COVID-19 Vaccine Costs* (Dec. 18, 2020) ([www.kff.org/health-costs/issue-brief/gaps-in-cost-sharing-protections-for-covid-19-testing-and-treatment-could-spark-public-concerns-about-covid-19-vaccine-costs/](https://www.kff.org/health-costs/issue-brief/gaps-in-cost-sharing-protections-for-covid-19-testing-and-treatment-could-spark-public-concerns-about-covid-19-vaccine-costs/)).

following is the record vote taken during Committee consideration, including the names of those members voting for and against:

Committee on Energy and Commerce  
117<sup>th</sup> Congress

**Full Committee**

(ratio: 32-26)

ROLL CALL VOTE #18

Bill: **Subtitle C**, "Budget Reconciliation Legislative Recommendations Relating to Children's Health Insurance Program"

Motion: A motion by Mr. Pallone of New Jersey to order **Subtitle C**, "Budget Reconciliation Legislative Recommendations Relating to Children's Health Insurance Program" transmitted favorably to the House Committee on Budget, amended (Final Passage).

Disposition: **AGREED TO** by a roll call vote of 30 yeas to 24 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone	x			Rep. Rodgers		x	
Rep. Rush	x			Rep. Upton		x	
Rep. Eshoo	x			Rep. Burgess		x	
Rep. DeGette				Rep. Scalise		x	
Rep. Doyle	x			Rep. Latta		x	
Rep. Schakowsky	x			Rep. Guthrie		x	
Rep. Butterfield	x			Rep. McKinley		x	
Rep. Matsui	x			Rep. Kinzinger		x	
Rep. Castor	x			Rep. Griffith		x	
Rep. Sarbanes	x			Rep. Bilirakis		x	
Rep. McNerney	x			Rep. Johnson			
Rep. Welch	x			Rep. Long		x	
Rep. Tonko	x			Rep. Bucshon		x	
Rep. Clarke	x			Rep. Mullin		x	
Rep. Schrader	x			Rep. Hudson		x	
Rep. Cárdenas	x			Rep. Walberg		x	
Rep. Ruiz	x			Rep. Carter			
Rep. Peters	x			Rep. Duncan		x	
Rep. Dingell	x			Rep. Palmer		x	
Rep. Veasey	x			Rep. Dunn		x	
Rep. Kuster	x			Rep. Curtis		x	
Rep. Kelly	x			Rep. Lesko		x	
Rep. Barragán	x			Rep. Pence		x	
Rep. McEachin				Rep. Crenshaw		x	
Rep. Blunt Rochester	x			Rep. Joyce		x	
Rep. Soto	x			Rep. Armstrong		x	
Rep. O'Halleran	x						
Rep. Rice	x						
Rep. Craig	x						
Rep. Schrier	x						
Rep. Trahan	x						
Rep. Fletcher	x						

02/12/2021

**V. OVERSIGHT FINDINGS**

Pursuant to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee are reflected in the descriptive portion of the report.

**VI. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES**

Pursuant to 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

**VII. CONGRESSIONAL BUDGET OFFICE ESTIMATE**

<b>At a Glance</b>			
<b>Reconciliation Recommendations of the House Committee on Energy and Commerce</b>			
<b>As ordered reported on February 12, 2021</b>			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>27,498</b>	<b>126,130</b>	<b>123,827</b>
Revenues	<b>0</b>	<b>1,474</b>	<b>1,488</b>
Increase or Decrease (-) in the Deficit	<b>27,498</b>	<b>124,656</b>	<b>122,339</b>
Statutory pay-as-you-go procedures apply?	<b>Yes</b>	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	<b>No</b>	Contains intergovernmental mandate?	<b>No</b>
		Contains private-sector mandate?	<b>Yes, Under Threshold</b>
CBO has not reviewed the legislation for effects on spending subject to appropriation.			
<b>The legislation would</b>			
<ul style="list-style-type: none"> <li>• Appropriate \$105 billion for various activities related to testing for, treating, and responding to COVID-19 (the disease cause by the coronavirus); and for other activities related to COVID-19</li> <li>• Allow extended postpartum coverage in Medicaid and the Children's Health Insurance Program (CHIP)</li> <li>• Increase the federal medical assistance percentage (FMAP) to encourage states to expand Medicaid coverage and increase their provision of certain types of long-term services and supports</li> <li>• Eliminate the cap on rebates that drug manufacturers pay to Medicaid</li> <li>• Increase the cost of an existing private-sector mandate on certain commercial entities if the Federal Communications Commission increases annual fee collections</li> </ul>			
<b>Estimated budgetary effects would mainly stem from</b>			
<ul style="list-style-type: none"> <li>• Increased direct spending resulting from \$105 billion in new budget authority</li> <li>• Additional direct spending from increasing the number of months of postpartum coverage under Medicaid and CHIP</li> <li>• Increased Medicaid and CHIP spending on COVID-19 vaccines, new enrollees, services for inmates in jails and prisons, and long-term services and supports</li> <li>• Reduced Medicaid spending on prescription drugs</li> </ul>			
<b>Areas of significant uncertainty include</b>			
<ul style="list-style-type: none"> <li>• Estimating the rate at which the new budget authority would be spent by federal agencies</li> <li>• Predicting how many women would participate in postpartum coverage under Medicaid and CHIP</li> <li>• Estimating how many states would expand Medicaid coverage as the result of higher FMAPs</li> <li>• Estimating future growth in drug prices</li> </ul>			
<b>Detailed estimate begins on the next page.</b>			

See also CBO's *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437);  
*How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).

### Summary of the Legislation

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Energy and Commerce approved legislation on February 12, 2021, with a number of provisions that would increase deficits.

The legislation would appropriate \$92.2 billion for various activities related to testing for, treating, and responding to COVID-19, the disease caused by the coronavirus. The legislation would also make changes to the Medicaid program and the Children's Health Insurance Program (CHIP), which include expanding coverage for women after the birth of their child, encouraging states that have not already done so to expand Medicaid coverage to adults made eligible by the Affordable Care Act (ACA), and eliminating the limit on the rebates paid by drug manufacturers to Medicaid. Finally, the legislation would appropriate \$12.8 billion for various activities related to addressing the energy, environmental, educational, and commerce-related effects of the coronavirus pandemic.

### Estimated Federal Cost

The estimated budgetary effects of the reconciliation recommendations of the House Committee on Energy and Commerce are shown in Table 1. The costs of the legislation fall within budget functions 300 (natural resources and environment), 370 (commerce and housing credit), 500 (education, training, employment, and social services), 550 (health), and 600 (income security).

### Basis of Estimate

For this estimate, CBO assumes that the reconciliation bill will be enacted by the end of March 2021. Outlay estimates are based on historical spending patterns for affected programs and information from the agencies about program implementation.

### Direct Spending and Revenues

CBO and the staff of the Joint Committee on Taxation (JCT) estimate that enacting the reconciliation recommendations of the House Committee on Energy and Commerce would increase direct spending by \$126.1 billion and would increase federal revenues by \$1.5 billion over the 2021-2030 period, for a net effect on the deficit over that period of \$124.7 billion.

**Funding for Public Health.** Subtitle A would appropriate \$92.2 billion for various activities aimed at improving public health and responding to COVID-19.

Within subtitle A, Chapter 1 would provide \$14.2 billion to fund activities related to vaccination and treatment with the following specific appropriations:

- \$7.5 billion to the Centers for Disease Control and Prevention (CDC) to plan, prepare for, promote, distribute, administer, monitor, and track COVID-19 vaccines;

- \$1.0 billion to the CDC to improve vaccine education and confidence and vaccination rates;
- \$5.2 billion to the Secretary of Health and Human Services (HHS) to advance research, development, manufacturing, production, and the purchase of vaccines, therapeutics, and ancillary medical products to prevent, prepare, and respond to SARS-CoV-2, COVID-19, or any disease with potential for creating a pandemic; and
- \$0.5 billion to the Food and Drug Administration to oversee the development and marketing of COVID-19 therapeutics, vaccines, and diagnostic tests.

Chapter 2 would provide \$49.0 billion for testing for COVID-19, specifically appropriating:

- \$46.0 billion to the Secretary of HHS to detect, diagnose, trace, and monitor COVID-19 infections;
- \$1.8 billion to the CDC for genomic sequencing, analytics, and disease surveillance;
- \$0.8 billion to the CDC to combat COVID-19 and other emerging infectious threats globally; and
- \$0.5 billion to the CDC to support the surveillance and analytic infrastructure of public health data.

Chapter 3 would provide \$7.8 billion for strengthening the public health workforce with two specific appropriations:

- \$7.7 billion for state, local, and territorial public health departments to establish, expand, and sustain their public health workforce; and
- \$0.1 billion to the Medical Reserve Corps.

Chapter 4 would provide \$11.2 billion for other public health investments that specifically cover:

- \$7.6 billion for awarding grants and cooperative agreements to community health centers and qualified entities under the Native Hawaiian Health Care Improvement Act to support activities related to testing for, treating, and vaccinating against COVID-19;
- \$0.8 billion to the National Health Service Corps to support qualified health care providers working in areas with limited access to care;
- \$0.2 billion to the Nurse Corps to support nurses working in facilities that provide primary health care or maternal health care to underserved populations;
- \$0.3 billion to health centers that provide graduate medical education;
- \$1.8 billion for activities related to testing, tracing, and mitigating COVID-19 infections in congregate settings; and
- \$0.4 billion for HHS to provide services for children under its care, including unaccompanied alien children in the custody of the Office of Refugee Resettlement.

Chapter 5 would provide \$6.1 billion to the Indian Health Service (IHS) for lost reimbursements resulting from people deferring routine and elective health care, testing and tracing of COVID-19 infections, COVID-19 vaccine promotion, distribution and administration, additional support for purchased and referred care, and for other purposes.

Chapter 6 would provide \$3.9 billion to strengthen activities related to mental health and substance abuse, specifically appropriating:

- \$1.8 billion to the Secretary of HHS for community mental health services;
- \$1.8 billion to the Secretary of HHS for activities relating to the prevention and treatment of substance abuse;
- \$0.1 billion for the Health Resources and Services Administration (HRSA) to award grants to eligible institutions that provide mental and behavioral health education and training; and
- \$0.3 billion for other activities.

Chapter 7 would appropriate \$20 million to HHS for grants to eligible states to modernize the health insurance marketplaces established under the ACA.

In total, CBO estimates that the funds appropriated by subtitle A would increase direct spending by \$91.3 billion over the 2021-2030 period.

**Coverage of COVID-19 Vaccinations and Treatments.** Subtitles B and C would make various changes to the Medicaid and CHIP programs' coronavirus-related spending. In total, sections 3101 and 3201 would increase direct spending by an estimated \$1.1 billion and \$68 million, respectively, over the 2021-2030 period.

*Mandatory Coverage of COVID-19 Vaccination, Without Cost Sharing.* Sections 3101 and 3201 would require state Medicaid and CHIP programs to cover vaccinations, without cost sharing, for all eligible enrollees. Under current law, the federal government is expected to provide the vaccines administered through both programs, but some patients would still have to pay the cost sharing associated with having the vaccine administered. In addition, if a state implements an option under Medicaid to provide COVID-19 testing for uninsured people, it would have to do so without cost sharing. The sections also would extend for a year the period in which a state must vaccinate, without cost sharing, adults enrolled in Medicaid under the program's traditional eligibility rules.

CBO estimates that 4 million Medicaid and CHIP enrollees are currently ineligible for vaccination under either program. By the end of the public health emergency (PHE), CBO estimates, fewer than 1 million adults enrolled under Medicaid's traditional eligibility rules would be subject to cost-sharing requirements to receive the vaccine.

If enacted, CBO estimates, the requirements in sections 3101 and 3201 would increase the number of vaccinations administered to Medicaid and CHIP enrollees by about 2 million doses in 2021 and by about 6 million over the 2021-2023 period. Because the federal government is expected to provide the vaccine itself, sections 3101 and 3102 would only

affect the costs associated with administering the vaccines. Using information from the Centers for Medicare & Medicaid Services, CBO estimates that in 2021, the cost of administering a single dose will vary between \$17 and \$28, depending on the type of vaccine. Over the 2021-2030 period, CBO estimates, the requirement to provide vaccination coverage without cost sharing would increase Medicaid's direct spending by \$107 million and CHIP's by less than \$1 million.

*Increased Federal Medical Assistance Percentage for Vaccinations.* Sections 3101 and 3201 also would raise the federal medical assistance percentage (FMAP) to 100 percent for payments to states for administering vaccines for one year after the end of the PHE. Over the 2021-2030 period, CBO estimates, the higher FMAP would increase direct spending for Medicaid and CHIP by \$747 million and by \$68 million, respectively.

*Mandatory Coverage of Treatment or Prevention, Without Cost Sharing.* Sections 3101 and 3201 also would require state Medicaid and CHIP programs to provide coverage, without cost sharing, for treatment or prevention of COVID-19 for one year after the end of the PHE. Additionally, over the same period, if a state chose to implement an option under Medicaid to provide COVID-19 testing for uninsured people, section 3101 also would extend the requirement to provide treatment and prevention to those people without requiring cost sharing.

About 5 million people enrolled in Medicaid or CHIP are expected to receive COVID-19 treatment in 2021. CBO expects that number to decline to fewer than 100,000 by 2022 and estimates that about 25 percent of those people would be subject to cost-sharing requirements for a physician service (\$2, on average, in 2021), an inpatient hospital service (\$70, on average, in 2021), or both. CBO estimates that the requirements in sections 3101 and 3201 that would prohibit cost sharing for treatment would increase direct spending by \$34 million for Medicaid and by less than \$1 million for CHIP over the 2021-2030 period.

CBO anticipates that 3 million uninsured people will receive COVID-19 treatment in 2021. By 2022, that number is expected to fall below 50,000. In 2020, 10 states had implemented an option under Medicaid to test uninsured people for COVID-19. In those states, CBO estimates, the requirement in section 3101 to provide vaccinations or treatment services would increase direct spending for Medicaid by \$243 million over the 2021-2030 period.

**Coverage for Pregnant and Postpartum Women.** Sections 3102 and 3202 would allow states to extend health coverage for women enrolled in Medicaid or CHIP for 12 months after the birth of a child. In total, CBO estimates, those sections would increase federal deficits by \$5.1 billion over the 2021-2030 period—an increase in direct spending of \$6.0 billion and an increase in revenues of \$0.8 billion over the period.

Under current law, for 60 days after the birth of a child, states must provide Medicaid coverage to women whose income does not exceed 138 percent of the federal poverty level (FPL). Forty-six states and the District of Columbia exercise an option under current law to provide Medicaid coverage to pregnant women whose income is above 138 percent of the FPL, 29 extend coverage if their income is equal to or above 200 percent of the FPL, and 3 extend coverage if their income is above 300 percent of the FPL. Under current law, states

also can provide pregnancy-related services to women under CHIP, but they may only provide postpartum services to women who, if not for their income, would otherwise be eligible for coverage under Medicaid.

CBO estimates that in 2020, Medicaid and CHIP provided pregnancy-related coverage to about 2 million women; approximately 1.8 million carried their pregnancy to term. CBO estimates that about 35 percent of those recipients have income above 138 percent of the FPL, which reflects the coverage options currently available to states under Medicaid and CHIP. Regardless of a state's decision to provide optional coverage to eligible women, the state must reevaluate applicants' eligibility for other coverage before the end of the 60-day postpartum period. Medicaid coverage after that point can include the full scope of health services or be limited to family-planning services.

*Medicaid Coverage Under the 12-Month Option.* CBO estimates that under current law, at the end of the 60-day postpartum period about 30 percent of women will continue to receive comprehensive services from Medicaid, 30 percent will enroll either in employment-based or in marketplace coverage, and about 45 percent will be uninsured (although roughly two-thirds of those women would still receive family-planning services).

Section 3102 would provide women in states that exercise the option with 10 additional months of Medicaid coverage. CBO estimates that by 2024, about 25 percent of all women who would be expected to receive postpartum services from Medicaid will live in states that implement the 12-month option. Using administrative data and information from industry sources, CBO estimates that the combined federal and state cost to provide 10 additional months of Medicaid coverage would be about \$1,500 per person, on average, in 2022; that amount would increase at an average annual rate of about 6 percent over the 2022-2030 period. For women whose current-law Medicaid services are limited to family planning, CBO estimates that the cost per person would be about \$1,100, on average. In total, CBO estimates, the additional months of coverage would increase direct spending for Medicaid by \$6.1 billion over the 2021-2030 period.

*CHIP Coverage for Pregnant and Postpartum Women.* Under current law, states can provide CHIP coverage to eligible women during pregnancy and for 60 days after the birth of a child. CHIP cannot be used to replace existing Medicaid coverage for pregnant women. To cover pregnant women under CHIP, states must provide, at a minimum, Medicaid coverage to women whose income is up to 185 percent of the FPL. In 2020, approximately 15,000 women received pregnancy and postpartum care under CHIP. CBO estimates that all of those women became ineligible for comprehensive Medicaid and CHIP services at the end of the 60-day postpartum period.

If a state provides CHIP coverage to eligible women up to the end of the 60-day postpartum period, and if the state chooses to implement the Medicaid option under section 3102, the legislation would require the state to extend similar coverage under CHIP. However, because not all states extend CHIP coverage to pregnant women, CBO estimates that by 2024 fewer than 1,000 pregnant women would reside in a state that implemented the option. CBO expects that additional months of coverage under CHIP would cost about the same as under

Medicaid. On net, CBO estimates, section 3202 would increase direct spending for CHIP by \$5 million over the 2021-2030 period.

*Private Health Insurance for Pregnant and Postpartum Women.* Some women whose Medicaid coverage ends after the birth of a child enroll in private health insurance. CBO estimates that in states that are expected to implement the option under section 3102, fewer than 5 percent of women who become ineligible each year for Medicaid or CHIP currently receive coverage through a marketplace and 30 percent enroll in employment-based coverage. Under section 3102, over the 2021-2030 period, about 10,000 and 100,000 women annually would delay enrollment either in marketplace coverage or in employment-based coverage, respectively, for about 10 months. That delay would lower subsidies for private health insurance, thereby reducing direct spending by \$137 million and increasing revenues by \$816 million over the 2021-2030 period, according to CBO and JCT's estimates.

**Medicaid for Inmates During the 30-Day Period Preceding Release.** Section 3103 would create an exception for 5 years, starting one year after enactment, to the prohibition on making Medicaid payments for services provided to inmates of correctional institutions. Section 3103 would permit payments for services to inmates who are enrolled in Medicaid during the last 30 days of their incarceration. According to data from the Bureau of Justice Statistics:

- Local jails admit and release about 10 million people per year, 89 percent of whom are admitted and released within 30 days, and
- State prisons admit and release about 600,000 people per year, almost all of whom remain incarcerated for longer than 30 days.

As a result, section 3103 would allow the vast majority of Medicaid enrollees to maintain their Medicaid coverage during their incarceration in local jails and would permit those jails to bill Medicaid for medical care provided to the incarcerated enrollees. Section 3103 would allow incarcerated enrollees in prisons to receive Medicaid coverage in the final 30 days of their incarceration, which would permit state prisons to bill Medicaid for services provided pre-release.

Based on a report by the Prison Policy Initiative, CBO estimates that about 45 percent of inmates released from jails and prisons would be enrolled in Medicaid in the early years of the 2021-2030 period, rising to 55 percent by the end of the period as CBO projects additional states will adopt the ACA expansion over time.

CBO expects that the costs per Medicaid inmate would be modest, as local jails generally provide limited services, such as generic medications to assist with drug withdrawals and mental health crises during the short-term stays, while prisons would be expected to provide pre-release health screenings and short-term supplies of medications to help with the transition to the post-release period. CBO estimates that the average cost per prisoner would be about \$100 in the beginning of the period, rising to about \$200 by the end of the period because of increases in the costs of providing medical care.

Lastly, CBO projects that state prisons would quickly develop the infrastructure to bill Medicaid for services to inmates in the last 30 days of their stay, which in many cases would allow them to defray the costs incurred for pre-release services. Local jails would more gradually establish similar capacity to bill Medicaid, delaying the full implementation of section 3103 for several years. In total, CBO estimates that section 3103 would increase direct spending by \$3.7 billion over the 2021-2030 period.

**Bundled Community-Based Mobile Crisis Intervention.** Section 3104 would, for 12 fiscal quarters, increase a state's FMAP for crisis intervention services that qualify as mobile and community-based, as defined by the bill. The enhanced FMAP would equal 85 percent and would apply only to services that otherwise would be reimbursed at a state's traditional FMAP. Based on information from state mental health agencies, CBO estimates that at least 16 states have programs that provide services that would qualify for the enhanced FMAP provided under section 3104. Not all of those programs currently seek Medicaid reimbursement for crisis intervention services provided to Medicaid; CBO expects that the programs would be more likely to do so under section 3104. CBO also anticipates that those changes would encourage all of the programs to request reimbursement under their state Medicaid programs and that the states would receive the enhanced FMAP under section 3104 for such services. In addition, based on the rate at which state Medicaid programs have adopted other services and demonstrations specific to behavioral health care, CBO expects additional states would begin reimbursing for crisis intervention services that qualify as mobile and community-based.

CBO estimates that the combined federal and state cost to provide crisis intervention services that qualify as mobile and community-based would be about \$1,500 per person, on average, in 2021; that amount would increase at an average annual rate of about 6 percent over the 2022-2030 period. In total, CBO estimates, the enhanced FMAP and the decision by states to establish new programs that provide crisis intervention services that qualify as mobile and community-based would increase direct spending for Medicaid by \$1.1 billion over the 2021-2030 period.

**Temporary Increase in FMAP for Expanding ACA Coverage.** Section 3105 would, for eight calendar quarters, provide a temporary, 5 percentage-point increase in the Medicaid FMAP to states that expand coverage to adults made eligible by the ACA. CBO and JCT estimate that the provision would increase federal deficits by \$15.5 billion over the 2021-2030 period—the net effect of an increase in outlays of \$16.2 billion and an increase in revenues of \$0.7 billion.

Under section 3105, the FMAP increase would be available only to states that expand such coverage after the legislation is enacted, and it would not be available to states that had previously expanded coverage. Only services provided to traditional eligibility groups could qualify for the increase; services provided to adults made eligible by the ACA would not be included. The higher FMAP also would not apply to the following expenditures:

- Medicaid payments to hospitals that serve a disproportionate share of low-income enrollees,

- Medicaid allotments to the territories, and
- Payments for programs other than Medicaid that use the FMAP to determine the federal share of payments (such as CHIP, payments from states toward Medicare Part D, and Title IV).

*Increased Medicaid Spending.* Section 3105 would increase Medicaid spending in two ways. First, CBO expects, the additional 5 percentage-point increase in the FMAP would induce some states to expand Medicaid coverage to low-income adults sooner than CBO's baseline projections for Medicaid enrollment would indicate. Currently, 37 states and the District of Columbia have implemented the expansion, and those states have enrolled roughly 60 percent of eligible adults nationwide. Under its baseline forecast, CBO projects that additional states will adopt the expansion at the historical rate of expansions since 2014 (the initial year of the expansion's availability). CBO anticipates that by 2030 about 70 percent of all potential enrollees will be covered.

Although the rate of expansion is subject to considerable uncertainty, CBO projects that the 5 percentage-point increase in the FMAP would induce states that would expand during the 2021-2030 period to do so about a year sooner, on average, than they otherwise would. The result would be an increase in Medicaid enrollment in those years among adults made eligible by the ACA in those states. Based on CBO's projections for enrollment in states that have not already adopted the expansion and the projected cost per adult made eligible by the ACA, CBO estimates that those earlier expansions would cost the federal government \$17.2 billion over the 2021-2030 period.

The second effect of section 3105 would be the added cost of the 5 percentage-point increase in the FMAP. Based on the average matching rates projected for states that have not yet adopted the expansion, CBO estimates the cost at \$4.7 billion. In total, CBO estimates, section 3105 would increase direct spending on Medicaid by \$21.8 billion over the 2021-2030 period.

*Reduced Federal Subsidies for Private Health Insurance.* Section 3105 also would reduce enrollment in private health insurance as more people enroll in Medicaid in the states that adopt the ACA expansion. CBO and JCT estimate that over the 2021-2030 period Medicaid enrollment would increase, on average, by about 85,000 people who would otherwise have enrolled in coverage through the marketplaces and by another 33,000 people who would otherwise have enrolled in employment-based coverage. CBO and JCT estimate that those reductions in enrollment would reduce direct spending for health insurance subsidies by \$5.7 billion and increase revenues by \$0.7 billion over the 2021-2030 period.

**100 Percent FMAP for Urban Indian Organizations and Native Hawaiian Health Care.** Section 3106 would, for eight calendar quarters, provide a 100 percent federal matching rate for services to Medicaid enrollees who access care in the Urban Indian Health Programs (UIHPs) or the Native Hawaiian Health Care System (NHHCS). Under current law, services provided to Medicaid enrollees are matched at 100 percent if they are received through an IHS facility. IHS is the agency that is responsible for providing federal health services to American Indians and Alaska Natives. UIHPs are health care organizations that are grantees

of the IHS but are not considered federal entities that are part of the IHS and therefore only receive the standard federal matching rates for services to Medicaid enrollees. Similarly, the NHHCS comprises five health care clinics that are grantees of HRSA that are not considered federal entities.

The standard federal matching rates under current law average an estimated 65 percent for traditional eligibility categories during 2021 and 2022, and will average an estimated 58.5 percent during 2023, the time period covered by the eight quarters specified under section 3106. The matching rates for adults made eligible by the ACA will be 90 percent during the same period.

According to information from the UIHP system, the UIHP treats about 90,000 Medicaid patients per year at an estimated average cost of about \$2,000 per patient. Applying the 100 percent matching rate for services to these enrollees would increase direct spending by \$155 million over the 2021-2030 period. Given the size of the NHHCS relative to the UIHP system, CBO estimates that applying a 100 percent matching rate to services provided at NHHCS clinics would increase direct spending by another \$7 million over the period.

**Sunset of Limit on Maximum Rebate for Certain Drugs.** Under current law, manufacturers are required to pay Medicaid a rebate on all covered outpatient drugs. The rebate amount is determined according to statute by two formulas that include a basic rebate with separate calculations for brand and generic drugs and an additional inflationary rebate that reflects differences in growth between the Average Manufacturer Prices (AMPs) and the consumer price index. The total rebate amount is capped at 100 percent of the AMP. The cap does not affect rebates paid for all drugs: It tends to be most relevant for drugs that have experienced substantial price increases over time and for drugs that offer particularly large rebates to payers other than Medicaid. Section 3107 would eliminate the cap on the total rebate amount starting January 1, 2023.

Based on administrative data on AMPs and prescription drug spending in Medicaid, CBO estimates that in 2019, the cap on the total rebate amount prevented federal and state governments from collecting more than \$3 billion in rebates for covered outpatient drugs. CBO expects that section 3107 would increase the amount of rebates that manufacturers pay Medicaid and would reduce direct spending in Medicaid by \$15.9 billion over the 2021-2030 period.

**Additional Support for Medicaid HCBS.** Section 3108 would, for four fiscal quarters, increase the federal FMAP in Medicaid by 7.35 percentage points for state expenditures on home and community-based services (HCBS). HCBS are long-term care services that beneficiaries receive in their home or in the community rather than in institutions such as nursing facilities. CBO projects that the federal and state governments will spend almost \$200 billion on HCBS during the four quarters for which the enhanced FMAP is available to states. Increasing the federal share of such spending would increase federal spending on Medicaid by \$9.3 billion.

**Strike Teams for Nursing Facilities.** Section 3109 would appropriate \$250 million for states to establish strike teams that would be deployed to nursing facilities that have patients

who have been diagnosed with COVID-19 or who are suspected of having the disease. CBO estimates that section 3109 would increase direct spending by \$250 million over the 2021-2030 period.

**Other Provisions.** Subtitle D would appropriate \$12.8 billion for environmental protections, utility assistance, distance learning, and other consumer product safety.

Within subtitle D, chapter 1 would appropriate \$5.1 billion to fund activities related to environmental health and assistance to people for paying utility bills:

- \$0.1 billion to the Environmental Protection Agency for grants and other activities that enhance environmental justice and to support implementation of the Clean Air Act;
- \$4.5 billion to the Low-Income Home Energy Assistance Program; and
- \$0.5 billion for grants to assist low-income households with the costs of drinking water and wastewater services.

Chapter 2 would appropriate \$7.7 billion for distance learning, primarily to reimburse schools and libraries for the costs of telecommunications equipment and services, and consumer product safety.

In total, CBO estimates that the funds appropriated by subtitle D would increase direct spending by \$12.8 billion over the 2021-2030 period.

#### **Uncertainty**

There are two major types of uncertainty in CBO's estimate of the reconciliation recommendations of the House Committee on Energy and Commerce: For subtitles A and D, the primary forms of uncertainty stem from CBO's estimates of the pace at which federal agencies would spend the new budget authority. For subtitles B and C, most of the uncertainty of CBO's estimates stem from expectations about state behavior, people's enrollment in various forms of health coverage, and the of the increase in health care prices.

##### *Uncertainty About the Pace at Which Federal Agencies Would Spend New Budget Authority.*

The reconciliation recommendations of the House Committee on Energy and Commerce would provide \$105 billion in new budget authority for fiscal year 2021, increasing individual agencies' funding for the year by a substantial amount. For example, the 2021 budget authority for the CDC, HRSA, and the IHS would see significant increases roughly halfway through the fiscal year. It is uncertain whether such agencies would be able to spend all of the new funds rapidly.

*Uncertainty About State Behavior, People's Enrollment in Various Forms of Health Coverage, and the Growth of Health Care Prices.* For subtitles B and C, CBO's estimates include projections of the results of states' choices to expand coverage, people's choices to enroll in coverage if they were newly eligible, and the future costs of providing health care services to beneficiaries—all of which are uncertain. Some of the more significant sources of uncertainty include:

- Estimating how many women would remain enrolled in Medicaid if states expand postpartum coverage and how many additional months of coverage they would have;
- Predicting how many states will expand Medicaid under current law and how the increased FMAP would accelerate the pace of state expansions;
- Forecasting future growth in drug prices and how drug manufacturers would change their pricing strategies if the cap on rebates were eliminated; and
- Estimating the future growth in prices for HCBS and how states would expand their coverage of HCBS on account of the higher FMAP.

#### **Pay-As-You-Go Considerations**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 1.

**Increase in Long-Term Deficits:** None.

#### **Mandates**

If the FCC increases annual fee collections to offset the costs of issuing rules to promote internet connectivity for schools and libraries as required by section 3312, the legislation would increase the cost of an existing private-sector mandate on commercial entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold established in the Unfunded Mandates Reform Act for private-sector mandates (\$170 million in 2021, adjusted annually for inflation).

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Table 1. Estimated Budgetary Effects of Reconciliation Recommendations As Reported by the House Committee on Energy and Commerce on February 12, 2021												
By Fiscal Year, Millions of Dollars												
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2031
Increases or Decreases (-) in Direct Spending												
<b>Subtitle A. Funding for Public Health</b>												
<b>Chapter 1 - Vaccines and Therapeutics</b>												
Sec. 3001. Vaccine Activities at the CDC												
Budget Authority	7,500	0	0	0	0	0	0	0	0	0	0	7,500
Estimated Outlays	1,500	4,500	750	450	225	0	0	0	0	0	0	7,425
Sec. 3002. Vaccine Confidence Activities												
Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000
Estimated Outlays	200	600	100	60	30	0	0	0	0	0	0	990
Sec. 3003. Vaccines and Therapeutics Supply Chain												
Budget Authority	5,200	0	0	0	0	0	0	0	0	0	0	5,200
Estimated Outlays	2,033	2,803	312	52	0	0	0	0	0	0	0	5,200
Sec. 3004. Activities at the Food and Drug Administration												
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500
Estimated Outlays	165	250	75	10	0	0	0	0	0	0	0	500
<b>Chapter 1, Total</b>	<b>14,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,200</b>
<b>Budget Authority</b>	<b>14,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,200</b>
<b>Estimated Outlays</b>	<b>3,898</b>	<b>8,153</b>	<b>1,237</b>	<b>572</b>	<b>255</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,115</b>
<b>Chapter 2 - Testing</b>												
Sec. 3011. Testing, Contact Tracing, and Mitigation Activities												
Budget Authority	46,000	0	0	0	0	0	0	0	0	0	0	46,000
Estimated Outlays	9,200	27,600	4,600	2,760	1,380	0	0	0	0	0	0	45,540
Sec. 3012. SARS-CoV-2 Genomic Sequencing and Surveillance												
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750
Estimated Outlays	350	1,050	175	105	53	0	0	0	0	0	0	1,733
Sec. 3013. Global Health												
Budget Authority	750	0	0	0	0	0	0	0	0	0	0	750
Estimated Outlays	150	450	75	45	23	0	0	0	0	0	0	743
Sec. 3014. Data Modernization and Forecasting Center												
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500
Estimated Outlays	100	300	50	30	15	0	0	0	0	0	0	495
<b>Chapter 2, Total</b>	<b>49,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,000</b>
<b>Budget Authority</b>	<b>49,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,000</b>
<b>Estimated Outlays</b>	<b>9,800</b>	<b>29,400</b>	<b>4,900</b>	<b>2,940</b>	<b>1,471</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,511</b>
<b>Chapter 3 - Public Health Workforce</b>												
Sec. 3021. Public Health Workforce												
Budget Authority	7,660	0	0	0	0	0	0	0	0	0	0	7,660
Estimated Outlays	1,532	3,064	2,681	383	0	0	0	0	0	0	0	7,660
Sec. 3022. Medical Reserve Corps												
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100
Estimated Outlays	20	56	16	6	2	0	0	0	0	0	0	100
<b>Chapter 3, Total</b>	<b>7,760</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,760</b>
<b>Budget Authority</b>	<b>7,760</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,760</b>
<b>Estimated Outlays</b>	<b>1,552</b>	<b>3,120</b>	<b>2,697</b>	<b>389</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,760</b>
<b>Chapter 4 - Public Health Investments</b>												
Sec. 3031. Community Health Centers												
Budget Authority	7,600	0	0	0	0	0	0	0	0	0	0	7,600
Estimated Outlays	1,520	3,040	2,680	380	0	0	0	0	0	0	0	7,600
Sec. 3032. National Health Service Corps												
Budget Authority	800	0	0	0	0	0	0	0	0	0	0	800
Estimated Outlays	160	320	280	40	0	0	0	0	0	0	0	800
Sec. 3033. Nurse Corps												
Budget Authority	200	0	0	0	0	0	0	0	0	0	0	200
Estimated Outlays	46	100	40	10	0	0	0	0	0	0	0	196
Sec. 3034. Teaching Health Centers that Operate Graduate Medical Education												
Budget Authority	330	0	0	0	0	0	0	0	0	0	0	330
Estimated Outlays	66	132	116	13	0	0	0	0	0	0	0	327

continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
Sec. 3035. Testing, Tracing, and Mitigation Activities in Congregate Settings													
Budget Authority	1,800	0	0	0	0	0	0	0	0	0	0	1,800	1,800
Estimated Outlays	324	990	396	38	18	0	0	0	0	0	0	1,764	1,764
Sec. 3036. Family Planning													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	10	35	4	0	0	0	0	0	0	0	0	49	49
Sec. 3037. Children Under HHS Care													
Budget Authority	425	0	0	0	0	0	0	0	0	0	0	425	425
Estimated Outlays	13	17	64	68	74	70	64	51	4	0	0	425	425
Sec. 3038. HHS Inspector General													
Budget Authority	5	0	0	0	0	0	0	0	0	0	0	5	5
Estimated Outlays	2	3	0	0	0	0	0	0	0	0	0	5	5
<b>Chapter 4, Total</b>													
Budget Authority	<b>11,210</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,210</b>	<b>11,210</b>
Estimated Outlays	<b>2,141</b>	<b>4,637</b>	<b>3,560</b>	<b>547</b>	<b>92</b>	<b>70</b>	<b>64</b>	<b>51</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>11,166</b>	<b>11,166</b>
<b>Chapter 5 - Indian Health</b>													
Sec. 3041. Indian Health													
Budget Authority	6,094	0	0	0	0	0	0	0	0	0	0	6,094	6,094
Estimated Outlays	1,493	3,534	506	84	84	71	59	43	19	6	0	5,899	5,899
<b>Chapter 6 - Mental Health and Substance Use Disorder</b>													
Sec. 3051. Community Mental Health Services													
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750
Estimated Outlays	315	910	350	140	35	0	0	0	0	0	0	1,750	1,750
Sec. 3052. Prevention and Treatment of Substance Abuse													
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750
Estimated Outlays	315	910	350	140	35	0	0	0	0	0	0	1,750	1,750
Sec. 3053. Training for Health Care Professionals, Paraprofessionals, and Public Safety Officers													
Budget Authority	80	0	0	0	0	0	0	0	0	0	0	80	80
Estimated Outlays	18	40	16	4	0	0	0	0	0	0	0	78	78
Sec. 3054. Education and Awareness Campaign for Health Care Professionals													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	4	12	2	1	1	0	0	0	0	0	0	20	20
Sec. 3055. Grants to Health Care Providers for Mental and Behavioral Health Among Workforce													
Budget Authority	40	0	0	0	0	0	0	0	0	0	0	40	40
Estimated Outlays	9	20	8	2	0	0	0	0	0	0	0	39	39
Sec. 3056. Community-Based Funding for Local Substance Use Disorder													
Budget Authority	30	0	0	0	0	0	0	0	0	0	0	30	30
Estimated Outlays	6	15	6	2	1	0	0	0	0	0	0	30	30
Sec. 3057. Community-Based Funding for Local Behavioral Health													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	9	26	10	4	1	0	0	0	0	0	0	50	50
Sec. 3058. National Child Traumatic Stress Network													
Budget Authority	10	0	0	0	0	0	0	0	0	0	0	10	10
Estimated Outlays	2	5	2	1	0	0	0	0	0	0	0	10	10
Sec. 3059. Project Aware													
Budget Authority	30	0	0	0	0	0	0	0	0	0	0	30	30
Estimated Outlays	6	15	6	2	1	0	0	0	0	0	0	30	30

continued

Table 1. Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021  
continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
Sec. 3059A Youth Suicide Prevention													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	4	10	4	2	0	0	0	0	0	0	0	20	20
Sec. 3059B Behavioral Health Workforce													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	23	50	20	5	0	0	0	0	0	0	0	98	98
<b>Chapter 6, Total</b>													
<b>Budget Authority</b>	<b>3,880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,880</b>	<b>3,880</b>
<b>Estimated Outlays</b>	<b>711</b>	<b>2,013</b>	<b>774</b>	<b>303</b>	<b>74</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,875</b>	<b>3,875</b>
<b>Chapter 7 - Exchange Grant Program</b>													
Sec. 3061. Exchange Modernization													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	20	0	0	0	0	0	0	0	0	0	0	20	20
<b>Subtitle A, Total</b>													
<b>Budget Authority</b>	<b>92,164</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>92,164</b>	<b>92,164</b>
<b>Outlays</b>	<b>19,615</b>	<b>50,857</b>	<b>13,674</b>	<b>4,835</b>	<b>1,978</b>	<b>141</b>	<b>123</b>	<b>94</b>	<b>23</b>	<b>6</b>	<b>0</b>	<b>91,346</b>	<b>91,346</b>
<b>Subtitle B. Medicaid</b>													
Sec. 3101. Coverage of COVID-19													
Vaccinations and Treatments													
Estimated Budget Authority	287	534	247	63	0	0	0	0	0	0	0	1,131	1,131
Estimated Outlays	287	534	247	63	0	0	0	0	0	0	0	1,131	1,131
Sec. 3102. Coverage for Pregnant and Postpartum Women (a, b)													
Estimated Budget Authority	0	0	756	1,249	1,417	1,429	1,108	0	0	0	0	5,959	5,959
Estimated Outlays	0	0	756	1,249	1,417	1,429	1,108	0	0	0	0	5,959	5,959
Sec. 3103. Medicaid for Inmates During 30-Day Period Preceding Release													
Estimated Budget Authority	0	177	444	683	918	1,014	510	0	0	0	0	3,746	3,746
Estimated Outlays	0	177	444	683	918	1,014	510	0	0	0	0	3,746	3,746
Sec. 3104. Bundled Community-Based Mobile Crisis Intervention													
Estimated Budget Authority	15	0	71	305	330	270	25	32	40	49	58	1,137	1,195
Estimated Outlays	0	5	77	307	332	270	25	32	40	49	58	1,137	1,195
Sec. 3105. Temporary Increase in FMAP for Expanding ACA Coverage													
Estimated Budget Authority	0	0	3,768	3,427	2,177	2,308	2,131	1,337	479	531	212	16,158	16,370
Estimated Outlays	0	0	3,768	3,427	2,177	2,308	2,131	1,337	479	531	212	16,158	16,370
Sec. 3106. 100% FMAP for Urban Indian Organizations and Native Hawaiian Health Care													
Estimated Budget Authority	38	81	43	0	0	0	0	0	0	0	0	162	162
Estimated Outlays	38	81	43	0	0	0	0	0	0	0	0	162	162
Sec. 3107. Sunset of Limit on Maximum Rebate for Certain Drugs													
Estimated Budget Authority	0	0	-217	-1,803	-2,293	-2,277	-2,258	-2,279	-2,318	-2,443	-2,573	-15,888	-18,461
Estimated Outlays	0	0	-217	-1,803	-2,293	-2,277	-2,258	-2,279	-2,318	-2,443	-2,573	-15,888	-18,461
Sec. 3108. Temporary Increase in FMAP for Expanding HCBS													
Estimated Budget Authority	4,795	4,515	0	0	0	0	0	0	0	0	0	9,310	9,310
Estimated Outlays	4,795	4,515	0	0	0	0	0	0	0	0	0	9,310	9,310
Sec. 3109. Strike Teams for Nursing Facilities													
Budget Authority	250	0	0	0	0	0	0	0	0	0	0	250	250
Estimated Outlays	50	175	25	0	0	0	0	0	0	0	0	250	250
<b>Subtitle B, Total</b>													
<b>Budget Authority</b>	<b>5,385</b>	<b>5,307</b>	<b>5,112</b>	<b>3,924</b>	<b>2,549</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>21,965</b>	<b>19,662</b>
<b>Outlays</b>	<b>5,170</b>	<b>5,487</b>	<b>5,143</b>	<b>3,926</b>	<b>2,551</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>21,965</b>	<b>19,662</b>
<b>Subtitle C. Children's Health Insurance Program</b>													
Sec. 3201. Coverage of COVID-19													
Vaccinations and Treatments													
Budget Authority	0	47	17	4	0	0	0	0	0	0	0	68	68
Estimated Outlays	0	47	17	4	0	0	0	0	0	0	0	68	68
Sec. 3202. Coverage for Pregnant and Postpartum Women (a)													

continued

Table 1: Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021  
continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
<b>Subtitle D. Other Provisions</b>													
<b>Chapter 1 - Ensuring Environmental Health and Ratepayer Protection</b>													
Sec. 3301. Pollution and Disparate Impacts of the Pandemic													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	10	60	20	10	0	0	0	0	0	0	0	100	100
Sec. 3302. LIHEAP													
Budget Authority	4,500	0	0	0	0	0	0	0	0	0	0	4,500	4,500
Estimated Outlays	1,508	1,727	467	422	188	188	0	0	0	0	0	4,500	4,500
Sec. 3303. Water Assistance Program													
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500
Estimated Outlays	50	225	150	50	25	0	0	0	0	0	0	500	500
<b>Chapter 1, Total</b>													
Budget Authority	5,100	0	0	0	0	0	0	0	0	0	0	5,100	5,100
Estimated Outlays	1,568	2,012	637	482	213	188	0	0	0	0	0	5,100	5,100
<b>Chapter 2 - Distance Learning and Consumer Protections</b>													
Sec. 3311. Consumer Product Safety													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	4	6	8	10	9	8	2	1	0	0	0	48	48
Sec. 3312. Remote Learning Support													
Budget Authority	7,600	0	0	0	0	0	0	0	0	0	0	7,600	7,600
Estimated Outlays	1,140	3,800	1,900	760	0	0	0	0	0	0	0	7,600	7,600
<b>Chapter 2, Total</b>													
Budget Authority	7,650	0	0	0	0	0	0	0	0	0	0	7,650	7,650
Estimated Outlays	1,144	3,806	1,908	770	9	8	2	1	0	0	0	7,648	7,648
<b>Chapter 3 - Oversight of Department of Commerce Prevention and Response to COVID-19</b>													
Sec. 3321. Department of Commerce													
Budget Authority	3	0	0	0	0	0	0	0	0	0	0	3	3
Estimated Outlays	1	1	1	0	0	0	0	0	0	0	0	3	3
<b>Subtitle D, Total</b>													
Budget Authority	12,753	0	0	0	0	0	0	0	0	0	0	12,753	12,753
Outlays	2,713	5,819	2,546	1,252	222	196	2	1	0	0	0	12,751	12,751
<b>Total Increase in Direct Spending</b>													
Estimated Budget Authority	110,302	5,354	5,129	3,928	2,549	2,744	1,516	-910	-1,799	-1,863	-2,303	126,950	124,647
Estimated Outlays	27,498	62,210	21,380	10,017	4,751	3,081	1,641	-815	-1,776	-1,857	-2,303	126,130	123,827
<b>Increases in Revenues</b>													
Sec. 3102. Coverage for Pregnant and Postpartum Women (a, b)													
On-Budget Revenues	0	0	43	98	109	119	95	0	0	0	0	464	464
Off-Budget Revenues	0	0	33	74	83	90	72	0	0	0	0	352	352
Sec. 3105. Temporary Increase in FMAP for Expanding ACA Coverage													
On-Budget Revenues	0	0	96	63	55	58	60	33	20	15	9	400	409
Off-Budget Revenues	0	0	69	44	38	36	33	18	11	9	5	298	263
<b>Total Increase in Revenues</b>													
On-Budget Revenues	0	0	139	161	164	177	155	33	20	15	9	864	873
Off-Budget Revenues	0	0	102	118	121	126	105	18	11	9	5	650	615
<b>Net Increase or Decrease (-) in the Deficit From Changes in Direct Spending and Revenues</b>													
Estimated Effect on the Deficit	27,498	62,210	21,139	9,738	4,466	2,778	1,381	-866	-1,807	-1,881	-2,317	124,656	122,339
On-Budget Deficits	27,498	62,210	21,241	9,856	4,587	2,904	1,486	-848	-1,796	-1,872	-2,312	125,266	122,954
Off-Budget Deficit	0	0	-102	-118	-121	-126	-105	-18	-11	-9	-5	-610	-615

Components may not sum to totals because of rounding.  
 ACA = Affordable Care Act, CDC = Centers for Disease Control and Prevention, FMAP = federal medical assistance percentage, HCBS = home and community-based services, HHS = Department of Health and Human Services, LIHEAP = Low-Income Home Energy Assistance Program.  
 a. Section would affect both revenues and spending, which is shown separately.  
 b. The estimate for section 3102 includes the budgetary effects of sections 3202.

**VII. FEDERAL MANDATES STATEMENT**

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

**IX. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES**

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to provide coronavirus emergency response and relief, and for other purposes.

**X. DUPLICATION OF FEDERAL PROGRAMS**

Pursuant to clause 3(c)(5) of rule XIII, no provision of the Committee Print is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111-139 or the most recent Catalog of Federal Domestic Assistance.

**XI. COMMITTEE COST ESTIMATE**

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

**XII. EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS**

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that the Committee Print contains no earmarks, limited tax benefits, or limited tariff benefits.

**XIII. ADVISORY COMMITTEE STATEMENT**

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

**XIV. APPLICABILITY TO LEGISLATIVE BRANCH**

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

**X. SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION**

**SECTION. 3201. MANDATORY COVERAGE OF COVID-19 VACCINES AND ADMINISTRATION TREATMENT UNDER CHIP**

Requires CHIP coverage of COVID-19 vaccines and treatment without beneficiary cost sharing with the vaccines and the administration of vaccines matched at a 100 percent FMAP through one year after the end of the PHE.

**SEC. 3202. MODIFICATIONS TO CERTAIN COVERAGE UNDER CHIP FOR PREGNANT AND POSTPARTUM WOMEN**

This provision allows states, for five years, to extend CHIP eligibility to women for 12 months postpartum.

**XVI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED**

A Ramseyer was requested but not yet received. Therefore, with respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee advises that compliance prior to submission to the Committee on the Budget was not possible.

**XVII. ADDITIONAL VIEWS**

**Energy and Commerce Committee Republican Views**

Republicans have supported five targeted, bipartisan bills to crush COVID-19, to reopen schools, to get the economy back on track, and to improve health and wellness of those suffering from the pandemic. That is what we should be doing with this Reconciliation package. Unfortunately, this package falls well short, but at an extraordinary cost. The Congressional Budget Office (CBO) estimates that the Committee on Energy and Commerce's contribution to the Reconciliation process will cost approximately \$120 billion. That is still well short of the \$188 billion instruction to the Committee, which shows there was an opportunity to adopt some of the bipartisan, targeted, and timely amendments Republicans offered during markup. For instance:

- \$1 billion for teachers to get vaccinated and ensure our children can go back to school safely;
- \$10 billion for COVID-19 research at the National Institutes of Health (NIH);
- \$35 billion to support our frontline workers through the Provider Relief Fund (PRF); or
- \$1 billion to boost mental health services in states with unexpected job loss due to President Biden's various Executive Orders.

Unfortunately, the Democrats rushed this bill through a partisan markup without bipartisan consultation with CBO on cost, preventing any chance of adequate analysis and deliberation.

In addition to the wasteful spending, we must comment on the Democratic Majority's decision to bypass regular order. Democrats wrote this entire package in secret without any input from Republicans, and Republicans did not see a draft until 10:00 p.m. on Tuesday, February 9 for a markup scheduled to start at 11:00 a.m. on Thursday, February 11. Such secrecy might be expected on controversial measures, but Republicans and Democrats have already worked together to enact 5 bills in response to COVID-19. This partisan process on this package is a failure of Democratic leadership and a huge disappointment.

**Subtitle A: Budget Reconciliation Legislative Recommendations Relating to Public Health**

Republicans on the Energy and Commerce Committee strongly support additional funding for advanced research, development, manufacturing, production, and the purchase of vaccines, diagnostic tests, therapeutics, and ancillary medical products to prevent, prepare, and respond to SARS-CoV-2, COVID-19, or any disease with potential for creating a pandemic. Republicans on the Energy and Commerce Committee also support additional funding for the prevention and treatment of mental health and substance use disorders. The COVID-19 pandemic and resulting economic downturn have significantly impacted the mental health and wellbeing of all Americans.

Since the beginning of this pandemic, many Americans have reported that their mental health has been negatively impacted by recent events, with about 4 in 10 adults reporting

symptoms of anxiety or depressive disorder.<sup>1</sup> Reports have found that declines in the economy, lost jobs, and health challenges have all contributed to an increase in mental health difficulties. Individuals in states with more restrictive measures, such as stay-at-home orders, have recorded even more cases of mental health difficulties.<sup>2</sup> The pandemic has also presented unique challenges for individuals with substance use disorder (SUD) and those who are in recovery, as social distancing and stay at home orders make it harder for patients to access treatment, such as critical medications for opioid use disorders.<sup>3</sup>

However, Subtitle A is also a departure from how the Congress has previously provided emergency funding to address the coronavirus pandemic, and because of this, does not take into account the time it will take for federal agencies to spend these resources, or address all the needs, such as those of the National Institutes of Health and health care providers. The past five legislative packages that were signed into law were negotiated in good faith between Republicans and Democrats, with extensive input from all sides.<sup>4</sup>

We are disappointed that the Democrats rejected bipartisanship and embraced a partisan process. Instead of targeted and timely relief to COVID-19, the Democrats proposed mandatory funding for all of these initiatives, abdicating responsibility for oversight, which is a troubling departure from the oversight and reporting on the emergency designated discretionary appropriations provided in the previous five COVID-19 emergency appropriations bills passed last year.

Republicans agree with CBO that federal agencies might not be able to use the new budget authority provided in Subtitle A quickly enough. Republicans are also concerned that the resources may not be timely enough to help address any outstanding COVID-19 needs that remain after the most recent relief package.<sup>5</sup> Subtitle A increases individual agencies' funding for a single fiscal year by a substantial amount. The 2021 budget authority for the Centers for Disease Control and Prevention (CDC), the Health Resources and Services Administration (HRSA), and the Indian Health Service (IHS) would see enormous increases roughly halfway through the fiscal year. Republicans, like the CBO, do not understand how these agencies would be able to spend all of the new funds rapidly in a manner that has any meaningful near-term impact on reducing COVID-19 cases and deaths in the United States.<sup>6</sup>

<sup>1</sup> Nirmita Panchal, et. al., *The Implications of COVID-19 for Mental Health and Substance Use*, Kaiser Family Foundation, available at <https://www.kff.org/health-reform/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/> (last updated Feb. 10, 2021).

<sup>2</sup> Madeline Holcombe, *Long-term social distancing may be traumatic. Here is what to expect and what to do*, CNN (Apr. 12, 2020), available at <https://www.cnn.com/2020/04/09/health/coronavirus-mental-health-long-term-wellness/index.html>.

<sup>3</sup> Dr. Francis Collins, Director, National Institutes of Health, *Coping with the Collision of Public Health Crises: COVID-19 and Substance Use Disorders*, NIH Director's Blog (Apr. 21, 2020), available at <https://directorsblog.nih.gov/2020/04/21/coping-with-the-collision-of-public-health-crises-covid-19-and-substance-use-disorders/>.

<sup>4</sup> P.L. 116-123; P.L. 116-127; P.L. 116-136; P.L. 116-139; and P.L. 116-260.

<sup>5</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

<sup>6</sup> *Id.*

For example, the state of the nation's public health infrastructure and workforce are a result of decades of neglect by state and local governments. At the same time, states have spent ever increasing amounts of their budgets on Medicaid. Support for states to build their public health workforce is laudable and could be accomplished by discretionary appropriations. However, it is unclear how an immediate infusion of \$7.6 billion in mandatory funding for establishing and expanding a public health workforce, as is done in section 3021, will lead to more public health professionals to fight COVID-19 now. State and local health departments have struggled for years to recruit public health professionals in a field that has lost more than 56,000 positions in the past decade.<sup>7</sup> A sustainable long-term increase in discretionary funding authorized through regular order would have been a more appropriate way to support state and local public health departments and address the dearth in public health professionals.

Republicans are concerned about the long-term health of critically important public health programs that Subtitle A sets on dangerous fiscal cliffs. For example, section 3031 provides \$7.6 billion for Federally-qualified health centers, \$800 million for the National Health Service Corps, and \$300 million for the Teaching Health Center Graduate Medical Education program. This is approximately twice the amount that was authorized for these programs for each of fiscal years 2021 through 2023 in the Consolidated Appropriations Act, 2021, which was just signed into law two months ago.<sup>8</sup> These are unsustainable funding levels.

Republicans are disappointed that Subtitle A opens the door to federal funding for elective abortions. Every Democrat voted against including the Hyde amendment protections in Subtitle A. The Hyde Amendment prevents all other federal funds for the Department of Health and Human Services appropriated through the discretionary appropriations process, and also mandatory health spending, from being used to fund abortion, except in the cases where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape or incest. Since 1976, Hyde, and similar policies governing other federal programs, have been supported and renewed annually on a bipartisan basis, multiple times, for decades.<sup>9</sup> Because there are no Hyde Amendment protections, many provisions in Subtitle A, particularly where funds have been authorized for broad purposes or for the provision of health services that are not directly related to preventing and treating COVID-19, will support elective abortions.

For example, section 3036 authorizes \$50 million in mandatory funding for grants and contracts under section 1001 of the Public Health Service Act, which is the Title X Family Planning Program. First, it is unclear to Republicans how Title X funding will reduce transmission of, and illness and death caused by, COVID-19. This funding is being authorized on the heels of President Biden directing the Department of Health and Human Services to

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<sup>7</sup> Blaire Bryant, Protect Funding for Core Local Public Health Services and Prevention Programs, National Association of Counties, available at [https://www.naco.org/resources/protect-funding-core-local-public-health-services-and-prevention-programs#:~:text=According%20to%20the%20National%20Association,in%20five%20local%20health%20departm ents.\(last updated Feb. 28, 2019\).](https://www.naco.org/resources/protect-funding-core-local-public-health-services-and-prevention-programs#:~:text=According%20to%20the%20National%20Association,in%20five%20local%20health%20departm ents.(last updated Feb. 28, 2019).)

<sup>8</sup> P.L. 116-260.

<sup>9</sup> H.R. 14232, Departments of Labor, and Health, Education, and Welfare, and Related Agencies, 1977, 94th Congress (1976); Roll no. 846.

reverse the “Protect Life Rule,”<sup>10</sup> a rule that prohibited Title X-funded family planning services to be performed at the same location where abortions are provided. Since existing Title X appropriations have been obligated to non-abortion providing entities, section 3036 is just a way to direct taxpayer dollars to abortion providers, like Planned Parenthood.

Lastly, Republicans are disappointed that the Democrats, in their haste to pass a partisan package, did not assess the true budgetary needs of these agencies. The exorbitant funding levels could lead to waste.

For example, section 3004 provides \$500 million to the Food and Drug Administration (FDA) for the evaluation of the continued performance, safety, and effectiveness of vaccines, therapeutics, and diagnostics approved, cleared, licensed, or authorized for use for the treatment, prevention, or diagnosis of COVID-19. Republicans believe that the agency should provide a detailed account of how funds previously appropriated have been spent, what amount of funding remains unobligated, and to what activities those unobligated dollars will be allocated before appropriating additional funds, especially considering that \$500 million is more than twice the amount that has been appropriated to FDA under all previously enacted Coronavirus relief legislation combined.<sup>11</sup>

Additionally, advancing this legislation through regular order would have allowed both Republicans and Democrats to have a better understanding of the FDA’s existing needs. During the full committee markup, the only opportunity provided to Republicans to ask questions and raise concerns about the legislation being considered, Democrats asserted they had conversations with FDA during which the agency expressed the need for this amount of funding. The FDA has not provided to Republicans any request or justification for these funds, nor has FDA explained how they will be used to advance the agency’s mission. In addition, the majority of FDA’s spending is on salaries. It is unclear how the \$500 million could be used to support salaries without creating a cliff where more funding is needed to retain those employees.

With respect to product reviews, Republicans question why these funds appear to be intended solely for post-market surveillance, as opposed to both pre- and post-market activities, given the likelihood that new COVID-19 vaccines, therapeutics, and diagnostics will warrant premarket review.<sup>12</sup> Furthermore, the funds may be used to facilitate and conduct inspections delayed or cancelled for reasons related to COVID-19.<sup>13</sup> While Republicans agree it is critical that FDA resume on-site inspections, we question why additional funds are required to do so.

Since March 2020, FDA has conducted few domestic or foreign inspections due to safety concerns and travel restrictions, not due to funding limitations. During fiscal year (FY) 2020, the total number of inspections conducted by FDA, of both foreign and domestic establishments,

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<sup>10</sup> 84 F.R. 7714.

<sup>11</sup> P.L. 116-123; P.L. 116-136; P.L. 116-260.

<sup>12</sup> S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021 (February 11, 2021), 117<sup>th</sup> Congress (2021-2022), available at <https://docs.house.gov/meetings/IF/IF00/20210211/111190/BILLS-117-A-P000034-Amdt-2.pdf>.

<sup>13</sup> *Id.*

was fifty-six percent lower than during each of the previous two fiscal years.<sup>14</sup> Between March and October of 2020, only three foreign mission critical inspections and only fifty-two domestic inspections took place.<sup>15</sup> In contrast, during a similar timeframe in each of the previous two years, more than 600 foreign and 400 domestic inspections took place.<sup>16</sup> Given the significant reduction in the number of inspections conducted, FDA must answer for how funds obligated for FY 2020 inspection activities have been used and why it needs more funds to carry out delayed or cancelled inspections.

**Subtitle B: Budget Reconciliation Legislative Recommendations Relating to Medicaid**

**Section 3101. Mandatory Coverage of COVID-19 Vaccines and Administration Treatment Under Medicaid.**

Republicans want every American to have access to the COVID-19 vaccine and we support fully covering the cost of the vaccine for Medicaid beneficiaries for the length of the public health emergency. This will ensure we can vaccinate every single American, which will help us reopen schools, workplaces, and the economy. However, in this section the Democrats, instead, chose to extend the timeframe where vaccines are fully covered by one year. The Democrats have provided no justification for this extension. Given that the public health emergency will continue throughout 2021, Republicans recommend ascertaining how the states are doing at the end of the year and extend the timeframe if needed. Instead, the Democrats are spending money on the extra year that could have been used to increase funding for mental health or SUD providers, or a number of other targeted and temporary priorities that both parties share.

The Democrats are also giving the states the option to provide coverage to the uninsured for COVID-19 vaccines and treatment without cost sharing at 100 percent federal medical assistance percentage (FMAP). Republicans want all eligible beneficiaries to receive care and want to work with the Democrats to improve access to care for all Americans. However, the Medicaid program has eligibility requirements for a reason and Republicans want to make sure that the program is able to continue serving the Americans who are eligible for Medicaid coverage.

**Section 3102. Modifications to Certain Coverage Under Medicaid for Pregnant and Postpartum Women.**

Republicans are disappointed that the Democrats chose this partisan approach to a bipartisan priority. H.R. 4996, the Helping MOMS Act of 2020, passed the House unanimously last year and is the same policy as section 3102, except, H.R. 4996 was a permanent state option to extend Medicaid eligibility to women for 12 months postpartum and section 3102 is a five-year option. At markup, Republicans offered an amendment that would have implemented the

<sup>14</sup> United States Government Accountability Office (GAO), *COVID-19: Critical Vaccine Distribution, Supply Chain, Program Integrity, and Other Challenges Require Focused Federal Attention* (January 2021), available at <https://www.gao.gov/assets/720/712030.pdf>.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

permanent policy. Predictably, the Democrats rejected the proposal because it would cause the Committee to exceed its reconciliation instructions. However, when CBO released its estimate of the Committee's reconciliation package, Republicans learned that the Committee is under its instruction of \$188.5 billion by over \$65 billion.<sup>17</sup> If the Committee had an estimate and technical assistance before markup, we could have made this change permanent.

**Section 3103. Allowing for Medical Assistance Under Medicaid for Inmates During 30-Day Period Preceding Release.**

Republicans are willing to work with the Democrats to address medical assistance for inmates during the 30-day period preceding their release from prison, but this is irrelevant to responding to COVID-19. This is especially true since the Democrats included the coverage of inmates in the vaccine development and distribution funding in Subtitle A, and included specific funding for COVID-19 for those that live in congregate facilities. If this policy had been considered through regular order, a hearing might have revealed how prisons differ from jails when handling inmates a month before release and how we can tailor the policy to be the most effective.

Republicans want all Americans to have access to the COVID-19 vaccine, including inmates during the 30-day period before their release. But why is Medicaid coverage for inmates 30 days prior to release necessary? Also, how long will it take prisons and jails to have the administrative capacity to bill Medicaid, and will prisons need additional resources to do so? If the Committee followed regular order, some of these questions could have been answered.

**Section 3104. Enhanced Federal Medicaid Support for Bundled Community-Based Mobile Crisis Intervention Services.**

This section is another partisan disappointment. The Democrats never explained how this section will provide immediate relief to those suffering from COVID-19's devastating impact on mental health or SUD. CBO indicated that only 16 states have programs that would immediately qualify for this provision, suggesting the limited impact this provision will have on addressing nationwide mental health and SUD impacts from COVID-19.<sup>18</sup> Republicans believe that tailoring a policy like the one in section 3108 for mental health and substance use providers would have been a better way to provide immediate relief for the next year.

**Section 3105. Temporary Increase in FMAP for Medical Assistance Under State Medicaid Plans which Begin to Expend Amounts for Certain Mandatory Individuals.**

Incentivizing states to expand Medicaid to address COVID-19 is a mistake. It is neither a targeted nor a timely approach to continue the fight against COVID. We understand the need to provide Americans access to affordable health insurance options, but, at a minimum, it takes

<sup>17</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

<sup>18</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

several months to expand Medicaid.<sup>19</sup> Republicans believe that any COVID-19 relief package should aim to end the pandemic in weeks now that a vaccine is available. The \$16 billion cost associated with this policy should be targeted to immediate COVID-19 relief for Medicaid providers who are working with the most at risk beneficiaries, including SUD, mental illness, hospitals in rural areas, and nursing homes.

**Section 3106. Extension of 100 Percent Federal Medical Assistance Percentage to Urban Indian Health Organizations and Native Hawaiian Health Care Systems.**

Republicans would have preferred to consider this section through regular order to ensure that there are proper reporting and data requirements on the impact of the policy given that it is only a two-year extension.

**Section 3107. Sunset of Limit on Maximum Rebate Amount for Single Source Drugs and Innovator Multiple Source Drugs.**

Including this provision in this partisan package is another disappointment. Republicans have supported this policy to pay for a permanent option for states to provide Medicaid coverage to women for 12 months after birth. That was the bipartisan approach taken in H.R. 4996, the Helping MOMS Act of 2020, which passed the House unanimously in the 116th Congress. But including this spending offset to fund unnecessary spending unrelated to the COVID-19 fight will only make it harder to enact permanent needed support for new mothers who rely on Medicaid.

**Section 3108. Additional Support for Medicaid Home and Community Based Services During the COVID-19 Emergency Period.**

This is another provision that could have been done through regular order, but instead, Democrats chose partisanship. Republicans support a temporary FMAP increase of 7.35 percentage points for states to make improvements to Medicaid home- and community-based services (HCBS) for one year. However, the Democrats would impose a litany of required uses of the funds, which are overly burdensome at a time when states Medicaid programs need flexibility to target efficiently their response to COVID-19. Republicans recommend providing states more flexibility on how to use those funds.

**Section 3109. Funding for State Strike Teams for Resident and Employee Safety in Nursing Facilities.**

Nursing homes have been devastated by COVID-19, and the pandemic has brought attention to the need for improved infectious disease control at nursing homes. The Trump Administration deployed “strike teams” to nursing homes starting in July, 2020,<sup>20</sup> and Republicans support providing funding to continue this important initiative. However, Republicans prefer that this funding be provided through emergency supplemental appropriations

<sup>19</sup> <https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/>.

<sup>20</sup> <https://www.cms.gov/newsroom/press-releases/trump-administration-announces-new-resources-protect-nursing-home-residents-against-covid-19>.

through regular order to ensure we have proper reporting and data on the impact of the policy and its effectiveness.

**Subtitle C: Budget Reconciliation Legislative Recommendations Relating to CHIP**

**Section 3201. Mandatory Coverage of COVID-19 Vaccines and Administration and Treatment Under CHIP.**

Republicans want every American to have access to the COVID-19 vaccine. We support fully covering the cost to vaccinate CHIP beneficiaries for the length of the public health emergency. However, the Democrats' partisan decision to extend that timeframe for a year is not based on any data or technical assistance. Since the public health emergency will continue through 2021, a better way would have been to see how the states are doing at the end of the year and adjust if needed.

**Section 3202. Modifications to Certain Coverage Under CHIP for Pregnant and Postpartum Women.**

It is disappointing the Democrats chose to include a bipartisan priority in the partisan package. As noted earlier, H.R. 4996, the Helping MOMS Act of 2020, passed the House unanimously last year and is the same policy as section 3102.

**Subtitle D: Budget Reconciliation Legislative Recommendations Relating to Other Provisions**

**Chapter 1**

Chapter 1 of Subtitle D is another disappointment and lost opportunity. Our concerns with this chapter can be divided into two distinct categories: big-picture concerns and specific policy choices reflected in the reported text, as well as those rejected by the votes of the Democrats

Generally, the three sections in this Chapter are not consistent with the Democrats' claims about what this bill does. Rather than providing the immediate aid the Democrats insisted was essential for all Americans struggling with or vulnerable to COVID-19, the provisions instead appear to craft long-term policies that deserved closer, deliberate attention.

To illustrate this overarching point, the authorized funding appropriated in sections 3301 and 3303 is not time limited – it is supposed to “remain available until expended” – and section 3302 makes its funding available until September 30, 2022 – a time frame exceeding current predictions on the length of the pandemic in the United States. Moreover, none of the sections reference the public health emergency related to COVID-19 that was issued by the Department of Health and Human Services (HHS) and only section 3301 attempts to create a COVID-19

nexus.

We believe the aid in this chapter would have been more efficiently and effectively provided had the explicit statutory focus only been on directing actions necessary for the nation's COVID-19 response. Frustratingly, the Democrats were not interested in a bipartisan response of targeted relief that was time-limited and tied directly to COVID-19.

Unfortunately, Chapter 1, particularly section 3301 and 3303, also was not considered through regular order in the Committee. Regular order would have allowed careful review of the scope and timing of these provisions. For example, it would have provided opportunity to adjust the focus of Section 3301 to include increasing employment and economic opportunity, in addition to technical assistance concerning air quality. Providing more scrutiny and opportunity for improvement of the legislative language would have ensured resources are directed to the most urgent economic impacts of the pandemic.

Beyond these overarching concerns, each of the three sections in this chapter contained specific provisions that gave us pause.

For section 3301, the lack of meaningful Congressional input is concerning – we should have had more of a process to obtain assurances as to what this language intends and, considering that these provisions could be in force for a few years, understand what this language might practically mean. These insights also are critical to conducting Congressional oversight on the provisions, should they become enacted.

Another area of concern for us in section 3301 is its omission of health disparities of certain workers related to COVID-19. Unemployment is well established as a risk factor for elevated illness and mortality rates in epidemiological studies performed since the early 1980s. In fact, the National Center for Health Statistics concluded that “children in poor families were four times as likely to be in fair or poor health as children in families that are not poor.” Most significantly, as it relates to COVID-19 and the emergence of new more contagious variants, Yale researcher Dr. William Gallo has stated in the past that late-career job loss results include “substantial health consequences” and are a “potential risk factor for adverse vascular health changes” -- the most troubling comorbidities threatening the survival of any person exposed to the coronavirus.

The people made jobless via the White House executive orders in the first month of the Biden Administration have been disregarded in these provisions. Our Democratic colleagues not only rejected efforts to help these economically disadvantaged people, but their views were punctuated by suggestions that welfare programs and green jobs for half the wages of their recent employment should be an adequate replacement for these people.<sup>21</sup>

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<sup>21</sup>“The average salary of oil and natural gas workers is approximately \$112,000, more than double the national private-sector average of \$51,000. But oil and gas workers don't just make double that of the national average. They make double that of wind and solar workers.

Moving to section 3302, it provides \$4.5 billion through the end of fiscal year 2022 for the Low-Income Home Energy Assistance Program (LIHEAP). This amount exceeds the entire amount enacted for LIHEAP in fiscal year 2021 just eight weeks ago (\$3.75 billion).<sup>22</sup> In addition, this funding is to be disbursed without regard to existing financial reasonableness requirements placed on states for how much LIHEAP funding can be allotted at any one time. As mentioned earlier, while we do not oppose addressing LIHEAP at this time, this scale of spending should have been directly connected to COVID-19, and adjusted to ensure it will do what it is supposed to do, minimizing waste and abuse.

Section 3303 provides \$500 million – for as long as it takes to spend it all – to a new program to pay the water and wastewater bills of low-income people. This \$500 million amount is in addition to the \$638 million provided for a nearly identical purpose in the Consolidated Appropriations Act, 2021.<sup>23</sup> Taken together, this eight-week total comes to \$1.138 billion for this new program – \$12 million more than the Federal government provided in capitalization grants in fiscal year 2021 for all public water system infrastructure under the Drinking Water State Revolving Loan Fund.

Of note, the biggest difference between the language in section 3303 and that from the Consolidated Appropriations Act, 2021 is that section 3303 omits provisions encouraging HHS to use its existing processes and procedures under LIHEAP to distribute this money to utilities efficiently. This is an important omission. There was no Committee of review whether this omission will create problems. For, example, because the language in the Consolidated Appropriations Act, 2021 is only valid for that fiscal year and section 3303 is drafted to outlast it, when section 3303 still has funding on October 1, 2021, HHS would be free to use whatever process it wants to distribute the money, even if it is untested or inefficient. This seems like a recipe for potential waste and abuse; and only further reinforces why a targeted and temporary program is the preferred way to handle this matter.

While President Biden and the Democrats should be focused on defeating COVID-19 and rebuilding our economy, they are waging a war on fossil energy jobs that is resulting in significant and negative disparate impacts in rural and low-income communities. Immediately upon taking office, President Biden revoked the permit for the Keystone XL pipeline and imposed a moratorium on oil and gas drilling on Federal lands and offshore waters. These

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According to data from the U.S. Department of Labor's Bureau of Labor Statistics, in 2019 a worker installing solar panels made an average of a little more than \$21 an hour. Workers in oil and gas extraction made more than twice as much, at an average of over \$42 an hour."

<https://thefederalist.com/2021/01/27/bidens-green-energy-jobs-really-mean-no-energy-jobs-and-low-paying-energy-jobs/>

<sup>22</sup> House Energy and Commerce Committee Republican Leader Cathy McMorris Rodgers sent a letter to the Office of Management and Budget on February 4, 2021, requesting an accounting of what funds have been expended already in connection with the \$3.75 billion in LIHEAP funding from the Consolidated Appropriations Act, 2021. OMB has provided no response to that letter to date.

<sup>23</sup> House Energy and Commerce Committee Republican Leader Cathy McMorris Rodgers sent a letter to the Office of Management and Budget on February 4, 2021, requesting an accounting of what funds have been expended already in connection with the \$638 million from the Consolidated Appropriations Act, 2021. OMB has provided no response to that letter to date.

decisions will eliminate tens of thousands of jobs and deprive states of billions of dollars of tax revenue to help pay for schools, hospitals, and government services.

Republicans offered several amendments to protect jobs, stimulate economic growth, and provide mental health services for unemployed energy workers – particularly critical during the global pandemic and economic downturn -- Democrats rejected them all.

In connection with Subtitle A, Rep. Mullin offered an amendment to increase funds for community mental health block grants to strengthen mental health services in states that have had unexpected jobs losses due to President Biden's Executive Orders. This Administration's policies, such as implementing moratoria on oil and gas development and production, will put tens of thousands of people in the energy sector out of work and deprive states of billions of dollars in tax revenues. This amendment would have required the HHS Secretary to obligate 5 percent of the amounts under the mental health block grants to states suffering unemployment from the Biden Administration's recent energy and climate executive orders. Every Democrat rejected the Mullin amendment.

Rep. Armstrong offered an amendment to resume construction of the Keystone XL pipeline and immediately put thousands of people back to work. This \$1.7 billion investment would have created over 10,000 American union jobs and contributed billions to U.S. workers through direct jobs in construction and indirect jobs in hotels, restaurants, and thousands of businesses across the country that were lined up to provide their services to help build the project. This construction program was already underway when the Biden Administration revoked their permit and eliminated thousands of jobs and over \$3 billion in contracts that would have gone to U.S. contractors and suppliers. Again, every Democrat rejected the Armstrong amendment to authorize construction of the Keystone XL pipeline.

Rep. Duncan offered an amendment to prevent President Biden from following through on his campaign promise to ban hydraulic fracturing — perhaps the most direct threat to our economic security and national security. If the Biden Administration were to ban hydraulic fracturing, this would eliminate millions of jobs across our American energy industry and our economy. States and local governments, schools, hospitals, and community centers would be cut off from billions of dollars in funding that currently comes from the oil and gas industry. According to a recent study,<sup>24</sup> placing a moratorium on hydraulic fracturing would mean a \$900 billion increase in U.S. household energy costs, \$7.1 trillion in potential losses to the U.S. economy through 2030, and over 7 million fewer U.S. jobs by 2022. Additionally, such a moratorium would force the U.S. to import 40 percent of our oil and petroleum products and 29 percent of our natural gas by 2030. Again, every Democrat rejected the Duncan amendment.

We understand the importance of this package and wanted to support it, but defects such as those outlined above and the unwillingness of the Democrats to accept any of our ideas to

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<sup>24</sup> *America's Progress at Risk: An Economic Analysis of a Ban on Fracking and Federal Leasing for Natural Gas and Oil Development*, American Petroleum Institute, <https://www.api.org/-/media/Files/Oil-and-Natural-Gas/Hydraulic-Fracturing/2020/fracking-ban-study-americas-progress-at-risk.pdf?la=en&hash=13423D13150A5594442D84D507F6EAB04A231246>.

protect workers and focus the delivery of funding on those most in need leaves us no choice but to oppose it.

## **Chapter 2**

### **Section 3311. Funding for Consumer Protection Safety Fund to protect consumers from potentially dangerous products related to COVID-19.**

We are disappointed that the Democrats continued its partisan approach in drafting section 3311, which is similar to the provisions of H.R. 8134, the Consumer Product Safety Inspection Enhancement Act, a bill to authorize additional resources for the Consumer Product Safety Commission (CPSC). During the 116th Congress, the Committee on Energy and Commerce passed H.R. 8134 by a voice vote on September 24, 2020, and the bill passed the full House of Representatives by a voice vote on September 29, 2020. Because of the Committee's bipartisan efforts, an authorization for additional port inspection personnel for the CPSC was included in division F, title XX, of H.R. 133, the Consolidated Appropriations Act of 2021, enacted on December 27, 2020.

The Democrats ignored the bipartisan consensus recognizing the threat posed by the People's Republic of China (PRC) and instead, allocated \$50 million that are desperately needed for the CPSC's port inspection responsibilities to a Commission slush fund to be used however the CPSC chooses and without regard for our bipartisan agreement.

We support enhancing our ports security and providing the necessary resources to do so. In 2020, the House Republican China Task Force issued a report outlining many of the Chinese Communist Party's (CCP) subversive acts against our country. The PRC is a threat to our way of life. Resources are needed to enhance targeting, surveillance, and screening of consumer products originating from China. But section 3311 includes new definitions like "COVID-19 products," which have not been vetted and may reach beyond the CPSC's authority.

Section 3311 also includes new provisions that were not included in the 2020 bipartisan agreement and that the Democrats never discussed with us. In particular, we are concerned that authorizing the CPSC to undertake "enhanced monitoring of Internet websites" will distract the Commission from its port inspection duties.

The CPSC does not need more full-time personnel surfing the Internet. The Commission needs more personnel on the ground at ports, protecting us from dangerous products from the CCP. These resources should be targeted on counterfeit and illicit products originating in the PRC. In a January 24, 2020, report entitled "Combating Trafficking in Counterfeit and Pirated Goods," the Department of Homeland Security (DHS) estimated that 100,000 packages that

could harm or defraud our constituents arrive in America every day from China and more than 85 percent of all contraband seized at our borders comes from China and Hong Kong.

There is another DHS report, "Operation Stolen Promise," which found that more than 50 percent of the nations' counterfeit COVID-19 products originate from China and Hong Kong. And a recent article from Reuters found that Chinese internment camps in the Xinjiang region force Uighur Muslims into labor camps and often shave the heads of women to use their hair in products shipped to the U.S. We wrote to the CPSC about these Uighur women recently, and the CPSC has acknowledged that it has not tracked this matter.

This section is a disappointment and a missed opportunity to continue our bipartisan work to keep Americans safe from dangerous products from China.

**Section 3312. Funding for E-Rate Support for Emergency Educational Connections and Devices.**

This section wastes \$7.6 billion dollars in taxpayer funding for purposes that Congress has already funded. It provides funding for schools and libraries to buy and distribute Wi-Fi hotspots, modems, routers, and other devices for students to use for off-premise schoolwork. This funding is duplicative of a cumulative \$110 billion that Congress appropriated in 2020 to the Department of Education to respond to the coronavirus pandemic, and much of that money remains unspent. It is irresponsible for Congress to appropriate more money for this purpose before the existing money is spent and Congress can determine where, if any, there are remaining gaps.

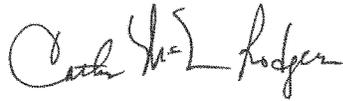
Besides the fact that Congress already appropriated money in the early days of the pandemic for remote learning purposes, this program is also inconsistent with the President's goal to reopen schools because it encourages the continuation of remote learning. Similarly, it conflicts with the Administration's Centers for Disease Control and Prevention guidance, which states that it is safe for schools to reopen and that they should do so as quickly as possible.

In addition, and contrary to claims from the Democrats, section 3312 does nothing to support the Federal Communications Commission's (FCC) E-Rate program. Rather, it creates a new program with no rules, no requirements, and no oversight to track the devices once they are given to students, or to verify eligibility and ensure that there is no double dipping at schools and libraries. The statute also does not clearly state whether or not this funding is available only for the duration of the COVID-19 pandemic, or until 2030, which is well beyond the scope of the pandemic. This program is simply a vehicle for the Democrats to implement its longstanding partisan policies endorsed by the teachers' unions rather than helping Americans.

During the Committee markup of this provision, Rep. Latta and Rep. Walberg offered amendments that would provide long-term solutions to close the digital divide and incentivize schools to re-open for in-person learning. To provide a permanent solution to close the digital divide, Rep. Latta offered an amendment to redirect this funding to rural broadband deployment in unserved areas. Rep. Walberg offered an amendment to put this money directly into the existing E-Rate program at the FCC, which funds connections and certain technologies in

schools and libraries where it is not economically feasible for carriers to otherwise serve. Eligibility would have been contingent on schools and libraries being open 5 days per week. The word “open” was not defined, which would ensure that schools and libraries had the flexibility to follow appropriate CDC guidance to reopen safely. Both proposals were unanimously opposed by the Democrats.

Section 3312 is another bad public policy and missed opportunity. The only way to close the so-called “homework gap” is to invest in permanent broadband infrastructure that closes the digital divide between urban and rural America once and for all. In order to recover from this pandemic and ensure our students are not left behind, we need to focus on policies that reopen schools and the economy as quickly as possible. We are disappointed the Democrats rejected bipartisanship and again embraced a partisan process that will waste billions of dollars on temporary, unreliable options such as hotspots, with no oversight and no accountability.



Cathy McMorris Rodgers  
Ranking Member



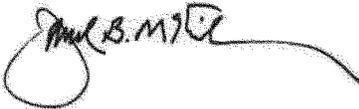
Fred Upton  
Ranking Member  
Subcommittee on Energy



Robert E. Latta  
Ranking Member  
Subcommittee on Communications  
and Technology



Brett Guthrie  
Ranking Member  
Subcommittee on Health



David B. McKinley  
Ranking Member  
Subcommittee on Environment  
and Climate Change



Gus M. Bilirakis  
Ranking Member  
Subcommittee on Consumer Protection  
and Commerce



February 2021

**Fact Sheet on House's Reconciliation Package & the  
Biden Administration's COVID-19 American Rescue Plan  
COMMITTEE ON ENERGY & COMMERCE**

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The Fiscal Year 2021 Reconciliation Act puts into action the policies and budgetary requests outlined by the Biden Administration's American Rescue Plan.

**VACCINES:**

The American Rescue Plan calls for the establishment of a national vaccination program, and this legislation provides critical funding and resources to increase COVID-19 vaccinations across the country.

- Many states have struggled to distribute vaccines after the Trump Administration chose to defer almost entirely to the states to distribute and administer all vaccines.
- The American Rescue Plan requests **\$20 billion** for improving COVID-19 vaccine administration and distribution, including vaccination clinics and mobile vaccination units, a vaccine awareness campaign, and increasing the Federal Medical Assistance Percentage (FMAP) to Medicaid-covered recipients of a vaccine. It also requests over **\$5 billion** for research, development, and manufacturing of vaccines, therapeutics, and ancillary supplies.
- **Specifically, the Fiscal Year 2021 Reconciliation Act provides:**
  - **\$7.5 billion** for Centers for Disease Control and Prevention (CDC) to prepare, promote, distribute, administer, monitor, and track COVID-19 vaccines. This includes distribution and administration, support for state, local, tribal, and territorial public health departments, community vaccination centers, IT enhancements, facility enhancements, and public communication,
  - **\$600 million** to be directed to the Indian Health Service (IHS) for vaccine-related activities;
  - **\$5.2 billion** to the Biomedical Advanced Research and Development Authority (BARDA) to support advanced research, development, manufacturing, production, and purchase of vaccines, therapeutics, and ancillary medical products for COVID-19;
  - **\$1 billion** for the CDC to undertake a vaccine awareness and engagement campaign;
  - **\$500 million** for the Food and Drug Administration (FDA) to support the review, facilitate the development of, and post-marketing surveillance of COVID-19 vaccines and therapeutics and address drug shortages, among other activities; and
  - Medicaid coverage of COVID-19 vaccines, including the option for states to provide coverage to the uninsured, without cost sharing at 100 percent FMAP for the duration of the public health emergency.

**TESTING:**

The American Rescue Plan proposes scaling up testing in order to stop the spread of COVID-19, safely reopen schools, and protect at-risk populations. A robust testing program remains a critical tool in the

**fight against this virus in conjunction with vaccinations. This legislation provides the funding and resources to do just that.**

- Despite innovations and adaptations in the testing space, COVID-19 tests are still not widely accessible, and supplies continue to be in shortage.
- According to a Government Accountability Office (GAO) [report from November 2020](#), a national survey to states and territories found that 21 states reported shortages of testing reagents, 16 states reported shortages of testing instruments, and 24 states reported shortages of rapid point-of-care tests in the 30 days prior to the report's release, and those same states predicted shortages would continue through the winter months.
- The American Rescue Plan requests **\$50 billion** for testing related resources and activities, including procurement and administration of regular screening tests, and investments in United States laboratory capacity for diagnostic and screening tests.
- **The Fiscal Year 2021 Reconciliation Act provides:**
  - **\$46 billion** for testing, contact tracing, and mitigation. These activities include: implementing a national strategy for testing, contact tracing, surveillance, and mitigation; providing technical assistance, guidance, support, and grants or contracts to States; manufacturing, procurement, distribution, administration of tests, including personal protective equipment (PPE) and supplies necessary for administration; and establishing and expanding federal, State, or local testing and contact tracing capabilities, including investments in laboratory capacity, community-based testing sites, and mobile testing units;
  - **\$1.5 billion** for IHS testing, tracing, and mitigation needs;
  - **\$1.75 billion** for genomic sequencing and surveillance of the circulating strains of COVID-19. There are currently [multiple strains of COVID-19 circling the globe](#), some of which have recently emerged in the United States; and
  - **\$500 million** to allow CDC to establish, expand, and maintain data surveillance and analytics, including to modernize the United States' disease warning system to forecast and track hotspots for COVID-19.

**PUBLIC HEALTH WORKFORCE:**

**The American Rescue Plan calls for the mobilization of a public health jobs program to support the COVID-19 response.**

- **The Fiscal Year 2021 Reconciliation Act provides:**
  - **\$7.6 billion** in funding to public health departments to hire 100,000 full time employees into the public health workforce. These positions would include contact tracers, social support specialists, community health workers, public health nurses, epidemiologists, lab personnel, and communications. Funds would also support PPE, technology, data management, supplies, and reporting;
  - **\$240 million** for IHS public health workforce needs; and

- **\$100 million** to support the Medical Reserve Corps, which consists of a network of volunteer medical and public health professionals that support emergency response efforts and community health activities.

**HEALTH DISPARITIES:**

**The American Rescue Plan includes funding to provide health services to the underserved and addressing ongoing health disparities.**

- COVID-19 has laid bare the harsh realities of health disparities in the United States. For instance, Black and Hispanic Americans are getting vaccinated at significantly lower rates than White Americans, a trend that advocates blame on the federal government's failure to prioritize equitable distribution. Communities of color are also experiencing higher rates of COVID-19 cases, and higher hospitalization and death rates as a result.
- **The Fiscal Year 2021 Reconciliation Act provides a total of \$25.2 billion** for addressing health disparities and protecting vulnerable populations, including:
  - **\$250 million** for nursing home strike teams to help facilities manage COVID-19 outbreaks when they occur;
  - **\$7.6 billion** in funding to support COVID-19 response at Community Health Centers;
  - **\$1.8 billion** to support the purchase, procurement, or distribution of COVID-19 test and testing supplies, PPE, and vaccines for staff and individuals in congregate settings. This would include support to states, localities, territories, and tribes for strategies and activities to detect, diagnose, trace or monitor COVID-19 in congregate settings, including prisons, jails, detention centers, long-term care facilities, psychiatric hospitals and residential treatment facilities, intermediate care facilities, and other settings providing care for individuals with disabilities;
  - **\$3.3 billion** to IHS in flexible funding to support lost third-party revenue, information technology infrastructure for telehealth and electronic health records, urban Indian organizations, and other health services and costs;
  - **\$800 million** to the National Health Service Corps to support primary health care clinicians in high-need areas;
  - **\$331 million** for Teaching Health Centers to expand the number of sites nationwide, increase resident allocations, and provide administrative support for expanding the program;
  - **\$240 million** to support the Nurse Corps Loan Repayment program, which helps support nurses working in critical shortage and underserved areas;
  - A Medicaid state option to allow states to cover postpartum women for 12 months after birth, to help address the maternal mortality crisis disproportionately affecting women of color; and
  - Medicaid coverage for incarcerated individuals 30 days prior to their release, to ensure continuity of care for justice-connected individuals.

**MENTAL HEALTH:**

**The American Rescue Plan proposes scaling up mental health services, including to expand access to behavioral and mental health prevention and treatment.**

- **The Fiscal Year 2021 Reconciliation Act provides a total of \$4 billion** for behavioral and mental health services, including:
  - **\$3.5 billion** for the Substance Abuse and Mental Health Services Agency (SAMHSA) to be split between the Substance Abuse Prevention and Treatment and Community Mental Health block grant programs. Both programs provide funding to all 50 States, the District of Columbia, Puerto Rico, the United States Virgin Islands, and six Pacific jurisdictions. The Substance Abuse block grant program also supports one tribal entity, the Chippewa Tribe;
  - **\$420 million** will be made available to IHS for mental and behavioral health prevention and treatment services;
  - **\$100 million** to the Behavioral Health Workforce Education and Training Program within the Health Resources and Services Administration (HRSA) to expand access to behavioral health services by focusing on training behavioral health paraprofessionals, such as peer support specialists;
  - **\$140 million** to develop a program for mental and behavioral health and to prevent burnout among health care providers and public safety officers, including training and outreach;
  - **\$80 million** to provide support for mental health and substance use disorder services at community-based entities and behavioral health organizations;
  - **\$10 million** to support the National Childhood Traumatic Stress Network, which works to develop and promote effective community practices for children and adolescents exposed to a wide array of traumatic events; and
  - **\$50 million** to Suicide Prevention and Project Aware programs at SAMHSA, which support youth mental health services and suicide prevention efforts.

**HEALTH COVERAGE:**

**The American Rescue Plan commits to preserving and expanding access to health care coverage during the pandemic.**

- Between March and September of 2020, roughly 2 to 3 million people lost employer sponsored health insurance.
- Prior to that, 30 million people already lacked coverage, barring them from accessing the health care system from the outset of the pandemic.
- **The Fiscal Year 2021 Reconciliation Act provides a number of complementary provisions to make coverage more affordable and accessible to millions of Americans by:**
  - Expanding Affordable Care Act (ACA) Marketplace premium tax credits to more middle-class Americans for 2021 and 2022, including those with incomes above 400 percent of the federal poverty line (FPL).
  - Allowing individuals receiving unemployment compensation during the public health emergency to access ACA premium tax credits regardless of income.

- Providing a new incentive for states to expand Medicaid by temporarily increasing the federal medical assistance percentage by five percentage points. If all 12 remaining states expanded Medicaid, more than two million people currently in the coverage gap would gain access to Medicaid.
- Ensuring that workers can continue to afford their employer health care by providing partial COBRA subsidies. COBRA allows workers who experience layoffs or reduction in hours to continue with their job-based health coverage for a limited period of time to avoid a disruption in care.

**CONSUMER ENERGY AND WATER ASSISTANCE:**

**The American Rescue Plan helps Americans who are struggling to make ends meet keep the lights on, the heat working and the water running by proposing \$5 billion in assistance.**

- Energy access is crucial to residential health and to sustaining socially-distanced and remote work lifestyles.
- Unpaid electric and natural gas bills were expected to reach \$32 billion by the end of 2020, with an estimated 20 percent of residential customers at least 60 days behind on their bills. A projected five million additional households are eligible for energy assistance due to pandemic-related job losses.
- Households in California and Virginia, two states that are tracking water debt, are facing more than \$1 billion and more than \$88 million, respectively, in unpaid water bills. These debts threaten the long-term viability of municipal water utilities and raise the risk of interruptions in water service, which is essential to maintain hygiene during the Covid-19 pandemic.
- **The Fiscal Year 2021 Reconciliation Act provides \$5 billion to those most in need to pay their utility bills at a time when so many Americans are spending unprecedented amounts of time at home, including:**
  - **\$4.5 billion** to the Department of Health and Human Services (HHS) for home energy assistance through the Low-Income Home Energy Assistance Program (LIHEAP); and
  - **\$500 million** in additional funds for HHS for the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program established by Congress at the end of 2020. This brings the total amount of money available to assist families with their water and sewer bills to over \$1.1 billion.

**POLLUTION AND THE PANDEMIC:**

**The Fiscal Year 2021 Reconciliation Act helps address health outcome disparities from pollution and the COVID-19 Pandemic.**

- Recent work by GAO found that our national air monitoring network infrastructure is aging and needs to be modernized to identify localized pollution that threatens environmental justice communities.
- **The Fiscal Year 2021 Reconciliation Act provides the Environmental Protection Agency (EPA) with \$100 million to address health outcome disparities from pollution and the COVID-19 pandemic:**
  - **\$50 million** to EPA for environmental justice grants and activities to help communities facing a disproportionate burden of pollution and disease; and

- \$50 million to EPA for air quality monitoring grants and other purposes.

**REMOTE LEARNING:**

**The American Rescue Plan will help bridge the digital divide for students and teachers without home internet access.**

- To keep communities safe and prevent further spread of COVID-19, schools need the flexibility to engage in remote learning when necessary for public health and safety.
- Studies estimate that as many as 12 million students still lack internet service at their homes, with minorities and those in rural areas most often among the unconnected. Without a reliable internet connection to log into classes, submit work, and engage with teachers and other students, these students have fallen even further behind in school.
- **The Fiscal Year 2021 Reconciliation Act provides \$7.6 billion to expand internet connectivity to students and communities by:**
  - Reimbursing schools and libraries—central points for connectivity in many communities—to purchase equipment such as hotspots, internet service, and computers on behalf of students and patrons; and
  - Ensuring schools and libraries can quickly access this critical funding by relying upon the Federal Communications Commission and its E-rate program to administer the funds.

**CONSUMER PROTECTION:**

**The Fiscal Year 2021 Reconciliation Act will make Americans safer in their homes by reducing the number of unsafe imported consumer products.**

- More than \$174 billion spent by consumers online can be attributed to COVID-19-related boosts in online shopping with online spending jumping 44 percent in 2020 compared with 2019.
- The Consumer Product Safety Commission (CPSC) has not been able to keep pace with changing consumer trends brought on by the pandemic, including the substantial shift to online shopping and the influx of e-commerce shipments from foreign countries. The CPSC does not have enough funding to adequately staff United States ports of entry, leaving already struggling families vulnerable to risk of injury or death from uninspected consumer products, especially in-demand COVID-19 products.
- **The Fiscal Year 2021 Reconciliation Act provides \$50 million for the CPSC to ensure the safety of consumer products entering our country and into people's homes — an essential priority during the COVID-19 pandemic.**

## CONTENTS

Page

<b>I.</b>	Purpose and Summary
<b>II.</b>	Background and Need for the Legislation
<b>III.</b>	Committee Consideration
<b>IV.</b>	Committee Votes
<b>V.</b>	Oversight Findings
<b>VI.</b>	New Budget Authority, Entitlement Authority, and Tax Expenditures
<b>VII.</b>	Congressional Budget Office Estimate
<b>VIII.</b>	Federal Mandates Statement
<b>IX.</b>	Statement of General Performance Goals and Objectives
<b>X.</b>	Duplication of Federal Programs
<b>XI.</b>	Committee Cost Estimate
<b>XII.</b>	Earmarks, Limited Tax Benefits, and Limited Tariff Benefits
<b>XIII.</b>	Advisory Committee Statement
<b>XIV.</b>	Applicability to Legislative Branch
<b>XV.</b>	Section-by-Section Analysis of the Legislation
<b>XVI.</b>	Changes in Existing Law Made by the Bill, as Reported
<b>XVII.</b>	Additional Views

**I. PURPOSE AND SUMMARY**

Subtitle D: Budget Reconciliation Legislative Recommendations Relating to Other Provisions provides budget reconciliation recommendations related to other provisions to the House Committee on Budget pursuant to S. Con. Res. 5 to provide comprehensive relief to the American people in response to the coronavirus disease of 2019 (COVID-19) pandemic.

Subtitle D provides the Environmental Protection Agency (EPA) with \$100 million in funds to address health outcome disparities from pollution and the COVID-19 pandemic. It also provides \$5 billion to the Health and Human Services Department (HHS) for household energy and water assistance to consumers adversely affected financially by COVID-19 to assist those consumers payments to utility providers of those services.

The recommendations also provide \$50 million to the Consumer Product Safety Commission (CPSC) to increase surveillance of consumer products at ports of entry; enhance surveillance of consumer products, particularly COVID-19 products, and enhance the monitoring of internet websites for violative consumer products, particularly COVID-19 products. The funding must also be used to increase awareness and communication of risks related to COVID-19 products and improve the CPSC's data collection and analysis system.

In addition, funding for internet service and relevant internet access equipment to teachers, students, and library patrons for use in locations other than schools and libraries is provided under Subtitle D through a \$7.59 billion Emergency Connectivity Fund.

Finally, the Department of Commerce's Inspector General is appropriated \$3 million for oversight of activities of the Department to prevent, prepare for, and respond to COVID-19, domestically or internationally.

## II. BACKGROUND AND NEED FOR LEGISLATION

### Ensuring Environmental Health and Ratepayer Protection During the Pandemic

#### *Environmental Health*

The COVID-19 pandemic has had significant disparate impacts on communities of color and low-income communities. Air pollution has been linked to higher transmission of COVID-19 and to respiratory diseases that are risk factors for severe COVID-19 effects. EPA recognized the need for additional grant funding for environmental justice communities impacted disproportionately by COVID-19 and made additional grant funding available through environmental justice grant programs on April 30, 2020.<sup>1</sup> The Agency eventually doubled the expansion of the grant funding in recognition of the need.<sup>2</sup> Additional money for these programs would provide funding for more communities experiencing pollution and disparate health outcomes.

Funding for air quality monitoring, provided under Sections 103 and 105 of the Clean Air Act, has not increased significantly since 2004, which is equivalent to a 20 percent cut when adjusted for inflation. A recent report by the Government Accountability Office (GAO) cited that drop in funding as a key contributor to shortcomings in our national air quality monitoring infrastructure. Specifically, GAO found that this outdated monitoring infrastructure has impacted the quality of monitoring data and fails to effectively monitor localized air pollution, which is a primary concern for health disparities.<sup>3</sup> Additional funding for air quality monitoring and other activities under sections 103 and 105 of the Clean Air Act could modernize our national air quality monitoring infrastructure to better serve communities experiencing pollution and disparate health outcomes.

#### *Ratepayer Assistance*

Congress has long recognized the need to assure American households' access to vital energy and heating services through the establishment and continued funding of the Low-Income Home Energy Assistance Program (LIHEAP). LIHEAP is the primary mechanism through which the federal government gives states, tribes, and territories annual grants to operate home

<sup>1</sup> Environmental Protection Agency, *EPA Provides Grant Funding to Support Environmental Justice Communities Impacted by COVID-19* (Apr. 2020) ([www.epa.gov/newsreleases/epa-provides-grant-funding-support-environmental-justice-communities-impacted-covid](http://www.epa.gov/newsreleases/epa-provides-grant-funding-support-environmental-justice-communities-impacted-covid)).

<sup>2</sup> Environmental Protection Agency, *Louisiana receives EPA grant to protect underserved communities from COVID-19* (Oct. 2020) ([www.epa.gov/newsreleases/louisiana-receives-epa-grant-protect-underserved-communities-covid-19](http://www.epa.gov/newsreleases/louisiana-receives-epa-grant-protect-underserved-communities-covid-19)).

<sup>3</sup> Government Accountability Office, *AIR POLLUTION: Opportunities to Better Sustain and Modernize the National Air Quality Monitoring System* (Nov. 2020) (GAO-21-38).

energy assistance programs for low-income households.<sup>4</sup> Prior to the COVID-19 pandemic, about 26 million households were eligible for energy assistance. Due to pandemic-related layoffs, an estimated additional 5 million households are now eligible. Electric and natural gas arrearages reached around \$32 billion at the end of 2020. Additionally, around 20 percent of residential customers are at least 60 days behind on their electric and natural gas bills.<sup>5</sup> The legislation provides LIHEAP with additional funds in order to keep up with the growing need for assistance resulting from the pandemic.

Like access to energy, clean, safe water is essential at all times. During the pandemic, reliable home access to safe water has taken on increased importance because of its vital role in maintaining hygiene. At the same time, the economic impacts of the COVID-19 pandemic have made water bills harder to afford for many families. The National Association of Clean Water Agencies (NACWA) estimates the current national consumer water debt to be around 8 billion dollars.<sup>6</sup> California and Virginia, states that track consumer water debt, have debts of over \$1 billion and \$88 million, respectively.<sup>7</sup> Ratepayer assistance for drinking water and wastewater bills will make these bills more affordable and prevent interruptions in this vital service.

### **Distance Learning and Consumer Protection During the COVID-19 Pandemic**

#### *Consumer Protection*

The CPSC has not been able to keep pace with changing consumer trends brought on by the COVID-19 pandemic, including the influx of e-commerce shipments from foreign countries and the substantial shift to online shopping. During the pandemic, retail imports broke new records,<sup>8</sup> with imports of certain product categories jumping more than 79 percent and shipments of certain in-demand retailers more than quadrupling.<sup>9</sup> Monthly imports of consumer goods rose to an all-time high in November 2020.<sup>10</sup>

<sup>4</sup> Congressional Research Services, *LIHEAP: Program and Funding* (June 2018) ([crsreports.congress.gov/product/pdf/RL/RL31865](https://crsreports.congress.gov/product/pdf/RL/RL31865)).

<sup>5</sup> Letter from National Energy and Assistant Directors' Association to Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi, Minority Leader McCarthy (January 28, 2021) [neada.org/wp-content/uploads/2021/01/LIHEAP10bjointltr21.pdf](https://neada.org/wp-content/uploads/2021/01/LIHEAP10bjointltr21.pdf).

<sup>6</sup> National Association of Clean Water Agencies, *NACWA and AMWA Launch Affordable Water Resilient Communities Campaign* (Feb. 2021).

<sup>7</sup> *California Households Owe \$1bn in Water Bills as Affordability Crisis Worsens*, The Guardian (Jan. 19, 2021) ([www.msn.com/en-us/news/us/california-households-owe-1bn-in-water-bills-as-affordability-crisis-worsens/ar-BB1cTEc5](https://www.msn.com/en-us/news/us/california-households-owe-1bn-in-water-bills-as-affordability-crisis-worsens/ar-BB1cTEc5)); *Virginia municipal utilities face more than \$88 million in unpaid bills*, Virginia Mercury (Jan. 6, 2021) ([www.virginiamercury.com/2021/01/06/virginia-municipal-utilities-face-more-than-88-million-in-unpaid-bills/](https://www.virginiamercury.com/2021/01/06/virginia-municipal-utilities-face-more-than-88-million-in-unpaid-bills/)).

<sup>8</sup> National Retail Federation, *Retail Imports Expected to Hit Repeated Monthly Records After Record Year in 2020* (Feb. 8, 2021) ([nrf.com/media-center/press-releases/retail-imports-expected-hit-repeated-monthly-records-after-record-year](https://nrf.com/media-center/press-releases/retail-imports-expected-hit-repeated-monthly-records-after-record-year)).

<sup>9</sup> *U.S. Imports Surge as Pandemic Worries Have Retailers Stockpiling*, Reuters (Sept. 25, 2020) ([www.reuters.com/article/us-health-coronavirus-usa-imports/u-s-imports-surge-as-pandemic-worries-have-retailers-stockpiling-idUSKCN26G1EP](https://www.reuters.com/article/us-health-coronavirus-usa-imports/u-s-imports-surge-as-pandemic-worries-have-retailers-stockpiling-idUSKCN26G1EP)).

<sup>10</sup> *Global Outlook Brightens as U.S. Consumer Imports Reach Pre-Pandemic Levels*, Wall Street Journal (Oct. 6, 2020) ([www.wsj.com/articles/u-s-trade-gap-in-august-was-largest-since-2006-11601988513](https://www.wsj.com/articles/u-s-trade-gap-in-august-was-largest-since-2006-11601988513)).

The CPSC's import surveillance program was established following the enactment of the Consumer Product Safety Improvement Act (CPSIA) of 2008 on August 14, 2008.<sup>11</sup> As required by Section 222 of the CPSIA, the CPSC developed a targeting system called Risk Assessment Methodology (RAM) to target and prioritize for inspection shipments likely to contain violative consumer products.<sup>12</sup> In addition, CPSC compliance inspectors work at ports of entry to identify and block shipments containing violative consumer products.<sup>13</sup>

Currently, CPSC inspectors are present at only six percent of U.S. ports and concentrated only at seaports that receive large, high-value shipping containers.<sup>14</sup> In 2019, only 19 ports in the United States had any kind of CPSC presence.<sup>15</sup> As a result of adjustments made because of the COVID-19 pandemic, in fiscal year 2020, only 18,561 import examinations were conducted, compared to 39,010 in the prior fiscal year.<sup>16</sup> In addition, records show the CPSC did not flag *any* toys at the ports for poisonous lead levels in June and July 2020, compared to a normal monthly average of 50 violations.<sup>17</sup>

To ensure the public is protected against unsafe consumer products during the COVID-19 pandemic, the Consolidated Appropriations Act, 2021 includes a provision requiring the CPSC to increase the number of investigators stationed at ports of entry.<sup>18</sup> However, the CPSC does not have necessary funding to carry out the requirements of that provision and ports continue to be understaffed.<sup>19</sup>

E-commerce spending also rose during the pandemic. More than \$174 billion spent by consumers online in 2020 can be attributed to COVID-19-related increases in online shopping.<sup>20</sup> Online spending jumped 44 percent in 2020 compared with 2019.<sup>21</sup> However, the CPSC currently lacks the data it needs to effectively assess risk and target e-commerce shipments entering the United States under the de minimis value exemption.<sup>22</sup> Such shipments generally enter the United States through airports, express consignment carrier facilities, and international mail facilities where the CPSC has virtually no presence.<sup>23</sup> They are also difficult to target for

<sup>11</sup> Consumer Product Safety Commission, *CPSC e-Commerce Assessment Report* (Nov. 2019) ([www.cpsc.gov/s3fs-public/CPSC-e-Commerce-Assessment-Report.pdf](http://www.cpsc.gov/s3fs-public/CPSC-e-Commerce-Assessment-Report.pdf)).

<sup>12</sup> Consumer Product Safety Improvement Act of 2008, Pub. L. No. 110-313.

<sup>13</sup> Consumer Product Safety Commission, *About the Office of Import Surveillance* ([www.cpsc.gov/Imports](http://www.cpsc.gov/Imports)) (accessed Feb. 10, 2021).

<sup>14</sup> Consumer Product Safety Commission, *Fiscal Year 2021 Performance Budget Request to Congress* (Feb. 10, 2020) ([www.cpsc.gov/s3fs-public/FY-2021-Congressional-Justification.pdf](http://www.cpsc.gov/s3fs-public/FY-2021-Congressional-Justification.pdf)).

<sup>15</sup> *Id.*

<sup>16</sup> Consumer Product Safety Commission, *Fiscal Year 2020 Annual Performance Report* (Jan. 19, 2021) ([www.cpsc.gov/s3fs-public/FY-2020-APR\\_FINAL.pdf](http://www.cpsc.gov/s3fs-public/FY-2020-APR_FINAL.pdf)).

<sup>17</sup> *Are Your Kids' Christmas Gifts Safe? Toys at Risk for Lead, Poison after US Stopped Inspections Amid COVID-19*, USA Today (Dec. 11, 2020) ([www.usatoday.com/story/news/investigations/2020/12/11/kids-toys-lacked-federal-safety-screenings-ahead-holiday-shopping/3808926001/](http://www.usatoday.com/story/news/investigations/2020/12/11/kids-toys-lacked-federal-safety-screenings-ahead-holiday-shopping/3808926001/)).

<sup>18</sup> Consolidated Appropriations Act, 2021, Pub. L. No. 116-260.

<sup>19</sup> *Id.*

<sup>20</sup> Digital Commerce 360, *US Ecommerce Grows 44.0% in 2020* (Jan. 29, 2021) ([www.digitalcommerce360.com/article/us-ecommerce-sales/](http://www.digitalcommerce360.com/article/us-ecommerce-sales/)).

<sup>21</sup> Digital Commerce 360, *A Decade in Review: Ecommerce Sales vs. Retail Sales 2007-2020* (Jan. 29, 2021) ([www.digitalcommerce360.com/article/e-commerce-sales-retail-sales-ten-year-review/](http://www.digitalcommerce360.com/article/e-commerce-sales-retail-sales-ten-year-review/)).

<sup>22</sup> *See* note 11.

<sup>23</sup> *Id.*

inspection because they are exempt from much of the entry data normally required for higher-valued shipments and that are needed by the CPSC to effectively risk assess.<sup>24</sup> The CPSC also has limited staff dedicated to monitoring online retail and resale marketplaces for unsafe and recalled products.

To adequately and effectively protect consumers from consumer product safety dangers during the COVID-19 pandemic, the CPSC requires substantial additional funding to ensure the safety of consumer products entering our country and into people's homes, which is especially important at a time when consumers are spending so much time at home to prevent the spread of COVID-19. To handle the increase in e-commerce activity during the pandemic, the CPSC also needs funding to invest in and deploy new tools to automate the surveillance of e-commerce websites for violative consumer products. Finally, the CPSC also needs funding to effectively communicate important product safety messages during the pandemic, and to improve the agency's data collection and analysis system to help identify safety disparities and reduce consumer product safety risk.

#### *Distance Learning*

The COVID-19 pandemic has changed the nature of the digital divide and the homework gap, exacerbating existing inequities in education and access to digital distance learning. This problem exists all across the country in all population densities. While a higher share of rural households lacks a broadband subscription compared to the share of urban ones, by total numbers, three times as many households that do not subscribe live in non-rural areas.<sup>25</sup> Children are chronically absent from their virtual schools because they do not have a reliable internet connection to log-in to their classes.<sup>26</sup> A study recently found that approximately 15 to 16 million K-12 public school students, or 30 percent of all public K-12 students, live in households either without an internet connection or device adequate for distance learning at home. Of these students, approximately nine million students live in households with neither an adequate connection nor an adequate device for distance learning.<sup>27</sup>

When the pandemic began, states and districts made use of the limited federal funding provided in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, discounted broadband services from private sector providers, and other resources.<sup>28</sup> These efforts helped, but up to 12 million K-12 students still remain under-connected going into 2021.<sup>29</sup> Additional emergency funding will ensure that students and low-income Americans have access to reliable high-speed internet in locations other than schools and libraries through different technological solutions, including residential broadband service provided in different forms, or through WiFi

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<sup>24</sup> *Id.*

<sup>25</sup> Emily Stewart, *Give Everybody the Internet*, Vox (Sept. 10, 2020) ([www.vox.com/recode/2020/9/10/21426810/internet-access-covid-19-chattanooga-municipal-broadband-fcc](http://www.vox.com/recode/2020/9/10/21426810/internet-access-covid-19-chattanooga-municipal-broadband-fcc)).

<sup>26</sup> Erin Richards, et al., *A Year Into the Pandemic, Thousands of Students Still Can't Get Reliable WiFi for School. The Digital Divide Remains Worse Than Ever.*, USA Today.com (Feb. 4, 2021).

<sup>27</sup> Common Sense Media and Boston Consulting Group, *Closing the K-12 Digital Divide in the Age of Distance Learning*, 6 (2020).

<sup>28</sup> Common Sense Media and Boston Consulting Group, *Looking Back, Looking Forward: What It Will Take to Close the K-12 Digital Divide*, 5 (2021).

<sup>29</sup> *Id.*

hotspots, either incorporated into mobile phone or provided on a standalone basis, among other things.

*Oversight of the Department of Commerce Prevention and Response to COVID-19*

The CARES Act provided significant funds to the Department of Commerce (DOC) for COVID-19 pandemic response and recovery efforts.<sup>30</sup> Through its numerous bureaus, the DOC is providing billions of dollars in economic assistance to communities and businesses across the country affected by the pandemic, trade and export assistance to U.S. businesses, real-time data on will ensure these funds are well spent and that the Department is a good steward of resources going forward.

### III. COMMITTEE CONSIDERATION

The Committee on Energy and Commerce met in virtual open markup session, pursuant to notice, on February 11 and 12, 2021. During consideration of Subtitle D on February 12, 2021, an amendment in the nature of a substitute (AINS) offered by Mr. Pallone was agreed to by a voice vote, without amendment. During consideration of the AINS, five amendments were offered to the Pallone AINS, but were not agreed to. Mr. Pallone, Chairman of the Committee, subsequently moved that Subtitle D be ordered transmitted favorably to the House Committee on Budget, amended, and the Committee on Energy and Commerce agreed to the motion by a record vote of 31 yeas to 24 nays, a quorum being present.

### IV. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list each record vote on the motion to report legislation and amendments thereto. The Committee advises that there were five record votes taken on Subtitle D, including a motion by Mr. Pallone ordering Subtitle D favorably transmitted to the House Committee on Budget, amended. The motion on final passage of the bill was approved by a record vote of 31 yeas to 24 nays. The following are the record votes taken during Committee consideration, including the names of those members voting for and against:

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<sup>30</sup> Department of Commerce, *Commerce Playing Key Role in COVID-19 Response and Recovery* (Sept. 23, 2020) ([www.commerce.gov/news/blog/2020/09/commerce-playing-key-role-covid-19-response-and-recovery](http://www.commerce.gov/news/blog/2020/09/commerce-playing-key-role-covid-19-response-and-recovery)).

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #19

Bill: **Subtitle D, "Budget Reconciliation Legislative Recommendations Relating to Other Provisions"**

Motion: An amendment to the amendment in the nature of a substitute, offered by Mr. Duncan of South Carolina, No. 1a, to add a new section at the end of Subtitle D declaring the sense of Congress that states should remain the primary regulators of oil and gas hydraulic fracturing on private land, and prohibiting the President from declaring a fracking moratorium unless authorized to do so by Congress.

Disposition: **NOT AGREED TO** by a roll call vote of 26 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley	x		
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cardenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragan		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

02/12/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #20

Bill: **Subtitle D**, "Budget Reconciliation Legislative Recommendations  
Relating to Other Provisions"

Motion: An amendment to the amendment in the nature of a substitute, offered by  
Mr. Latta of Ohio, No. 1b, to amend the AINS to move the money  
appropriated for use by the Federal Communications Commission to  
reimburse schools and libraries for the purchase of certain connected  
devices and services to a grant program at the National  
Telecommunications and Information Administration for broadband  
infrastructure in unserved areas.

Disposition: **NOT AGREED TO** by a roll call vote of 25 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley			
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon	x		
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cardenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #21

Bill: **Subtitle D**, "Budget Reconciliation Legislative Recommendations  
Relating to Other Provisions"

Motion: An amendment to the amendment in the nature of a substitute, offered by  
Mr. Walberg of Michigan, No. 1c, to amend the AINS to create a program  
at the FCC to reimburse schools and libraries for the cost of certain  
connected devices and services, provided that the school or library is open  
to patrons five days a week.

Disposition: **NOT AGREED TO** by a roll call vote of 24 yeas to 30 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley			
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon			
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran							
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #22

Bill: **Subtitle D, "Budget Reconciliation Legislative Recommendations Relating to Other Provisions"**

Motion: An amendment to the amendment in the nature of a substitute, offered by Mr. Armstrong of North Dakota, No. 1d, to restore the Presidential Permit of March 29, 2019 authorizing TransCanada to construct, maintain and operate the Keystone XL Pipeline at the U.S. - Canada international border and provides that no additional Presidential or similar permits be required.

Disposition: **NOT AGREED TO** by a roll call vote of 24 yeas to 31 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone		x		Rep. Rodgers	x		
Rep. Rush		x		Rep. Upton	x		
Rep. Eshoo		x		Rep. Burgess	x		
Rep. DeGette				Rep. Scalise	x		
Rep. Doyle		x		Rep. Latta	x		
Rep. Schakowsky		x		Rep. Guthrie	x		
Rep. Butterfield		x		Rep. McKinley			
Rep. Matsui		x		Rep. Kinzinger	x		
Rep. Castor		x		Rep. Griffith	x		
Rep. Sarbanes		x		Rep. Bilirakis	x		
Rep. McNerney		x		Rep. Johnson	x		
Rep. Welch		x		Rep. Long	x		
Rep. Tonko		x		Rep. Bucshon			
Rep. Clarke		x		Rep. Mullin	x		
Rep. Schrader		x		Rep. Hudson	x		
Rep. Cárdenas		x		Rep. Walberg	x		
Rep. Ruiz		x		Rep. Carter	x		
Rep. Peters		x		Rep. Duncan	x		
Rep. Dingell		x		Rep. Palmer	x		
Rep. Veasey		x		Rep. Dunn	x		
Rep. Kuster		x		Rep. Curtis	x		
Rep. Kelly		x		Rep. Lesko	x		
Rep. Barragán		x		Rep. Pence	x		
Rep. McEachin		x		Rep. Crenshaw	x		
Rep. Blunt Rochester		x		Rep. Joyce	x		
Rep. Soto		x		Rep. Armstrong	x		
Rep. O'Halleran		x					
Rep. Rice		x					
Rep. Craig		x					
Rep. Schrier		x					
Rep. Trahan		x					
Rep. Fletcher		x					

02/12/2021

Committee on Energy and Commerce  
117<sup>th</sup> Congress

Full Committee  
(ratio: 32-26)

ROLL CALL VOTE #23

Bill: **Subtitle D**, "Budget Reconciliation Legislative Recommendations Relating to Other Provisions"  
 Motion: A motion by Mr. Pallone of New Jersey to order **Subtitle D**, "Budget Reconciliation Legislative Recommendations Relating to Other Provisions" transmitted favorably to the House Committee on Budget, amended (Final Passage).  
 Disposition: **AGREED TO** by a roll call vote of 31 yeas to 24 nays

REPRESENTATIVE	YEAS	NAYS	PRESENT	REPRESENTATIVE	YEAS	NAYS	PRESENT
Rep. Pallone	x			Rep. Rodgers		x	
Rep. Rush	x			Rep. Upton		x	
Rep. Eshoo	x			Rep. Burgess		x	
Rep. DeGette				Rep. Scalise		x	
Rep. Doyle	x			Rep. Latta		x	
Rep. Schakowsky	x			Rep. Guthrie		x	
Rep. Butterfield	x			Rep. McKinley			
Rep. Matsui	x			Rep. Kinzinger		x	
Rep. Castor	x			Rep. Griffith		x	
Rep. Sarbanes	x			Rep. Bilirakis		x	
Rep. McNerney	x			Rep. Johnson		x	
Rep. Welch	x			Rep. Long		x	
Rep. Tonko	x			Rep. Bucshon			
Rep. Clarke	x			Rep. Mullin		x	
Rep. Schrader	x			Rep. Hudson		x	
Rep. Cárdenas	x			Rep. Walberg		x	
Rep. Ruiz	x			Rep. Carter		x	
Rep. Peters	x			Rep. Duncan		x	
Rep. Dingell	x			Rep. Palmer		x	
Rep. Veasey	x			Rep. Dunn		x	
Rep. Kuster	x			Rep. Curtis		x	
Rep. Kelly	x			Rep. Lesko		x	
Rep. Barragán	x			Rep. Pence		x	
Rep. McEachin	x			Rep. Crenshaw		x	
Rep. Blunt Rochester	x			Rep. Joyce		x	
Rep. Soto	x			Rep. Armstrong		x	
Rep. O'Halleran	x						
Rep. Rice	x						
Rep. Craig	x						
Rep. Schrier	x						
Rep. Trahan	x						
Rep. Fletcher	x						

**V. OVERSIGHT FINDINGS**

Pursuant to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee are reflected in the descriptive portion of the report.

**VI. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES**

Pursuant to 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimate of new budget authority, entitlement authority, or tax expenditures or revenues contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

**VII. CONGRESSIONAL BUDGET OFFICE ESTIMATE**



CONGRESSIONAL BUDGET OFFICE  
U.S. Congress  
Washington, DC 20515

*Phillip L. Swagel, Director*

February 14, 2021

Honorable Frank Pallone Jr.  
Chairman  
Committee on Energy and Commerce  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The Congressional Budget Office has prepared the enclosed cost estimate for the Reconciliation Recommendations of the House Committee on Energy and Commerce.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Alice Burns.

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip L. Swagel".

Phillip L. Swagel

Enclosure

cc: Honorable Cathy McMorris Rodgers  
Ranking Member

<b>At a Glance</b>			
<b>Reconciliation Recommendations of the House Committee on Energy and Commerce</b>			
As ordered reported on February 12, 2021			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>27,498</b>	<b>126,130</b>	<b>123,827</b>
Revenues	<b>0</b>	<b>1,474</b>	<b>1,488</b>
Increase or Decrease (-) in the Deficit	<b>27,498</b>	<b>124,656</b>	<b>122,339</b>
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	Yes, Under Threshold
CBO has not reviewed the legislation for effects on spending subject to appropriation.			
<b>The legislation would</b>			
<ul style="list-style-type: none"> <li>• Appropriate \$105 billion for various activities related to testing for, treating, and responding to COVID-19 (the disease cause by the coronavirus); and for other activities related to COVID-19</li> <li>• Allow extended postpartum coverage in Medicaid and the Children’s Health Insurance Program (CHIP)</li> <li>• Increase the federal medical assistance percentage (FMAP) to encourage states to expand Medicaid coverage and increase their provision of certain types of long-term services and supports</li> <li>• Eliminate the cap on rebates that drug manufacturers pay to Medicaid</li> <li>• Increase the cost of an existing private-sector mandate on certain commercial entities if the Federal Communications Commission increases annual fee collections</li> </ul>			
<b>Estimated budgetary effects would mainly stem from</b>			
<ul style="list-style-type: none"> <li>• Increased direct spending resulting from \$105 billion in new budget authority</li> <li>• Additional direct spending from increasing the number of months of postpartum coverage under Medicaid and CHIP</li> <li>• Increased Medicaid and CHIP spending on COVID-19 vaccines, new enrollees, services for inmates in jails and prisons, and long-term services and supports</li> <li>• Reduced Medicaid spending on prescription drugs</li> </ul>			
<b>Areas of significant uncertainty include</b>			
<ul style="list-style-type: none"> <li>• Estimating the rate at which the new budget authority would be spent by federal agencies</li> <li>• Predicting how many women would participate in postpartum coverage under Medicaid and CHIP</li> <li>• Estimating how many states would expand Medicaid coverage as the result of higher FMAPs</li> <li>• Estimating future growth in drug prices</li> </ul>			
<b>Detailed estimate begins on the next page.</b>			

See also CBO’s *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437); *How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).



### Summary of the Legislation

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Energy and Commerce approved legislation on February 12, 2021, with a number of provisions that would increase deficits.

The legislation would appropriate \$92.2 billion for various activities related to testing for, treating, and responding to COVID-19, the disease caused by the coronavirus. The legislation would also make changes to the Medicaid program and the Children's Health Insurance Program (CHIP), which include expanding coverage for women after the birth of their child, encouraging states that have not already done so to expand Medicaid coverage to adults made eligible by the Affordable Care Act (ACA), and eliminating the limit on the rebates paid by drug manufacturers to Medicaid. Finally, the legislation would appropriate \$12.8 billion for various activities related to addressing the energy, environmental, educational, and commerce-related effects of the coronavirus pandemic.

### Estimated Federal Cost

The estimated budgetary effects of the reconciliation recommendations of the House Committee on Energy and Commerce are shown in Table 1. The costs of the legislation fall within budget functions 300 (natural resources and environment), 370 (commerce and housing credit), 500 (education, training, employment, and social services), 550 (health), and 600 (income security).

### Basis of Estimate

For this estimate, CBO assumes that the reconciliation bill will be enacted by the end of March 2021. Outlay estimates are based on historical spending patterns for affected programs and information from the agencies about program implementation.

### Direct Spending and Revenues

CBO and the staff of the Joint Committee on Taxation (JCT) estimate that enacting the reconciliation recommendations of the House Committee on Energy and Commerce would increase direct spending by \$126.1 billion and would increase federal revenues by \$1.5 billion over the 2021-2030 period, for a net effect on the deficit over that period of \$124.7 billion.

**Funding for Public Health.** Subtitle A would appropriate \$92.2 billion for various activities aimed at improving public health and responding to COVID-19.

Within subtitle A, Chapter 1 would provide \$14.2 billion to fund activities related to vaccination and treatment with the following specific appropriations:



- \$7.5 billion to the Centers for Disease Control and Prevention (CDC) to plan, prepare for, promote, distribute, administer, monitor, and track COVID-19 vaccines;
- \$1.0 billion to the CDC to improve vaccine education and confidence and vaccination rates;
- \$5.2 billion to the Secretary of Health and Human Services (HHS) to advance research, development, manufacturing, production, and the purchase of vaccines, therapeutics, and ancillary medical products to prevent, prepare, and respond to SARS-CoV-2, COVID-19, or any disease with potential for creating a pandemic; and
- \$0.5 billion to the Food and Drug Administration to oversee the development and marketing of COVID-19 therapeutics, vaccines, and diagnostic tests.

Chapter 2 would provide \$49.0 billion for testing for COVID-19, specifically appropriating:

- \$46.0 billion to the Secretary of HHS to detect, diagnose, trace, and monitor COVID-19 infections;
- \$1.8 billion to the CDC for genomic sequencing, analytics, and disease surveillance;
- \$0.8 billion to the CDC to combat COVID-19 and other emerging infectious threats globally; and
- \$0.5 billion to the CDC to support the surveillance and analytic infrastructure of public health data.

Chapter 3 would provide \$7.8 billion for strengthening the public health workforce with two specific appropriations:

- \$7.7 billion for state, local, and territorial public health departments to establish, expand, and sustain their public health workforce; and
- \$0.1 billion to the Medical Reserve Corps.

Chapter 4 would provide \$11.2 billion for other public health investments that specifically cover:

- \$7.6 billion for awarding grants and cooperative agreements to community health centers and qualified entities under the Native Hawaiian Health Care Improvement Act to support activities related to testing for, treating, and vaccinating against COVID-19;
- \$0.8 billion to the National Health Service Corps to support qualified health care providers working in areas with limited access to care;
- \$0.2 billion to the Nurse Corps to support nurses working in facilities that provide primary health care or maternal health care to underserved populations;
- \$0.3 billion to health centers that provide graduate medical education;



- \$1.8 billion for activities related to testing, tracing, and mitigating COVID-19 infections in congregate settings; and
- \$0.4 billion for HHS to provide services for children under its care, including unaccompanied alien children in the custody of the Office of Refugee Resettlement.

Chapter 5 would provide \$6.1 billion to the Indian Health Service (IHS) for lost reimbursements resulting from people deferring routine and elective health care, testing and tracing of COVID-19 infections, COVID-19 vaccine promotion, distribution and administration, additional support for purchased and referred care, and for other purposes.

Chapter 6 would provide \$3.9 billion to strengthen activities related to mental health and substance abuse, specifically appropriating:

- \$1.8 billion to the Secretary of HHS for community mental health services;
- \$1.8 billion to the Secretary of HHS for activities relating to the prevention and treatment of substance abuse;
- \$0.1 billion for the Health Resources and Services Administration (HRSA) to award grants to eligible institutions that provide mental and behavioral health education and training; and
- \$0.3 billion for other activities.

Chapter 7 would appropriate \$20 million to HHS for grants to eligible states to modernize the health insurance marketplaces established under the ACA.

In total, CBO estimates that the funds appropriated by subtitle A would increase direct spending by \$91.3 billion over the 2021-2030 period.

**Coverage of COVID-19 Vaccinations and Treatments.** Subtitles B and C would make various changes to the Medicaid and CHIP programs' coronavirus-related spending. In total, sections 3101 and 3201 would increase direct spending by an estimated \$1.1 billion and \$68 million, respectively, over the 2021-2030 period.

*Mandatory Coverage of COVID-19 Vaccination, Without Cost Sharing.* Sections 3101 and 3201 would require state Medicaid and CHIP programs to cover vaccinations, without cost sharing, for all eligible enrollees. Under current law, the federal government is expected to provide the vaccines administered through both programs, but some patients would still have to pay the cost sharing associated with having the vaccine administered. In addition, if a state implements an option under Medicaid to provide COVID-19 testing for uninsured people, it would have to do so without cost sharing. The sections also would extend for a year the period in which a state must vaccinate, without cost sharing, adults enrolled in Medicaid under the program's traditional eligibility rules.

CBO estimates that 4 million Medicaid and CHIP enrollees are currently ineligible for vaccination under either program. By the end of the public health emergency (PHE), CBO



estimates, fewer than 1 million adults enrolled under Medicaid's traditional eligibility rules would be subject to cost-sharing requirements to receive the vaccine.

If enacted, CBO estimates, the requirements in sections 3101 and 3201 would increase the number of vaccinations administered to Medicaid and CHIP enrollees by about 2 million doses in 2021 and by about 6 million over the 2021-2023 period. Because the federal government is expected to provide the vaccine itself, sections 3101 and 3102 would only affect the costs associated with administering the vaccines. Using information from the Centers for Medicare & Medicaid Services, CBO estimates that in 2021, the cost of administering a single dose will vary between \$17 and \$28, depending on the type of vaccine. Over the 2021-2030 period, CBO estimates, the requirement to provide vaccination coverage without cost sharing would increase Medicaid's direct spending by \$107 million and CHIP's by less than \$1 million.

*Increased Federal Medical Assistance Percentage for Vaccinations.* Sections 3101 and 3201 also would raise the federal medical assistance percentage (FMAP) to 100 percent for payments to states for administering vaccines for one year after the end of the PHE. Over the 2021-2030 period, CBO estimates, the higher FMAP would increase direct spending for Medicaid and CHIP by \$747 million and by \$68 million, respectively.

*Mandatory Coverage of Treatment or Prevention, Without Cost Sharing.* Sections 3101 and 3201 also would require state Medicaid and CHIP programs to provide coverage, without cost sharing, for treatment or prevention of COVID-19 for one year after the end of the PHE. Additionally, over the same period, if a state chose to implement an option under Medicaid to provide COVID-19 testing for uninsured people, section 3101 also would extend the requirement to provide treatment and prevention to those people without requiring cost sharing.

About 5 million people enrolled in Medicaid or CHIP are expected to receive COVID-19 treatment in 2021. CBO expects that number to decline to fewer than 100,000 by 2022 and estimates that about 25 percent of those people would be subject to cost-sharing requirements for a physician service (\$2, on average, in 2021), an inpatient hospital service (\$70, on average, in 2021), or both. CBO estimates that the requirements in sections 3101 and 3201 that would prohibit cost sharing for treatment would increase direct spending by \$34 million for Medicaid and by less than \$1 million for CHIP over the 2021-2030 period.

CBO anticipates that 3 million uninsured people will receive COVID-19 treatment in 2021. By 2022, that number is expected to fall below 50,000. In 2020, 10 states had implemented an option under Medicaid to test uninsured people for COVID-19. In those states, CBO estimates, the requirement in section 3101 to provide vaccinations or treatment services would increase direct spending for Medicaid by \$243 million over the 2021-2030 period.

**Coverage for Pregnant and Postpartum Women.** Sections 3102 and 3202 would allow states to extend health coverage for women enrolled in Medicaid or CHIP for 12 months after the birth of a child. In total, CBO estimates, those sections would increase federal



deficits by \$5.1 billion over the 2021-2030 period—an increase in direct spending of \$6.0 billion and an increase in revenues of \$0.8 billion over the period.

Under current law, for 60 days after the birth of a child, states must provide Medicaid coverage to women whose income does not exceed 138 percent of the federal poverty level (FPL). Forty-six states and the District of Columbia exercise an option under current law to provide Medicaid coverage to pregnant women whose income is above 138 percent of the FPL, 29 extend coverage if their income is equal to or above 200 percent of the FPL, and 3 extend coverage if their income is above 300 percent of the FPL. Under current law, states also can provide pregnancy-related services to women under CHIP, but they may only provide postpartum services to women who, if not for their income, would otherwise be eligible for coverage under Medicaid.

CBO estimates that in 2020, Medicaid and CHIP provided pregnancy-related coverage to about 2 million women; approximately 1.8 million carried their pregnancy to term. CBO estimates that about 35 percent of those recipients have income above 138 percent of the FPL, which reflects the coverage options currently available to states under Medicaid and CHIP. Regardless of a state's decision to provide optional coverage to eligible women, the state must reevaluate applicants' eligibility for other coverage before the end of the 60-day postpartum period. Medicaid coverage after that point can include the full scope of health services or be limited to family-planning services.

*Medicaid Coverage Under the 12-Month Option.* CBO estimates that under current law, at the end of the 60-day postpartum period about 30 percent of women will continue to receive comprehensive services from Medicaid, 30 percent will enroll either in employment-based or in marketplace coverage, and about 45 percent will be uninsured (although roughly two-thirds of those women would still receive family-planning services).

Section 3102 would provide women in states that exercise the option with 10 additional months of Medicaid coverage. CBO estimates that by 2024, about 25 percent of all women who would be expected to receive postpartum services from Medicaid will live in states that implement the 12-month option. Using administrative data and information from industry sources, CBO estimates that the combined federal and state cost to provide 10 additional months of Medicaid coverage would be about \$1,500 per person, on average, in 2022; that amount would increase at an average annual rate of about 6 percent over the 2022-2030 period. For women whose current-law Medicaid services are limited to family planning, CBO estimates that the cost per person would be about \$1,100, on average. In total, CBO estimates, the additional months of coverage would increase direct spending for Medicaid by \$6.1 billion over the 2021-2030 period.

*CHIP Coverage for Pregnant and Postpartum Women.* Under current law, states can provide CHIP coverage to eligible women during pregnancy and for 60 days after the birth of a child. CHIP cannot be used to replace existing Medicaid coverage for pregnant women. To cover pregnant women under CHIP, states must provide, at a minimum, Medicaid coverage to



women whose income is up to 185 percent of the FPL. In 2020, approximately 15,000 women received pregnancy and postpartum care under CHIP. CBO estimates that all of those women became ineligible for comprehensive Medicaid and CHIP services at the end of the 60-day postpartum period.

If a state provides CHIP coverage to eligible women up to the end of the 60-day postpartum period, and if the state chooses to implement the Medicaid option under section 3102, the legislation would require the state to extend similar coverage under CHIP. However, because not all states extend CHIP coverage to pregnant women, CBO estimates that by 2024 fewer than 1,000 pregnant women would reside in a state that implemented the option. CBO expects that additional months of coverage under CHIP would cost about the same as under Medicaid. On net, CBO estimates, section 3202 would increase direct spending for CHIP by \$5 million over the 2021-2030 period.

*Private Health Insurance for Pregnant and Postpartum Women.* Some women whose Medicaid coverage ends after the birth of a child enroll in private health insurance. CBO estimates that in states that are expected to implement the option under section 3102, fewer than 5 percent of women who become ineligible each year for Medicaid or CHIP currently receive coverage through a marketplace and 30 percent enroll in employment-based coverage. Under section 3102, over the 2021-2030 period, about 10,000 and 100,000 women annually would delay enrollment either in marketplace coverage or in employment-based coverage, respectively, for about 10 months. That delay would lower subsidies for private health insurance, thereby reducing direct spending by \$137 million and increasing revenues by \$816 million over the 2021-2030 period, according to CBO and JCT's estimates.

**Medicaid for Inmates During the 30-Day Period Preceding Release.** Section 3103 would create an exception for 5 years, starting one year after enactment, to the prohibition on making Medicaid payments for services provided to inmates of correctional institutions. Section 3103 would permit payments for services to inmates who are enrolled in Medicaid during the last 30 days of their incarceration. According to data from the Bureau of Justice Statistics:

- Local jails admit and release about 10 million people per year, 89 percent of whom are admitted and released within 30 days, and
- State prisons admit and release about 600,000 people per year, almost all of whom remain incarcerated for longer than 30 days.

As a result, section 3103 would allow the vast majority of Medicaid enrollees to maintain their Medicaid coverage during their incarceration in local jails and would permit those jails to bill Medicaid for medical care provided to the incarcerated enrollees. Section 3103 would allow incarcerated enrollees in prisons to receive Medicaid coverage in the final 30 days of their incarceration, which would permit state prisons to bill Medicaid for services provided pre-release.



Based on a report by the Prison Policy Initiative, CBO estimates that about 45 percent of inmates released from jails and prisons would be enrolled in Medicaid in the early years of the 2021-2030 period, rising to 55 percent by the end of the period as CBO projects additional states will adopt the ACA expansion over time.

CBO expects that the costs per Medicaid inmate would be modest, as local jails generally provide limited services, such as generic medications to assist with drug withdrawals and mental health crises during the short-term stays, while prisons would be expected to provide pre-release health screenings and short-term supplies of medications to help with the transition to the post-release period. CBO estimates that the average cost per prisoner would be about \$100 in the beginning of the period, rising to about \$200 by the end of the period because of increases in the costs of providing medical care.

Lastly, CBO projects that state prisons would quickly develop the infrastructure to bill Medicaid for services to inmates in the last 30 days of their stay, which in many cases would allow them to defray the costs incurred for pre-release services. Local jails would more gradually establish similar capacity to bill Medicaid, delaying the full implementation of section 3103 for several years. In total, CBO estimates that section 3103 would increase direct spending by \$3.7 billion over the 2021-2030 period.

**Bundled Community-Based Mobile Crisis Intervention.** Section 3104 would, for 12 fiscal quarters, increase a state's FMAP for crisis intervention services that qualify as mobile and community-based, as defined by the bill. The enhanced FMAP would equal 85 percent and would apply only to services that otherwise would be reimbursed at a state's traditional FMAP. Based on information from state mental health agencies, CBO estimates that at least 16 states have programs that provide services that would qualify for the enhanced FMAP provided under section 3104. Not all of those programs currently seek Medicaid reimbursement for crisis intervention services provided to Medicaid; CBO expects that the programs would be more likely to do so under section 3104. CBO also anticipates that those changes would encourage all of the programs to request reimbursement under their state Medicaid programs and that the states would receive the enhanced FMAP under section 3104 for such services. In addition, based on the rate at which state Medicaid programs have adopted other services and demonstrations specific to behavioral health care, CBO expects additional states would begin reimbursing for crisis intervention services that qualify as mobile and community-based.

CBO estimates that the combined federal and state cost to provide crisis intervention services that qualify as mobile and community-based would be about \$1,500 per person, on average, in 2021; that amount would increase at an average annual rate of about 6 percent over the 2022-2030 period. In total, CBO estimates, the enhanced FMAP and the decision by states to establish new programs that provide crisis intervention services that qualify as mobile and community-based would increase direct spending for Medicaid by \$1.1 billion over the 2021-2030 period.



**Temporary Increase in FMAP for Expanding ACA Coverage.** Section 3105 would, for eight calendar quarters, provide a temporary, 5 percentage-point increase in the Medicaid FMAP to states that expand coverage to adults made eligible by the ACA. CBO and JCT estimate that the provision would increase federal deficits by \$15.5 billion over the 2021-2030 period—the net effect of an increase in outlays of \$16.2 billion and an increase in revenues of \$0.7 billion.

Under section 3105, the FMAP increase would be available only to states that expand such coverage after the legislation is enacted, and it would not be available to states that had previously expanded coverage. Only services provided to traditional eligibility groups could qualify for the increase; services provided to adults made eligible by the ACA would not be included. The higher FMAP also would not apply to the following expenditures:

- Medicaid payments to hospitals that serve a disproportionate share of low-income enrollees,
- Medicaid allotments to the territories, and
- Payments for programs other than Medicaid that use the FMAP to determine the federal share of payments (such as CHIP, payments from states toward Medicare Part D, and Title IV).

*Increased Medicaid Spending.* Section 3105 would increase Medicaid spending in two ways. First, CBO expects, the additional 5 percentage-point increase in the FMAP would induce some states to expand Medicaid coverage to low-income adults sooner than CBO's baseline projections for Medicaid enrollment would indicate. Currently, 37 states and the District of Columbia have implemented the expansion, and those states have enrolled roughly 60 percent of eligible adults nationwide. Under its baseline forecast, CBO projects that additional states will adopt the expansion at the historical rate of expansions since 2014 (the initial year of the expansion's availability). CBO anticipates that by 2030 about 70 percent of all potential enrollees will be covered.

Although the rate of expansion is subject to considerable uncertainty, CBO projects that the 5 percentage-point increase in the FMAP would induce states that would expand during the 2021-2030 period to do so about a year sooner, on average, than they otherwise would. The result would be an increase in Medicaid enrollment in those years among adults made eligible by the ACA in those states. Based on CBO's projections for enrollment in states that have not already adopted the expansion and the projected cost per adult made eligible by the ACA, CBO estimates that those earlier expansions would cost the federal government \$17.2 billion over the 2021-2030 period.

The second effect of section 3105 would be the added cost of the 5 percentage-point increase in the FMAP. Based on the average matching rates projected for states that have not yet adopted the expansion, CBO estimates the cost at \$4.7 billion. In total, CBO estimates,



section 3105 would increase direct spending on Medicaid by \$21.8 billion over the 2021-2030 period.

*Reduced Federal Subsidies for Private Health Insurance.* Section 3105 also would reduce enrollment in private health insurance as more people enroll in Medicaid in the states that adopt the ACA expansion. CBO and JCT estimate that over the 2021-2030 period Medicaid enrollment would increase, on average, by about 85,000 people who would otherwise have enrolled in coverage through the marketplaces and by another 33,000 people who would otherwise have enrolled in employment-based coverage. CBO and JCT estimate that those reductions in enrollment would reduce direct spending for health insurance subsidies by \$5.7 billion and increase revenues by \$0.7 billion over the 2021-2030 period.

**100 Percent FMAP for Urban Indian Organizations and Native Hawaiian Health Care.** Section 3106 would, for eight calendar quarters, provide a 100 percent federal matching rate for services to Medicaid enrollees who access care in the Urban Indian Health Programs (UIHPs) or the Native Hawaiian Health Care System (NHHCS). Under current law, services provided to Medicaid enrollees are matched at 100 percent if they are received through an IHS facility. IHS is the agency that is responsible for providing federal health services to American Indians and Alaska Natives. UIHPs are health care organizations that are grantees of the IHS but are not considered federal entities that are part of the IHS and therefore only receive the standard federal matching rates for services to Medicaid enrollees. Similarly, the NHHCS comprises five health care clinics that are grantees of HRSA that are not considered federal entities.

The standard federal matching rates under current law average an estimated 65 percent for traditional eligibility categories during 2021 and 2022, and will average an estimated 58.5 percent during 2023, the time period covered by the eight quarters specified under section 3106. The matching rates for adults made eligible by the ACA will be 90 percent during the same period.

According to information from the UIHP system, the UIHP treats about 90,000 Medicaid patients per year at an estimated average cost of about \$2,000 per patient. Applying the 100 percent matching rate for services to these enrollees would increase direct spending by \$155 million over the 2021-2030 period. Given the size of the NHHCS relative to the UIHP system, CBO estimates that applying a 100 percent matching rate to services provided at NHHCS clinics would increase direct spending by another \$7 million over the period.

**Sunset of Limit on Maximum Rebate for Certain Drugs.** Under current law, manufacturers are required to pay Medicaid a rebate on all covered outpatient drugs. The rebate amount is determined according to statute by two formulas that include a basic rebate with separate calculations for brand and generic drugs and an additional inflationary rebate that reflects differences in growth between the Average Manufacturer Prices (AMPs) and the consumer price index. The total rebate amount is capped at 100 percent of the AMP. The cap does not affect rebates paid for all drugs: It tends to be most relevant for drugs that have



experienced substantial price increases over time and for drugs that offer particularly large rebates to payers other than Medicaid. Section 3107 would eliminate the cap on the total rebate amount starting January 1, 2023.

Based on administrative data on AMPs and prescription drug spending in Medicaid, CBO estimates that in 2019, the cap on the total rebate amount prevented federal and state governments from collecting more than \$3 billion in rebates for covered outpatient drugs. CBO expects that section 3107 would increase the amount of rebates that manufacturers pay Medicaid and would reduce direct spending in Medicaid by \$15.9 billion over the 2021-2030 period.

**Additional Support for Medicaid HCBS.** Section 3108 would, for four fiscal quarters, increase the federal FMAP in Medicaid by 7.35 percentage points for state expenditures on home and community-based services (HCBS). HCBS are long-term care services that beneficiaries receive in their home or in the community rather than in institutions such as nursing facilities. CBO projects that the federal and state governments will spend almost \$200 billion on HCBS during the four quarters for which the enhanced FMAP is available to states. Increasing the federal share of such spending would increase federal spending on Medicaid by \$9.3 billion.

**Strike Teams for Nursing Facilities.** Section 3109 would appropriate \$250 million for states to establish strike teams that would be deployed to nursing facilities that have patients who have been diagnosed with COVID-19 or who are suspected of having the disease. CBO estimates that section 3109 would increase direct spending by \$250 million over the 2021-2030 period.

**Other Provisions.** Subtitle D would appropriate \$12.8 billion for environmental protections, utility assistance, distance learning, and other consumer product safety.

Within subtitle D, chapter 1 would appropriate \$5.1 billion to fund activities related to environmental health and assistance to people for paying utility bills:

- \$0.1 billion to the Environmental Protection Agency for grants and other activities that enhance environmental justice and to support implementation of the Clean Air Act;
- \$4.5 billion to the Low-Income Home Energy Assistance Program; and
- \$0.5 billion for grants to assist low-income households with the costs of drinking water and wastewater services.

Chapter 2 would appropriate \$7.7 billion for distance learning, primarily to reimburse schools and libraries for the costs of telecommunications equipment and services, and consumer product safety.

In total, CBO estimates that the funds appropriated by subtitle D would increase direct spending by \$12.8 billion over the 2021-2030 period.



### **Uncertainty**

There are two major types of uncertainty in CBO's estimate of the reconciliation recommendations of the House Committee on Energy and Commerce: For subtitles A and D, the primary forms of uncertainty stem from CBO's estimates of the pace at which federal agencies would spend the new budget authority. For subtitles B and C, most of the uncertainty of CBO's estimates stem from expectations about state behavior, people's enrollment in various forms of health coverage, and the of the increase in health care prices.

*Uncertainty About the Pace at Which Federal Agencies Would Spend New Budget Authority.* The reconciliation recommendations of the House Committee on Energy and Commerce would provide \$105 billion in new budget authority for fiscal year 2021, increasing individual agencies' funding for the year by a substantial amount. For example, the 2021 budget authority for the CDC, HRSA, and the IHS would see significant increases roughly halfway through the fiscal year. It is uncertain whether such agencies would be able to spend all of the new funds rapidly.

*Uncertainty About State Behavior, People's Enrollment in Various Forms of Health Coverage, and the Growth of Health Care Prices.* For subtitles B and C, CBO's estimates include projections of the results of states' choices to expand coverage, people's choices to enroll in coverage if they were newly eligible, and the future costs of providing health care services to beneficiaries—all of which are uncertain. Some of the more significant sources of uncertainty include:

- Estimating how many women would remain enrolled in Medicaid if states expand postpartum coverage and how many additional months of coverage they would have;
- Predicting how many states will expand Medicaid under current law and how the increased FMAP would accelerate the pace of state expansions;
- Forecasting future growth in drug prices and how drug manufacturers would change their pricing strategies if the cap on rebates were eliminated; and
- Estimating the future growth in prices for HCBS and how states would expand their coverage of HCBS on account of the higher FMAP.

### **Pay-As-You-Go Considerations**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 1.

**Increase in Long-Term Deficits:** None.

### **Mandates**

If the FCC increases annual fee collections to offset the costs of issuing rules to promote internet connectivity for schools and libraries as required by section 3312, the legislation



would increase the cost of an existing private-sector mandate on commercial entities required to pay those fees. CBO estimates that the incremental cost of the mandate would be small and would fall well below the annual threshold established in the Unfunded Mandates Reform Act for private-sector mandates (\$170 million in 2021, adjusted annually for inflation).

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**Table 1.**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Reported by the House Committee on Energy and Commerce on February 12, 2021**

By Fiscal Year, Millions of Dollars

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2031	2021- 2031
<b>Increases or Decreases (-) in Direct Spending</b>													
<b>Subtitle A. Funding for Public Health</b>													
<b>Chapter 1 - Vaccines and Therapeutics</b>													
Sec. 3001. Vaccine Activities at the CDC													
Budget Authority	7,500	0	0	0	0	0	0	0	0	0	0	7,500	7,500
Estimated Outlays	1,500	4,500	750	450	225	0	0	0	0	0	0	7,425	7,425
Sec. 3002. Vaccine Confidence Activities													
Budget Authority	1,000	0	0	0	0	0	0	0	0	0	0	1,000	1,000
Estimated Outlays	200	600	100	60	30	0	0	0	0	0	0	990	990
Sec. 3003. Vaccines and Therapeutics Supply Chain													
Budget Authority	5,200	0	0	0	0	0	0	0	0	0	0	5,200	5,200
Estimated Outlays	2,033	2,903	312	52	0	0	0	0	0	0	0	5,200	5,200
Sec. 3004. Activities at the Food and Drug Administration													
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500
Estimated Outlays	165	250	75	10	0	0	0	0	0	0	0	500	500
<b>Chapter 1, Total</b>													
<b>Budget Authority</b>	<b>14,200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,200</b>	<b>14,200</b>
<b>Estimated Outlays</b>	<b>3,898</b>	<b>8,153</b>	<b>1,237</b>	<b>572</b>	<b>255</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,115</b>	<b>14,115</b>
<b>Chapter 2 - Testing</b>													
Sec. 3011. Testing, Contact Tracing, and Mitigation Activities													
Budget Authority	46,000	0	0	0	0	0	0	0	0	0	0	46,000	46,000
Estimated Outlays	9,200	27,600	4,600	2,760	1,360	0	0	0	0	0	0	45,540	45,540
Sec. 3012. SARS-CoV-2 Genomic Sequencing and Surveillance													
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750
Estimated Outlays	350	1,050	175	105	53	0	0	0	0	0	0	1,733	1,733
Sec. 3013. Global Health													
Budget Authority	750	0	0	0	0	0	0	0	0	0	0	750	750
Estimated Outlays	150	450	75	45	23	0	0	0	0	0	0	743	743
Sec. 3014. Data Modernization and Forecasting Center													
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500
Estimated Outlays	100	300	50	30	15	0	0	0	0	0	0	495	495
<b>Chapter 2, Total</b>													
<b>Budget Authority</b>	<b>49,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>49,000</b>	<b>49,000</b>
<b>Estimated Outlays</b>	<b>9,800</b>	<b>29,400</b>	<b>4,900</b>	<b>2,940</b>	<b>1,471</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>48,511</b>	<b>48,511</b>
<b>Chapter 3 - Public Health Workforce</b>													
Sec. 3021. Public Health Workforce													
Budget Authority	7,660	0	0	0	0	0	0	0	0	0	0	7,660	7,660
Estimated Outlays	1,532	3,054	2,681	383	0	0	0	0	0	0	0	7,660	7,660
Sec. 3022. Medical Reserve Corps													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	20	56	16	6	2	0	0	0	0	0	0	100	100
<b>Chapter 3, Total</b>													
<b>Budget Authority</b>	<b>7,760</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,760</b>	<b>7,760</b>
<b>Estimated Outlays</b>	<b>1,552</b>	<b>3,120</b>	<b>2,697</b>	<b>389</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,760</b>	<b>7,760</b>
<b>Chapter 4 - Public Health Investments</b>													
Sec. 3031. Community Health Centers													
Budget Authority	7,600	0	0	0	0	0	0	0	0	0	0	7,600	7,600
Estimated Outlays	1,520	3,040	2,660	380	0	0	0	0	0	0	0	7,600	7,600
Sec. 3032. National Health Service Corps													
Budget Authority	800	0	0	0	0	0	0	0	0	0	0	800	800
Estimated Outlays	160	320	280	40	0	0	0	0	0	0	0	800	800
Sec. 3033. Nurse Corps													
Budget Authority	200	0	0	0	0	0	0	0	0	0	0	200	200
Estimated Outlays	46	100	40	10	0	0	0	0	0	0	0	196	196
Sec. 3034. Teaching Health Centers that Operate Graduate Medical Education													
Budget Authority	330	0	0	0	0	0	0	0	0	0	0	330	330
Estimated Outlays	66	132	116	13	0	0	0	0	0	0	0	327	327

continued

Table 1. Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021  
continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
Sec. 3035. Testing, Tracing, and Mitigation Activities in Congregate Settings													
Budget Authority	1,800	0	0	0	0	0	0	0	0	0	0	1,800	1,800
Estimated Outlays	324	990	396	36	18	0	0	0	0	0	0	1,764	1,764
Sec. 3036. Family Planning													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	10	35	4	0	0	0	0	0	0	0	0	49	49
Sec. 3037. Children Under HHS Care													
Budget Authority	425	0	0	0	0	0	0	0	0	0	0	425	425
Estimated Outlays	13	17	64	68	74	70	64	51	4	0	0	425	425
Sec. 3038. HHS Inspector General													
Budget Authority	5	0	0	0	0	0	0	0	0	0	0	5	5
Estimated Outlays	2	3	0	0	0	0	0	0	0	0	0	5	5
<b>Chapter 4, Total</b>													
<b>Budget Authority</b>	<b>11,210</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>11,210</b>	<b>11,210</b>
<b>Estimated Outlays</b>	<b>2,141</b>	<b>4,637</b>	<b>3,560</b>	<b>547</b>	<b>92</b>	<b>70</b>	<b>64</b>	<b>51</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>11,166</b>	<b>11,166</b>
<b>Chapter 5 - Indian Health</b>													
Sec. 3041. Indian Health													
Budget Authority	6,094	0	0	0	0	0	0	0	0	0	0	6,094	6,094
Estimated Outlays	1,493	3,534	506	84	84	71	59	43	19	6	0	5,895	5,899
<b>Chapter 6 - Mental Health and Substance Use Disorder</b>													
Sec. 3051. Community Mental Health Services													
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750
Estimated Outlays	315	910	350	140	35	0	0	0	0	0	0	1,750	1,750
Sec. 3052. Prevention and Treatment of Substance Abuse													
Budget Authority	1,750	0	0	0	0	0	0	0	0	0	0	1,750	1,750
Estimated Outlays	315	910	350	140	35	0	0	0	0	0	0	1,750	1,750
Sec. 3053. Training for Health Care Professionals, Paraprofessionals, and Public Safety Officers													
Budget Authority	80	0	0	0	0	0	0	0	0	0	0	80	80
Estimated Outlays	18	40	16	4	0	0	0	0	0	0	0	78	78
Sec. 3054. Education and Awareness Campaign for Health Care Professionals													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	4	12	2	1	1	0	0	0	0	0	0	20	20
Sec. 3055. Grants to Health Care Providers for Mental and Behavioral Health Among Workforce													
Budget Authority	40	0	0	0	0	0	0	0	0	0	0	40	40
Estimated Outlays	9	20	8	2	0	0	0	0	0	0	0	39	39
Sec. 3056. Community-Based Funding for Local Substance Use Disorder													
Budget Authority	30	0	0	0	0	0	0	0	0	0	0	30	30
Estimated Outlays	6	15	6	2	1	0	0	0	0	0	0	30	30
Sec. 3057. Community-Based Funding for Local Behavioral Health													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	9	26	10	4	1	0	0	0	0	0	0	50	50
Sec. 3058. National Child Traumatic Stress Network													
Budget Authority	10	0	0	0	0	0	0	0	0	0	0	10	10
Estimated Outlays	2	5	2	1	0	0	0	0	0	0	0	10	10
Sec. 3059. Project Aware													
Budget Authority	30	0	0	0	0	0	0	0	0	0	0	30	30
Estimated Outlays	6	15	6	2	1	0	0	0	0	0	0	30	30

continued

Table 1. Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021  
continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
Sec. 3059A Youth Suicide Prevention													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	4	10	4	2	0	0	0	0	0	0	0	20	20
Sec. 3059B Behavioral Health Workforce													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	23	50	20	5	0	0	0	0	0	0	0	98	98
<b>Chapter 6, Total</b>													
<b>Budget Authority</b>	<b>3,880</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,880</b>	<b>3,880</b>
<b>Estimated Outlays</b>	<b>711</b>	<b>2,013</b>	<b>774</b>	<b>303</b>	<b>74</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3,875</b>	<b>3,875</b>
<b>Chapter 7 - Exchange Grant Program</b>													
Sec. 3061. Exchange Modernization													
Budget Authority	20	0	0	0	0	0	0	0	0	0	0	20	20
Estimated Outlays	20	0	0	0	0	0	0	0	0	0	0	20	20
<b>Subtitle A, Total</b>													
<b>Budget Authority</b>	<b>92,164</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>92,164</b>	<b>92,164</b>
<b>Outlays</b>	<b>19,615</b>	<b>50,857</b>	<b>13,674</b>	<b>4,835</b>	<b>1,978</b>	<b>141</b>	<b>123</b>	<b>94</b>	<b>23</b>	<b>6</b>	<b>0</b>	<b>91,346</b>	<b>91,346</b>
<b>Subtitle B, Medicaid</b>													
Sec. 3101. Coverage of COVID-19 Vaccinations and Treatments													
Estimated Budget Authority	287	534	247	63	0	0	0	0	0	0	0	1,131	1,131
Estimated Outlays	287	534	247	63	0	0	0	0	0	0	0	1,131	1,131
Sec. 3102. Coverage for Pregnant and Postpartum Women (a, b)													
Estimated Budget Authority	0	0	756	1,249	1,417	1,429	1,108	0	0	0	0	5,959	5,959
Estimated Outlays	0	0	756	1,249	1,417	1,429	1,108	0	0	0	0	5,959	5,959
Sec. 3103. Medicaid for Inmates During 30-Day Period Preceding Release													
Estimated Budget Authority	0	177	444	683	918	1,014	510	0	0	0	0	3,746	3,746
Estimated Outlays	0	177	444	683	918	1,014	510	0	0	0	0	3,746	3,746
Sec. 3104. Bundled Community-Based Mobile Crisis Intervention													
Estimated Budget Authority	15	0	71	305	330	270	25	32	40	49	58	1,137	1,195
Estimated Outlays	0	5	77	307	332	270	25	32	40	49	58	1,137	1,195
Sec. 3105. Temporary Increase in FMAP for Expanding ACA Coverage													
Estimated Budget Authority	0	0	3,768	3,427	2,177	2,308	2,131	1,337	479	531	212	16,158	16,370
Estimated Outlays	0	0	3,768	3,427	2,177	2,308	2,131	1,337	479	531	212	16,158	16,370
Sec. 3106. 100% FMAP for Urban Indian Organizations and Native Hawaiian Health Care													
Estimated Budget Authority	38	81	43	0	0	0	0	0	0	0	0	162	162
Estimated Outlays	38	81	43	0	0	0	0	0	0	0	0	162	162
Sec. 3107. Sunset of Limit on Maximum Rebate for Certain Drugs													
Estimated Budget Authority	0	0	-217	-1,803	-2,293	-2,277	-2,258	-2,279	-2,318	-2,443	-2,573	-15,898	-16,461
Estimated Outlays	0	0	-217	-1,803	-2,293	-2,277	-2,258	-2,279	-2,318	-2,443	-2,573	-15,898	-16,461
Sec. 3108. Temporary Increase in FMAP for Expanding HCBS													
Estimated Budget Authority	4,795	4,515	0	0	0	0	0	0	0	0	0	9,310	9,310
Estimated Outlays	4,795	4,515	0	0	0	0	0	0	0	0	0	9,310	9,310
Sec. 3109. Strike Teams for Nursing Facilities													
Budget Authority	250	0	0	0	0	0	0	0	0	0	0	250	250
Estimated Outlays	50	175	25	0	0	0	0	0	0	0	0	250	250
<b>Subtitle B, Total</b>													
<b>Budget Authority</b>	<b>5,385</b>	<b>5,307</b>	<b>5,112</b>	<b>3,924</b>	<b>2,549</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>21,965</b>	<b>19,662</b>
<b>Outlays</b>	<b>5,170</b>	<b>5,487</b>	<b>5,143</b>	<b>3,926</b>	<b>2,551</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>21,965</b>	<b>19,662</b>
<b>Subtitle C, Children's Health Insurance Program</b>													
Sec. 3201. Coverage of COVID-19 Vaccinations and Treatments													
Budget Authority	0	47	17	4	0	0	0	0	0	0	0	68	68
Estimated Outlays	0	47	17	4	0	0	0	0	0	0	0	68	68
Sec. 3202. Coverage for Pregnant and Postpartum Women (a)													

continued

Table 1. Estimated Budgetary Effects of Reconciliation Recommendations by the House Committee on Energy and Commerce on February 12, 2021  
continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
<b>Subtitle D. Other Provisions</b>													
<b>Chapter 1 - Ensuring Environmental Health and Ratepayer Protection</b>													
Sec. 3301. Pollution and Disparate Impacts of the Pandemic													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	10	60	20	10	0	0	0	0	0	0	0	100	100
Sec. 3302. LIHEAP													
Budget Authority	4,500	0	0	0	0	0	0	0	0	0	0	4,500	4,500
Estimated Outlays	1,508	1,727	467	422	168	188	0	0	0	0	0	4,500	4,500
Sec. 3303. Water Assistance Program													
Budget Authority	500	0	0	0	0	0	0	0	0	0	0	500	500
Estimated Outlays	50	225	150	50	25	0	0	0	0	0	0	500	500
<b>Chapter 1, Total</b>													
Budget Authority	<b>5,100</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,100</b>	<b>5,100</b>
Estimated Outlays	<b>1,568</b>	<b>2,012</b>	<b>637</b>	<b>482</b>	<b>213</b>	<b>188</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5,100</b>	<b>5,100</b>
<b>Chapter 2 - Distance Learning and Consumer Protections</b>													
Sec. 3311. Consumer Product Safety													
Budget Authority	50	0	0	0	0	0	0	0	0	0	0	50	50
Estimated Outlays	4	6	8	10	9	8	2	1	0	0	0	48	48
Sec. 3312. Remote Learning Support													
Budget Authority	7,600	0	0	0	0	0	0	0	0	0	0	7,600	7,600
Estimated Outlays	1,140	3,800	1,900	760	0	0	0	0	0	0	0	7,600	7,600
<b>Chapter 2, Total</b>													
Budget Authority	<b>7,650</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,650</b>	<b>7,650</b>
Estimated Outlays	<b>1,144</b>	<b>3,806</b>	<b>1,908</b>	<b>770</b>	<b>9</b>	<b>8</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,648</b>	<b>7,648</b>
<b>Chapter 3 - Oversight of Department of Commerce Prevention and Response to COVID-19</b>													
Sec. 3321. Department of Commerce													
Budget Authority	3	0	0	0	0	0	0	0	0	0	0	3	3
Estimated Outlays	1	1	1	0	0	0	0	0	0	0	0	3	3
<b>Subtitle D, Total</b>													
Budget Authority	<b>12,753</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,753</b>	<b>12,753</b>
Outlays	<b>2,713</b>	<b>5,819</b>	<b>2,546</b>	<b>1,252</b>	<b>222</b>	<b>198</b>	<b>2</b>	<b>1</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,751</b>	<b>12,751</b>
<b>Total Increase in Direct Spending</b>													
Estimated Budget Authority	<b>110,302</b>	<b>5,354</b>	<b>5,129</b>	<b>3,928</b>	<b>2,549</b>	<b>2,744</b>	<b>1,516</b>	<b>-910</b>	<b>-1,799</b>	<b>-1,863</b>	<b>-2,303</b>	<b>126,950</b>	<b>124,647</b>
Estimated Outlays	<b>27,498</b>	<b>62,210</b>	<b>21,380</b>	<b>10,017</b>	<b>4,751</b>	<b>3,081</b>	<b>1,641</b>	<b>-815</b>	<b>-1,776</b>	<b>-1,857</b>	<b>-2,303</b>	<b>126,130</b>	<b>123,927</b>
<b>Increases in Revenues</b>													
Sec. 3102. Coverage for Pregnant and Postpartum Women (a, b)													
On-Budget Revenues	0	0	76	172	192	209	167	0	0	0	0	815	816
Off-Budget Revenues	0	0	43	98	109	119	95	0	0	0	0	464	464
Sec. 3105. Temporary Increase in FMAP for Expanding ACA Coverage													
On-Budget Revenues	0	0	165	107	93	94	93	51	31	24	14	658	672
Off-Budget Revenues	0	0	96	63	55	58	60	33	20	15	9	400	409
<b>Total Increase in Revenues</b>	<b>0</b>	<b>0</b>	<b>241</b>	<b>279</b>	<b>285</b>	<b>303</b>	<b>260</b>	<b>51</b>	<b>31</b>	<b>24</b>	<b>14</b>	<b>1,474</b>	<b>1,488</b>
On-Budget Revenues	0	0	139	161	164	177	155	33	20	15	9	864	873
Off-Budget Revenues	0	0	102	118	121	126	105	18	11	9	5	610	615
<b>Net Increase or Decrease (-) in the Deficit From Changes in Direct Spending and Revenues</b>													
<b>Estimated Effect on the Deficit</b>	<b>27,498</b>	<b>62,210</b>	<b>21,139</b>	<b>9,738</b>	<b>4,466</b>	<b>2,778</b>	<b>1,381</b>	<b>-866</b>	<b>-1,807</b>	<b>-1,881</b>	<b>-2,317</b>	<b>124,656</b>	<b>122,339</b>
On-Budget Deficits	27,498	62,210	21,241	9,856	4,587	2,904	1,486	-848	-1,796	-1,872	-2,312	125,266	122,954
Off-Budget Deficit	0	0	-102	-118	-121	-126	-105	-18	-11	-9	-5	-610	-615

Components may not sum to totals because of rounding.  
 ACA = Affordable Care Act. CDC = Centers for Disease Control and Prevention. FMAP = federal medical assistance percentage. HCBS = home and community-based services. HHS = Department of Health and Human Services. LIHEAP = Low-Income Home Energy Assistance Program.  
 a. Section would affect both revenues and spending, which is shown separately.  
 b. The estimate for section 3102 includes the budgetary effects of sections 3202.

**VIII. FEDERAL MANDATES STATEMENT**

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

**IX. STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES**

Pursuant to clause 3(c)(4) of rule XIII, the general performance goal or objective of this legislation is to appropriate \$50,000,000 to the Consumer Product Safety Commission for certain purposes and for other purposes.

**X. DUPLICATION OF FEDERAL PROGRAMS**

Pursuant to clause 3(c)(5) of rule XIII, no provision of the Committee Report is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111-139 or the most recent Catalog of Federal Domestic Assistance.

**XI. COMMITTEE COST ESTIMATE**

Pursuant to clause 3(d)(1) of rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

**XII. EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS**

Pursuant to clause 9(e), 9(f), and 9(g) of rule XXI, the Committee finds that the Committee Report contains no earmarks, limited tax benefits, or limited tariff benefits.

**XIII. ADVISORY COMMITTEE STATEMENT**

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

**XIV. APPLICABILITY TO LEGISLATIVE BRANCH**

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

**XV. SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION**

**CHAPTER 1—ENSURING ENVIRONMENTAL HEALTH AND RATEPAYER PROTECTION DURING THE PANDEMIC**

***SEC. 3301. FUNDING FOR POLLUTION AND DISPARATE IMPACTS OF THE COVID-19 PANDEMIC.***

Section 3301 provides EPA with funds to address health outcome disparities from pollution and the COVID-19 pandemic. Specifically, it provides \$50 million in funds to EPA for environmental justice grants and activities and \$50 million in funding to EPA for air quality monitoring grants and other purposes outlined in subsections (a), (b), and (c) of section 103 and section 105 of the Clean Air Act.

***SEC. 3302. FUNDING FOR LIHEAP.***

Section 3302 directs \$4.5 billion to HHS for home energy assistance through LIHEAP.

***SEC. 3303. FUNDING FOR WATER ASSISTANCE PROGRAM.***

Section 3303 directs \$500 million to HHS to provide financial assistance to low income consumers and other consumers adversely affected financially by COVID-19 to assist with payments for drinking water and wastewater expenses

**CHAPTER 2—DISTANCE LEARNING AND CONSUMER PROTECTION DURING THE COVID-19 PANDEMIC**

***SECTION 3311. FUNDING FOR CONSUMER PRODUCT SAFETY FUND TO PROTECT CONSUMERS FROM POTENTIALLY DANGEROUS PRODUCTS RELATED TO COVID-19***

Subsection (a) of this section appropriates \$50,000,000 to the CPSC for fiscal year 2021, to remain available until September 30, 2026, for the purposes described in subsection (b).

Subsection (b) of this section specifies the purposes for which the CPSC may use funds made available in subsection (a). Paragraph (1) of this subsection specifies funds shall be used to carry out the requirements in title XX of division FF of the Consolidated Appropriations Act, 2021 (P.L. 116-260). Paragraph (2) of this subsection specifies funds shall be used to enhance targeting, surveillance, and screening of consumer products, particularly COVID-19 products, entering the United States at ports of entry. Paragraph (3) of this subsection specifies funds shall be used to enhance monitoring of internet websites for the offering for sale of new and used violative consumer products and coordination with retail and resale websites to improve identification and elimination of listings of such products. Paragraph (4) of this subsection specifies funds shall be used to increase awareness and communication, particularly of COVID-19 product related risks and other consumer product safety information. Paragraph (5) of this subsection specifies funds shall be used to improve the CPSC's data collection and analysis

system especially with a focus on consumer product safety risks resulting from the COVID-19 pandemic to socially disadvantaged individuals and other vulnerable populations.

Subsection (c) of this section defines terms used in the subsection, including “de minimis shipments,” “violative consumer products,” “COVID-19 emergency period,” and “COVID-19 products.” The term “violative consumer products” is defined as consumer products in violation of an applicable consumer product safety standard under the Consumer Product Safety Act or any similar rule, regulation, standard, or ban under any other Act enforced by the Commission and is intended to include consumer products subject to voluntary corrective action. The term “COVID-19 products” is defined as products whose risks have been significantly affected by COVID-19 or whose sales have materially increased during the COVID-19 emergency period as a result of the COVID-19 pandemic.

**SEC. 3312. FUNDING FOR E-RATE SUPPORT FOR EMERGENCY EDUCATIONAL CONNECTIONS AND DEVICES**

This section establishes a \$7.59 billion Emergency Connectivity Fund. The section further requires the FCC to promulgate rules within 60 days of enactment to provide funding from this Fund to eligible schools and libraries to enable them to provide eligible connected devices, internet service, and equipment necessary to support internet service to students and teachers, regardless of technology, for internet use in locations other than a school or library, among other things.

The FCC will cease to provide support from the Fund on the June 30 that first occurs after the date that is one year after the date on which the COVID-19 Emergency Period ends. In providing support under the covered regulations, the Commission shall reimburse 100 percent of the costs associated with the eligible equipment and services, so long as the FCC determines that such costs are reasonable. This section also provides \$1 million to the FCC’s Inspector General to help oversee the program and limits administrative costs for the program to no more than two percent.

**CHAPTER 3—OVERSIGHT OF DEPARTMENT OF COMMERCE PREVENTION AND RESPONSE TO COVID-19**

**SEC. 3321. FUNDING FOR DEPARTMENT OF COMMERCE INSPECTOR GENERAL.**

Sec. 3321 would appropriate an additional \$3 million above other amounts appropriated to the Office of the Inspector General of Department of Commerce for oversight of activities of the Department to prevent, prepare for, and respond to COVID-19, domestically or internationally.

**XVI. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED**

There are no changes to existing law made by the Committee Print.

**XVII. ADDITIONAL VIEWS**

**Energy and Commerce Committee Republican Views**

Republicans have supported five targeted, bipartisan bills to crush COVID-19, to reopen schools, to get the economy back on track, and to improve health and wellness of those suffering from the pandemic. That is what we should be doing with this Reconciliation package. Unfortunately, this package falls well short, but at an extraordinary cost. The Congressional Budget Office (CBO) estimates that the Committee on Energy and Commerce's contribution to the Reconciliation process will cost approximately \$120 billion. That is still well short of the \$188 billion instruction to the Committee, which shows there was an opportunity to adopt some of the bipartisan, targeted, and timely amendments Republicans offered during markup. For instance:

- \$1 billion for teachers to get vaccinated and ensure our children can go back to school safely;
- \$10 billion for COVID-19 research at the National Institutes of Health (NIH);
- \$35 billion to support our frontline workers through the Provider Relief Fund (PRF); or
- \$1 billion to boost mental health services in states with unexpected job loss due to President Biden's various Executive Orders.

Unfortunately, the Democrats rushed this bill through a partisan markup without bipartisan consultation with CBO on cost, preventing any chance of adequate analysis and deliberation.

In addition to the wasteful spending, we must comment on the Democratic Majority's decision to bypass regular order. Democrats wrote this entire package in secret without any input from Republicans, and Republicans did not see a draft until 10:00 p.m. on Tuesday, February 9 for a markup scheduled to start at 11:00 a.m. on Thursday, February 11. Such secrecy might be expected on controversial measures, but Republicans and Democrats have already worked together to enact 5 bills in response to COVID-19. This partisan process on this package is a failure of Democratic leadership and a huge disappointment.

**Subtitle A: Budget Reconciliation Legislative Recommendations Relating to Public Health**

Republicans on the Energy and Commerce Committee strongly support additional funding for advanced research, development, manufacturing, production, and the purchase of vaccines, diagnostic tests, therapeutics, and ancillary medical products to prevent, prepare, and respond to SARS-CoV-2, COVID-19, or any disease with potential for creating a pandemic. Republicans on the Energy and Commerce Committee also support additional funding for the prevention and treatment of mental health and substance use disorders. The COVID-19 pandemic and resulting economic downturn have significantly impacted the mental health and wellbeing of all Americans.

Since the beginning of this pandemic, many Americans have reported that their mental health has been negatively impacted by recent events, with about 4 in 10 adults reporting

symptoms of anxiety or depressive disorder.<sup>1</sup> Reports have found that declines in the economy, lost jobs, and health challenges have all contributed to an increase in mental health difficulties. Individuals in states with more restrictive measures, such as stay-at-home orders, have recorded even more cases of mental health difficulties.<sup>2</sup> The pandemic has also presented unique challenges for individuals with substance use disorder (SUD) and those who are in recovery, as social distancing and stay at home orders make it harder for patients to access treatment, such as critical medications for opioid use disorders.<sup>3</sup>

However, Subtitle A is also a departure from how the Congress has previously provided emergency funding to address the coronavirus pandemic, and because of this, does not take into account the time it will take for federal agencies to spend these resources, or address all the needs, such as those of the National Institutes of Health and health care providers. The past five legislative packages that were signed into law were negotiated in good faith between Republicans and Democrats, with extensive input from all sides.<sup>4</sup>

We are disappointed that the Democrats rejected bipartisanship and embraced a partisan process. Instead of targeted and timely relief to COVID-19, the Democrats proposed mandatory funding for all of these initiatives, abdicating responsibility for oversight, which is a troubling departure from the oversight and reporting on the emergency designated discretionary appropriations provided in the previous five COVID-19 emergency appropriations bills passed last year.

Republicans agree with CBO that federal agencies might not be able to use the new budget authority provided in Subtitle A quickly enough. Republicans are also concerned that the resources may not be timely enough to help address any outstanding COVID-19 needs that remain after the most recent relief package.<sup>5</sup> Subtitle A increases individual agencies' funding for a single fiscal year by a substantial amount. The 2021 budget authority for the Centers for Disease Control and Prevention (CDC), the Health Resources and Services Administration (HRSA), and the Indian Health Service (IHS) would see enormous increases roughly halfway through the fiscal year. Republicans, like the CBO, do not understand how these agencies would be able to spend all of the new funds rapidly in a manner that has any meaningful near-term impact on reducing COVID-19 cases and deaths in the United States.<sup>6</sup>

<sup>1</sup> Nirmita Panchal, et. al., *The Implications of COVID-19 for Mental Health and Substance Use*, Kaiser Family Foundation, available at <https://www.kff.org/health-reform/issue-brief/the-implications-of-covid-19-for-mental-health-and-substance-use/> (last updated Feb. 10, 2021).

<sup>2</sup> Madeline Holcombe, *Long-term social distancing may be traumatic. Here is what to expect and what to do*, CNN (Apr. 12, 2020), available at <https://www.cnn.com/2020/04/09/health/coronavirus-mental-health-long-term-wellness/index.html>.

<sup>3</sup> Dr. Francis Collins, Director, National Institutes of Health, *Coping with the Collision of Public Health Crises: COVID-19 and Substance Use Disorders*, NIH Director's Blog (Apr. 21, 2020), available at <https://directorsblog.nih.gov/2020/04/21/coping-with-the-collision-of-public-health-crises-covid-19-and-substance-use-disorders/>.

<sup>4</sup> P.L. 116-123; P.L. 116-127; P.L. 116-136; P.L. 116-139; and P.L. 116-260.

<sup>5</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

<sup>6</sup> *Id.*

For example, the state of the nation's public health infrastructure and workforce are a result of decades of neglect by state and local governments. At the same time, states have spent ever increasing amounts of their budgets on Medicaid. Support for states to build their public health workforce is laudable and could be accomplished by discretionary appropriations. However, it is unclear how an immediate infusion of \$7.6 billion in mandatory funding for establishing and expanding a public health workforce, as is done in section 3021, will lead to more public health professionals to fight COVID-19 now. State and local health departments have struggled for years to recruit public health professionals in a field that has lost more than 56,000 positions in the past decade.<sup>7</sup> A sustainable long-term increase in discretionary funding authorized through regular order would have been a more appropriate way to support state and local public health departments and address the dearth in public health professionals.

Republicans are concerned about the long-term health of critically important public health programs that Subtitle A sets on dangerous fiscal cliffs. For example, section 3031 provides \$7.6 billion for Federally-qualified health centers, \$800 million for the National Health Service Corps, and \$300 million for the Teaching Health Center Graduate Medical Education program. This is approximately twice the amount that was authorized for these programs for each of fiscal years 2021 through 2023 in the Consolidated Appropriations Act, 2021, which was just signed into law two months ago.<sup>8</sup> These are unsustainable funding levels.

Republicans are disappointed that Subtitle A opens the door to federal funding for elective abortions. Every Democrat voted against including the Hyde amendment protections in Subtitle A. The Hyde Amendment prevents all other federal funds for the Department of Health and Human Services appropriated through the discretionary appropriations process, and also mandatory health spending, from being used to fund abortion, except in the cases where the life of the mother would be endangered if the fetus were carried to term, or in the case of rape or incest. Since 1976, Hyde, and similar policies governing other federal programs, have been supported and renewed annually on a bipartisan basis, multiple times, for decades.<sup>9</sup> Because there are no Hyde Amendment protections, many provisions in Subtitle A, particularly where funds have been authorized for broad purposes or for the provision of health services that are not directly related to preventing and treating COVID-19, will support elective abortions.

For example, section 3036 authorizes \$50 million in mandatory funding for grants and contracts under section 1001 of the Public Health Service Act, which is the Title X Family Planning Program. First, it is unclear to Republicans how Title X funding will reduce transmission of, and illness and death caused by, COVID-19. This funding is being authorized on the heels of President Biden directing the Department of Health and Human Services to

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<sup>7</sup> Blaire Bryant, Protect Funding for Core Local Public Health Services and Prevention Programs, National Association of Counties, *available at* [https://www.naco.org/resources/protect-funding-core-local-public-health-services-and-prevention-programs#:~:text=According%20to%20the%20National%20Association,in%20five%20local%20health%20departments.\(last updated Feb. 28, 2019\).](https://www.naco.org/resources/protect-funding-core-local-public-health-services-and-prevention-programs#:~:text=According%20to%20the%20National%20Association,in%20five%20local%20health%20departments.(last updated Feb. 28, 2019).)

<sup>8</sup> P.L. 116-260,

<sup>9</sup> H.R. 14232, Departments of Labor, and Health, Education, and Welfare, and Related Agencies, 1977, 94th Congress (1976); Roll no. 846.

reverse the “Protect Life Rule,”<sup>10</sup> a rule that prohibited Title X-funded family planning services to be performed at the same location where abortions are provided. Since existing Title X appropriations have been obligated to non-abortion providing entities, section 3036 is just a way to direct taxpayer dollars to abortion providers, like Planned Parenthood.

Lastly, Republicans are disappointed that the Democrats, in their haste to pass a partisan package, did not assess the true budgetary needs of these agencies. The exorbitant funding levels could lead to waste.

For example, section 3004 provides \$500 million to the Food and Drug Administration (FDA) for the evaluation of the continued performance, safety, and effectiveness of vaccines, therapeutics, and diagnostics approved, cleared, licensed, or authorized for use for the treatment, prevention, or diagnosis of COVID-19. Republicans believe that the agency should provide a detailed account of how funds previously appropriated have been spent, what amount of funding remains unobligated, and to what activities those unobligated dollars will be allocated before appropriating additional funds, especially considering that \$500 million is more than twice the amount that has been appropriated to FDA under all previously enacted Coronavirus relief legislation combined.<sup>11</sup>

Additionally, advancing this legislation through regular order would have allowed both Republicans and Democrats to have a better understanding of the FDA’s existing needs. During the full committee markup, the only opportunity provided to Republicans to ask questions and raise concerns about the legislation being considered, Democrats asserted they had conversations with FDA during which the agency expressed the need for this amount of funding. The FDA has not provided to Republicans any request or justification for these funds, nor has FDA explained how they will be used to advance the agency’s mission. In addition, the majority of FDA’s spending is on salaries. It is unclear how the \$500 million could be used to support salaries without creating a cliff where more funding is needed to retain those employees.

With respect to product reviews, Republicans question why these funds appear to be intended solely for post-market surveillance, as opposed to both pre- and post-market activities, given the likelihood that new COVID-19 vaccines, therapeutics, and diagnostics will warrant premarket review.<sup>12</sup> Furthermore, the funds may be used to facilitate and conduct inspections delayed or cancelled for reasons related to COVID-19.<sup>13</sup> While Republicans agree it is critical that FDA resume on-site inspections, we question why additional funds are required to do so.

Since March 2020, FDA has conducted few domestic or foreign inspections due to safety concerns and travel restrictions, not due to funding limitations. During fiscal year (FY) 2020, the total number of inspections conducted by FDA, of both foreign and domestic establishments,

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<sup>10</sup> 84 F.R. 7714.

<sup>11</sup> P.L. 116-123; P.L. 116-136; P.L. 116-260.

<sup>12</sup> S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021 (February 11, 2021), 117<sup>th</sup> Congress (2021-2022), available at <https://docs.house.gov/meetings/IF/IF00/20210211/111190/BILLS-117-A-P000034-Amdt-2.pdf>.

<sup>13</sup> *Id.*

was fifty-six percent lower than during each of the previous two fiscal years.<sup>14</sup> Between March and October of 2020, only three foreign mission critical inspections and only fifty-two domestic inspections took place.<sup>15</sup> In contrast, during a similar timeframe in each of the previous two years, more than 600 foreign and 400 domestic inspections took place.<sup>16</sup> Given the significant reduction in the number of inspections conducted, FDA must answer for how funds obligated for FY 2020 inspection activities have been used and why it needs more funds to carry out delayed or cancelled inspections.

**Subtitle B: Budget Reconciliation Legislative Recommendations Relating to Medicaid**

**Section 3101. Mandatory Coverage of COVID-19 Vaccines and Administration Treatment Under Medicaid.**

Republicans want every American to have access to the COVID-19 vaccine and we support fully covering the cost of the vaccine for Medicaid beneficiaries for the length of the public health emergency. This will ensure we can vaccinate every single American, which will help us reopen schools, workplaces, and the economy. However, in this section the Democrats, instead, chose to extend the timeframe where vaccines are fully covered by one year. The Democrats have provided no justification for this extension. Given that the public health emergency will continue throughout 2021, Republicans recommend ascertaining how the states are doing at the end of the year and extend the timeframe if needed. Instead, the Democrats are spending money on the extra year that could have been used to increase funding for mental health or SUD providers, or a number of other targeted and temporary priorities that both parties share.

The Democrats are also giving the states the option to provide coverage to the uninsured for COVID-19 vaccines and treatment without cost sharing at 100 percent federal medical assistance percentage (FMAP). Republicans want all eligible beneficiaries to receive care and want to work with the Democrats to improve access to care for all Americans. However, the Medicaid program has eligibility requirements for a reason and Republicans want to make sure that the program is able to continue serving the Americans who are eligible for Medicaid coverage.

**Section 3102. Modifications to Certain Coverage Under Medicaid for Pregnant and Postpartum Women.**

Republicans are disappointed that the Democrats chose this partisan approach to a bipartisan priority. H.R. 4996, the Helping MOMS Act of 2020, passed the House unanimously last year and is the same policy as section 3102, except, H.R. 4996 was a permanent state option to extend Medicaid eligibility to women for 12 months postpartum and section 3102 is a five-year option. At markup, Republicans offered an amendment that would have implemented the

<sup>14</sup> United States Government Accountability Office (GAO), *COVID-19: Critical Vaccine Distribution, Supply Chain, Program Integrity, and Other Challenges Require Focused Federal Attention* (January 2021), available at <https://www.gao.gov/assets/720/712030.pdf>.

<sup>15</sup> *Id.*

<sup>16</sup> *Id.*

permanent policy. Predictably, the Democrats rejected the proposal because it would cause the Committee to exceed its reconciliation instructions. However, when CBO released its estimate of the Committee's reconciliation package, Republicans learned that the Committee is under its instruction of \$188.5 billion by over \$65 billion.<sup>17</sup> If the Committee had an estimate and technical assistance before markup, we could have made this change permanent.

**Section 3103. Allowing for Medical Assistance Under Medicaid for Inmates During 30-Day Period Preceding Release.**

Republicans are willing to work with the Democrats to address medical assistance for inmates during the 30-day period preceding their release from prison, but this is irrelevant to responding to COVID-19. This is especially true since the Democrats included the coverage of inmates in the vaccine development and distribution funding in Subtitle A, and included specific funding for COVID-19 for those that live in congregate facilities. If this policy had been considered through regular order, a hearing might have revealed how prisons differ from jails when handling inmates a month before release and how we can tailor the policy to be the most effective.

Republicans want all Americans to have access to the COVID-19 vaccine, including inmates during the 30-day period before their release. But why is Medicaid coverage for inmates 30 days prior to release necessary? Also, how long will it take prisons and jails to have the administrative capacity to bill Medicaid, and will prisons need additional resources to do so? If the Committee followed regular order, some of these questions could have been answered.

**Section 3104. Enhanced Federal Medicaid Support for Bundled Community-Based Mobile Crisis Intervention Services.**

This section is another partisan disappointment. The Democrats never explained how this section will provide immediate relief to those suffering from COVID-19's devastating impact on mental health or SUD. CBO indicated that only 16 states have programs that would immediately qualify for this provision, suggesting the limited impact this provision will have on addressing nationwide mental health and SUD impacts from COVID-19.<sup>18</sup> Republicans believe that tailoring a policy like the one in section 3108 for mental health and substance use providers would have been a better way to provide immediate relief for the next year.

**Section 3105. Temporary Increase in FMAP for Medical Assistance Under State Medicaid Plans which Begin to Expend Amounts for Certain Mandatory Individuals.**

Incentivizing states to expand Medicaid to address COVID-19 is a mistake. It is neither a targeted nor a timely approach to continue the fight against COVID. We understand the need to provide Americans access to affordable health insurance options, but, at a minimum, it takes

<sup>17</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

<sup>18</sup> Congressional Budget Office, *Reconciliation Recommendations of the House Committee on Energy and Commerce*, February 14, 2021, <https://www.cbo.gov/system/files/2021-02/EnergyandCommerceReconciliationEstimate.pdf>.

several months to expand Medicaid.<sup>19</sup> Republicans believe that any COVID-19 relief package should aim to end the pandemic in weeks now that a vaccine is available. The \$16 billion cost associated with this policy should be targeted to immediate COVID-19 relief for Medicaid providers who are working with the most at risk beneficiaries, including SUD, mental illness, hospitals in rural areas, and nursing homes.

**Section 3106. Extension of 100 Percent Federal Medical Assistance Percentage to Urban Indian Health Organizations and Native Hawaiian Health Care Systems.**

Republicans would have preferred to consider this section through regular order to ensure that there are proper reporting and data requirements on the impact of the policy given that it is only a two-year extension.

**Section 3107. Sunset of Limit on Maximum Rebate Amount for Single Source Drugs and Innovator Multiple Source Drugs.**

Including this provision in this partisan package is another disappointment. Republicans have supported this policy to pay for a permanent option for states to provide Medicaid coverage to women for 12 months after birth. That was the bipartisan approach taken in H.R. 4996, the Helping MOMS Act of 2020, which passed the House unanimously in the 116th Congress. But including this spending offset to fund unnecessary spending unrelated to the COVID-19 fight will only make it harder to enact permanent needed support for new mothers who rely on Medicaid.

**Section 3108. Additional Support for Medicaid Home and Community Based Services During the COVID-19 Emergency Period.**

This is another provision that could have been done through regular order, but instead, Democrats chose partisanship. Republicans support a temporary FMAP increase of 7.35 percentage points for states to make improvements to Medicaid home- and community-based services (HCBS) for one year. However, the Democrats would impose a litany of required uses of the funds, which are overly burdensome at a time when states Medicaid programs need flexibility to target efficiently their response to COVID-19. Republicans recommend providing states more flexibility on how to use those funds.

**Section 3109. Funding for State Strike Teams for Resident and Employee Safety in Nursing Facilities.**

Nursing homes have been devastated by COVID-19, and the pandemic has brought attention to the need for improved infectious disease control at nursing homes. The Trump Administration deployed “strike teams” to nursing homes starting in July, 2020,<sup>20</sup> and Republicans support providing funding to continue this important initiative. However, Republicans prefer that this funding be provided through emergency supplemental appropriations

<sup>19</sup> <https://www.kff.org/medicaid/issue-brief/status-of-state-medicaid-expansion-decisions-interactive-map/>.

<sup>20</sup> <https://www.cms.gov/newsroom/press-releases/trump-administration-announces-new-resources-protect-nursing-home-residents-against-covid-19>.

through regular order to ensure we have proper reporting and data on the impact of the policy and its effectiveness.

**Subtitle C: Budget Reconciliation Legislative Recommendations Relating to CHIP**

**Section 3201. Mandatory Coverage of COVID-19 Vaccines and Administration and Treatment Under CHIP.**

Republicans want every American to have access to the COVID-19 vaccine. We support fully covering the cost to vaccinate CHIP beneficiaries for the length of the public health emergency. However, the Democrats' partisan decision to extend that timeframe for a year is not based on any data or technical assistance. Since the public health emergency will continue through 2021, a better way would have been to see how the states are doing at the end of the year and adjust if needed.

**Section 3202. Modifications to Certain Coverage Under CHIP for Pregnant and Postpartum Women.**

It is disappointing the Democrats chose to include a bipartisan priority in the partisan package. As noted earlier, H.R. 4996, the Helping MOMS Act of 2020, passed the House unanimously last year and is the same policy as section 3102.

**Subtitle D: Budget Reconciliation Legislative Recommendations Relating to Other Provisions**

**Chapter 1**

Chapter 1 of Subtitle D is another disappointment and lost opportunity. Our concerns with this chapter can be divided into two distinct categories: big-picture concerns and specific policy choices reflected in the reported text, as well as those rejected by the votes of the Democrats

Generally, the three sections in this Chapter are not consistent with the Democrats' claims about what this bill does. Rather than providing the immediate aid the Democrats insisted was essential for all Americans struggling with or vulnerable to COVID-19, the provisions instead appear to craft long-term policies that deserved closer, deliberate attention.

To illustrate this overarching point, the authorized funding appropriated in sections 3301 and 3303 is not time limited – it is supposed to “remain available until expended” – and section 3302 makes its funding available until September 30, 2022 – a time frame exceeding current predictions on the length of the pandemic in the United States. Moreover, none of the sections reference the public health emergency related to COVID-19 that was issued by the Department of Health and Human Services (HHS) and only section 3301 attempts to create a COVID-19

nexus.

We believe the aid in this chapter would have been more efficiently and effectively provided had the explicit statutory focus only been on directing actions necessary for the nation's COVID-19 response. Frustratingly, the Democrats were not interested in a bipartisan response of targeted relief that was time-limited and tied directly to COVID-19.

Unfortunately, Chapter 1, particularly section 3301 and 3303, also was not considered through regular order in the Committee. Regular order would have allowed careful review of the scope and timing of these provisions. For example, it would have provided opportunity to adjust the focus of Section 3301 to include increasing employment and economic opportunity, in addition to technical assistance concerning air quality. Providing more scrutiny and opportunity for improvement of the legislative language would have ensured resources are directed to the most urgent economic impacts of the pandemic.

Beyond these overarching concerns, each of the three sections in this chapter contained specific provisions that gave us pause.

For section 3301, the lack of meaningful Congressional input is concerning – we should have had more of a process to obtain assurances as to what this language intends and, considering that these provisions could be in force for a few years, understand what this language might practically mean. These insights also are critical to conducting Congressional oversight on the provisions, should they become enacted.

Another area of concern for us in section 3301 is its omission of health disparities of certain workers related to COVID-19. Unemployment is well established as a risk factor for elevated illness and mortality rates in epidemiological studies performed since the early 1980s. In fact, the National Center for Health Statistics concluded that “children in poor families were four times as likely to be in fair or poor health as children in families that are not poor.” Most significantly, as it relates to COVID-19 and the emergence of new more contagious variants, Yale researcher Dr. William Gallo has stated in the past that late-career job loss results include “substantial health consequences” and are a “potential risk factor for adverse vascular health changes” -- the most troubling comorbidities threatening the survival of any person exposed to the coronavirus.

The people made jobless via the White House executive orders in the first month of the Biden Administration have been disregarded in these provisions. Our Democratic colleagues not only rejected efforts to help these economically disadvantaged people, but their views were punctuated by suggestions that welfare programs and green jobs for half the wages of their recent employment should be an adequate replacement for these people.<sup>21</sup>

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<sup>21</sup>“The average salary of oil and natural gas workers is approximately \$112,000, more than double the national private-sector average of \$51,000. But oil and gas workers don't just make double that of the national average. They make double that of wind and solar workers.

Moving to section 3302, it provides \$4.5 billion through the end of fiscal year 2022 for the Low-Income Home Energy Assistance Program (LIHEAP). This amount exceeds the entire amount enacted for LIHEAP in fiscal year 2021 just eight weeks ago (\$3.75 billion).<sup>22</sup> In addition, this funding is to be disbursed without regard to existing financial reasonableness requirements placed on states for how much LIHEAP funding can be allotted at any one time. As mentioned earlier, while we do not oppose addressing LIHEAP at this time, this scale of spending should have been directly connected to COVID-19, and adjusted to ensure it will do what it is supposed to do, minimizing waste and abuse.

Section 3303 provides \$500 million – for as long as it takes to spend it all – to a new program to pay the water and wastewater bills of low-income people. This \$500 million amount is in addition to the \$638 million provided for a nearly identical purpose in the Consolidated Appropriations Act, 2021.<sup>23</sup> Taken together, this eight-week total comes to \$1.138 billion for this new program – \$12 million more than the Federal government provided in capitalization grants in fiscal year 2021 for all public water system infrastructure under the Drinking Water State Revolving Loan Fund.

Of note, the biggest difference between the language in section 3303 and that from the Consolidated Appropriations Act, 2021 is that section 3303 omits provisions encouraging HHS to use its existing processes and procedures under LIHEAP to distribute this money to utilities efficiently. This is an important omission. There was no Committee of review whether this omission will create problems. For, example, because the language in the Consolidated Appropriations Act, 2021 is only valid for that fiscal year and section 3303 is drafted to outlast it, when section 3303 still has funding on October 1, 2021, HHS would be free to use whatever process it wants to distribute the money, even if it is untested or inefficient. This seems like a recipe for potential waste and abuse; and only further reinforces why a targeted and temporary program is the preferred way to handle this matter.

While President Biden and the Democrats should be focused on defeating COVID-19 and rebuilding our economy, they are waging a war on fossil energy jobs that is resulting in significant and negative disparate impacts in rural and low-income communities. Immediately upon taking office, President Biden revoked the permit for the Keystone XL pipeline and imposed a moratorium on oil and gas drilling on Federal lands and offshore waters. These

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According to data from the U.S. Department of Labor's Bureau of Labor Statistics, in 2019 a worker installing solar panels made an average of a little more than \$21 an hour. Workers in oil and gas extraction made more than twice as much, at an average of over \$42 an hour."

<https://thefederalist.com/2021/01/27/bidens-green-energy-jobs-really-mean-no-energy-jobs-and-low-paying-energy-jobs/>

<sup>22</sup> House Energy and Commerce Committee Republican Leader Cathy McMorris Rodgers sent a letter to the Office of Management and Budget on February 4, 2021, requesting an accounting of what funds have been expended already in connection with the \$3.75 billion in LIHEAP funding from the Consolidated Appropriations Act, 2021. OMB has provided no response to that letter to date.

<sup>23</sup> House Energy and Commerce Committee Republican Leader Cathy McMorris Rodgers sent a letter to the Office of Management and Budget on February 4, 2021, requesting an accounting of what funds have been expended already in connection with the \$638 million from the Consolidated Appropriations Act, 2021. OMB has provided no response to that letter to date.

decisions will eliminate tens of thousands of jobs and deprive states of billions of dollars of tax revenue to help pay for schools, hospitals, and government services.

Republicans offered several amendments to protect jobs, stimulate economic growth, and provide mental health services for unemployed energy workers – particularly critical during the global pandemic and economic downturn -- Democrats rejected them all.

In connection with Subtitle A, Rep. Mullin offered an amendment to increase funds for community mental health block grants to strengthen mental health services in states that have had unexpected jobs losses due to President Biden's Executive Orders. This Administration's policies, such as implementing moratoria on oil and gas development and production, will put tens of thousands of people in the energy sector out of work and deprive states of billions of dollars in tax revenues. This amendment would have required the HHS Secretary to obligate 5 percent of the amounts under the mental health block grants to states suffering unemployment from the Biden Administration's recent energy and climate executive orders. Every Democrat rejected the Mullin amendment.

Rep. Armstrong offered an amendment to resume construction of the Keystone XL pipeline and immediately put thousands of people back to work. This \$1.7 billion investment would have created over 10,000 American union jobs and contributed billions to U.S. workers through direct jobs in construction and indirect jobs in hotels, restaurants, and thousands of businesses across the country that were lined up to provide their services to help build the project. This construction program was already underway when the Biden Administration revoked their permit and eliminated thousands of jobs and over \$3 billion in contracts that would have gone to U.S. contractors and suppliers. Again, every Democrat rejected the Armstrong amendment to authorize construction of the Keystone XL pipeline.

Rep. Duncan offered an amendment to prevent President Biden from following through on his campaign promise to ban hydraulic fracturing — perhaps the most direct threat to our economic security and national security. If the Biden Administration were to ban hydraulic fracturing, this would eliminate millions of jobs across our American energy industry and our economy. States and local governments, schools, hospitals, and community centers would be cut off from billions of dollars in funding that currently comes from the oil and gas industry. According to a recent study,<sup>24</sup> placing a moratorium on hydraulic fracturing would mean a \$900 billion increase in U.S. household energy costs, \$7.1 trillion in potential losses to the U.S. economy through 2030, and over 7 million fewer U.S. jobs by 2022. Additionally, such a moratorium would force the U.S. to import 40 percent of our oil and petroleum products and 29 percent of our natural gas by 2030. Again, every Democrat rejected the Duncan amendment.

We understand the importance of this package and wanted to support it, but defects such as those outlined above and the unwillingness of the Democrats to accept any of our ideas to

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<sup>24</sup> *America's Progress at Risk: An Economic Analysis of a Ban on Fracking and Federal Leasing for Natural Gas and Oil Development*, American Petroleum Institute, <https://www.api.org/-/media/Files/Oil-and-Natural-Gas/Hydraulic-Fracturing/2020/fracking-ban-study-americas-progress-at-risk.pdf?la=en&hash=13423D13150A5594442D84D507F6EAB04A231246>.

protect workers and focus the delivery of funding on those most in need leaves us no choice but to oppose it.

## **Chapter 2**

### **Section 3311. Funding for Consumer Protection Safety Fund to protect consumers from potentially dangerous products related to COVID-19.**

We are disappointed that the Democrats continued its partisan approach in drafting section 3311, which is similar to the provisions of H.R. 8134, the Consumer Product Safety Inspection Enhancement Act, a bill to authorize additional resources for the Consumer Product Safety Commission (CPSC). During the 116th Congress, the Committee on Energy and Commerce passed H.R. 8134 by a voice vote on September 24, 2020, and the bill passed the full House of Representatives by a voice vote on September 29, 2020. Because of the Committee's bipartisan efforts, an authorization for additional port inspection personnel for the CPSC was included in division F, title XX, of H.R. 133, the Consolidated Appropriations Act of 2021, enacted on December 27, 2020.

The Democrats ignored the bipartisan consensus recognizing the threat posed by the People's Republic of China (PRC) and instead, allocated \$50 million that are desperately needed for the CPSC's port inspection responsibilities to a Commission slush fund to be used however the CPSC chooses and without regard for our bipartisan agreement.

We support enhancing our ports security and providing the necessary resources to do so. In 2020, the House Republican China Task Force issued a report outlining many of the Chinese Communist Party's (CCP) subversive acts against our country. The PRC is a threat to our way of life. Resources are needed to enhance targeting, surveillance, and screening of consumer products originating from China. But section 3311 includes new definitions like "COVID-19 products," which have not been vetted and may reach beyond the CPSC's authority.

Section 3311 also includes new provisions that were not included in the 2020 bipartisan agreement and that the Democrats never discussed with us. In particular, we are concerned that authorizing the CPSC to undertake "enhanced monitoring of Internet websites" will distract the Commission from its port inspection duties.

The CPSC does not need more full-time personnel surfing the Internet. The Commission needs more personnel on the ground at ports, protecting us from dangerous products from the CCP. These resources should be targeted on counterfeit and illicit products originating in the PRC. In a January 24, 2020, report entitled "Combating Trafficking in Counterfeit and Pirated Goods," the Department of Homeland Security (DHS) estimated that 100,000 packages that

could harm or defraud our constituents arrive in America every day from China and more than 85 percent of all contraband seized at our borders comes from China and Hong Kong.

There is another DHS report, “Operation Stolen Promise,” which found that more than 50 percent of the nations’ counterfeit COVID-19 products originate from China and Hong Kong. And a recent article from Reuters found that Chinese internment camps in the Xinjiang region force Uighur Muslims into labor camps and often shave the heads of women to use their hair in products shipped to the U.S. We wrote to the CPSC about these Uighur women recently, and the CPSC has acknowledged that it has not tracked this matter.

This section is a disappointment and a missed opportunity to continue our bipartisan work to keep Americans safe from dangerous products from China.

**Section 3312. Funding for E-Rate Support for Emergency Educational Connections and Devices.**

This section wastes \$7.6 billion dollars in taxpayer funding for purposes that Congress has already funded. It provides funding for schools and libraries to buy and distribute Wi-Fi hotspots, modems, routers, and other devices for students to use for off-premise schoolwork. This funding is duplicative of a cumulative \$110 billion that Congress appropriated in 2020 to the Department of Education to respond to the coronavirus pandemic, and much of that money remains unspent. It is irresponsible for Congress to appropriate more money for this purpose before the existing money is spent and Congress can determine where, if any, there are remaining gaps.

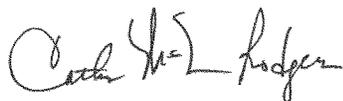
Besides the fact that Congress already appropriated money in the early days of the pandemic for remote learning purposes, this program is also inconsistent with the President’s goal to reopen schools because it encourages the continuation of remote learning. Similarly, it conflicts with the Administration’s Centers for Disease Control and Prevention guidance, which states that it is safe for schools to reopen and that they should do so as quickly as possible.

In addition, and contrary to claims from the Democrats, section 3312 does nothing to support the Federal Communications Commission’s (FCC) E-Rate program. Rather, it creates a new program with no rules, no requirements, and no oversight to track the devices once they are given to students, or to verify eligibility and ensure that there is no double dipping at schools and libraries. The statute also does not clearly state whether or not this funding is available only for the duration of the COVID-19 pandemic, or until 2030, which is well beyond the scope of the pandemic. This program is simply a vehicle for the Democrats to implement its longstanding partisan policies endorsed by the teachers’ unions rather than helping Americans.

During the Committee markup of this provision, Rep. Latta and Rep. Walberg offered amendments that would provide long-term solutions to close the digital divide and incentivize schools to re-open for in-person learning. To provide a permanent solution to close the digital divide, Rep. Latta offered an amendment to redirect this funding to rural broadband deployment in unserved areas. Rep. Walberg offered an amendment to put this money directly into the existing E-Rate program at the FCC, which funds connections and certain technologies in

schools and libraries where it is not economically feasible for carriers to otherwise serve. Eligibility would have been contingent on schools and libraries being open 5 days per week. The word “open” was not defined, which would ensure that schools and libraries had the flexibility to follow appropriate CDC guidance to reopen safely. Both proposals were unanimously opposed by the Democrats.

Section 3312 is another bad public policy and missed opportunity. The only way to close the so-called “homework gap” is to invest in permanent broadband infrastructure that closes the digital divide between urban and rural America once and for all. In order to recover from this pandemic and ensure our students are not left behind, we need to focus on policies that reopen schools and the economy as quickly as possible. We are disappointed the Democrats rejected bipartisanship and again embraced a partisan process that will waste billions of dollars on temporary, unreliable options such as hotspots, with no oversight and no accountability.



Cathy McMorris Rodgers  
Ranking Member



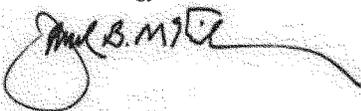
Fred Upton  
Ranking Member  
Subcommittee on Energy



Robert E. Latta  
Ranking Member  
Subcommittee on Communications  
and Technology



Brett Guthrie  
Ranking Member  
Subcommittee on Health



David B. McKinley  
Ranking Member  
Subcommittee on Environment  
and Climate Change



Gus M. Bilirakis  
Ranking Member  
Subcommittee on Consumer Protection  
and Commerce



February 2021

**Fact Sheet on House's Reconciliation Package & the  
Biden Administration's COVID-19 American Rescue Plan  
COMMITTEE ON ENERGY & COMMERCE**

The Fiscal Year 2021 Reconciliation Act puts into action the policies and budgetary requests outlined by the Biden Administration's American Rescue Plan.

**VACCINES:**

The American Rescue Plan calls for the establishment of a national vaccination program, and this legislation provides critical funding and resources to increase COVID-19 vaccinations across the country.

- Many states have struggled to distribute vaccines after the Trump Administration chose to defer almost entirely to the states to distribute and administer all vaccines.
- The American Rescue Plan requests **\$20 billion** for improving COVID-19 vaccine administration and distribution, including vaccination clinics and mobile vaccination units, a vaccine awareness campaign, and increasing the Federal Medical Assistance Percentage (FMAP) to Medicaid-covered recipients of a vaccine. It also requests over **\$5 billion** for research, development, and manufacturing of vaccines, therapeutics, and ancillary supplies.
- **Specifically, the Fiscal Year 2021 Reconciliation Act provides:**
  - **\$7.5 billion** for Centers for Disease Control and Prevention (CDC) to prepare, promote, distribute, administer, monitor, and track COVID-19 vaccines. This includes distribution and administration, support for state, local, tribal, and territorial public health departments, community vaccination centers, IT enhancements, facility enhancements, and public communication;
  - **\$600 million** to be directed to the Indian Health Service (IHS) for vaccine-related activities;
  - **\$5.2 billion** to the Biomedical Advanced Research and Development Authority (BARDA) to support advanced research, development, manufacturing, production, and purchase of vaccines, therapeutics, and ancillary medical products for COVID-19;
  - **\$1 billion** for the CDC to undertake a vaccine awareness and engagement campaign;
  - **\$500 million** for the Food and Drug Administration (FDA) to support the review, facilitate the development of, and post-marketing surveillance of COVID-19 vaccines and therapeutics and address drug shortages, among other activities; and
  - Medicaid coverage of COVID-19 vaccines, including the option for states to provide coverage to the uninsured, without cost sharing at 100 percent FMAP for the duration of the public health emergency.

**TESTING:**

The American Rescue Plan proposes scaling up testing in order to stop the spread of COVID-19, safely reopen schools, and protect at-risk populations. A robust testing program remains a critical tool in the

**fight against this virus in conjunction with vaccinations. This legislation provides the funding and resources to do just that.**

- Despite innovations and adaptations in the testing space, COVID-19 tests are still not widely accessible, and supplies continue to be in shortage.
- According to a Government Accountability Office (GAO) [report from November 2020](#), a national survey to states and territories found that 21 states reported shortages of testing reagents, 16 states reported shortages of testing instruments, and 24 states reported shortages of rapid point-of-care tests in the 30 days prior to the report's release, and those same states predicted shortages would continue through the winter months.
- The American Rescue Plan requests **\$50 billion** for testing related resources and activities, including procurement and administration of regular screening tests, and investments in United States laboratory capacity for diagnostic and screening tests.
- **The Fiscal Year 2021 Reconciliation Act provides:**
  - **\$46 billion** for testing, contact tracing, and mitigation. These activities include: implementing a national strategy for testing, contact tracing, surveillance, and mitigation; providing technical assistance, guidance, support, and grants or contracts to States; manufacturing, procurement, distribution, administration of tests, including personal protective equipment (PPE) and supplies necessary for administration; and establishing and expanding federal, State, or local testing and contact tracing capabilities, including investments in laboratory capacity, community-based testing sites, and mobile testing units;
  - **\$1.5 billion** for IHS testing, tracing, and mitigation needs;
  - **\$1.75 billion** for genomic sequencing and surveillance of the circulating strains of COVID-19. There are currently [multiple strains of COVID-19 circling the globe](#), some of which have recently emerged in the United States; and
  - **\$500 million** to allow CDC to establish, expand, and maintain data surveillance and analytics, including to modernize the United States' disease warning system to forecast and track hotspots for COVID-19.

**PUBLIC HEALTH WORKFORCE:**

**The American Rescue Plan calls for the mobilization of a public health jobs program to support the COVID-19 response.**

- **The Fiscal Year 2021 Reconciliation Act provides:**
  - **\$7.6 billion** in funding to public health departments to hire 100,000 full time employees into the public health workforce. These positions would include contact tracers, social support specialists, community health workers, public health nurses, epidemiologists, lab personnel, and communications. Funds would also support PPE, technology, data management, supplies, and reporting;
  - **\$240 million** for IHS public health workforce needs; and

- **\$100 million** to support the Medical Reserve Corps, which consists of a network of volunteer medical and public health professionals that support emergency response efforts and community health activities.

**HEALTH DISPARITIES:**

**The American Rescue Plan includes funding to provide health services to the underserved and addressing ongoing health disparities.**

- COVID-19 has laid bare the harsh realities of health disparities in the United States. For instance, Black and Hispanic Americans are getting vaccinated at significantly lower rates than White Americans, a trend that advocates blame on the federal government's failure to prioritize equitable distribution. Communities of color are also experiencing higher rates of COVID-19 cases, and higher hospitalization and death rates as a result.
- **The Fiscal Year 2021 Reconciliation Act provides a total of \$25.2 billion** for addressing health disparities and protecting vulnerable populations, including:
  - **\$250 million** for nursing home strike teams to help facilities manage COVID-19 outbreaks when they occur;
  - **\$7.6 billion** in funding to support COVID-19 response at Community Health Centers;
  - **\$1.8 billion** to support the purchase, procurement, or distribution of COVID-19 test and testing supplies, PPE, and vaccines for staff and individuals in congregate settings. This would include support to states, localities, territories, and tribes for strategies and activities to detect, diagnose, trace or monitor COVID-19 in congregate settings, including prisons, jails, detention centers, long-term care facilities, psychiatric hospitals and residential treatment facilities, intermediate care facilities, and other settings providing care for individuals with disabilities;
  - **\$3.3 billion** to IHS in flexible funding to support lost third-party revenue, information technology infrastructure for telehealth and electronic health records, urban Indian organizations, and other health services and costs;
  - **\$800 million** to the National Health Service Corps to support primary health care clinicians in high-need areas;
  - **\$331 million** for Teaching Health Centers to expand the number of sites nationwide, increase resident allocations, and provide administrative support for expanding the program;
  - **\$240 million** to support the Nurse Corps Loan Repayment program, which helps support nurses working in critical shortage and underserved areas;
  - A Medicaid state option to allow states to cover postpartum women for 12 months after birth, to help address the maternal mortality crisis disproportionately affecting women of color; and
  - Medicaid coverage for incarcerated individuals 30 days prior to their release, to ensure continuity of care for justice-connected individuals.

**MENTAL HEALTH:**

**The American Rescue Plan proposes scaling up mental health services, including to expand access to behavioral and mental health prevention and treatment.**

- **The Fiscal Year 2021 Reconciliation Act provides a total of \$4 billion** for behavioral and mental health services, including:
  - **\$3.5 billion** for the Substance Abuse and Mental Health Services Agency (SAMHSA) to be split between the Substance Abuse Prevention and Treatment and Community Mental Health block grant programs. Both programs provide funding to all 50 States, the District of Columbia, Puerto Rico, the United States Virgin Islands, and six Pacific jurisdictions. The Substance Abuse block grant program also supports one tribal entity, the Chippewa Tribe;
  - **\$420 million** will be made available to IHS for mental and behavioral health prevention and treatment services;
  - **\$100 million** to the Behavioral Health Workforce Education and Training Program within the Health Resources and Services Administration (HRSA) to expand access to behavioral health services by focusing on training behavioral health paraprofessionals, such as peer support specialists;
  - **\$140 million** to develop a program for mental and behavioral health and to prevent burnout among health care providers and public safety officers, including training and outreach;
  - **\$80 million** to provide support for mental health and substance use disorder services at community-based entities and behavioral health organizations;
  - **\$10 million** to support the National Childhood Traumatic Stress Network, which works to develop and promote effective community practices for children and adolescents exposed to a wide array of traumatic events; and
  - **\$50 million** to Suicide Prevention and Project Aware programs at SAMHSA, which support youth mental health services and suicide prevention efforts.

**HEALTH COVERAGE:**

**The American Rescue Plan commits to preserving and expanding access to health care coverage during the pandemic.**

- Between March and September of 2020, roughly 2 to 3 million people lost employer sponsored health insurance.
- Prior to that, 30 million people already lacked coverage, barring them from accessing the health care system from the outset of the pandemic.
- **The Fiscal Year 2021 Reconciliation Act provides a number of complementary provisions to make coverage more affordable and accessible to millions of Americans by:**
  - Expanding Affordable Care Act (ACA) Marketplace premium tax credits to more middle-class Americans for 2021 and 2022, including those with incomes above 400 percent of the federal poverty line (FPL).
  - Allowing individuals receiving unemployment compensation during the public health emergency to access ACA premium tax credits regardless of income.

- Providing a new incentive for states to expand Medicaid by temporarily increasing the federal medical assistance percentage by five percentage points. If all 12 remaining states expanded Medicaid, more than two million people currently in the coverage gap would gain access to Medicaid.
- Ensuring that workers can continue to afford their employer health care by providing partial COBRA subsidies. COBRA allows workers who experience layoffs or reduction in hours to continue with their job-based health coverage for a limited period of time to avoid a disruption in care.

**CONSUMER ENERGY AND WATER ASSISTANCE:**

**The American Rescue Plan helps Americans who are struggling to make ends meet keep the lights on, the heat working and the water running by proposing \$5 billion in assistance.**

- Energy access is crucial to residential health and to sustaining socially-distanced and remote work lifestyles.
- Unpaid electric and natural gas bills were expected to reach \$32 billion by the end of 2020, with an estimated 20 percent of residential customers at least 60 days behind on their bills. A projected five million additional households are eligible for energy assistance due to pandemic-related job losses.
- Households in California and Virginia, two states that are tracking water debt, are facing more than \$1 billion and more than \$88 million, respectively, in unpaid water bills. These debts threaten the long-term viability of municipal water utilities and raise the risk of interruptions in water service, which is essential to maintain hygiene during the Covid-19 pandemic.
- **The Fiscal Year 2021 Reconciliation Act provides \$5 billion to those most in need to pay their utility bills at a time when so many Americans are spending unprecedented amounts of time at home, including:**
  - **\$4.5 billion** to the Department of Health and Human Services (HHS) for home energy assistance through the Low-Income Home Energy Assistance Program (LIHEAP); and
  - **\$500 million** in additional funds for HHS for the Low-Income Household Drinking Water and Wastewater Emergency Assistance Program established by Congress at the end of 2020. This brings the total amount of money available to assist families with their water and sewer bills to over \$1.1 billion.

**POLLUTION AND THE PANDEMIC:**

**The Fiscal Year 2021 Reconciliation Act helps address health outcome disparities from pollution and the COVID-19 Pandemic.**

- Recent work by GAO found that our national air monitoring network infrastructure is aging and needs to be modernized to identify localized pollution that threatens environmental justice communities.
- **The Fiscal Year 2021 Reconciliation Act provides the Environmental Protection Agency (EPA) with \$100 million to address health outcome disparities from pollution and the COVID-19 pandemic:**
  - **\$50 million** to EPA for environmental justice grants and activities to help communities facing a disproportionate burden of pollution and disease; and

- \$50 million to EPA for air quality monitoring grants and other purposes.

**REMOTE LEARNING:**

**The American Rescue Plan will help bridge the digital divide for students and teachers without home internet access.**

- To keep communities safe and prevent further spread of COVID-19, schools need the flexibility to engage in remote learning when necessary for public health and safety.
- Studies estimate that as many as 12 million students still lack internet service at their homes, with minorities and those in rural areas most often among the unconnected. Without a reliable internet connection to log into classes, submit work, and engage with teachers and other students, these students have fallen even further behind in school.
- **The Fiscal Year 2021 Reconciliation Act provides \$7.6 billion to expand internet connectivity to students and communities by:**
  - Reimbursing schools and libraries—central points for connectivity in many communities—to purchase equipment such as hotspots, internet service, and computers on behalf of students and patrons; and
  - Ensuring schools and libraries can quickly access this critical funding by relying upon the Federal Communications Commission and its E-rate program to administer the funds.

**CONSUMER PROTECTION:**

**The Fiscal Year 2021 Reconciliation Act will make Americans safer in their homes by reducing the number of unsafe imported consumer products.**

- More than \$174 billion spent by consumers online can be attributed to COVID-19-related boosts in online shopping with online spending jumping 44 percent in 2020 compared with 2019.
- The Consumer Product Safety Commission (CPSC) has not been able to keep pace with changing consumer trends brought on by the pandemic, including the substantial shift to online shopping and the influx of e-commerce shipments from foreign countries. The CPSC does not have enough funding to adequately staff United States ports of entry, leaving already struggling families vulnerable to risk of injury or death from uninspected consumer products, especially in-demand COVID-19 products.
- **The Fiscal Year 2021 Reconciliation Act provides \$50 million for the CPSC to ensure the safety of consumer products entering our country and into people's homes — an essential priority during the COVID-19 pandemic.**

**Minority Views**

House Democrats are pursuing a partisan path to deliver on President Biden’s campaign promises. This bill is not targeted relief for Americans most affected by the ongoing pandemic and is not based in fact.

**The Facts**

Congress has come together in a bipartisan way on five separate occasions to deliver more than \$3.5 trillion in support to those most affected by COVID. Congress’ actions undoubtedly staved off the worst of this economic crisis borne of a public health crisis.

The economy is recovering. Consider this: the unemployment rate is better now than it was in the first five and a half years of the Obama Administration. Compare the more than \$3.5 trillion already allocated over the past 11 months with the approximately \$800 billion spent in response to the 2008 financial crisis, which was the worst economic crisis of our lifetimes.

What Americans need now is for us to safely reopen our economy. No amount of stimulus can replace open businesses, available jobs, and kids in the classrooms.

Despite Democrats’ claims, it is possible to do too much. In fact, there is bipartisan agreement that this additional \$1.9 trillion package could hurt the recovery effort and our nation’s long-term stability. More than \$1 trillion from the previous packages remains unobligated. Consumer savings rates are hovering around 13 percent. And, forecasters expect the economy to grow at an annualized rate of 3.5 percent. Many experts, including the former Treasury Secretary under President Clinton, fear the Biden stimulus plan will “ignite inflation.”

**Democrats’ Plan is Not Targeted**

Congress should be considering relief that is temporary, targeted, and tied to COVID.

We know there are workers and families who are still hurting, and we want to provide them with support, but this package goes far beyond that scope. In fact, some of the funding in this package is available through 2030 rather than helping those in need now.

Again, Congress has come together on five separate occasions to provide more than \$3.5 trillion in relief, most recently just over 6 weeks ago—there is still money going out the door and programs being stood up. This is double what was done under the Obama Administration to respond to the financial crisis, the worst financial crisis in our lifetimes. Any additional relief at this point should be focused on distributing vaccines so Americans can get back to work safely and targeted toward immediate needs, including targeted relief for the most devastated industries, and safely opening schools.

**Democrats’ Plan is Partisan**

The “Biden Plan” is the fulfillment of a campaign promise, not a serious policy proposal. Democrats have decided to go it alone—ironically forgetting President Biden’s other campaign promise to unite Republicans and Democrats—accepting only one of Republicans numerous commonsense amendments offered at the Financial Services committee markup.

Republicans presented our clear alternative to Democrats' partisan proposal by offering amendments to:

- Ensure relief is targeted, temporary, and tied to COVID-19, including establishing income limits on housing assistance to ensure those individuals and families directly impacted by COVID received assistance.
- Target relief toward struggling rural communities.
- Communicate Republican COVID relief priorities, including getting money faster to small businesses.

Ultimately, the Financial Services portion of the \$1.9 trillion package codifies numerous partisan priorities, including duplicative housing assistance to funnel money toward non-COVID purposes and restarts the ineffective and outdated Obama-era State Small Business Credit Initiative (SSBCI). In fact, the SSBCI puts the government back in control of providing payments to small businesses rather than using existing partnerships with the private sector such as the successful Paycheck Protection Program.

Republicans stand willing to work with Democrats to provide targeted relief to those most in need, but this bill does not accomplish this.

Robert T. Anthony

Irish D. Case

Bill Poy

Bill Poy

Bill Hinz

Bill Hinz

Gene Wagner

Andy Bass

Robert Keenan

French Hill

Tom Furman

L.H.

Franklin

Alan X. Moore

Walter D. Dink

Teal Bull

David Kurstoff

By the way

Amelia

John W. Rose

By Star

Lance Hooden

William R. Timmons D

Vern Taylor

Rep. McHenry

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Rep. Lucas

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Rep. Posey

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Rep. Luetkemeyer

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Rep. Huizenga

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Rep. Stivers

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Rep. Wagner

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Rep. Barr

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Rep. Williams

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Rep. Hill

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Rep. Emmer

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Rep. Zeldin

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Rep. Loudermilk

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Rep. Mooney

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Rep. Davidson

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Rep. Budd

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Rep. Kustoff

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Rep. Hollingsworth

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Rep. Gonzalez (OH)

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Rep. Rose (TN)

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Rep. Steil

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Rep. Gooden

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Rep. Timmons

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Rep. Taylor

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MAXINE WATERS, CA  
CHAIRWOMAN

United States House of Representatives  
Committee on Financial Services

PATRICK MCHENRY, NC  
RANKING MEMBER

2129 Rayburn House Office Building  
Washington, D.C. 20515

February 16, 2021

The Honorable John Yarmuth  
Chairman  
Committee on the Budget  
204-E Cannon House Office Building  
Washington, DC 20515

Dear Chairman Yarmuth:

Pursuant to section 2001 of S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, I hereby transmit these recommendations which have been approved by vote of the Committee on Financial Services, and the appropriate accompanying material including additional, supplemental or dissenting views, to the House Committee on the Budget. This submission is in order to comply with reconciliation directives included in S. Con. Res. 5, and is consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974.

Sincerely,



Maxine Waters  
Chairwoman

Cc Honorable Patrick McHenry, Ranking Member

SUMMARY OF MAJOR POLICY DECISIONS IN COMMITTEE'S RECOMMENDATIONS IN THE COMMITTEE PRINT (PROVIDING FOR RECONCILIATION PURSUANT TO S. CON. RES. 5, THE CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2021)

As of February 12, 2021, the coronavirus disease 2019 (COVID-19) pandemic has caused more than 107 million infections and over 2.3 million deaths worldwide, with more than 27 million infections and 468,000 deaths in the United States alone.<sup>1</sup> The daily mortality rates for COVID-19 since mid-November 2020 make it the leading cause of death in the United States.<sup>2</sup> The COVID-19 pandemic has disproportionately affected low-income communities and people of color. For example, in substantially non-white counties that have a high rate of poverty, residents have a nine times greater chance of death from COVID-19 than in mostly white, similar-income counties.<sup>3</sup> COVID-19 has also taken a substantial economic toll. The national unemployment rate peaked at 14.7% in April 2020 when 20.5 million people in the United States lost their jobs.<sup>4</sup> The latest U.S. jobs report indicated manufacturers, retailers and transportation companies all showed job losses in January, 2021, indicating continued weakness in the employment markets.<sup>5</sup> Real gross domestic product (GDP) for the third quarter of 2020 is 3.4% below the level of real GDP for the fourth quarter of 2019, the most recent quarter before the onset of the pandemic.<sup>6</sup>

The Committee's recommendations in the Committee Print address four key areas of need that have emerged out of the COVID-19 Pandemic:

- Boosting production of key medical supplies and equipment through use of the Defense Production Act.
- Assistance to struggling Americans to address renters, homeowners, and the homeless in both urban and rural areas, including providing housing counseling and other critical services that will increase their resiliency during the Pandemic.
- Reauthorization of the State Small Business Credit Initiative.
- Support for struggling workers in the air transportation system.

<sup>1</sup> *WHO Coronavirus Disease (COVID-19) Dashboard*, World Health Organization (Last Accessed Feb. 12, 2021).

<sup>2</sup> Daily mortality rates for heart disease and cancer, which for decades have been the two leading causes of death, are approximately 1,700 and 1,600 deaths per day, respectively. Woolf, et al, *COVID-19 as the Leading Cause of Death in the United States*, *Journal of American Medical Association* (Dec. 17, 2020).

<sup>3</sup> Adhikari et al., *Assessment of Community-Level Disparities in Coronavirus Disease 2019 (COVID-19) Infections and Deaths in Large US Metropolitan Areas* (July 28, 2020).

<sup>4</sup> *Unemployment rate jumps to 14.7 percent, the worst since the Great Depression*, *Washington Post* (May 8, 2020).

<sup>5</sup> *Anemic Jobs Report Reaffirms Pandemic's Grip on the Economy*, *New York Times*, (February 5, 2021).

<sup>6</sup> *Gross Domestic Product (Third Estimate), Corporate Profits (Revised), and GDP by Industry, Third Quarter 2020: Technical Note*, U.S. Bureau of Economic Analysis (Dec. 22, 2020).

The Committee's recommendations are critical to ensuring that the United States successfully navigates the Pandemic. Providing \$10 billion to carry out the Defense Production Act of 1950 will enable the Department of Health and Human Services and other agencies designated by the President to boost the production of critically needed vaccines, personal protection equipment and testing, and ensure that funds are available to address the emerging threats of coronavirus variants. Providing \$40 billion in housing and homeless assistance will stabilize families impacted by the pandemic so they can remain safely in their homes and reduce community spread of the coronavirus, which studies have shown can be exacerbated by evictions. Providing \$10 billion through a reauthorized State Small Business Credit Initiative (SSBCI) program, administered by the U.S. Department of the Treasury, will support up to \$100 billion in small business financing through state, territorial, and tribal government programs. These small business support programs include capital access programs, loan guarantee programs, collateral support programs, loan participation programs, and venture capital programs. Providing \$15 billion for a third iteration of the Payroll Support Program (PSP3) will ensure roughly 680,000 air carrier workers, as well as additional workers of eligible air carrier contractors, will continue to receive a paycheck through at least September 30, 2021.

#### SECTION-BY-SECTION ANALYSIS

Subtitle A – Defense Production Act.

##### *Section 4101. COVID-19 Emergency Medical Supplies Enhancement.*

Subsection (a) provides that in addition to funds otherwise available, \$10,000,000,000 is appropriated in fiscal year 2021 to remain available until September 30, 2025, to carry out titles I, III, and VII of the Defense Production Act of 1950 (50 U.S.C. 4501 et seq.) in accordance with subsection (b).

Subsection (b) sets out the purposes for which the funds appropriated by subsection (a) may be used. Paragraph (1) provides that the funds may be used for the purchase, production or distribution of medical equipment and supplies related to combating the COVID-19 pandemic, including funding for all types of COVID-19 tests, personal protection equipment, including N95 masks, and vaccines and drugs for preventing or treating COVID-19 or its symptoms. Paragraph (1) also provides for using such funds for acquisition of material, equipment and technology needed for such purposes. Paragraph (2) provides that after September 30, 2022, funds appropriated by subsection (a) may be used to combat future pathogens that the President determines have the potential for creating a public health emergency.

Subsection (c) provides that the authority to expend the funds in subsection (a) for the uses described in subsection (b) shall be delegated to the Secretary of Health and Human Services unless the President determines that it is important to the U.S. response to delegate such authority to another agency.

Subsection (d) clarifies that the amounts appropriated by subsection (a) that are in the Defense Production Act Fund shall not be subject to the carry over limitations of section 304(e) of the Defense Production Act of 1950 (50 U.S. C. U.S.C. 4534(e)) until September 30, 2025.

Subtitle B—Housing Provisions

*Sec. 4201. Emergency Rental Assistance.*

Subsection (a) provides that in addition to amounts otherwise made available, \$19,050,000,000 is appropriated to the Secretary of Department of Treasury (Treasury) for fiscal year 2021 to remain available until September 30, 2027 to make payments to eligible grantees under this section. \$305,000,000 is reserved for U.S. territories. \$30,000,000 is reserved for Treasury to administer emergency rental assistance programs and provide technical assistance to recipients of any grants provided by Treasury to provide financial or other assistance to renters. \$3,000,000 is reserved for the Inspector General of the Treasury for administrative expenses relating to oversight of program funds.

Subsection (b) provides that program funds shall be allocated to eligible grantees in the same manner as funds were allocated in section 501 of Subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260) (Section 501), except that funds are not required to be allocated and paid within 30 days and that small states shall receive a minimum allocation of \$152,000,000 instead of \$200,000,000.

Subsection (c) provides that the Treasury Secretary shall pay all eligible grantees not less than 50 percent of their total allocation within 60 days of enactment of the Act. The Secretary shall make subsequent payments to eligible grantees, but only after a grantee has obligated not less than 75 percent of the funds the grantee has already received.

Subsection (d) provides that funds may only be used for (1) the provision of financial assistance, including rent, rental arrears, utilities and home energy costs, utilities and home energy costs arrears, and other housing expenses; (2) the provision housing stability services; (3) program administration; and (4) other affordable rental housing and eviction prevention activities that serve very low-income families. Eligible renters can receive up to 18 months of financial assistance. Under this subsection, grantees may only spend any unobligated funds on other affordable rental housing and eviction prevention activities after September 30, 2022 and only if the grantee has obligated not less than 75 percent of its total allocation on other activities permitted under section 4201. Grantees may spend up to 15 percent of their funds on program administration and up to 10 percent of their funds on supportive services. When providing assistance to eligible renter households, this subsection also provides that grantees must prioritize renter households with incomes that do not exceed 50 percent of AMI as well as renter households who are currently unemployed and have been unemployed for 90 days.

Subsection (e) provides that after September 30, 2022, the Secretary shall reallocate and pay funds to eligible grantees that have obligated 50 percent of the total amount of funds

allocated to such grantees. Under this subsection, reallocated funds may be used for any eligible use under paragraph (1) of subsection (d).

Subsection (g) provides that assistance provided to an eligible household shall not be regarded as income and shall not be regarded as a resource when determining the household's eligibility for other benefits or assistance provided by any Federal program or any State or local program financed in whole or in part with Federal funds.

Subsection (f) provides that subchapter I of chapter 35 of title 44, United States Code, shall not apply to the collection of information for reporting or research requirements specified in this section if necessary to expedite the efficient use of funds under this section.

Subsection (h) provides that each eligible grantee to submit to Treasury information to monitor and evaluate activities carried out by eligible grantees.

Subsection (i) defines certain terms under Section 4201.

Subsection (j) provides that funds are available to eligible grantees through September 30, 2025.

Subsection (k) provides an extension of availability for program funds under Public Law 116-260 until September 30, 2022.

*Sec. 4202. Emergency Housing Vouchers.*

Subsection (a) provides that in addition to amounts otherwise made available, \$5,000,000,000 is appropriated to the Secretary of the Department of Housing and Urban Development (HUD) for fiscal year 2021 to remain available until September 30, 2030 for (1) incremental emergency vouchers; (2) renewals of the incremental emergency vouchers; (3) fees for the costs for administering vouchers and other eligible expenses to prevent, prepare, and respond to coronavirus to facilitate the leasing of the emergency vouchers; and (4) adjustments in the calendar year 2021 section 8 renewal funding allocation, including mainstream vouchers, for public housing agencies that experience a significant increase in voucher per-unit costs due to extraordinary circumstances or that, despite taking reasonable cost savings measures, would otherwise be required to terminate rental assistance for families as a result of insufficient funding.

Subsection (b) provides that the HUD Secretary shall provide emergency Housing Choice Vouchers. Under this subsection, to qualify to receive a voucher, an individual or household must be either (1) homeless; (2) at risk of homelessness; (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or (4) recently homeless, as determined by the Secretary, and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability. Under this subsection, public housing agencies (PHAs) shall be notified of the number of emergency vouchers allocated to the agency no later than 60 days after the date of the enactment of this Act, in accordance with

a formula that includes PHA capacity and ensures geographic diversity, including with respect to rural areas, among PHAs administering the Housing Choice Voucher program. This subsection also provides that the Secretary shall establish a procedure for PHAs to accept or decline their allocation of emergency vouchers. If a PHA fails to lease its allocation of vouchers within a reasonable time, the Secretary may revoke and redistribute any unleased vouchers and associated funds, including administrative fees and costs, to other PHAs according to formula. Under this subsection, any provision of any statute or regulation used to administer amounts made available under this section (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), shall be waived upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of amounts made available in this section. After September 30, 2023, a PHA may not reissue to a new household any emergency voucher returned to the PHA.

Subsection (c) provides that the Secretary may use no more than \$20,000,000 of the amounts made available under subsection (a) to administer and oversee implementation of this section. Of this amount, the Secretary may use no more than \$10,000,000 for technical assistance for PHAs.

Subsection (d) provides that this section may be implemented by notice.

*Sec. 4203. Emergency Assistance for Rural Housing.*

This section provides that in addition to amounts otherwise made available, \$100,000,000 is appropriated for fiscal year 2021 to remain available until September 30, 2022 to provide rental assistance under USDA's 521 program or agreements entered into in lieu of debt forgiveness or payments for eligible households for temporary adjustment of income losses for residents of housing financed or assisted under section 514, 515, or 516 of the Housing Act of 1949 who have experienced income loss but are not currently receiving Federal rental assistance.

*Sec. 4204. Housing Assistance and Supportive Services Programs for Native Americans*

This section provides that in addition to amounts otherwise made available, \$750,000,000 is appropriated for fiscal year 2021 to remain available until September 30, 2025 to prevent, prepare for, and respond to coronavirus, for activities and assistance authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA), under title VIII of NAHASDA, and under section 106(a)(1) of the Housing and Community Development Act of 1974 with respect to Indian tribes.

Paragraph (1) provides that of the funds made available, \$450,000,000 shall be for the Native American Housing Block Grant program to be distributed according to the same funding formula used in fiscal year 2021 and that \$5,000,000 shall be used for the Native Hawaiian Block Grant program. Funds shall be used by recipients to prevent, prepare for, and respond to the coronavirus, including to maintain normal operations and fund eligible affordable housing activities under NAHASDA. This paragraph also provides that amounts shall be used to provide rental assistance to eligible Native Hawaiian families both on and off the Hawaiian Home Lands. Funds shall be used to reimburse allowable costs to prevent, prepare for, and respond to the

coronavirus that were incurred as of January 21, 2020. This paragraph also provides that any provision of any statute or regulation used to administer amounts made available under this section (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), shall be waived upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of amounts made available in this section. This paragraph also provides that amounts made available that are voluntarily returned or are recaptured shall be used to fund grants under paragraph (2).

Paragraph (2) provides that \$280,000,000 shall be available for the Indian Community Development Block Grant program. Funds shall be used, without competition, for emergencies that constitute imminent threats to health and safety and are designed to prevent, prepare for, and respond to coronavirus. This paragraph also provides that grantees may not use more than 20 percent of funds received on planning and management development and administration. Funds shall be used to reimburse allowable costs to prevent, prepare for, and respond to the coronavirus that were incurred as of January 21, 2020. For funds provided under this paragraph, there is no limitation on providing public service activities to prevent, prepare for, and respond to the coronavirus. This paragraph also provides that any provision of any statute or regulation used to administer amounts made available under this section (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), shall be waived upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of amounts made available in this section.

Paragraph (3) provides that \$10,000,000 shall be used to provide technical assistance for Indian tribes, Indian housing authorities, and tribally designated housing entities.

Paragraph (4) provides that \$5,000,000 shall be used for costs to oversee and administer the implementation of Section 4204 and pay for other associated costs.

#### *Sec. 4205 Housing Counseling*

Subsection (a) provides that in addition to amounts otherwise made available, \$100,000,000 is appropriated for fiscal year 2021 to remain available until September 30, 2025 for the Neighborhood Reinvestment Coalition (NeighborWorks) to make grants to housing counseling intermediaries approved by the Department of Housing and Urban Development, State housing finance agencies, and NeighborWorks organizations for providing housing counseling services, as authorized under the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101-8107) and consistent with the discretion set forth in section 606(a)(5) of such Act (42 U.S.C. 8105(a)(5)) to design and administer grant programs. This subsection also provides that, of the grant funds appropriated, not less than 40 percent shall be provided to counseling organizations meeting the requirements in paragraphs (1) and (2).

Paragraph (1) provides that, of the not less than 40 percent of funds appropriated by this subsection, funds shall be provided to counseling organizations that target housing counseling services to minority and low-income populations facing housing instability.

Paragraph (2) provides that, of the funds appropriated by this subsection, not less than 40 percent of funds appropriated, funds shall also provided for housing counseling services in neighborhoods having high concentrations of minority and low-income populations.

Subsection (b) provides that not more than 15 percent of the total grant funds appropriated under this section shall be provided to NeighborWorks organizations.

Subsection (c) provides that NeighborWorks may retain a portion of the appropriated amounts under this section , in a proportion consistent with its standard rate for program administration in order to cover its expenses related to program administration and oversight.

Subsection (d) defines the term “housing counseling services” in this section to mean (1) housing counseling provided directly to households facing housing instability, such as eviction, default, foreclosure, loss of income, or homelessness; (2) education, outreach, training, technology upgrades, and other program related support; and (3) operational oversight funding for grantees and subgrantees that receive funds under this section.

*Sec. 4206 Homeless Assistance and Supportive Services Program*

Subsection (a) provides that in addition to amounts otherwise made available, \$5,000,000,000 is appropriated for fiscal year 2021 to remain available until September 30, 2025, except that amounts authorized under subsection (d)(3) shall remain available until September 30, 2029 for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) for the following activities that primarily benefit qualifying individuals or families: (1) tenant-based rental assistance; (2) the development and support of affordable housing; (3) supportive services, including eligible supportive services activities under the Continuum of Care program, housing counseling, and homeless prevention services; and (4) the acquisition and development of non-congregate shelter units, all or a portion of which may be converted to permanent affordable housing, be used as emergency shelter, be converted to permanent supportive housing, or remain as non-congregate shelter units.

Subsection (b) provides that to qualify for assistance, an individual or household must be either (1) homeless; (2) at risk of homelessness; (3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; (4) in other populations where providing supportive services or assistance would prevent the family’s homelessness or would serve those with the greatest risk of housing instability; or (5) veterans and families that include a veteran family member that meet one of the preceding criteria.

Subsection (c) lifts certain funding restrictions to facilitate the use of funds under this section. This subsection provides that a grantee may use up to 15 percent of its allocation for administrative and planning costs. A grantee, when contracting with services providers engaged directly in the provision of services under paragraph (a)(3) shall, to the extent practicable, enter into contracts in amounts that cover the actual total program costs and administrative overhead to provide the services contracted.

Subsection (d) provides that funds for the program will be distributed through the HOME Investment Partnerships program formula within 30 days of enactment of the Act. This subsection provides that up to \$25,000,000 may be used to provide technical assistance to grantees. Up to \$50,000,000 may be used for administration and oversight of the program. Any provision of any statute or regulation used to administer amounts made available under this section (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), shall be waived upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of amounts made available in this section.

*Sec. 4207. Homeowner Assistance Fund*

Subsection (a) provides that in addition to amounts otherwise made available, \$9,961,000,000 is appropriated for fiscal year 2021 to remain available until September 30, 2025 for qualified expenses that meet the purposes specified under subsection (c) and expenses described in paragraph (1) of subsection (d).

Subsection (b) defines certain terms for section 4207.

Subsection (c) establishes a Homeowner Assistance Fund within the Department of the Treasury and enumerates the qualified expenses that such funds may be used for.

Paragraph (1) provides that the Homeowner Assistance Fund established under this subsection is intended to mitigate financial hardships associated with the coronavirus pandemic by providing such funds as are appropriated by subsection (a) to eligible entities, as defined under subsection (b). This paragraph also provides that an eligible entity that receives funds pursuant to this section is required to periodically submit to the Secretary a report that describes the activities carried out by the eligible entity using the funds provided under this section for qualified expenses related to mortgages and housing, which are defined and enumerated under this paragraph.

Paragraph (2) provides that not less than 60 percent of amounts made to each eligible entity allocated amounts under subsection (d) or (f) shall be used for qualified expenses that assist homeowners having incomes equal to or less than 100 percent of the area median income for their household size or equal to or less than 100 percent of the median income for the United States, as determined by the Secretary of Housing and Urban Development, whichever is greater. This paragraph also provides that the eligible entity shall prioritize remaining funds to populations or geographies experiencing the greatest need.

Subsection (d) provides for the allocation of appropriated funds.

Paragraph (1) provides that, of the amounts appropriated under this section, the Secretary shall reserve not more than \$40,000,000 to the Department of the Treasury to administer and oversee the Fund, and to provide technical assistance to eligible entities for the creation and implementation of State and tribal programs to administer assistance from the Fund, and

\$2,600,000 to the Inspector General of the Department of the Treasury for oversight of the program under this section.

Paragraph (2) provides that, after the application of paragraphs (1), (4), and (5), of this subsection and subject to paragraph (3) of this subsection, the Secretary shall establish a formula to allocate remaining funds within the Homeowner Assistance Fund to each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. The formula shall take into consideration, for such State relative to all States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, as of the date of the enactment of this Act, the average number of unemployed individuals measured over a period of time not fewer than 3 months and not more than 12 months, and the total number of mortgagors with mortgage payments that are more than 30 days past due, or mortgages in foreclosure.

Paragraph (3) provides that each state of the United States, the District of Columbia, and the Commonwealth of Puerto Rico shall receive no less than \$40,000,000 for the purposes established in (c). This paragraph also provides that the Secretary shall adjust on a pro rata basis amount of the payments for each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico determined under this subsection without regard to this subparagraph to the extent necessary to comply with the requirements of the minimum state allocation requirement of this paragraph.

Paragraph (4) provides that the Secretary shall reserve \$30,000,000 to be disbursed to Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands based on each such territory's share of the combined total population of all such territories, as determined by the Secretary and based on the most recent year for which data are available from the United States Census Bureau.

Paragraph (5) provides that the Secretary shall allocate funds to any eligible entity designated under subsection (f) pursuant to the requirements of that subsection.

Subsection (e) provides for the manner in which funds are distributed to eligible entities.

Paragraph (1) provides that the Secretary shall make payments, beginning not later than 45 days after enactment of this Act, from amounts allocated under subsection (d) to eligible entities that have notified the Secretary that they request to receive payment from the Fund and that the eligible entity will use such payments in compliance with this section.

Paragraph (2) provides that if a State does not request allocated funds by the 90<sup>th</sup> day after the date of enactment of this Act, such State shall not be eligible for a payment from the Secretary, and the Secretary shall reallocate any funds that were not requested by such State among the States that have requested funds by the 90<sup>th</sup> day after the date of enactment of this Act. This paragraph also provides that reallocation of such funds shall adhere to subsection (d), except paragraph (1), and that such reallocation shall also consider a State's remaining need and record of using payments from the Fund to serve homeowners at disproportionate risk of mortgage default, foreclosure, or displacement, including to minority homeowners and

homeowners with eligible incomes under the 60 percent of income-targeted funds set aside under subsection (c), paragraph (2).

Subsection (f) provides for set-asides for Native Americans.

Paragraph (1) provides that of the amounts appropriated under subsection (a), the Secretary shall use 5 percent to make payments to entities that are eligible for payments under clauses (i) and (ii) of section 501(b)(2)(A) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260) for the purposes described in subsection (c).

Paragraph (2) provides that the Secretary shall allocate such funds set aside under paragraph (1) using the allocation formulas described in clauses (i) and (ii) of section 501(b)(2)(A) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260), and shall make payments of such amounts beginning no later than 45 days after enactment of this Act to entities eligible for payment under clauses (i) and (ii) of section 501(b)(2)(A) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260) that notify the Secretary that they request to receive payments allocated from the Fund by the Secretary for purposes described under subsection (c) and will use such payments in compliance with this section.

Paragraph (3) provides that allocations provided under this subsection may be further adjusted as provided by section 501(b)(2)(B) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260).

*Sec. 4208. Relief Measures for Section 502 and 504 Direct Loan Borrowers.*

Subsection (a) provides that in addition to amounts otherwise made available, \$39,000,000 is appropriated for fiscal year 2021 to remain available until September 30, 2023 for direct loans made under sections 502 and 504 of the Housing Act of 1949 (42 U.S.C. 1472, 1474).

Subsection (b) provides that the Secretary of the Department of Agriculture may use not more than 3 percent of the amounts appropriated under this section for administrative purposes.

Subtitle C—Small Business (SSBCI)

*Sec. 4301. Reauthorization of the State Small Business Credit Initiative Act of 2010.*

Subsection (a) makes a number of changes to the State Small Business Credit Initiative Act of 2010 (SSBCI Act). Paragraph (1) would amend section 3003 of the SSBCI Act to stipulate that within 30 days of the enactment of this Act, the Secretary of the Treasury (Secretary) shall allocate funds to participating States, territories, and D.C. based on an updated 2021 allocation formula. Funds are generally allocated to States based on declines in the number of individuals employed in a given State between December 2019 and December 2020. The underlying SSBCI Act stipulates each of those jurisdictions will receive a minimum allocation of 0.9% of funds.

Paragraph (1) also establishes a separate allocation of \$500 million for Tribal governments in the proportion the Secretary determines appropriate, with consideration to available employment and economic data for such Tribal governments. The Secretary may require Tribal governments who wish to participate, either individually or jointly, to file a notice of intent with Treasury within 30 days of enactment of the Act, and the Secretary may subsequently allocate funds to participating Tribal governments within 60 days of enactment of the Act.

Section 3003 of the SSBCI Act directs the Secretary to divide a participant's allocation into thirds. The Secretary transfers the first tranche of funds when they approve a State for participation. The Secretary transfers the second and third tranches of funds after a State certifies they have expended or obligated at least 80 percent of the previous tranche of funds. Paragraph (1) clarifies that 80 percent of funds must have been utilized to not just establish a State program, but must also have subsequently delivered loans or investments to eligible businesses. Paragraph (1) also stipulates if a State does not utilize one-third of its allocation after three years, or two-thirds of its allocation after six years, the Secretary may reallocate some or all of that State's remaining allocation to other states without regard to minimum or set-aside allocation requirements. Moreover, paragraph (1) updates the SSBCI Act to make the program's authorities contingent on the enactment date of this Act, not the original SSBCI Act.

Paragraph (2) of subsection (a) appropriates \$10 billion to the Department of Treasury (Treasury) for fiscal year 2021 and to remain available until expended to support small business financing through state, territorial, and tribal government programs. These funds are to be used to provide support to small businesses impacted by the economic effects of the COVID-19 pandemic. These funds are also to be used to ensure businesses enterprises owned and controlled by socially and economically disadvantaged individuals, such as minority-owned businesses, have access to credit, investments, and technical assistance on how to apply for such funds. These funds may be used to pay reasonable administrative costs. Paragraph (2) also provides that these funds must be expended by September 30, 2030, and funds that remain unexpended, regardless if they have been obligated or not, shall be deposited in Treasury's general fund.

Subsection (b) establishes a \$2.5 billion set aside to allocate funds to states that support business enterprises owned and controlled by socially and economically disadvantaged individuals, including minority-owned businesses. Specifically, there is \$1.5 billion set aside that will be allocated by the Secretary to states and other eligible jurisdictions to support underserved businesses based on their needs. To incentivize states to provide more support for the underserved, there is an additional \$1 billion for the Secretary to provide additional funds added to their second and third tranches to states and other jurisdictions that demonstrate robust support for minority-owned and other disadvantaged businesses.

Subsection (c) requires the Secretary to ensure that not less than \$500 million of the funds allocated to states are expended to support very small businesses, defined as a business with fewer than 10 employees, and may include independent contractors and sole proprietors.

Subsection (d) requires states that apply to provide Treasury a plan describing how they will encourage participation of minority depository institutions (MDIs) and community development financial institutions (CDFIs) in their program.

Subsection (e) requires states that apply to provide Treasury a plan to describing how they will expeditiously utilize funds to help small businesses respond to and recover from the COVID-19 pandemic.

Small businesses, especially those owned by socially and economically disadvantaged individuals, that are already struggling as a result of the pandemic, may lack resources to pay for legal, accounting or other technical advice to navigate the application process for various assistance programs. Therefore, subsection (f) establishes a \$500 million technical assistance program administered by the Secretary to ensure very small and underserved businesses have access to advice in applying for small business support programs. The Secretary will use the remaining funds to contract with firms and enter into agreements, including with the Minority Business Development Agency (MBDA), to provide technical assistance to very small and underserved businesses.

Subsection (g) allows the Secretary to establish a multi-state participation program as it allocates funds to states and approves various state programs. The Secretary may identify state programs that are similar enough where a state may automatically deem a lender eligible to participate if they are approved to participate in another similar state program.

As the Secretary allocates funds and approves various states, territories, and Tribal governments to participate in SSBCI, subsection (h) allows multiple states and other jurisdictions to jointly apply for funds they are collectively eligible for and, if approved, jointly run a multi-state small business program.

Subsection (i) prohibits a State from using SSBCI funds for programs that would result in predatory lending, as determined by the Secretary.

The SSBCI Act defines a “State” to include D.C. and the U.S. territories. Subsection (j) amends Section 3002 of the SSBCI Act to include a Tribal government, or a group of Tribal governments that jointly apply for an allocation, in that definition of a “State”.

Subsection (k) amends the SSBCI Act to add several definitions, specifically “business enterprise owned and controlled by socially and economically,” “community development financial institution,” “minority depository institution,” “socially and economically disadvantaged individual,” and “tribal government.”

Subsection (l) clarifies that the amendments made to the SSBCI Act by this section applies with respect to the \$10 billion in funds newly appropriated under this section.

#### Subtitle D—Airlines

##### *Sec. 4401. Air Transportation Payroll Support Program Extension.*

Subsection (a) stipulates that definitions in 49 USC 40102(a) apply to the terms used in this section to extend the Payroll Support Program (PSP), though additional or alternative definitions are set forth in this subsection for “catering functions,” “contractor,” “employee,” “eligible air carrier,” “eligible contractor,” and “Secretary.” Specifically with respect to the definitions for “eligible air carrier” and “eligible contractor”, those definitions effectively prohibit air carriers and contractors from furloughing or reducing pay rates or benefits for their workers until September 30, 2021, or on the date on which the assistance they receive is exhausted, whichever is later. Those businesses face similar restrictions in this third iteration of the PSP (PSP3) on executive compensation, based on 2019 pay, and capital distributions, such as dividend payments, as there were in earlier iterations of the program.

In subsection (b), paragraph (1) provides \$14 billion to eligible air carriers, and \$1 billion to eligible contractors, that is exclusively for the continuation of payment of employee wages, salaries, and benefits.

Paragraph (2) requires the Secretary of the Treasury (Secretary) to apportion funds to eligible air carriers and eligible contractors no later than April 15, 2021. Air carriers will receive an amount that is in a similar ratio to what the entity received from PSP2 authorized by the Consolidated Appropriations Act, 2021 (P.L. 116-260) compared to \$15 billion. Contractors will receive a similar amount they received in PSP2.

Paragraph (3) of subsection (b) requires Treasury to provide financial assistance in the same form and on the same terms and conditions as was provided to the recipient during PSP2. The Secretary must publish application procedures within 5 days of enactment of this Act, and Treasury must make initial payments to recipients within 10 days of enactment of this Act.

Paragraph (4) carries over taxpayer protection provisions from PSP2, authorizing Treasury to receive financial notes and warrants from the companies receiving PSP3 assistance.

Paragraph (5) provides \$10 million to Treasury for administrative expenses.

Subsection (c) appropriates \$15 billion to Treasury for fiscal year 2021 to carry out this section.

## HEARINGS

In addition to hearings held during the 116<sup>th</sup> Congress, the Committee held the following hearings related to the Committee Print:

On February 4, 2021, the Full Committee held a hearing entitled, “More than a Shot in the Arm: The Need for Additional COVID-19 Stimulus.” The panel of witnesses consisted of the following: Clarence Anthony, CEO and Executive Director, National League of Cities; Derrick Johnson, President and CEO, National Association for the Advancement of Colored People (NAACP); Janet Murguía, President and CEO, Unidos US; Dr. William Spriggs, Chief Economist, The American Federation of Labor and Congress

of Industrial Organizations (AFL-CIO); and Dr. Michael Strain, Economist, American Enterprise Institute.

On Thursday, February 4, 2021, the Subcommittee on National Security, International Development, and Monetary Policy held a hearing entitled, "Supporting Small and Minority-Owned Businesses Through the Pandemic." The panel of witnesses consisted of the following: Nneka Brown-Massey, Founder and Creative Director, Innovative Supplies Worldwide, Inc., on behalf of Main Street Alliance; Gary Cunningham, President and CEO, Prosperity Now; Cliff Kellogg, Executive Director, C-PACE Alliance; Everett Sands, CEO, Lendistry; and Holly Wade, Executive Director of Research and Policy Analysis, National Federation of Independent Business (NFIB).

#### STATEMENT OF CONSTITUTIONAL AUTHORITY

Congress has the power to enact the provisions contained in the Committee Print pursuant to the following:

- Article I, Section 8, cl. 1, To pay debts and provide for the common Defense and General Welfare of the United States.
- Article I, Section 8 cl. 3, To regulate Commerce with Foreign Nations, Among the Several States, and with the Indian Tribes.
- Article I, Section 8, cl. 18, To make all laws which shall be necessary and proper for carrying into Execution the powers enumerated under section 8 and all other Powers vested by the Constitution in the Government of the United States, or in any Department or Officer thereof.

#### COMMITTEE CONSIDERATION

The Committee on Financial Services met in open session on, and ordered the recommendations of the Committee to be transmitted to the Committee on Budget by a vote of 29 yeas and 24 nays, a quorum being present.

#### COMMITTEE VOTES AND ROLL CALL VOTES

In compliance with the request of the Committee on Budget and in compliance with clause 3(b) of Rule XIII of the Rules of the House of Representatives, the Committee advises that the following roll call votes occurred during the Committee's consideration of the Committee Print:



















## STATEMENT OF OVERSIGHT FINDINGS AND RECOMMENDATIONS OF THE COMMITTEE

In compliance with the request of the Committee on Budget and pursuant to clause 3(c)(1) of Rule XIII and clause 2(b)(1) of Rule X of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in the descriptive portions of this report.

## STATEMENT OF PERFORMANCE GOALS AND OBJECTIVES

In compliance with the request of the Committee on Budget and pursuant to clause 3(c) of Rule XIII of the Rules of the House of Representatives, the goals of the Committee's recommendations are to ensure that:

- U.S. domestic production of key medical supplies and equipment is enhanced to provide more stable sources, including testing, personal protection equipment and tests.
- Families impacted by the pandemic can remain safely in their homes.
- Small businesses, including business enterprises owned and controlled by socially and economically disadvantaged individuals, impacted by the pandemic have access to credit, investments, and technical assistance to recover from the economic effects of the coronavirus pandemic.
- Air carrier workers and related contractor workers and their families can continue to receive wages and benefits until at least September 30, 2021, while the coronavirus pandemic persists.

## NEW BUDGET AUTHORITY AND CBO COST ESTIMATE

In compliance with the request of the Committee on Budget and pursuant to clause 3(c)(2) of Rule XIII of the Rules of the House of Representatives and section 308(a) of the *Congressional Budget Act of 1974*, and pursuant to clause 3(c)(3) of Rule XIII of the Rules of the House of Representatives and section 402 of the *Congressional Budget Act of 1974*, the Committee has received the following estimate for Committee's recommendations from the Director of the Congressional Budget Office:

<b>At a Glance</b>			
<b>Reconciliation Recommendations of the House Committee on Financial Services</b>			
<b>As ordered reported on February 11, 2021</b>			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>38,189</b>	<b>72,880</b>	<b>70,590</b>
Revenues	<b>0</b>	<b>0</b>	<b>0</b>
Increase or Decrease (-) in the Deficit	<b>38,189</b>	<b>72,880</b>	<b>70,590</b>
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
CBO has not reviewed the legislation for effects on spending subject to appropriation.			
<b>The legislation would</b>			
<ul style="list-style-type: none"> <li>• Appropriate funds for housing assistance, medical supplies, small businesses, and airlines</li> </ul>			
<b>Estimated budgetary effects would mainly stem from</b>			
<ul style="list-style-type: none"> <li>• Spending of appropriations for housing assistance, medical supplies (DPA), small businesses, and airlines</li> <li>• Collecting offsetting receipts from warrants and notes issued to the Treasury by airlines and related contractors</li> </ul>			
<b>Areas of significant uncertainty include</b>			
<ul style="list-style-type: none"> <li>• Estimating the financial returns on warrants and notes issued by airlines and related contractors</li> <li>• Estimating the pace at which grantees would distribute rental assistance</li> </ul>			
<b>Detailed estimate begins on the next page.</b>			

See also CBO's *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437);  
*How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).



### Legislation Summary

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Financial Services approved legislation on February 11, 2021, with a number of provisions that would increase deficits.

The legislation would appropriate a total of \$75 billion for fiscal year 2021 for housing and community development programs, payroll support for airlines and related contractors, medical supplies related to the coronavirus pandemic, and financing programs for small businesses. CBO estimates that outlays stemming from those appropriations would total \$73.6 billion over the 2021-2030 period; in addition, the airline support program would increase offsetting receipts (which are recorded as reductions in direct spending) by \$740 million. On net, CBO estimates that enacting the legislation would increase deficits by \$72.9 billion over the 2021-2030 period.

### Estimated Federal Cost

The estimated budgetary effect of the legislation is shown in Table 1. The costs of the legislation fall within budget functions 050 (national defense), 370 (commerce and housing credit), 400 (transportation), 450 (community and regional development) and 600 (income security).

### Basis of Estimate

CBO assumes that the legislation will be enacted by the end of March 2021. Except as noted below, estimated outlays are based on historical spending patterns for each program or similar programs.

### Direct Spending

In 2021, the legislation would appropriate the following amounts:

- \$19.1 billion for rental assistance for households that are low-income and have members who are unemployed;
- \$15 billion for payroll support grants to passenger air carriers and related contractors;
- \$10 billion for states, territories, and municipalities to fund small business financing programs;
- \$10 billion for the purchase, production and distribution of medical supplies to respond to the pandemic and future health emergencies; and



- \$10 billion for states and tribes to provide mortgage assistance and other financial assistance to homeowners impacted by the pandemic.

In addition, the legislation would provide a total of \$11 billion to provide rental assistance, homeless services and support, housing counseling, and mortgage support.

**Emergency Rental Assistance.** Section 4201 would appropriate \$19.1 billion for state and local governments to pay rental arrears, rent, and utilities for low-income households with unemployed members. Those households would need to be at risk of housing instability or homelessness to receive assistance. The Congress appropriated \$25 billion for similar purposes in 2021. The legislation would require the Department of the Treasury to disburse 50 percent of each grantee's total allocation within 60 days of enactment. Grantees could receive additional portions of their allocation once they had obligated at least 75 percent of their first disbursement; CBO assumes that 50 percent of grantees would meet that criteria in 2022 and those grantees would receive their total allocation. The legislation would require the Treasury to distribute any remaining funds to grantees that had obligated, by the end of 2022, at least 50 percent of their total allocation. CBO estimates outlays would total \$19.1 billion over the 2021-2030 period.

**Homeowner Assistance Fund.** Section 4207 would provide roughly \$10 billion for states and tribes to provide mortgage payment assistance and other financial assistance to homeowners affected by the coronavirus pandemic. CBO expects that the vast majority of this funding will be spent, in the form of payments to states and tribes, in 2021, as required under the legislation; additional administrative and oversight spending would occur over the 2022-2025 period.

**State Small Business Credit Initiative.** Section 4301 would reauthorize the State Small Business Credit Initiative, a program created by Small Business Jobs Act of 2010, and would provide \$10 billion for states, tribes, territories, and municipalities to fund financing programs for small businesses. Based on the patterns of spending from the original program, CBO expects that funding would be allocated to states in multiple tranches over time, and would be distributed to eligible government entities gradually over the 2021-2030 period. CBO estimates that reauthorizing the program would increase direct spending by \$9 billion over the same period.

**Payroll Support for Air Carriers.** The Consolidated Appropriations Act (CAA), 2021, provided \$16 billion for financial assistance to certain passenger air carriers and related contractors for payroll support. Section 4401 would appropriate \$15 billion for similar purposes, under the same terms and conditions, and largely to the same pool of recipients as established by that act. Consistent with the relevant provisions of the CAA, CBO expects that the cost of providing payroll support would be partially offset by proceeds from warrants and notes that larger air carriers and contractors would issue to the Treasury as a condition of



receiving assistance. Further, CBO expects that the Treasury would exercise those warrants and that the issuers would repay principal on the notes near the anticipated maturity dates in 2026 and 2031, respectively. Accordingly, CBO estimates the receipts from those transactions, which reduce direct spending, would total \$740 million over the 2021-2030 period and that direct spending would increase, on net, by \$14.26 billion over the same period.

#### **Uncertainty**

Direct spending under section 4401 could be higher or lower than CBO's estimate because the estimates of receipts rely on projections that are uncertain, including interest, default, and recovery rates. In addition, the timing of receipts is uncertain because it depends on future administrative actions and firm behavior. For example, if recipients of assistance repay the notes earlier than assumed in this estimate, receipts over the 2021-2030 period could be larger.

Spending for the housing programs could be faster or slower than CBO's estimate because CBO cannot precisely predict the pace of program implementation. Many grantees would need to significantly expand their housing assistance programs in order to spend the appropriated funds; if grantees hire staff and process applications more slowly than CBO expects, the spending in each year could be different but total spending over the 2021-2030 period is unlikely to change.

#### **Pay-As-You-Go Considerations**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 1.

**Increases On-Budget Deficits in any Year after 2030:** No. The legislation would decrease on-budget deficits in 2031 and in future years as the principal on notes related to airline payroll support is repaid and recoveries on defaults are collected.

#### **Mandates**

CBO has not reviewed Subtitle A of the bill for intergovernmental or private-sector mandates. Section 4 of the Unfunded Mandates Reform Act (UMRA) excludes from the application of that act any legislative provisions that are necessary for the national security. CBO has determined that the provisions of the Defense Production Act of 1950, as amended by Subtitle A, would fall under that exclusion.

The remaining provisions of the legislation would not impose intergovernmental or private-sector mandates as defined in UMRA.

**Estimate Prepared By**

## Federal Costs:

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Caroline Dorminey (defense provisions)

David Hughes (commerce and housing credit)

Aaron Krupkin (transportation)

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Director of Budget Analysis

**Table 1.**  
**Estimated Budgetary Effects of Reconciliation Recommendations**  
**As Reported by the House Committee on Financial Services**

		By Fiscal Year, Millions of Dollars											2021-	2021-		
		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2030	2031		
<b>Increases in Direct Spending</b>																
<b>Subtitle A. Defense Production Act of 1950</b>																
Sec.	4101	COVID-19 Emergency Medical Supplies Enhancement														
		10,000	0	0	0	0	0	0	0	0	0	0	10,000	10,000		
		Budget Authority											9,900	9,900		
		Estimated Outlays	2,600	3,700	2,600	1,000	0	0	0	0	0	0				
<b>Subtitle B. Housing Provisions</b>																
Sec.	4201	Emergency Rental Assistance														
		19,050	0	0	0	0	0	0	0	0	0	0	19,050	19,050		
		Budget Authority											19,050	19,050		
		Estimated Outlays	9,525	4,763	4,762	0	0	0	0	0	0	0				
Sec.	4202	Emergency Housing Vouchers														
		5,000	0	0	0	0	0	0	0	0	0	0	5,000	5,000		
		Budget Authority											5,000	5,000		
		Estimated Outlays	250	1,000	1,500	1,250	1,000	0	0	0	0	0				
Sec.	4203	Emergency Assistance for Rural Housing														
		100	0	0	0	0	0	0	0	0	0	0	100	100		
		Budget Authority											100	100		
		Estimated Outlays	35	65	0	0	0	0	0	0	0	0				
Sec.	4204	Housing Assistance and Supportive Services Programs for Native Americans														
		750	0	0	0	0	0	0	0	0	0	0	750	750		
		Budget Authority											750	750		
		Estimated Outlays	75	225	225	150	45	0	0	0	0	0	720	720		
Sec.	4205	Housing Counseling														
		100	0	0	0	0	0	0	0	0	0	0	100	100		
		Budget Authority											100	100		
		Estimated Outlays	100	0	0	0	0	0	0	0	0	0				
Sec.	4206	Homeless Assistance and Supportive Services Program														
		5,000	0	0	0	0	0	0	0	0	0	0	5,000	5,000		
		Budget Authority											5,000	5,000		
		Estimated Outlays	0	500	1,500	1,500	1,000	250	0	0	0	0	4,750	4,750		
Sec.	4207	Homeowner Assistance Fund														
		9,961	0	0	0	0	0	0	0	0	0	0	9,961	9,961		
		Budget Authority											9,961	9,961		
		Estimated Outlays	9,925	15	15	5	1	0	0	0	0	0				
Sec.	4208	RHS Loan Modifications														
		39	0	0	0	0	0	0	0	0	0	0	39	39		
		Budget Authority											39	39		
		Estimated Outlays	29	10	0	0	0	0	0	0	0	0				
<b>Subtitle C. Small Business</b>																
Sec.	4301	Reauthorization of the State Small Business Credit Initiative Act of 2010														
		10,000	0	0	0	0	0	0	0	0	0	0	10,000	10,000		
		Budget Authority											10,000	10,000		
		Estimated Outlays	825	1,750	1,800	1,950	1,425	875	275	100	0	0	9,000	9,000		
<b>Subtitle D. Airlines</b>																
Sec.	4401	Air Transportation Payroll Support Program Extension														
		14,980	-30	-30	-30	-30	-210	-90	-90	-100	-110	-2,290	14,260	11,970		
		Budget Authority											14,260	11,970		
		Estimated Outlays	14,825	122	-30	-30	-30	-210	-90	-90	-100	-110	-2,290	14,260		
<b>Total Increase in Direct Spending</b>																
		Estimated Budget Authority	74,980	-30	-30	-30	-30	-210	-90	-90	-100	-110	-2,290	74,260	71,970	
		Estimated Outlays	38,189	12,150	12,372	5,825	3,441	915	185	10	-100	-110	-2,290	72,880	70,590	

Components do not sum to totals because of rounding; RHS = Rural Housing Service.

## ADVISORY COMMITTEE

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by the recommendations in the Committee Print.

## EARMARK STATEMENT

In compliance with the request of the Committee on Budget and pursuant to clause 9 of Rule XXI of the Rules of the House of Representatives, the Committee Print does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as described in clauses 9(e), 9(f), and 9(g) of Rule XXI of the Rules of the U.S. House of Representatives.

## DUPLICATION OF FEDERAL PROGRAMS

In compliance with the request of the Committee on Budget, and pursuant to clause 3(c)(5) of Rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the Committee Print establishes or reauthorizes a program of the Federal Government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

The program in section 4101 increases the amount available to carry out the Defense Production Act.

The programs in sections 4201, 4202, 4203, 4204 and 4205 provides an additional \$25,000,000,000 in emergency assistance to renters to supplement the \$25,000,000,000 provided in Public Law 116-260 to address the cumulative amount of back rent, utilities, and other fees owed by renters across the United States, which is now estimated to be \$57,000,000,000 by Moody's Analytics.

The homeless assistance provided in section 4206 is similar to but distinct from the homeless assistance funded in the CARES Act through the Emergency Solutions Grants program, as the program in section 4206 utilizes the HOME Investment Partnerships program to allocate and disburse funds to increase the capacity of local communities to serve people experiencing homelessness. The program in section 4206 also provides additional eligible activities communities can utilize to keep people experiencing homelessness safely housed during the coronavirus pandemic.

The funds provided for housing counseling in section 4205 meet the enormous needs of households that are struggling to make their housing payments, interface with landlords or mortgage servicers, and to generally navigate the housing system, evictions, and relief options during the Coronavirus pandemic. These funds are complementary to Department of Housing and Urban Development's Housing Counseling program, which was established following the success of NeighborWorks' National Foreclosure Mitigation Counseling Program, and are

intended to increase housing counseling capacity and activities specific to the Coronavirus pandemic.

The funds provided to renew the State Small Business Credit Initiative through section 4301 is similar to but distinct from other Federal support provided to small businesses through the CARES Act and subsequent laws. Specifically, the Paycheck Protection Program (PPP) is administered by the Small Business Administration (SBA) in coordination with the Department of the Treasury to provide forgivable loans to small businesses to help cover immediate expenses. Additionally, the Federal Reserve administered, with the support of the Treasury Department, the Main Street Lending Program that provided loans of \$100,000 or more to eligible businesses. The MSLP, however, has been subsequently terminated and is no longer available to small businesses. Alternatively, the SSBCI provides funds to states, territories, and Tribal governments to support a variety of small business lending and investment programs. This includes capital access programs, collateral support programs, loan participation programs, loan guarantee programs, and venture capital programs. Unlike the PPP, these programs are administered at the state level and provide a wider variety of lending and long-term investment options to help existing small businesses recover from the economic effects of the COVID-19 pandemic and grow in its aftermath, while also providing capital and loans for entrepreneurs who wish to start a new small businesses.

#### CHANGES TO EXISTING LAW

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested a document to show changes in existing law made by the Committee Print but advises that compliance prior to submission to the Committee on the Budget was not possible.

CAROLYN B. MALONEY, NEW YORK  
CHAIRWOMAN

ONE HUNDRED SEVENTEENTH CONGRESS

JAMES COMER, KENTUCKY  
RANKING MEMBER

**Congress of the United States**

**House of Representatives**

COMMITTEE ON OVERSIGHT AND REFORM

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February 16, 2021

The Honorable John Yarmuth  
Chairman  
Committee on the Budget  
204-E Cannon House Office Building  
Washington, D.C. 20515

Dear Chairman Yarmuth:

Pursuant to section 2001 of the Concurrent Resolution on the Budget, I hereby transmit these recommendations which have been approved by vote of the Committee on Oversight and Reform, and the appropriate accompanying material including additional, supplemental or dissenting views, to the House Committee on the Budget.

This submission is in order to comply with reconciliation directives included in S. Con. Res. 5, the fiscal year 2021 budget resolution, and is consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974.

Sincerely,



Carolyn B. Maloney  
Chairwoman

Transmittal of the Committee on Oversight and Reform to the Budget Committee  
Pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021

Contents

Transmittal Letter.....  
Committee Print, as Ordered Transmitted.....  
Committee Oversight Findings.....  
Summary of Major Policy Decisions.....  
Section-by-section Analysis.....  
Committee Votes.....  
Constitutional Authority Statement.....  
Performance Goals and Objectives.....  
Duplication of Federal Programs.....  
Earmark Identification.....  
Federal Advisory Committee Statement.....  
Congressional Budget Office Cost Estimate and Related Budgetary Comparisons.....  
Changes Made to Existing Law.....  
Minority views.....

TRANSMITTAL OF THE COMMITTEE ON OVERSIGHT AND REFORM TO THE BUDGET COMMITTEE  
PURSUANT TO S. CON. RES. 5, THE CONCURRENT RESOLUTION  
ON THE BUDGET FOR FISCAL YEAR 2021

The Committee on Oversight and Reform, having been instructed to submit changes in laws within its jurisdiction to increase the deficit by not more than \$350,690,000,000 for the period of fiscal years 2021 through 2030 in a Committee Print providing for reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, has considered the same and reports favorably thereon with an amendment.

CONTENTS

Transmittal Letter.....  
Committee Print as Ordered Transmitted .....  
Summary of Major Policy Decisions.....  
Committee Oversight Findings and Recommendations .....  
Section-by-Section Analysis.....  
Committee Consideration .....  
Committee Votes .....  
Constitutional Authority Statement .....  
Statement of General Performance Goals and Objectives.....  
Duplication of Federal Programs .....  
Earmark Identification .....  
Federal Advisory Committee Act .....  
Congressional Budget Office Cost Estimate and Related Budgetary Comparisons.....  
Changes in Existing Law Made by the Committee Print .....  
Minority Views .....

TRANSMITTAL LETTER

COMMITTEE PRINT AS ORDERED REPORTED

## SUMMARY OF MAJOR POLICY DECISIONS IN THE COMMITTEE PRINT

Subtitle A of the Committee Print for the Fiscal Year 2021 Reconciliation Act contains \$350 billion in funding to state, local, Tribal, and territorial governments. The Coronavirus State Fiscal Recovery Fund would receive \$219.8 billion. It would allocate \$20 billion to Tribal governments and \$4.5 billion to U.S. territories. It also would allocate \$195.3 billion to the 50 states and the District of Columbia (D.C.), with \$755 million allocated to make D.C. whole after it was treated as a territory by the CARES Act, \$500 million allocated to each state and D.C., and the remaining funds allocated based on unemployment rates.

Subtitle A also would allocate \$130.2 billion to the Coronavirus Local Fiscal Recovery Fund, equally divided between cities and counties. The \$65.1 billion for counties would be distributed based on population. The \$65.1 billion for cities would be allocated using the formula to allocate funds for the Community Development Block Grant (CDBG) program, modified to ensure all funds would be distributed. Cities with more than 50,000 people would receive funds directly from the Department of the Treasury.

Because states have the capability to disburse funds to smaller localities more quickly than the Department of the Treasury, allocations for cities with populations of fewer than 50,000 inhabitants would be transferred to the states to be disbursed by population within 30 days of receipt. States would have no discretion to change the allocation amount for each smaller locality and no authority to attach additional requirements to the allocation. The total allocation for each such locality, called a nonentitlement unit of local government, would be capped at 75% of the amount of its most recent annual expenditures as of January 27, 2020.

All funds allocated through both the Coronavirus State and Local Fiscal Recovery Funds could be used only to respond to or mitigate the coronavirus public health emergency or its negative economic impacts, cover costs incurred as a result of the emergency, or replace revenue lost, delayed, or decreased as a result of the emergency. States, Tribal governments, territories, counties, and cities with more than 50,000 inhabitants would be required to certify to the Department of the Treasury that the funds are necessary to effectively carry out pandemic response and mitigation activities consistent with the permitted uses of the funds.

Subtitle B of the Committee Print would establish an Emergency Federal Employee Leave Fund that would be administered by the Office of Personnel Management. The \$570 million in the fund would be available to federal agencies to provide employees, including postal workers, with up to 600 hours of emergency paid sick leave in the period between enactment and September 30, 2021. Employees would be paid no more than \$35 per hour of leave and \$1,400 per week. Part-time employees would have a proportionally equivalent amount of time available for paid leave under this provision.

The eligible reasons for taking this leave would be that the employee is: under quarantine or isolation due to coronavirus; caring for a family member due to coronavirus; experiencing symptoms of coronavirus; caring for a son or daughter whose school or care center is closed or operating with virtual instruction due to coronavirus; experiencing other substantially similar conditions; caring for a disabled or elderly (age 55 or older) family member who is

incapable of self-care and whose regular care is unavailable due to coronavirus; or obtaining immunization related to coronavirus or recovering from such immunization. Any paid leave taken by an employee under this provision would not count for the purposes of determining the annuity of the employee.

Subtitle B also would provide \$77 million to the Government Accountability Office (GAO) to continue its statutory obligations to conduct broad oversight and monitoring of federal pandemic response efforts, including the tracking of all funds received, disbursed, or used to prepare for, respond to, and recover from the coronavirus pandemic and its effects.

Finally, Subtitle B would provide \$40 million to the Pandemic Response Accountability Committee (PRAC) to continue its statutory obligations to conduct additional oversight of federal coronavirus relief funds, including enhanced fraud investigation and auditing capabilities to detect and prevent waste, fraud, abuse, and mismanagement of funds.

#### COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

##### Subtitle A—Coronavirus State and Local Fiscal Recovery Funds

Since the onset of the coronavirus crisis more than a year ago, no direct federal assistance has been provided to state, territory, Tribal, and local governments since the CARES Act, which became law on March 27, 2020, and included a \$150 billion Coronavirus Relief Fund (CRF) for these entities.<sup>1</sup> The CARES Act did not provide guaranteed, dedicated funding to local governments of fewer than 500,000 residents. As a result, of the 19,000 cities, towns, and villages in the U.S., only 36 municipalities received direct assistance, and most municipalities still have not received meaningful levels of federal aid.<sup>2</sup> Similarly, counties received very limited or no federal relief due to statutory population thresholds and state sub-allocation decisions.<sup>3</sup>

Unlike the federal government, nearly every state is required to balance its budget.<sup>4</sup> Revenues from personal income taxes have experienced some declines due to the pandemic,

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<sup>1</sup> Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136.

<sup>2</sup> Letter from Clarence Anthony, CEO and Executive Director, National League of Cities, to Senate Majority Leader Mitch McConnell, Senate Minority Leader Charles E. Schumer, House Speaker Nancy Pelosi, House Minority Leader Kevin McCarthy (Jan. 15, 2021) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/National%20League%20of%20Cities.pdf>).

<sup>3</sup> Letter from Matthew D. Chase, CEO and Executive Director, National Association of Counties, to Senate Majority Leader Charles E. Schumer, Senate Minority Leader Mitch McConnell, House Speaker Nancy Pelosi, and House Minority Leader Kevin McCarthy (Jan. 28, 2021) (online at <https://oversight.house.gov/sites/democrats.oversight.house.gov/files/Counties%20Letter%20to%20Congress%20on%20Local%20Government%20Support.pdf>).

<sup>4</sup> National Conference of State Legislatures, *State Balanced Budget Provisions* (Oct. 2010) (online at [www.ncsl.org/documents/fiscal/StateBalancedBudgetProvisions2010.pdf](http://www.ncsl.org/documents/fiscal/StateBalancedBudgetProvisions2010.pdf)).

while revenues from sales taxes have experienced substantial declines.<sup>5</sup> States that do not levy personal income taxes and that depend heavily on tourism have experienced the largest declines in overall revenues.<sup>6</sup> States have incurred significant additional costs in both pandemic-related expenses and increased demand for social safety net programs, including Medicaid and housing aid, leading to an urgent need for relief.<sup>7</sup>

Local governments have experienced significant revenue shortfalls due to decreased state transfers and slowdowns in consumer activity caused by the coronavirus pandemic, just as pandemic-related costs and demands for local government services have increased. Other factors, such as delayed visibility of property tax declines and forecasts that tourism-dependent economies are unlikely to recover in the next three to five years, complicate the future budgeting needs of local governments.<sup>8</sup>

America's Indigenous communities have been disproportionately harmed by the coronavirus pandemic. The number of confirmed coronavirus cases per capita among Indigenous people is 3.5 times that of white people, and Indigenous people are disproportionately at risk for severe health outcomes—in part due to longstanding health disparities and social inequities, including disproportionate levels of poverty and persistent discrimination in health care settings.<sup>9</sup> One study indicates that as many as one in every 475 Native Americans in the United States has died from the coronavirus since the start of the pandemic.<sup>10</sup>

The economies of most U.S. territories are heavily reliant on tourism and have been heavily impacted by the pandemic. For example, the U.S. Virgin Islands relies on the tourism industry for 30% of its GDP and employment of 25% of its workforce, and has projected revenue shortfalls of more than 25% for both 2020 and 2021.<sup>11</sup> Guam's unemployment rate was just over

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<sup>5</sup> Moody's Investors Service, *2021 outlook negative as coronavirus continues to hamper revenue* (Dec. 1, 2020) (online at [www.moody.com/research/Moodys-2021-outlook-for-US-states-remains-negative-as-pandemic--PBM\\_1255581](http://www.moody.com/research/Moodys-2021-outlook-for-US-states-remains-negative-as-pandemic--PBM_1255581)).

<sup>6</sup> *Id.*

<sup>7</sup> J.P. Morgan, *US Fixed Income Markets Weekly* (Feb. 5, 2021) (online at [https://markets.jpmorgan.com/research/email/j8o4qai/xEFzkwljYhXYqvP\\_Yk6rg/GPS-3639034-0](https://markets.jpmorgan.com/research/email/j8o4qai/xEFzkwljYhXYqvP_Yk6rg/GPS-3639034-0)).

<sup>8</sup> Moody's Investors Services, *Outlook for US Local Governments Remains Negative as Revenue Remains under Pressure in 2021* (Dec. 4, 2020) (online at [www.moody.com/research/Moodys-Outlook-for-US-local-governments-remains-negative-as-revenue--PBM\\_1255805](http://www.moody.com/research/Moodys-Outlook-for-US-local-governments-remains-negative-as-revenue--PBM_1255805)).

<sup>9</sup> Centers for Disease Control and Prevention, *CDC Provides More Than \$200 Million to Address COVID-19 Health Disparities in Indian Country* (Aug. 19, 2020) (online at [www.cdc.gov/media/releases/2020/p0819-covid-19-impact-american-indian-alaska-native.html](http://www.cdc.gov/media/releases/2020/p0819-covid-19-impact-american-indian-alaska-native.html)); Indian Health Services, *Disparities* (online at [www.ihs.gov/newsroom/factsheets/disparities/](http://www.ihs.gov/newsroom/factsheets/disparities/)).

<sup>10</sup> *Exclusive: Indigenous Americans Dying from COVID at Twice the Rate of White Americans*, *The Guardian* (Feb. 4, 2021) (online at [www.theguardian.com/us-news/2021/feb/04/native-americans-coronavirus-covid-death-rate](http://www.theguardian.com/us-news/2021/feb/04/native-americans-coronavirus-covid-death-rate)).

<sup>11</sup> Senate Committee on Energy and Natural Resources, *Testimony of Congresswoman Stacey Plaskett, Full Committee Hearing to Examine the Impacts of COVID-19 to U.S. Territories* (June 30, 2020) (online at [www.energy.senate.gov/services/files/4AA4BAAD-70A5-4779-BBBC-4558786D87B9](http://www.energy.senate.gov/services/files/4AA4BAAD-70A5-4779-BBBC-4558786D87B9)).

4% in 2019 but over 50% by June 2020.<sup>12</sup> The pandemic has also exacerbated preexisting challenges unique to territories, including high poverty rates and difficulties accessing relief from safety net programs. For example, American Samoa spent much of 2018 in a state of emergency due to Cyclone Gita, followed by a widespread measles outbreak in 2019.<sup>13</sup> Puerto Rico, already stricken with the highest poverty rate in the U.S. and still reeling from the catastrophic effects of Hurricanes Irma and Maria in 2018,<sup>14</sup> sustained earthquakes in January 2020 that left thousands living on the streets and closed schools across the island.<sup>15</sup> A severe drought the following August left parts of the island without consistent access to running water, preventing residents from following coronavirus mitigation guidance to wash hands frequently.<sup>16</sup>

The Center on Budget and Policy Priorities now predicts a total shortfall of \$300 billion for state, local government, Tribal, and territorial budgets through 2022.<sup>17</sup> This figure does not include the increased costs for personal protective equipment, testing, contact tracing, and other public safety efforts associated with the pandemic. It also does not include the added costs of providing services during the pandemic.

#### Subtitle B—Other Matters

The Families First Coronavirus Response Act created two new and temporary leave benefits for eligible employees: (1) up to 12 workweeks of emergency leave under the Family and Medical Leave Act (FMLA) to care for the employee's minor child whose school or place of care is closed or whose care provider is unavailable due to COVID, and (2) up to two workweeks of paid sick leave for certain COVID-related needs.<sup>18</sup>

The first two weeks of emergency family and medical leave was unpaid (although employees could substitute their own paid leave for that period), while the remaining ten weeks provided pay up to certain daily and aggregate limits. The two weeks of emergency sick leave also provided pay up to certain daily and aggregate limits. Although federal employees were generally eligible for the two workweeks of paid sick leave, most federal employees were not eligible for the 12 workweeks of emergency FMLA leave.

<sup>12</sup> Senate Committee on Energy and Natural Resources, Testimony of Congressman Michael F.Q. San Nicolas, *Full Committee Hearing to Examine the Impacts of COVID-19 to U.S. Territories* (June 30, 2020) (online at [www.energy.senate.gov/services/files/78422CE2-7529-4CB5-9D24-21502479F03A](http://www.energy.senate.gov/services/files/78422CE2-7529-4CB5-9D24-21502479F03A)).

<sup>13</sup> Senate Committee on Energy and Natural Resources, Testimony of Congresswoman Aumua Amata Radewagen of American Samoa, *Full Committee Hearing to Examine the Impacts of COVID-19 to U.S. Territories* (June 30, 2020) (online at [www.energy.senate.gov/services/files/DFC83446-417A-4CB7-807D-E6353ACEBF80](http://www.energy.senate.gov/services/files/DFC83446-417A-4CB7-807D-E6353ACEBF80)).

<sup>14</sup> *Hurricane Maria: 4 Ways the Storm Changed Puerto Rico—And the Rest of America*, Vox (Sept. 20, 2018) (online at [www.vox.com/2018/9/20/17871330/hurricane-maria-puerto-rico-damage-death-toll-trump](http://www.vox.com/2018/9/20/17871330/hurricane-maria-puerto-rico-damage-death-toll-trump)).

<sup>15</sup> *Pandemic Plunges Puerto Rico Into Yet Another Dire Emergency*, New York Times (Aug. 7, 2020) (online at [www.nytimes.com/2020/07/08/us/coronavirus-puerto-rico-economy-unemployment.html](http://www.nytimes.com/2020/07/08/us/coronavirus-puerto-rico-economy-unemployment.html)).

<sup>16</sup> *Id.*

<sup>17</sup> Center on Budget and Policy Priorities, *States, Localities, Tribal Nations, Territories Need More Federal Aid* (Jan. 22, 2021) (online at [www.cbpp.org/research/state-budget-and-tax/states-localities-tribal-nations-territories-need-more-federal-aid](http://www.cbpp.org/research/state-budget-and-tax/states-localities-tribal-nations-territories-need-more-federal-aid)).

<sup>18</sup> Pub. L. No. 116-127 (2020).

Both the emergency sick leave and family and medical leave provisions expired on December 31, 2020. The American Rescue Plan includes emergency paid leave for both federal and private sector employees.<sup>19</sup>

GAO has been provided funding in previous coronavirus relief bills to conduct oversight of the spending in those Acts. By January 2021, GAO had initiated 117 audits and issued 44 reports related to the pandemic. GAO estimates that it will need to initiate up to 200 engagements related to the coronavirus over the next five years to meet its oversight requirements.

The PRAC was established by the CARES Act to conduct oversight and promote transparency of coronavirus relief funds and associated response efforts undertaken by the federal government.<sup>20</sup> Set up as a component of the Council of Inspectors General on Integrity and Efficiency (CIGIE), the PRAC is composed of 21 Inspectors General drawing on established expertise to fulfill its mission of preventing and detecting waste, fraud, abuse, and mismanagement.<sup>21</sup>

The PRAC was provided \$80 million to conduct oversight of the approximately \$2.7 trillion in funding provided by the CARES Act and other legislation to address the pandemic.

#### SECTION-BY-SECTION ANALYSIS

### TITLE V—COMMITTEE ON OVERSIGHT AND REFORM

#### SUBTITLE A—CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS

##### **Sec. 5001. Coronavirus State and Local Fiscal Recovery Funds**

Title VI of the Social Security Act (42 U.S.C. §801 et seq.) would be amended to create Coronavirus State and Local Fiscal Recovery Funds by adding the following sections:

##### **Sec. 602. Coronavirus State Fiscal Recovery Fund**

###### **(a) Appropriation**

\$219.8 billion would be appropriated to the Coronavirus State Fiscal Recovery Fund, to remain available until expended.

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<sup>19</sup> The White House, *President Biden Announces American Rescue Plan* (Jan. 20, 2021) (online at [www.whitehouse.gov/briefing-room/legislation/2021/01/20/president-biden-announces-american-rescue-plan/](http://www.whitehouse.gov/briefing-room/legislation/2021/01/20/president-biden-announces-american-rescue-plan/)).

<sup>20</sup> Pub. L. No. 116-136 (2020).

<sup>21</sup> Pandemic Response Accountability Committee, *About the PRAC* (online at [www.pandemicoversight.gov/our-mission/about-the-prac](http://www.pandemicoversight.gov/our-mission/about-the-prac)) (accessed on Feb. 4, 2021).

**(b)(1) Payments to Territories**

Of the total appropriation, \$4.5 billion would be allocated to the U.S. Territories of the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa. Half (\$2.25 billion) would be divided equally among the five territories, and half (\$2.25 billion) would be allocated in proportion to the relative population each territory bears to the total population of all the territories.

**(b)(2) Payments to Tribal Governments**

Of the total appropriation, \$20 billion would be allocated to Tribal governments, defined as recognized governing bodies of entities included in the most recently published Federally Recognized Indian Tribe List. Of that amount, \$1 billion would be allocated equally among each Tribal government, and \$19 billion would be allocated by the Secretary of the Treasury in an amount determined by the Secretary.

**(b)(3) Payments to Each of the 50 States and the District of Columbia**

Of the total appropriation, \$195.3 billion would be allocated to the 50 states and D.C. Of that amount, \$25.5 billion would be divided equally among each of the 50 states and D.C., allocating a minimum of \$500 million per state. Of the remaining sum, \$755 million would be allocated to D.C., meeting the minimum state allocation threshold it would have received through the CARES Act. This amount would need to be disbursed by the Secretary of the Treasury within 15 days of enactment and would not require a certification of need and intended use to be submitted by D.C. The remaining sum (\$169.045 billion) would be allocated to the 50 states and D.C. in an amount proportionate to each entity's share of the average estimated number of seasonally-adjusted unemployed individuals (as measured by the Bureau of Labor Statistics Local Area Unemployed Statistics program) over the three-month period ending in December 2020.

**(b)(4) Population Data**

State and territorial allocations would be made based on the most recent data available from the Census Bureau.

**(b)(5) Timing**

The Secretary of the Treasury would be required to make payments within 60 days of receiving a state, territory, or Tribal government's certification, as required by subsection (d).

**(b)(6) Pro Rata Adjustment Authority**

The Secretary of the Treasury would be permitted to adjust allocations to state, territory, and Tribal governments on a pro rata basis as necessary to ensure that all available funds are distributed as required.

**(c) Requirements**

Recipient governments would be permitted to use funds only to respond to or mitigate the COVID-19 emergency or its negative economic impacts; to cover costs incurred as a result of the emergency; to replace revenue lost, delayed, or decreased as a result of the emergency, as determined based on revenue projections as of January 27, 2020; or to address the negative economic impacts of the emergency. Recipient governments would be permitted to transfer funds to private nonprofit organizations, public benefit corporations involved in the transportation of passengers or cargo, a special-purpose unit of state or local government, or a multi-State entity involved in the transportation of passengers or cargo.

**(d) Certification of Need and Intended Use**

To receive the funds described in this section, a state, territory, or Tribal government must provide the Secretary of the Treasury a certification signed by the authorized officer specifying that the government requires the federal assistance to effectively carry out pandemic response and mitigation activities consistent with the requirements of the permitted uses of the funds.

**Sec. 603. Coronavirus Local Fiscal Recovery Fund****(a) Appropriation**

\$130.2 billion would be appropriated to the Coronavirus Local Fiscal Recovery Fund, to remain available until expended.

**(b)(1) Metropolitan Cities**

Of the total appropriation, \$45.57 billion would be allocated for metropolitan cities, distributed pursuant to the formula used to administer the Community Development Block Grant (CDBG), modified to replace “all metropolitan cities” with “all metropolitan areas.” The Secretary of the Treasury would be required to make payments within 60 days of receiving a city’s certification.

**(b)(2) Nonentitlement Units of Local Government**

Of the total appropriation, \$19.53 billion would be reserved for nonentitlement units of local government, generally defined as those with fewer than 50,000 inhabitants. The Secretary of the Treasury would be required to transmit payments to states within 60 days of enactment, and states would be required to transmit payments to nonentitlement units of local government within 30 days of receipt. This provision would ensure that nonentitlement units of local government receive payments under this Act as expeditiously as practicable. States would have no discretionary authority to change the amount of, or attach additional requirements to, such payments.

If a state certifies in writing to the Secretary before the end of the 30-day distribution period that one or more required distributions would constitute an excessive administrative burden on the state, the state may request a 30-day extension. A further 30-day extension may be granted only if the authorizing officer provides a written plan for distributing the funds within that period and if the Secretary certifies in writing that the plan is likely sufficient. Any further extensions must follow these same requirements. If a state does not disburse funds within 120 days of receipt or the last day of an approved distribution period, the undisbursed funds would be booked as debt owed by the state to the federal government and must be repaid to the Treasury out of the state's own allocation.

Payments would be distributed by the state to nonentitlement units of local government based on proportionate population, but not to exceed 75 percent of the most recent budget for the nonentitlement unit of government as of January 27, 2020. Of any amount above this cap, half would be retained by the state and half would be reallocated to other nonentitlement units of local government in the state. States may make pro rata adjustments to allocations as necessary to ensure that all funds are distributed.

**(b)(3) Counties**

Of the total appropriation, \$65.1 billion would be allocated to make payments directly to counties of the 50 states, D.C., and the territories, distributed proportionate to population based on the most recent data available from the Census Bureau. If such data is not available, the state may base distribution on other data as appropriate. The Secretary of the Treasury must make payments within 30 days of receiving a county's certification.

Urban counties would receive at least the amount they would receive if the sum were distributed to metropolitan cities and urban counties according to the CDBG formula. Funds for counties that are not units of general local government would be paid to the state to be distributed to cities proportionate to population. D.C. would be considered a single county that is a unit of general local government.

**(b)(4) Consolidated Governments**

A unit of general local government that has formed a consolidated government, or that is geographically contained within the boundaries of another unit of local government, may receive funds for metropolitan cities and nonentitlement units of local government.

**(b)(5) Pro Rata Adjustment Authority**

The Secretary of the Treasury may adjust the allocated amounts on a pro rata basis as necessary to ensure that all available funds are distributed.

**(b)(6) Population Data**

Allocations to local governments would be made based on the most recent data available from the Census Bureau.

**(b)(7) Timing**

The Secretary of the Treasury would be required to make payments within 60 days of receiving a certification, as required by subsection (d).

**(c) Requirements**

Recipient governments would be permitted to use funds only to respond to or mitigate the COVID-19 emergency or its negative economic impacts; to cover costs incurred as a result of the emergency; to replace revenue lost, delayed, or decreased as a result of the emergency, as determined based on revenue projections as of January 27, 2020; or to address the negative economic impacts of the emergency. Recipient governments would be permitted to transfer funds to private nonprofit organizations, public benefit corporations involved in the transportation of passengers or cargo, a special-purpose unit of state or local government, or a multi-State entity involved in the transportation of passengers or cargo.

**(d) Certification of Need and Intended Uses**

To receive the funds described in this section, a local government county or metropolitan city must provide the Secretary of the Treasury a certification signed by the authorized officer specifying that the government requires the federal assistance to effectively carry out pandemic response and mitigation activities consistent with the requirements of the permitted uses of the funds.

**SUBTITLE B—OTHER MATTERS****Sec. 5111. Emergency Federal Employee Leave Fund****(a) Establishment; Appropriation**

This subsection would establish the Emergency Federal Employee Leave Fund (the “Fund”) in the Treasury, to be administered by the Office of Personnel Management. For fiscal year 2021, \$570 million would be appropriated to the fund.

**(b) Purpose**

An agency would be permitted to use the Fund to provide paid leave to any employee of the agency who is unable to work due to certain reasons related to COVID-19. These include situations involving quarantine or isolation due to COVID-19, caring for family members who are facing these conditions, experience of symptoms related to COVID-19, caring for a son or daughter whose school is closed or performing virtual or hybrid learning instruction, or substantially similar conditions. Agencies also would be permitted to use the Fund to provide paid leave to an employee who is caring for a family member with a mental or physical disability or who is 55 years of age or older and incapable of self-care, if care is unavailable due to COVID-19. Paid leave also may be provided to an employee who is obtaining or recovering from COVID-19 vaccination.

**(c) Limitations**

Paid leave may be provided only during the period starting on the date of enactment of the Act and ending on September 30, 2021, and may not exceed 600 hours of paid leave for each full-time employee, with proportional equivalents provided to employees working less than a full-time schedule. Paid leave would be capped at a rate of \$35 per hour of leave, with a weekly aggregate cap of \$1,400. Paid leave from the Fund would be provided in addition to any other leave provided to an employee under an agency's leave system, although it may not be used by an employee concurrently with any other paid leave. Paid leave from the Fund would not count for purposes of determining an employee's annuity under Title 5 provisions.

**(d) Definitions**

Paid leave from the Fund could be provided to civilian employees of federal executive branch agencies.

**(e) Clarification**

Paid leave from the Fund could be provided to employees of the Veterans Health Administration.

**Sec. 5112. Funding for the Government Accountability Office**

GAO would receive \$77 million for expenses relating to the coronavirus pandemic and to support oversight of federal coronavirus response efforts.

**Sec. 5113. Pandemic Response Accountability Committee Funding Availability**

The PRAC would receive \$40 million, available until September 30, 2025, to promote transparency and support oversight of federal coronavirus response efforts.

## COMMITTEE CONSIDERATION

On February 12, 2021, the Committee met in open session and, with a quorum being present, ordered the bill favorably reported by a vote of 23 to 18.

## COMMITTEE VOTES

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the Committee advises that the following 15 recorded votes to the Amendment in the Nature of a Substitute (ANS), offered by Ms. Maloney, which was approved by voice vote, to the Committee Print Providing for reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, occurred during consideration:

1. En Bloc package of amendments (Mr. Comer #1, Mr. Grothman #1, 2 & 3, Ms. Herrell #1, Mr. Gosar # 1 & 2, Mr. Keller #2, Mr. Sessions #1, and Dr. Foxx # 2 & 3) to the ANS to the Committee Print, failed by a recorded vote of 19 to 23.
2. Amendment (#2) to the ANS to the Committee Print, offered by Mr. Comer, failed by a recorded vote of 19 to 23.
3. Amendment (#1) to the ANS to the Committee Print, as amended, offered by Keller, failed by recorded vote of 19 to 23.
4. Amendment (#1) to the ANS Committee Print, as amended, offered by Ms. Foxx, failed by recorded vote of 19 to 23.
5. En Bloc package of amendments (Mr. Higgins #1 #3, Biggs #2, Franklin #1 & 2, Mace 1, 2, &3, Donalds #1 & 5, Clyde #1, and Comer #3) to the ANS to the Committee Print, failed by a recorded vote 17 of 23.
6. Amendment (#2) to the ANS to the Committee Print, offered by Ms. Herrell, failed by recorded vote of 18 to 23.
7. Amendment (#1) to the ANS to the Committee Print, offered by Mr. Higgins, failed by recorded vote of 17 to 23.
8. Amendment (#1) to the ANS to the Committee Print, offered by Mr. Cloud, failed by recorded vote of 18 to 23.
9. Amendment (#2) to the ANS to the Committee Print, offered by Mr. Cloud, failed by recorded vote of 18 to 23.
10. Amendment (#1) to the ANS to the Committee Print, offered by Mr. Hice, failed by recorded vote of 17 to 24.
11. Amendment (#1) to the ANS to the Committee Print, offered by Mr. Biggs, failed by recorded vote of 18 to 23.
12. Amendment (#2) to the ANS to the Committee Print, offered by Mr. Donalds, failed by recorded vote of 18 to 23.
13. Amendment (#3) to the ANS to the Committee Print, offered by Mr. Donalds, failed by recorded vote of 18 to 23.
14. Amendment (#4) to the ANS to the Committee Print, offered by Mr. Donalds, failed by recorded vote of 18 to 23.
15. The Committee Print Providing for reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, as amended, was agreed to by recorded vote of 23 to 18.

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Amendments (Mr. Comer #1, Mr. Grothman #1, 2 & 3, Ms. Herrell #1, Mr. Gosar # 1 & 2, Mr. Keller #2, Mr. Sessions #1, and Dr. Foxx # 2 & 3) to the ANS offered by Ms. Maloney to the Committee Print.

Date: February 12, 2021

VOTE #: 1

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)	X		
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
Vacant							

Roll Call Totals: Ayes: 19 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed: X

**COMMITTEE ON OVERSIGHT AND REFORM**  
 117TH CONGRESS  
 RATIO 25-20  
**ROLL CALL**

Vote on: Mr. Comer Amendment (#2) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 2

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)	X		
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
VACANT							

Roll Call Totals: Ayes: 19      Nays: 23      Present:

Passed: \_\_\_\_\_      Failed:   X  

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Keller Amendment (#1) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 3

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)	X		
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMANSCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 19 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Ms. Foxx Amendment (#1) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 4

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)	X		
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 19 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

**COMMITTEE ON OVERSIGHT AND REFORM**  
 117TH CONGRESS  
 RATIO 25-20  
**ROLL CALL**

**Vote on:** Amendments (Mr. Higgins #1 #3, Biggs #2, Franklin #1 & 2, Mace 1, 2, & 3, Donalds #1 & 5, Clyde #1, and Comer #3) to the ANS offered by Ms. Maloney to the Committee Print.

Date: February 12, 2021

VOTE #: 5

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHU (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
Vacant							

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed: X

**COMMITTEE ON OVERSIGHT AND REFORM**  
 117TH CONGRESS  
 RATIO 25-20  
**ROLL CALL**

Vote on: Ms. Herrell Amendment (#2) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 6

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMANSCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X 

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Higgins Amendment (#1) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 7

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)			
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 17 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM

117TH CONGRESS

RATIO 25-20

ROLL CALL

Vote on: Mr. Cloud Amendment (#1) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 8

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MD)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
**ROLL CALL**

Vote on: Mr. Cloud Amendment (#2) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 9

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Hice Amendment (#1) to the ANS offered by Ms. Maloney  
 Date: February 12, 2021

VOTE #: 10

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHU (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)		X	
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 17 Nays: 24 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Biggs Amendment (#1) to the ANS offered by Ms. Maloney  
 Date: February 12, 2021

VOTE #: 11

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Donalds Amendment (#2) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 12

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Donalds Amendment (#3) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 13

Democrats	Aye	No.	Present	Republicans	Aye	No.	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
VACANT							

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Donalds Amendment (#4) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 14

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
VACANT							

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

**COMMITTEE ON OVERSIGHT AND REFORM**  
 117TH CONGRESS  
 RATIO 25-20  
**ROLL CALL**

Vote on: Committee Print Providing for reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, as amended.

Date: February 12, 2021

VOTE #: 15

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
VACANT							

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

## COMMITTEE ON OVERSIGHT AND REFORM

117TH CONGRESS

RATIO 25-20

## ROLL CALL

Vote on: Mr. Keller Amendment (#1) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 3

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)	X		
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 19 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X 

(REVISED 2-12-21)

**COMMITTEE ON OVERSIGHT AND REFORM**  
 117TH CONGRESS  
 RATIO 25-20  
**ROLL CALL**

**Vote on:** Amendments (Mr. Comer #1, Mr. Grothman #1, 2 & 3, Ms. Herrell #1, Mr. Gosar # 1 & 2, Mr. Keller #2, Mr. Sessions #1, and Dr. Foxx # 2 & 3) to the ANS offered by Ms. Maloney to the Committee Print.

**Date:** February 12, 2021

**VOTE #: 1**

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) (Chairwoman)		X		MR. COMER (KY) (Ranking Member)	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)	X		
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
Vacant							

Roll Call Totals: Ayes: 19 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed: X

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Comer Amendment (#2) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 2

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)	X		
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
VACANT							

Roll Call Totals: Ayes: 19 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

**COMMITTEE ON OVERSIGHT AND REFORM**  
 117TH CONGRESS  
 RATIO 25-20  
**ROLL CALL**

Vote on: Mr. Keller Amendment (#1) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 3

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)	X		
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 19 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X 

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Ms. Foxx Amendment (#1) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 4

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)	X		
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 19 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Amendments (Mr. Higgins #1 #3, Biggs #2, Franklin #1 & 2, Mace 1, 2, & 3, Donalds #1 & 5, Clyde #1, and Comer #3) to the ANS offered by Ms. Maloney to the Committee Print.

Date: February 12, 2021

VOTE #: 5

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
Vacant							

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed: X

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Ms. Herrell Amendment (#2) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 6

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

**COMMITTEE ON OVERSIGHT AND REFORM**  
 117TH CONGRESS  
 RATIO 25-20  
**ROLL CALL**

Vote on: Mr. Higgins Amendment (#1) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 7

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)			
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 17 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Cloud Amendment (#1) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 8

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MD)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MD)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Cloud Amendment (#2) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 9

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Hice Amendment (#1) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 10

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)		X	
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 17 Nays: 24 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Biggs Amendment (#1) to the ANS offered by Ms. Maloney  
 Date: February 12, 2021

VOTE #: 11

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Donalds Amendment (#2) to the ANS offered by Ms. Maloney  
 Date: February 12, 2021

VOTE #: 12

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Donalds Amendment (#3) to the ANS offered by Ms. Maloney.

Date: February 12, 2021

VOTE #: 13

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
VACANT							

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Mr. Donalds Amendment (#4) to the ANS offered by Ms. Maloney

Date: February 12, 2021

VOTE #: 14

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
VACANT							

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

COMMITTEE ON OVERSIGHT AND REFORM  
 117TH CONGRESS  
 RATIO 25-20  
 ROLL CALL

Vote on: Committee Print Providing for reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, as amended.

Date: February 12, 2021

VOTE #: 15

Democrats	Aye	No	Present	Republicans	Aye	No	Present
MS. MALONEY (NY) <i>(Chairwoman)</i>		X		MR. COMER (KY) <i>(Ranking Member)</i>	X		
MS. NORTON (DC)		X		MR. JORDAN (OH)	X		
MR. LYNCH (MA)		X		MR. GOSAR (AZ)	X		
MR. COOPER (TN)		X		MS. FOXX (NC)	X		
MR. CONNOLLY (VA)		X		MR. HICE (GA)	X		
MR. KRISHNAMOORTHY (IL)		X		MR. GROTHMAN (WI)	X		
MR. RASKIN (MD)				MR. CLOUD (TX)	X		
MR. KHANNA (CA)		X		MR. GIBBS (OH)	X		
MR. MFUME (MD)		X		MR. HIGGINS (LA)	X		
MS. OCASIO-CORTEZ (NY)		X		MR. NORMAN (SC)	X		
MS. TLAIB (MI)		X		MR. SESSIONS (TX)			
MS. PORTER (CA)		X		MR. KELLER (PA)	X		
MS. BUSH (MO)		X		MR. BIGGS (AZ)	X		
MR. DAVIS (IL)		X		MR. CLYDE (GA)	X		
MS. WASSERMAN SCHULTZ		X		MS. MACE (SC)	X		
MR. WELCH (VT)		X		MR. FRANKLIN (FL)	X		
MR. JOHNSON (GA)		X		MR. LATURNER (KS)	X		
MR. SARBANES (MD)		X		MR. FALLON (TX)			
MS. SPEIER (CA)		X		MS. HERRELL (NM)	X		
MS. KELLY (IL)		X		MR. DONALDS (FL)	X		
MS. LAWRENCE (MI)		X					
MR. DESAULNIER (CA)		X					
MR. GOMEZ (CA)		X					
MS. PRESSLEY (MA)		X					
VACANT							

Roll Call Totals: Ayes: 18 Nays: 23 Present:

Passed: \_\_\_\_\_ Failed:  X

(REVISED 2-12-21)

CONSTITUTIONAL AUTHORITY STATEMENT

The Committee finds that Congress has the authority to enact the provisions of the Committee Print, pursuant to Section 8 of Article I of the Constitution of the United States.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

The Committee's performance goals and objectives of this Committee Print are described in the Summary of the Major Policy Decisions section of this report.

DUPPLICATION OF FEDERAL PROGRAMS

No provision of this Committee Print establishes or reauthorizes a program of the Federal Government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

EARMARK IDENTIFICATION

This Committee Print does not include any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of Rule XXI of the House of Representatives.

FEDERAL ADVISORY COMMITTEE ACT

The Committee Print does not establish or authorize the establishment of an advisory committee within the definition of Section 5(b) of the appendix to title 5, United States Code.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE AND RELATED BUDGETARY COMPARISONS

Pursuant to clause 3(c)(3) of Rule XIII of the House of Representatives, the cost estimate prepared by the Congressional Budget Office and submitted pursuant to section 402 of the Congressional Budget Act of 1974 is as follows:



CONGRESSIONAL BUDGET OFFICE  
U.S. Congress  
Washington, DC 20515

*Phillip L. Swagel, Director*

February 15, 2021

Honorable Carolyn B. Maloney  
Chairwoman  
Committee on Oversight and Reform  
U.S. House of Representatives  
Washington, DC 20515

Dear Madam Chairwoman:

The Congressional Budget Office has prepared the enclosed cost estimate for the Reconciliation Recommendations of the Committee on Oversight and Reform pursuant to S. Con. Res. 5.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Matthew Pickford.

Sincerely,

A handwritten signature in black ink, appearing to read 'Phillip L. Swagel', with a long, sweeping flourish extending to the right.

Phillip L. Swagel

Enclosure

cc: Honorable James Comer  
Ranking Member

<b>Reconciliation Recommendations of the House Committee on Oversight and Reform</b>			
As ordered reported on February 12, 2021			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	350,051	350,357	350,357
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	350,051	350,357	350,357
Statutory pay-as-you-go procedures apply?	Yes	Mandate Effects	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
CBO has not reviewed the legislation for effects on spending subject to appropriation.			

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Oversight and Reform approved legislation on February 12, 2021, with a number of provisions that would increase deficits.

The legislation would appropriate \$350 billion for state, tribes, and local governments to mitigate the fiscal effects stemming from COVID-19, the disease caused by the coronavirus. The legislation also would establish a fund to reimburse federal agencies for emergency leave taken by their employees and provide funds for oversight of the federal government's response to the pandemic.

The legislation would appropriate the following amounts to states, tribes, and local governments:

- \$219.8 billion to the Coronavirus State Fiscal Recovery Fund for state and local governments to respond and mitigate the effects of COVID-19, and
- \$130.2 billion to the Coronavirus Local Fiscal Recovery Fund for cities and counties to mitigate the fiscal effects of COVID-19.



In addition, the legislation would appropriate the following amounts for federal purposes:

- \$570 million to the Emergency Federal Employee Leave Fund, which would be used to reimburse agencies for paid leave provided to federal employees who are unable to work because of contingencies related to COVID-19, including caring for children whose schools are closed and caring for some family members who cannot care for themselves;
- \$77 million to the Government Accountability Office to prevent, prepare for, and oversee the federal response to COVID-19; and
- \$40 million to the Pandemic Response Accountability Committee for oversight of COVID-19 spending.

The costs of the legislation, detailed in Table 1, predominantly falls within budget function 800 (general government); some costs would fall into all budget functions with spending for salaries. CBO estimates that enacting the legislation would increase direct spending by about \$350 billion over the 2021-2030 period.

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The changes in outlays that are subject to those procedures are shown in Table 1. Enacting the legislation would not affect revenues.

The legislation would not increase on-budget deficits in any year after 2030.

The CBO staff contacts for this estimate are Matthew Pickford (general government), Dan Ready (emergency federal employee leave), and Stephen Rabent (Postal Service). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

**Table 1.**  
**Estimated Increases in Direct Spending Under Reconciliation Recommendation of the House Committee on Oversight and Reform**

	By Fiscal Year, Millions of Dollars											2021- 2030	2021- 2031
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031		
<b>Increases in Direct Spending</b>													
<b>Sec. 5001 - Coronavirus State and Local Fiscal Relief Funds</b>													
Budget Authority	350,000	0	0	0	0	0	0	0	0	0	0	350,000	350,000
Estimated Outlays	349,800	200	0	0	0	0	0	0	0	0	0	350,000	350,000
<b>Sec. 5111 - Emergency Federal Employee Leave Fund<sup>a</sup></b>													
Budget Authority	570	0	0	0	0	0	0	0	0	0	0	570	570
Estimated Outlays	230	10	0	0	0	0	0	0	0	0	0	240	240
<b>Sec. 5112 - Funding for the Government Accountability Office</b>													
Budget Authority	77	0	0	0	0	0	0	0	0	0	0	77	77
Estimated Outlays	15	16	16	15	15	0	0	0	0	0	0	77	77
<b>Sec. 5113 - Pandemic Response Accountability Committee Funding Availability</b>													
Budget Authority	40	0	0	0	0	0	0	0	0	0	0	40	40
Estimated Outlays	6	9	9	8	8	0	0	0	0	0	0	40	40
<b>Total</b>													
Budget Authority	350,687	0	0	0	0	0	0	0	0	0	0	350,687	350,687
Estimated Outlays	350,051	235	25	23	23	0	0	0	0	0	0	350,357	350,357

a. Employees of the Postal Service (USPS) would be eligible for leave through this fund. Receipts and outlays for the USPS are recorded as off-budget direct spending; CBO estimates that costs to the USPS and receipts from reimbursements would fully offset over the 2021-2030 period. Thus, off-budget direct spending would net to zero over the ten-year period.

CHANGES IN EXISTING LAW MADE BY THE BILL

Pursuant to clause 3(e) of Rule XIII of the Rules of the House of Representatives, a comparative print of changes in existing law made by the Committee Print, as reported, has been requested but not received.

MINORITY VIEWS

**Committee Print — Providing for reconciliation pursuant to S. Con. Res. 5,  
the Concurrent Resolution on the Budget for Fiscal Year 2021**

**MINORITY VIEWS**

*Introduction and Overview of Need*

It has been over a year since the COVID-19 pandemic reached America's shores. In response to the pandemic, Congress has enacted five, separate relief bills totaling roughly \$4 trillion.<sup>1</sup> The Coronavirus Aid, Relief, and Economic Recovery Act of 2020 (CARES Act) alone provided \$2.2 trillion in relief,<sup>2</sup> including \$150 billion for state and local governments.<sup>3</sup>

The Department of the Treasury disbursed the \$150 billion to state and local governments. To date, however, not all of those funds have been spent. In fact, roughly \$1 trillion remains of the approximately \$4 trillion Congress provided in its prior relief bills. Yet the legislation before us in this bill authorizes another *\$1.9 trillion* in total funds, including an additional *\$350 billion* in funds for states and localities.

As America works its way through what we all hope will be the final stages of this pandemic, it would be appropriate for Congress to consider a bill that provided targeted, temporary aid tied to remaining needs for COVID-19 relief. This bill, however, is not that bill. The state and local funding it authorizes exemplifies that fact. Notwithstanding the difficulties of the COVID-19 pandemic, it is clearly imprudent to authorize another \$350 billion in funding for states and localities when \$150 billion already authorized *has not yet been fully spent*.<sup>4</sup> Republicans' concerns about the need to avoid unnecessary spending are so strong that Ranking Member Comer, Budget Committee Ranking Member Jason Smith, and 25 other Members have introduced a resolution of inquiry to President Biden, asking that he inform the Congress of the level of unspent funds from all five COVID-19-related bills enacted in 2020.<sup>5</sup> Our Nation, after all, is already well over *\$27 trillion* in debt.<sup>6</sup> We should not add one penny to that debt just to pile more money on top of other funds that have not even been spent.

Multiple states and localities have already recovered enough that they are running budget surpluses and do not need this bill's additional funds for COVID-19 relief. Colorado's Governor Jared Polis, for example, has stated that he plans to spend the money authorized by this bill, not

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<sup>1</sup> *COVID Money Tracker*, COMM. FOR A RESPONSIBLE FED. BUDGET (last viewed Feb. 15, 2021), available at [COVID Money Tracker](#).

<sup>2</sup> Pub. L. 116-136.

<sup>3</sup> *Id.* at sec. 5001.

<sup>4</sup> According to a report received from the Department of the Treasury's Inspector General, roughly *one-third* of these CARES Act funds had still not been spent as of December 31, 2020. Email from Richard K. Delmar, Acting Inspector Gen., U.S. Dept. of the Treasury, to Ashlee Vinyard, Dir. of Operations, Rep. James Comer, Ranking Member, Comm. on Oversight and Reform (Feb. 11, 2021) (copies available on request).

<sup>5</sup> See H. Res. 127.

<sup>6</sup> *Debt Position and Activity Report*, U.S. DEPARTMENT OF THE TREASURY (as of Jan. 31, 2020), available at [pd\\_debtposactrpt\\_202101.pdf](#) ([treasurydirect.gov](#)).

on COVID-19 relief, but on infrastructure and shovel-ready projects.<sup>7</sup> California's Governor Gavin Newsom has bragged on social media that his state is now running a \$10.3 billion surplus.<sup>8</sup> Both states, however, qualify for this bill's relief funds under the bill's highly porous terms. The bill awards the District of Columbia \$526 million more than local officials had anticipated.<sup>9</sup> Even the bill's authors recognize states and localities do not actually need all of the bill's funds—as revealed by their inclusion of authority for recipient states and localities to transfer funds outright to private, non-profit organizations.<sup>10</sup>

Unsurprisingly, there has been a chorus of reports and criticism that this bill is misguided and its enactment would be a mistake. For example, the Congressional Budget Office (CBO) recently released a report concluding that, even without any new stimulus spending, the Nation's Gross Domestic Product (GDP) would return to pre-pandemic levels by mid-2021.<sup>11</sup> Liberal economist and former Obama Administration chief economic advisor Lawrence Summers opines that “much of the policy discussion [surrounding the bill's proposed stimulus] has not fully reckoned with the magnitude of what is being debated,” noting that it “is three times as large as the projected shortfall.”<sup>12</sup> Former International Monetary Fund chief Olivier Blanchard warns this bill is “too much” and could “lead to strong inflation.”<sup>13</sup> The bipartisan Committee for a Responsible Federal Budget reports forecasts that the economy will grow even faster than CBO projects. If they are true, this bill's \$1.9 trillion in spending could be around eight to ten times the budget shortfall.<sup>14</sup> And analysts at the University of Pennsylvania's Wharton School estimate that the Majority's bill would cause the GDP to begin declining in 2022, in part due to the increased national debt.<sup>15</sup>

Unnecessarily injecting \$1.9 trillion in new spending, especially when not needed for the economy to recover, could damage our economy by adding to the national debt without

<sup>7</sup> Squawk on the Street, *Colorado Gov. Polis on the importance of state and local relief*, CNBC (Feb. 8, 2021), available at [Colorado Gov. Polis on the importance of state and local relief \(cnbc.com\)](#).

<sup>8</sup> Gov. Gavin Newsom, *New: CA is now projected to have \$10.3 billion more than we projected in our #CABudget*, Twitter (Feb. 3, 2021), available at [Gavin Newsom on Twitter: "NEW: CA is now projected to have \\$10.3 billion more than we projected in our #CABudget. That's more support for our small businesses, vaccine administration, schools, and more. https://t.co/zuONZJX01A" / Twitter](#).

<sup>9</sup> Martin Austermluh, *In Midst of Pandemic, D.C. Gets an Unexpected Surprise: A Big Budget Surplus*, DCIST (Feb. 5, 2021), available at [In Midst Of The Pandemic, D.C. Gets Unexpected Budget Surplus | DCist](#).

<sup>10</sup> See Committee Print (Providing for reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021), TITLE V—COMMITTEE ON OVERSIGHT AND REFORM, at pp. 7 and 20-21 (proposed new paragraphs 602(c)(2) and 603(c)(2) of title VI of the Social Security Act).

<sup>11</sup> CONG. BUDGET OFF., AN OVERVIEW OF THE ECONOMIC OUTLOOK: 2021 TO 2031 (Feb. 2021), available at [An Overview of the Economic Outlook: 2021 to 2031 \(cbo.gov\)](#).

<sup>12</sup> Lawrence Summers, *Opinion: The Biden Stimulus is Admirably Ambitious. But it Brings Some Big Risks, Too*, WASH. POST, Feb. 4, 2021, available at [Opinion | Biden's covid stimulus plan is big and bold but has risks, too - The Washington Post](#).

<sup>13</sup> Olivier Blanchard (@ojblanchard1), Twitter, Feb. 6, 2021.

<sup>14</sup> *How Much Would the American Rescue Plan Overshoot the Output Gap?* COMM. FOR A RESPONSIBLE FED. BUDGET, Feb. 3, 2021, available at [How Much Would the American Rescue Plan Overshoot the Output Gap? | Committee for a Responsible Federal Budget \(crfb.org\)](#).

<sup>15</sup> Alex Arnon, et al., *Macroeconomic Effects of the \$1.9 Trillion Biden COVID Relief Plan*, PENN WHARTON BUDGET MODEL, Feb. 3, 2021, available at [Macroeconomic Effects of the \\$1.9 Trillion Biden COVID Relief Plan — Penn Wharton Budget Model \(upenn.edu\)](#).

improving the economy, causing inflation, producing misallocations in the economy, and leading the Nation to an economic cliff or crash as the misguided stimulus fades.<sup>16</sup>

The bottom line is—as the *Wall Street Journal* has written—that the bill’s backers are not listening to the experts.<sup>17</sup> Although economic forecasts continue to improve and too much stimulus will likely harm the economy, the Biden Administration and Congressional Democrats are unwilling to acknowledge these concerns or compromise with Republicans.<sup>18</sup> This legislation is not about providing targeted COVID-19 relief for struggling American families, workers, small businesses, and communities. It is about the Majority’s penchant to shovel out billions of dollars to line the pockets of political allies and pay for partisan pet projects.

#### ***The Majority’s Refusal to Cut Off the Bill’s Potential for Waste, Fraud and Abuse***

We are therefore deeply concerned about the potential this bill raises for the waste, fraud and abuse of taxpayer funds. As the Committee considered amendments to the bill, we worked hard to amend the bill in a host of ways, attempting to secure the Majority’s cooperation in cutting off the possibilities for waste, fraud and abuse. Republican amendments offered included each of the following, among others:

- a requirement that the bill’s funds be used only for pandemic-related expenses (offered by Ranking Member Comer);
- requirements that payments be conditioned on jurisdictions’ adequate certification of need (offered by Rep. Franklin);
- a prohibition on payments to jurisdictions that have not yet fully obligated all of their CARES Act relief funds (offered by Rep. Mace);
- a prohibition on payments that duplicate funding authorized by prior relief legislation (offered by Rep. Mace);
- requirements for Inspector General oversight of the use of the bill’s funds and for repayment of misused funds (offered by Rep. Clyde);
- a prohibition against use of the bill’s funds, not for COVID-19 relief, but to infuse money into under-funded public-employee pension plans (offered by Rep. Grothman);
- requirements that this bill’s funds and still-unspent CARES Act funds be shared equitably with small, rural localities (offered respectively by Rep. Foxx and Rep. Herrell);
- requirements that the bill’s funds for rural localities flow directly to those jurisdictions without restrictions, rather than through state governments that unfairly divert those resources to urban areas (offered by Rep. Keller);

<sup>16</sup> *Id.*

<sup>17</sup> James Freeman, *Why Won’t the President Listen to the Experts?* WALL ST. J., Feb. 1, 2021, available at [Why Won’t the President Listen to the Experts? - WSJ](#).

<sup>18</sup> *See id.*

- an extension of criminal penalties to those who intentionally misuse COVID-19 relief funds (offered by Rep. Gosar); and
- the elimination of an exception allowing the District of Columbia to receive the bill's funds without a certification of need (offered by Rep. Gosar).

Not only that, Republicans also offered numerous amendments to assure that federal, state and local policies that are damaging and counter-productive as America tries to emerge from the pandemic are rescinded before jurisdictions can receive the bill's funds. These amendments included the following, among others:

- a prohibition on funds for jurisdictions refusing to allow in-person, K-12 education for our Nation's children (offered by Rep. Foxx);
- a prohibition on payments to jurisdictions restricting worship and free expression of faith-based organizations (offered by Rep. Cloud);
- a prohibition on jurisdictions that defund law enforcement, threatening public safety (offered by Rep. Higgins);
- a prohibition on payments to jurisdictions under investigation for endangerment of public nursing home residents (offered by Rep. Franklin);
- a prohibition on payments to jurisdictions that have under-reported nursing home deaths (offered by Rep. Donalds);
- a prohibition on payments to states and localities that restrict small businesses' operations beyond levels recommended in Centers for Disease Control and Prevention guidance (offered by Rep. Donalds);
- a prohibition on the disbursement of funds until President Biden reinstates the presidential permit for the Keystone XL pipeline project, restoring high-paying jobs in multiple states and lowering all Americans' energy costs (offered by Rep. Grothman); and
- a prohibition on payments to jurisdictions with job-killing, revenue-crushing fracking bans (offered by Rep. Higgins).

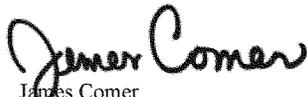
Regrettably, the Majority shrugged off each of the minority's concerns and voted down each of the above amendments. As a result, what entered the Committee as a bill funding a partisan boondoggle is leaving the Committee, over the Minority's objections, as a partisan boondoggle.

### *Conclusion*

The American taxpayers deserve better than this. They have been enduring a pandemic—with draconian lockdowns and school closures in blue and purple states. Parents and particularly mothers are left trying to figure out how to keep their businesses open and their children educated. Rather than cynically take advantage of their narrow majorities in Congress, Democrats should have reached across the aisle to Republicans. Had they done so, they could have engaged in real policy discussions to make sure new spending was targeted to those left

most in need and vulnerable to the pandemic. Instead, Democrats refused to engage in a transparent and bipartisan process, leaving this bill's vast funds vulnerable to waste, fraud and abuse.

The Majority's reckless effort to push out this giant package will likely wreak havoc on the economy and fail to help those they claim they are trying to reach. We would have been happy to consider bipartisan, consensus legislation to provide targeted, temporary aid tied to COVID-19. This, however, is not that bill, and we cannot support it.

A handwritten signature in black ink that reads "James Comer". The signature is written in a cursive, flowing style.

James Comer  
Ranking Member  
Committee on Oversight and Reform

**Committee Print — Providing for reconciliation pursuant to S. Con. Res. 5,  
the Concurrent Resolution on the Budget for Fiscal Year 2021**

**MINORITY VIEWS**

*Introduction and Overview of Need*

It has been over a year since the COVID-19 pandemic reached America's shores. In response to the pandemic, Congress has enacted five, separate relief bills totaling roughly \$4 trillion.<sup>1</sup> The Coronavirus Aid, Relief, and Economic Recovery Act of 2020 (CARES Act) alone provided \$2.2 trillion in relief,<sup>2</sup> including \$150 billion for state and local governments.<sup>3</sup>

The Department of the Treasury disbursed the \$150 billion to state and local governments. To date, however, not all of those funds have been spent. In fact, roughly \$1 trillion remains of the approximately \$4 trillion Congress provided in its prior relief bills. Yet the legislation before us in this bill authorizes another *\$1.9 trillion* in total funds, including an additional *\$350 billion* in funds for states and localities.

As America works its way through what we all hope will be the final stages of this pandemic, it would be appropriate for Congress to consider a bill that provided targeted, temporary aid tied to remaining needs for COVID-19 relief. This bill, however, is not that bill. The state and local funding it authorizes exemplifies that fact. Notwithstanding the difficulties of the COVID-19 pandemic, it is clearly imprudent to authorize another \$350 billion in funding for states and localities when \$150 billion already authorized *has not yet been fully spent*.<sup>4</sup> Republicans' concerns about the need to avoid unnecessary spending are so strong that Ranking Member Comer, Budget Committee Ranking Member Jason Smith, and 25 other Members have introduced a resolution of inquiry to President Biden, asking that he inform the Congress of the level of unspent funds from all five COVID-19-related bills enacted in 2020.<sup>5</sup> Our Nation, after all, is already well over *\$27 trillion* in debt.<sup>6</sup> We should not add one penny to that debt just to pile more money on top of other funds that have not even been spent.

Multiple states and localities have already recovered enough that they are running budget surpluses and do not need this bill's additional funds for COVID-19 relief. Colorado's Governor Jared Polis, for example, has stated that he plans to spend the money authorized by this bill, not

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<sup>1</sup> *COVID Money Tracker*, COMM. FOR A RESPONSIBLE FED. BUDGET (last viewed Feb. 15, 2021), available at [COVID Money Tracker](#).

<sup>2</sup> Pub. L. 116-136.

<sup>3</sup> *Id.* at sec. 5001.

<sup>4</sup> According to a report received from the Department of the Treasury's Inspector General, roughly *one-third* of these CARES Act funds had still not been spent as of December 31, 2020. Email from Richard K. Delmar, Acting Inspector Gen., U.S. Dept. of the Treasury, to Ashlee Vinyard, Dir. of Operations, Rep. James Comer, Ranking Member, Comm. on Oversight and Reform (Feb. 11, 2021) (copies available on request).

<sup>5</sup> See H. Res. 127.

<sup>6</sup> *Debt Position and Activity Report*, U.S. DEPARTMENT OF THE TREASURY (as of Jan. 31, 2020), available at [pd\\_debtposactrpt\\_202101.pdf](#) ([treasurydirect.gov](#)).

on COVID-19 relief, but on infrastructure and shovel-ready projects.<sup>7</sup> California's Governor Gavin Newsom has bragged on social media that his state is now running a \$10.3 billion surplus.<sup>8</sup> Both states, however, qualify for this bill's relief funds under the bill's highly porous terms. The bill awards the District of Columbia \$526 million more than local officials had anticipated.<sup>9</sup> Even the bill's authors recognize states and localities do not actually need all of the bill's funds—as revealed by their inclusion of authority for recipient states and localities to transfer funds outright to private, non-profit organizations.<sup>10</sup>

Unsurprisingly, there has been a chorus of reports and criticism that this bill is misguided and its enactment would be a mistake. For example, the Congressional Budget Office (CBO) recently released a report concluding that, even without any new stimulus spending, the Nation's Gross Domestic Product (GDP) would return to pre-pandemic levels by mid-2021.<sup>11</sup> Liberal economist and former Obama Administration chief economic advisor Lawrence Summers opines that "much of the policy discussion [surrounding the bill's proposed stimulus] has not fully reckoned with the magnitude of what is being debated," noting that it "is three times as large as the projected shortfall."<sup>12</sup> Former International Monetary Fund chief Olivier Blanchard warns this bill is "too much" and could "lead to strong inflation."<sup>13</sup> The bipartisan Committee for a Responsible Federal Budget reports forecasts that the economy will grow even faster than CBO projects. If they are true, this bill's \$1.9 trillion in spending could be around eight to ten times the budget shortfall.<sup>14</sup> And analysts at the University of Pennsylvania's Wharton School estimate that the Majority's bill would cause the GDP to begin declining in 2022, in part due to the increased national debt.<sup>15</sup>

Unnecessarily injecting \$1.9 trillion in new spending, especially when not needed for the economy to recover, could damage our economy by adding to the national debt without

<sup>7</sup> Squawk on the Street, *Colorado Gov. Polis on the importance of state and local relief*, CNBC (Feb. 8, 2021), available at [Colorado Gov. Polis on the importance of state and local relief \(cnbc.com\)](#).

<sup>8</sup> Gov. Gavin Newsom, *New: CA is now projected to have \$10.3 billion more than we projected in our #CABudget*, Twitter (Feb. 3, 2021), available at [Gavin Newsom on Twitter: "NEW: CA is now projected to have \\$10.3 billion more than we projected in our #CABudget. That's more support for our small businesses, vaccine administration, schools, and more. https://t.co/zuONZIX01A" / Twitter](#).

<sup>9</sup> Martin Austermulhe, *In Midst of Pandemic, D.C. Gets an Unexpected Surprise: A Big Budget Surplus*, DCIST (Feb. 5, 2021), available at [In Midst Of The Pandemic, D.C. Gets Unexpected Budget Surplus | DCist](#).

<sup>10</sup> See Committee Print (Providing for reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021), TITLE V—COMMITTEE ON OVERSIGHT AND REFORM, at pp. 7 and 20-21 (proposed new paragraphs 602(c)(2) and 603(c)(2) of title VI of the Social Security Act).

<sup>11</sup> CONG. BUDGET OFF., AN OVERVIEW OF THE ECONOMIC OUTLOOK: 2021 TO 2031 (Feb. 2021), available at [An Overview of the Economic Outlook: 2021 to 2031 \(cbo.gov\)](#).

<sup>12</sup> Lawrence Summers, *Opinion: The Biden Stimulus is Admirably Ambitious. But it Brings Some Big Risks, Too*, WASH. POST, Feb. 4, 2021, available at [Opinion | Biden's covid stimulus plan is big and bold but has risks, too - The Washington Post](#).

<sup>13</sup> Olivier Blanchard (@ojblanchard1), Twitter, Feb. 6, 2021.

<sup>14</sup> *How Much Would the American Rescue Plan Overshoot the Output Gap?* COMM. FOR A RESPONSIBLE FED. BUDGET, Feb. 3, 2021, available at [How Much Would the American Rescue Plan Overshoot the Output Gap? | Committee for a Responsible Federal Budget \(crfb.org\)](#).

<sup>15</sup> Alex Arnon, et al., *Macroeconomic Effects of the \$1.9 Trillion Biden COVID Relief Plan*, PENN WHARTON BUDGET MODEL, Feb. 3, 2021, available at [Macroeconomic Effects of the \\$1.9 Trillion Biden COVID Relief Plan — Penn Wharton Budget Model \(upenn.edu\)](#).

improving the economy, causing inflation, producing misallocations in the economy, and leading the Nation to an economic cliff or crash as the misguided stimulus fades.<sup>16</sup>

The bottom line is—as the *Wall Street Journal* has written—that the bill’s backers are not listening to the experts.<sup>17</sup> Although economic forecasts continue to improve and too much stimulus will likely harm the economy, the Biden Administration and Congressional Democrats are unwilling to acknowledge these concerns or compromise with Republicans.<sup>18</sup> This legislation is not about providing targeted COVID-19 relief for struggling American families, workers, small businesses, and communities. It is about the Majority’s penchant to shovel out billions of dollars to line the pockets of political allies and pay for partisan pet projects.

***The Majority’s Refusal to Cut Off the Bill’s Potential for Waste, Fraud and Abuse***

We are therefore deeply concerned about the potential this bill raises for the waste, fraud and abuse of taxpayer funds. As the Committee considered amendments to the bill, we worked hard to amend the bill in a host of ways, attempting to secure the Majority’s cooperation in cutting off the possibilities for waste, fraud and abuse. Republican amendments offered included each of the following, among others:

- a requirement that the bill’s funds be used only for pandemic-related expenses (offered by Ranking Member Comer);
- requirements that payments be conditioned on jurisdictions’ adequate certification of need (offered by Rep. Franklin);
- a prohibition on payments to jurisdictions that have not yet fully obligated all of their CARES Act relief funds (offered by Rep. Mace);
- a prohibition on payments that duplicate funding authorized by prior relief legislation (offered by Rep. Mace);
- requirements for Inspector General oversight of the use of the bill’s funds and for repayment of misused funds (offered by Rep. Clyde);
- a prohibition against use of the bill’s funds, not for COVID-19 relief, but to infuse money into under-funded public-employee pension plans (offered by Rep. Grothman);
- requirements that this bill’s funds and still-unspent CARES Act funds be shared equitably with small, rural localities (offered respectively by Rep. Foxx and Rep. Herrell);
- requirements that the bill’s funds for rural localities flow directly to those jurisdictions without restrictions, rather than through state governments that unfairly divert those resources to urban areas (offered by Rep. Keller);

<sup>16</sup> *Id.*

<sup>17</sup> James Freeman, *Why Won’t the President Listen to the Experts?* WALL ST. J., Feb. 1, 2021, available at [Why Won’t the President Listen to the Experts? - WSJ](#).

<sup>18</sup> *See id.*

- an extension of criminal penalties to those who intentionally misuse COVID-19 relief funds (offered by Rep. Gosar); and
- the elimination of an exception allowing the District of Columbia to receive the bill's funds without a certification of need (offered by Rep. Gosar).

Not only that, Republicans also offered numerous amendments to assure that federal, state and local policies that are damaging and counter-productive as America tries to emerge from the pandemic are rescinded before jurisdictions can receive the bill's funds. These amendments included the following, among others:

- a prohibition on funds for jurisdictions refusing to allow in-person, K-12 education for our Nation's children (offered by Rep. Foxx);
- a prohibition on payments to jurisdictions restricting worship and free expression of faith-based organizations (offered by Rep. Cloud);
- a prohibition on jurisdictions that defund law enforcement, threatening public safety (offered by Rep. Higgins);
- a prohibition on payments to jurisdictions under investigation for endangerment of public nursing home residents (offered by Rep. Franklin);
- a prohibition on payments to jurisdictions that have under-reported nursing home deaths (offered by Rep. Donalds);
- a prohibition on payments to states and localities that restrict small businesses' operations beyond levels recommended in Centers for Disease Control and Prevention guidance (offered by Rep. Donalds);
- a prohibition on the disbursement of funds until President Biden reinstates the presidential permit for the Keystone XL pipeline project, restoring high-paying jobs in multiple states and lowering all Americans' energy costs (offered by Rep. Grothman); and
- a prohibition on payments to jurisdictions with job-killing, revenue-crushing fracking bans (offered by Rep. Higgins).

Regrettably, the Majority shrugged off each of the minority's concerns and voted down each of the above amendments. As a result, what entered the Committee as a bill funding a partisan boondoggle is leaving the Committee, over the Minority's objections, as a partisan boondoggle.

### *Conclusion*

The American taxpayers deserve better than this. They have been enduring a pandemic—with draconian lockdowns and school closures in blue and purple states. Parents and particularly mothers are left trying to figure out how to keep their businesses open and their children educated. Rather than cynically take advantage of their narrow majorities in Congress, Democrats should have reached across the aisle to Republicans. Had they done so, they could have engaged in real policy discussions to make sure new spending was targeted to those left

most in need and vulnerable to the pandemic. Instead, Democrats refused to engage in a transparent and bipartisan process, leaving this bill's vast funds vulnerable to waste, fraud and abuse.

The Majority's reckless effort to push out this giant package will likely wreak havoc on the economy and fail to help those they claim they are trying to reach. We would have been happy to consider bipartisan, consensus legislation to provide targeted, temporary aid tied to COVID-19. This, however, is not that bill, and we cannot support it.

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James Comer  
Ranking Member  
Committee on Oversight and Reform

455

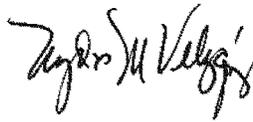
February 13, 2021

The Honorable John Yarmuth  
Chairman  
Committee on the Budget  
204-E Cannon House Office Building  
Washington, DC 20515

Dear Chairman Yarmuth:

Pursuant to section 2001 of the Concurrent Resolution on the Budget, I hereby transmit these recommendations which have been approved by vote of the Committee on Small Business, and the appropriate accompanying material including additional, supplemental or dissenting views, to the House Committee on the Budget. This submission is in order to comply with reconciliation directives included in S. Con. Res. 5, the fiscal year 2021 budget resolution, and is consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974.

Sincerely,

A handwritten signature in black ink, appearing to read "Nydia M. Velázquez". The signature is fluid and cursive, with the first name "Nydia" and last name "Velázquez" clearly distinguishable.

Nydia M. Velázquez  
Chairwoman  
Committee on Small Business

456

REPORT  
OF THE  
COMMITTEE ON SMALL BUSINESS  
ON  
COMMITTEE PRINT  
(PROVIDING FOR RECONCILIATION PURSUANT TO S.CON.RES. 5, THE  
CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2021)

TOGETHER WITH  
DISSENTING AND ADDITIONAL VIEWS

CONTENTS

- I. Introduction
  - A. Purpose and Summary
  - B. Background and Need for Legislation
  - C. Legislative History
- II. Section by Section
- III. Committee Consideration
- IV. Committee Votes
- V. Budget Effects
  - A. Congressional Budget Office Cost Estimate, New Budget Authority, Entitlement Authority, and Tax Expenditures
- VI. Other Matters to be Discussed Under the Rules of the House
  - A. Committee Oversight Findings and Recommendations
  - B. Performance Goals and Objectives
  - C. Federal Mandates
  - D. Statement of Constitutional Authority
  - E. Congressional Accountability Act
  - F. Federal Advisory Committee Act Statement
  - G. Statement of No Earmarks
  - H. Statement of Duplication of Federal Programs
- VII. Changes in Existing Law, Made by the Legislation, As Reported
- VIII. Dissenting Views and Additional Views

## I. INTRODUCTION

## A. PURPOSE AND SUMMARY

The purpose of the recommendations is to provide relief for small businesses throughout the country impacted by the pandemic. It provides financial assistance in the forms of grants and forgivable loans to the hardest hit businesses and small nonprofits, strengthening outreach and education to small firms located in hard to reach and underserved areas, and providing additional administrative funding to the Small Business Administration to ensure swift and strong implementation and oversight of these efforts. The recommendations fulfill the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2021, S. Con. Res. 5.

## B. BACKGROUND AND NEED FOR LEGISLATION

Almost eleven months after shutdown orders and social distancing guidelines were implemented across our economy, small businesses are still struggling to stay open, retain workers, and remain viable. Throughout the pandemic, the Committee has heard feedback that there are many kinds of small businesses that rely on foot traffic and close interaction with others that have been disproportionately impacted by the pandemic. Included among these are businesses that depend on gathering large groups of people, such as music venues, theaters, museums, and other cultural institutions. The Committee has also heard feedback from restaurants, non-profit organizations, and firms in the travel industry about the unique challenges they've each faced because of the COVID-19 pandemic. With conferences across the country postponed or cancelled, travel agents and event planners have virtually no business.

Restaurants across the country, a notoriously thin-margin business, faced full or partial shutdowns, and limited capacity and abbreviated hours when they were open. Yet in 2020, restaurants and the food service industry received only eight percent of Paycheck Protection Program (PPP) dollars lent.<sup>1</sup> Despite expanding to outdoor seating, pivoting to online and delivery orders, and even fresh produce to generate revenue, many restaurants may not survive. The New York Restaurant Association, in partnership with the National Restaurant Association, recently reported that 54 percent of all New York restaurateurs are in danger of closing permanently if another federal relief package is not passed.<sup>2</sup>

Similarly, many non-profit organizations that provide invaluable services and create jobs in their communities were excluded under the first round of the PPP. Business in and around the tourism and travel business have also struggled as governments restricted non-essential travel to curb the spread of the virus. Without business travel or recreational tourism, thousands of small businesses across the country, including hotels, gift shops, travel agents, and others have lost out on revenue they could not replace.

To meet these unique needs, Congress enacted numerous relief programs, including the PPP, expanded Economic Injury Disaster Loan (EIDL) program with Advances, and the Shuttered

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<sup>1</sup> U.S. Small Bus. Admin., *Paycheck Protection Program (PPP) Report: Approvals through 08/08/2020*, (Aug. 8, 2020), [https://www.sba.gov/sites/default/files/2020-08/PPP\\_Report%20-%202020-08-10-508.pdf](https://www.sba.gov/sites/default/files/2020-08/PPP_Report%20-%202020-08-10-508.pdf).

<sup>2</sup> Erika Adams, *More Than Half of New York's Restaurants Are in Danger of Closing: Survey*, (Dec. 11, 2020), EATER NEW YORK, <https://ny.eater.com/2020/12/11/22166728/new-york-restaurant-closing-survey-pandemic>.

Venue Operators Grant program. Other tools were also utilized such as providing for debt relief on principal and interest on SBA loans and strengthening the traditional SBA programs, like the 7(a), 504, and microloan programs to meet the long-term recovery needs of the small business community. In addition, many states have established their own relief programs catered to businesses in those states.<sup>3</sup>

The recommendations provide necessary investments to ensure an equitable path to recovery by expanding PPP loans for small nonprofits that are working in local communities to provide a variety of valuable services, such as food distribution, health care, vaccinations, and childcare. It also harmonizes the treatment for critical digital news services within PPP in recognition of the vital information and emergency news they provide to local communities.

The measure also creates a grant program for small, independent restaurants that gives them the opportunity to receive additional funding to keep their businesses afloat and their workers paid until the nation is better equipped to fully reopen safely. These policies also reflect the need for additional funding for the Targeted EIDL grant program in order to backfill requests for assistance and make new grants to small businesses in low- and moderate-income communities that have excessive revenue losses. The recommendations recognize the importance of shuttered venues and cultural institutions to the nation's economy by increasing the total level of funding available to the Shuttered Venue Grants Program in order to adequately meet the anticipated demands of the program.

Expansion of these programs along with the creation of additional paths of financial assistance to small employers will take time but also more administrative funding to the SBA. Doing so meets the needs of small entities, nonprofits, and their workers to act quickly to implement the programs, increase education and outreach to all businesses, particularly underserved ones, and continue oversight to prevent fraud, waste, and abuse.

The small business economy therefore needs the recommendations provided in the Committee Print because it provides additional funding to address the existing financial needs of small businesses. By providing additional funds for grants, expanding PPP eligibility, strengthening outreach and education to underserved and hard to reach businesses, and increasing administrative funding to the Small Business Administration, the reforms will enable more small employers to remain in business, pay their workers, and create a more equitable recovery for American small businesses.

### C. LEGISLATIVE HISTORY

#### *Budget Resolution*

On February 5, 2021, the House of Representatives approved S. Con Res. 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2001 of S. Con. Res. 5, the Committee on Small Business was directed to submit to the Committee on the Budget recommendations for changes in the law within the jurisdiction of the Committee on Small Business that increase the deficit by not more than \$50,000,000,000 for the period of fiscal years 2021 through 2030.

#### *Committee Hearings*

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<sup>3</sup> See, e.g., Maryland Small Business COVID-19 Emergency Relief Loan Fund, <https://commerce.maryland.gov/fund/maryland-small-business-covid-19-emergency-relief-loan-fund>.

The Committee on Small Business held a hearing on the State of the Small Business Economy in the Era of COVID-19 on February 4, 2020 wherein the Committee heard about how the current pandemic relief programs were helping small employers and what additional steps the federal government could take to strengthen small business resiliency.

The Committee on Small Business and its Subcommittee held many hearings and forums over the 116<sup>th</sup> Congress on a wide variety of subjects relevant to pandemic aid programs, including the following hearings:

- The Impact of Coronavirus on America’s Small Businesses (March 10, 2020)
- Member Day Hearing on COVID-19 Response and Recovery: Committee on Small Business (April 23, 2020)
- Update from the Small Business Administration’s Resource Partners on the Implementation of the CARES Act (May 7, 2020)
- A Conversation with SBA Paycheck Protection Program Lenders (May 13, 2020)
- First Look: SBA Office of Inspector General Preliminary Paycheck Protection Program Report (May 15, 2020)
- The Effects of COVID-19 on Rural Economies (May 20, 2020)
- Business Interruption Coverage: Are Policyholders Being Left Behind? (May 21, 2020)
- Small Business Priorities for the Next Phase of Recovery: How to Leverage the Small Business Development Center Network (May 28, 2020)
- The Economic Injury Disaster Loan Program: A View from Main Street (June 10, 2020)
- Paycheck Protection Program: Loan Forgiveness and Other Challenges (June 17, 2020)
- An Overview of the Dynamic Between the Defense Production Act and Small Contractors (June 24, 2020)
- The Economic Injury Disaster Loan Program: Status Update from the Administration (July 1, 2020)
- Supply Chain Resiliency (July 2, 2020)
- Long-Lasting Solutions for a Small Business Recovery (July 15, 2020)
- Putting America Back to Work: The Role of Workforce Development and Small Business Rehiring (July 16, 2020)
- Oversight of the Small Business Administration and Department of Treasury Pandemic Programs (July 17, 2020)
- 21<sup>st</sup> Century SBA: An Analysis of SBA’s Technology Systems (July 22, 2020)
- Kick Starting Entrepreneurship and Main Street Economic Recovery (September 10, 2020)
- Paycheck Protection Program: An Examination of Loan Forgiveness, SBA Legacy Systems, and Inaccurate Data (September 24, 2020)
- A Review of PPP Forgiveness (September 25, 2020)
- Taking Care of Business: How Childcare is Important for Regional Economies (September 30, 2020)
- Preventing Fraud and Abuse of PPP and EIDL: An Update with the SBA Office of Inspector General and the Government Accountability Office (October 1, 2020)

## II. SECTION-BY-SECTION

### TITLE VI: SMALL BUSINESS PROVISIONS

## SECTION 6001: AMENDMENTS TO PAYCHECK PROTECTION PROGRAM

*Eligibility of Certain Nonprofit Entities*

This subsection expands eligibility to the additional non-profits listed in Section 501(c) of the Internal Revenue Code to receive an initial Paycheck Protection Program (PPP), except for 501(c)(4) organizations, provided that: 1) the organization does not receive more than 15 percent of receipts from lobbying activities; 2) the lobbying activities do not comprise more than 15 percent of activities; 3) the cost of lobbying activities of the organization did not exceed \$1,000,000 during the most recent tax year that ended prior to February 15, 2020; and 4) the organization employs not more than 300 employees.

It makes larger non-profits eligible for PPP by striking the application of the Small Business Administration's (SBA) affiliation rules to nonprofits in the *CARES Act* and looking at the employee headcount at the "per physical location" level of the organization. Larger 501(c)(3)s and veteran's organizations are eligible for PPP that employ not more than 500 employees per physical location of the organization. Larger 501(c)(6)s, domestic marketing organizations, and all other non-profits in Section 501(c) of the IRC (except for 501(c)(4)s) are eligible for PPP that employ not more than 300 employees per physical location of the organization.

It also provides that newly eligible entities may take out second draw PPP loans, provided that they have suffered at least a 25 percent revenue loss and employ not more than 300 employees.

*Eligibility of Internet Publishing Organizations*

This subsection makes eligible for PPP internet-only news and periodical publishers with more than one physical location, as long as the business has not more than 500 employees per physical location or the applicable SBA size standard, if the organization certifies it is an internet-only news or periodical publisher and that the loan will support locally focused or emergency information.

It also waives affiliation rules for internet-only news and periodical publishers, as long as the organization has not more than 500 employees per physical location or the applicable SBA size standard. This section also waives the prohibition against publicly traded internet-only news and periodical publishers from being eligible if the business certifies that the loan will support locally focused or emergency content.

*Coordination with Continuation Coverage Premium Assistance*

This clarifies that COBRA payments are not to be included in PPP forgiveness calculations.

*Commitment Authority and Appropriations.*

Provides an additional \$7.25 billion for PPP and increases the PPP program level from \$806.4 billion to \$813.7 billion.

## SECTION 6002: TARGETED EIDL ADVANCE

This section provides an additional \$15 billion for the Targeted Economic Injury Disaster Loan (EIDL) Advance program and directs SBA to address any potential funding shortfalls in the first 28 days after enactment to ensure that remaining eligible businesses can access the \$10,000 grant.

It directs SBA to make any remaining funding available for supplemental grants to "severely impacted" small businesses that: 1) have suffered a loss of at least 50 percent; 2) are located in a low-income census tract as defined by section 45D(e) of the Internal Revenue Code; and 3) have ten employees or fewer. In the event funding remains available after 14 days, the revenue loss

threshold is lowered to 30 percent, allowing “substantially impacted” businesses to apply for the \$5,000 supplemental grants.

**SECTION 6003: RESTAURANT REVITALIZATION FUND**

This section provides \$25 billion for a new program at the SBA offering assistance to restaurants and other food and drinking establishments. Of this amount, \$5 billion of this amount is set aside for businesses with less than \$500,000 in 2019 annual revenue.

The grants are available for up to \$10 million per entity, with a limitation of \$5 million per physical location. Entities are limited to 20 locations. The grants are calculated by subtracting 2020 revenue from 2019 revenue. During the first 21 days, applications from restaurants owned and operated controlled by women, veterans, or socially and economically disadvantaged individuals will receive priority. The grants may be used for a wide variety of expenses, including payroll, mortgage, rent, utilities, supplies, food and beverage expenses, paid sick leave, and operational expenses.

**SECTION 6004: COMMUNITY NAVIGATOR PILOT PROGRAM**

This section establishes the Community Navigator pilot program to make more equitable the awareness of and participation in COVID-19 relief programs for business owners currently lacking access, with priority for businesses owned by socially and economically disadvantaged individuals, women, and veterans.

It provides \$100 million for community navigator grants and \$75 million for outreach and education and authorizes the pilot program through December 31, 2025.

This section allows for grants to, or contracts or cooperative agreements with, private nonprofit organizations, SBA resource partners (Small Business Development Centers (SBDCs), Women’s Business Centers (WBCs), SCORE chapters), States, Tribes, and units of local government to ensure the delivery of *free* community navigator services to current or prospective owners of eligible businesses in order to improve access to assistance programs and resources made available because of the COVID–19 pandemic by Federal, State, Tribal, and local entities.

Finally, this section promotes outreach and education of the navigator services and COVID-19 assistance by: 1) conducting outreach and education, in the 10 most commonly spoken languages in the United States; 2) improving the website of the SBA to describe such community navigator services and other Federal programs; 3) implementing an education campaign by advertising in media targeted to current or prospective owners of eligible businesses; and 4) establishing a telephone hotline to offer information about Federal programs to assist eligible businesses and offer referral services to resource partners, community navigators, potential lenders and other appropriate experts.

**SECTION 6005: SHUTTERED VENUE OPERATORS**

This section provides an additional \$1.25 billion for the SBA Shuttered Venue Operators Grant Program, including a set aside for technical assistance to help entities apply for grants.

**SECTION 6006: DIRECT APPROPRIATIONS.**

This section provides \$840 million for administrative costs to prevent, prepare and respond to the COVID–19 pandemic, including expenses related to PPP, aid to Venues, and grants to restaurants. It also provides \$460 million for the disaster loan program, of which \$70 million is for the cost of direct loans and \$390 million is for administrative costs. Finally, this section provides

\$25 million for SBA’s Office of Inspector General for oversight, to remain available until expended.

III. COMMITTEE CONSIDERATION

On February 10, 2021, the Committee on Small Business marked up Committee Print (providing for reconciliation pursuant to S.Con.Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021) and ordered the Committee Print, as amended, favorably reported (with a quorum being present) on February 10, 2021.

IV. COMMITTEE VOTES

In compliance with the Rules of the House of Representatives, the following statements are made concerning the votes of the Committee on Small Business in its consideration of the Committee Print (providing for reconciliation pursuant to S.Con.Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021) on February 10, 2021.

MOTION TO TRANSMIT RECOMMENDATIONS

The Committee Print, as amended, was ordered favorably transmitted by a rollcall vote of 15 yeas to 9 nays (with a quorum being present). The vote was as follows:

MEMBER	AYE	NO	NOT VOTING
Ms. Velázquez, Chairwoman	✓		
Mr. Jared Golden	✓		
Mr. Jason Crow	✓		
Ms. Sharice Davids	✓		
Mr. Kweisi Mfume	✓		
Mr. Dean Phillips	✓		
Ms. Marie Newman	✓		
Ms. Carolyn Bourdeaux	✓		
Ms. Judy Chu	✓		
Mr. Dwight Evans	✓		
Mr. Antonio Delgado	✓		
Ms. Chrissy Houlahan	✓		
Mr. Andy Kim	✓		
Ms. Angie Craig	✓		
VACANT			
Blaine Luetkemeyer, Ranking Member		✓	
Roger Williams		✓	
Jim Hagedorn		✓	
Pete Stauber		✓	

Dan Meuser		✓	
Andrew Garbarino		✓	
Young Kim		✓	
Beth Van Duyne			*did not vote
Byron Donalds		✓	
Maria Salazar	✓		
Scott Fitzgerald		✓	

## VOTE ON ADOPTION OF COMMITTEE PRINT, AS AMENDED

The Committee Print, as amended, was agreed to by voice vote (with a quorum being present).

## VOTES ON AMENDMENTS

A rollcall vote was conducted on the following amendments to the Chairwoman's Amendment in the Nature of a Substitute, as amended.

The Chairwoman's Amendment in the Nature of a Substitute, as amended, was agreed to by a rollcall vote of 15 yeas to 9 nays (with a quorum being present). The vote was as follows:

MEMBER	AYE	NO	NOT VOTING
Ms. Velázquez, Chairwoman	✓		
Mr. Jared Golden	✓		
Mr. Jason Crow	✓		
Ms. Sharice Davids	✓		
Mr. Kweisi Mfume	✓		
Mr. Dean Phillips	✓		
Ms. Marie Newman	✓		
Ms. Carolyn Bourdeaux	✓		
Ms. Judy Chu	✓		
Mr. Dwight Evans	✓		
Mr. Antonio Delgado	✓		
Ms. Chrissy Houlahan	✓		
Mr. Andy Kim	✓		
Ms. Angie Craig	✓		
VACANT			
Blaine Luetkemeyer, Ranking Member		✓	
Roger Williams		✓	
Jim Hagedorn		✓	
Pete Stauber		✓	

Dan Meuser		✓	
Andrew Garbarino		✓	
Young Kim		✓	
Beth Van Duyne			*did not vote
Byron Donalds		✓	
Maria Salazar	✓		
Scott Fitzgerald		✓	

A Substitute Amendment to the Amendment in the Nature of a Substitute was offered by Mr. Luetkemeyer, which was defeated by a rollcall vote of 10 yeas to 14 nays (with a quorum being present). The vote was as follows:

MEMBER	AYE	NO	NOT VOTING
Ms. Velázquez, Chairwoman		✓	
Mr. Jared Golden		✓	
Mr. Jason Crow		✓	
Ms. Sharice Davids		✓	
Mr. Kweisi Mfume		✓	
Mr. Dean Phillips		✓	
Ms. Marie Newman		✓	
Ms. Carolyn Bourdeaux		✓	
Ms. Judy Chu		✓	
Mr. Dwight Evans		✓	
Mr. Antonio Delgado		✓	
Ms. Chrissy Houlahan		✓	
Mr. Andy Kim		✓	
Ms. Angie Craig		✓	
VACANT			
Blaine Luetkemeyer, Ranking Member	✓		
Roger Williams	✓		
Jim Hagedorn	✓		
Pete Stauber	✓		
Dan Meuser	✓		
Andrew Garbarino	✓		
Young Kim	✓		
Beth Van Duyne			*did not vote
Byron Donalds	✓		
Maria Salazar	✓		
Scott Fitzgerald	✓		

An amendment offered by Mr. Luetkemeyer designated 2v1 Luetkemeyer to the amendment in the nature of a substitute was not agreed to by voice vote. An amendment offered by Mr. Williams designated 2v1 Williams to the amendment in the nature of a substitute was not agreed to by voice vote. An amendment offered by Mr. Meuser designated 1v1 Meuser to the amendment in the nature of a substitute was not agreed to by voice vote. An amendment offered by Mr. Meuser designated 2v1 Meuser to the amendment in the nature of a substitute was not agreed to by voice vote. An amendment offered by Ms. Young Kim designated 2v1 Kim to the amendment in the nature of a substitute was not agreed to by voice vote. An amendment offered by Mr. Fitzgerald designated 1v1 Fitzgerald to the amendment in the nature of a substitute was not agreed to by voice vote. An amendment offered by Ms. Salazar designated 1v1 Salazar to the amendment in the nature of a substitute was not agreed to by voice vote. An amendment offered by Ms. Salazar designated 2v1 Salazar to the amendment in the nature of a substitute was not agreed to by voice vote. An amendment offered by Mr. Stauber designated 2v1 Stauber to the amendment in the nature of a substitute was not agreed to by voice vote.

Mr. Williams offered an amendment designated 1v1 Williams to the amendment in the nature of a substitute. Mr. Garbarino offered an amendment designated 1v1 Garbarino to the amendment in the nature of a substitute. Mr. Garbarino offered an amendment designated 2v1 Garbarino to the amendment in the nature of a substitute. Ms. Young Kim offered an amendment designated 1v1 Kim to the amendment in the nature of a substitute. Mr. Donalds offered an amendment designated 1v1 Donalds to the amendment in the nature of a substitute. Mr. Stauber offered an amendment designated 1v1 Stauber to the amendment in the nature of a substitute. Mr. Hagedorn offered an amendment designated 1v1 Hagedorn to the amendment in the nature of a substitute. The amendments to the amendment in the nature of a substitute designated 1v1 Williams, 1v1 Garbarino, 2v1 Garbarino, 1v1 Kim, 1v1 Donalds, 1v1 Stauber, and 1v1 Hagedorn were considered en bloc and were not agreed to by a roll call vote of 9 yeas and 14 nays (with a quorum being present). The vote was as follows:

MEMBER	AYE	NO	NOT VOTING
Ms. Velázquez, Chairwoman		✓	
Mr. Jared Golden		✓	
Mr. Jason Crow		✓	
Ms. Sharice Davids		✓	
Mr. Kweisi Mfume		✓	
Mr. Dean Phillips		✓	
Ms. Marie Newman		✓	
Ms. Carolyn Bourdeaux		✓	
Ms. Judy Chu		✓	
Mr. Dwight Evans		✓	
Mr. Antonio Delgado		✓	
Ms. Chrissy Houlahan		✓	
Mr. Andy Kim		✓	
Ms. Angie Craig		✓	

VACANT			
Blaine Luetkemeyer, Ranking Member	✓		
Roger Williams	✓		
Jim Hagedorn	✓		
Pete Stauber	✓		
Dan Meuser			*did not vote
Andrew Garbarino	✓		
Young Kim	✓		
Beth Van Duyne			*did not vote
Byron Donalds	✓		
Maria Salazar	✓		
Scott Fitzgerald	✓		

#### V. BUDGET EFFECT

##### A. CONGRESSIONAL BUDGET COST ESTIMATE, NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office.

[INSERT CBO PDF]

#### VI. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE

##### A. COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

In accordance with clause 3(c)(1) of rule XIII of the Rules of the House, the oversight findings and recommendations of the Committee on Small Business with respect to the subject matter contained in the Committee Print are incorporated into the descriptive portions of this report.

##### B. PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of this Committee print is to provide additional targeted grants for hard hit businesses, implement the restaurant revitalization grant program, expand Paycheck Protection Program (PPP), provide administrative funds to the agency, increase outreach to underserved businesses, and fully fund the shuttered venue grant program.

##### C. FEDERAL MANDATES

<b>Reconciliation Recommendations of the House Committee on Small Business</b>			
As ordered reported on February 10, 2021			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	48,400	49,790	49,790
Revenues	0	0	0
Increase in the Deficit	48,400	49,790	49,790
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
CBO has not reviewed the legislation for effects on spending subject to appropriation.			

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Small Business approved legislation on February 10, 2021, with a number of provisions that would increase deficits.

The legislation would appropriate \$50 billion for programs administered by the Small Business Administration (SBA) that support businesses and other entities affected by the coronavirus pandemic. Specifically, the legislation would provide:

- \$7.25 billion for the cost of expanding eligibility for financial assistance through the Paycheck Protection Program to certain nonprofit organizations and digital media companies;
- \$15 billion for the Economic Injury Disaster Loan (EIDL) program to provide cash payments to small businesses severely affected by the pandemic;
- \$25 billion for grants to restaurants and bars that lost revenue because of the pandemic;
- \$175 million for grants to states and other entities to assist small businesses in taking advantage of government resources available during the pandemic, among other purposes;

See also CBO's *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437); *How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).



- \$1.25 billion for the SBA's Shuttered Venue Operators Grant program, which provides grants to operators of live performance venues and to other eligible entities that lost revenue because of the pandemic;
- \$1.23 billion to the SBA for the cost of administering programs created to help small businesses affected by the pandemic;
- \$70 million for the subsidy cost of providing disaster loans; and
- \$25 million for the SBA's Office of Inspector General.

The costs of the legislation, detailed in Table 1, fall within budget functions 370 (commerce and housing credit) and 450 (community and regional development). CBO estimates that enacting the legislation would increase direct spending by \$49.8 billion over the 2021-2030 period, with most of that spending occurring in 2021 because of high demand for SBA grants and loan products.

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays that are subject to those pay-as-you-go procedures are shown in Table 1. Enacting the legislation would not affect revenues.

The legislation would not increase on-budget deficits in any year after 2030.

The CBO staff contacts for this estimate are David Hughes (for nondisaster programs) and Jon Sperl (for disaster programs). The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.

**Table 1.**  
**Estimated Budgetary Effects of the Reconciliation Recommendations of the Committee on Small Business**

	By Fiscal Year, Millions of Dollars											2021-	2021-
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2030	2031
<b>Increases in Direct Spending</b>													
<b>Sec. 6001 - Modifications to Paycheck Protection Program</b>													
Budget Authority	7,250	0	0	0	0	0	0	0	0	0	0	7,250	7,250
Estimated Outlays	7,250	0	0	0	0	0	0	0	0	0	0	7,250	7,250
<b>Sec. 6002 - Targeted EIDL Advance</b>													
Budget Authority	15,000	0	0	0	0	0	0	0	0	0	0	15,000	15,000
Estimated Outlays	14,800	200	0	0	0	0	0	0	0	0	0	15,000	15,000
<b>Sec. 6003 - Support for Restaurants</b>													
Budget Authority	25,000	0	0	0	0	0	0	0	0	0	0	25,000	25,000
Estimated Outlays	25,000	0	0	0	0	0	0	0	0	0	0	25,000	25,000
<b>Sec. 6004 - Community Navigator Pilot Program</b>													
Budget Authority	175	0	0	0	0	0	0	0	0	0	0	175	175
Estimated Outlays	55	95	25	0	0	0	0	0	0	0	0	175	175
<b>Sec. 6005 - Shuttered Venue Operators</b>													
Budget Authority	1,250	0	0	0	0	0	0	0	0	0	0	1,250	1,250
Estimated Outlays	810	440	0	0	0	0	0	0	0	0	0	1,250	1,250
<b>Sec. 6006 - Direct Appropriations</b>													
Budget Authority	1,325	0	0	0	0	0	0	0	0	0	0	1,325	1,325
Estimated Outlays	485	395	225	5	5	0	0	0	0	0	0	1,115	1,115
<b>Total</b>													
Budget Authority	50,000	0	0	0	0	0	0	0	0	0	0	50,000	50,000
Estimated Outlays	48,400	1,130	250	5	5	0	0	0	0	0	0	49,790	49,790

EIDL = Economic Injury Disaster Loan

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4). The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office.

D. STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to clause 7(c)(1) of rule XII of the Rules of the House, the Committee finds the authority for this legislation in Art. I, § 8, cl. 1.

E. CONGRESSIONAL ACCOUNTABILITY ACT

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

F. FEDERAL ADVISORY COMMITTEE ACT STATEMENT

No advisory committees as defined in the Federal Advisory Committee Act, 5 U.S.C. App.2. are established or authorized by this Committee Print.

G. CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

With respect to clause 9 of rule XXI of the House of Representatives, the Committee Print does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

H. STATEMENT OF DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House, no provision in the Committee Print establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the United States Government Accountability Office pursuant to § 21 of Pub. L. No. 111-139, or a program related to a program identified in the most recent catalog of federal domestic assistance.

VII. CHANGES IN EXISTING LAW MADE BY THE LEGISLATION, AS REPORTED

In compliance with clause 3(e)(1) of rule XIII of the Rules of the House, changes in existing law made by the committee print, as reported, were requested but not received at the time of the report.

VIII. DISSENTING VIEWS AND ADDITIONAL VIEWS

NYDIA M. VELAZQUEZ, NEW YORK  
CHAIRWOMAN

BLAINE LUETKEMEYER, MISSOURI  
RANKING MEMBER

Congress of the United States  
U.S. House of Representatives  
Committee on Small Business  
2501 Rayburn House Office Building  
Washington, DC 20515-0515

February 12, 2021

The Honorable John Yarmuth  
Chairman  
Committee on the Budget  
United States House of Representatives  
204 E Cannon House Office Building  
Washington, DC 20515

The Honorable Jason Smith  
Ranking Member  
Committee on the Budget  
507 Cannon House Office Building  
United States House of Representatives  
Washington, DC 20515

Dear Chairman Yarmuth and Ranking Member Smith:

I am writing to advise you of the Additional Views of Minority Members of the House Committee on Small Business on the Committee Print providing for reconciliation pursuant to S.Con.Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021. These are in addition to the Budget Reconciliation Committee Print, Majority Views, and Legislative Text adopted by the Committee on Small Business at a Full Committee meeting on February 10, 2021.

Should you have questions about this document, please contact Jan Oliver, Chief Counsel, House Committee on Small Business Minority staff, at [jan.oliver@mail.house.gov](mailto:jan.oliver@mail.house.gov).

Sincerely,



Blaine Luetkemeyer  
Ranking Member

**Minority Views**  
**Additional and Supplemental Views of the Republican Members of the**  
**House Committee on Small Business**  
**on Matters Set Forth in**  
**The Small Business Committee Print/Amendment in the Nature of a Substitute Providing**  
**for the Reconciliation Pursuant to S.Con.Res. 5,**  
**the Concurrent Resolution on**  
**the Budget of the United States for Fiscal Year 2021**  
**February 12, 2021**

Pursuant to § 310 of the of the Congressional Budget Act of 1974 as amended,<sup>1</sup> we are writing to advise you of the Additional and Supplemental Views of the Minority Members of the Committee on Small Business on the Committee Print providing for reconciliation pursuant to S.Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021. These views are in addition to those submitted by the Committee's Majority Members. Unfortunately, neither the House Majority nor the Committee's Majority engaged in a bipartisan reconciliation process. Consequently, the Minority has substantial disagreement with the Majority's Budget Reconciliation Committee Print. These objections are discussed in greater detail below.

Under clause 1(q) of Rule 10 of the Rules of the United States House of Representatives, the Committee on Small Business has legislative jurisdiction over the United States Small Business Administration (SBA), including financial aid, regulatory flexibility, paperwork reduction, and the participation of small businesses in federal government procurement and federal government contracts. Similarly, under clause 3(l) of House Rule 10, the Committee also has continuing jurisdiction to study and investigate the problems of all types of small businesses. This letter, accordingly, focuses on the small business provisions of S.Con.Res. 5, the Concurrent Resolution on the Budget of the United States for Fiscal Year 2021, which covers the Small Business Act<sup>2</sup> and the Small Business Investment Act.<sup>3</sup>

The SBA has responsibility for programs that help to create millions of jobs and to grow the economy of the United States. Our nation's entrepreneurs depend on these programs not only to provide capital, but also for advising, mentoring, training, and other services. As a result, it is essential that SBA programs are efficient, effective, and achieve real results for America's small businesses and taxpayers.

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<sup>1</sup> 2 U.S.C. § 641 et seq.

<sup>2</sup> 15 U.S.C. § 631 et seq.

<sup>3</sup> 15 U.S.C. § 661 et seq.

### I. Introduction: The Impact of the COVID-19 Pandemic on Small Businesses

The unique and unprecedented environment surrounding the COVID-19 (coronavirus or pandemic) of 2020-2021 has deeply affected small businesses. As a result, much of the SBA's focus over the past months has been on assisting small businesses that were adversely affected by the pandemic and its emergency declarations.

Congress passed, and on March 27, 2020 President Trump signed, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act).<sup>4</sup> Section 1102 of the Act added a new product, called the Paycheck Protection Program (PPP), which was modeled after the SBA's 7(a) Loan Program.

The PPP and its corresponding loan forgiveness were intended to provide emergency economic relief to small businesses nationwide that were adversely affected by the Coronavirus Disease 2019 (COVID-19) Emergency Declaration issued by President Trump on March 13, 2020.<sup>5</sup> Section 1106 of the Act provides for forgiveness of up to the full principal amount of qualifying loans guaranteed under the Paycheck Protection Program. The Program's loans were to be available until June 30, 2020 or until the funds were exhausted.<sup>6</sup> Within one week of the CARES Act being signed into law, the SBA and the Department of the Treasury announced the initial rules of the program. On April 15, 2020, these initial rules were published as an interim final rule in the Federal Register.<sup>7</sup> SBA and Treasury subsequently issued additional interim final rules implementing the PPP. Congress continued to pass legislation designed to provide small businesses with additional relief. Congress initially authorized \$349 billion for SBA 7(a) loans, including PPP loans. Lending began on April 3, 2020 and the initial amount was exhausted by April 16, 2020.

On April 24, 2020, Congress authorized an additional \$310 billion for the PPP program in the Paycheck Protection Act and Health Care Enhancement Act.<sup>8</sup> PPP loans used for payroll expenses and other authorized non-payroll purposes paid or incurred during an eight week period may be forgiven if the borrower meets certain employee retention criteria. Previous regulations stipulated that not more than 25% of the loan forgiveness amount may be attributed to non-payroll costs. On May 18, 2020, the SBA released its initial loan forgiveness application, and on May 29, 2020, the SBA issued an interim final rule on PPP loan forgiveness.<sup>9</sup>

<sup>4</sup> Pub. L. No. 116-137 (March 27, 2020).

<sup>5</sup> Two declarations were issued on March 13, 2020: one under Sections 201 and 301 of the National Emergencies Act and one under Section 501(b) of the Stafford Act.

<sup>6</sup> Pub. L. No. 116-137, sections 1102 and 1106.

<sup>7</sup> UNITED STATES SMALL BUSINESS ADMINISTRATION AND UNITED STATES DEPARTMENT OF THE TREASURY, Interim Final Rule, Business Loan Program Temporary Changes; Paycheck Protection Program, 85 Fed. Reg. 20811 (April 15, 2020) (to be codified at 13 C.F.R. pt. 120).

<sup>8</sup> Pub. L. No. 116-139.

<sup>9</sup> UNITED STATES SMALL BUSINESS ADMINISTRATION AND UNITED STATES DEPARTMENT OF THE TREASURY, Interim Final Rule, Business Loan Program Temporary Changes, 85 Fed. Reg. 33004 (June 1, 2020).

In order to provide greater flexibility to small businesses, on June 5, 2020, the Paycheck Protection Program Flexibility Act of 2020<sup>10</sup> was signed into law, amending the CARES Act. On June 26, 2020, the SBA and Treasury issued an interim final rule revising interim final rules that were published by the SBA and Treasury in the Federal Register on May 22, 2020,<sup>11</sup> but most provisions were effective retroactively to March 27, 2020.

On July 1, 2020, Congress passed legislation to extend the authority for commitments for the Paycheck Protection Program, which extended the PPP through August 8, 2020. This legislation also separated the 7(a) Loan Program authorization levels from the PPP authorization levels.<sup>12</sup> As required by the CARES Act, the SBA stopped accepting PPP loan applications from lenders on August 8, 2020.<sup>13</sup>

As of August 2020, PPP loans saved or supported over 50 million jobs nationwide. Despite this success, small businesses still need help. According to the January 2021 NFIB Business Optimism Index, in January optimism declined to 95.0, down 0.9 from December and three points below the 47-year average of 98. Owners expecting better business conditions over the next six months declined seven points to a net negative 23%, the lowest level since November 2013. The net percent of owners expecting better business conditions has fallen 55 points over the past four months.<sup>14</sup> In December, 2020, the House and Senate passed, and President Trump signed, a consolidated spending bill<sup>15</sup> that contained \$325 billion in coronavirus relief for small businesses. Republicans worked to provide additional funding for the PPP program, including \$284 billion for eligible small firms that had not received a first round PPP loan and eligible small businesses and other entities interested in receiving a second PPP loan. It also set aside funding for the smallest of small businesses.

## II. The Current State of Small Businesses Amid COVID-19

Prior to COVID-19, small businesses were projecting confidence, optimism, and job creation. Pro-growth policies resulted in historic unemployment levels. A smart regulatory environment and low taxes meant small businesses had the economic freedom and economic opportunity to innovate and expand.

America's small businesses are now facing challenges they have never encountered before. They are working every day to cope with the pandemic. Some businesses have adapted well, and some have not, but it has not been easy for any of them. Congress has responded with some tools to help many of them through this crisis, generally on a bipartisan basis, and supported by

<sup>10</sup> Pub. L. No. 116-142 (June 5, 2020).

<sup>11</sup> Business Loan Program Temporary Changes; Paycheck Protection Act—Revisions to Loan Forgiveness and Loan Review Procedures Interim Final Rules, 13 C.F.R. §120 (June 26, 2020).

<sup>12</sup> This legislation became Pub. L. No. 116-147 on July 4, 2020.

<sup>13</sup> Pub. L. No. 116-136 (March 27, 2020).

<sup>14</sup> NFIB BUSINESS OPTIMISM INDEX, JANUARY 2021, available at <https://www.nfib.com/surveys/small-business-economic-trends/>.

<sup>15</sup> Pub. L. No. 116-260 (December 28, 2020).

both Democrats and Republicans in this Committee and on the House Floor. Unfortunately, the new package of small business proposals offered by House Democrats at a markup on February 10, 2021, is one where House Republicans were blocked from engaging, providing thoughts or ideas, or interacting in any way. This is not only disappointing, it means our entrepreneurs are missing opportunities they might otherwise have had. And instead, the Democrats' latest COVID package, combined with discussions about more than doubling the minimum wage and recent administrative actions taken by the President, mean small businesses will be facing even greater challenges beyond COVID: an inhospitable economic environment.

House Republicans offered a number of amendments to the package that would have improved it, only to find them summarily dismissed by Democrats. This disappointing turn of events does not bode well for the future of small businesses or our American economy.

### III. SBA's Capital Access Programs

Even before the pandemic, small business owners consistently cited the lack of capital as a significant problem for growing their businesses and creating jobs. The pandemic has made this need for capital even more urgent. Overall, despite some initial glitches, the SBA did an impressive job of getting these programs up and running in one week, processing fourteen years of loans in the first 14 days. Over the life of the pandemic, the Paycheck Protection Program (PPP) has supported over 51 million jobs across the country and served as a lifeline for small businesses. The funding enabled many to weather the pandemic and safely reopen to serve their communities. Once the PPP lapsed on August 8, 2020, it still had more than \$135 billion available. Legislation was introduced in September 2020 to extend the PPP through the end of 2020 and establish a program for second draw PPP loans. Unfortunately, the bill failed on numerous procedural votes in the House.<sup>16</sup>

In response to the COVID-19 pandemic, small business owners, including agricultural businesses and non-profit organizations, could apply for an Economic Injury Disaster Loan (EIDL). The EIDL program is designed to provide economic relief to businesses that experience a temporary loss of revenue due to the coronavirus. The funds may be used for obligations and operating expenses, such as working capital, continuation of health care benefits, rent, utilities, and fixed debt payments, that could have been met had the disaster not occurred. Initially, some small firms may have been eligible for an EIDL Advance grant, which did not require repayment. Others may have been eligible for an EIDL loan, which does require repayment.

On October 29, 2020, SBA's Inspector General released a disturbing report outlining serious concerns of potential fraud in the EIDL and EIDL Advance grant programs. The IG's office found over \$75 billion in fraudulent activity. The IG said he was troubled by the SBA's inadequate internal controls. The SBA responded that the report overlooked the controls that it has put in place and that SBA had itself referred many potentially fraudulent cases to the IG's office.

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<sup>16</sup> H.R. 8265, 116<sup>th</sup> Cong. (2020).

In recent years, the SBA IG has consistently identified the SBA's failure to provide effective oversight of its lending program participants as one of the most serious issues facing the agency. The SBA must improve its oversight to ensure that it can provide proper accounting of its ongoing capital access programs. The more recent PPP and the EIDL programs, for which Congress has authorized billions of dollars in loans, much of it eligible for borrower forgiveness, has increased the need for oversight. We are concerned about the reports of fraudulent loans, as we are with any reports of waste, fraud, or abuse, and have been working with the SBA Inspector General, which is reviewing the loan programs.

On October 1, 2020, the Subcommittee on Investigations, Oversight, and Regulations held a hearing with the SBA Inspector General, Hannibal "Mike" Ware, and William Shear, Director of Financial Markets and Community Investment, Government Accountability Office (GAO).<sup>17</sup> Mr. Ware and Mr. Shear discussed the need for the SBA to adopt stronger internal controls to identify fraud and wrongdoing to ensure that Paycheck Protection Program and the Economic Injury Disaster Loan Program loans were properly allocated and disbursed. In addition, Minority Committee Members will continue to partner in the oversight and transparency that is essential to ensure the effective use of taxpayer dollars. We are mindful of the need to balance effective oversight of these programs without subjecting small businesses to overly burdensome requirements or disclosure of their proprietary information. At the February 10, 2021 markup of the Majority's Budget Reconciliation legislation, the Minority offered amendments that focused on waste, fraud, and abuse, and an amendment that would have increased the allocation of dollars to the SBA's Office of the Inspector General.

Many small businesses are still interested in the SBA's traditional loan products to meet their capital requirements during the pandemic. At the markup of the Budget Reconciliation proposal, the Minority offered an amendment to increase the maximum loan amount in the SBA's flagship 7(a) Loan Program from \$5 million to \$6 million.

#### **IV. Concerns About Specific Small Business Budget Reconciliation Provisions**

##### **A. Economic Injury Disaster Loan Program Grant Funding**

We are wary of the Majority's addition of \$15 billion to further bolster the EIDL Advance grant program. Created in the CARES Act, and reformed in subsequent legislation, this program allows small businesses and other entities that demonstrate a 30 percent economic loss, employ fewer than 300 workers, and are located in a low to moderate income area to apply for a \$10,000 grant. In its Budget Reconciliation legislation, the Majority allows small entities with a 50 percent economic loss and fewer than 10 employees to receive an additional \$5,000 grant. Unlike the EIDL Loan Program, the EIDL Advance grants do not require repayment.

<sup>17</sup> *Preventing Fraud and Abuse in the PPP and EIDL: An Update with the SBA Office of Inspector General and the Government Accountability Office: Hearing Before the Subcommittee on Investigations, Oversight, and Regulations, 116<sup>th</sup> Cong. (2020)* (statement of Hannibal "Mike" Ware) ("strong indicators of widespread potential fraud") (statement of William B. Shear) ("COVID-19 loans lack internal controls and are susceptible to fraud").

We are concerned about the reliance on, and risks inherent in, federal grant funding, which can be difficult to trace. In the past, federal grants have been susceptible to financial theft and fraud, such as falsifying applications, using grant funds for non-grant purposes; failing to comply with record-keeping requirements; and inflating costs. The SBA's IG found that the EIDL program has been vulnerable to fraud and identified tens of billions in applications that warranted further review. A July 2020 SBA Office of Inspector General report said it had "deficiencies in internal controls related to disaster assistance... identified \$250 million in Economic Injury Disaster Loans and Advance grants given to potentially ineligible recipients... \$45.6 million in potentially duplicate payments."<sup>18</sup> In the report, the Inspector General was alarmed about "potentially rampant fraud" and account activity with stolen identities, transfers to foreign accounts, transfers into investment accounts, deposits into third party accounts, and transfers to accounts with no other activity.<sup>19</sup>

We reiterate our concern about grant funding and must ensure that SBA programs serve both small businesses and taxpayers honestly, fairly, and transparently. At a time when small businesses need these funds to keep their employees paid and their doors open, we cannot afford for funding to be misspent or wasted.

#### B. Expanding PPP Program Eligibility

We are concerned about expanding eligibility for the PPP program. Although the Majority included \$7.25 billion in additional funding for the PPP program, it has also expanded eligibility, spreading the funding thinner. This is a popular program with very high demand, and an additional \$7.25 billion is likely to be drawn down quickly. The nonprofit entities currently eligible for the PPP Program include 501(c)(3)s, 501(c)(6)s, 501(c)(19)s, and through administrative action, 501(c)(12)s. In addition to providing eligibility to all 501(c) entities except 501(c)(4)s, under the Majority's proposal, non-profits would be exempt from the SBA's affiliation rules, which help the SBA to determine if a business is indeed small. For many years, there have been numerous incidents of larger businesses posing as small businesses to receive favorable consideration as SBA government contractors or eligibility for federal programs designed for small firms. We believe that waivers of the SBA affiliation rules should be limited, and offered an amendment at markup to strike the expansion of PPP to additional non-profit groups made eligible in the Budget Reconciliation legislation, and strike the waiver of SBA's affiliation rules.

The Majority's proposal would allow Internet publishing organizations that are engaged in the collection and distribution of local, regional, or national news to be eligible for the PPP Program. We do not believe the federal government should be in the business of determining what is news and what is not news.

<sup>18</sup> OFFICE OF INSPECTOR GENERAL, UNITED STATES SMALL BUSINESS ADMINISTRATION, MANAGEMENT ALERT, SERIOUS CONCERNS OF POTENTIAL FRAUD IN ECONOMIC INJURY DISASTER LOAN PROGRAM PERTAINING TO RESPONSE TO COVID-19, available at [https://www.sba.gov/sites/default/files/2020-07/SBA\\_OIG\\_Report\\_20-16\\_508.1.pdf](https://www.sba.gov/sites/default/files/2020-07/SBA_OIG_Report_20-16_508.1.pdf).

<sup>19</sup> *Id.* at 3-4.

### C. Restaurant Revitalization Fund Program

The Majority's proposal would provide \$25 billion in direct grant assistance to the restaurant industry, which has been particularly hit hard by the pandemic. Grants must not exceed \$10 million to a restaurant group or \$5 million to an individual restaurant location. We understand and appreciate that the restaurant industry has suffered greatly in the pandemic, and believe it is deserving of financial assistance. We remain concerned about the effectiveness of federal assistance in the form of grant funding, but strongly support the restaurant industry and its efforts to stay open and serve its customers in this difficult time. As a result, the minority offered an amendment at markup to increase the allocation for the Restaurant Revitalization Fund from \$25 billion to \$45 billion.

### D. Community Navigators Pilot Program

The Majority proposes \$175 million for a Community Navigators Pilot Program, which would provide grants to community financial institutions and SBA's resource partners, such as Small Business Development Centers, SCORE, and Women's Business Centers, for outreach and resources to small businesses during the pandemic. Again, we restate our concerns about grant funding, which can be susceptible to fraud. This "pilot" program would not sunset until 2025, meaning it will operate for at least four years. Typically, a government pilot project is a short term, small scale feasibility study, and not an expansive project lasting multiple years. We also have concerns with the duplication that this new pilot program could add.

### E. Shuttered Venues Grants Program

The Shuttered Venue Operator Grants Program was created in the Consolidated Appropriations Act in December 2020,<sup>20</sup> for which Congress provided \$15 billion in funding. The Majority's current proposal provides an additional \$1.25 billion, an immense increase for a program that has not yet launched, awarded any grants, or disbursed any funds. Although the program is a worthy one that will assist venues that have been hard hit by the pandemic, the Minority believes the program should launch and begin awarding grants before determining if additional funding is needed.

### F. SBA Administrative Funding

The Majority proposes \$840 million for SBA's administrative expenses, \$460 million for SBA's Office of Disaster Assistance, and \$25 million for SBA's Office of the Inspector General. The SBA's Office of the Inspector General has done commendable work throughout the pandemic, auditing, identifying, and investigating allegations of waste, fraud, and abuse in SBA's programs. The Minority believes that the \$25 million increase woefully underfunds the Office of the Inspector General, and would allocate more funding to assist the work it is doing in these unprecedented times.

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<sup>20</sup> Pub. L. No. 116-260 (December 27, 2020).

### G. Increasing SBA Oversight and Accountability

Because of the findings of fraud in SBA's existing pandemic programs,<sup>21</sup> the possible expansion of its existing programs, and the possible addition of new programs, Minority Members support increasing oversight of the SBA's programs. The Minority offered amendments to increase oversight of SBA's pandemic programs, including allocating an additional \$25 million to the SBA's Office of the Inspector General, and require the SBA to issue a report to Congress on the waste, fraud, and abuse in the Economic Injury Disaster Program.

### H. Overall Economy and Increasing the Minimum Wage

According to a February 2020 report on the economic outlook for 2021-2031 by the Congressional Budget Office,<sup>22</sup> the CBO expects the U.S. economy will continue to improve, gross domestic product (GDP) will return to its pre-pandemic level by mid-2021, and anticipates a real GDP growth rate of 3.7 percent, the highest in over 15 years. In fact, CBO said the overall U.S. economy is expected to improve, fairly impressively, *even assuming no further stimulus legislation is enacted*.<sup>23</sup> In addition, CBO projected that the labor market will continue to improve, with unemployment gradually declining through 2026.<sup>24</sup>

The Administration and the House Majority have proposed more than doubling the minimum wage from its current level of \$7.25 to \$15 per hour by 2025. Although this provision is not within the Committee's legislative jurisdiction, it is clearly within its oversight jurisdiction, because it would affect the operation of small businesses that employ workers. The February 2020 CBO report projects that raising the minimum wage would cost 1.4 million jobs and increase the deficit by \$54 billion over ten years.<sup>25</sup> At the markup of the Majority's Budget Reconciliation legislation, the Minority offered an amendment to direct the Administrator of the Small Business Administration to submit a report to Congress on the impact of raising the minimum wage to \$15 per hour on small businesses.

### V. A Cautious Look at the Small Business Horizon

The events of the past year have had a deep and lasting effect on small firms, with many barely surviving and some ceasing business altogether. We are hopeful that this year will see small firms recover from the pandemic with the help of the SBA and its programs. However, with a new Congress and a new Administration, we must be cautious, particularly now, about the

<sup>21</sup> *Preventing Fraud and Abuse in the PPP and EIDL: An Update with the SBA Office of Inspector General and the Government Accountability Office: Hearing Before the Subcommittee on Investigations, Oversight, and Regulations, 116<sup>th</sup> Cong. (2020)* (statements of Hannibal "Mike" Ware and William B. Shear).

<sup>22</sup> UNITED STATES CONGRESSIONAL BUDGET OFFICE, AN OVERVIEW OF THE ECONOMIC OUTLOOK: 2021 TO 2031, available at <https://www.cbo.gov/system/files/2021-02/56965-Economic-Outlook.pdf>.

<sup>23</sup> *Id.* at 1.

<sup>24</sup> *Id.*

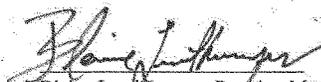
<sup>25</sup> *Id.*

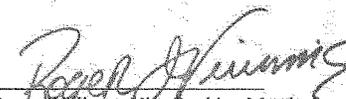
potential of hampering small businesses with the burdens of additional regulations and higher taxes. Entrepreneurs, above all, face an uncertain future, and we must not threaten them with additional harm. We must provide an economy that allows all small businesses to prosper.

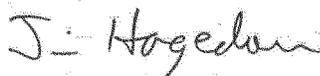
**VI. Conclusion**

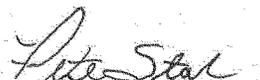
During this time of economic recovery, Members of the Committee's Minority will continue to work with the SBA to ensure that small business owners receive the services that they need to start businesses, grow them, and keep their doors open. The United States was founded on principles that encourage entrepreneurship and economic growth. We will continue to do all that we can to help small businesses create jobs, retain their workers, and compete in the global economy.

Respectfully,

  
Blaine Lueckemeyer, Ranking Member

  
Roger Williams, Vice Ranking Member

  
Jim Hagedorn  
Member of Congress

  
Pete Stauber  
Member of Congress

  
Dan Meuser  
Member of Congress

  
Andrew Garbarino  
Member of Congress

  
Young Kim  
Member of Congress

  
Beth Van Duyne  
Member of Congress

  
Byron Donalds  
Member of Congress

  
Maria Salazar  
Member of Congress

  
Scott Fitzgerald  
Member of Congress

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**Congress of the United States**  
**House of Representatives**  
Washington, DC 20515

**Rep. Carolyn Bourdeaux**  
**Small Business Committee Report to accompany Title VI of Providing for Reconciliation**  
**Pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021**

*Additional Views*

The House Committee on Small Business has provided significant support to small businesses to help them withstand the economic impact of the COVID-19 pandemic. The work of the Committee, particularly through the creation of the Paycheck Protection Program and the issuance of Economic Injury Disaster Loans and Economic Injury Disaster grants, has prevented countless businesses from laying off employees or going out of business. As we continue to support the needs of small businesses during the pandemic, we must ensure that the Small Business Administration (SBA) is doing everything possible to ensure the equitable administration of these programs and continues to appropriately prioritize assistance to small businesses in underserved and underbanked communities.

*Collection of Demographic Data for the Paycheck Protection Program*

The Committee strives to ensure small business assistance reaches all eligible businesses, especially minority-owned businesses and businesses in underserved communities. Following the creation of the Paycheck Protection Program, the Committee made some important changes to ensure it is effectively reaching and serving all eligible businesses. However, many businesses and constituents in my district still encounter challenges to accessing federal small business relief, particularly as it relates to minority-led enterprises.

The Coronavirus Aid, Relief, and Economic Security (CARES) Act directs the SBA Administrator to issue guidance to lenders indicating the prioritization of small business concerns and entities in underserved and rural markets.<sup>1</sup> However, in its initial implementation of the Paycheck Protection Program, SBA “did not include the optional standard demographic information for principals on its PPP loan application.”<sup>2</sup> The absence of demographic data for initial PPP loans makes it “unlikely that SBA will be able to determine the loan volume to the intended prioritized markets.”

<sup>1</sup> Office of Inspector General - Small Business Administration, “Flash Report Small Business Administration’s Implementation of the Paycheck Protection Program Requirements” (May 8, 2020)

<sup>2</sup> *Id.*

making it more difficult to ensure the requirement to prioritize underserved and rural markets are being met.<sup>3</sup> The collection of demographic data of small businesses who access COVID-19 federal relief is helpful feedback in learning how resources are being distributed and if they are being distributed equitably and consistent to statutory intent. I encourage the current Small Business Administration to collect more comprehensive demographic data on the distribution of PPP loans.

Additionally, we need to collect this data around loan forgiveness, a provision that has proven confusing to many small businesses. In my district, some businesses have raised concerns that minority-led small businesses may be less likely to utilize loan forgiveness provisions; however, the extent of this problem and the reasons are unclear. Similar to the loan application process, an optional demographic information form is included in the loan forgiveness application, and again, it is unclear that sufficient data will be collected as “some borrowers may not apply for loan forgiveness and others may choose not to complete an optional separate page of the forgiveness application with the information.”<sup>4</sup> Demographic data regarding loan forgiveness is critical as we seek to avoid the same mistakes from the initial implementation of the Paycheck Protection Program and we aim to ensure equitable administration of and access to loan forgiveness.

#### *Conclusion*

The House Committee on Small Business has taken action to support small businesses and help them withstand the economic effects of the COVID-19 pandemic. In order to ensure the SBA meets its obligation, in accordance with the CARES Act, to prioritize the small business concerns and entities in underserved and rural markets, SBA should do all it can to collect complete, accurate demographic information regarding access to PPP loans, Economic Injury Disaster Loans and grants as well as loan forgiveness data. This data will further inform the Committee’s work in its mission for equitable administration of SBA assistance to small businesses, and help small businesses to withstand the effects of the pandemic. I thank the Chairwoman and the Committee for their interest in this issue.

Carolyn Bourdeaux,  
*Member of Congress.*



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<sup>3</sup> *Id.*

<sup>4</sup> Office of Inspector General - Small Business Administration, “Inspection of SBA’s Administration of the Paycheck Protection Program” (Jan. 14, 2021)

CAROLYN  
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Carolyn Bourdeaux,  
*Member of Congress.*

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<sup>3</sup> *Id.*

<sup>4</sup> Office of Inspector General - Small Business Administration, “Inspection of SBA’s Administration of the Paycheck Protection Program” (Jan. 14, 2021)



**Committee on Transportation and Infrastructure**  
**U.S. House of Representatives**  
**Washington DC 20515**

**Peter A. DeFazio**  
Chairman  
Katherine W. DeBriek  
Staff Director

**Sam Graves**  
Ranking Member  
Paul J. Sass  
Republican Staff Director

February 16, 2021

The Honorable John Yarmuth  
Chairman, Committee on the Budget  
204-E Cannon House Office Building  
Washington, D.C. 20515

Dear Mr. Yarmuth:

Pursuant to section 2001 of the Concurrent Resolution on the Budget, I hereby transmit these recommendations, which were approved by the Committee on Transportation and Infrastructure on February 10, 2021, and the accompanying material including additional, supplemental, or dissenting views, to the House Committee on the Budget. This submission is in order to comply with reconciliation directives included in S. Con. Res. 5, the fiscal year 2021 budget resolution, and is consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter A. DeFazio".

Peter A. DeFazio  
Chair

CONTENTS

Purpose of Committee Print.....

Background and Need for Committee Print .....

Legislative History and Consideration .....

Committee Votes .....

Committee Oversight Findings .....

New Budget Authority and Tax Expenditures .....

Congressional Budget Office Cost Estimate .....

Performance Goals and Objectives .....

Duplication of Federal Programs .....

Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits .....

Federal Mandates Statement .....

Preemption Clarification .....

Advisory Committee Statement .....

Applicability to Legislative Branch .....

Section-by-Section Analysis of the Committee Print .....

Changes in Existing Law Made by the Committee Print, as Reported.....

Minority Views .....

PURPOSE OF COMMITTEE PRINT

The purpose of this Committee Print is to comply with the reconciliation directive contained in section 2001 of S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, which requires the Committee on Transportation and Infrastructure to submit changes within its jurisdiction to increase the deficit by not more than \$95,620,000,000 over fiscal years 2021 to 2030.

BACKGROUND AND NEED FOR COMMITTEE PRINT

The COVID-19 pandemic has hit the transportation sector hard. The reduction in mass transit riders and air passengers has led to devastating economic consequences for local, regional, and state governments, transit agencies, and commercial airlines. Transportation workers in particular have been hard hit by the devastating health risks and significant financial repercussions of the public health crisis our nation continues to face.

Amtrak ridership numbers were devastated by the COVID-19 pandemic and remain at roughly 25 percent of pre-pandemic levels—the passenger railroad forecasts a total of 8.7 million trips for fiscal year 2021, compared to 32.5 million in fiscal year 2019. It is critical to provide funding to keep Amtrak fully operational through fiscal year 2021 and help the passenger rail carrier remain viable for future generations.

Railroad workers do not receive traditional state-administered unemployment benefits and funds continue to be necessary to create parity for railroad workers.

The COVID-19 pandemic has had a devastating effect on the aviation and aerospace industries, including our nation's airports. According to the Transportation Security Administration, passenger screening levels plummeted by as much as 90 percent throughout the pandemic compared to similar periods in 2019. Furthermore, the International Air Transport Association predicts the aviation industry will not fully recover until 2024 at the earliest.

The dramatic and sustained drop in airline passenger traffic levels at U.S. airports caused nearly \$23 billion in airport revenue losses in 2020 and is estimated to cause an additional \$17 billion in losses through early 2022. These losses threaten the ability of airports to retain their current workforce levels, maintain essential operations, and invest in critical airport safety and other infrastructure projects.

According to recent industry analysis, an estimated 100,000 aerospace manufacturing workers have already lost their jobs nationwide and 220,000 additional jobs are at risk of furlough. Providing immediate federal assistance to eligible U.S. aerospace companies will help preserve the jobs and livelihoods of hundreds of thousands of at-risk employees across the nation.

The effects of the COVID-19 pandemic on passenger traffic has also been disastrous for the thousands of businesses that operate within the airport ecosystem. For instance, airport concessions have provided airports with \$3.6 billion less revenue between 2019 and 2020 due to declining passenger traffic throughout the airport system. Without emergency aid, the pandemic could force thousands of airport concessions to close, many of them small businesses and disadvantaged business enterprises.

Transit agencies face ongoing and significant impacts from the COVID-19 pandemic. According to an independent analysis prepared by EPB US, Inc, on behalf of the American Public Transportation Association, transit systems are facing a shortfall of \$39.3 billion through the end of calendar year 2023, even when accounting for the \$39 billion in relief Congress has provided to date. These shortfall estimates include \$25.2 billion in 2021, \$15.1 billion in 2022, and \$13.0 billion in 2023.

The analysis found that the shortfall is being driven by several factors, including a 79 percent decline in transit ridership at the start of the pandemic. Severe ridership loss continued throughout 2020, averaging 65 percent below normal levels from June through December. Suppressed ridership is expected to continue at current levels through the third quarter of 2021, with lower-than-average ridership expected through calendar year 2023 due to lower employment and increased reliance on remote work. Given these conditions, the proposal includes \$30 billion in funding for transit agencies to prevent, prepare for, and respond to the ongoing threat of COVID-19.

The Federal Emergency Management Agency (FEMA) was formally tapped to help state, local, tribal, and territorial governments respond to COVID-19 on March 13, 2020, when then-President Trump invoked the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (P.L. 93-288, as amended), declaring – for the first time ever – emergencies across all states and territories for a singular event. FEMA typically provides assistance in the form of reimbursement via the Disaster Relief Fund (DRF). Given that the emergency and subsequent major disaster

declarations were granted by claiming a “preeminent and exclusive” (Stafford Act, Sec. 501(b)) federal responsibility of responding to and recovering from COVID-19, President Biden has provided a 100 percent federal cost-share adjustment through the end of fiscal year 2021, and clarified which activities are eligible for DRF reimbursement. Given the cost share adjustment and eligibility clarifications, FEMA projects a \$28.88 billion dollar shortfall in the DRF at the close of fiscal year 2021 absent additional resources (see Appendix A of February 2021 DRF Monthly Report to Congress).

The Economic Adjustment Assistance program run by the Department of Commerce’s Economic Development Administration (EDA) provides a wide range of technical, planning, and public works and infrastructure assistance in regions experiencing adverse economic impacts. Full economic recovery from the pandemic will require funding for critical infrastructure projects, sustainable job growth and workforce development, and innovation to attract investment. In order to stimulate re-growth, the Committee has chosen to reserve a portion of the funding for the Economic Development Administration for areas experiencing severe economic distress as a result of declines in travel, tourism, and outdoor recreation. Consideration should be given to projects seeking to advance tourism marketing and promotion activities necessary to drive economic recovery in these sectors, as well as projects that provide information to potential consumers regarding health and safety protections necessary for safe travel.

#### LEGISLATIVE HISTORY AND CONSIDERATION

The Committee on Transportation and Infrastructure met on Wednesday, February 10, 2021, in 2167 Rayburn House Office Building and virtually, pursuant to notice, in an open session, a quorum being present, and considered legislative proposals to comply with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2021, S. Con. Res. 5

The Committee took the following actions:

The Committee approved the Committee Print consisting of recommendations for transmittal to the Committee on the Budget to comply with the Reconciliation Directive included in Section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2021 by a record vote of 39 yeas and 25 nays (Roll Call Vote No. 15). An Amendment in the Nature of a Substitute offered by Mr. DeFazio (#1); was agreed to, by voice vote.

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Crawford (#1A) was NOT AGREED TO by voice vote.

Amend section 7005 to read as follows: Sec. 7005. Railway-Highway Crossings.

In addition to amounts otherwise available, there is appropriated for Fiscal Year 2021, out of any money in the Treasury not otherwise appropriated, \$1,500,000,000, to remain available until September 30, 2024, to carry out section 130 of title 23, United States Code, and apportioned to States in the same manner as amounts otherwise authorized to carry out such section.

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Gibbs (#1B) was NOT AGREED TO, by a record vote of 27 yeas and 37 nays (Roll Call Vote No. 1).

Page 8, line 17, strike “\$30,000,000,000” and insert “\$20,000,000,000”.

At the end of subtitle A, add a new section entitled “Sec. Highway Infrastructure Programs.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Webster (#1C) was NOT AGREED TO, by a record vote of 31 yeas and 36 nays (Roll Call Vote No. 2).

Page 41, after line 5, insert a new section entitled "Sec. 7205. Vaccination Support."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Perry (#1D) was NOT AGREED TO, by a record vote of 23 yeas and 43 nays (Roll Call Vote No. 3). Strike section 7005 of the bill and redesignate accordingly.

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1E) was NOT AGREED TO, by voice vote.

Page 28, after line 13, a new section entitled "Sec. 7008. Reimbursement of Interest Payment related to Public Assistance."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Bost (#1F) was NOT AGREED TO, by voice vote.

Page 28, after line 13 insert a new section entitled "Sec. 7008. Port and Intermodal Improvement Program."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Bost (#1G) was NOT AGREED TO, by a record vote of 27 yeas and 38 nays (Roll Call Vote No. 4).

Page 1, line 8, insert "(a) In General.—" before "In addition".  
Page 1, after line 15, insert a new subsection entitled "(b) Report."

An amendment to the Amendment in the Nature of a Substitute offered by Miss González-Colón (#1H) was NOT AGREED TO, by a record vote of 28 yeas and 37 nays (Roll Call Vote No. 5).

Page 3, strike lines 10 through 13 and insert the following: "(c) Of the funds provided by this section, 25 percent shall be used to provide grants to eligible entities to address job losses in the travel, tourism, and outdoor recreation sectors, which may include the costs associated with tourism marketing and promotion of safe and healthy travel practices."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Stauber (#1I) was ruled non-germane.

At the end of subtitle A insert a new section entitled "Sec. \_\_\_. Reversal of Revocation of Permit."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Burchett (#1J) was NOT AGREED TO, by a record vote of 30 yeas and 35 nays (Roll Call Vote No. 6).

At the end of subtitle A, add a new section entitled "Sec. \_\_\_. Limitation on Compensation to Air Carrier Executives."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Van Drew (#1K) was NOT AGREED TO, by a record vote of 27 yeas and 37 nays (Roll Call Vote No. 7).

Page 28, after line 13 insert a new section entitled "Sec. 7008 Health Smart Air Travel Pilot Program."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Guest (#1L) was NOT AGREED TO, by a record vote of 29 yeas and 36 nays (Roll Call Vote No. 8).

Page 1, line 8, insert "(a) In General.—" before "In addition".  
Page 1, after line 15, insert a new subsection entitled "(b) FEMA Rural Vaccine."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Nehls (#1M) was NOT AGREED TO, by voice vote.  
Page 41, after line 5, insert a new section entitled "Sec. 7025. Funding Limitation."

An amendment to the Amendment in the Nature of a Substitute offered by Ms. Van Duyne (#1N) was ruled non-germane.  
Page 41, after line 5 insert a new section entitled "Sec. 7205. Funding Availability."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Crawford (#1O) was NOT AGREED TO, by voice vote.  
Page 41, after line 5 insert a new section entitled "Sec. 7205. Buy America."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Webster (#1P) was NOT AGREED TO, by voice vote.  
Page 3, after line 13, insert the following (and redesignate the subsequent sub-section accordingly): "(d) Of the funds provided by this section, 25 percent shall be for assistance to rural communities for high-speed broadband projects that include the provision of two-way data transmission with sufficient downstream and upstream speeds to end users to permit effective participation in the economy and to support economic growth, as determined by the Secretary of Commerce."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Perry (#1Q) was NOT AGREED TO, by a record vote of 19 yeas and 44 nays (Roll Call Vote No. 9).  
Strike section 7006 of the bill and redesignate accordingly.

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1R) was NOT AGREED TO, by voice vote.  
Page 28, after line 13, a new section entitled "Sec. \_\_\_ Maritime Duplication of Benefits."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Bost (#1S) was WITHDRAWN.  
Page 28, after line 13, insert a new section entitled Sec. 7008. Parking for Commercial Vehicles."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Bost (#1T); was WITHDRAWN.  
Page 1, line 8, insert "(a) In General. —" before "in addition".  
Page 1, after line 15, insert a new subsection entitled "(b) Report."

An amendment to the Amendment in the Nature of a Substitute offered by Miss González-Colón (#1U) was WITHDRAWN.  
At the end of subtitle A, add a new section entitled "Sec. 1. Waiver of Certain Provisions."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Stauber (#1V) was WITHDRAWN.  
Page 20, strike lines 19 through 22 and insert a new subparagraph entitled "(iv) State Applicants."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Guest (#1W) was NOT AGREED TO, by voice vote.  
Page 2, beginning on line 12, strike " , for which the Federal cost share shall be 100 percent".  
Page 10, line 19, strike the semicolon and insert " ; and". Page 10, line 23, strike " ; and" and insert a period.  
Page 10, strike line 24 and all that follows through line 2 on page 11.  
Page 23, strike line 14 and all that follows through line 3 on page 24 (and re-designate accordingly).

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Nehls (#1X) was WITHDRAWN.

Strike section 7005 of the bill (and redesignate accordingly).  
Page 8, line 17, strike "\$30,000,000,000" and insert "23,500,000,000".  
Page 28, after line 13, insert a new section entitled "Sec. 7008. Recession of Executive Order."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Crawford (#1Y) was ruled non-germane.

At the end of subtitle A add a new section entitled "Sec. \_\_\_. Relief Fund for Certain Pipeline Workers."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1Z) was NOT AGREED TO, by voice vote.

Page 21, line 3 insert a new subsection entitled "(c) Flexibility."

An amendment to the Amendment in the Nature of a Substitute offered by Miss González-Colón (#1AA) was WITHDRAWN.

Page 28, after line 13, insert the following new sections "Sec. 7008. Alternative Procedures."; "Sec. 7009. Assistance Throughout Recovery."; "Sec. 7010. Timely Basis for Payment and Reimbursement."; and "Sec. 7011. Subrecipient Payments."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Stauber (#1BB) was NOT AGREED TO, by a record vote of 28 yeas and 36 nays (Roll Call Vote No. 10).

Page 41, after line 5, insert a new section entitled "Sec. 7205. Findings; Certification."

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Guest (#1CC) was NOT AGREED TO, by voice vote.

Page 23, after line 23, insert a new Subparagraph entitled "(D) Small Airport Grant Program."

An en bloc amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1DD) was NOT AGREED TO BY voice vote.

Consisting of the following:

An amendment to the Amendment in the Nature of a Substitute: Page 1, line 8, strike "In" and insert "(a) In".

Page 1, after line 15, insert the following:

(b) Of the funds provided in this section, up to 0.1 percent shall be used for Federal costs to reimburse State 2 and units of local government pursuant to section 1211(b) 3 of Public Law 115-254 as may be necessary, consistent 4 with the requirements applicable to such reimbursement 5 and which shall remain available until September 30, 6 2027.

An amendment to the Amendment in the Nature of a Substitute: Page 1, line 8 insert "(a) In General.—" before "In addition".

Page 1, after line 15, insert a new subsection entitled "(b) Set Aside."

An amendment to the Amendment in the Nature of a Substitute:

Page 1, line 8, insert "(a) In General.—" before "In addition".

Page 1, after line 15, insert a new subsection entitled "(b) Set Aside."

An en bloc amendment to the Amendment in the Nature of a Substitute offered by Mr. Crawford (#1EE) was WITHDRAWN.

Consisting of the following:

An amendment to the Amendment in the Nature of a Substitute:

At the end of subtitle A insert a new section entitled "Sec. \_\_\_. State-owned Enterprise Prohibition."

An amendment to the Amendment in the Nature of a Substitute: Page 8, line 20, strike ", to eligible recipients".

Page 8, after line 22, insert the following: (B) be available to eligible recipients under chapter 53 of title 49, except that a recipient or subrecipient shall not grant, provide, distribute, or otherwise make available funding provided under subsection (a)(1) to the China Railway Rolling Stock Corporation, CRRC, or any subsequent name or subsidiary that relates back to the original parent company;

Page 8, line 23, strike "(B)" and insert "(C)".

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1FF) was NOT AGREED TO, by voice vote.

Page 5, line 16, insert “, prioritizing any such routes that cross through an area with respect to which a major disaster was declared under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) during calendar years 2015 through 2021” after “frequency”.

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1GG) was NOT AGREED TO, by voice vote.

Page 8, after line 17, strike “\$30,000,000,000” and insert “\$29,500,000,000”.

Page 28, after line 13, a new section entitled “Sec. 7008. Maritime Transportation Emergency Relief Grants.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1HH) was WITHDRAWN.

Page 1, line 8 insert “(a) In General.—” before “In addition”.

Page 1, after line 15, insert a new subsection entitled “(b) Set Aside.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1II) was NOT AGREED TO, by voice vote.

Page 8, line 17, strike “\$30,000,000,000” and insert “\$29,500,000,000”.

Page 11, line 6, strike “\$26,086,580,227” and insert “\$25,586,580,227”. Page 21, line 9, strike “\$8,000,000,000” and insert “\$7,500,000,000”. Page 22, line 9, strike “\$6,492,000,000” and insert “\$5,992,000,000”.

Page 28, after line 13, insert a new section entitled “Sec. 7008. Sustainable Aviation Fuel.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1JJ) was NOT AGREED TO, by voice vote.

Page 21, line 23, strike “and”.

Page 22, line 2, strike the period at the end and insert “; and”.

Page 22, after line 2, insert the following: (D) may not be provided to an airport in an amount that results in an airport receiving more than 3 years of operating funds to prevent, prepare for, and respond to coronavirus in fiscal years 2020 and 2021 combined.

An en bloc amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1KK) was NOT AGREED TO, by voice vote.

Consisting of the following:

An amendment to the Amendment in the Nature of a Substitute: Page 22, line 9, strike “\$6,492,000,000” and insert “\$6,442,000,000”.

Page 26, after line 16, insert the following: (5) Not more than \$50,000,000 shall be made available to improve the cybersecurity of airport computer systems and networks, with priority given safety-critical computer systems and networks. The Secretary may use the amount under this paragraph in any way the Secretary determines appropriate, including:

(A) entering into an agreement or providing funds directly to an airport; or

(B) entering into an agreement with a company that provides computer systems or network services, or other similar services to multiple airports.

An amendment to the Amendment in the Nature of a Substitute:

Page 8, line 17, strike “\$30,000,000,000” and replace with “\$29,950,000,000”

At the end of subtitle A, add a new section entitled “Sec. \_\_\_. Cybersecurity at Wastewater Treatment Systems.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Johnson of South Dakota (#1LL) was NOT AGREED TO, by voice vote.

At the end of subtitle A insert a new section entitled “Sec. \_\_\_. Requirement for Reduction of Economic Substitution Effect.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Johnson of South Dakota (#1MM), was ruled non- germane.

Page 8, after line 10, insert a new subsection entitled “(h) Requirement for Use of Funds.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Gibbs (#1NN) was NOT AGREED TO, by voice vote.

Page 27, line 25, insert “, and including a fixed base operator” after “Regulations”.

Page 28, line 7, insert “, and including a fixed base operator” after “Regulations”.

An amendment to the Amendment in the Nature of a Substitute offered by Ms. Mace (#1OO) was WITHDRAWN.

Page 29, after line 12, insert a new section entitled “Sec. 7008. Upgrading Cold Storage Facilities.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Johnson of South Dakota (#1PP) was NOT AGREED TO, by voice vote.

Page 8, after line 10, insert a new subsection entitled “(h) Requirement for Use of Funds.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. LaMalfa (#1QQ) was WITHDRAWN.

At the end of subtitle A, add a new section entitled “Sec. \_\_\_ Reprogramming of Certain Funds for the Forest Service.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. LaMalfa (#1RR) was NOT AGREED TO, by voice vote.

Page 8, line 17, strike “\$30,000,000,000” and insert “\$22,000,000,000”.

At the end of subtitle A, add a new section entitled “Sec. \_\_\_ Assistance for Providers of Transportation Services Affected by COVID-19.”

An amendment to the Amendment in the Nature of a Substitute offered by Mrs. Steel (#1SS) was WITHDRAWN.

Page 41, after line , insert a new section entitled “Sec. 7205. Support for Mental Health.”

An en bloc amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1TT) was NOT AGREED TO, by voice vote.

Consisting of the following:

An amendment to the Amendment in the Nature of a Substitute:

Page 41, after line 5, insert a new section entitled “Sec. 4205. Deficit Reduction.”

An amendment to the Amendment in the Nature of a Substitute

At the end of subtitle C, add a new section entitled “Sec. \_\_\_ Deficit Reduction.”

An amendment to the Amendment in the Nature of a Substitute offered by Miss González-Colón (#1UU) was NOT AGREED TO, by a record vote of 27 yeas and 37 nays (Roll Call Vote No. 11).

At the end of subtitle A insert a new section entitled “Sec. \_\_\_ Maritime Task Force.”

An amendment to the Amendment in the Nature of a Substitute offered by Miss González-Colón (#1VV) was WITHDRAWN.

Page 28, after line 13, insert a new section entitled “Sec. 7008. Repair, Restoration, and Replacement of Damaged Facilities.”

An amendment to the Amendment in the Nature of a Substitute offered by Miss González-Colón (#1WW) was WITHDRAWN.

At the end of subtitle A, insert a new section entitled “Sec. \_\_\_ Cargo in Alaska or Puerto Rico.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Babin (#1XX) was NOT AGREED TO, by a record vote of 25 yeas and 39 nays (Roll Call Vote No. 12).

Page 21, after line 3, insert a new subsection entitled “(c) Funding Availability.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Graves of Louisiana (#1YY) was NOT AGREED TO, by a record vote of 28 yeas and 35 nays (Roll Call Vote No. 13).

At the end of subtitle A, add a new section entitled “Sec. \_\_\_ Prohibition on Condition on Air Transportation.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Perry (#1ZZ) was NOT AGREED TO, by voice vote.

Page 11, after line 2, add a new paragraph entitled “(3) Limitation.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Bost (#1AAA) was NOT AGREED TO, by voice vote.

Page 28, after line 13, insert a new section entitled “Sec. 7008. Restriction on Purchase of Steel Products from China.”

An amendment to the Amendment in the Nature of a Substitute offered by Mr. Mast (#1BBB) was NOT AGREED TO, a record vote of 27 yeas and 37 nays (Roll Call Vote No. 14).

At the end of the bill, add a new section entitled “Sec. 7205. Limitation on Certain Employee Compensation.”

COMMITTEE VOTES

Clause 3(b) of Rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against.

*Committee on Transportation and Infrastructure Roll Call Vote No. 1.*

On: agreeing to amendment #1B offered by Mr. Gibbs

Not Agreed to: 27 yeas and 37 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Yea
Mr. Sires .....	Nay	Mr. Perry .....	Yea
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Yea
Mr. Johnson of GA .....	Nay	Mr. Katko .....	Nay
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Yea
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	Yea

Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Nay
Mr. Carbajal .....	Nay	Miss González-Colón.....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Allred .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Yea
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea
Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Nay
Mr. Moulton .....	Nay	Ms. Van Dyne .....	Yea
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	Yea
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	.....
Mr. Kabele .....	Nay		
Ms. Strickland .....	Nay		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy .....			

*Committee on Transportation and Infrastructure Roll Call Vote No. 2.*

On: agreeing to amendment #1C offered by Mr. Webster

Not Agreed to: 31 yeas and 36 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	.....
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Yea
Mr. Sires .....	Nay	Mr. Perry .....	Yea
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Yea
Mr. Johnson of GA .....	Nay	Mr. Katko .....	Yea
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Yea
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	Yea
Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Yea
Mr. Carbajal .....	Nay	Miss González-Colón.....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Allred .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Yea
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea

Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Yea
Mr. Moulton .....	Nay	Ms. Van Duyne .....	Yea
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	Yea
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kahele .....	Nay		
Ms. Strickland .....	Nay		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy .....			

*Committee on Transportation and Infrastructure Roll Call Vote No. 3.*

On: agreeing to amendment #1D offered by Mr. Perry

Not Agreed to: 23 yeas and 43 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	.....
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Yea
Mr. Sires .....	Nay	Mr. Perry .....	Yea
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Nay
Mr. Johnson of GA .....	.....	Mr. Katko .....	Nay
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Nay
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	Yea
Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Nay
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Nay
Mr. Carbajal .....	Nay	Miss González-Colón .....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Alford .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Nay
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea
Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Nay
Mr. Moulton .....	Nay	Ms. Van Duyne .....	Yea
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	Nay
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kahele .....	Nay		
Ms. Strickland .....	Nay		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy .....			

*Committee on Transportation and Infrastructure Roll Call Vote No. 4.*

On: agreeing to amendment #1F offered by Mr. Bost

Not Agreed to: 27 yeas and 38 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	.....
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Yea
Mr. Sires .....	Nay	Mr. Perry .....	Yea
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Yea
Mr. Johnson of GA .....	.....	Mr. Katko .....	Nay
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Yea
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	Yea
Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Nay
Mr. Carbajal .....	Nay	Miss González-Colón .....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Allred .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Yea
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	.....
Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Yea
Mr. Moulton .....	Nay	Ms. Van Duyne .....	Yea
Mr. Auchincloss .....	Nay	Mr. Gimencz .....	Nay
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kahele .....	Nay		
Ms. Strickland .....	Nay		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy			

*Committee on Transportation and Infrastructure Roll Call Vote No. 5.*

On: agreeing to amendment #1H offered by Miss González-Colón

Not Agreed to: 28 yeas and 37 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	.....
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Nay

Mr. Sires .....	Nay	Mr. Perry .....	Nay
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Yea
Mr. Johnson of GA .....		Mr. Katko .....	
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Yea
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	Yea
Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Yea
Mr. Carbajal .....	Nay	Miss González-Colón .....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Allred .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Yea
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea
Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Yea
Mr. Moulton .....	Nay	Ms. Van Dyne .....	Yea
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	Yea
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kabele .....	Nay		
Ms. Strickland .....	Nay		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy			

*Committee on Transportation and Infrastructure Roll Call Vote No. 6.*  
 On: agreeing to amendment #1J offered by Mr. Burchett  
 Not Agreed to: 30 yeas and 35 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Yea
Mr. Sires .....	Nay	Mr. Perry .....	Yea
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Yea
Mr. Johnson of GA .....		Mr. Katko .....	Yea
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Yea
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	
Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea

Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Yea
Mr. Carbajal .....	Nay	Miss González-Colón.....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Allred .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Yea
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea
Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Yea
Mr. Moulton .....	Nay	Ms. Van Duyne .....	Yea
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	Yea
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kabele .....	Nay		
Ms. Strickland .....	Nay		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy .....			

*Committee on Transportation and Infrastructure Roll Call Vote No. 7.*

On: agreeing to amendment #1K offered by Mr. Van Drew

Not Agreed to: 27 yeas and 37 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	.....
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Nay
Mr. Sires .....	Nay	Mr. Perry .....	Nay
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Yea
Mr. Johnson of GA .....	.....	Mr. Katko .....	Yea
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Yea
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	.....
Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Yea
Mr. Carbajal .....	Nay	Miss González-Colón.....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Allred .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Yea
Mr. Garcia of IL .....	.....	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea
Mr. Pappas .....	Nay	Ms. Mace .....	Nay

501

Mr. Lamb .....	Nay	Ms. Malliotakis .....	Yea
Mr. Moulton .....	Nay	Ms. Van Duyne .....	Yea
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	Yea
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kahele .....	Nay		
Ms. Strickland .....	Nay		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy			

*Committee on Transportation and Infrastructure Roll Call Vote No. 8.*

On: agreeing to amendment #1L offered by Mr. Guest

Not Agreed to: 29 yeas and 36 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Yea
Mr. Sires .....	Nay	Mr. Perry .....	Yea
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Yea
Mr. Johnson of GA .....		Mr. Katko .....	Yea
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Yea
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	
Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Nay
Mr. Carbajal .....	Nay	Miss González-Colón .....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Allred .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Yea
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea
Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Yea
Mr. Moulton .....	Nay	Ms. Van Duyne .....	Yea
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	Yea
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kahele .....	Nay		
Ms. Strickland .....	Nay		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy			

*Committee on Transportation and Infrastructure Roll Call Vote No. 9.*

On: agreeing to amendment #1Q offered by Mr. Perry

Not Agreed to: 19 yeas and 44 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio	Nay	Mr. Graves of MO	.....
Ms. Norton	Nay	Mr. Young	.....
Ms. Johnson of TX	Nay	Mr. Crawford	Yea
Mr. Larsen of WA	Nay	Mr. Gibbs	Yea
Mrs. Napolitano	Nay	Mr. Webster	Yea
Mr. Cohen	.....	Mr. Massie	Yea
Mr. Sires	Nay	Mr. Perry	Yea
Mr. Garamendi	Nay	Mr. Rodney Davis of IL	Nay
Mr. Johnson of GA	Nay	Mr. Katko	Nay
Mr. Carson	Nay	Mr. Babin	Yea
Ms. Titus	Nay	Mr. Graves of LA	Yea
Mr. Maloney of NY	Nay	Mr. Rouzer	Yea
Mr. Huffman	Nay	Mr. Bost	Nay
Ms. Brownley	Nay	Mr. Weber of TX	Yea
Ms. Wilson of FL	Nay	Mr. LaMalfa	Yea
Mr. Payne	Nay	Mr. Westerman	Yea
Mr. Lowenthal	Nay	Mr. Mast	Yea
Mr. DeSaulnier	Nay	Mr. Gallagher	Nay
Mr. Lynch	Nay	Mr. Fitzpatrick	Nay
Mr. Carbajal	Nay	Miss González-Colón	Yea
Mr. Brown	Nay	Mr. Balderson	Nay
Mr. Malinowski	Nay	Mr. Stauber	Nay
Mr. Stanton	Nay	Mr. Burchett	Yea
Mr. Allred	Nay	Mr. Johnson of SD	Yea
Ms. Davids of KS	Nay	Mr. Van Drew	Nay
Mr. Garcia of IL	Nay	Mr. Guest	Yea
Mr. Delgado	Nay	Mr. Nehls	Yea
Mr. Pappas	Nay	Ms. Mace	Yea
Mr. Lamb	Nay	Ms. Malliotakis	Nay
Mr. Moulton	Nay	Ms. Van Duyne	.....
Mr. Auchincloss	Nay	Mr. Gimenez	.....
Ms. Bourdeaux	Nay	Mrs. Steel	Yea
Mr. Kabele	Nay		
Ms. Strickland	Nay		
Ms. Williams of GA	Nay		
Ms. Newman	Nay		
Vacancy			

*Committee on Transportation and Infrastructure Roll Call Vote No. 10.*

On: agreeing to amendment #1BB offered by Mr. Stauber

Not Agreed to: 28 yeas and 36 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio	Nay	Mr. Graves of MO	.....
Ms. Norton	Nay	Mr. Young	.....
Ms. Johnson of TX	Nay	Mr. Crawford	Yea
Mr. Larsen of WA	Nay	Mr. Gibbs	Yea
Mrs. Napolitano	Nay	Mr. Webster	Yea

Mr. Cohen	Nay	Mr. Massie	Yea
Mr. Sires	Nay	Mr. Perry	Yea
Mr. Garamendi	Nay	Mr. Rodney Davis of IL	Yea
Mr. Johnson of GA	Nay	Mr. Katko	Yea
Mr. Carson	Nay	Mr. Babin	Yea
Ms. Titus	Nay	Mr. Graves of LA	Yea
Mr. Maloney of NY	Nay	Mr. Rouzer	Yea
Mr. Huffman	Nay	Mr. Bost	Yea
Ms. Brownley	Nay	Mr. Weber of TX	Yea
Ms. Wilson of FL	Nay	Mr. LaMalfa	Yea
Mr. Payne	Nay	Mr. Westerman	Yea
Mr. Lowenthal	Nay	Mr. Mast	Yea
Mr. DeSaulnier	Nay	Mr. Gallagher	Yea
Mr. Lynch	Nay	Mr. Fitzpatrick	Yea
Mr. Carbajal	Nay	Miss González-Colón	Yea
Mr. Brown	Nay	Mr. Balderson	Yea
Mr. Malinowski	Nay	Mr. Stauber	Yea
Mr. Stanton	Nay	Mr. Burchett	Yea
Mr. Alford	Nay	Mr. Johnson of SD	Yea
Ms. Davids of KS	Nay	Mr. Van Drew	Yea
Mr. Garcia of IL	Nay	Mr. Guest	Yea
Mr. Delgado	Nay	Mr. Nehls	Yea
Mr. Pappas	Nay	Ms. Mace	Yea
Mr. Lamb	Nay	Ms. Malliotakis	Yea
Mr. Moulton	Nay	Ms. Van Dyne	.....
Mr. Auchincloss	Nay	Mr. Gimenez	.....
Ms. Bourdeaux	Nay	Mrs. Steel	Yea
Mr. Kabele	Nay		
Ms. Strickland	Nay		
Ms. Williams of GA	Nay		
Ms. Newman	Nay		
Vacancy			

*Committee on Transportation and Infrastructure Roll Call Vote No. 11.*

On: agreeing to amendment #1UU offered by Miss González-Colón

Not Agreed to: 27 yeas and 37 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio	Nay	Mr. Graves of MO	.....
Ms. Norton	Nay	Mr. Young	.....
Ms. Johnson of TX	Nay	Mr. Crawford	Yea
Mr. Larsen of WA	Nay	Mr. Gibbs	Yea
Mrs. Napolitano	Nay	Mr. Webster	Yea
Mr. Cohen	Nay	Mr. Massie	Nay
Mr. Sires	Nay	Mr. Perry	Yea
Mr. Garamendi	Nay	Mr. Rodney Davis of IL	Yea
Mr. Johnson of GA	Nay	Mr. Katko	Yea
Mr. Carson	Nay	Mr. Babin	Yea
Ms. Titus	Nay	Mr. Graves of LA	Yea
Mr. Maloney of NY	Nay	Mr. Rouzer	Yea
Mr. Huffman	Nay	Mr. Bost	Yea
Ms. Brownley	Nay	Mr. Weber of TX	Yea
Ms. Wilson of FL	Nay	Mr. LaMalfa	Yea
Mr. Payne	Nay	Mr. Westerman	Yea

Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Yea
Mr. Carbajal .....	Nay	Miss González-Colón.....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Allred .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Yea
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea
Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Yea
Mr. Moulton .....	Nay	Ms. Van Dwyne .....	.....
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	.....
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kabele .....	Nay		
Ms. Strickland .....	Nay		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy .....			

*Committee on Transportation and Infrastructure Roll Call Vote No 12.*

On: agreeing to amendment #1XX offered by Mr. Babin

Not Agreed to: 25 yeas and 39 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	.....
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Yea
Mr. Sires .....	Nay	Mr. Perry .....	Yea
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Yea
Mr. Johnson of GA .....	Nay	Mr. Katko .....	Nay
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Yea
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	Yea
Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Nay
Mr. Carbajal .....	Nay	Miss González-Colón.....	Nay
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Allred .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Nay
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea

Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Yea
Mr. Moulton .....	Nay	Ms. Van Duyne .....	.....
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	.....
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kahele .....	Nay		
Ms. Strickland .....	.....		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy .....			

*Committee on Transportation and Infrastructure Roll Call Vote No 13.*  
 On: agreeing to amendment #IYY offered by Mr. Graves of Louisiana  
 Not Agreed to: 28 yeas and 35 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio .....	Nay	Mr. Graves of MO .....	Yea
Ms. Norton .....	Nay	Mr. Young .....	.....
Ms. Johnson of TX .....	Nay	Mr. Crawford .....	Yea
Mr. Larsen of WA .....	Nay	Mr. Gibbs .....	Yea
Mrs. Napolitano .....	Nay	Mr. Webster .....	Yea
Mr. Cohen .....	Nay	Mr. Massie .....	Yea
Mr. Sires .....	Nay	Mr. Perry .....	Yea
Mr. Garamendi .....	Nay	Mr. Rodney Davis of IL .....	Yea
Mr. Johnson of GA .....	Nay	Mr. Katko .....	Yea
Mr. Carson .....	Nay	Mr. Babin .....	Yea
Ms. Titus .....	Nay	Mr. Graves of LA .....	Yea
Mr. Maloney of NY .....	Nay	Mr. Rouzer .....	Yea
Mr. Huffman .....	Nay	Mr. Bost .....	Yea
Ms. Brownley .....	Nay	Mr. Weber of TX .....	Yea
Ms. Wilson of FL .....	Nay	Mr. LaMalfa .....	Yea
Mr. Payne .....	Nay	Mr. Westerman .....	.....
Mr. Lowenthal .....	Nay	Mr. Mast .....	Yea
Mr. DeSaulnier .....	Nay	Mr. Gallagher .....	Yea
Mr. Lynch .....	Nay	Mr. Fitzpatrick .....	Yea
Mr. Carbajal .....	Nay	Miss González-Colón .....	Yea
Mr. Brown .....	Nay	Mr. Balderson .....	Yea
Mr. Malinowski .....	Nay	Mr. Stauber .....	Yea
Mr. Stanton .....	Nay	Mr. Burchett .....	Yea
Mr. Alford .....	Nay	Mr. Johnson of SD .....	Yea
Ms. Davids of KS .....	Nay	Mr. Van Drew .....	Yea
Mr. Garcia of IL .....	Nay	Mr. Guest .....	Yea
Mr. Delgado .....	Nay	Mr. Nehls .....	Yea
Mr. Pappas .....	Nay	Ms. Mace .....	Yea
Mr. Lamb .....	Nay	Ms. Malliotakis .....	Yea
Mr. Moulton .....	Nay	Ms. Van Duyne .....	.....
Mr. Auchincloss .....	Nay	Mr. Gimenez .....	.....
Ms. Bourdeaux .....	Nay	Mrs. Steel .....	Yea
Mr. Kahele .....	Nay		
Ms. Strickland .....	.....		
Ms. Williams of GA .....	Nay		
Ms. Newman .....	Nay		
Vacancy .....			

*Committee on Transportation and Infrastructure Roll Call Vote No 14.*

On: agreeing to amendment #1BBB offered by Mr. Mast

Not Agreed to: 27 yeas and 37 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio	Nay	Mr. Graves of MO	Yea
Ms. Norton	Nay	Mr. Young	.....
Ms. Johnson of TX	Nay	Mr. Crawford	Yea
Mr. Larsen of WA	Nay	Mr. Gibbs	Yea
Mrs. Napolitano	Nay	Mr. Webster	Yea
Mr. Cohen	Nay	Mr. Massie	Yea
Mr. Sires	Nay	Mr. Perry	Yea
Mr. Garamendi	Nay	Mr. Rodney Davis of IL	Yea
Mr. Johnson of GA	Nay	Mr. Katko	Nay
Mr. Carson	Nay	Mr. Babin	Yea
Ms. Titus	Nay	Mr. Graves of LA	Yea
Mr. Maloney of NY	Nay	Mr. Rouzer	Yea
Mr. Huffman	Nay	Mr. Bost	Yea
Ms. Brownley	Nay	Mr. Weber of TX	Yea
Ms. Wilson of FL	Nay	Mr. LaMalfa	Yea
Mr. Payne	Nay	Mr. Westerman	.....
Mr. Lowenthal	Nay	Mr. Mast	Yea
Mr. DeSaulnier	Nay	Mr. Gallagher	Yea
Mr. Lynch	Nay	Mr. Fitzpatrick	Yea
Mr. Carbajal	Nay	Miss González-Colón	Yea
Mr. Brown	Nay	Mr. Balderson	Yea
Mr. Malinowski	Nay	Mr. Stauber	Yea
Mr. Stanton	Nay	Mr. Burchett	Yea
Mr. Allred	Nay	Mr. Johnson of SD	Yea
Ms. Davids of KS	Nay	Mr. Van Drew	Yea
Mr. Garcia of IL	Nay	Mr. Guest	Yea
Mr. Delgado	Nay	Mr. Nehls	Yea
Mr. Pappas	Nay	Ms. Mace	Yea
Mr. Lamb	Nay	Ms. Malliotakis	Yea
Mr. Moulton	Nay	Ms. Van Duyne	.....
Mr. Auchincloss	Nay	Mr. Gimenez	.....
Ms. Bourdeaux	Nay	Mrs. Steel	Yea
Mr. Kafele	Nay		
Ms. Strickland	Nay		
Ms. Williams of GA	Nay		
Ms. Newman	Nay		
Vacancy			

*Committee on Transportation and Infrastructure Roll Call Vote No 15.*

On: agreeing to the Committee Print and transmitting the recommendations to the Committee on the Budget

Not Agreed to: 39 yeas and 25 nays.

Majority Members	Vote	Minority Members	Vote
Mr. DeFazio	Yea	Mr. Graves of MO	Nay
Ms. Norton	Yea	Mr. Young	.....
Ms. Johnson of TX	Yea	Mr. Crawford	Nay
Mr. Larsen of WA	Yea	Mr. Gibbs	Nay
Mrs. Napolitano	Yea	Mr. Webster	Nay

Mr. Cohen .....	Yea	Mr. Massie .....	Nay
Mr. Sires .....	Yea	Mr. Perry .....	Nay
Mr. Garamendi .....	Yea	Mr. Rodney Davis of IL .....	Nay
Mr. Johnson of GA .....	Yea	Mr. Katko .....	Yea
Mr. Carson .....	Yea	Mr. Babin .....	Nay
Ms. Titus .....	Yea	Mr. Graves of LA .....	Nay
Mr. Maloney of NY .....	Yea	Mr. Rouzer .....	Nay
Mr. Huffman .....	Yea	Mr. Bost .....	Nay
Ms. Brownley .....	Yea	Mr. Weber of TX .....	Nay
Ms. Wilson of FL .....	Yea	Mr. LaMalfa .....	Nay
Mr. Payne .....	Yea	Mr. Westerman .....	.....
Mr. Lowenthal .....	Yea	Mr. Mast .....	Nay
Mr. DeSaulnier .....	Yea	Mr. Gallagher .....	Nay
Mr. Lynch .....	Yea	Mr. Fitzpatrick .....	Yea
Mr. Carbajal .....	Yea	Miss González-Colón.....	Yea
Mr. Brown .....	Yea	Mr. Balderson .....	Nay
Mr. Malinowski .....	Yea	Mr. Stauber .....	Nay
Mr. Stanton .....	Yea	Mr. Burchett .....	Nay
Mr. Allred .....	Yea	Mr. Johnson of SD .....	Nay
Ms. Davids of KS .....	Yea	Mr. Van Drew .....	Nay
Mr. Garcia of IL .....	Yea	Mr. Guest .....	Nay
Mr. Delgado .....	Yea	Mr. Nehls .....	Nay
Mr. Pappas .....	Yea	Ms. Mace .....	Nay
Mr. Lamb .....	Yea	Ms. Malliotakis .....	Nay
Mr. Moulton .....	Yea	Ms. Van Dyne .....	.....
Mr. Auchincloss .....	Yea	Mr. Gimenez .....	.....
Ms. Bourdeaux .....	Yea	Mrs. Steel .....	Nay
Mr. Kabele .....	Yea		
Ms. Strickland .....	Yea		
Ms. Williams of GA .....	Yea		
Ms. Newman .....	Yea		
Vacancy .....			

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of Rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the enclosed cost estimate for the Committee Print from the Director of the Congressional Budget Office:

<b>At a Glance</b>			
<b>Reconciliation Recommendations of the House Committee on Transportation and Infrastructure</b>			
As ordered reported on February 10, 2021			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>28,400</b>	<b>90,460</b>	<b>90,460</b>
Revenues	*	*	*
Increase or Decrease (-) in the Deficit	<b>28,400</b>	<b>90,460</b>	<b>90,460</b>
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
CBO has not reviewed the legislation for effects on spending subject to appropriation.			
* = between zero and \$500,000.			
<b>The legislation would</b>			
<ul style="list-style-type: none"> <li>• Appropriate \$95.5 billion for a variety of transportation, economic development, and disaster relief programs</li> <li>• Provide enhanced benefits to unemployed railroad workers through August 29, 2021</li> <li>• Authorize additional civil and criminal penalties</li> </ul>			
<b>Estimated budgetary effects would mainly stem from</b>			
<ul style="list-style-type: none"> <li>• Spending of the funds appropriated under the legislation</li> <li>• Spending of certain unobligated funds available under current law</li> </ul>			
<b>Detailed estimate begins on the next page.</b>			

See also CBO's *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437); *How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).

## Summary

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Transportation and Infrastructure approved legislation on February 10, 2021, with a number of provisions that would increase deficits.

The reconciliation recommendations of the House Committee on Transportation and Infrastructure would appropriate about \$95.5 billion to assist public and private entities prevent, prepare for, and respond to the coronavirus pandemic. The legislation also would provide enhanced benefits to unemployed railroad workers through August 29, 2021, and establish additional civil and criminal penalties.

## Estimated Federal Cost

The estimated budgetary effect of the legislation is shown in Table 1. The costs of the legislation fall primarily within budget functions 400 (transportation), 450 (community and regional development), and 600 (income security).

## Basis of Estimate

For this estimate, CBO assumes that the reconciliation recommendations will be enacted by the end of March 2021.

CBO estimates that enacting the reconciliation recommendations would increase direct spending by roughly \$90.5 billion over the 2021-2030 period and would increase revenues by an insignificant amount over the same period.

## Subtitle A – Transportation and Infrastructure

To fund activities to prevent, prepare for, and respond to the pandemic, Subtitle A would appropriate:

- \$50 billion for the Federal Emergency Management Agency to respond to major disasters and to cover funeral expenses related to COVID-19, the disease caused by the coronavirus, beyond December 31, 2020, when authority to cover those expenses is set to expire;
- \$30 billion for the Federal Transit Administration to provide grants to transit agencies mostly for operating expenses to maintain payroll for employees and contractors;
- \$8 billion for the Federal Aviation Administration to provide grants to airports for operations and debt service costs, to relieve airport concessions from rent and minimum



annual guarantees, and to increase the federal cost share to 100 percent for airport development grants awarded in 2020 or 2021;

- \$3 billion for the Economic Development Administration to provide grants to economically distressed communities based on the economic injury resulting from the pandemic;
- \$1.5 billion for the Federal Railroad Administration to provide additional grants to the National Railroad Passenger Corporation; and
- \$1.5 million from the Harbor Maintenance Trust Fund for the Great Lakes St. Lawrence Seaway Development Corporation to conduct activities related to the Seaway International Bridge.

Based on historical spending patterns for similar activities, CBO estimates that implementing those provisions would increase direct spending by \$87.4 billion over the 2021-2030 period.

#### **Subtitle B – Aviation Manufacturing Jobs Protection**

Subtitle B would appropriate \$3 billion for the Department of Transportation to provide payroll support to eligible aviation manufacturers and maintenance firms for a period no longer than six months. In addition, section 7102 would authorize new civil and criminal penalties for businesses that provide false or misleading information under the program.

Based on historical spending patterns for similar activities, and using information from industry groups on employee compensation, CBO estimates that the payroll support program would increase outlays by \$3 billion over the 2021-2030 period.

CBO further estimates that any increases in collections of civil and criminal penalties (which are recorded in the budget as revenues) would be insignificant under the bill. Criminal penalties are deposited in the Crime Victims Fund and are later spent without further appropriation. CBO expects that any additional revenues and associated direct spending would not be significant in any year or over the 2021-2030 period because of the relatively small number of cases likely to be affected.

#### **Subtitle C – Continued Assistance to Rail Workers**

Subtitle C would provide enhanced benefits to unemployed railroad workers through August 29, 2021. Using information provided by the Railroad Retirement Board, CBO estimates that these benefits would be funded through unobligated balances. This subtitle also would appropriate \$28 million to the Railroad Retirement Board in 2021, primarily for information technology improvements and additional hiring as needed to administer the Railroad Unemployment Insurance Act. CBO estimates this subtitle would increase outlays by \$108 million over the 2021-2030 period.

**Pay-As-You-Go Considerations:**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 1.

**Increases On-Budget Deficits in any Year after 2030:** No.

**Mandates:** None.

**Estimate Prepared By**

Federal Costs:

Meredith Decker for Railroad Retirement  
Aaron Krupkin for aviation-related proposals  
Dan Ready for Railroad Retirement  
Robert Reese for transportation programs  
Jon Sperl for economic development and federal emergency management

Mandates:

Rachel Austin  
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**Estimate Reviewed By**

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Chief, Natural and Physical Resources Cost Estimates Unit

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Deputy Director of Budget Analysis

Theresa Gullo  
Director of Budget Analysis

**Table 1**  
**Estimated Budgetary Effects of the Reconciliation Recommendations of the House Committee on Transportation and Infrastructure**

	By Fiscal Year, Millions of Dollars											2021-	2021-
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2030	2031
<b>Increases in Direct Spending</b>													
<b>Subtitle A - Transportation and Infrastructure</b>													
<b>Sec. 7001 - FEMA Appropriation</b>													
Budget Authority	50,000	0	0	0	0	0	0	0	0	0	0	50,000	50,000
Estimated Outlays	11,480	10,980	7,940	4,900	3,430	2,550	2,220	1,700	1,000	800	0	47,000	47,000
<b>Sec. 7003 - Economic Adjustment Assistance</b>													
Budget Authority	3,000	0	0	0	0	0	0	0	0	0	0	3,000	3,000
Estimated Outlays	750	1,000	500	400	150	100	100	0	0	0	0	3,000	3,000
<b>Sec. 7004 - GLS Development Corporation Operations &amp; Maintenance</b>													
Budget Authority	2	0	0	0	0	0	0	0	0	0	0	2	2
Estimated Outlays	2	0	0	0	0	0	0	0	0	0	0	2	2
<b>Sec. 7005 - Grants to the National Railroad Passenger Corporation</b>													
Budget Authority	1,500	0	0	0	0	0	0	0	0	0	0	1,500	1,500
Estimated Outlays	1,350	150	0	0	0	0	0	0	0	0	0	1,500	1,500
<b>Sec. 7006 - FTA Grants</b>													
Budget Authority	30,000	0	0	0	0	0	0	0	0	0	0	30,000	30,000
Estimated Outlays	10,100	9,700	7,300	400	200	100	50	0	0	0	0	27,850	27,850
<b>Sec. 7007 - Relief For Airports</b>													
Budget Authority	8,000	0	0	0	0	0	0	0	0	0	0	8,000	8,000
Estimated Outlays	2,640	4,320	880	120	40	0	0	0	0	0	0	8,000	8,000
<b>Total Subtitle A</b>													
Budget Authority	92,502	0	0	0	0	0	0	0	0	0	0	92,502	92,502
Estimated Outlays	26,322	26,150	16,620	5,820	3,820	2,750	2,370	1,700	1,000	800	0	87,352	87,352
<b>Subtitle B - Aviation Manufacturing Jobs Protection<sup>a</sup></b>													
Budget Authority	3,000	0	0	0	0	0	0	0	0	0	0	3,000	3,000
Estimated Outlays	2,000	1,000	0	0	0	0	0	0	0	0	0	3,000	3,000
<b>Subtitle C - Continued Assistance to Rail Workers</b>													
Budget Authority	28	0	0	0	0	0	0	0	0	0	0	28	28
Estimated Outlays <sup>b</sup>	78	11	6	5	5	3	0	0	0	0	0	108	108
<b>Total Direct Spending</b>													
Budget Authority	95,530	0	0	0	0	0	0	0	0	0	0	95,530	95,530
Estimated Outlays	28,400	27,161	16,626	5,825	3,825	2,753	2,370	1,700	1,000	800	0	90,460	90,460

FEMA = Federal Emergency Management Agency, FTA = Federal Transit Administration, GLS = Great Lakes St. Lawrence Seaway Development Corporation

a. Section 7102 of Subtitle B would authorize new civil and criminal penalties for businesses that provide false or misleading information under the program. Civil and criminal fines are recorded as revenues in the budget. Criminal fines are also deposited into the Crime Victims Fund and are eligible to be spent without further appropriation. CBO expects that any increases in revenues and associated direct spending would not be significant in any year or over the 2021-2030 period because of the relatively small number of cases likely to be affected.

b. Sections 7201-7203 of subtitle C authorizes the Railroad Retirement Board to use available balances already provided to administer certain provisions in this title; thus, spending of those amounts affects outlays only.

**Committee on Transportation and Infrastructure**  
**Summary of Major Policy Decisions**

The COVID-19 pandemic has hit the transportation sector hard. The reduction in mass transit riders and air passengers has led to devastating economic consequences for local, regional, and state governments, transit agencies, and commercial airlines. Transportation workers in particular have been hard hit by the devastating health risks and significant financial repercussions of the public health crisis our nation continues to face. The following provisions are key to providing much-needed relief for transportation workers and systems.

Amtrak ridership numbers were devastated by the COVID-19 pandemic and remain at roughly 25 percent of pre-pandemic levels—the passenger railroad forecasts a total of 8.7 million trips for fiscal year 2021, compared to 32.5 million in fiscal year 2019. This proposal provides \$1.5 billion to keep Amtrak fully operational through fiscal year 2021 and help the passenger rail carrier remain viable for future generations.

Railroad workers do not receive traditional state-administered unemployment benefits. This proposal creates parity for railroad workers by mirroring changes to traditional unemployment benefits, by providing an additional \$400 per week to unemployed railroad workers, allowing for 24 additional weeks of benefits, and waiving the one-week delay of benefits for newly unemployed or sick workers.

Transit agencies face ongoing and significant impacts from the COVID-19 pandemic. According to an independent analysis prepared by EPB US, Inc, on behalf of the American Public Transportation Association, transit systems are facing a shortfall of \$39.3 billion through the end of calendar year 2023, even when accounting for the \$39 billion in relief Congress has provided to date. These shortfall estimates include \$25.2 billion in 2021, \$15.1 billion in 2022, and \$13.0 billion in 2023.

The analysis found that the shortfall is being driven by several factors, including a 79 percent decline in transit ridership at the start of the pandemic. Severe ridership loss continued throughout 2020, averaging 65 percent below normal levels from June through December. Suppressed ridership is expected to continue at current levels through the third quarter of 2021, with lower-than-average ridership expected through calendar year 2023 due to lower employment and increased reliance on remote work. Given these conditions, this proposal includes \$30 billion in funding for transit agencies to prevent, prepare for, and respond to the ongoing threat of COVID-19.

The ongoing COVID-19 pandemic, and resulting decline in air travel, continues to also devastate the U.S. aviation and aerospace industries, among other sectors. According to recent industry analysis, an estimated 100,000 aerospace manufacturing workers have already lost their jobs nationwide and 220,000 additional jobs are at risk of furlough due to the pandemic. In order to help our nation's airports address the ongoing effects of the coronavirus pandemic, this proposal provides a total of \$8 billion in

emergency aid for primary airports, non-primary airports, and airport concessions. The proposal also allocates \$800 million to airport concessions at primary airports, with a focus on helping small businesses and minority-owned firms.

The proposal also establishes a \$3 billion temporary payroll support program, administered by the U.S. Department of Transportation, to provide a 50 percent Federal share to eligible U.S. aerospace manufacturing and maintenance, repair, and overhaul companies to help cover the wages, salaries, and benefits of U.S. manufacturing employees most at risk of being furloughed and to facilitate the recall or rehire of such employees furloughed during the COVID-19 pandemic.

The proposal includes \$3 billion for the Economic Development Administration (EDA) to provide economic adjustment assistance for fiscal year 2021 for the purpose of preventing, preparing for, and responding to economic injury caused by the COVID-19 pandemic. In order to provide support to communities and industries that have been disproportionately impacted by the pandemic, 15 percent of the funding is reserved for assistance for communities that have suffered economic injury as a result of job losses in travel, tourism, or outdoor recreation activities.

This proposal includes \$50 billion to the Federal Emergency Management Agency's (FEMA) Disaster Relief Fund (DRF) to provide relief to state, local, tribal, and territorial governments for COVID-19 related activities, including vaccination efforts, the continued deployment of the National Guard, providing personal protective equipment for critical public sector employees, and disinfecting activities in public facilities. FEMA is projecting a nearly \$30 billion deficit in the DRF at the close of the fiscal year based only on current emergencies and major disasters.

Finally, the proposal provides a one-time transfer of \$1.5 million from the Harbor Maintenance Trust Fund for operations, maintenance, and capital infrastructure activities of the Seaway International Bridge.

## PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of the Committee Print is to provide relief to transportation workers and systems and to comply with the reconciliation directive contained in section 2001 of S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021.

## DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of the Committee Print establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

## CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this Committee Print, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the Rule XXI.

## FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104-4).

## PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee finds that the Committee Print does not preempt any state, local, or tribal law.

## ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this Committee print.

## APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the Committee Print does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

## SECTION-BY-SECTION ANALYSIS OF THE COMMITTEE PRINT

## TITLE VII – COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

## Subtitle A – Transportation and Infrastructure

*Sec. 7001. Federal Emergency Management Agency Appropriation.*

This section provides the Federal Emergency Management Agency's (FEMA) Disaster Relief Fund (DRF) with \$50 billion for reimbursement to state, local, tribal, and territorial governments dealing with ongoing response and recovery activities from COVID-19 and other Presidentially-declared disasters and emergencies, available through fiscal year 2025.

*Sec. 7002. Funeral Assistance.*

This section directs FEMA to continue providing funeral assistance for COVID-19-related deaths and provide such assistance at 100 percent federal cost share.

*Sec. 7003. Economic Adjustment Assistance.*

This section provides \$3 billion for the Economic Development Administration to provide economic adjustment assistance for fiscal year 2021 for the purpose of preventing, preparing for, and responding to economic injury caused by the COVID-19 pandemic. It sets aside 15 percent of the assistance for communities that have suffered economic injury as a result of job losses in travel, tourism, or outdoor recreation activities.

*Sec. 7004. Great Lakes St. Lawrence Seaway Development Corporation Operations and Maintenance.*

This section provides \$1.5 million from the Harbor Maintenance Trust Fund to the Seaway International Bridge for operations, maintenance, and capital infrastructure activities.

*Sec. 7005. Grants to the National Railroad Passenger Corporation.*

This section provides \$1.5 billion to keep Amtrak fully operational through fiscal year 2021. Specifically, it provides \$820 million for the Northeast Corridor and \$680 million for the National Network. The funding will allow Amtrak to recall and pay employees furloughed due to the COVID-19 pandemic through the end of fiscal year 2021 and restore daily long-distance service.

It also sets aside \$117 million to states to help cover lost revenue in state-supported routes and avoid large increases in state payments to Amtrak; \$109 million to states and commuter rail agencies to cover their Northeast Corridor commuter rail payment to Amtrak; and \$101 million to cover Amtrak's debt repayments.

*Sec. 7006. Federal Transit Administration Grants.*

The section provides \$30 billion in grants under chapter 53 of title 49, United States Code, for eligible recipients to prevent, prepare for, and respond to the ongoing threat of COVID-19. Funds provided in the Committee Print are designated as mandatory budget authority and mandatory outlays that are distinct from FTA funding provided from the Mass Transit Account of the Highway Trust under the FAST Act (P.L. 114-94) and under its extension for FY 2021, the

Continuing Appropriations Act, 2021 and Other Extensions Act (P.L. 116-159). These funds are to be primarily used for payroll expenses, operating costs to maintain service including the purchase of personal protective equipment, and paying the administrative leave of operations or contractor personnel due to reductions in service.

Specifically this section includes \$26.1 billion in operating assistance formula grants for transit service in urbanized areas; \$50.0 million in formula grants for the provision of transportation for seniors and persons with disabilities; \$280.9 million in operating assistance formula grants for states to support rural transit agencies in areas of fewer than 50,000 people; \$1.0 billion in funds to ensure the solvency of ongoing New Start, Core Capacity, and Expedited Project Delivery projects under the Capital Investment Grants program (CIG), under which FTA is directed to use the non-CIG project costs associated with 2019 and 2020 allocations when making allocations; \$250.0 million in funds to ensure the solvency of ongoing Small Start CIG projects; \$100.0 million for intercity bus service to support service that provides essential connections in rural areas; \$25.0 million in route planning grants to help agencies improve service throughout and following the pandemic, including by improving the quality and frequency of service provided to low-income riders and disadvantaged communities; and \$2.2 billion in funding to be allocated to recipients with the greatest operating assistance needs that remain unmet after relief funding provided by formula.

*Sec. 7007. Relief for Airports.*

This section provides \$8 billion in emergency aid for primary airport, non-primary airports, and airport concessions. Of this amount \$6.4 billion is distributed to primary airports for costs related to operations, personnel, debt service payments, and combating the spread of pathogens at airports. A condition of receiving federal funds is that airports are required to continue to retain 90 percent of their workforce through the end of the fiscal year. This section also provides \$100 million to non-primary airports to help address costs related to the current pandemic and more than \$600 million to help ensure all airports receive 100 percent federal cost share for any airport improvement grant awarded to them in fiscal year 2021. Finally, this section allocates \$800 million to airport concessions at primary airports to provide relief from rent and minimum annual guarantee obligations. Eight percent of this allocation is for small businesses and minority-owned firms.

**Subtitle B – Aviation Manufacturing Jobs Protection**

*Sec. 7101. Definitions.*

This section provides definitions for this Subtitle.

*Sec. 7102. Payroll Support Program.*

This section establishes a \$3 billion temporary payroll support program, administered by the U.S. Department of Transportation, to provide a 50 percent federal share to eligible U.S. aerospace manufacturing companies to help cover the wages, salaries, and benefits of manufacturing employees most at risk of being furloughed.

**Subtitle C – Continued Assistance to Rail Workers**

*Sec. 7201. Additional Enhanced Benefits Under the Railroad Unemployment Insurance Act.*

This section provides an additional \$400 per week to unemployed railroad workers on top of their standard benefit for registration periods beginning on or before August 29, 2021.

*Sec. 7202. Extended Unemployment Benefits Under the Railroad Unemployment Insurance Act.*

This section provides up to 24 additional weeks of unemployment benefits, which expire after August 29, 2021.

*Sec. 7203. Extension of Waiver of the 7-Day Waiting Period for Benefits Under the Railroad Unemployment Insurance Act.*

This section waives the one-week delay for railroad unemployment and sickness benefits through August 29, 2021.

*Sec. 7204. Railroad Retirement Board and Office of the Inspector General Funding.*

This section provides the Railroad Retirement Board \$6.8 million for additional hiring and overtime bonuses needed to administer the sustained high volume of unemployment and sickness benefits, and \$21.175 million for improvements to the Information Technology Investment Initiatives. In addition, it provides \$500,000 to the Railroad Retirement Board Office of the Inspector General for oversight activities.

CHANGES IN EXISTING LAW MADE BY THE COMMITTEE PRINT, AS  
REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee advises that compliance prior to submission to the Committee on the Budget was not possible.

MINORITY VIEWS

Committee Republicans adamantly oppose the Committee's Budget Reconciliation recommendations, as amended and ordered to be transmitted on February 10, 2021. The Democrats' recommendations, as amended, are the product of a rushed and partisan process. In accordance with budget reconciliation instructions, this raises spending under the Committee's jurisdiction by \$95.62 billion with no consideration for how Americans will be forced to pay for the Majority's irresponsible spending decisions.

Democrats excluded Republicans from every part of this process. The 32 Republicans on the Committee stood ready to work across the aisle to provide relief to Americans and bolster the transportation sector in these unprecedented times; but unfortunately, that was not the path chosen by the Majority. Committee Republicans were not consulted in drafting the text, which the Majority released less than 48 hours before the business meeting. While such a partisan process is permissible under the rules, it completely prevented meaningful amendment debate as the outcome was predetermined in this utterly one-sided process.

During this time of great uncertainty for Americans, we should be providing sound budget policy targeted precisely where funds are necessary. Other COVID relief packages

have come together with bipartisan development and support, and we are truly disappointed that we cannot continue working together in the same manner due to the partisan path directed by the Speaker of the House.

Republicans stood prepared to debate and negotiate budget priorities in good faith. However, in the United States House of Representatives, Speaker Pelosi decided to begin this Congress by ignoring the input of more than 200 House Members and moving forward with a hastily drafted multi-trillion-dollar spending measure. For this Committee's part, glaring omissions in the recommendations illustrate that many of our Democratic colleagues may have also been left out of this leadership-controlled process. Notably, during consideration of this measure, the Chair expressed his displeasure with the reconciliation process and yet indicated despite that he would oppose all Republican amendments, regardless of the merit. In many instances the Chair even acknowledged support for policies put forward by Committee Republicans but still refused to cross the Speaker's direction to conduct a closed, partisan process.

The process now being followed by the Majority does not adhere to the intent of the budget reconciliation process. The *Congressional Budget Act of 1974 (Budget Act)* created the optional process of reconciliation to bring revenues, spending, and the debt limit into conformity. Use of the expedited procedures under budget reconciliation is reserved for this limited purpose. Even under these accelerated procedures, the *Budget Act* yields to the committees of jurisdiction. It is up to the committees to craft legislation to meet the budget resolution directives. Moreover, it is up to the committees to use their standard practices to mark up their budget bill, and a committee cannot be compelled to act by the date set in the budget resolution, or at all. The intent of the *Budget Act* was not to hastily force through one-sided policies without input from Members. Notably, a key Senate component is the "Byrd Rule," named for the late Democratic Senator Robert Byrd from West Virginia and was intended to exclude matters extraneous to the budget. Yet now it seems apparent that the Majority will deem nothing to be "extraneous" in this process.

When only one side legislates, sensible provisions frequently get left out of the process. If bipartisan discussions occurred, Republicans would have sought to balance the funds provided to urban and rural communities, which are dramatically and unfairly lopsided in the Majority's package. For example, of the \$30 billion provided in Federal Transit Administration (FTA) grants, at least \$26.1 billion, or 87 percent, is directed specifically to urbanized areas.<sup>1</sup> The Majority summarily dismissed any amendment that attempted to more evenly distribute transit funding to rural areas, or to redirect a portion of transit funding to purposes that would benefit the entire Nation, such as highway infrastructure funds. In fact, Representative Gibbs (R-OH-7) offered an amendment that, if adopted, would have reprogrammed \$10 billion of transit funds for highway and bridge projects. If this amendment was accepted, transit still would still receive \$20 billion in this new relief bill, which was the requested amount of the Biden Administration.<sup>2</sup>

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<sup>1</sup> Calculations based on \$26.1 billion for urbanized area formula grants divided by \$30 billion for total transit.

<sup>2</sup> PRESIDENT BIDEN ANNOUNCES AMERICAN RESCUE PLAN, Jan. 21, 2021, available at <https://www.whitehouse.gov/briefing-room/legislation/2021/01/20/president-biden-announces-american-rescue-plan/>.

Instead, total COVID relief for transit will total \$69 billion, while total COVID relief for highways and bridges remains at \$10 billion.

This was not the only amendment to attempt to mitigate the Majority's failure to properly account for rural communities. In 2018, under the Airport Improvement Act (AIP), large hub airports (the 30 largest airports), received 15.9 percent of grant funding.<sup>3</sup> Under the Majority's proposal the largest hub airports now receive 62 percent of funding.<sup>4</sup> This means that the 20 largest airports will receive more money than all the other 3,000 airports combined.<sup>5</sup> Again, a Republican amendment offered by Representative Guest (R-MS-3) attempted to create greater parity among rural and urban airports but was rejected by the Majority.

In addition, Republicans would have put greater emphasis on accountability, transparency, and ensuring no taxpayer funds are wasted, which often happens with a rushed proceeding such as this one. For example, Republicans emphasized during debate the importance of vaccine distribution and attempted to offer an amendment that would have ensured the Disaster Relief Fund (DRF) which is being provided \$50 billion in the underlying proposal would have been utilized to ensure more Americans have access to the vaccine. The Majority rejected an amendment submitted by Representative Westerman (R-AR-4) and offered and withdrawn on his behalf by Representative Bost (R-IL-12) that would have provided transparency on the \$50 billion of Federal Emergency Management Agency (FEMA) funding provided in this measure, in addition to the \$45 billion provided in previous relief funding. The majority also opposed another amendment offered by Representative Webster (R-FL-11) that would have increased and ensured funding was focused on vaccine distribution: one of the highest priorities for bringing the pandemic under control in our country, and therefore one of the surest ways to reduce the need for additional economic relief.

Last Congress, we worked in a bipartisan manner to combat this pandemic, and now we should seek to include mechanisms that ensure the efficient use of taxpayer dollars while strengthening our transportation sector's ability to recover. The Majority's bill fails to provide deliberative investments, focus on spending that will reduce costs in the future, and get individuals back to work and children back to school in a safe and healthy manner.

Sadly, there was no desire here to come together for the benefit of our Nation's recovery. The Majority even rejected Minority amendments with which they agreed. For instance, an amendment was offered by Representative Graves (R-LA-6) on behalf of Rep. Van Duyne (R-TX-24) to respond to recent discussions by the Biden Administration about putting in place a requirement for air travelers to provide proof of a negative COVID test before they fly domestically. This proposal has caused great concern in the air transportation and tourism industries, and at the end of this January, a coalition of 23 labor, travel, and tourism

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<sup>3</sup> REPORT TO CONGRESS ON THE AIRPORT IMPROVEMENT PROGRAM FOR FY 2018 – 32<sup>ND</sup> ANNUAL REPORT OF ACCOMPLISHMENTS, FEDERAL AVIATION ADMINISTRATION (FAA), Aug. 26, 2020, available at [https://www.faa.gov/airports/aip/grant\\_histories/annual\\_reports/media/32nd-Annual-AIP-report.pdf](https://www.faa.gov/airports/aip/grant_histories/annual_reports/media/32nd-Annual-AIP-report.pdf).

<sup>4</sup> FAA staff e-mail to Republican Committee Staff, Feb. 8, 2021 (on file with Committee).

<sup>5</sup> *Id.*

associations wrote a letter to the COVID-19 Recovery Team expressing grave concerns with the proposal.<sup>6</sup> In addition, the Majority's own aviation witness at a hearing before the Committee on February 4, 2021, was asked about the domestic testing policy and stated that requiring tests "would be a cosmetic change that would hurt the airline business and actually make us less safe."<sup>7</sup> The witness added that "the furloughs that we have seen so far would be dwarfed by what would happen if this policy went into effect."<sup>8</sup> Despite the shared concerns and opposition to this expressed by the Majority during the markup and in other forums, the Majority still rejected an amendment to prohibit the Department of Transportation (DOT) and the FAA from using any funds provided by the Act to plan, develop, carry out, enforce, or assist in any way with such a domestic testing requirement.

Surprisingly, the Majority also unanimously rejected amendments that sought to curtail China's influence over American goods and industry. Several amendments by Republican Committee members targeting Chinese influence and control over U.S. businesses, including the steel industry, were voted down by the Majority with no Democratic support. These votes came despite the Biden Administration's efforts to join Republicans' support of the *Buy America Act* and efforts to crack down on China's harmful influence.<sup>9</sup> The defeat of these amendments aimed at protecting American workers and guarding taxpayer funds also represents a complete reversal from last Congress, when Democrats supported a Republican-introduced motion to H.R. 2, *the Moving Forward Act*, which was the Democrats infrastructure package, that firmly opposed Chinese state-owned entities operating in the United States. The Majority's actions send a troubling message that, given the choice between joining Republicans in supporting American workers or policies that favor Chinese state-owned industries, Democrats are open to choosing the latter. These are just some examples of the Majority's refusal to work with the Minority or allow us to participate in the drafting of this bill, even on issues where we share concerns.

Due to the razor thin Democratic majorities in the House and Senate partisan bills will be difficult to pass. Given this, the Majority is using this limited reconciliation process to exclusively pass its priorities without having to meet the 60-vote threshold in the Senate. Budget Resolution, H. Res. 11, which provides the Committee's reconciliation instructions, does not attempt to hide the fact that it is the vehicle for the Administration's \$1.9 trillion COVID relief proposal. COVID relief has been, and continues to be, important for the transportation sector and for all Americans. This measure is not a budget bill, and it should not be rushed through Congress under the procedures set aside very specifically for budget reconciliation. This point was acknowledged by both the Chair and Ranking Member during

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<sup>6</sup> Coalition letter to Jeffrey Zients, Coordinator, White House COVID-19 Recovery Team (January 29, 2021).

<sup>7</sup> *Protecting Transportation Workers and Passengers from COVID: Gaps in Safety, Lessons Learned and Next Step: Hearing Before the H. Comm. on Transportation and Infrastructure* 117th Cong. (Jan. 27, 2021) (statement of Sara Nelson, International President, Association of Flight Attendants).

<sup>8</sup> *Id.*

<sup>9</sup> President's Remarks on Signing an Executive Order on Ensuring the Future Is Made in All of America by All of America's Workers and an Exchange With Reporters, DCPC-2021100085, (Jan. 25, 2021) available at <https://www.govinfo.gov/content/pkg/DCPD-202100084/pdf/DCPD-202100084.pdf>; see also Jen Psaki, Press Briefing by Press Secretary, (Jan. 25, 2021), available at <https://www.whitehouse.gov/briefing-room/press-briefings/2021/01/25/press-briefing-by-press-secretary-jen-psaki-january-25-2021/>.

opening remarks in which both disagreed with the use of budget reconciliation regardless of which party is in power.

The Majority's reconciliation recommendations demonstrate the Democrats' failure to spend responsibly based on the effects of recent relief efforts, many of which are still unclear. In recent months, Congress approved \$113 billion in funding for the transportation industry as well as \$45 billion for FEMA and \$1.5 billion for the Economic Development Administration (EDA) for relief from the COVID pandemic. However, we have not taken the time to examine how that money has been spent, where additional funding can be most effective, and which programs are working effectively. While we agree there may still be various needs, the prudent option is to thoughtfully and carefully target the funds, as we have with other COVID relief packages that have come together on a bipartisan basis. For example, certain programs meant to aid our transportation partners are still awaiting guidance in order to be eligible for the funding, such as the \$2 billion provided to motorcoach and passenger vessel operators under the *Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act of 2021*.<sup>10</sup> It is essential to make sure this money makes the biggest impact in the areas that need it most – especially as economic projections continue to show signs of recovery.

The reconciliation recommendations fail not only because they overspend and grow the government, they also fail because of unwise investments in policies that will lead to more wasteful spending. Our parties may have different views on what the size of government should be, but we should be in agreement that – however large – government spending should not temporarily gloss over problems that will simply increase spending down the road.

This hastily written vehicle for the Majority's unchecked desire to spend taxpayers' money without first deliberately working to identify the true needs will only grow worse as it is merged with other committees' components, because bipartisanship in the House was rejected before the process began. Now the House Committee on Budget will pile on more spending to check any remaining boxes on the Majority left wing's wish list. For all of these reasons, we strongly oppose this partisan reconciliation bill compiled without any input from the Members speaking for more than 72 million voters.

Sam Graves  
Ranking Member

Garrett Graves  
Ranking Member  
Subcommittee on Aviation

Bob Gibbs  
Ranking Member  
Subcommittee on Coast Guard and Maritime Transportation

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<sup>10</sup> P.L. 116-260.

Daniel Webster  
Ranking Member  
Subcommittee on Economic Development, Public Buildings and Emergency Management

Rodney Davis  
Ranking Member  
Subcommittee on Highways and Transit

Rick Crawford  
Ranking Member  
Subcommittee on Railroads, Pipelines, and Hazardous Materials

David Rouzer  
Ranking Member  
Subcommittee on Water Resources and Environment

Don Young  
Member of Congress

Thomas Massie  
Member of Congress

Scott Perry  
Member of Congress

Brian Babin D.D.S  
Member of Congress

Mike Bost  
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Randy K. Weber Sr.  
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Doug LaMalfa  
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Bruce Westerman  
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Dusty Johnson  
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Jefferson Van Drew  
Member of Congress

Michael Guest  
Member of Congress

Troy E. Nehls  
Member of Congress

Nancy Mace  
Member of Congress

Beth Van Duyne  
Member of Congress

Michelle Steel  
Member of Congress



**Committee on Transportation and Infrastructure**  
**U.S. House of Representatives**  
**Washington DC 20515**

Peter A. DeFazio  
 Chairman

Katherine W. Dedrick  
 Staff Director

Sam Graves  
 Ranking Member

Paul J. Sass  
 Republican Staff Director

**Minority Dissenting Views**

Committee Republicans adamantly oppose the Committee's Budget Reconciliation recommendations, as amended and ordered to be transmitted on February 10, 2021. The Democrats' recommendations, as amended, are the product of a rushed and partisan process. In accordance with budget reconciliation instructions, this raises spending under the Committee's jurisdiction by \$95.62 billion with no consideration for how Americans will be forced to pay for the Majority's irresponsible spending decisions.

Democrats excluded Republicans from every part of this process. The 32 Republicans on the Committee stood ready to work across the aisle to provide relief to Americans and bolster the transportation sector in these unprecedented times; but unfortunately, that was not the path chosen by the Majority. Committee Republicans were not consulted in drafting the text, which the Majority released less than 48 hours before the business meeting. While such a partisan process is permissible under the rules, it completely prevented meaningful amendment debate as the outcome was predetermined in this utterly one-sided process.

During this time of great uncertainty for Americans, we should be providing sound budget policy targeted precisely where funds are necessary. Other COVID relief packages have come together with bipartisan development and support, and we are truly disappointed that we cannot continue working together in the same manner due to the partisan path directed by the Speaker of the House.

Republicans stood prepared to debate and negotiate budget priorities in good faith. However, in the United States House of Representatives, Speaker Pelosi decided to begin this Congress by ignoring the input of more than 200 House Members and moving forward with a hastily drafted multi-trillion-dollar spending measure. For this Committee's part, glaring omissions in the recommendations illustrate that many of our Democratic colleagues may have also been left out of this leadership-controlled process. Notably, during consideration of this measure, the Chair expressed his displeasure with the reconciliation process and yet indicated despite that he would oppose all Republican amendments, regardless of the merit. In many instances the Chair even acknowledged support for policies put forward by Committee Republicans but still refused to cross the Speaker's direction to conduct a closed, partisan process.

The process now being followed by the Majority does not adhere to the intent of the budget reconciliation process. The *Congressional Budget Act of 1974 (Budget Act)* created the optional process of reconciliation to bring revenues, spending, and the debt limit into conformity. Use of the expedited procedures under budget reconciliation is reserved for this limited purpose. Even under these accelerated procedures, the *Budget Act* yields to the committees of jurisdiction. It is up to the committees to craft legislation to meet the budget resolution directives. Moreover, it is up to the committees to use their standard practices to mark up their budget bill, and a committee cannot be compelled to act by the date set in the budget resolution, or at all. The intent of the *Budget Act* was not to hastily force through one-sided policies without input from Members. Notably, a key Senate component is the “Byrd Rule,” named for the late Democratic Senator Robert Byrd from West Virginia and was intended to exclude matters extraneous to the budget. Yet now it seems apparent that the Majority will deem nothing to be “extraneous” in this process.

When only one side legislates, sensible provisions frequently get left out of the process. If bipartisan discussions occurred, Republicans would have sought to balance the funds provided to urban and rural communities, which are dramatically and unfairly lopsided in the Majority’s package. For example, of the \$30 billion provided in Federal Transit Administration (FTA) grants, at least \$26.1 billion, or 87 percent, is directed specifically to urbanized areas.<sup>1</sup> The Majority summarily dismissed any amendment that attempted to more evenly distribute transit funding to rural areas, or to redirect a portion of transit funding to purposes that would benefit the entire Nation, such as highway infrastructure funds. In fact, Representative Gibbs (R-OH-7) offered an amendment that, if adopted, would have reprogrammed \$10 billion of transit funds for highway and bridge projects. If this amendment was accepted, transit still would still receive \$20 billion in this new relief bill, which was the requested amount of the Biden Administration.<sup>2</sup> Instead, total COVID relief for transit will total \$69 billion, while total COVID relief for highways and bridges remains at \$10 billion.

This was not the only amendment to attempt to mitigate the Majority’s failure to properly account for rural communities. In 2018, under the Airport Improvement Act (AIP), large hub airports (the 30 largest airports), received 15.9 percent of grant funding.<sup>3</sup> Under the Majority’s proposal the largest hub airports now receive 62 percent of funding.<sup>4</sup> This means that the 20 largest airports will receive more money than all the other 3,000 airports combined.<sup>5</sup> Again, a Republican amendment offered by Representative Guest (R-MS-3) attempted to create greater parity among rural and urban airports but was rejected by the Majority.

<sup>1</sup> Calculations based on \$26.1 billion for urbanized area formula grants divided by \$30 billion for total transit.

<sup>2</sup> PRESIDENT BIDEN ANNOUNCES AMERICAN RESCUE PLAN, Jan. 21, 2021, *available at* <https://www.whitehouse.gov/briefing-room/legislation/2021/01/20/president-biden-announces-american-rescue-plan/>.

<sup>3</sup> REPORT TO CONGRESS ON THE AIRPORT IMPROVEMENT PROGRAM FOR FY 2018 – 32<sup>ND</sup> ANNUAL REPORT OF ACCOMPLISHMENTS, FEDERAL AVIATION ADMINISTRATION (FAA), Aug. 26, 2020, *available at* [https://www.faa.gov/airports/aip/grant\\_histories/annual\\_reports/media/32nd-Annual-AIP-report.pdf](https://www.faa.gov/airports/aip/grant_histories/annual_reports/media/32nd-Annual-AIP-report.pdf).

<sup>4</sup> FAA staff e-mail to Republican Committee Staff, Feb. 8, 2021 (on file with Committee).

<sup>5</sup> *Id.*

In addition, Republicans would have put greater emphasis on accountability, transparency, and ensuring no taxpayer funds are wasted, which often happens with a rushed proceeding such as this one. For example, Republicans emphasized during debate the importance of vaccine distribution and attempted to offer an amendment that would have ensured the Disaster Relief Fund (DRF) which is being provided \$50 billion in the underlying proposal would have been utilized to ensure more Americans have access to the vaccine. The Majority rejected an amendment submitted by Representative Westerman (R-AR-4) and offered and withdrawn on his behalf by Representative Bost (R-IL-12) that would have provided transparency on the \$50 billion of Federal Emergency Management Agency (FEMA) funding provided in this measure, in addition to the \$45 billion provided in previous relief funding. The majority also opposed another amendment offered by Representative Webster (R-FL-11) that would have increased and ensured funding was focused on vaccine distribution: one of the highest priorities for bringing the pandemic under control in our country, and therefore one of the surest ways to reduce the need for additional economic relief.

Last Congress, we worked in a bipartisan manner to combat this pandemic, and now we should seek to include mechanisms that ensure the efficient use of taxpayer dollars while strengthening our transportation sector's ability to recover. The Majority's bill fails to provide deliberative investments, focus on spending that will reduce costs in the future, and get individuals back to work and children back to school in a safe and healthy manner.

Sadly, there was no desire here to come together for the benefit of our Nation's recovery. The Majority even rejected Minority amendments with which they agreed. For instance, an amendment was offered by Representative Graves (R-LA-6) on behalf of Rep. Van Duyne (R-TX-24) to respond to recent discussions by the Biden Administration about putting in place a requirement for air travelers to provide proof of a negative COVID test before they fly domestically. This proposal has caused great concern in the air transportation and tourism industries, and at the end of this January, a coalition of 23 labor, travel, and tourism associations wrote a letter to the COVID-19 Recovery Team expressing grave concerns with the proposal.<sup>6</sup> In addition, the Majority's own aviation witness at a hearing before the Committee on February 4, 2021, was asked about the domestic testing policy and stated that requiring tests "would be a cosmetic change that would hurt the airline business and actually make us less safe."<sup>7</sup> The witness added that "the furloughs that we have seen so far would be dwarfed by what would happen if this policy went into effect."<sup>8</sup> Despite the shared concerns and opposition to this expressed by the Majority during the markup and in other forums, the Majority still rejected an amendment to prohibit the Department of Transportation (DOT) and the FAA from using any funds provided by the Act to plan, develop, carry out, enforce, or assist in any way with such a domestic testing requirement.

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Surprisingly, the Majority also unanimously rejected amendments that sought to curtail China's influence over American goods and industry. Several amendments by Republican Committee members targeting Chinese influence and control over U.S. businesses, including the steel industry, were voted down by the Majority with no Democratic support. These votes came despite the Biden Administration's efforts to join Republicans' support of the *Buy America Act* and efforts to crack down on China's harmful influence.<sup>9</sup> The defeat of these amendments aimed at protecting American workers and guarding taxpayer funds also represents a complete reversal from last Congress, when Democrats supported a Republican-introduced motion to H.R. 2, *the Moving Forward Act*, which was the Democrats infrastructure package, that firmly opposed Chinese state-owned entities operating in the United States. The Majority's actions send a troubling message that, given the choice between joining Republicans in supporting American workers or policies that favor Chinese state-owned industries, Democrats are open to choosing the latter. These are just some examples of the Majority's refusal to work with the Minority or allow us to participate in the drafting of this bill, even on issues where we share concerns.

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essential to make sure this money makes the biggest impact in the areas that need it most – especially as economic projections continue to show signs of recovery.

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Ranking Member



Garret Graves  
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Subcommittee on Aviation



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And Maritime Transportation



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Public Buildings and Emergency Management



Rodney Davis  
Ranking Member  
Subcommittee on Highways  
and Transit



Eric A. "Rick" Crawford  
Ranking Member  
Subcommittee on Railroads, Pipelines,  
and Hazardous Materials



David Rouzer  
Ranking Member  
Subcommittee on Water Resources  
and Environment



Don Young  
Member of Congress



Thomas Massie  
Member of Congress



Mike Gallagher  
Member of Congress



Scott Perry  
Member of Congress



Jennifer González-Colón  
Member of Congress



Brian Babin, D.D.S  
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Troy Balderson  
Member of Congress



Mike Bost  
Member of Congress



Pete Stauber  
Member of Congress



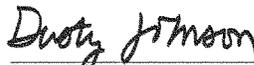
Randy K. Weber Sr.  
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Tim Burchett  
Member of Congress



Doug LaMalfa  
Member of Congress



Dusty Johnson  
Member of Congress



Bruce Westerman  
Member of Congress



Jefferson Van Drew  
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Brian J. Mast  
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Michael Guest  
Member of Congress

  
Troy E. Nehls  
Member of Congress

  
Nancy Mace  
Member of Congress

  
Beth Van Duyne  
Member of Congress

  
Carlos A. Gimenez  
Member of Congress

  
Michelle Steel  
Member of Congress

DEMOCRATS  
MARK TAKANO, CALIFORNIA, CHAIRMAN

REPUBLICANS  
MIKE BONT, ILLINOIS, RANKING MEMBER

**U.S. House of Representatives**

COMMITTEE ON VETERANS' AFFAIRS

ONE HUNDRED SEVENTEENTH CONGRESS

B-234 LONGWORTH HOUSE OFFICE BUILDING

WASHINGTON, DC 20515

<http://veterans.house.gov>

February 16, 2021

The Honorable John Yarmuth  
Chairman  
Committee on the Budget  
204-E Cannon House Office Building  
Washington, DC 20515

Dear Chairman Yarmuth:

Pursuant to section 2001 of the Concurrent Resolution on the Budget, I hereby transmit these recommendations which have been approved by vote of the Committee on Veterans' Affairs, and the appropriate accompanying material including additional, supplemental or dissenting views, to the House Committee on the Budget. This submission is in order to comply with reconciliation directives included in S. Con. Res. 5, the fiscal year 2021 budget resolution, and is consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974.

Sincerely,



Mark Takano  
Chairman

CONTENTS

SECTION-BY-SECTION DESCRIPTION..... 1  
 COMMITTEE COST ESTIMATE..... 2  
 CONGRESSIONAL BUDGET OFFICE COST ESTIMATE ..... 3  
 COMMITTEE OVERSIGHT FINDINGS ..... 3  
 CONSTITUTIONAL AUTHORITY STATEMENT ..... 3  
 COMMITTEE CONSIDERATION ..... 3  
 COMMITTEE VOTES ..... 3  
 EARMARKS AND TAX AND TARRIF BENEFITS..... 11  
 ADVISORY COMMITTEE STATEMENT ..... 11  
 CHANGES IN EXISTING LAW MADE BY THE COMMITTEE PRINT, AS REPORTED... 12  
 STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES ..... 12  
 STATEMENT ON DUPLICATION OF FEDERAL PROGRAMS ..... 12  
 BACKGROUND AND NEED FOR RECOMMENDED MEASURES TO MEET  
 RECONCILIATION TARGET OF THE COMMITTEE ON VETERANS’ AFFAIRS..... 12  
 SUPPLEMENTAL, ADDITIONAL, DISSENTING, AND MINORITY VIEWS..... 17

SECTION-BY-SECTION DESCRIPTION

Title VIII - Committee on Veterans’ Affairs

Section 8001 provides \$272 million for the Department of Veterans Affairs (VA) to mitigate the impacts of the pandemic on the benefits claims and appeals backlog caused by delays in claim development, which resulted from the Coronavirus disease 2019 (COVID-19)-related shutdowns. This funding will be used to increase staff overtime in fiscal year (FY) 2022, expand Veterans Benefits Administration (VBA)-funded scanning of service records from federal records facilities impacted by COVID-19, improve scheduling of hearings, and enhance contact center functions. In addition, funding will support the Board of Veterans Appeals’ efforts to improve mail processing and add temporary staff, including intake specialists, attorneys, and staff to support telehearings.

Section 8002 provides nearly \$13.5 billion for the Veterans Health Administration (VHA) to provide healthcare services and related support to eligible veterans. It includes funding to cover the impacts of delays in care, including the need for more expensive care because of delays in

necessary care, and veterans' greater reliance on VA healthcare due to loss of other health insurance or other economic impacts from the pandemic. It also includes funding for sustainment of Coronavirus Aid, Relief, and Economic Security (CARES) Act (Pub. L. 116-136) supported staffing and service-level expansions, including in the areas of suicide prevention, women's health, VA homelessness programs, and telehealth. This section broadly allows spending to provide medical services to veterans, including medical facility improvements, research, and administrative expenses. Furthermore, it prevents VA from using more than \$4 billion of the total for the Veterans Community Care Program.

Section 8003 provides \$100 million in funding for investments in information technology systems to support the acceleration of VA's supply chain modernization efforts.

Section 8004 provides support to State Veterans Homes (SVH) through two mechanisms. First, it provides \$500 million for VA to provide construction funds to states provided they have required matching funds for projects that will upgrade and enhance safety and operation of SVHs across the country.

It further provides \$250 million in one-time emergency federal payments to support these state-operated facilities, to be allocated based on the number of beds at each home that could be occupied by eligible veteran residents. This emergency funding can be used to enhance treatment of veterans during the pandemic, including by enhancing cleaning services, procuring personal protective equipment (PPE) or other equipment, and temporarily expanding staffing levels to care for veterans.

Section 8005 provides \$10 million for the VA Office of Inspector General to provide oversight of VA projects and activities carried out pursuant to the title.

Section 8006 provides nearly \$400 million for up to 12 months of retraining assistance for veterans who are unemployed due to COVID-19 and do not have other veteran education benefits. This funding covers the cost of the retraining program and provides a housing allowance for veterans while they undergo this training.

Section 8007 allows VA to waive up to \$2 billion worth of copays that otherwise would be charged to veterans for VA healthcare services, for the period beginning April 6, 2020 (when VA first paused medical billing, near the start of the pandemic), through September 30, 2021. This section also authorizes VA to reimburse those veterans who have recently submitted payments for care they received during this period, since VHA began issuing billing notices in January 2021.

#### COMMITTEE COST ESTIMATE

The Committee adopts as its own cost estimate on the Committee Print, as amended, prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.



CONGRESSIONAL BUDGET OFFICE  
U.S. Congress  
Washington, DC 20515

*Phillip L. Swagel, Director*

February 12, 2021

Honorable Mark Takano  
Chairman  
Committee on Veterans' Affairs  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The Congressional Budget Office has prepared the enclosed cost estimate for the Reconciliation Recommendations of the House Committee on Veterans' Affairs.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Etaf Khan.

Sincerely,

Phillip L. Swagel

Enclosure

cc: Honorable Mike Bost  
Ranking Member

<b>Reconciliation Recommendations of the House Committee on Veterans' Affairs</b>			
As ordered reported on February 11, 2021			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>10,720</b>	<b>16,612</b>	<b>16,612</b>
Revenues	<b>0</b>	<b>0</b>	<b>0</b>
Increase or Decrease (-) in the Deficit	<b>10,720</b>	<b>16,612</b>	<b>16,612</b>
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No
CBO has not reviewed the legislation for effects on spending subject to appropriation.			

The reconciliation recommendations of the House Committee on Veterans' Affairs would appropriate \$17 billion to the Department of Veterans Affairs (VA) for health care, job training, and administrative purposes. In total, enacting the legislation would increase direct spending by \$16.6 billion over the 2021-2030 period, CBO estimates.

The legislation would appropriate \$13.5 billion to provide health care for veterans in VA facilities and to purchase care for veterans from other providers. In addition, section 8007 would require VA to waive copayments from veterans for medical treatment during the period between April 6, 2020, and September 30, 2021. It also would require the department to reimburse veterans who have already made copayments during that period. Under current law, VA will spend those collections from copayments to pay for some costs of providing health care; thus the budgetary effect of waiving copayments would be offset by a reduction in spending for health care. Section 8007 would provide an additional \$2 billion for health care to replace some of those forgone collections. Section 8004 would provide \$0.8 billion for the construction and operation of extended care facilities for veterans that are run by state governments.

Section 8006 would require VA to provide job training assistance for up to 17,250 eligible veterans who are unemployed because of the coronavirus pandemic and would provide \$0.4 billion for that purpose. The legislation would also appropriate \$0.4 billion for administrative purposes such as processing benefits claims, improving VA's supply chain, and conducting audits by VA's Inspector General.

See also *CBO's Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437); *How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).

The costs of the legislation, detailed in Table 1, fall within budget function 700 (veterans benefits and services).

<b>Table 1. Estimated Increases in Direct Spending Under Reconciliation Recommendations of the House Committee on Veterans' Affairs</b>													
<b>By Fiscal Year, Millions of Dollars</b>													
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
<b>Health Care &amp; Medical Treatment</b>													
Budget Authority	13,482	0	0	0	0	0	0	0	0	0	0	13,482	13,482
Estimated Outlays	8,729	3,251	948	95	95	0	0	0	0	0	0	13,118	13,118
<b>Waiver of Copays</b>													
Budget Authority	2,000	0	0	0	0	0	0	0	0	0	0	2,000	2,000
Estimated Outlays	1,772	180	16	8	6	6	0	0	0	0	0	1,988	1,988
<b>Extended Care Facilities</b>													
Budget Authority	750	0	0	0	0	0	0	0	0	0	0	750	750
Estimated Outlays	113	203	225	158	23	23	0	0	0	0	0	745	745
<b>Job Training Assistance</b>													
Budget Authority	386	0	0	0	0	0	0	0	0	0	0	386	386
Estimated Outlays	13	307	66	0	0	0	0	0	0	0	0	386	386
<b>Claims Processing</b>													
Budget Authority	272	0	0	0	0	0	0	0	0	0	0	272	272
Estimated Outlays	68	109	82	8	0	0	0	0	0	0	0	267	267
<b>Supply Chain Improvement</b>													
Budget Authority	100	0	0	0	0	0	0	0	0	0	0	100	100
Estimated Outlays	20	70	8	0	0	0	0	0	0	0	0	98	98
<b>Inspector General</b>													
Budget Authority	10	0	0	0	0	0	0	0	0	0	0	10	10
Estimated Outlays	5	4	1	0	0	0	0	0	0	0	0	10	10
<b>Total Changes</b>													
Budget Authority	17,000	0	0	0	0	0	0	0	0	0	0	17,000	17,000
Estimated Outlays	10,720	4,124	1,346	269	124	29	0	0	0	0	0	16,612	16,612

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays

that are subject to those pay-as-you-go procedures are shown in Table 1. Enacting the legislation would not affect revenues.

The CBO staff contact for this estimate is Etaf Khan. The estimate was reviewed by Leo Lex, Deputy Director of Budget Analysis.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(c)(3) of Rule XIII of the Rules of the House of Representatives, the following is the cost estimate for the Committee Print, as amended provided by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

**[CBO LETTER AND ENCLOSURE ATTACHED]**

COMMITTEE OVERSIGHT FINDINGS

In compliance with clause 3(c)(1) of Rule XIII and clause (2)(b)(1) of Rule X of the Rules of the House of Representatives, the Committee’s oversight findings and recommendations are reflected in the descriptive portions of this report.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to Article I, section 8 of the United States Constitution, the Committee Print, as amended is authorized by Congress’ power to “provide for the common Defense and general Welfare of the United States.”

COMMITTEE CONSIDERATION

On February 11, 2021, in fulfillment of the reconciliation instructions included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2021 (S. Con. Res. 5), the Committee on Veterans’ Affairs ordered favorably transmitted (with a quorum being present) the Budget Reconciliation Legislative Recommendations.

COMMITTEE VOTES

Clause 3(b) of Rule XIII of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report the legislation and amendments thereto. The Chairman offered an Amendment in the Nature of a Substitute to the Committee Print. The results of each record vote on an amendment or motion to transmit, together with the names of those voting for and against, are printed below.

*Veterans’ Affairs Committee record vote No. 1*

Amendment by Mr. Bost to the Chairman’s Amendment in the Nature of a Substitute, providing for COVID-19 vaccines to enrolled veterans and residents of certain State Veterans Homes. Defeated: 16-11. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye

Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	.....
Mr. Allred.....	.....	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Nay	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	Nay		

*Veterans' Affairs Committee record vote No. 2*

Amendment by Mr. Bergman to the Chairman's Amendment in the Nature of a Substitute, providing for expansion of Vet Center services and a canine therapy pilot. Defeated: 15-13. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	.....	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Aye	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	.....		

*Veterans' Affairs Committee record vote No. 3*

Amendment by Mr. Banks to the Chairman's Amendment in the Nature of a Substitute, providing for VA compliance with Made in America laws. Defeated: 15-13. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Aye	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	.....		

*Veterans' Affairs Committee record vote No. 4*

Amendment by Mr. Nehls to the Chairman's Amendment in the Nature of a Substitute, providing for increased training on for VA employees processing Dependency and Indemnity Compensation claims. Defeated: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Nay	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	Nay		

*Veterans' Affairs Committee record vote No. 5*

Amendment by Ms. Radewagen to the Chairman's Amendment in the Nature of a Substitute, providing for increased funding for the prevention, diagnosis, and treatment of cancer. Defeated: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Nay	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	Nay		

*Veterans' Affairs Committee record vote No. 6*

Amendment by Mr. Bost to the Chairman's Amendment in the Nature of a Substitute, providing for enhanced supply chain resiliency for the VA to better respond to emergencies. Defeated: 16-13. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Aye	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	Nay		

*Veterans' Affairs Committee record vote No. 7*

Amendment by Mr. Mann to the Chairman's Amendment in the Nature of a Substitute, providing for enhanced expense justifications, audits, and oversight for expenditures made under this bill.

Defeated: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Nay	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	Nay		

*Veterans' Affairs Committee record vote No. 8*

Amendment by Mr. Bost to the Chairman's Amendment in the Nature of a Substitute, providing for an increase in the number of veterans eligible to receive retraining assistance and the amount appropriated for this purpose. Defeated: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Nay	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		

Mr. Ruiz.....	Nay
Mr. Gallego.....	Nay

*Veterans' Affairs Committee record vote No. 9*

Amendment by Ms. Miller-Meeks to the Chairman's Amendment in the Nature of a Substitute, providing for increased funding for VA High Technology pilot program. Defeated: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	Aye
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Nay	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	Nay		

*Veterans' Affairs Committee record vote No. 10*

Amendment by Ms. Miller-Meeks to the Chairman's Amendment in the Nature of a Substitute, providing for veterans to choose not to receive credit or reimbursement for copayments or cost-sharing during the COVID-19 pandemic. Defeated: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	Aye
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Nay	Ms. Miller-Meeks.....	Aye

Mr. Trone.....	Nay
Ms. Kaptur.....	Nay
Mr. Ruiz.....	Nay
Mr. Gallego.....	Nay

*Veterans' Affairs Committee record vote No. 11*

Amendment by Mr. Cawthorn to the Chairman's Amendment in the Nature of a Substitute, providing for increased funding for VA Office of Inspector General to conduct oversight of activities VA carries out pursuant to this title. Defeated: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Nay	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	Nay		

*Veterans' Affairs Committee record vote No. 12*

Amendment by Mr. Moore to the Chairman's Amendment in the Nature of a Substitute, providing for expansion of Post-9/11 eligibility to members of the National Guard performing duties as part of a national emergency. Defeated: 16-13. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye

Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Aye	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	Nay		

*Veterans' Affairs Committee record vote No. 13*

Amendment by Mr. Bost to the Chairman's Amendment in the Nature of a Substitute, providing for additional funding for Supportive Services for Veterans Families program. Defeated: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Nay	Mr. Bost.....	Aye
Ms. Brownley.....	Nay	Ms. Radewagen.....	Aye
Mr. Lamb.....	Nay	Mr. Bergman.....	Aye
Mr. Levin.....	Nay	Mr. Banks.....	Aye
Mr. Pappas.....	Nay	Mr. Roy.....	.....
Ms. Luria.....	Nay	Mr. Murphy.....	Aye
Mr. Mrvan.....	Nay	Mr. Mann.....	Aye
Mr. Sablan.....	Nay	Mr. Moore.....	Aye
Ms. Underwood.....	Nay	Ms. Mace.....	Aye
Mr. Allred.....	Nay	Mr. Cawthorn.....	Aye
Ms. Frankel.....	Nay	Mr. Nehls.....	Aye
Mr. Brown.....	Nay	Mr. Rosendale.....	Aye
Ms. Slotkin.....	Nay	Ms. Miller-Meeks.....	Aye
Mr. Trone.....	Nay		
Ms. Kaptur.....	Nay		
Mr. Ruiz.....	Nay		
Mr. Gallego.....	Nay		

*Veterans' Affairs Committee record vote No. 14*

Chairman's Amendment in the Nature of a Substitute. Adopted: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Aye	Mr. Bost.....	Nay
Ms. Brownley.....	Aye	Ms. Radewagen.....	Nay
Mr. Lamb.....	Aye	Mr. Bergman.....	Nay
Mr. Levin.....	Aye	Mr. Banks.....	Nay
Mr. Pappas.....	Aye	Mr. Roy.....	.....
Ms. Luria.....	Aye	Mr. Murphy.....	Nay
Mr. Mrvan.....	Aye	Mr. Mann.....	Nay
Mr. Sablan.....	Aye	Mr. Moore.....	Nay
Ms. Underwood.....	Aye	Ms. Mace.....	Nay
Mr. Allred.....	Aye	Mr. Cawthorn.....	Nay
Ms. Frankel.....	Aye	Mr. Nehls.....	Nay

Mr. Brown.....	Aye	Mr. Rosendale.....	Nay
Ms. Slotkin.....	Aye	Ms. Miller-Meeks.....	Nay
Mr. Trone.....	Aye		
Ms. Kaptur.....	Aye		
Mr. Ruiz.....	Aye		
Mr. Gallego.....	Aye		

*Veterans' Affairs Committee record vote No. 15*

Motion to transmit the Chairman's Amendment in the Nature of a Substitute to the House Committee on Budget to comply with the Reconciliation Directive. Adopted: 17-12. The vote was as follows:

Majority Members	Vote	Minority Members	Vote
Mr. Takano.....	Aye	Mr. Bost.....	Nay
Ms. Brownley.....	Aye	Ms. Radewagen.....	Nay
Mr. Lamb.....	Aye	Mr. Bergman.....	Nay
Mr. Levin.....	Aye	Mr. Banks.....	Nay
Mr. Pappas.....	Aye	Mr. Roy.....	Nay
Ms. Luria.....	Aye	Mr. Murphy.....	Nay
Mr. Mrvan.....	Aye	Mr. Mann.....	Nay
Mr. Sablan.....	Aye	Mr. Moore.....	Nay
Ms. Underwood.....	Aye	Ms. Mace.....	Nay
Mr. Allred.....	Aye	Mr. Cawthorn.....	Nay
Ms. Frankel.....	Aye	Mr. Nehls.....	Nay
Mr. Brown.....	Aye	Mr. Rosendale.....	Nay
Ms. Slotkin.....	Aye	Ms. Miller-Meeks.....	Nay
Mr. Trone.....	Aye		
Ms. Kaptur.....	Aye		
Mr. Ruiz.....	Aye		
Mr. Gallego.....	Aye		

#### EARMARKS AND TAX AND TARIFF BENEFITS

Title VIII of the bill, in fulfillment of the reconciliation instructions included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2021 (S. Con. Res. 5), as amended, does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9 of Rule XXI of the Rules of the House of Representatives.

#### ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act would be created by the Committee Print, as amended.

## CHANGES IN EXISTING LAW MADE BY THE COMMITTEE PRINT, AS REPORTED

With respect to clause 3(e) of Rule XIII of the Rules of the House of Representatives, the Committee advises that compliance prior to submission to the Committee on the Budget was not possible

## STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

In accordance with clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, the Committee's performance goals and objectives are to provide relief to veterans and the Department of Veterans Affairs from the impacts of the COVID-19 pandemic and to comply with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2021, S. Con. Res. 5.

## STATEMENT ON DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of Rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of the Committee Print, as amended, establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office (GAO) to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

## BACKGROUND AND NEED FOR RECOMMENDED MEASURES TO MEET RECONCILIATION TARGET OF THE COMMITTEE ON VETERANS' AFFAIRS

## Title VIII - Committee on Veterans' Affairs

*Sec. 8001. Funding for Claims and Appeals Processing*

VBA has seen a drastic increase in the backlog of pending disability benefit claims due to impacts of the COVID-19 pandemic. As of January 29, 2021, there were 475,000 disability claims pending with approximately 212,000 of those claims considered backlogged (i.e. pending more than 125 days). This represents a 275% increase over the reported 77,000 pending in the backlog at the start of the pandemic, resulting in downstream delays in delivery of benefits and services. In support of VBA's objective to reduce working claims inventory, Section 8001 would provide a total of \$272 million to modernize and enhance VBA virtual operations and utilize supplemental overtime. It also provides \$10 million for improvements at the Board of Veterans' Appeals.

Pending federal records requests are a contributing factor to the VBA claims backlog. In 2020, the National Personnel Records Center (NPRC), which provides military service records to VA for claims development, experienced multiple closures related to the COVID-19 pandemic.

Section 8001 gives VBA authority to provide on-site assistance to NPRC for federal records digitalization and incorporation into VA's individual electronic files.

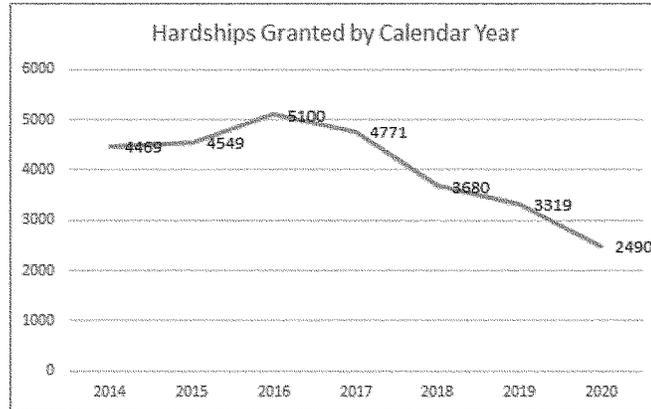
Section 8001 provides a further \$100 million in supplemental overtime to increase production of claims adjudications in FY 2022. An additional \$10 million is allocated to modernize VBA's hearing scheduling tool, as well as \$2 million for enhancement of VBA's systems functionality for contact centers to expedite claim development and centralize operations.

The \$10 million in funding for the Board of Veterans' Appeals will assist with efforts to improve mail processing and add temporary staff, including intake specialists, attorneys, and staff to support tele-hearings.

*Sec. 8002. Funding Availability for Medical Care and Health Needs*

In 2020, Congress appropriated \$17.4 billion in CARES Act funding to help the VHA offset the unexpected costs of battling COVID-19, including increased staffing, equipment, and PPE. VA has obligated a total of \$8.7 billion of CARES funding and will fully execute the remaining \$10.9 billion in CARES funding through the end of FY 2021. Given the rapidly changing nature of the pandemic response, the Administration has determined through its American Rescue Plan (ARP) the need to maintain VA's COVID-19 response beyond the expiration of CARES funds. Section 8002 will provide VHA nearly \$13.5 billion in funds to sustain the investments made with CARES funds and will allow the organization to continue making investments into FY 2022.

It is anticipated reliance on VHA will increase in the coming months as vaccines become more readily available. Enrolled veterans will begin returning to VHA to seek care that they delayed during the height of the pandemic and, because of deferring that care, the types of care and services needed will likely be more complex and costly. In addition, like most Americans, veterans are facing higher rates of unemployment due to COVID-19-related economic downturn. The current 5.5% unemployment rate is double the rate prior to COVID-19. As a result, veterans who previously were not enrolled in VHA may start seeking care and services at higher rates. The Committee encourages VHA to use its existing authority under 38 U.S.C. §1722 in the broadest possible manner to ensure that this cohort of veterans has access to high quality healthcare. This is a particular concern for the Committee, as VHA data shows that the granting of hardships under 38 U.S.C §1722 fell significantly during the Trump Administration as compared to the previous Administration (see graph below). Furthermore, the Committee intends these funds to also support VHA's ongoing efforts to support an estimated 37,000 homeless veterans.



Source: Department of Veterans Affairs

Given many veterans may have delayed care over the past year because of the pandemic, the Committee urges VHA to continue robust outreach to veterans encouraging them to schedule appointments for both preventative care and vaccination. Regarding the latter, the Committee would also encourage VHA to ensure its messaging around who is eligible to receive vaccines is clear and updated frequently as guidance and availability are rapidly changing. In addition, the Committee expects VHA to ensure veterans in highly rural areas, tribal areas and territories also have access to vaccines.

VHA has an aging infrastructure. The average age of facilities in the system is 60 years old. Therefore, the physical plants of many facilities have not been ideal to battle an airborne disease. The Committee intends for the increased funds to support modifications to VHA facilities to improve general pandemic readiness such as modifying patient flows for better social distancing; expanding negative pressure rooms; and updating heating, ventilation, and air conditioning systems to reduce the spread of disease.

The pandemic has also fundamentally changed how healthcare is delivered. While VHA was better positioned than most healthcare systems across America to deliver care using telehealth modalities, continued investment is needed. CARES provided \$300 million to invest in telehealth expansion and sustainment. Such a robust investment has allowed VHA to increase video-to-home telehealth visits by more than 1,700% from February 2020 to January 2021. The Committee's measure will allow VHA to further expand its telehealth offerings. The Committee hopes that VHA will be more aggressive in using this funding to ensure that veterans, in underserved populations where internet connectivity remains an issue or is cost prohibitive, will receive 4G connected tablets to ensure all veterans have access to care.

The pandemic's emotional toll is still not fully understood. As a result of the Committee's ongoing focus on veteran suicide prevention and VHA's designation of suicide prevention as its

top clinical priority, the Committee also intends for these funds to support the needs of the Veterans Crisis Line (VCL), such as the hiring of additional staff. Calls to, referrals from, and rescues directed by the VCL increased during the pandemic. VHA will need to ensure that a surge in usage, which is likely to be compounded by the concurrent implementation of a new three-digit crisis hotline number (forecasted to increase demand for the VCL), is met by the hiring of additional staff to ensure that wait times and call rollovers do not increase for veterans in immediate crisis. Equally, the Committee encourages VHA to make sure frontline staff have access to all the resources they need to address their own mental health needs following months of unprecedented work conditions and demands.

Finally, the Committee expects VHA to provide regular updates in the form of briefings to Committee staff regarding the expenditure of funds in this section as part of the Committee's oversight efforts.

*Sec. 8003. Funding for Supply Chain Modernization*

VA spends tens of billions of dollars annually for the procurement of supplies. However, VA faces major, long-standing challenges in its acquisition system resulting in inefficiencies and shortages, as has been identified by GAO and the VA Office of Inspector General (OIG). These supply chain problems have been exacerbated by the pandemic, and the need to ensure VA manages medical supplies is heightened. Central to these challenges is VA's antiquated IT systems for managing the acquisition and inventory of medical and surgical supplies. The funds will help accelerate and improve supply chain modernization efforts.

*Sec. 8004. Funding for State Homes*

State Veterans Homes (SVH), the largest provider of long-term, institutional care to veterans, have endured the worst of COVID-19. Like other congregate settings, SVHs have seen catastrophic loss of life among veteran residents who contracted the disease. They have had to redirect resources to cover PPE, cleaning and infection control and staff hires and retention. At the same time, many have had to deny admissions, due to resource constraints and risk of infection. This has put homes in a frustrating situation: Continue admissions to relieve families who can no longer care for veterans risk infecting other residents or overwhelming staff. Or deny admissions, forgoing the funding necessary to maintain operations in a pandemic. Dozens of homes have begun to voice concern that without help, they will not be able to maintain current operations, let alone new admissions. Section 8004 will not only provide \$500 million in construction funds to address the project backlog that existed before the pandemic but also include an additional \$250 million in one-time emergency federal payments to support these state-operated facilities. The Committee intends these funds to be allocated based on the number of beds at each home that could be occupied by eligible veteran residents.

*Sec. 8005. Funding for the Department of Veterans Affairs Office of Inspector General*

VA's OIG provides important oversight of VA programs, projects, and activities. OIG audits and investigations of VA spending often lead to substantial savings, with a stated return of thirty-four dollars for every dollar invested in its oversight activities. OIG's work also helps to

prevent fraud and improve agency effectiveness. These funds would provide additional resources as the Inspector General devotes attention to the agency's pandemic response, and its impact to programs, projects, and activities.

*Sec. 8006. COVID-19 Veteran Rapid Retraining Assistance Program*

Section 8006 provides \$386 million for up to 12 months of retraining assistance for veterans who are unemployed due to COVID-19 and do not have other veteran education benefits. This section will support the employment of 17,250 veterans by covering the cost of the retraining program and providing a housing allowance for veterans while they are undergoing this training for up to twelve months.

According to data from the Bureau of Labor Statistics (BLS), the pre-COVID (February 2020) veteran unemployment rate was approximately 3.6%, with a labor force participation rate at 49.2%. The veteran unemployment rate increased to 4.1% in March 2020 as the COVID-19 pandemic began in the United States, with a peak recorded in April 2020, when 11.7% of veterans were unemployed. Since its peak in April, the veteran unemployment rate dropped relatively consistently with few increases during 2020. As of January 2021, the veteran unemployment rate stood at approximately 5.5%. However, the BLS data shows that the number of permanent job losses in the overall work force has not changed much in the last several months, remaining above 3 million since August. The Committee is concerned that the BLS data shows that the jobs gained since April have come more from individuals returning to work after being temporarily laid off, rather than from new jobs becoming available.

Beyond permanent job losses, employment is difficult to find during the pandemic because many casual or part-time jobs used to supplement income are no longer available due to social distancing measures. The lack of available part-time or freelance employment makes it even more difficult for those who have permanently lost their jobs to make an income. Section 8006 responds to the difficulty of reentering the workforce by rapidly retraining veterans who have yet to find work. Work force retraining opportunities for veterans who have permanently lost their jobs will make work force reentry for 17,250 veterans more accessible.

*Sec. 8007. Prohibition on Copayments and Cost Sharing for Veterans during Emergency Related to COVID-19.*

VA should be commended for its quick decision to suspend medical debt collections in April 2020. As of November 1, 2020, 2.33 million veterans had accrued \$819 million in outstanding medical debt, a figure that continues to grow. The average veteran's copay balance was approximately \$330, and in instances where patients had more than \$5,000 in outstanding debts, the average was nearly \$8,000. Unfortunately, as the Trump Administration came to an end, VA decided to resume debt notification letters in January 2021 and intended to resume withholding amounts from veterans' benefits to pay off the debt. Given the nation is still in the grips of a public health emergency and the economy is struggling, Section 8007 will provide VA funding to continue forgiving veterans' medical debt until September 20, 2021 and will also allow VA to reimburse those veterans who may have already paid their balance off from early April 2020 when VA paused collections.

553

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SUPPLEMENTAL, ADDITIONAL, DISSENTING, AND MINORITY VIEWS

**Minority Views**

**The following represent the views of the Republican Members of the Committee on Veterans' Affairs on the following issues consistent with reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021**

**February 15, 2021**

We believe the inherent limitations of the budget reconciliation process, the extreme time constraints imposed on the Committee, and technical difficulties in remote voting prevented us, the majority as well as the minority, from discharging our responsibilities in this matter. This is deeply unfortunate. The Committee has not received budget reconciliation instructions in decades. In general, we hope the Committee will return to regular order for the remainder of the Congress.

**Voting in Remote Markup Session**

Multiple Committee members, in the majority as well as the minority, expressed frustration and confusion in conducting the markup session remotely using the Cisco WebEx software. Connectivity problems and poor audio quality have been experienced in previous remote hearings, but their consequences are more serious when the Committee must vote. Some members were audible but not visible. Other members were visible but not audible or barely audible, prompting the Chairman to have to interpret what he or she had said. Multiple members expressed confusion over which amendment was being voted on, whether their votes had been recorded, and how their votes had been recorded. In several instances, the Chairman was forced to decide whether to consider valid Committee members' votes who appeared not to be compliant with Committee rules.

We believe all future markups should be held in person. If another markup occurs before the Committee's hearing room, room 334 of the Cannon House Office Building, becomes available again, which is now expected in early spring 2021, or the Committee's temporary hearing room in the Capitol Visitor Center becomes regularly accessible again, we believe a substitute hearing room should be obtained.

**Adequacy of Department of Veterans Affairs Request**

As a foundational matter, we do not believe the Department of Veterans Affairs' (VA) need for additional appropriations at this time, whether \$20 billion as originally proposed by the Administration or the \$17 billion reported out of the Committee, has been established.

This markup was the Committee's first meeting in the 117th Congress and occurred immediately following formal organization. The rush to mark-up this proposal minutes following formal organization gave Committee Members, many of whom are new this Congress, no opportunity to

## Veterans' Affairs Republican Views on FY21 Budget Reconciliation

do their due diligence on this request before being asked to vote on it. Ranking Member Bost wrote to Chairman Takano on Friday, February 5, 2021. In that letter, the Ranking Member noted the insufficient time being given to Committee members to consider the request and asked for a hearing so that Committee members could ask questions, on the record, of Administration witnesses to evaluate its merits. No response was provided to that letter.

The Committee's action on the amendment in the nature of a substitute to the Committee print would increase VA's total appropriations, available in fiscal year 2021 and beyond, to \$271.2 billion. Much of the \$17 billion of budget reconciliation appropriations would be available across multiple fiscal years, as are some of VA's annual appropriations. However, lacking a credible spend plan from the Department bearing any resemblance to the Committee print, it is unknown what funds will be expended when. Further, we understand that the majority was rushing to mark-up this proposal without undergoing regular order purportedly to meet an emergent need related to COVID-19. The fact that these funds are expected to be expended primarily in fiscal years 2022 and 2023 calls into question the necessity and wisdom of that rush.

The fiscal year 2021 appropriation, the CARES Act, and S. Con. Res. 5 represent three sequential increases in VA appropriations, each to the highest level ever, all in the span of less than a year. While the CARES Act was the product of consensus to act to stem the emergent COVID-19 pandemic, this budget reconciliation action, with respect to VA, was unprompted. We have no way of knowing which portions of the \$17 billion truly fund one-time needs related to the COVID-19 pandemic response, expand existing activities unrelated to the pandemic, or create new, permanent programs. Similarly, it is now unclear how much of approximately \$10.9 billion of CARES Act appropriations which remain unexpended would have sustained the whole of VA's pandemic response through the end of fiscal year 2021 without additional budget reconciliation appropriations. While there is a compelling argument to designate pandemic response efforts as emergency spending, we are concerned VA's basic operations and ordinary annual funding will become dependent on emergency appropriations.

The text of the amendment in the nature of a substitute to the Committee print was provided to the minority slightly less than 48 hours before the markup. This text changed three different times before the markup. It is significantly different from VA's request. VA's request was never adequately explained, and the majority's decision-making to alter it was never explained at all. The extent of the information provided to the minority was an hour-long conference call on February 5, 2021, with several VA chief financial officers and Office of Management personnel during which only a few round numbers were uttered; subsequently, two pages of narrative summary, a one-page spreadsheet (reproduced on the next page), and another page showing CARES Act funding execution were provided on February 6, 2021. The budget reconciliation process dictates that appropriations are not made to specific accounts. This means regardless of what the majority's intentions may be as to the purpose of the funding, the majority and minority alike cannot be sure how VA will ultimately use it, or what needs, if any, it will meet.

One notable difference is the majority's decision to remove information technology funding requested by VA. This concerns VA's \$1.7 billion request for the Office of Information and Technology itself as well as information technology needs within the readiness, veterans contact and care, and innovation line items.

Veterans' Affairs Republican Views on FY21 Budget Reconciliation

Upon receiving VA's materials on February 6, 2021, minority staff immediately requested explanatory detail on the information technology request. This was not provided until February 11, 2021, *during the Committee's markup.*

<u>VA Request</u>		<u>Committee Action</u>	
Health care	\$ 8,900,000,000	Health care	\$ 13,482,000,000
Supply chain modernization	\$ 150,000,000	Supply chain modernization	\$ 100,000,000
Homelessness	\$ 335,000,000	Claims and appeal processing	\$ 272,000,000
Telehealth	\$ 100,000,000	State homes	\$ 750,000,000
Readiness	\$ 750,000,000	Office of Inspector General	\$ 10,000,000
Legislation implementation	\$ 400,000,000	Rapid retraining	\$ 386,000,000
Veterans contact / care	\$ 800,000,000	Copay relief	\$ 2,000,000,000
Innovation	\$ 218,000,000		
Equipment	\$ 750,000,000	<b>Total</b>	<b>\$ 17,000,000,000</b>
Pandemic data tracking / collection	\$ 50,000,000		
Non-recurring Maintenance	\$ 2,250,000,000		
<b>Veterans Health Administration Subtotal</b>	<b>\$ 14,703,000,000</b>		
Research	\$ 25,000,000		
Office of Information and Technology	\$ 1,700,000,000		
Minor construction	\$ 250,000,000		
Major construction	\$ 50,000,000		
Veterans Benefits Administration	\$ 262,000,000		
Board of Veterans' Appeals	\$ 10,000,000		
<b>Total</b>	<b>\$ 17,000,000,000</b>		

We believe the majority's decision to proceed with the budget reconciliation markup before holding an oversight hearing or obtaining adequate information on VA's request will likely result in the Department expending the funds in a manner that is more wasteful and less beneficial to veterans.

**Allocation of Resources**

Notwithstanding the constraints imposed by the budget reconciliation process and the lack of information, we believed it was important to allocate the additional funding to VA in the most effective manner to accomplish the goals of getting veterans vaccinated, getting veterans back to work, helping veterans recover physically, mentally, and financially from the pandemic, and holding VA accountable for making sure taxpayer dollars are well spent.

To these ends, we offered 13 amendments to accomplish the following specific objectives:

- Increase the number of veterans who are able to get vaccinated by VA to include those currently enrolled but making above certain income thresholds and all those, regardless of eligibility, who are residing in State Veteran Homes with staff vaccination rates below 85 percent.
- Increase funding for vaccinating veterans in highly rural areas, tribal areas, and in the U.S. territories.

## Veterans' Affairs Republican Views on FY21 Budget Reconciliation

- Require VA to conduct a communications and outreach campaign to encourage veterans, especially those in underserved and minority communities, to get vaccinated.
- Require the Government Accountability Office to conduct a review of VA's vaccination efforts.
- Increase the number of veterans able to participate in VA's Rapid Retraining program to 35,000, consistent with legislation that passed the House last Congress.
- Provide additional funding to VA's Veteran Employment Through Technology Education Courses program that provides veterans training to help them succeed in the technology sector.
- Increase funding for VA's Supportive Services for Veteran Families program to help veterans stay safely housed and avoid homelessness.
- Increase funding for veteran cancer diagnosis and treatment to offset the impact of delayed care due to COVID-19.
- Require VA to conduct a communications and outreach campaign to encourage veterans to seek care they delayed due to COVID-19.
- Allow members of the National Guard deployed under federal active duty orders to be eligible for federal benefits, including the GI Bill.
- Provide more funding and training for VA employees who process Dependency and Indemnity Compensation claims to help them more quickly and accurately process those claims for survivors of veterans who died from COVID-19.
- Zero-out new funding in the Committee print for long-term VA initiatives that cannot be completed in 2021 or 2022, including the Defense Medical Logistics Standards Support system.
- Encourage VA to buy American-made medical products by setting stricter parameters around when VA can purchase foreign-made goods, consistent with Executive Order 14005, and provide additional funding to cover the increased cost.
- Strengthen VA's supply chain by including VA in the Department of Defense's Warstopper program, which pays manufacturers and suppliers to reserve access to medical supplies needed in emergencies.
- Require VA to provide Congress with a detailed plan on how COVID-relief funds will be used and weekly reports to make sure the plan is followed.
- Provide additional funding to the VA Office of Inspector General to support its oversight of VA's operations and allow for regular financial audits.
- Require the Government Accountability Office to conduct a complete review of VA's use of COVID-relief funds once they are exhausted.

We believe it is unfortunate that all amendments were defeated, but we appreciate Democratic support for four of the amendments and expressions by the Chairman and other members of the majority that many of the amendments' underlying policy ideas are meritorious and warrant consideration in the future.

Veterans' Affairs Republican Views on FY21 Budget Reconciliation



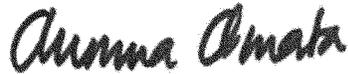
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MIKE BOST  
Ranking Member



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JACK BERGMAN



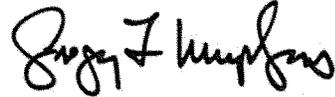
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AUMUA AMATA C. RADEWAGEN



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JIM BANKS



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GREGORY F. MURPHY, M.D.



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CHIP ROY



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TRACEY MANN



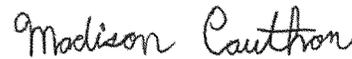
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BARRY MOORE



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NANCY MACE



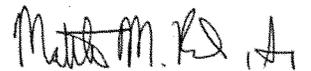
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TROY NEHLS



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MATT ROSENDALE



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MARIANNETTE MILLER-MEEKS

House Committee on Veterans' Affairs  
Summary of Major Policy Decisions in the Committee's Recommendations  
Pursuant to Section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2021

The House Committee on Veterans' Affairs recommendations focus on several key policy areas:

- Addressing an appeals processing backlog exacerbated by the pandemic;
- Ensuring access to healthcare and related services during the ongoing emergency;
- Continuing supply chain modernization to support healthcare delivery;
- Providing resources to support care of veterans in State Veterans Homes;
- Providing resources to the Department of Veterans Affairs (VA) Office of Inspector General (OIG) to oversee the addition funds appropriated to VA;
- Providing retraining assistance to veterans who lost employment due to the pandemic; and,
- Providing financial relief to veterans by waiving copayments during the health emergency.

Additional summaries of these provisions are below.

Title VIII - Committee on Veterans' Affairs

*Sec. 8001. Funding for Claims and Appeals Processing*

Section 8001 provides \$272 million for VA to mitigate the impacts of the pandemic on the benefits claims and appeals backlog caused by delays in claim development, which resulted from COVID-19-related shutdowns. This funding will be used to increase staff overtime in FY 2022, expand VBA-funded scanning of service records from federal records facilities impacted by COVID-19, improve scheduling of hearings, and enhance contact center functions. In addition, funding will support the Board of Veterans Appeals' efforts to improve mail processing and add temporary staff, including intake specialists, attorneys, and staff to support telehearings.

*Sec. 8002. Funding Availability for Medical Care and Health Needs*

Section 8002 provides nearly \$13.5 billion for VHA to provide healthcare services and related support to eligible veterans. It includes funding to cover the impacts of delays in care, including the need for more expensive care because of delays in necessary care, and veterans' greater reliance on VA healthcare due to loss of other health insurance or other economic impacts from the pandemic. It also includes funding for sustainment of CARES Act-supported staffing and service-level expansions, including in the areas of suicide prevention, women's health, VA homelessness programs, and telehealth. This section broadly allows spending to provide medical services to veterans, including medical facility improvements, research, and administrative expenses. Furthermore, it prevents VA from using more than \$4 billion of the total for the Veterans Community Care Program.

*Sec. 8003. Funding for Supply Chain Modernization*

Section 8003 provides \$100 million in funding for investments in information technology systems to support the acceleration of VA's supply chain modernization efforts.

*Sec. 8004 Funding for State Homes*

Section 8004 provides support to State Veterans Homes through two mechanisms. First, it provides \$500 million for VA to provide construction funds to states provided they have required matching funds for projects that will upgrade and enhance safety and operation of State Veterans Homes across the country.

It further provides \$250 million in one-time emergency federal payments to support these state-operated facilities, to be allocated based on the number of beds at each home that could be occupied by eligible veteran residents. This emergency funding can be used to enhance treatment of veterans during the pandemic, including by enhancing cleaning services, procuring personal protective equipment or other equipment, and temporarily expanding staffing levels to care for veterans.

*Sec. 8005 – Funding for Department of Veterans Affairs Office of Inspector General*

Section 8005 provides \$10 million for the VA Office of Inspector General to provide oversight of VA projects and activities carried out pursuant to the title.

*Sec. 8006 – COVID-19 Veteran Rapid Retraining Assistance Program*

Section 8006 provides nearly \$400 million for up to 12 months of retraining assistance for veterans who are unemployed due to COVID-19 and do not have other veteran education benefits. This funding covers the cost of the retraining program and provides a housing allowance for veterans while they undergo this training.

*Sec. 8007 – Prohibition on Copayments and Cost Sharing for Veterans During Emergency Relating to COVID-19*

Section 8007 allows VA to waive up to \$2 billion worth of copays that otherwise would be charged to veterans for VA healthcare services, for the period beginning April 6, 2020 (when VA first paused medical billing, near the start of the pandemic), through September 30, 2021. This section also authorizes VA to reimburse those veterans who have recently submitted payments for care they received during this period, since VHA began issuing billing notices in January 2021.

561

**COMMITTEE ON WAYS AND MEANS  
U.S. HOUSE OF REPRESENTATIVES**

February 16, 2021

The Honorable John Yarmuth  
Chairman  
Committee on the Budget  
204-E Cannon House Office Building  
Washington, DC 20515

Dear Chairman Yarmuth:

Pursuant to section 2001 of the Concurrent Resolution on the Budget, I hereby transmit these recommendations which have been approved by vote of the committee on February 11, 2021 and the appropriate accompanying material including dissenting views to the House Committee on Budget. This submission is in order to comply with reconciliation directives included in S. Con. Res. 5, the fiscal year 2021 budget resolution, and is consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974.

Sincerely

A handwritten signature in black ink, appearing to read "Richard E. Neal". The signature is fluid and cursive, with a large initial "R" and "E".

Richard E. Neal, Chair

Enclosure: Committee Vote

CONTENTS

	<u>Page</u>
SUBTITLE A – CRISIS SUPPORT FOR UNEMPLOYED WORKERS .....	1
I. SUMMARY AND BACKGROUND .....	1
A. Purpose and Summary .....	1
B. Background and Need for Legislation .....	1
C. Legislative History .....	3
A. Subtitle A – Crisis Support for Unemployed Workers .....	4
III. VOTES OF THE COMMITTEE .....	6
IV. BUDGET EFFECTS OF THE SUBTITLE .....	14
A. Committee Estimate of Budgetary Effects .....	14
B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority .....	14
C. Cost Estimate Prepared by the Congressional Budget Office .....	14
V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE .....	15
A. Committee Oversight Findings and Recommendations .....	15
B. Statement of General Performance Goals and Objectives .....	15
C. Information Relating to Unfunded Mandates .....	15
D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits .....	15
E. Duplication of Federal Programs .....	15
F. Hearings .....	16
VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE .....	16
VII. DISSENTING VIEWS .....	16

## SUBTITLE A – CRISIS SUPPORT FOR UNEMPLOYED WORKERS

### I. SUMMARY AND BACKGROUND

#### A. Purpose and Summary

Subtitle A, “Crisis Support for Unemployed Workers” as ordered reported by the Committee on Ways and Means on February 10, 2021, extends and expands temporary unemployment insurance programs and funding streams to provide support to workers, employers, and states.

#### B. Background and Need for Legislation

As of February 2021, COVID-19 has led to more than 27 million confirmed cases resulting in over 466,000 deaths,<sup>1</sup> with Black, Latino, and Native Americans accounting for a disproportionate number of cases and deaths. Weekly applications for unemployment benefits hit a recorded-history high in March of 2020, continued to climb, and remain at levels never seen before this pandemic.<sup>2</sup> Real Gross Domestic Product declined by 3.5 percent in 2020, the largest drop since 1946.<sup>3</sup> The impact of COVID-19 was disproportionately felt by families with children, who have experienced disproportionate levels of material hardship,<sup>4</sup> and by communities of color, where rates of infection, unemployment, and death were disproportionately high.<sup>5,6</sup>

Unemployment Insurance (UI) is a joint federal-state system that provides income support through weekly benefit payments. The permanent-law Unemployment Compensation (UC) program, created under the Social Security Act of 1935, provides unemployment benefits to eligible individuals who become involuntarily unemployed for economic reasons and meet state-established eligibility rules. Although there are broad requirements under federal law regarding UC benefits and financing, the specifics are set out under each state’s laws, resulting in 53 different UC programs operated in the 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The U.S. Department of Labor (DOL) provides oversight of state UC programs and state administration of all UI benefits. States operate their own permanent-law UC programs and also administer any temporary federal UI benefits.

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<sup>1</sup> *COVID Data Tracker*, CENTERS FOR DISEASE CONTROL & PREVENTION, Available at <https://covid.cdc.gov/covid-data-tracker/#datatracker-home> (last visited Feb. 11, 2021).

<sup>2</sup> Unemployment insurance weekly claims data. (n.d.). Retrieved February 12, 2021, from <https://oui.doleta.gov/unemploy/claims.asp>

<sup>3</sup> Bureau of Economic Analysis. (n.d.). Gross Domestic Product, 4th Quarter and Year 2020 (Advance Estimate). Retrieved February 12, 2021, from <https://www.bea.gov/news/2021/gross-domestic-product-4th-quarter-and-year-2020-advance-estimate>

<sup>4</sup> Cooney, P., & Shaefer, H. (2021, February). Trends in hardship and mental health in the United States at the end of 2020. Available at <https://poverty.umich.edu/files/2021/02/PovertySolutionsMaterialHardshipEndof2020-Feb2021.pdf>

<sup>5</sup> Mazure, C. M., PhD. (2020, September 03). Health notes: People of color suffer disproportionate impact of covid-19 pandemic. Retrieved February 12, 2021, from <https://medicine.yale.edu/news-article/27086/>

<sup>6</sup> Swagel, P. L. (2020). *Characteristics of People Receiving Regular Unemployment Benefits in July 2020* (USA, Congressional Budget Office). Washington, DC: CBO. Available at <https://www.cbo.gov/publication/56447>

The UI system's two main objectives are to provide temporary and partial wage replacement to involuntarily unemployed workers and to stabilize the economy during recessions (i.e., by providing income support to unemployed workers, who spend this income, maintaining a certain level of economic activity). Augmenting the regular UC program's economic stabilization efforts, federal law includes an automatic expansion of the regular UC benefit with the permanent-law Extended Benefit (EB) program established by the Federal-State Extended Unemployment Compensation Act of 1970 (EUCA; P.L. 91-373). EB may provide up to an additional 13 or 20 weeks of benefits once regular UC benefits are exhausted, depending on worker eligibility, state law, additional federal eligibility requirements, and economic conditions in the state. Congress often supplements these stabilization efforts by enacting temporary UI benefit expansions.

In response to the recent COVID-19-related recession, Congress created several temporary programs through P.L. 116-136, the Coronavirus Aid, Relief, and Economic Security (CARES) Act. These programs are: Pandemic Unemployment Assistance (PUA), Pandemic Emergency Unemployment Compensation (PEUC), and Federal Pandemic Unemployment Compensation (FPUC). P.L. 116-260, the Consolidated Appropriations Act, 2021, extended the authorization of these programs and created Mixed Earner Unemployment Compensation (MEUC). Congress also provided states with support and flexibility to address COVID-19-related unemployment through expanded benefit eligibility, additional funding, and other temporary UI measures enacted under the Families First Coronavirus Response Act (FFCRA; P.L. 116-127).

Under current law, all of the temporary programs except for PUA and PEUC are scheduled to end by March 14, 2021. PUA and PEUC are scheduled to close to new entrants on March 14 and cut off all ongoing benefits as of April 5, 2021.

Over 10 million workers are projected to lose their unemployment benefits immediately after the March 14 cutoff date, and many more will exhaust their benefits before August 29, 2021. High levels of economic hardship, with many households experiencing food insecurity, inability to pay basic household expenses, or being behind on rent,<sup>7</sup> suggest that workers need higher supplemental benefits than the current \$300 per week.

The increased amount of UI payments to unemployed workers—from both permanent-law and temporary UI programs—dampens the economic effect of lost earnings by injecting additional funds into the economy. UI is a typical fiscal policy response to recessions with a multiplier effect or “bang for the buck” of greater than one (i.e., change in economic output in response to a dollar change in taxes or a dollar change in spending). For example, CBO estimated that, by the first quarter of 2012, the multiplier for UI provisions enacted in 2009 in response to the 2007-2009 recession was 1.15.<sup>8</sup> Permanent-law and temporary UI programs responded to the increased unemployment brought about by the COVID-19-related recession. In

<sup>7</sup> Cooney, P., & Shaefer, H. (2021, February). Trends in hardship and mental health in the United States at the end of 2020. Available at <https://poverty.umich.edu/files/2021/02/PovertySolutionsMaterialHardshipEndof2020-Feb2021.pdf>

<sup>8</sup> Congressional Budget Office. Estimated Impact of the American Recovery and Reinvestment Act on Employment and Economic Output January 2012 Through March 2012. Available at [https://www.cbo.gov/sites/default/files/cbofiles/attachments/05-25-Impact\\_of\\_ARRA.pdf](https://www.cbo.gov/sites/default/files/cbofiles/attachments/05-25-Impact_of_ARRA.pdf)

fiscal year 2020, there were approximately 44 million beneficiaries and \$466 billion in total UI benefits paid from all UI programs, including temporary programs created under the CARES Act.<sup>9</sup> Researchers found that these payments offset a large portion of what would otherwise have been a very sharp drop in U.S. consumer spending, which is the primary driver of Gross Domestic Product (GDP).<sup>10</sup>

### C. Legislative History

#### **Budget Resolution**

On February 5, 2021, the House of Representatives approved Senate Concurrent Resolution 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2002(l) of S. Con. Res. 5, the Committee on Ways and Means was directed to submit to the Committee on the Budget changes in laws within its jurisdiction to increase the deficit by not more than \$940,718,000,000 for the period of fiscal years 2021 through 2030.

#### **Committee hearings**

In light of the emergency presented by the Covid 19 global pandemic and the need for immediate legislative action, no hearings were held in the 117<sup>th</sup> Congress prior to consideration of Subtitle A.

#### **Committee action**

Beginning on February 10, 2021, in response to its instructions under S. Con. Res. 5, the Committee on Ways and Means met to consider budget reconciliation legislative recommendations. On February 10, 2021, Subtitle A, Legislative Recommendations Relating to Crisis Support for Unemployed Workers, was ordered favorably transmitted, as amended, to the House Committee on the Budget by a record vote of 24 to 18.

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<sup>9</sup> Congressional Research Service. Memorandum to the Majority Staff of the Committee on Ways and Means. February 5, 2021.

<sup>10</sup> Farrell, D., Ganong, P., Greig, F., Liebeskind, M., Noel, P., & Vavra, J. (2020). Consumption effects of unemployment insurance during the covid-19 pandemic. *SSRN Electronic Journal*. doi:10.2139/ssrn.3654274. Available at <https://www.jpmorganchase.com/institute/research/labor-markets/unemployment-insurance-covid19-pandemic>

## II. EXPLANATION OF THE SUBTITLE

## A. Subtitle A – Crisis Support for Unemployed Workers

Current Law

Most temporary federal unemployment programs and funding that was first authorized under the Families First Coronavirus Response Act (P.L. 116-127) and the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) will expire by March 14, 2021. The Pandemic Emergency Unemployment Compensation (PEUC) program and the Pandemic Unemployment Assistance (PUA) program will fully end by April 5, 2021.

Reasons for Change

Legislative action is needed to preserve and expand temporary unemployment insurance programs and funding to prevent additional worker hardship, employer tax increases, and harm to the economy.

Explanation of Provisions

*Section 9001. Short Title.* This section provides the short title.

**Part 1 – Extension of CARES Act Unemployment Provisions**

*Section 9011. Extension of Pandemic Unemployment Assistance.* This section extends through August 29, 2021 the Pandemic Unemployment Assistance program, which provides unemployment benefits to some self-employed and pandemic-affected individuals who do not qualify for regular state unemployment benefits. This section also increases the total number of weeks of benefits available to individuals who are not able to return to work safely from 50 to 74 and provides guidance to states on coordinating with other unemployment benefits when needed.

*Section 9012. Extension of Emergency Unemployment Relief for Governmental Entities and Nonprofit Organizations.* This section extends a CARES provision that provides a 50 percent subsidy for costs incurred by employers who provide unemployment benefits on a reimbursable basis, rather than via tax contributions, and increases the subsidy to 75 percent beginning after March 31. The subsidy would remain available through August 29, 2021 at the 75 percent rate.

*Section 9013. Extension of Federal Pandemic Unemployment Compensation.* This section extends through August 29, 2021 the federal supplemental unemployment benefit (FPUC), which is added to both state and federal benefits, and the mixed-earner supplement added to it for eligible workers. It increases the FPUC amount from \$300 to \$400 for weeks ending after March 14 and before August 29, 2021. This section also clarifies that mixed-earner supplement is treated the same way as the FPUC in determining eligibility for Medicaid and the Children's Health Insurance Program.

**Section 9014. Extension of Full Federal Funding of the First Week of Compensable Regular Unemployment for States with No Waiting Week.** This section restores full reimbursement for state costs related to waiving the waiting week beginning December 31, 2020 and continues it through August 29, 2021.

**Section 9015. Extension of Emergency State Staffing Flexibility.** This section extends temporary exceptions to state unemployment insurance staffing restrictions from the CARES Act through August 29, 2021.

**Section 9016. Extension of Pandemic Emergency Unemployment Compensation.** This section increases the number of weeks of benefits an individual worker may receive in the Pandemic Emergency Unemployment Compensation (PEUC) program from 24 to 48, and extends the period of time in which workers can receive PEUC benefits if they exhaust regular state UI benefits through August 29, 2021. The section also includes rules for the order in which various types of unemployment benefits should be paid.

**Section 9017. Extension of Temporary Financing of Short-Time Compensation Payments in States with Programs in Law.** This section extends full federal financing of benefits provided in Short-Time Compensation programs for states which have laws establishing such programs within their Unemployment Insurance systems through August 29, 2021.

**Section 9018. Extension of Temporary Financing of Short-Time Compensation Agreements for States without Programs in Law.** This section extends through August 29, 2021 a 50 percent subsidy for temporary Short-Time Compensation programs, which states established using administrative authority during the pandemic, in states that have not amended state law to permit access in the future.

#### **Part 2 – Extension of FFCRA Unemployment Provisions**

**Section 9021. Extension of Temporary Assistance for States with Advances.** This section ensures that the earliest date on which states would begin accumulating interest on federal loans they have taken to pay state unemployment benefits would be August 29, 2021. The loans allow states with low balances in their unemployment trust funds to delay employer tax increases or other employer surcharges while the economy is struggling.

**Section 9022. Extension of Full Federal Funding of Extended Unemployment Compensation.** This section extends through August 29, 2021, the provision in the Families First Coronavirus Response Act that provides temporary full federal financing of Extended Benefits (EB) for high-unemployment states. States are normally required to pay 50 percent of the cost of EB, which is a program in permanent law.

#### **Part 3 – Department of Labor Funding for Timely, Accurate, and Equitable Payment**

**Section 9031. Department of Labor Funding.** This section provides a direct appropriation of \$8 million to the Department of Labor's Employment and Training Administration for costs related

to day-to-day federal administration of unemployment insurance, including the temporary pandemic programs.

*Section 9032. Fund for Fraud Prevention, Equitable Access, and Timely Payment to Eligible Workers.* This section appropriates \$2 billion to the Department of Labor specifically to support program integrity and timely and equitable access to benefits. The Secretary of Labor would be authorized to use the funds directly to develop system-wide program integrity and address access barriers and processing backlogs, distribute funds to state and territorial Unemployment Insurance programs for these purposes, and also to make transfers to the Office of the Inspector General or the Department of Justice or other agencies to support unemployment fraud investigations or prosecutions.

**Effective Date**

All of the provisions in the subtitle except Sections 9011 and 9016 are effective on enactment. Sections 9011 and 9016 apply as if they had been included in the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), except that no benefits are payable under such Sections before the date of enactment.

**III. VOTES OF THE COMMITTEE**

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of Subtitle A, Crisis Support for Unemployed Workers on February 10, 2021.

An amendment to the amendment in the nature of a Substitute to Subtitle A that would strike and replace the \$400/weekly supplement with an amount equal to 50% of a claimants' weekly benefit amount as determined by the state was offered by Mr. Brady. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCARELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment to the amendment in the nature of a substitute to Subtitle A that would allow states to pay a lower weekly supplement amount than \$400 and use remaining dollars for return-to-work bonuses or re-employment services for unemployed workers was offered by Mr. Smith of Nebraska. The amendment was defeated by a vote of 17 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED			
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	17		

An amendment to the amendment in the nature of a substitute to Subtitle A that would incorporate a benefit phaseout period and application deadline was offered by Mr. Hern. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

572

An amendment to the amendment in the nature of a substitute to Subtitle A that would strike and replace "75" with "100" to increase the amount of unemployment reimbursement for non-profit organizations was offered by Mr. Smucker. The amendment was withdrawn.

An amendment to the amendment in the nature of a substitute to Subtitle A that would require states to verify identity and receive documentation of prior wages of applicants for Pandemic Unemployment Assistance prior to authorizing benefits was offered by Mr. Nunes. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

574

An amendment to the amendment in the nature of a substitute to Subtitle A that would provide relief by holding harmless taxpayers that had their identities stolen and were victims of unemployment fraud was offered by Mr. Wenstrup. The amendment was withdrawn.

The Chairman's amendment in the nature of a substitute to Subtitle A was agreed to by a voice vote (with a quorum being present).

Subtitle A was ordered favorably transmitted to the House Committee on the Budget as amended by an amendment in the nature of a substitute offered by Chairman Neal by a vote of 24 yeas to 18 nays. The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCARELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS	X			MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT							
CHAIRMAN NEAL	X						
<b>TOTALS</b>	24			<b>TOTALS</b>		18	

**IV. BUDGET EFFECTS OF THE SUBTITLE****A. Committee Estimate of Budgetary Effects**

In compliance with clause 3(d) of Rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of the subtitle, Crisis Support for Unemployed Workers, as reported. The Committee agrees with the estimate prepared by the Congressional Budget Office (CBO), which is included below.

**B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimates of new budget authority, budget outlays, tax expenditures, or revenues contained in the cost estimate prepared by the CBO.

**C. Cost Estimate Prepared by the Congressional Budget Office**

In compliance with clause 3(c)(3) of Rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, the Committee has received the following cost estimate for the Reconciliation Recommendations of the Committee on Ways and Means.



CONGRESSIONAL BUDGET OFFICE  
U.S. Congress  
Washington, DC 20515

*Phillip L. Swagel, Director*

February 15, 2021

Honorable Richard Neal  
Chairman  
Committee on Ways and Means  
U.S. House of Representatives  
Washington, DC 20515

Dear Mr. Chairman:

The Congressional Budget Office has prepared the enclosed cost estimate for the Reconciliation Recommendations of the Committee on Ways and Means.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Alice Burns.

Sincerely,

A handwritten signature in black ink, appearing to read "Phillip L. Swagel".

Phillip L. Swagel

Enclosure

cc: Honorable Kevin Brady  
Ranking Member

<b>At a Glance</b>			
<b>Reconciliation Recommendations of the House Committee on Ways and Means</b>			
<b>As ordered reported on February 10 and 11, 2021</b>			
By Fiscal Year, Millions of Dollars	2021	2021-2030	2021-2031
Direct Spending (Outlays)	<b>654,581</b>	<b>877,761</b>	<b>878,022</b>
Revenues	<b>-33,809</b>	<b>-49,588</b>	<b>-45,638</b>
Increase or Decrease (-) in the Deficit	<b>688,390</b>	<b>927,349</b>	<b>923,660</b>
Statutory pay-as-you-go procedures apply?	Yes	<b>Mandate Effects</b>	
Increases on-budget deficits in any year after 2030?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	<b>Yes, Over Threshold</b>
CBO has not reviewed the legislation for effects on spending subject to appropriation.			
<b>The legislation would</b>			
<ul style="list-style-type: none"> <li>• Extend until August 29, 2021, many of the enhanced unemployment compensation benefits created under the CARES Act and the Families First Coronavirus Relief Act</li> <li>• Increase and expand the subsidies for health insurance coverage through the marketplaces for calendar years 2021 and 2022, increase marketplace subsidies for people receiving unemployment benefits in 2021, and subsidize COBRA premiums at 85 percent for people through September 2021</li> <li>• Provide additional recovery rebates to eligible people, expand the child tax credit, Earned Income Tax Credit, and the child and dependent care credit in 2021, and extend and modify tax credits for paid sick and family leave and for employee retention</li> <li>• Provide additional assistance to some multiemployer defined benefit pension plans that are financially troubled and reduce funding requirements for single-employer pension plans</li> <li>• Impose private sector mandates by requiring COBRA notifications and amending the Internal Revenue Code</li> </ul>			
<b>Estimated budgetary effects would mainly stem from</b>			
<ul style="list-style-type: none"> <li>• An increase in spending on unemployment benefits</li> <li>• An increase in premium tax credits for health insurance purchased through the marketplaces and federal subsidies for COBRA premiums</li> <li>• Additional recovery rebates and expanded tax credits</li> <li>• Increased assistance to private pension plans</li> </ul>			
<b>Areas of significant uncertainty include</b>			
<ul style="list-style-type: none"> <li>• General economic conditions that would affect the number of people eligible for and receiving benefits like unemployment insurance and expanded tax credits</li> </ul>			
<b>Detailed estimate begins on the next page.</b>			

See also CBO's *Cost Estimates Explained*, [www.cbo.gov/publication/54437](http://www.cbo.gov/publication/54437);  
*How CBO Prepares Cost Estimates*, [www.cbo.gov/publication/53519](http://www.cbo.gov/publication/53519); and *Glossary*, [www.cbo.gov/publication/42904](http://www.cbo.gov/publication/42904).

### Legislation Summary

S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021, instructed several committees of the House of Representatives to recommend legislative changes that would increase deficits up to a specified amount over the 2021-2030 period. As part of this reconciliation process, the House Committee on Ways and Means approved legislation on February 10 and 11, 2021, with a number of provisions that would increase deficits.

The legislation would extend unemployment benefits, establish a pandemic emergency fund, increase subsidies for health insurance, provide cash payments to eligible people, expand several tax credits, and modify rules for pensions, among other provisions designed to mitigate the impact of the COVID-19 pandemic caused by the coronavirus.

### Estimated Federal Cost

CBO and the staff of the Joint Committee on Taxation (JCT) estimate that the reconciliation recommendations of the Committee on Ways and Means would increase deficits by \$927 billion over the 2021-2030 period. The estimated budgetary effects of the legislation are shown in Table 1. The changes in outlays from the legislation fall within budget functions 500 (education, training, employment, and social services), 550 (health), 570 (Medicare), 600 (income security), 800 (general government), and 900 (net interest).

### Basis of Estimate

For this estimate, CBO and JCT assume that the legislation will be enacted by the end of March 2021.

#### Subtitle A. Crisis Support for Unemployed Workers

Subtitle A would expand and extend until August 29, 2021, many of the enhanced unemployment compensation benefits created under the CARES Act and the Families First Coronavirus Relief Act (FFCRA), including pandemic unemployment assistance (PUA), pandemic emergency unemployment compensation (PEUC), and federal pandemic unemployment compensation (FPUC). In total, added support for the unemployed would increase the deficit by \$246 billion.

The expansion and extension of unemployment insurance benefits could increase the unemployment rate as well as decrease labor force participation throughout the period for which those benefits would be in place. The estimated costs incorporate some behavioral changes from FPUC and the PUA but do not incorporate any behavioral effects on the unemployment or labor force participation rates primarily because CBO has not estimated those effects.

**Federal Pandemic Unemployment Compensation.** Under this legislation, people who receive regular or extended unemployment compensation benefits, trade readjustment allowances, short-time compensation, PUA benefits, or PEUC from March 15, 2021, through August 29, 2021, would receive their regular weekly benefits plus an additional \$400 each week. Under current law, people in these programs are receiving \$300 each week for weeks of unemployment from December 27, 2020, through March 14, 2021. Additionally, people who received at least \$5,000 in self-employment income in the most recent tax year and receive an unemployment benefit other than PUA receive an additional \$100 each week; this legislation would extend that add-on through August 29, 2021. Enacting this provision would increase direct spending by a total of \$163 billion in 2021 and 2022.

**Pandemic Unemployment Assistance.** This legislation would extend the time in which people can apply for PUA and increase the duration of benefits from 50 to 74 weeks. PUA provides weekly cash benefits to people who are unemployed, partially unemployed, or otherwise unable to work because of the coronavirus, but who are not eligible for regular unemployment compensation, extended unemployment benefits, or the PEUC program. CBO estimates that the extension would increase direct spending by \$44 billion in 2021 and 2022.

**Pandemic Emergency Unemployment Compensation.** The PEUC program provides additional weeks of benefits for people who have exhausted regular state unemployment compensation benefits. The legislation would extend the time period in which people can receive PEUC benefits, and increase the duration of benefits from 24 to 48 weeks. CBO estimates that PEUC benefits would increase direct spending by \$35 billion in 2021 and 2022.

**Regular Unemployment Compensation.** The extension of FPUC and the PUA program would increase the costs of regular unemployment compensation relative to CBO's baseline. Although not every eligible person claims benefits, CBO expects that more people would apply for and receive regular unemployment compensation benefits because weekly benefit amounts would temporarily increase under FPUC. However, CBO also expects that fewer people would challenge their denial of regular unemployment benefit payments, because they could apply and receive benefits more quickly through the PUA program (a person cannot collect benefits from both programs). Some people who are initially denied regular benefits later receive those benefits after they appeal to their state workforce agency, so that decrease in appeals would decrease regular unemployment compensation relative to CBO's baseline. CBO estimates the net effect would be to increase regular unemployment insurance outlays by \$0.4 billion in 2021.

**Extended Unemployment Compensation.** This legislation would extend the temporary full federal financing of extended unemployment benefits through August 29, 2021. States are normally required to pay half the cost of those benefits. However, because this legislation

also would extend the number of weeks available under the PEUC program, CBO expects that most people who would have received extended benefits in 2021 would receive PEUC benefits instead. CBO estimates the net effect would be to decrease extended unemployment compensation outlays by \$3 billion in 2021.

**Other Unemployment Provisions.** Subtitle A contains additional unemployment insurance provisions that would increase outlays by about \$3 billion over the 2021-2030 period. These provisions would:

- Extend increased federal funding for short-time compensation programs (\$0.3 billion);
- Temporarily waive the accrual of interest on federal loans to state unemployment trust funds (\$0.7 billion);
- Allow the Department of Labor (DOL) to continue providing funds to states for administration of FPUC and the PUA and PEUC programs (\$0.1 billion); and
- Directly appropriate funds to DOL for administrative and program integrity activities associated with unemployment compensation programs (\$2 billion).

As a result of the provisions in subtitle A, CBO estimates that revenues would decrease, on net, by about \$3.4 billion over the 2021-2030 period, mostly in 2021. The unemployment insurance system is a federal-and-state partnership: unemployment compensation benefits paid by states are recorded as federal outlays and the taxes levied by states to pay for certain benefits are recorded as federal revenues. CBO expects that any change in outlays would be partially offset by a change in revenues so that state unemployment insurance trust funds remained in balance. The legislation contains several provisions that would shift the funding of certain unemployment benefits from the states to the federal government. As a result, states' unemployment taxes would be lower and federal revenues would decline.

Specifically, the legislation would shift funding from the states to the federal government for a portion of the regular unemployment compensation benefits paid between March 15, 2021, and August 29, 2021, for people who worked for public-sector entities and nonprofit organizations. That provision would decrease revenues by a total of \$1.8 billion in 2021 and 2022. Under the legislation, if states waive the current one-week waiting period, the federal government would fully reimburse them for the first week of regular unemployment benefits through August 29, 2021. This provision would decrease revenue by about \$2.0 billion over 2021 and 2022.

CBO estimates that those decreases in federal revenues would be partially offset by a \$0.3 billion increase over the 2021-2030 period as states respond to smaller balances in their



unemployment trust fund accounts by increasing their future collections of unemployment taxes.

**Subtitle B. Emergency Assistance to Families through Home Visiting Programs**

Section 9101 would appropriate an additional \$150 million through the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program and establish rules for use of that funding. To be eligible for funding, entities must meet specified criteria, including maintenance of staffing levels and coordination with local diaper banks. Entities may use the funding to serve additional families; to cover ongoing staffing, training, and administrative costs (including the costs associated with conducting virtual home visits); and to pay for emergency supplies. CBO estimates that subtitle B would increase direct spending by \$149 million over the 2021-2030 period.

**Subtitle C. Emergency Assistance to Children and Families**

Section 9201 would appropriate \$1 billion for a newly established fund, the Pandemic Emergency Fund. Through grants to states and tribes, this fund would provide nonrecurring short-term benefits, like cash and vouchers, to eligible families with low incomes. CBO expects that the fund would increase direct spending by \$1 billion over the 2021-2030 period.

**Subtitle D. Elder Justice and Support Guarantee**

Section 9301 would provide additional funding for programs authorized by the Elder Justice Act, including long-term care ombudsman programs, elder abuse forensic centers, and grants to states for adult protective services. CBO estimates that subtitle D would increase direct spending by \$276 million over the 2021-2030 period.

**Subtitle E. Support to Skilled Nursing Facilities in Response to COVID-19**

Section 9401 would appropriate \$200 million to support COVID-19 infection control in skilled nursing facilities (SNFs). The funding would be used to develop and disseminate COVID-19 prevention protocols through contracted quality improvement organizations (QIOs). Based on historical spending patterns, CBO estimates that this section would increase direct spending by \$200 million over the 2021-2030 period.

Section 9402 would appropriate funding to create strike teams in SNFs. Under this section, \$250 million would be provided to states, including the District of Columbia and U.S. territories, to establish strike teams in SNFs with suspected or diagnosed cases of COVID-19. The strike teams would assist SNFs with clinical care, infection control, or staffing for the duration of the pandemic public health emergency. Based on historical spending patterns, CBO estimates that this section would increase direct spending by \$250 million over the 2021-2030 period.

**Subtitle F. Preserving Health Benefits for Workers**

Under current law, people who lose their job or experience another qualifying event that results in a termination of their employment-based health insurance are eligible to continue health insurance coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA). If an individual chooses to enroll in COBRA coverage, he or she may be required to pay up to 102 percent of the total premium and can maintain the coverage for 18 months. Under section 9501, qualifying COBRA enrollees would be required to pay 15 percent of the total COBRA premium from the first of the month following the date of enactment through September 30, 2021. The federal government would provide a subsidy on behalf of the individual for the remainder. People would be eligible for premiums to be paid on their behalf if they are enrolled in, or are eligible to enroll in, COBRA coverage because of an involuntary termination or reduction of hours at the time of enactment. Section 9501 would permit eligible people who did not previously elect COBRA coverage and eligible people who discontinued COBRA coverage prior to enactment to enroll within 60 days of being notified about the availability of these subsidies.

CBO and JCT estimate that enacting section 9501 would increase federal deficits by \$7.8 billion over the 2021-2030 period, after accounting for interactions with sections 9661 and 9663 in subtitle G. That increase in deficits would consist of a decrease in direct spending of \$6.5 billion and a decrease in revenues of \$14.3 billion over the period. Those effects would primarily stem from federal subsidies for COBRA premiums, partially offset by a reduction in federal subsidies for other sources of health insurance coverage.

Under current law, after adjusting for the effects of sections 9661 and 9663 (described below), CBO and JCT project that about 800,000 people would be enrolled in COBRA coverage on a full year equivalent basis (FYE), representing less than 10 percent of the eligible population. The estimated take-up of COBRA coverage is low because premiums are not typically subsidized by employers as they are when people are actively employed. The remaining estimated 12 million eligible people who do not enroll in COBRA coverage would enroll in another form of insurance coverage or be uninsured.

In response to the availability of those subsidies, CBO and JCT estimate that an additional 2.2 million people, on a FYE basis, would enroll in COBRA coverage, resulting in a total of about 3 million FYE COBRA enrollees in 2021. In total, the agencies estimate that subsidies for COBRA—for existing and new enrollees—would increase deficits by \$14.8 billion over the 2021-2030 period.

CBO and JCT estimate there would be offsetting effects as people who would newly enroll in COBRA coverage would no longer enroll in other sources of health insurance coverage that are subsidized by the federal government. Of the 2.2 million FYEs that CBO and JCT estimate would newly enroll in COBRA coverage, an estimated 1.1 million would have

otherwise been enrolled in Medicaid or CHIP and about 600,000 would have forgone insurance coverage and been uninsured. About 300,000 FYEs would otherwise have enrolled in subsidized nongroup coverage, and the remainder, about 200,000, would have been enrolled in employment-based coverage. CBO and JCT estimate that those changes in health insurance coverage would offset the cost of the new COBRA subsidy by \$7 billion over the 2021-2030 period. On net, the COBRA provisions in the legislation would increase deficits by \$7.8 billion over the 2021-2030 period.

#### **Subtitle G. Promoting Economic Security**

Subtitle G includes provisions that would modify or extend various tax rules. Those changes include the provision of an additional round of direct payments to people (“recovery rebates”) and changes to the child tax credit, Earned Income Tax Credit (EITC), child and dependent care tax credit, credits for paid sick and family leave, the employee retention credit, and the premium tax credit (or marketplace subsidies).

**2021 Recovery Rebates for Individuals.** For tax year 2021, section 9601 would create a refundable tax credit of \$1,400 (\$2,800 for joint filers) plus \$1,400 per dependent.<sup>1</sup> The credit would phase out for taxpayers with adjusted gross income (AGI) between \$75,000 and \$100,000 (between \$150,000 and \$200,000 for joint filers; between \$112,500 and \$150,000 for head-of-household filers).<sup>2</sup> A similar benefit would be available to residents of U.S. possessions. Advance payments of the credit would be made “as rapidly as possible.”

Eligibility for the advance payments would be based on information reported on 2019 or 2020 (if available) tax returns. Tax year 2020 returns are due to the Internal Revenue Service (IRS) by April 15, 2021. If a 2019 or 2020 return has not been filed by the date of determination of eligibility, other information available to the Treasury could be used to determine eligibility.

Any taxpayers eligible for a larger credit based on tax year 2021 information could claim the additional amount when they file a 2021 tax return, most likely in the spring of 2022. Taxpayers who are eligible for tax year 2021 credits that are less than their advance payments would not be required to repay the difference. Dependent filers would not be eligible, and a Social Security number would be required for eligibility for filers and their

1. Refundable tax credits reduce a taxpayer’s overall income tax liability; if those credits exceed other tax liabilities, the taxpayer may receive the excess in a refund. Such refunds are classified as outlays in the federal budget.

2. AGI refers to total income for the tax year that is not specifically excluded by the tax code minus certain deductions, including contributions to individual retirement accounts, alimony paid, and student loan interest.

dependents. JCT estimates that the provision would increase outlays by \$413.6 billion and reduce revenues by \$8.7 billion over the 2021-2022 period.<sup>3</sup>

**Child Tax Credit.** Section 9611 would expand the child tax credit for 2021 and allow taxpayers to receive the credit in advance of filing tax returns. The credit amount would increase from \$2,000 to \$3,000 for each qualifying child aged 6 and older (or \$3,600 for each child under the age of 6), 17-year-old children would be eligible, and the credit would be fully refundable. The expanded portion of the credit would start to phase out when a taxpayer's income exceeds \$150,000 for joint filers (\$112,500 for head of household filers and \$75,000 for other filers). The phase out reduces the expanded portion of the credit by \$50 for each additional \$1,000 in income. The Secretary of the Treasury would be directed, as feasible, to issue monthly advance payments of the credit based on information from 2019 or 2020 tax returns beginning in July 2021.

Section 9612 would provide for payments to U.S. territories for the cost of the expanded child tax credit, although the advance payments would not apply. For tax years after 2021, residents of Puerto Rico would be able to claim the refundable portion of the child tax credit. JCT estimates that, together, the changes to the child tax credit would increase outlays by \$88 billion and reduce revenues by \$21 billion over the 2021-2030 period.

**Earned Income Tax Credit (EITC).** Sections 9621 through 9626 would expand the EITC in several ways. Some of those changes would apply only to tax year 2021, while others would be permanent.

For tax year 2021, the amount of the credit would be increased for taxpayers with no qualifying children and eligibility for the credit would be expanded to higher-income taxpayers and to certain childless taxpayers who are younger than 25 or older than 65. Taxpayers would also be allowed to use their 2019 earned income to calculate their credit for taxable year 2021, if their earned income in 2021 is less than it was in 2019.

For tax year 2021 and all future years, taxpayers whose children fail to meet certain identification requirements could still claim the EITC for taxpayers with no qualifying children. Separated spouses would also be allowed to claim the EITC, and the amount of investment income that would disqualify a taxpayer from receiving the EITC would increase. In addition, the Secretary of the Treasury would make payments to certain U.S. territories related to the cost of each territory's respective earned income tax credit. JCT estimates that

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3. Joint Committee on Taxation, *Estimated Budgetary Effects of the Revenue Provisions of the Budget Reconciliation Legislative Recommendations, as Passed by the House Committee on Ways and Means on February 11, 2021*, JCX-10-21 (February 15, 2021), <https://www.jct.gov/publications/2021/jcx-10-21/>.

those changes to the EITC would reduce revenues by \$4 billion and increase outlays by \$21 billion over the 2021-2030 period.

**Dependent Care Assistance.** Section 9631 would expand the child and dependent care tax credit available to taxpayers for tax year 2021. The legislation would make the credit refundable, increase the amount of eligible expenses that may be used to calculate the credit, increase the credit rate from 35 to 50 percent, and increase the income levels at which taxpayers' eligibility for the credit begins to phase out. The credit would also be made available to taxpayers who were previously ineligible because they reside outside of the United States, provided they maintain a principal residence in the United States.

Section 9632 would also expand the exclusion for employer-provided assistance for dependent care, increasing the maximum amount of excludable earnings from \$5,000 to \$10,500 for a married couple filing jointly. JCT estimates those provisions would increase outlays by \$4 billion and reduce revenues by \$4 billion over for the 2021-2022 period.

**Credits for Paid Sick and Family Leave.** The Families First Coronavirus Response Act (FFCRA) established fully refundable credits against payroll taxes to compensate employers and self-employed people for coronavirus-related paid sick leave and family and medical leave, which were extended through March 31, 2021, by the Consolidated Appropriations Act, 2021. Section 9641 would extend these credits through September 30, 2021. Sections 9642-9650 would modify the credits for sick or family leave taken after March 31, 2021, (December 31, 2020, for self-employed people) in several ways, including:

- The maximum amount of wages or self-employment income that can be used to calculate the credit would be increased.
- The maximum number of sick days for which an employer may claim the credit would be reset after March 31, 2021.
- The credit would be allowed for leave related to COVID vaccination.
- State and local governments and certain other governmental employers would be allowed to claim the credit.
- The credit would be restructured after March 31, 2021, as a credit against Hospital Insurance (HI) taxes rather than the Old-Age, Survivors, and Disability Insurance (OASDI) taxes.

JCT estimates those changes would increase outlays by \$3.8 billion and reduce revenues by \$1.5 billion over the 2021-2022 period.

**Employee Retention Credit.** The CARES Act, as subsequently modified by the Consolidated Appropriations Act, 2021, allows qualified employers to claim a refundable credit against the employment taxes due from them. Qualified employers are typically those adversely affected by the COVID-19 pandemic, and the amount of credit is equal to

70 percent of up to \$10,000 in qualified wages paid to the eligible employees in any calendar quarter before July 1, 2021, in which the employers were adversely affected. Section 9651 would extend the availability of those employment retention credits by two calendar quarters through December 31, 2021. In addition, after June 30, 2021, the credit would apply against the employer's share of HI taxes rather than OASDI taxes. The credit would continue to be refundable for employers with insufficient tax liability.<sup>4</sup> JCT estimates those changes would increase outlays by \$2 billion and reduce revenues by \$7 billion over the 2021-2022 period.

**Premium tax credit.** Under current law, subsidies for health insurance through the marketplaces established under the Affordable Care Act are primarily provided through premium tax credits, which are available to people with modified adjusted gross income between 100 percent and 400 percent of the federal poverty level (FPL) who are lawfully present in the United States, are not eligible for public coverage (such as Medicaid or the Children's Health Insurance Program (CHIP)), and do not have an affordable offer of employment-based coverage. Eligible people can use those tax credits to lower the out-of-pocket cost of their monthly premiums. The amount of a person's premium tax credit is calculated as the difference between the benchmark premium (that is, the premium for the second-lowest-cost silver plan available in the marketplace in the area of residence) and a specified maximum contribution expressed as a percentage of income. That specified percentage of income varies according to household income.<sup>5</sup>

*Expanding premium assistance for consumers.* Section 9661 would increase premium tax credits for most currently eligible people and expand eligibility to people with incomes greater than 400 percent of the FPL through the end of 2022. For 2021, the legislation would modify the subsidy structure under current law, as detailed in Exhibit 1.

CBO and JCT estimate that section 9661 would increase federal deficits by \$34.2 billion over the 2021-2030 period: an increase in direct spending of \$22.0 billion and a reduction in revenues of \$12.2 billion. Those effects reflect a \$35.5 billion increase in premium tax credits for health insurance purchased through the marketplaces established under the Affordable Care Act, partially offset by other small effects.

Section 9661 would have a twofold effect on people with health insurance coverage through the marketplaces. First, most marketplace enrollees with subsidies under current law would gain access to enhanced subsidies, lowering their out-of-pocket premium costs. Second, marketplace enrollees who are currently ineligible for subsidies because their income is greater than 400 percent of the FPL could gain eligibility for subsidies under the enhanced

4. See pages 58-71 of JCX-3-21 <https://www.jct.gov/publications/2021/jcx-3-21/> for a detailed description of the Employee Retention Credit provisions of the CARES Act, the Consolidated Appropriations Act, and the budget reconciliation recommendations of the Committee on Ways and Means.

5. A silver plan covers about 70 percent of the costs of covered benefits for most people. Cost-sharing reductions have the effect of increasing that share for people between 100 and 249 percent of the federal poverty level.

subsidy structure. In addition to reducing the costs of marketplace coverage for those currently enrolled, CBO and JCT project that the enhanced subsidies would also attract enrollees who are new to the marketplaces, particularly people who are uninsured under current law. CBO and JCT estimate that new marketplace enrollees would account for \$13.0 billion of the estimated increase in premium tax credits and existing marketplace enrollees would account for the remaining \$22.5 billion.

**Exhibit 1. Maximum Income Contribution Percentage by Household Income for Premium Tax Credits in 2021**

Income Range (Percent of FPL)	Range of Maximum Income Contribution Percent of Income <sup>a</sup>	
	Under Current Law	Under Section 9661
100 – 133	2.07	0
133 – 150	3.10 – 4.14	0
150 – 200	4.14 – 6.52	0 – 2.07
200 – 250	6.52 – 8.33	2.07 – 4.14
250 – 300	8.33 – 9.83	4.14 – 6.21
300 – 400	9.83	6.21 – 8.79
400+	–	8.79

Source: Congressional Budget Office.

FPL = federal poverty level.

a. [irs.gov/pub/irs-drop/rp-20-36.pdf](https://www.irs.gov/pub/irs-drop/rp-20-36.pdf)

In general, the enhanced tax credits under the legislation would be larger than the premium tax credits under current law. In an illustrative example, CBO and JCT estimate that a 21-year-old with income at 150 percent of the FPL in 2021 would be eligible for a premium tax credit of about \$3,500 under current law; the tax credit would increase to about \$4,300 under the legislation (see Exhibit 2). CBO and JCT expect that people with incomes just over 400 percent of the FPL who are older or enrolled in family policies or in insurance rating areas with especially high premiums would experience the greatest reduction in net premiums.

**Exhibit 2: Illustrative Example of Premium Tax Credits under Current Law and under Section 9661 in 2021**

	Benchmark Premium <sup>a</sup>	Premium Tax Credit <sup>b</sup>	Net Premium Paid
<b>Single individual with income of \$19,300 in 2021 (150% FPL)<sup>c</sup></b>			
Current Law			
21 years old	\$4,300	\$3,500	\$800
45 years old	\$6,200	\$5,400	\$800
64 years old	\$12,900	\$12,100	\$800
Under Section 9661			
21 years old	\$4,300	\$4,300	\$0
45 years old	\$6,200	\$6,200	\$0
64 years old	\$12,900	\$12,900	\$0
<b>Single individual with income of \$58,000 in 2021 (450% FPL)<sup>c</sup></b>			
Current Law			
21 years old	\$4,300	\$0	\$4,300
45 years old	\$6,200	\$0	\$6,200
64 years old	\$12,900	\$0	\$12,900
Under Section 9661			
21 years old	\$4,300	\$0	\$4,300
45 years old	\$6,200	\$1,100	\$5,100
64 years old	\$12,900	\$7,800	\$5,100
Sources: Congressional Budget Office; staff of the Joint Committee on Taxation.			
All dollar figures have been rounded to the nearest \$50; FPL = federal poverty level.			
a. For this illustration, the Congressional Budget Office estimated, for a 21-year-old, national average premiums for nongroup health insurance in 2021 under current law and under section 9961. On the basis of that amount, CBO calculated premiums for a 45-year-old and a 64-year-old, assuming that the person lives in a state that uses the federal default age-rating methodology. Variation of premiums by age is limited to 3-to-1 for adults under current law and under section 9961.			
b. Under current law, premium tax credits are calculated as the difference between the benchmark premium and a specified percentage of income for a person with income at a given percentage of the FPL.			
c. Income level refers to modified adjusted gross income, which equals adjusted gross income plus untaxed Social Security benefits, foreign earned income that is excluded from adjusted gross income, tax-exempt interest, and income of dependent filers.			

In 2022, the year for which the provision would be in effect for the entire calendar year, CBO and JCT estimate that enacting the provision would increase the number of people with

coverage through the marketplaces by 1.7 million. The agencies project that roughly 40 percent of the additional marketplace enrollees would be people ineligible for premium tax credits under current law because their income exceeds 400 percent of the FPL.

The estimated increase in marketplace enrollment would consist of 1.3 million fewer uninsured people, 300,000 fewer people with nongroup coverage purchased outside of the marketplaces, and 100,000 fewer people with employment-based coverage. The estimated effect on the number of people with employment-based coverage is limited because CBO and JCT do not anticipate that many employers would change their decision to offer health insurance given the temporary nature of the enhanced subsidy.

CBO and JCT estimate that enacting section 9661 would affect health insurance coverage to a much more limited extent in 2021 and 2023. The effect on health insurance coverage in 2021 would be constrained because the enhanced subsidy structure would take effect midway through the plan year. For 2023, CBO and JCT anticipate that some of the estimated increase in enrollment would persist beyond 2022, when the enhanced subsidy structure prescribed by this legislation would expire, and would gradually return to current law levels by 2024.

*Modification of limits on reconciliation of tax credits.* Under current law, people are entitled to advance payments of their subsidies, which are based on income estimated from tax returns for prior years. If people's circumstances change to the extent that their advanced subsidies exceed the actual subsidies to which they are entitled, they may be required to repay some or all of the credits. Section 9662 would remove this requirement for purposes of plan year 2020.

Section 9662 also would eliminate the requirement that people must repay any overpayments of health insurance subsidies received for plan year 2020. JCT estimates that section 9662 would increase the federal deficit by \$6.3 billion over the 2021-2030 period after accounting for interactions with sections 9661 and 9663 as well as section 9501 in subtitle F. This increase would come from a decrease in revenues.

*Application of premium tax credit for people receiving unemployment compensation in 2021.* Under current law, eligible people may receive a premium tax credit for health insurance through the marketplaces that equals the difference between the benchmark premium and a maximum contribution specified as a percentage of household income. Exhibit 1 shows the maximum income contribution percentages for 2021 under section 9661. (CBO and JCT estimated the effects of section 9663 relative to section 9661, which would increase premium tax credits for all currently eligible income levels and expand eligibility to people with incomes greater than 400 percent of the FPL through the end of 2022.)

Section 9663 would increase the amount of the premium tax credit for people receiving unemployment benefits for any length of time in 2021. People with household incomes greater than 100 percent of the FPL after excluding unemployment benefits—who are otherwise eligible for premium tax credits—would receive a premium tax credit as if their income were 133 percent of the FPL in 2021.

After accounting for the effects of section 9661, CBO and JCT estimate that section 9663 would increase federal deficits by \$4.5 billion over the 2021-2030 period, which would consist of an increase in outlays of \$2.4 billion and a decrease in revenues of \$2.1 billion. Those effects would stem primarily from an increase in premium tax credits for health insurance purchased through the marketplaces.

In 2021, CBO and JCT estimate that about 900,000 people enrolled in subsidized coverage through the marketplaces under current law and after incorporating the effects of section 9661 would receive unemployment benefits and an increased subsidy under section 9663. The average incremental subsidy people would receive is estimated to be \$1,040. An additional 500,000 people, who would otherwise obtain health insurance through COBRA or be uninsured, would newly enroll in coverage through the health insurance marketplaces and newly receive on average a premium tax credit of \$7,040.

Overall, the agencies estimate a total of about 1.4 million people receiving unemployment benefits would be enrolled in subsidized coverage through the marketplaces and receive a premium tax credit. The mid-year enactment of the policy would limit the provision's effect on health insurance coverage. CBO and JCT expect that most of the people newly enrolling in coverage through the marketplaces because of the increased premium tax credit are those who would begin receiving unemployment benefits following enactment of the legislation and would have otherwise enrolled in another form of coverage, such as a spouse's employment-based insurance plan or COBRA continuation coverage. The provision would not affect the incentives of most recipients to take a new job because they would be considering job offers from employers that would not provide them with an offer of health insurance coverage that would disqualify them from receiving the subsidy in 2021. For recipients considering job offers that would disqualify them from receiving the subsidy because the job included an affordable offer of employment-based health insurance, the effect of the provision on the disincentive to take the job would depend on the extent of the subsidy for health insurance provided by the employer.

For 2022, CBO and JCT anticipate that some of the estimated increase in enrollment would persist beyond 2021, when the increase in premium tax credits in this provision would expire, and would return to current law levels by 2023.

**Miscellaneous tax provisions.** Section 9671 would repeal the option for taxpayers to elect to allocate interest expenses on a worldwide basis, effective for tax years beginning after December 31, 2020. Under current law, for the first taxable year beginning after December 31, 2020, U.S. corporations with worldwide operations can make a one-time, irrevocable election to treat the interest expenses of their foreign and domestic affiliates as if they were a single group, instead of being required to consider domestic and foreign affiliates separately in allocating and apportioning interest expense. For some corporations, making that election would result in increased foreign-source income, which would allow them to claim additional foreign tax credits when calculating their U.S. tax liability. Section 9671 would repeal this provision, eliminating the ability of U.S.-based corporations to elect worldwide allocation of interest expense in calculating their foreign-source income for the purposes of determining allowable foreign tax credits. JCT estimates the repeal would increase revenues by \$20 billion over the 2021-2030 period.

Subtitle G also would appropriate funding to the IRS to implement provisions in the legislation. Sec 9601 would appropriate about \$1.5 billion for activities related to Recovery Rebates and taxpayer assistance, and to modernize and secure IRS systems. Sec 9611 would appropriate about \$0.4 billion to facilitate advance payments of child tax credits to taxpayers.

#### **Subtitle H. Pensions**

Subtitle H, the Butch Lewis Emergency Pension Plan Relief Act of 2021, would provide additional assistance to certain multiemployer defined benefit pension plans, reduce funding requirements for single-employer pension plans, with a specific provision for community newspapers, and freeze the cost-of-living indexation of the limits on contributions to pension plans.

**Multiemployer pension plans.** Under current law, the Pension Benefit Guaranty Corporation (PBGC) guarantees the payment of benefits for about 10 million participants in multiemployer pension plans by providing financial assistance to plans that become insolvent. As a condition of receiving assistance, those plans must reduce participants' benefits to a maximum guaranteed amount.

Multiemployer plans are categorized according to how well-funded they are and how long they are projected to remain solvent. Plans have various status categories: not in distress (green zone), endangered (yellow zone), seriously endangered (orange zone), or critical (red zone). As of 2017, more than 300 plans were classified as critical and more than 100 of those were classified as critical and declining. In addition, to avert insolvency, the Multiemployer Pension Reform Act of 2014 (MPRA) allows the most financially troubled of the critical plans—the critical and declining plans—to reduce benefits (referred to as benefit suspension) if the Department of the Treasury approves. Currently, 18 plans have been approved to suspend benefits under MPRA.

Assistance is currently paid from PBGC's multiemployer revolving fund, which is supported by premiums that the plans pay and by interest credited on the fund's balance. CBO projects that under current law the revolving fund will be exhausted in 2027. PBGC will then be required to reduce current-law assistance to amounts that can be supported with premium income; that level of funding will reduce participants' benefit payments substantially below the guaranteed amounts.

Under the legislation, PBGC would provide eligible multiemployer plans with grants, which the legislation calls "special financial assistance." Those grants would come from Treasury's general fund rather than from the existing multiemployer revolving fund. Money would be transferred from the general fund to a new fund within PBGC and then disbursed to plans.

PBGC would be required to publish requirements for the grant applications within 120 days of the date of enactment, and applications would have to be submitted by December 31, 2025. During the first two years after enactment, PBGC could give priority to plans with large expected assistance and plans expected to face insolvency within five years. To qualify for a grant, a plan would have to meet one of the following criteria:

- In any plan year beginning in 2020 through 2022, be in critical and declining status or have an approved suspension of benefits;
- In any plan year beginning in 2020 through 2022, be in critical status, be funded at less than 40 percent, based on current liability measures, and have a ratio of active to inactive participants of less than 2:3;
- Have become insolvent after December 16, 2014, but not yet be terminated; or
- Have had a suspension of benefits approved as of the date of enactment.

Plans would be eligible for a grant projected to be sufficient to pay benefits through 2051 and would not be required to repay the grants.

In general, projections would be based on assumptions used in a plan's most recent status determination filing from before January 1, 2021, unless PBGC determined that an assumption was "clearly erroneous."

A special rule applies to the assumed interest rate: Plans could use the lower of the rate used in its status determination and a measure approximately equal to 2 percentage points above the third segment rate (a rate used in determining funding requirements in the single-employer program under current law). CBO expects that rate to be about 5.5 percent, which is lower than the rate used by most plans. However, Central States, Southeast & Southwest Areas Pension Plan, the largest plan projected to be eligible for a grant, uses a lower rate. (The lower the assumed interest rate, the higher the grant amount.)

Grants would be paid in a lump sum and could be used to make benefit payments and pay plan expenses. Special financial assistance would be required to be invested separately from other plan assets, in investment grade bonds or other investments permitted by PBGC, which CBO assumed would have the same returns as investment grade bonds. However, plans could choose when to spend from the grant account and when from their traditional asset account. CBO expects that plans would spend down the grant account first. PBGC could place additional limits on plans receiving grants, including rules about benefit increases, contribution reductions, and investments. Plans would remain in critical status through 2051. Upon insolvency, current law assistance rules would apply.

The legislation also would increase premium rates for multiemployer pension. Under current law, the rate is \$31 per participant for plan year 2021 and will grow with average economy-wide wages in future years; CBO projects the rate would be \$44 for plan year 2031. Under the legislation, the rates would be \$52 for plan year 2031 and would grow with wages thereafter.

To estimate the effects of the multiemployer provisions of the legislation, CBO used a model that simulates projections of the financial condition of multiemployer pension plans, including benefit amounts, employers' contributions, plan assets and liabilities, and financial assistance claims paid by PBGC. The model's inputs include information from public filings of IRS Forms 5500, primarily for plan year 2018. CBO generated a probability distribution of firms' potential financial outcomes by running 500 simulations in which many factors (such as returns on assets, the 30-year Treasury rate, inflation, and the liability discount rate) were varied, and CBO then used the average of those simulations to produce this estimate.

CBO projects that grants would total \$86 billion; of that, \$82 billion would be spent in 2022, \$2 billion in 2023, and \$0.6 billion in 2024. In CBO's projections, 336 plans would receive grants in at least one of the 500 simulations; on average, about 185 plans would receive grants.

CBO estimates that PBGC will make \$7 billion in assistance payments under current law to multiemployer pension plans that are projected to become insolvent over the 2021-2030 period. CBO also projects that the multiemployer revolving fund will be exhausted in 2027, at which point PBGC will reduce financial assistance to amounts that can be supported with premium income. Consequently, spending under current law will not cover the full guaranty payment of benefits for retirees receiving payments from PBGC. Under the legislation, CBO estimates, fewer plans would draw from the revolving fund because the new grants would allow them to remain solvent for longer, reducing spending on current-law assistance by \$2 billion over the 2021-2030 period. As a result, CBO expects that the multiemployer revolving fund would remain solvent until the mid-2040s.

Under the legislation, PBGC would issue rules for the program, review grant applications, and disburse grants. Under the legislation, such activities would be paid from the general fund. CBO estimates that those administrative costs would total \$0.1 billion over the 2021-2030 period.

The multiemployer pension provisions would increase revenues because retirees would receive retirement benefits under the legislation that they would not receive under current law if the pension plans become insolvent. CBO and JCT estimate that those provisions would increase revenues by \$1.7 billion over the 2021-2030 period.

**Single-employer pension plans.** Current law specifies minimum funding requirements for single-employer private pension plans. In general, employers must contribute an amount that is at least equal to the present value of future benefits expected to be accrued that year (called the normal cost) plus a portion of the plan's funding shortfall.<sup>6</sup> The funding shortfall is the difference between the plan's assets and the funding target—a measure of the present value of future benefits—which generally must be funded over a seven-year period. The funding target and the normal cost are computed using a complex discounting formula in which different interest rates—currently below 5 percent—are used for benefits that are expected to be paid out over different future periods.

The legislation includes three provisions that would affect single-employer plans.

- First, the legislation would set all previous plan funding shortfalls to zero, thereby permitting a fresh calculation of plan funding deficiencies. These newly calculated shortfalls and all future funding shortfalls would be paid off over a period of fifteen years, rather than the current-law period of seven years.
- Second, the interest rate used for calculating minimum plan funding requirements would increase. A higher interest rate reduces the present value of future liabilities, reducing the amount of current funding required. The interest rate would be based on a specified percentage of the corporate bond yields for the segment over the prior 25-year period, known as the 25-year corridor. The Bipartisan Budget Act of 2015 increased those percentages through 2021; the legislation would extend that adjustment through 2026. Additionally, the legislation would institute a 5 percent interest rate floor, so the rate used would be the higher of the formula rate or 5 percent.
- Third, the legislation would allow community newspapers to reduce the amounts they contribute to their pension plans by choosing a higher interest rate of 8 percent. The legislation also would allow plans to fund the shortfall over a period of 30 years.

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6. A present value expresses a flow of future payments as a single amount at a specific time. The value depends on the rate of interest, known as the discount rate, used to translate future cash flows into current dollars

All three provisions would reduce required employer contributions, which would increase the degree to which some plans are underfunded and would over the next decade increase both federal revenue and income from PBGC premiums.

Employers can deduct their pension fund contributions from taxable income, and JCT estimates that the reduction in contributions would result in \$12.6 billion in increased revenues from corporate income tax collections over the 2021-2030 period.

Most single-employer pension plans are underfunded and pay variable-rate premiums to PBGC that are based on the amount by which the plans are underfunded. For 2021, the premium rate is 4.6 percent of a plan's funding shortfall. Smaller contributions would result in greater shortfalls and higher variable-rate premiums. (Variable-rate premiums would be based on the funding shortfall computed using current-law interest rates, not the higher rates that would be used to compute minimum contributions.)

CBO estimates that receipts from variable-rate premiums would increase by \$7.2 billion over the 2021-2030 period because of the increase in underfunding.

**Freeze Cost-of-Living Indexation for Pension Contributions.** Under current law, there are limits on the contributions that people can make to defined contribution retirement plans and on amounts paid by defined benefit pension plans, and those limits are adjusted annually for cost-of-living (COLA) increases. The legislation would stop those COLA adjustments for overall contributions to defined contribution plans and for the maximum annual benefit under a defined benefit plan, freezing those amounts, effective for calendar years beginning after December 31, 2030. The freeze also would apply to the limit on the annual compensation of an employee that may be taken into account under a qualified plan. This measure excludes individual retirement accounts (IRAs), certain deferred compensation plans maintained by state and local governments and tax-exempt organizations (457(b) plans), simplified employee pension (SEP) plans, and union plans; indexation would continue to apply to those programs. JCT estimates that the provision would reduce revenues by \$29 million over the 2021-2030 period.

#### **Subtitle I. Child Care for Workers**

Section 9801 would amend title IV of the Social Security Act to permanently increase total funding for the Child Care Entitlement Program to \$3.55 billion. That program, which provides assistance to low-income families who need child care because of work and work-related activities, is currently authorized through September 30, 2021, at an annualized rate of \$2.92 billion. CBO's baseline projections include the assumption that the program will continue at that level of funding, consistent with the rules specified in section 257 of the Balanced Budget and Emergency Deficit Control Act of 1985. Thus, relative to CBO's

baseline, Section 9801 would increase budget authority for the program by \$0.63 billion annually.

#### **Net Effects on Health Insurance Coverage**

CBO and JCT estimate that the legislation would reduce the number of people under age 65 in the United States without health insurance coverage by about 800,000 in 2021, 1.3 million in 2022, and 400,000 in 2023. Most of the effect in 2021 would stem from section 9501, as people would enroll in COBRA rather than forgoing insurance coverage. Overall, the greatest reduction in the number of uninsured people would stem from section 9661. Enacting that section, which would increase premium tax credits for all currently eligible income levels and expand eligibility to people with incomes greater than 400 percent of the FPL, would decrease the number of people without health insurance by 1.3 million in 2022.

#### **Uncertainty**

The continuing effects of COVID-19 on the labor markets, an important component of much of this estimate, are difficult to predict. In addition, the interaction between expanded unemployment benefits, the unemployment rate and labor force participation, and the consequent effects on the budget are difficult to estimate. It is also difficult to forecast eligibility for and responses to new subsidies for health insurance. With respect to Subtitle H, there is uncertainty about both the number of pension plans that would qualify for grants and about the amount that each plan would receive.

The revenue estimates provided here are uncertain because they rely on underlying projections and other estimates that are uncertain. Specifically, they are based in part on CBO's economic projections for the next decade under current law, and on estimates of changes in taxpayers' behavior in response to changes in tax rules.

#### **Pay-As-You-Go Considerations**

The Statutory Pay-As-You-Go Act of 2010 establishes budget-reporting and enforcement procedures for legislation affecting direct spending or revenues. The net changes in outlays and revenues that are subject to those pay-as-you-go procedures are shown in Table 1.

#### **Increases On-Budget Deficits in any Year after 2030**

Several provisions would have budgetary effects after 2030, but CBO, in consultation with JCT, projects that on net, the legislation would not increase on-budget deficits in any year after 2030.

#### **Mandates**

CBO and JCT have determined that the legislation would impose private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). Using information from JCT, CBO

estimates that the aggregate cost of the mandates imposed by the legislation would exceed the annual private-sector threshold established in UMRA (\$170 million in 2021, adjusted annually for inflation).

Specifically, the tax provisions of the bill would impose two private-sector mandates by repealing worldwide interest allocation and extending the amortization period for single employer pension plans.

The nontax provisions of the legislation would impose private sector mandates by requiring group health plans to include additional information about COBRA eligibility and premium assistance in notifications made to beneficiaries. Because group health plans routinely provide information to beneficiaries, CBO estimates that the additional cost of those mandates would be small.

CBO and JCT have determined that the legislation would not impose intergovernmental mandates as defined in UMRA.

#### **Estimate Prepared By**

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- Meredith Decker (unemployment insurance)
- Jared Hirschfield (private health insurance and COBRA)
- Wendy Kiska (pensions)
- Justin Latus (elder justice)
- Rachel Matthews (skilled nursing facility strike forces)
- Susanne Mehlman (pandemic emergency fund and child care)
- Noah Meyerson (pensions)
- Matthew Pickford (Internal Revenue Service)
- Carolyn Ugolino (private health insurance and COBRA)
- Emily Vreeland (private health insurance and COBRA)

Revenues: Staff of the Joint Committee on Taxation

Mandates: Andrew Laughlin and the staff of the Joint Committee on Taxation

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Table 1 Estimated Budget Effects of Reconciliation Recommendations As Reported by the House Committee on Ways & Means on February 10 and 11, 2021												
	2021	2022	2023	By Fiscal Year, Millions of Dollars							2021-	2021-
				2024	2025	2026	2027	2028	2029	2030	2031	2030
Increases or Decreases (-) in Direct Spending Outlays												
<b>Subtitle A – Crisis Support for Unemployed Workers<sup>a</sup></b>												
Federal Pandemic Unemployment Compensation												
<i>Estimated Budget Authority</i>	154,920	8,130	0	0	0	0	0	0	0	0	0	163,050
<i>Estimated Outlays</i>	154,920	8,130	0	0	0	0	0	0	0	0	0	163,050
Pandemic Unemployment Assistance												
<i>Estimated Budget Authority</i>	42,030	2,210	0	0	0	0	0	0	0	0	0	44,240
<i>Estimated Outlays</i>	42,030	2,210	0	0	0	0	0	0	0	0	0	44,240
Pandemic Emergency Unemployment Compensation												
<i>Budget Authority</i>	33,030	1,560	0	0	0	0	0	0	0	0	0	34,590
<i>Estimated Outlays</i>	33,030	1,560	0	0	0	0	0	0	0	0	0	34,590
Regular Unemployment Compensation												
<i>Estimated Budget Authority</i>	385	0	0	0	0	0	0	0	0	0	0	385
<i>Estimated Outlays</i>	385	0	0	0	0	0	0	0	0	0	0	385
Extended Unemployment Compensation												
<i>Estimated Budget Authority</i>	-3,030	0	0	0	0	0	0	0	0	0	0	-3,030
<i>Estimated Outlays</i>	-3,030	0	0	0	0	0	0	0	0	0	0	-3,030
Short-Time Compensation Programs												
<i>Estimated Budget Authority</i>	295	15	0	0	0	0	0	0	0	0	0	310
<i>Estimated Outlays</i>	295	15	0	0	0	0	0	0	0	0	0	310
Interest on Advances to State Unemployment Trust Funds												
<i>Estimated Budget Authority</i>	0	291	117	143	167	0	0	0	0	0	0	708
<i>Estimated Outlays</i>	0	291	117	143	167	0	0	0	0	0	0	708
Administrative Funding for States												
<i>Estimated Budget Authority</i>	140	0	0	0	0	0	0	0	0	0	0	140
<i>Estimated Outlays</i>	140	0	0	0	0	0	0	0	0	0	0	140
Administrative Funding for the Department of Labor												
<i>Budget Authority</i>	0	2,008	0	0	0	0	0	0	0	0	0	2,008
<i>Estimated Outlays</i>	0	602	1,004	201	201	0	0	0	0	0	0	2,008
<b>Subtitle A Total</b>	<b><i>Estimated Budget Authority</i></b>	<b>227,770</b>	<b>14,214</b>	<b>117</b>	<b>143</b>	<b>157</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>242,401</b>
	<b><i>Estimated Outlays</i></b>	<b>227,770</b>	<b>12,808</b>	<b>1,121</b>	<b>344</b>	<b>358</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>242,401</b>
<b>Subtitle B – Emergency Assistance to Families through Home Visiting Programs</b>												
Sec. 9101. Home Visiting Programs												
<i>Budget Authority</i>	150	0	0	0	0	0	0	0	0	0	0	150
<i>Estimated Outlays</i>	5	48	60	36	0	0	0	0	0	0	0	149
<b>Subtitle C – Emergency Assistance to Children and Families</b>												
Sec. 9201. Pandemic Emergency Fund												
<i>Budget Authority</i>	1,000	0	0	0	0	0	0	0	0	0	0	1,000
<i>Estimated Outlays</i>	375	535	50	40	0	0	0	0	0	0	0	1,000
<b>Subtitle D – Elder Justice and Support Guarantee</b>												
Sec. 9301. Additional Funding for Aging and Disability Services Programs												
<i>Estimated Budget Authority</i>	88	188	0	0	0	0	0	0	0	0	0	276
<i>Estimated Outlays</i>	40	120	88	28	0	0	0	0	0	0	0	276
<b>Subtitle E – Support to Skilled Nursing Facilities in Response to COVID-19</b>												
Sec. 9401. Infection Control Support Through Quality Improvement Organizations												
<i>Budget Authority</i>	200	0	0	0	0	0	0	0	0	0	0	200
<i>Estimated Outlays</i>	22	128	50	0	0	0	0	0	0	0	0	200
Sec. 9402. Funding for Strike Teams for Resident and Employee Safety												
<i>Budget Authority</i>	250	0	0	0	0	0	0	0	0	0	0	250
<i>Estimated Outlays</i>	50	175	25	0	0	0	0	0	0	0	0	250
<b>Subtitle E Total</b>	<b><i>Estimated Budget Authority</i></b>	<b>450</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>450</b>
	<b><i>Estimated Outlays</i></b>	<b>72</b>	<b>303</b>	<b>75</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>450</b>

continued

Table 1. Estimated Budget Effects of Repealable Recommendations by the House Committee on Ways & Means on February 10 and 11, 2021

Continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
<b>Subtitle F – Preserving Health Benefits for Workers<sup>8b</sup></b>													
Sec. 9501. Preserving Health Benefits for Workers													
Estimated Budget Authority	-6,018	-374	-74	0	0	0	0	0	0	0	0	-6,466	-6,466
Estimated Outlays	-6,021	-371	-74	0	0	0	0	0	0	0	0	-6,466	-6,466
<b>Subtitle G – Promoting Economic Security</b>													
<b>Part 1 – 2021 Recovery Rebates to Individuals<sup>9</sup></b>													
Sec. 9601. Recovery Rebates for Individuals													
Estimated Budget Authority	404,937	8,700	0	0	0	0	0	0	0	0	0	413,637	413,637
Estimated Outlays	404,937	8,700	0	0	0	0	0	0	0	0	0	413,637	413,637
Internal Revenue Service													
Budget Authority	1,465	0	0	0	0	0	0	0	0	0	0	1,465	1,465
Estimated Outlays	483	459	483	0	0	0	0	0	0	0	0	1,465	1,465
Fiscal Service													
Budget Authority	7	0	0	0	0	0	0	0	0	0	0	7	7
Estimated Outlays	3	4	0	0	0	0	0	0	0	0	0	7	7
Treasury Inspector General for Tax Administration													
Budget Authority	8	0	0	0	0	0	0	0	0	0	0	8	8
Estimated Outlays	2	3	3	0	0	0	0	0	0	0	0	8	8
<b>Part 2 – Child Tax Credit<sup>8</sup></b>													
Sec. 9611. Child Tax Credit Improvements for 2021 <sup>1</sup>													
Estimated Budget Authority	18,189	66,185	710	721	725	721	307	311	316	320	323	88,485	88,808
Estimated Outlays	18,169	66,185	710	721	725	721	307	311	316	320	323	88,485	88,808
Internal Revenue Service													
Budget Authority	397	0	0	0	0	0	0	0	0	0	0	397	397
Estimated Outlays	199	198	0	0	0	0	0	0	0	0	0	397	397
Fiscal Service													
Budget Authority	16	0	0	0	0	0	0	0	0	0	0	16	16
Estimated Outlays	8	8	0	0	0	0	0	0	0	0	0	16	16
<b>Part 3 – Earned Income Tax Credit</b>													
Sec. 9621. Strengthen the EITC for Individuals With No Qualifying													
Estimated Budget Authority	0	9,278	0	0	0	0	0	0	0	0	0	9,278	9,278
Estimated Outlays	0	9,278	0	0	0	0	0	0	0	0	0	9,278	9,278
Sec. 9622. Eligibility With Qualifying Children Who Fail to Meet Certain Identification Requirements <sup>8</sup>													
Estimated Budget Authority	0	11	2	1	1	1	2	2	2	2	2	24	26
Estimated Outlays	0	11	2	1	1	1	2	2	2	2	2	24	26
Sec. 9623. Credit Allowed in Case of Certain Separated Spouses													
Estimated Budget Authority	0	18	18	19	20	21	21	22	23	24	24	188	210
Estimated Outlays	0	18	18	19	20	21	21	22	23	24	24	188	210
Sec. 9624. Modification of Disqualified Investments Income Test <sup>8</sup>													
Estimated Budget Authority	0	224	141	143	165	164	162	159	159	165	173	1,482	1,655
Estimated Outlays	0	224	141	143	165	164	162	159	159	165	173	1,482	1,655
Sec. 9625. Application of the EITC in													
Estimated Budget Authority	0	738	746	764	781	798	814	831	849	867	885	7,188	8,074
Estimated Outlays	0	738	746	764	781	798	814	831	849	867	885	7,188	8,074
Sec. 9626. Temporary Special Rule for Determining Earned Income for the EITC <sup>9</sup>													
Estimated Budget Authority	0	2,866	0	0	0	0	0	0	0	0	0	2,866	2,866
Estimated Outlays	0	2,866	0	0	0	0	0	0	0	0	0	2,866	2,866
<b>Part 4 – Dependent Care Assistance<sup>8</sup></b>													
Estimated Budget Authority	0	3,752	0	0	0	0	0	0	0	0	0	3,752	3,752
Estimated Outlays	0	3,752	0	0	0	0	0	0	0	0	0	3,752	3,752
<b>Part 5 – Credits for Paid Sick and Family Leave<sup>8</sup></b>													
Estimated Budget Authority	3,323	431	0	0	0	0	0	0	0	0	0	3,754	3,754
Estimated Outlays	3,323	431	0	0	0	0	0	0	0	0	0	3,754	3,754

continued

Table 7. Estimated Budget Effects of Revenue-Raising Recommendations by the House Committee on Ways & Means on February 10 and 11, 2021  
 (continued)

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
<b>Part 6 - Employee Retention Credit</b>													
<i>Estimated Budget Authority</i>	1,090	878	0	0	0	0	0	0	0	0	0	1,968	1,968
<i>Estimated Outlays</i>	1,090	878	0	0	0	0	0	0	0	0	0	1,968	1,968
<b>Part 7 - Premium Tax Credit</b>													
Sec. 9601. Expanding Premium Assistance for Consumers <sup>3b</sup>													
<i>Estimated Budget Authority</i>	2,731	13,945	4,942	404	0	0	0	0	0	0	0	22,022	22,022
<i>Estimated Outlays</i>	2,731	13,945	4,942	404	0	0	0	0	0	0	0	22,022	22,022
Sec. 9603. Application of the Premium Tax Credit for Individuals Receiving Unemployment Compensation in 2021 <sup>1</sup>													
<i>Estimated Budget Authority</i>	1,351	926	149	0	0	0	0	0	0	0	0	2,426	2,426
<i>Estimated Outlays</i>	1,351	926	149	0	0	0	0	0	0	0	0	2,426	2,426
<b>Subtitle G, Total</b>													
<i>Estimated Budget Authority</i>	433,494	107,952	6,708	2,052	1,692	1,705	1,306	1,326	1,349	1,378	1,407	658,961	660,368
<i>Estimated Outlays</i>	432,296	106,664	7,194	2,052	1,692	1,705	1,306	1,326	1,349	1,378	1,407	658,961	660,368
<b>Subtitle H - The Blatch Lewis Emergency Pension Plan Relief Act of 2021</b>													
Sec. 9704. Multiemployer Pension Plans <sup>6f</sup>													
<i>Estimated Budget Authority</i>	13	82,468	2,496	651	25	13	0	0	0	0	0	85,666	85,666
<i>Estimated Outlays</i>	12	82,452	2,379	497	-341	-1,208	-839	102	91	81	75	83,223	83,304
Sec. 9705. Single-Employer Pension Plans <sup>6h</sup>													
<i>Budget Authority</i>	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Estimated Outlays</i>	-107	-144	-232	-353	-1,124	-93	-917	-1,156	-1,419	-1,643	-1,819	-7,148	-9,007
Sec. 9707. Modification of Special Rules for Minimum Funding Standards for Community Newspaper Plans <sup>6</sup>													
<i>Budget Authority</i>	0	0	0	0	0	0	0	0	0	0	0	0	0
<i>Estimated Outlays</i>	-7	-7	-11	-15	-18	-21	-24	-27	-30	-32	-35	-192	-227
<b>Subtitle H, Total</b>													
<i>Estimated Budget Authority</i>	13	82,468	2,496	651	25	13	0	0	0	0	0	85,666	85,666
<i>Estimated Outlays</i>	-102	82,301	2,136	129	-1,463	-1,320	-1,790	-1,081	-1,356	-1,594	-1,779	75,848	74,070
<b>Subtitle I - Childcare for Workers</b>													
Sec. 9801. Child Care Assistance Programs													
<i>Budget Authority</i>	633	633	633	633	633	633	633	633	633	633	633	6,330	6,963
<i>Estimated Outlays</i>	146	317	456	619	570	601	633	633	633	633	633	5,141	5,774
<b>Total Increase in Direct Spending</b>													
<i>Estimated Budget Authority</i>	657,580	205,081	9,880	3,479	2,507	2,351	1,939	1,958	1,982	2,011	2,040	888,768	890,808
<i>Estimated Outlays</i>	654,581	204,725	11,106	3,148	1,137	998	159	877	624	417	261	877,761	878,022
	<b>Increases or Decreases (-) in Revenues</b>												
<b>Subtitle A - Crisis Support for Unemployed Workers<sup>8</sup></b>													
On-budget	-3,380	-349	83	83	65	31	25	4	0	0	0	-3,438	-3,438
<b>Subtitle F - Preserving Health Benefits for Workers<sup>8b</sup></b>													
On-budget	-10,822	-3,468	55	0	0	0	0	0	0	0	0	-14,265	-14,265
Off-budget	4	-32	-13	0	0	0	0	0	0	0	0	-41	-41
Total	-10,822	-3,520	42	0	0	0	0	0	0	0	0	-14,306	-14,306
<b>Subtitle G - Promoting Economic Security</b>													
Part 1 - 2021 Recovery Rebates to Individuals <sup>8</sup>													
Sec. 9801. Recovery Rebates for On-budget	0	-8,700	0	0	0	0	0	0	0	0	0	-8,700	-8,700
Part 2 - Child Tax Credit <sup>8</sup>													
Sec. 9611. Child Tax Credit Improvements for 2021 <sup>1</sup>													
On-budget	-7,657	-13,063	0	0	0	0	0	0	0	0	0	-20,720	-20,720
Part 3 - Earned Income Tax Credit													
Sec. 9621. Strengthen the EITC for Individuals With No Qualifying Children <sup>8</sup>													
On-budget	-521	-2,063	0	0	0	0	0	0	0	0	0	-2,604	-2,604
Sec. 9622. Eligibility With Qualifying Children Who Fail to Meet Certain Identification Requirements <sup>8</sup>													
On-budget	0	-1	0	0	0	0	0	0	0	0	0	0	0

continued

Table 1. Estimated Budget Effects of Reconciliation Recommendations by the House Committee on Ways & Means on February 10 and 11, 2021														
	2021											2021- 2031		
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031			
Sec. 9623. Credit Allowed in Case of Certain Separated Spouses <sup>a</sup>														
On-budget	-1	-2	-3	-3	-3	-4	-4	-5	-5	-6	-7	-8	-9	-42
Sec. 9624. Modification of Disqualified Investments Income Test <sup>b</sup>														
On-budget	-24	-106	-57	-57	-60	-65	-76	-74	-72	-75	-78	-80	-83	-744
Sec. 9626. Temporary Special Rules for Determining Earned Income for the EITC <sup>c</sup>														
On-budget	0	-319	0	0	0	0	0	0	0	0	0	0	0	-319
<b>Part 4 - Dependent Care Assistance<sup>d</sup></b>														
Sec. 9631. Refundability and Enhancement of the Child and Dependent Care Tax Credit														
On-budget	-2,127	-2,085	0	0	0	0	0	0	0	0	0	0	0	-4,212
Sec. 9632. Increase in Exclusion for Employer Provided Dependent Care Assistance														
On-budget	-27	-14	0	0	0	0	0	0	0	0	0	0	0	-41
Off-budget	-51	-25	0	0	0	0	0	0	0	0	0	0	0	-76
Total	-78	-39	0	0	0	0	0	0	0	0	0	0	0	-117
<b>Part 5 - Credits for Paid Sick and Family Leave<sup>e</sup></b>														
On-budget	-731	-723	0	0	0	0	0	0	0	0	0	0	0	-1,454
<b>Part 6 - Employee Retention Credit</b>														
On-budget	-1,701	-5,115	0	0	0	0	0	0	0	0	0	0	0	-6,816
<b>Part 7 - Premium Tax Credits</b>														
Sec. 9661. Expanding Premium Assistance for Consumers <sup>h,i</sup>														
On-budget	-1,419	-8,004	-2,813	-87	23	0	0	0	0	0	0	0	0	-12,310
Off-budget	7	76	52	10	0	0	0	0	0	0	0	0	0	145
Total	-1,412	-7,928	-2,761	-87	23	0	0	0	0	0	0	0	0	-12,165
Sec. 9662. Modification of Limits on Reconciliation of Tax Credits														
On-budget	-4,696	-1,565	0	0	0	0	0	0	0	0	0	0	0	-6,261
Sec. 9663. Application of the Premium Tax Credit for Individuals Receiving Unemployment Compensation in 2021 <sup>j</sup>														
On-budget	-1,379	-841	-108	0	0	0	0	0	0	0	0	0	0	-2,328
Off-budget	107	107	25	0	0	0	0	0	0	0	0	0	0	239
Total	-1,272	-734	-83	0	0	0	0	0	0	0	0	0	0	-2,089
<b>Part 8 - Miscellaneous Provisions</b>														
Sec. 9671. Repeat of Election to Allocate Interest on a Nonrefundable Basis														
On-budget	335	1,277	2,023	2,384	2,383	2,334	2,358	2,385	2,343	2,283	2,327	2,005	2,331	22,331
<b>Subtitle G, Total</b>														
On-budget	-19,940	-41,344	-958	2,127	2,343	2,285	2,273	2,306	2,268	2,202	2,242	46,463	-44,221	
Off-budget	63	158	77	10	0	0	0	0	0	0	0	0	308	
Total	-19,875	-41,186	-881	2,137	2,343	2,285	2,273	2,306	2,268	2,202	2,242	46,463	-43,913	
<b>Subtitle H - The Blatch Lewis Emergency Pension Plan Relief Act of 2021</b>														
Sec. 9704. Multiemployer Pension Plans <sup>o</sup>														
On-budget	12	15	17	25	120	214	257	282	334	377	406	1,663	2,069	
Sec. 9705. Single-Employer Pension Plans <sup>o,p</sup>														
On-budget	229	311	490	688	973	1,273	1,522	1,644	1,811	1,329	976	10,879	11,053	
Off-budget	25	53	95	150	238	312	380	434	447	374	273	2,308	2,791	
Total	254	364	584	838	1,211	1,585	1,902	2,078	2,058	1,703	1,249	12,557	13,834	
Sec. 9707. Modification of Special Rules for Minimum Funding Standards for Community Newspaper Plans <sup>q</sup>														
On-budget	16	10	10	9	7	7	6	4	1	-3	-5	87	63	
Off-budget	2	2	3	3	3	3	2	1	1	1	1	83	21	
Total	18	12	13	12	10	10	8	5	2	-2	-4	170	84	
Sec. 9708. Freeze Cost-of-Living Indexation for Pension Contributions														
On-budget	0	0	0	0	0	0	0	-2	-7	-13	38	16	16	
Off-budget	0	0	0	0	0	0	0	-1	-2	-4	20	7	13	
Total	0	0	0	0	0	0	0	-3	-9	-17	58	23	29	

continued

Table 1. Estimated Budget Effects of Revenue-Like Recommendations by the House Committee on Ways & Means on February 19 and 11, 2021  
 continued

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021- 2030	2021- 2031
<b>Subtitle H, Total</b>													
<b>On-budget</b>	257	336	526	722	1,100	1,494	1,785	1,935	1,939	1,690	1,415	11,787	13,202
<b>Off-budget</b>	27	55	98	153	241	315	353	435	446	371	293	2,524	2,817
<b>Total</b>	284	391	624	875	1,341	1,809	2,138	2,373	2,385	2,061	1,708	14,311	16,019
<b>Total Changes in Revenues</b>													
<b>On-budget</b>	-33,903	-44,845	-294	2,932	3,508	3,790	4,038	4,248	4,205	3,892	3,657	-52,379	-48,722
<b>Off-budget</b>	94	181	162	163	241	315	383	435	446	371	293	2,791	3,084
<b>Total</b>	-33,809	-44,664	-132	3,095	3,749	4,105	4,421	4,683	4,651	4,263	3,950	-49,588	-45,638
	<b>Net Increase or Decrease (-) in the Deficit From Changes in Direct Spending and Revenues</b>												
<b>Estimated Effect on the Deficit</b>	688,390	249,389	11,238	53	-2,612	-3,119	-4,312	-3,806	-4,027	-3,846	-3,689	927,349	923,660
<b>Estimated Change in On-Budget Deficit</b>	688,484	249,570	11,400	210	-2,371	-2,904	-3,929	-3,371	-3,581	-3,475	-3,386	930,140	926,744
<b>Off-Budget Deficit</b>	-94	-181	-162	-163	-241	-315	-383	-435	-446	-371	-293	-2,791	-3,084

Components may not sum to totals because of rounding.  
 CHIP = Children's Health Insurance Program; EITC = earned income tax credit; \* = between zero and \$500 million.

a. Section would affect direct spending and revenues, which are shown separately.

b. The estimated budgetary effects differ from estimates published by the staff of the Joint Committee on Taxation (JCT). This estimate includes \$10 million in funding for implementing section 9501 and for changes in outlays under sections 9501 and 9551 for Medicare, Medicaid, and CHIP, whereas JCT's estimates do not. (See Staff of the Joint Committee on Taxation, Estimated Budgetary Effects of the Revenue Provisions of the Budget Reconciliation Legislative Recommendations, as Passed by the House Committee on Ways and Means on February 11, 2021, JCX-10-21, (February 15, 2021), <https://www.irs.gov/pub/irs-soi/2021br-10-21>.)

c. Includes the budgetary effects of section 9612.

d. Includes the budgetary effects of sections 9701, 9702, and 9703.

e. Includes the budgetary effects of section 9706.

Enclosure: February 11, 2021 House Ways and Means Committee Vote

A motion was offered by Mr. Beyer that the recommendations of the committee, and all appropriate accompanying material including additional, supplemental or dissenting views be favorably transmitted to the House Committee on the Budget, in order to comply with the reconciliation directive included in section 2001 of the Concurrent Resolution on the Budget for Fiscal Year 2021, S. Con. Res. 5, and consistent with section 310 of the Congressional Budget and Impoundment Control Act of 1974 was agreed to by a vote of 25 yeas to 18 nays. The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCRELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS	X			MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT	X						
CHAIRMAN NEAL	X						
<b>TOTALS</b>	25					18	

**V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE****A. Committee Oversight Findings and Recommendations**

With respect to clause 3(c)(1) of Rule XIII and clause 2(b)(1) of Rule X of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

**B. Statement of General Performance Goals and Objectives**

Pursuant to clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, the Committee advises that general performance goal or objective for which the subtitle authorizes funding is to provide continued and adequate unemployment benefits for workers, to prevent fraud and delays, and to reduce costs for employers during the pandemic.

**C. Information Relating to Unfunded Mandates**

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4).

The Committee has determined that the subtitle does not contain Federal mandates on the private sector. The Committee has determined that the subtitle does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

**D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits**

With respect to clause 9 of Rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the subtitle, and states that the provisions of the subtitle do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

**E. Duplication of Federal Programs**

In compliance with clause 3(c)(5) of Rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the subtitle establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report to Congress pursuant to section 21 of Public Law 111-139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant section 6104 of title 31, United States Code.

**F. Hearings**

Pursuant to section 3(u) of H.Res. 8 (117th Congress), no legislative hearings were held in the 117<sup>th</sup> Congress to develop or consider Subtitle A due to the exigent nature of the Covid 19 global pandemic and the need for immediate legislative action.

**VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE**

**A. Text of Existing Law Amended or Repealed by The Subtitle**

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested but did not receive the text of changes in existing law made by the subtitle, as reported.

**VII. DISSENTING VIEWS**

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

February 16, 2021

**DISSENTING VIEWS ON SUBTITLE A.  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATING TO  
CRISIS SUPPORT FOR UNEMPLOYED WORKERS**

Committee Republicans oppose Subtitle A. Federally funded unemployment compensation has massively expanded in response to the devastation caused by the COVID-19 pandemic and government-imposed shutdowns of economic activity. As of February 6, 2021, federal spending on CARES Act unemployment programs, including Pandemic Unemployment Assistance, Emergency Relief for government entities and non-profits, Federal Pandemic Unemployment Compensation, Pandemic Emergency Unemployment Compensation, full funding for the first week of regular compensation, and 100% federal funding for Extended Benefits, exceeded \$435 billion, in a period of less than a year.<sup>1</sup> According to the Congressional Budget Office (CBO), extending and enhancing these programs through August 29<sup>th</sup>, as provided in Subtitle A, will cost an additional \$246 billion and “could increase the unemployment rate as well as decrease labor force participation throughout the period for which those benefits would be in place.”<sup>2</sup>

Last spring, increased unemployment benefits played an important role in helping those who lost a job through no fault of their own and – at the time – made sense as a way to support public health measures and reduce the economic impact of stay-at-home orders. Nearly a year later, we face a much different situation, but Democrats insist on keeping in place enhanced unemployment benefits that discourage work. The unemployment rate has gone from a spike of 14.7% in April 2020 to 6.3% last month. CBO projects a decline in unemployment – even with no additional stimulus – reaching 5.3% by the end of 2021. Nevertheless, this bill would increase enhanced unemployment benefits to \$400 per week, through the end of the summer.

We know, at this level, unemployment benefits can end up replacing more than 100% of a worker’s prior earnings and creates situations where it becomes a rational financial decision for someone to choose to stay on unemployment rather return to safe work. An American Action Forum study estimated at the \$400 level – nationally – 50% of workers could make more on unemployment (*submitted for the record*).<sup>3</sup> This isn’t a hypothetical. Table A (*submitted for the record*) shows the percentage of workers that would make more with the \$400/week unemployment supplement, and how much more they would make – in states represented by Ways and Means Committee Members. In Texas, 55% of workers would make more, and could make up to 177% more than when they were working. In Alabama, 45% of workers would make more, and could make up to 175% more. Despite mounting evidence that a one-size-fits-all solution to unemployment relief is actually hurting efforts to re-open our economy, Democrats want to increase and extend benefits for another six months. Like the \$600, the \$400 added

<sup>1</sup> U.S. Department of Labor, [https://oui.doleta.gov/unemploy/docs/cares\\_act\\_funding\\_state.html](https://oui.doleta.gov/unemploy/docs/cares_act_funding_state.html)

<sup>2</sup> Cost Estimate: Reconciliation Recommendations of the House Committee on Ways and Means, Congressional Budget Office, February 15, 2021.

<sup>3</sup> “Revisiting Federal Pandemic Unemployment Compensation Under the Biden Administration,” Isabel Soto, American Action Forum, February 8, 2021.

weekly benefit is crudely designed and poorly suited for the challenge we now face. As the vaccine is rolled out and states roll back restrictions on businesses – this is the time to reconnect workers with jobs.

Ways and Means Member States	Table A. Impact of Democrat's Proposed \$400/weekly Unemployment Supplement		
	% of Workers that Make More <sup>4</sup>	Minimum Wage	% Wage Replacement <sup>5</sup>
Alabama	45%	\$7.25/hour	175%
Arizona	40%	\$12/hour	133%
California	55%	\$12/hour	133%
Florida	45%	\$8.65/hour	175%
Georgia	50%	\$7.25/hour	187%
Illinois	40%	\$9.25/hour	158%
Indiana	45%	\$7.25/hour	172%
Kansas	60%	\$7.25/hour	180%
Missouri	45%	\$9.45/hour	163%
Nebraska	50%	\$9.00/hour	161%
New York	50%	\$11.80/hour	141%
North Carolina	50%	\$7.25/hour	175%
Ohio	50%	\$8.70/hour	175%
Pennsylvania	50%	\$7.25/hour	177%
South Carolina	45%	\$7.25/hour	175%
Texas	55%	\$7.25/hour	177%

Committee Republicans are committed to finding a solution that can support unemployed workers who lost their jobs because of lockdowns— and make sure temporary job losses don't turn into permanent ones. A better policy would be to find a way to target dollars so supplemental benefits are tailored to each individual and reflect differences in the cost of living across the country. Last June, Democrats on this Committee admitted as much in a press release saying – “Ideally unemployment compensation would be limited to what out-of-work Americans previously earned...”<sup>6</sup>

Two amendments were offered that would provide a smarter, more effective way to continue to support unemployed workers. Instead of a flat \$400/week, the first amendment would have set

<sup>4</sup> “Revisiting Federal Pandemic Unemployment Compensation Under the Biden Administration,” Isabel Soto, American Action Forum, February 8, 2021.

<sup>5</sup> Republican Committee staff estimates using DOL Comparison of State Unemployment Insurance Laws, 2019.

<sup>6</sup> The Benefits of Extending Enhanced Unemployment Compensation,” Ways and Means Committee Democrats, June 5, 2020.

the Federal Pandemic Unemployment Compensation bonus as equal to 50% of an unemployed worker's weekly benefit amount, which is determined by the state. The benefit of this approach is that it individualizes the supplement and is anchored in prior wages and state policy. It also means no one would end up making more on unemployment than when they were working. Using this formula, wage replacement rates would range from 71% in Indiana to 98% in Oregon, with higher wage replacement rates for low-wage workers. Importantly, this approach would not require states to change their benefit calculation formulas. The weekly benefit amount is a known number every state determines for each person. The state would only need to apply a multiplier of 0.5 and issue a second check in that amount. This amendment offered a plausible alternative and provided a more responsible path for targeting additional unemployment assistance to those who need it, without the hazard of creating a permanent class of long-term unemployed. The amendment was unanimously rejected by Committee Democrats.

A second amendment would have allowed states to choose what fits their needs. In December, 18 states had an unemployment rate lower than 5%. States face different circumstances and should be provided flexibility to direct additional unemployment funding in a way that supports their workers and economic growth. Under this amendment, states could choose to pay a lower unemployment amount than \$400 – such as \$100, \$200, or \$300 per week – and re-direct remaining money to activities that help get people back to work. This could include a return-to-work bonus, such as those offered by Idaho last summer,<sup>7</sup> or states could use leftover dollars for re-employment and eligibility assessment services (RESEA) to address individual reemployment needs of claimants. The amendment was unanimously rejected by Committee Democrats.

A third amendment would have put in place a benefit phase-out period, consistent with the one first included in Democrats HEROES bill (H.R. 6800) and put in place as part the December bipartisan agreement to extended unemployment benefits through April 5, 2021 (P.L. 116-260). The purpose is to make sure these temporary federal programs are phased-out responsibly. This amendment added an application deadline and a gradual phase-out period, so individuals don't face another cliff in August. The amendment would have included an earlier date, July 25<sup>th</sup>, prior to the program's expiration of August 29<sup>th</sup>, after which no new applicants would be accepted, but existing claimants could continue to receive benefits as long as they remain eligible through August 29<sup>th</sup>. This creates a buffer period for recipients prior to program expiration. Despite the fact that it was originally their idea to include a phaseout period, and they agreed to one in December, the amendment was unanimously rejected by Committee Democrats. It's as though Democrats want to put in place another cliff and extend the emergency CARES Act unemployment programs in perpetuity.

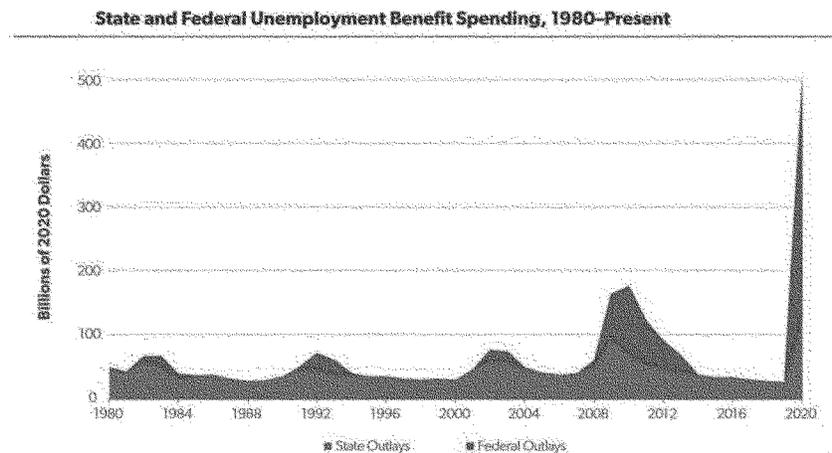
Finally, it should not go unnoticed that the amount of unemployment aid in this bill is grossly out of proportion compared to past recessions. As shown in Figure 1<sup>8</sup> (*submitted for the record*), it is estimated that Congress has allocated more than \$630 billion to unemployment benefits since the beginning of the pandemic. To put that in historical context, combined federal unemployment spending in 2020 was three times the next-highest year – in 2010. In the past,

<sup>7</sup> Return to Work Bonuses, Idaho Rebounds: Our Path to Prosperity: <https://rebound.idaho.gov/return-to-work-bonuses/>

<sup>8</sup> “Federal unemployment benefits to eclipse \$500 billion,” Matt Weidinger, American Enterprise Institute, December 21, 2020.

Congress has ended emergency benefits much sooner as unemployment rates fell. During the last recession, an additional \$25 per week was made. That bonus ended when unemployment was at 9.3%. Currently, Congress is providing an additional \$300 per week payment and unemployment is at 6.3%. Under Subtitle A, Democrats would have us go in the opposite direction and increase the payment to \$400 per week.

Figure 1.



The CARES Act also provided additional relief for non-profits and state and local governments to help offset the costs of unemployment benefits by 50%. Subtitle A raises the amount for the reimbursable employers to 75%. Committee Republicans offered an amendment to increase federal support to 100% to make sure non-profit organizations will not be forced to shut their doors permanently and can continue to focus on serving our most vulnerable communities. Non-profits and community-based organizations are a crucial part of our social safety net. Many are now facing challenges reopening. According to the Nonprofit Unemployment Insurance Relief Coalition, approximately 100,000 nonprofit organizations are impacted by this provision and many were forced to lay off their employees through no fault of their own.<sup>9</sup> In a letter to Congress, the National Association of Governors highlighted this issue as a threat to recovery and urged increasing the amount to 100%.<sup>10</sup> This is an example of a bipartisan issue and exactly the meaningful type of unemployment COVID relief we should be providing – unlike the harmful flat weekly supplement that leaves main street businesses competing with unemployment benefits for workers.

<sup>9</sup> “Nonprofits in Crisis: Why Nonprofits that Self-Insure Need 100 Percent Reimbursement from the Federal Government.” Nonprofit Unemployment Insurance Relief Coalition.

<sup>10</sup> “Letter on Unemployment Insurance and Economic Recovery,” National Governors Association, December 11, 2020.

Finally, Committee Republicans offered two amendments directed at combatting rampant unemployment fraud that is diverting funds away from unemployed workers and harming innocent taxpayers.<sup>11</sup> The Labor Department’s Inspector General and the Government Accountability Office have issued repeated warnings about the vulnerability for abuse of CARES Act unemployment insurance programs.<sup>12,13</sup> The Inspector General’s initial audit and investigation indicate improper payments, will be higher than 10 percent or at least \$63 billion. The Secret Service circulated a memo to its field offices last May saying an international crime ring has been filing unemployment claims in different states using Social Security Numbers belonging to identity theft victims, including first responders, government personnel and school employees.<sup>14</sup> Just this month, California state workforce officials confirmed that they paid out fraudulent unemployment claims totaling over \$11 billion and identified another \$20 billion in claims still under investigation. Republican Members of the California delegation wrote a letter to the Governor asking for answers about how this was allowed to happen (*submitted for the record*).<sup>15</sup>

Despite these warnings, Subtitle A would extend CARES Act unemployment benefits through the end of August and includes no additional protections against vulnerabilities to continuing fraud in the program. Generous unemployment benefits, including the additional \$600 and now \$400 are an easy target for criminals using stolen identities. Until December, applicants were allowed to self-certify eligibility by checking a box and not required to submit documentation of prior earnings. Republicans successfully fought to put some program integrity measures in place, but Democrats have not been serious about addressing this issue on the front end. Committee Republicans offered an amendment to require states to verify the identity of applicants and get documentation prior to sending any money out the door. To protect taxpayer dollars, we must abandon the “pay and chase” model and make sure people are who they say they are before we give out benefits. And make sure they have documentation to back that up too. The amendment was unanimously rejected by Committee Democrats.

This problem of unemployment fraud has created an added burden that will place undue stress on thousands of taxpayers when they can least afford it. As tax filing season swings into full gear, millions of taxpayers have begun receiving forms indicating the amount of unemployment benefits they received in 2020. For many, this may be the first time they discover the state has issued unemployment benefits fraudulently claimed in their name. Committee Republicans offered an amendment to extend the deadline for states to submit these forms (1099-G) to the IRS – so they have more time to work with taxpayers to correct the forms. In many cases

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<sup>11</sup> “The Way Forward on Unemployment: Stop Criminals from Diverting Billions Away from Unemployed Workers,” November 16, 2020, Ways and Means Republicans.

<sup>12</sup> U.S. Department of Labor, Office of Inspector General, “DOL-OIG Oversight of the Unemployment Insurance program,” February 3, 2021.

<sup>13</sup> “COVID-19: Critical Vaccine Distribution, Supply Chain, Program Integrity, and other Challenges Require Focused Federal Attention,” Government Accountability Office, January 28, 2021. (GAO-21-265)

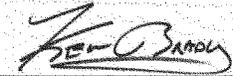
<sup>14</sup> “Massive Fraud Against Unemployment Insurance Programs, U.S. Secret Service, May 5, 2020, Information Only Alert: <https://www.documentcloud.org/documents/6891584-GIOC-Alert-20-027-I-State-Unemployment-Fraud-002.html>

<sup>15</sup> “McCarthy, Steel, and CA Republicans Condemn Newsome Administration for Mismanagement of \$11.4 B in Taxpayer Funds,” February 5, 2021.

fraudulent claims are filed using the wrong address. In these cases, taxpayers never get the form and could end up being flagged by the IRS for unreported income – *after* the unknowing taxpayer has filed their taxes. The amendment would have required IRS to hold harmless taxpayers who are victims of identity theft, so no penalties or interest will accrue against them. Finally, the amendment would require states to report the amount of fraudulent unemployment benefits that are excluded from tax forms, so we have an idea nationally just how much of these funds were diverted.

The Ohio Attorney General first alerted Congress to this issue saying they project roughly 1.7 million 1099-G tax forms will be mailed to Ohioans.<sup>16</sup> Ohio suspects tens of thousands of those claims were filed fraudulently using stolen identities. Even the Governor and Lieutenant Governor had claims falsely made in their names. To avoid having to pay taxes on the benefits, taxpayers will need to contact the state to report the fraud and correct the form. In response, several Committee Republicans sent a letter to the Biden Administration to take action to protect taxpayers who were victims of unemployment fraud (*submitted for the record*).<sup>17</sup>

In addition to program integrity measures, such as those offered in these amendments, Republicans strongly believe this Committee has a responsibility to investigate and hold oversight hearings to determine the extent and amount of fraud in CARES Act unemployment insurance programs and for recovering taxpayer dollars.



Kevin Brady  
Republican Leader  
Committee on Ways and Means

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<sup>16</sup> “AG Yost Asks Congress for Safe Harbor while Ohio Investigates Unemployment Fraud,” January 22, 2021.

<sup>17</sup> “Wenstrup Leads Letter to Administration Asking for Relief for Taxpayers that Were Victims of Unemployment Fraud,” February 8, 2021, Ways and Means Republicans.

CONTENTS

	<u>Page</u>
SUBTITLE B – EMERGENCY ASSISTANCE TO FAMILIES THROUGH HOME VISITING .....	1
I. SUMMARY AND BACKGROUND.....	1
A. Purpose and Summary .....	1
B. Background and Need for Legislation .....	1
C. Legislative History.....	2
II. EXPLANATION OF THE SUBTITLE.....	4
A. Emergency Assistance to Families Through Home Visiting.....	4
III. VOTES OF THE COMMITTEE .....	5
IV. BUDGET EFFECTS OF THE SUBTITLE .....	7
A. Committee Estimate of Budgetary Effects .....	7
B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority ..	7
C. Cost Estimate Prepared by the Congressional Budget Office .....	7
V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE .....	8
A. Committee Oversight Findings and Recommendations .....	8
B. Statement of General Performance Goals and Objectives.....	8
C. Information Relating to Unfunded Mandates .....	8
D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits .....	8
E. Duplication of Federal Programs.....	8
F. Hearings .....	8
VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE .....	9
VII. DISSENTING VIEWS.....	9

**SUBTITLE B – EMERGENCY ASSISTANCE TO FAMILIES THROUGH HOME VISITING**

**I. SUMMARY AND BACKGROUND**

**A. Purpose and Summary**

Subtitle B, “Emergency Assistance to Families through Home Visiting,” as ordered reported by the Committee on Ways and Means on February 10, 2021, provides an additional \$150 million to allow Maternal, Infant, and Early Childhood Home Visiting programs to address the needs of expectant parents and young families during the COVID-19 pandemic.

**B. Background and Need for Legislation**

The MIECHV program, administered by the U.S. Department of Health and Human Services (HHS), is the primary federal program supporting home visits to vulnerable families with expectant parents or who have children up to the age of kindergarten entry. Home visitors, such as nurses and paraprofessionals, provide a range of supports that include teaching parenting skills, promoting early learning, screening for maternal depression and child school readiness, and providing referrals to community entities, among other topics. Families participate on a voluntary basis.

The Department of Health and Human Services (HHS) allocates both formula and competitive funding to grantees, which include the 50 states, territories (including American Samoa, Guam, Commonwealth of the Northern Mariana Islands, Puerto Rico, and the U.S. Virgin Islands), and more than 20 tribal entities.<sup>1</sup> In FY2019, states and territories supported 154,496 individual parents and children through 1,015,217 home visits. In FY2018, the most recent year data are available, tribal grantees supported over 3,751 parents and children.<sup>2</sup> Grantees provide funding for local programs that use one or more home visiting models, which refers to the brand-name home visiting approach (e.g., Healthy Families America, Parents as Teachers, and Nurse-Family Partnership) that offers a unique curriculum for participating families. Grantees must use at least 75 percent of their MIECHV funds for home visiting models that have demonstrated, through research reviewed by HHS, positive family outcomes.

As of February 2021, COVID-19 has led to more than 27 million confirmed cases resulting in over 466,000 deaths,<sup>3</sup> with Black, Latino, and Native Americans accounting for a disproportionate number of cases and deaths. Weekly applications for unemployment benefits hit a recorded-history high in March of 2020, continued to climb, and remain at levels never seen

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<sup>1</sup> U.S. Department of Health and Human Services (HHS), Health Resources and Services Administration (HRSA), “Maternal and Child Initiatives: Home Visiting,” <https://mchb.hrsa.gov/maternal-child-health-initiatives/home-visiting-overview>; and HHS, Administration for Children and Families (ACF), “Tribal Home Visiting Grantees,” <https://www.acf.hhs.gov/occe/tribal-home-visiting-grantees>. Under the law, nonprofit organizations may carry out a home visiting program in a state that did not apply, or receive approval, for a grant. Nonprofit organizations operate MIECHV-funded home visiting programs in FL, ND, and WY.

<sup>2</sup> HHS, *Fiscal Year 2021 Justification of Estimates for HRSA*, pp. 227-228. Data were not reported on the number of home visits provided by tribal grantees for FY2018.

<sup>3</sup> *COVID Data Tracker*, CTRS. FOR DISEASE CONTROL & PREVENTION, <https://covid.cdc.gov/covid-data-tracker/#datatracker-home> (last visited Feb. 11, 2021).

before this pandemic.<sup>4</sup> The impact of COVID-19 was disproportionately felt by families with children, who have experienced much higher levels of material hardship,<sup>5</sup> and by communities of color, where rates of infection, unemployment, and death were disproportionately high.<sup>67</sup>

Low-income households with children in the U.S.—one of the target populations for home visiting services—have reported heightened concerns about financial stability, housing stability, and access to health care as a result of the pandemic.<sup>8</sup> Pregnant women, another target population for home visiting services, are at increased risk of becoming severely ill or dying from COVID-19 compared to individuals who are not pregnant.<sup>9</sup>

Information from selected states indicates that demand for home visiting services increased following the onset of the pandemic within the U.S. and that maintaining safe operations has been challenging.<sup>10</sup> An April 2020 survey of over 1,300 local programs (of which 40 percent were receiving MIECHV funding) found that nearly all of them were required to stop providing in-person home visiting services immediately.<sup>11</sup> To maintain contact with families, about half the local programs used text messaging and about two-thirds used phone calls and video conferencing frequently. The survey also found that half of families did not have a stable Internet connection and about half did not have the necessary technology for video conferencing.

Division X of the Consolidated Appropriations Act, 2021 (P.L. 116-260) provided statutory flexibility for the MIECHV program to address the pandemic through September 30, 2021 but did not provide additional funding to serve additional families or pay costs associated with the pandemic.

### C. Legislative History

#### **Budget Resolution**

On February 5, 2021, the House of Representatives approved Senate Concurrent Resolution 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2002(l) of S. Con. Res. 5, the Committee on Ways and Means was directed to

<sup>4</sup> Unemployment insurance weekly claims data. (n.d.). Retrieved February 12, 2021, from <https://oui.dol.gov/unemploy/claims.asp>

<sup>5</sup> Cooney, P., & Shaefer, H. (2021, February). Trends in hardship and mental health in the United States at the end of 2020. Available at <https://poverty.umich.edu/files/2021/02/PovertySolutionsMaterialHardshipEndof2020-Feb2021.pdf>

<sup>6</sup> Mazure, C. M., PhD. (2020, September 03). Health notes: People of color suffer disproportionate impact of covid-19 pandemic. Retrieved February 12, 2021, from <https://medicine.yale.edu/news-article/27086/>

<sup>7</sup> Swagel, P. L. (2020). *Characteristics of People Receiving Regular Unemployment Benefits in July 2020* (USA, Congressional Budget Office). Washington, DC: CBO. Available at <https://www.cbo.gov/publication/56>

<sup>8</sup> Shreela V. Sharma et al., "Social Determinants of Health-Related Needs During COVID-19 Among Low-Income Households With Children," *Preventing Chronic Disease*, vol. 17 (October 1, 2020).

<sup>9</sup> CDC, "Pregnancy, Breastfeeding, and Caring for Newborns: COVID-19 and Pregnancy," <https://www.cdc.gov/coronavirus/2019-ncov/need-extra-precautions/pregnancy-breastfeeding.html>.

<sup>10</sup> Rachel Yard and Daniela Lewy, *The Crucial Role of Home Visiting During COVID-19: Supporting Young Children and Families*, Center for Health Care Strategies, June 25, 2020. (Hereinafter, Rachel Yard and Daniela Lewy, *The Crucial Role of Home Visiting During COVID-19: Supporting Young Children and Families*.)

<sup>11</sup> Home Visiting Applied Research Collaborative (HARC), *COVID-19's Early Impact on Home Visiting: First Report of Results from a National HARC-Beat Survey of Local Home Visiting Programs*, April 10, 2020.

submit to the Committee on the Budget changes in laws within its jurisdiction to increase the deficit by not more than \$940,718,000,000 for the period of fiscal years 2021 through 2030.

**Committee hearings**

In light of the emergency presented by the Covid 19 global pandemic and the need for immediate legislative action, no hearings were held in the 117th Congress prior to consideration of Subtitle B.

**Committee action**

Beginning on February 10, 2021, in response to its instructions under S. Con. Res. 5, the Committee on Ways and Means met to consider budget reconciliation legislative recommendations. On February 10, 2021, Subtitle B, Recommendations Related to Emergency Assistance to Families through Home Visiting, was ordered favorably transmitted, as amended, to the House Committee on the Budget by a record vote of 24 to 18.

## II. EXPLANATION OF THE SUBTITLE

### A. Emergency Assistance to Families Through Home Visiting

#### Current Law

Section 511 of the Social Security Act directly provides \$400 million each year through fiscal year 2022 for the Maternal, Infant, and Early Childhood Home Visiting Program, which then awards grants to states, territories, and Indian tribal entities. States are required to conduct a needs assessment and provide assistance to families in accordance with identified needs. A minimum of 75 percent of funding must be used to support home visiting program models that meet a specified evidence standard.

MIECHV programs have temporary flexibility to use funds for some purposes not normally allowed, to address pandemic conditions. That flexibility expires September 30, 2021.

#### Reasons for Change

During the pandemic, many families with young children, including those already served by the MIECHV program and those eligible for MIECHV but not enrolled, are suffering high levels of hardship which current funding levels are insufficient to address.

#### Explanation of Provisions

**Section 9101.** This section creates a new section 511A in the Social Security Act entitled, “Emergency Assistance to Families Through Home Visiting Programs,” providing additional funding to federal home visiting programs and rules for its use.

**Paragraph (a). Supplemental appropriation.** This paragraph provides \$150 million to MIECHV-funded home visiting programs for specified purposes, to remain available for obligation through the end of fiscal year 2022.

**Paragraph (b). Eligibility for funds.** This paragraph specifies that to receive funding, entities must be operating a MIECHV home visiting program, consent to amendment of their existing grants or contracts, agree not to reduce staffing levels during the pandemic, and, if they choose to provide diapering supplies during the emergency, coordinate with diaper banks operating in their service areas to the extent practicable.

**Paragraph (c). Uses of funds.**

This paragraph lays out the allowable uses of the funds provided in paragraph (a). Allowable uses include:

- Serving families with home visits, whether in person or virtually
- Staff costs associated with home visits (including hazard pay)

- Training for home visitors on virtual home visits, emergency preparedness, and domestic violence
- Helping enrolled families acquire technology needed to conduct a virtual home visit, including WiFi access or cell phone minutes
- Providing emergency supplies to enrolled families, including formula, food, water, hand soap and sanitizer, and diapers and diapering supplies
- Coordinating with and providing reimbursement to diaper banks when using them to provide emergency supplies
- Providing prepaid grocery cards to an eligible family

**Effective Date**

This Subtitle is effective on the date of enactment.

**III. VOTES OF THE COMMITTEE**

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of Subtitle B, Emergency Assistance to Families through Home Visiting Programs, February 10, 2021.

An amendment in the nature of a substitute to Subtitle B was agreed to by a voice vote. (with a quorum being present).

Subtitle B was ordered favorably transmitted to the House Committee on the Budget as amended by an amendment in the nature of a substitute offered by Chairman Neal by a vote of 24 yeas to 18 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCRELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS	X			MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT							
CHAIRMAN NEAL	X						
<b>TOTALS</b>	24			<b>TOTALS</b>		18	

**IV. BUDGET EFFECTS OF THE SUBTITLE**

**A. Committee Estimate of Budgetary Effects**

In compliance with clause 3(d) of Rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of Subtitle B, as reported. The Committee agrees with the estimate prepared by the Congressional Budget Office (CBO), which is included below.

**B. Statement Regarding New Budget Authority  
and Tax Expenditures Budget Authority**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimates of new budget authority, budget outlays, tax expenditures, or revenues contained in the cost estimate prepared by the CBO.

**C. Cost Estimate Prepared by the Congressional Budget Office**

With respect to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, please refer to Subtitle A for an estimate for the Reconciliation Recommendations of the Committee on Ways and Means as prepared by CBO.

**V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE****A. Committee Oversight Findings and Recommendations**

With respect to clause 3(c)(1) of Rule XIII and clause 2(b)(1) of Rule X of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

**B. Statement of General Performance Goals and Objectives**

Pursuant to clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, the Committee advises that the general performance goal or objective of this subtitle is to increase the number of at-risk families receiving home visiting services during the pandemic and ensure that current and additional families are able to obtain basic necessities like food and diapers.

**C. Information Relating to Unfunded Mandates**

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4).

The Committee has determined that the subtitle does not contain Federal mandates on the private sector. The Committee has determined that the subtitle does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

**D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits**

With respect to clause 9 of Rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the subtitle, and states that the provisions of the subtitle do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

**E. Duplication of Federal Programs**

In compliance with clause 3(c)(5) of Rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the subtitle establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report to Congress pursuant to section 21 of Public Law 111-139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant section 6104 of title 31, United States Code.

**F. Hearings**

Pursuant to section 3(u) of H.Res. 8 (117th Congress), no legislative hearings were held in the 117<sup>th</sup> Congress to develop or consider Subtitle B due to the exigent nature of the Covid 19 global pandemic and the need for immediate legislative action.

**VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE**

**A. Text of Existing Law Amended or Repealed by the Subtitle**

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested but did not receive the text of changes in existing law made by the subtitle, as reported.

**VII. DISSENTING VIEWS**

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

February 16, 2021

**DISSENTING VIEWS ON SUBTITLE B.  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATING TO  
EMERGENCY ASSISTANCE TO FAMILIES THROUGH HOME VISITING  
PROGRAMS**

Committee Republicans oppose Subtitle B. This legislation represents a missed opportunity to work in a bipartisan manner to improve health and development outcomes for children and families in poverty through evidence-based home visiting programs. In December, Republicans and Democrats worked together to create new flexibilities in the Maternal, Infant, and Early Childhood Home Visiting program – or MIECHV – through the end of the fiscal year. These and other provisions of the *Supporting Foster Youth and Families through the Pandemic Act* were signed into law as part of the year-end COVID relief package (P.L. 116-260).<sup>18</sup> These temporary flexibilities were a direct response to the pandemic and included virtual home visits, sustained funding for staffing regardless of enrollment, expenditures for training, acquisition of technology for virtual home visits, and providing emergency supplies to families. They also temporarily provided HHS with authority to delay certain deadlines that may be impacted by the pandemic, including performance measure data reporting and statewide needs assessments. Just one month later, Committee Democrats are taking a “go it alone” approach shutting out Republicans on an issue with a rich history of bipartisan support.



Kevin Brady  
Republican Leader  
Committee on Ways and Means

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<sup>18</sup> “Walorski, Davis Applaud Inclusion of Foster Youth Support in COVID-19 Relief Bill,” December 21, 2020.

CONTENTS

	<u>Page</u>
SUBTITLE C – BUDGET RECONCILIATION LEGISLATIVE RECOMENDATIONS RELATED TO EMERGENCY ASSISTANCE TO CHILDREN AND FAMILIES .....	1
I. SUMMARY AND BACKGROUND.....	1
A. Purpose and Summary .....	1
B. Background and Need for Legislation .....	1
C. Legislative History .....	2
II. EXPLANATION OF THE SUBTITLE.....	3
A. Emergency Assistance to Children and Families.....	3
III. VOTES OF THE COMMITTEE .....	4
IV. BUDGET EFFECTS OF THE SUBTITLE.....	9
A. Committee Estimate of Budgetary Effects .....	9
B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority ..	9
C. Cost Estimate Prepared by the Congressional Budget Office .....	9
V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE .....	10
A. Committee Oversight Findings and Recommendations .....	10
B. Statement of General Performance Goals and Objectives.....	10
C. Information Relating to Unfunded Mandates .....	10
D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits .....	10
E. Duplication of Federal Programs .....	10
F. Hearings .....	11
VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE .....	11
VII. DISSENTING VIEWS .....	11

**SUBTITLE C – BUDGET RECONCILIATION LEGISLATIVE RECOMENDATIONS  
RELATED TO EMERGENCY ASSISTANCE TO CHILDREN AND FAMILIES**

**I. SUMMARY AND BACKGROUND**

**A. Purpose and Summary**

Subtitle C, “Budget Reconciliation Legislative Recommendations Related to Emergency Assistance to Children and Families” as ordered reported by the Committee on Ways and Means on February 10, 2021 provides \$1 billion to Temporary Assistance for Needy Families (TANF) program agencies for states, the District of Columbia, tribes, and U.S. Territories, as well as to territorial human services agencies in territories that do not have TANF programs. The funds may only be used to administer and provide Non-Recurrent Short Term (NRST) benefits to families with children.

**B. Background and Need for Legislation**

As of February 2021, COVID-19 has led to more than 27 million confirmed cases resulting in over 466,000 deaths,<sup>1</sup> with Black, Latino, and Native Americans accounting for a disproportionate number of cases and deaths. Weekly applications for unemployment benefits hit a recorded-history high in March of 2020, continued to climb, and remain at levels never seen before this pandemic.<sup>2</sup> Real Gross Domestic Product declined by 3.5 percent in 2020, the largest drop since 1946.<sup>3</sup> The impact of COVID-19 was disproportionately felt by families with children, who have experienced much higher levels of material hardship,<sup>4</sup> and by communities of color, where rates of infection, unemployment, and death were disproportionately high.<sup>5,6</sup>

Families with children and communities of color have experienced severe economic hardship during the pandemic. Nearly half of all families with children reported having trouble paying basic household expenses, with even higher rates among Black and Latino families – two-thirds of Black families and 58 percent of Latino families. Families with children are also experiencing much higher rates of food insecurity and the inability to pay rent or other housing costs.<sup>7</sup>

<sup>1</sup> *COVID Data Tracker*, CTRS. FOR DISEASE CONTROL & PREVENTION, <https://covid.cdc.gov/covid-data-tracker/#dataattracker-home> (last visited Feb. 11, 2021).

<sup>2</sup> Unemployment insurance weekly claims data. (n.d.). Retrieved February 12, 2021, from <https://oui.doleta.gov/unemploy/claims.asp>

<sup>3</sup> Bureau of Economic Analysis. (n.d.). Gross Domestic Product, 4th Quarter and Year 2020 (Advance Estimate). Retrieved February 12, 2021, from <https://www.bea.gov/news/2021/gross-domestic-product-4th-quarter-and-year-2020-advance-estimate>

<sup>4</sup> Cooney, P., & Shaefer, H. (2021, February). Trends in hardship and mental health in the United States at the end of 2020. Available at <https://poverty.umich.edu/files/2021/02/PovertySolutionsMaterialHardshipEndof2020-Feb2021.pdf>

<sup>5</sup> Mazure, C. M., PhD. (2020, September 03). Health notes: People of color suffer disproportionate impact of covid-19 pandemic. Retrieved February 12, 2021, from <https://medicine.yale.edu/news-article/27086/>

<sup>6</sup> Swagel, P. L. (2020). *Characteristics of People Receiving Regular Unemployment Benefits in July 2020* (USA, Congressional Budget Office). Washington, DC: CBO. Available at <https://www.cbo.gov/publication/56>

<sup>7</sup> Tracking the covid-19 recession's effects on food, housing, and employment hardships. (2021). Available at <https://www.cbpp.org/research/poverty-and-inequality/tracking-the-covid-19-recessions-effects-on-food-housing-and>

Research shows that experiencing poverty has long-term consequences for children, especially young children,<sup>8</sup> and the longer they remain in poverty without help, the worse the consequences are.<sup>9</sup> Allowing this hardship to continue without intervention is likely<sup>10</sup> to affect long-term health, school, and work outcomes for children of the pandemic.

Going into the pandemic, Temporary Assistance for Needy Families (TANF), which has lost over a third of its value since 1996,<sup>11</sup> only provided basic cash assistance to about 20 percent of all poor children nationwide. That rate is even lower in some states.<sup>12</sup> The number of families receiving TANF basic cash assistance has increased by only 4 percent<sup>13</sup> during the pandemic, despite a much more dramatic spike in need.

### C. Legislative History

#### **Budget Resolution**

On February 5, 2021, the House of Representatives approved Senate Concurrent Resolution 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2002(l) of S. Con. Res. 5, the Committee on Ways and Means was directed to submit to the Committee on the Budget changes in laws within its jurisdiction to increase the deficit by not more than \$940,718,000,000 for the period of fiscal years 2021 through 2030.

#### **Committee hearings**

In light of the emergency presented by the Covid 19 global pandemic and the need for immediate legislative action, no hearings were held in the 117th Congress prior to consideration of Subtitle C.

#### **Committee action**

Beginning on February 10, 2021, in response to its instructions under S. Con. Res. 5, the Committee on Ways and Means met to consider budget reconciliation legislative recommendations. On February 10, 2021, Subtitle C, Legislative Recommendations Relating to Emergency Assistance to Children and Families, by a record vote of 24 to 18.

<sup>8</sup> Duncan, G. J., & Magnuson, K. (2011). The long reach of early childhood poverty. Available at [https://www.researchgate.net/publication/281253723\\_The\\_Long\\_Reach\\_of\\_Early\\_Childhood\\_Poverty](https://www.researchgate.net/publication/281253723_The_Long_Reach_of_Early_Childhood_Poverty)

<sup>9</sup> Brooks-Gunn, J., & Duncan, G. J. (1997). The effects of poverty on children. *The Future of Children*, 7(2), 55. doi:10.2307/1602387

<sup>10</sup> Benzeval, M., Bond, L., Campbell, M., Egan, M., Lorenc, T., Petticrew, M., & F. (2018, January 05). How does money influence health? Retrieved February 12, 2021, from <https://www.jrf.org.uk/report/how-does-money-influence-health>

<sup>11</sup> Falk, E. H. (2021). *The Temporary Assistance for Needy Families (TANF) block grant: Responses to frequently asked questions*. Washington, DC: CRS. Available at <https://crsreports.congress.gov/product/pdf/RL/RL32760>

<sup>12</sup> Falk, E. H. (2021). *The Temporary Assistance for Needy Families (TANF) block grant: Responses to frequently asked questions*. Washington, DC: CRS. Available at <https://crsreports.congress.gov/product/pdf/RL/RL32760>

<sup>13</sup> Falk, G. (2020). *The Temporary Assistance for Needy Families (TANF) block grant*. Washington, DC: CRS. Available at <https://crsreports.congress.gov/product/pdf/IF/IF10036>

## II. EXPLANATION OF THE SUBTITLE

### A. Emergency Assistance to Children and Families

#### Current Law

No applicable provision under current law.

#### Reasons for Change

Current law does not provide enough federal funding to help families with children avoid material hardship during the pandemic.

#### Explanation of Provisions

**Section 9201. Pandemic Emergency Assistance Fund.** Funds a \$1 billion Pandemic Emergency Assistance Fund within Section 403 of the Social Security Act and provides rules for how funds must be used.

**Paragraph (1).** Establishes the fund for the applicable period, which begins April 1, 2021 and ends September 30, 2022.

**Paragraph (2).** Provides \$1 billion for the fund.

**Paragraph (4).** Within the fund, this paragraph requires \$2 million to be used by the Department of Health and Human Services (HHS) to administer the fund and provide technical assistance to states, tribes, and territories. Under this paragraph, the remainder of the funding is to be allocated as follows:

- 92.5 percent of funds to be distributed to US states and Washington DC through an allotment formula that is half based on the population of children in the state and half based on prior state expenditures on direct cash assistance and Non-Recurrent Short-Term benefits to low-income families with children.
- 7.5 percent of funds are set-aside for Tribal TANF programs and all U.S. Territories, to be distributed in a manner deemed appropriate by the HHS Secretary.

The paragraph also specifies that a condition of receiving the full amount of funding is to promptly notify HHS about intent to use allotted funds. For States and Washington DC, HHS must receive such expenditure commitment within 45 days of enactment. For Tribal TANF programs and US Territories, HHS must receive such expenditure commitment within 90 days of enactment.

**Paragraph (5).** Requires the Secretary of HHS to reallocate unspent funds among states, tribes, and territories that are willing to use them in the same proportions as the original funding was provided.

**Paragraph (6).** For any US Territory that is not currently operating a Territory TANF program, this paragraph specifies that the HHS Secretary shall distribute the territory's allotted funds to the agency that administers the bulk of local human services programs in the territory.

**Paragraph (7).** Specifies that no more than 15 percent of Pandemic Emergency Assistance Fund dollars may be spent on administrative costs, and the remainder may only be spent on Non-Recurrent Short-Term cash and other Non-Recurrent Short-Term benefits, as defined in ACF-196R, published on July 31, 2014. The paragraph also specifies that funds may not supplant other federal, state, or tribal funds, and that funds from the original allocation must be spent by the end of fiscal year 2022. Funds that have been reallocated to other states, tribes and territories must be spent within 12 months of receipt.

**Paragraph (8).** Provides that once the allotted funds from the Pandemic Emergency Assistance Fund have been spent, states must submit an expenditure report within 90 days after expenditure, and territories and tribes must submit within 120 days after expenditure, and also gives the Secretary of HHS the authority to collect and adjust expenditure data.

**Paragraph (9).** Exempts Pandemic Emergency Assistance Funds from the overall cap on funding to U.S. Territories in Section 1108 of the Social Security Act.

**Paragraph (10).** Requires the Secretary of Health and Human Services to implement the Pandemic Emergency Assistance Fund as soon as possible.

**Paragraph (11).** Defines terms used within the subsection.

#### **Effective Date**

Section 9201 is effective on April 1, 2021.

### **III. VOTES OF THE COMMITTEE**

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of Subtitle C, Emergency Assistance to Children and Families, on February 10, 2021.

An amendment to the amendment in the nature of a substitute to Subtitle C that would allocate Pandemic Emergency Assistance Funds to states proportionately based on the number of children in poverty, was offered by Ms. Miller. The amendment was defeated by a vote of 17 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT			
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	17		

An amendment to the amendment in the nature of a substitute to Subtitle C that would require states to use 25% of Pandemic Emergency Assistance Funds for work support activities was offered by Mr. LaHood. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment to the amendment in the nature of a substitute to Subtitle C offered by Mr. Brady was ruled nongermane. Mr. Brady moved to appeal the ruling of the Chair and Mr. Beyer moved to table the appeal. Mr. Beyer's motion to table the appeal of the ruling of the Chair was agreed to by a vote of 24 yeas to 18 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCRELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS	X			MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT							
CHAIRMAN NEAL	X						
<b>TOTALS</b>	24			<b>TOTALS</b>		18	

An amendment in the nature of a substitute to Subtitle C was agreed to by a voice vote. (with a quorum being present).

Subtitle C was ordered favorably transmitted to the House Committee on the Budget as amended by an amendment in the nature of a substitute offered by Chairman Neal by a roll call vote of 24 yeas to 18 nays. The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCRELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS	X			MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT							
CHAIRMAN NEAL	X						
<b>TOTALS</b>	24			<b>TOTALS</b>		18	

**IV. BUDGET EFFECTS OF THE SUBTITLE****A. Committee Estimate of Budgetary Effects**

In compliance with clause 3(d) of Rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of the subtitle, Emergency Assistance to Children and Families, as reported. The Committee agrees with the estimate prepared by the Congressional Budget Office (CBO), which is included below.

**B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimates of new budget authority, budget outlays, tax expenditures, or revenues contained in the cost estimate prepared by the CBO.

**C. Cost Estimate Prepared by the Congressional Budget Office**

With respect to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, please refer to Subtitle A for an estimate for the Reconciliation Recommendations of the Committee on Ways and Means as prepared by CBO.

**V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE****A. Committee Oversight Findings and Recommendations**

With respect to clause 3(c)(1) of Rule XIII and clause 2(b)(1) of Rule X of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

**B. Statement of General Performance Goals and Objectives**

Pursuant to clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, the Committee advises that the general performance goal or objective for which this subtitle authorizes funding is to provide direct emergency assistance to help families with children purchase basic necessities.

**C. Information Relating to Unfunded Mandates**

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4).

The Committee has determined that the subtitle does not contain Federal mandates on the private sector. The Committee has determined that the subtitle does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

**D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits**

With respect to clause 9 of Rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the subtitle, and states that the provisions of the subtitle do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

**E. Duplication of Federal Programs**

In compliance with clause 3(c)(5) of Rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the subtitle establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report to Congress pursuant to section 21 of Public Law 111-139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant section 6104 of title 31, United States Code.

**F. Hearings**

Pursuant to section 3(u) of H.Res. 8 (117th Congress), no legislative hearings were held in the 117<sup>th</sup> Congress to develop or consider Subtitle C due to the exigent nature of the Covid 19 global pandemic and the need for immediate legislative action.

**VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE**

**A. Text of Existing Law Amended or Repealed by The Subtitle**

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested but did not receive the text of changes in existing law made by the subtitle, as reported.

**VII. DISSENTING VIEWS**

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

February 16, 2021

**DISSENTING VIEWS ON SUBTITLE C.  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATING TO  
EMERGENCY ASSISTANCE FOR CHILDREN AND FAMILIES**

Committee Republicans oppose Subtitle C. It took a pandemic and Budget reconciliation measure to accomplish, but believe it or not, Ways and Means Democrats brought a Temporary Assistance for Needy Families (TANF) proposal before the Committee for consideration. Unfortunately, the proposal cannot be considered real reform. Instead, Democrats propose a new \$1 billion Pandemic Emergency Fund. As written, Subtitle C allocates these new funds to states using a 50-50 formula that considers the number of children in each state and what each state spent on assistance and other benefits in 2019. Poverty is not a part of the calculation.

One of the biggest issues Republicans have identified in this COVID reconciliation package is the sheer lack of effort to target additional relief to families and communities that are the most impacted. These resources would be better targeted to existing need if they were allocated based on child poverty. An amendment was offered to allocate the \$1 billion in TANF Pandemic Emergency Assistance funds proportionately based on the number of children living in poverty in each state. According to a memo from the Congressional Research Service (*submitted for the record*), this allocation formula would result in more funding for 11 states represented by Democrat Members of this Committee.<sup>19</sup> The memo demonstrates that this bill does not target resources to areas where they could have the biggest impact.

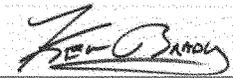
For example, Alabama would receive \$7 million more if funds were distributed based on child poverty, and Mississippi would receive \$10 million more. In contrast, large states like California (would receive \$97 million less) and New York (would receive \$73 million less) would see a substantial decrease under the child poverty formula. In general, this reveals how skewed the underlying TANF allocation formula is – particularly with regards to its reliance on prior state spending. See Table B for a list of all states. Committee Republicans believe these resources should go into the hands of those who need them most—not just the biggest states, but the states with the most child poverty. Despite repeated declarations of their commitment to reducing child poverty, Committee Democrats rejected the amendment unanimously.

State	Table B. Estimated Allocations to States for a TANF Pandemic Emergency Fund Under Alternative Formulas (rounded)		
	SIB allocated in the Chairman's Mark	SIB allocated based on Child Poverty	Difference using child poverty versus Chairman's Mark
Alabama	\$10.1 M	\$17.5 M	+\$7 M

<sup>19</sup> "Memorandum: TANF Pandemic Emergency Fund," Congressional Research Service, February 9, 2021.

Alaska	\$3.3 M	1.7 M	-\$1.6 M
Arizona	\$14.5 M	\$23.7 M	+\$9.2 M
Arkansas	\$5 M	\$11.7 M	+\$6.7 M
California	\$202.3 M	\$104.9 M	-\$97.4 M
Colorado	\$13.5 M	\$10.4 M	-\$3.1 M
Connecticut	\$8.3M	\$7.8 M	-\$0.5 M
Delaware	\$2.1 M	\$2.5 M	+\$0.4 M
DC	\$14.6 M	\$1.8 M	-\$12.8 M
Florida	\$35.4 M	\$56.7 M	+\$21.4 M
Georgia	\$21.9 M	\$35.5 M	+\$13.6 M
Hawaii	\$4.2 M	\$2.8 M	-\$1.4 M
Idaho	\$4.1 M	\$4.5 M	+\$0.4 M
Illinois	\$20.4 M	\$33.6 M	+\$13.2 M
Indiana	\$10.7 M	\$17.7 M	+\$7.1 M
Iowa	\$6.3 M	\$7.1 M	+\$0.7 M
Kansas	\$5.1 M	\$7.8 M	+\$2.7 M
Kentucky	\$17.3 M	\$16.3 M	-\$1.0 M
Louisiana	\$8.4 M	\$22.2 M	+\$13.9 M
Maine	\$3.8 M	\$ 2.5 M	-\$1.3 M
Maryland	\$17.7 M	\$12.1 M	-\$5.6 M
Massachusetts	\$27.7 M	\$11.9 M	-\$15.8 M
Michigan	\$19.0 M	\$28.5 M	+\$9.6 M
Minnesota	\$14.3 M	\$11.0 M	-\$3.3 M
Mississippi	\$4.7 M	\$14.8 M	+\$10.1 M
Missouri	\$14.5 M	\$17.6 M	+\$3.2 M
Montana	\$2.8 M	\$2.5 M	-\$0.3 M
Nebraska	\$4.4 M	\$3.9 M	-\$0.5 M
Nevada	\$6.8 M	\$8.8 M	+2.0 M
New Hampshire	\$4.1 M	\$1.4 M	-\$2.3 M
New Jersey	\$17.2 M	\$18.1 M	+\$0.9 M
New Mexico	\$6.4 M	\$8.9 M	+\$2.6 M
New York	\$127.9 M	\$54.7 M	-\$73.2 M
North Carolina	\$16.8 M	\$33.9 M	+\$17.1 M
North Dakota	\$1.4 M	\$1.4 M	\$0
Ohio	\$33.8 M	\$35.9 M	+\$2.1 M

Oklahoma	\$7.1 M	\$14.3 M	+\$7.2 M
Oregon	\$12.2 M	\$8.5 M	-\$3.7 M
Pennsylvania	\$26.4 M	\$33.5 M	+\$7.0 M
Rhode Island	\$4.3 M	\$2.2 M	-\$2.2 M
South Carolina	\$10.1 M	\$16.5 M	+\$6.4 M
South Dakota	\$2.3 M	\$2.4 M	+\$0.1 M
Tennessee	\$12.9 M	\$22.4 M	+\$9.4 M
Texas	\$49.4 M	\$107.8 M	+\$58.3 M
Utah	\$7.3 M	\$7.0 M	-\$0.3 M
Vermont	\$1.6 M	\$0.9 M	-\$0.7 M
Virginia	\$15.7 M	\$18.8 M	+\$3.1 M
Washington	\$22.6 M	\$15.1 M	-\$7.5 M
West Virginia	\$4.6 M	\$5.4 M	+\$0.8 M
Wisconsin	\$14.5 M	\$12.9 M	-\$1.6 M
Wyoming	\$1.5 M	\$1.2 M	-\$0.3 M



Kevin Brady  
 Republican Leader  
 Committee on Ways and Means

CONTENTS

	<u>Page</u>
SUBTITLE D – ELDER JUSTICE AND SUPPORT GUARANTEE.....	1
I. SUMMARY AND BACKGROUND.....	1
A. Purpose and Summary .....	1
B. Background and Need for Legislation .....	1
II. EXPLANATION OF THE SUBTITLE.....	6
III. VOTES OF THE COMMITTEE.....	7
BUDGET EFFECTS OF THE SUBTITLE.....	11
A. Committee Estimate of Budgetary Effects .....	11
B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority.....	11
C. Cost Estimate Prepared by the Congressional Budget Office .....	11
IV. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE.....	12
A. Committee Oversight Findings and Recommendations .....	12
B. Statement of General Performance Goals and Objectives.....	12
C. Information Relating to Unfunded Mandates .....	12
D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits.....	12
E. Duplication of Federal Programs.....	12
F. Hearings.....	12
V. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE, AS REPORTED.....	13
VI. DISSENTING VIEWS .....	14

**SUBTITLE D – ELDER JUSTICE AND SUPPORT GUARANTEE**

**I. SUMMARY AND BACKGROUND**

**A. Purpose and Summary**

Subtitle D, “Elder Justice and Support Guarantee,” directly appropriates \$276 million for fiscal year 2021, of which \$88 million is to fully fund activities of the *Elder Justice Act* (EJA) for fiscal year 2021 and \$188 million is to fund those activities in fiscal year 2022. Of total appropriated funding, \$100 million per year must be used for Adult Protective Services (APS) programs, which address adult maltreatment.

**B. Background and Need for Legislation**

The *Elder Justice Act* (EJA) was originally introduced in 2002 and was ultimately enacted in 2010 as part of the *Patient Protection and Affordable Care Act* (ACA, P.L. 111-148, as amended) to fund public health and social services programs for the prevention, detection, and treatment of adult maltreatment.

Elder abuse was a public health problem globally even before COVID-19 estimated to affect approximately one in 10 individuals in the United States over the age of 60 suffers physical, verbal or sexual abuse, or financial exploitation. Data indicates the pandemic has exacerbated this problem.<sup>1</sup> Elder abuse is a complex issue, often leading to calls for a multifaceted policy response that combines public health interventions, social services programs, and law enforcement. To address this complexity, the EJA contained Adult Protective Services and other public health and social services approaches to the prevention, detection, and treatment of elder abuse. The *Elder Justice Act* is Subtitle B of Title XX of the *Social Security Act*.

Elder Justice and APS activities receive annual funding through the discretionary appropriations process under Labor-HHS-Education account, “Aging and Disability Services Programs,” which is administered by the Administration for Community Living (ACL) within the U.S. Department of Health and Human Services (HHS). To date, the effectiveness of the *Elder Justice Act* has been limited by inadequate annual appropriations. Most programs and activities authorized under the EJA have either not received any funding since enactment or have not received funding at their authorized levels. Thus, given increased concerns about support for older adults and people with disabilities, the *Consolidated Appropriations Act of 2021* (P.L. 116-260) included \$100 million in appropriations for EJA programs, half of which were designated for APS.

Historically, the largest source of federal funding for APS has been the Social Services Block Grant (SSBG), which is authorized in Subpart A of Title XX. In 2019, 37 states spent a total of \$155 million in SSBG funds on APS. For the SSBG, APS is one of 28 service categories

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<sup>1</sup> <https://www.psychiatrictimes.com/view/elder-abuse-and-ageism-during-covid-19>

defined in federal regulations as an allowable use of the Social Services Block Grant.<sup>2</sup> States have great flexibility in spending their SSBG allotments and are not required to spend these funds in any particular category (nor are they limited to the 28 categories defined in regulation). Nevertheless, APS is commonly one of the largest SSBG service categories. For instance, the FY 2019 SSBG Annual Report indicates that APS accounted for about five percent of all SSBG expenditures, making it the seventh-largest SSBG service category in dollar terms.<sup>3</sup> However, state APS agencies report that current SSBG funding is not sufficiently meeting their needs to fully and equitably respond to all adult maltreatment allegations.<sup>4</sup>

APS programs are social services programs established through legislation enacted in all 50 states, the District of Columbia, Guam, Puerto Rico, and the U.S. Virgin Islands. APS programs often serve seniors and adults with disabilities by offering a system for reporting and investigating abuse, as well as providing social services to victims; however, there is no uniform definition across states for who is served or what social services are provided. In general, state APS programs use the concept of disability to define the populations they serve. Most states serve older adults (with or without disability criteria) and younger individuals with at least one disability. A few states only serve older adults.<sup>5</sup> Prior to enactment of the EJA, no dedicated federal funding authority was established for state APS programs.

While the extent of adult maltreatment is largely unknown, some studies indicate that it is prevalent and that many incidents of abuse are never reported.<sup>6</sup> A 2010 study exploring the extent of elder abuse in the United States found that 11 percent of individuals aged 60 and older residing in the community reported some type of abuse in the past year.<sup>7</sup> Similarly, a 2008 study found that nine percent of community-residing older adults aged 57 to 85 self-reported verbal mistreatment, 3.5 percent self-reported financial mistreatment, and 0.2 percent self-reported physical mistreatment by a family member in the past year.<sup>8</sup> According to the Congressional Research Service, such studies likely reflect an underestimate because they do not include all categories of abuse, exclude individuals who reside in institutional settings such as nursing homes, and generally exclude individuals with significant cognitive impairment. Additionally, incidents of adult maltreatment may go unreported, as older individuals may be reluctant to

<sup>2</sup> See 45 CFR Part 96, Appendix A, Uniform Definitions of Services, at <https://ecfr.federalregister.gov/on/2021-02-10/title-45/subtitle-A/subchapter-A/part-96/appendix-Appendix%20A>.

<sup>3</sup> U.S. Department of Health and Human Services, Administration for Children and Families, Office of Community Services, *Social Services Block Grant Program Fiscal Year 2019 Annual Report*, Table C2, p. 159, at <https://www.acf.hhs.gov/ocs/report/ssbg-annual-report-fy-2019>.

<sup>4</sup> Pi-Ju Liu & Leslie Ross (2020) Adult Protective Services Training: A Brief Report on the State of the Nation, *Journal of Elder Abuse & Neglect*, DOI: [10.1080/08946566.2020.1845271](https://doi.org/10.1080/08946566.2020.1845271)

<sup>5</sup> L. McGee and K. Urban, *Adult Maltreatment Data Report 2019*. Submitted to the Administration for Community Living, U.S. Department of Health and Human Services, 2020.

<sup>6</sup> National Center on Elder Abuse, Statistics and Data, <https://ncea.acl.gov/What-We-Do/Research/Statistics-and-Data.aspx#prevalence>.

<sup>7</sup> Aciermo, Ron, M. A. Hernandez, A. B. Amstadter, et al., "Prevalence and Correlates of Emotional, Physical, Sexual, and Financial Abuse and Potential Neglect in the United States: The National Elder Mistreatment Study," *American Journal of Public Health*, vol. 100 (2010).

<sup>8</sup> Laumann, Edward O., S. A. Leitsch, and L. J. Waite, "Elder Mistreatment in the United States: Prevalence Estimates From a Nationally Representative Study," *The Journals of Gerontology Series B: Psychological and Social Sciences*, vol. 63 (2008).

report abuse by an individual they rely on for their personal care and well-being.<sup>9</sup> The physical and emotional effects of elder abuse can have lasting effects and may lead to disability or even premature death.<sup>10</sup> Moreover, research indicates that there is an association between victims who have physical and cognitive impairments, as well as inadequate social supports, and an increased risk of elder abuse.<sup>11</sup>

In the institutional setting, there is a longstanding history of abuse in nursing homes, including the use of both physical and chemical restraints on patients, both of which were outlawed in 1987 when Congress passed the *Omnibus Reconciliation Act (OBRA) of 1987* (P. L. No. 100-203).<sup>12, 13</sup> Still, the use of chemical restraints persist, as, according to a Committee on Ways and Means analysis, in the fourth quarter of 2019, approximately 20 percent of all skilled nursing facility (SNF) residents in the United States (U.S.) – about 298,650 people every week – received some form of antipsychotic medication (a common chemical restraint), most without any psychosis diagnosis for which the drugs are indicated.<sup>14, 15, 16, 17</sup> Similarly, a 2019 HHS Office of the Inspector General (OIG) investigation, which examined high-risk Emergency Department (ED) admissions from skilled nursing facilities (SNFs), revealed that up to 20 percent of these admissions were the result of abuse or neglect that was neither reported to state survey agencies nor local law enforcement.<sup>18</sup>

According to the CDC's National Healthcare Safety Network (NHSN) system, as of January 24, 2021, more than 121,000 residents and 1,400 staff of federally certified nursing

<sup>9</sup> Centers for Disease Control and Prevention, Understanding Elder Abuse: Fact Sheet, Division of Violence and Prevention, National Center for Injury Prevention and Control, 2016, <http://www.cdc.gov/violenceprevention/pdf/em-factsheet-a.pdf>.

<sup>10</sup> Lachs M.S., C.S. Williams, S. O'Brien, et al., "The Mortality of Elder Mistreatment," *Journal of the American Medical Association*, vol. 280 (1998).

<sup>11</sup> U.S. Government Accountability Office, Stronger Federal Leadership Could Enhance National Response to Elder Abuse, GAO-11-208, Mar 2, 2011, <http://www.gao.gov/assets/320/316224.pdf>. Reissued on March 22, 2011.

<sup>12</sup> Klauber, Martin and Wright, Bernadette, The 1987 Nursing Home Reform Act, *American Association of Retired Persons*, (2001). Available at: [https://www.aarp.org/home-garden/livable-communities/info-2001/the\\_1987\\_nursing\\_home\\_reform\\_act.html](https://www.aarp.org/home-garden/livable-communities/info-2001/the_1987_nursing_home_reform_act.html)

<sup>13</sup> Subtitle C of the *Omnibus Reconciliation Act (OBRA) of 1987*, Pub. L. No. 100-203.

<sup>14</sup> Committee on Ways and Means, *Under-Enforced and Over-Prescribed: The Antipsychotic Drug Epidemic Ravaging America's Nursing Homes* (2020). Available at [https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/WMD%20Nursing%20Home%20Report\\_Final.pdf](https://waysandmeans.house.gov/sites/democrats.waysandmeans.house.gov/files/documents/WMD%20Nursing%20Home%20Report_Final.pdf)

<sup>15</sup> Committee on Ways and Means calculations of MDS Frequency Report: Fourth Quarter 2019 Antipsychotic Medications Received, *Centers for Medicare and Medicaid Services*, (2019). Available at: [https://www.cms.gov/apps/mds/mds\\_notemp/mds30FreqStart.asp?isSubmitted=mds30Freq3&var=N0410A&date=33](https://www.cms.gov/apps/mds/mds_notemp/mds30FreqStart.asp?isSubmitted=mds30Freq3&var=N0410A&date=33)

<sup>16</sup> Mollot, Richard, Despite Promised Crackdown, Citations for Inappropriate Drugging Remain Rare, *Long Term Care Community Coalition* (2018). Available at: <https://nursinghome411.org/wp-content/uploads/2018/11/LTCCC-Advisory-Nursing-Home-Drugging-Citations-November-2018.pdf>

<sup>17</sup> Report to the Congress: Medicare Payment Policy, *Medicare Payment Advisory Commission*, (2020). Available at: [http://medpac.gov/docs/default-source/reports/mar20\\_entirereport\\_sec.pdf](http://medpac.gov/docs/default-source/reports/mar20_entirereport_sec.pdf)

<sup>18</sup> Department of Health and Human Services, "Incidents of Abuse or Neglect at Skilled Nursing Facilities were not Always Reported and Investigated. June 2019. A-01-16-00509. <https://oig.hhs.gov/oas/reports/region1/11600509.pdf>

homes have lost their lives to COVID-19.<sup>19</sup> The total number of COVID-19 deaths due to infections in nursing homes is estimated to be higher, for example, if broadened to include all residents who were discharged from a nursing home or similar facility and later expired in a hospital or other setting. Although the total number of COVID-19 deaths attributable to infections in nursing homes may be higher than reported, the total that is known represents a large percentage of the total lives lost to COVID-19. As of January 22, 2021, resident and staff COVID-19 deaths in long-term care facilities (as defined by states) reflected 37 percent of COVID-19 deaths within the U.S. despite representing only five percent of total COVID-19 cases.<sup>20, 21</sup> Furthermore, concerns about abuse and mistreatment of vulnerable populations, particularly seniors and people with disabilities, have only increased during the COVID-19 pandemic, as many individuals have become either further socially isolated in their communities or unable to visit with family and friends in their institutional setting due public health risks – all factors that increase the risk of elder abuse.<sup>22</sup>

### C. Legislative History

#### Background

On February 5, 2021, the House of Representatives approved Senate Concurrent Resolution 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2002(l) of S. Con. Res. 5, the Committee on Ways and Means was directed to submit to the Committee on the Budget changes in laws within its jurisdiction to increase the deficit by not more than \$940,718,000,000 for the period of fiscal years 2021 through 2030.

#### Committee hearings

In light of the emergency presented by the COVID-19 global pandemic and the need for immediate legislative action, no hearings were held in the 117th Congress prior to consideration of Subtitle D.

#### Committee action

Beginning on February 10, 2021, in response to its instructions under S. Con. Res. 5, the Committee on Ways and Means met to consider budget reconciliation legislative

<sup>19</sup> CMS, “The Nursing Home COVID-19 Public File,” accessed February 11, 2021, at <https://data.cms.gov/stories/s/COVID-19-Nursing-Home-Data/bkwz-xpvg/>.

<sup>20</sup> As explained in the “Background on Terms Used to Refer to LTCFs” section within this memo, in addition to federally certified nursing facilities, states may include assisted living facilities or similar residential settings in their state definition of “long-term care setting” or “long-term care facility.”

<sup>21</sup> Kaiser Family Foundation, “COVID-19: Long-Term Care Facilities,” accessed February 11, 2021, at <https://www.kff.org/coronavirus-covid-19/issue-brief/state-covid-19-data-and-policy-actions/#long-term-care-cases-deaths>.

<sup>22</sup> Makaroun, L. K., Bachrach, R. L., & Rosland, A. M. (2020). Elder Abuse in the Time of COVID-19—Increased Risks for Older Adults and Their Caregivers. *The American journal of geriatric psychiatry : official journal of the American Association for Geriatric Psychiatry*, 28(8), 876–880. <https://doi.org/10.1016/j.jagp.2020.05.017>

recommendations. On February 10, 2021, Subtitle D, Elder Justice Support Guarantee, was ordered favorably transmitted, as amended, to the House Committee on the Budget by a record vote of 23 to 18.

**II. EXPLANATION OF THE SUBTITLE****Subtitle D – Elder Justice Support Guarantee****Current Law**

SSA Title XX-B, Elder Justice, authorizes funding to address federal coordination of elder abuse activities, such as establishment of the Elder Justice Coordinating Council. It also authorizes the administration of new grant activities and other specified reports and studies. Specifically, SSA Section 2042(b) requires the HHS Secretary to establish a grants program to enhance APS provided by states and local governments. Annual grants awarded to states, the District of Columbia, and U.S. territories are to be distributed based on a statutory funding formula that takes into account each state or territory's relative share of the total U.S. population aged 60 years and older.

**Reason for Change**

Current levels of EJA funding are inadequate to support the safety and dignity of older adults and people with disabilities, particularly during the pandemic. The COVID-19 pandemic has had a disproportionate impact on older people living in community or long-term care settings, underscoring the need to protect this vulnerable population. Explanation of Provisions

**Description of Provision**

*Section 9301. Additional Funding for Aging and Disability Services Programs.* This section adds a new Section 2010 to Subpart A of Title XX which directly appropriates \$276 million to programs in the *Elder Justice Act* and allows \$88 million to be used in 2021 and \$188 million to be used in 2022. The provision also specifies that adult protective services funding may be used to protect and assist non-elderly at-risk adults.

**Effective Date**

All provisions of the Subtitle are effective on enactment.

**III. VOTES OF THE COMMITTEE**

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of Subtitle D on February 10, 2021.

An amendment to the amendment in the nature of a substitute to Subtitle D that would redirect the \$276M of funds obligated to the Elder Justice Act towards testing and diagnostics was offered by Mr. Schweikert. The amendment was withdrawn.

An amendment to the amendment in the nature of a Substitute to Subtitle D offered by Mr. Brady was ruled nongermane. Mr. Brady moved to appeal the ruling of the Chair and Mr. Beyer moved to table the appeal. Mr. Beyer's motion to table the appeal of the ruling of the Chair was agreed to by a vote of 22 yeas to 18 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCRELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL				MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE				MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS				MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT							
<b>CHAIRMAN NEAL</b>	X						
<b>TOTALS</b>	22			<b>TOTALS</b>		18	

An amendment to the amendment in the nature of a Substitute to Subtitle D that would prohibit funds from going to programs in states that do not have COVID-19-related medical liability protections for health care providers working in long term care facilities under the Elder Justice Act was offered by Mr. Wenstrup. The amendment was defeated by a roll call vote of 18 yeas to 23 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS				MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		23		<b>TOTALS</b>	18		

An amendment in the nature of a substitute to Subtitle D was agreed to by a voice vote. (with a quorum being present).

Subtitle D was ordered favorably transmitted to the House Committee on the Budget as amended by an amendment in the nature of a substitute offered by Chairman Neal by a vote of 23 yeas to 18 nays. The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCARELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS				MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT							
CHAIRMAN NEAL	X						
<b>TOTALS</b>	23			<b>TOTALS</b>		18	

**BUDGET EFFECTS OF THE SUBTITLE**

**A. Committee Estimate of Budgetary Effects**

In compliance with clause 3(d) of Rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of Subtitle D, Elder Justice Support and Guarantee, as reported. The Committee agrees with the estimate prepared by the Congressional Budget Office (CBO).

**B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimates of new budget authority, budget outlays, tax expenditures, or revenues contained in the cost estimate prepared by the CBO.

**C. Cost Estimate Prepared by the Congressional Budget Office**

With respect to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, please refer to Subtitle A for an estimate for the Reconciliation Recommendations of the Committee on Ways and Means as prepared by CBO.

**IV. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE****A. Committee Oversight Findings and Recommendations**

With respect to clause 3(c)(1) of Rule XIII and clause 2(b)(1) of Rule X of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

**B. Statement of General Performance Goals and Objectives**

Pursuant to clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, the Committee advises that the general performance goal or objective for which this measure authorizes funding is to prevent maltreatment of vulnerable seniors and adults with disabilities, including those in long-term care facilities.

**C. Information Relating to Unfunded Mandates**

This information is provided in accordance with section 423 of the *Unfunded Mandates Reform Act of 1995* (Pub. L. No. 104-4). The Committee has determined that the subtitle does not contain Federal mandates on the private sector. The Committee has determined that the subtitle does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

**D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits**

With respect to clause 9 of Rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the subtitle, and states that the provisions of the subtitle do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

**E. Duplication of Federal Programs**

With respect to clause 3(c)(5) of Rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the subtitle establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report to Congress pursuant to section 21 of Public Law 111-139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant section 6104 of title 31, United States Code.

**F. Hearings**

Pursuant to section 3(u) of H.Res. 8 (117th Congress), no legislative hearings were held in the 117th Congress to develop or consider Subtitle D due to the exigent nature of the COVID-19 global pandemic and the need for immediate legislative action.

**V. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE,  
AS REPORTED**

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested but did not receive the text of changes in existing law made by the subtitle, as reported.

**VI. DISSENTING VIEWS**

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

February 16, 2021

**DISSENTING VIEWS ON SUBTITLE D.  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATING TO  
ELDER JUSTICE AND SUPPORT GUARANTEE**

Last year, the 116<sup>th</sup> Congress was able to unify and enact five different bipartisan COVID-19 relief measures geared towards crushing the COVID-19 virus and rebuilding the United States economy. However, in this reconciliation bill, the Majority aims to make partisan funding mandatory for programs that can and should go through the annual appropriations process.

For instance, Subtitle D of Budget Reconciliation Legislative Recommendations Relating to Elder Justice and Support Guarantee obligates a total of \$276 million towards programs under the Elder Justice Act in fiscal years 2021 and 2022. On a bipartisan basis, the Consolidated Appropriations Act of 2021 invested \$100 million to administer those very programs, a significant increase in funding. But while the ink is still drying on that deal, the majority is using what should be a COVID-19 relief package to break that December 2020 bipartisan agreement. While combating elder abuse is a worthy endeavor, it is one that can be addressed on a bipartisan basis through the regular appropriations process.

Given the ongoing pandemic, Republicans believe the \$276 million spend as part of this subtitle could be better directed towards COVID-19 diagnostics and testing; vaccine distribution to seniors in rural and underserved areas; and improving vital mental health programs. In the zero-sum game that is the Democrats' partisan budget reconciliation process, any dollar that is not spent on these priorities is frankly a dollar misspent.

There are numerous emerging technologies that have been proven to help seniors during the COVID-19 pandemic, such as at-home COVID-19 testing<sup>20</sup>; medical alert necklaces that detect falls; and bracelets that can monitor vital signs. As these remote patient monitoring tools become more widely available, Congress should expand the resources available to assist the elderly in accessing these diagnostics and methods of COVID-19 testing.

Moreover, data has shown that hospitalization rates for adults 65-74 is more than 2.5 times higher than for adults between 40-49 years old.<sup>21</sup> And as of February 8, 2021, the majority of older adults have still not yet received one or more doses of the COVID-19 vaccine.<sup>22</sup> There is nothing in this committee's reconciliation recommendations that addresses solutions to bolster COVID-19 vaccine distribution to seniors who are higher at risk for COVID-19 illness.

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<sup>20</sup> <https://www.fda.gov/news-events/press-announcements/coronavirus-covid-19-update-fda-authorizes-antigen-test-first-over-counter-fully-home-diagnostic>

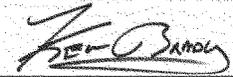
<sup>21</sup> <https://www.kff.org/coronavirus-covid-19/issue-brief/at-this-early-stage-of-the-covid-19-vaccine-roll-out-most-older-adults-have-not-yet-been-vaccinated-as-supply-remains-limited/>

<sup>22</sup> *Ibid*

As our schools remain closed and our communities continue to implement social distancing guidelines and stay at-home orders in the wake of the COVID-19 pandemic, we have seen a rise in children and young adults struggling with mental health issues. According to the CDC, the proportion of mental health related emergency department visits increased in April 2020 and remained elevated through October 2020.<sup>23</sup> Additionally, in this past June, it was reported that 31% of U.S. adults struggled with anxiety and depression symptoms, while 13% of U.S. adults started or increased substance use.<sup>24</sup> Preliminary data from the CDC shows that in the first three months of 2020, an estimated 19,416 individuals died of a drug overdose in the U.S., almost 3,000 more adults than the same time period in 2019.<sup>25</sup>

As this country continues to fight the COVID-19 pandemic, it is important to remember our nation is still in a long battle with the opioid epidemic. Congress must focus on prioritizing funding for mental health and behavioral health programs, as just over \$400 million (less than 10%) of the \$4.7 billion for these programs has been utilized.

One last consideration that the committee reconciliation recommendations ignore is common sense liability protections for nursing homes and front-line health care workers. There have been over 525,000 confirmed cases of COVID-19 amongst nursing home staff members, 1,499 of whom have sadly passed away. Our health care heroes should not need to be worried about a wave of frivolous lawsuits while scrabbling to provide care during this public health emergency. During a Ways and Means Health Subcommittee Hearing in June 2020, members heard testimony detailing everything some front-line health care workers were doing to stretch limited resources to provide the best care they could.<sup>26</sup> These workers should not now be legally liable for doing their best. The funds provided in Subtitle D are far more than enough for state agencies to investigate and pursue the real and legitimate cases of malpractice and elder abuse. But Republicans believe good actors must be protected as well. An amendment to condition the funding provided in Subtitle D to those states that put liability protections in place for health care workers was rejected by all the committee Democrats.



Kevin Brady  
Republican Leader  
Committee on Ways and Means

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<sup>23</sup> <https://www.cdc.gov/mmwr/volumes/69/wr/mm6945a3.htm>

<sup>24</sup> <https://www.cdc.gov/mmwr/volumes/69/wr/mm6932a1.htm>

<sup>25</sup> [https://www.cdc.gov/nchs/data/health\\_policy/Provisional-Drug-Overdose-Deaths-by-Quarter-Demographic-Characteristics-Q1-2020.pdf](https://www.cdc.gov/nchs/data/health_policy/Provisional-Drug-Overdose-Deaths-by-Quarter-Demographic-Characteristics-Q1-2020.pdf)

<sup>26</sup> <https://gop-waysandmeans.house.gov/event/hearing-on-examining-the-covid-19-nursing-home-crisis/>

CONTENTS

	<u>Page</u>
SUBTITLE E – SUPPORT TO SKILLED NURSING FACILITIES IN RESPONSE TO COVID-19.....	1
I. SUMMARY AND BACKGROUND.....	1
A. Purpose and Summary .....	1
B. Background and Need for Legislation .....	1
C. Legislative History.....	1
II. EXPLANATION OF THE SUBTITLE.....	3
A. Subtitle E – Support to Skilled Nursing Facilities in Response to COVID-19 .....	3
IV. VOTES OF THE COMMITTEE.....	6
V. BUDGET EFFECTS OF THE SUBTITLE.....	11
A. Committee Estimate of Budgetary Effects .....	11
B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority .....	11
C. Cost Estimate Prepared by the Congressional Budget Office .....	11
VI. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE.....	12
A. Committee Oversight Findings and Recommendations .....	12
B. Statement of General Performance Goals and Objectives.....	12
C. Information Relating to Unfunded Mandates .....	12
D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits .....	12
E. Duplication of Federal Programs .....	12
F. Hearings .....	12
VII. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE.....	13
VIII. DISSENTING VIEWS .....	14

**SUBTITLE E – SUPPORT TO SKILLED NURSING FACILITIES IN RESPONSE TO COVID-19****I. SUMMARY AND BACKGROUND****A. Purpose and Summary**

Subtitle E, “Support to Skilled Nursing Facilities In Response to COVID-19,” as ordered reported by the Committee on Ways and Means on February 11, 2021, provides \$200 million in additional funding to Medicare’s quality improvement organization (QIO) program for the purposes of improving infection control in skilled nursing facilities (SNFs), as well as an additional \$250 million for SNF strike teams, to be distributed to the states, District of Columbia, and U.S. territories. This funding will directly help stem sickness and death that has plagued nursing facilities during the COVID-19 pandemic and provide resources to protect patients and workers.

**B. Background and Need for Legislation**

According to the Centers for Disease Control and Prevention (CDC), residents who reside in – and individuals who work at – nursing homes (or similar care settings) are at high risk of being affected by respiratory illnesses like COVID-19 due to the congregate nature of those environments. Further, residents of those care settings are more likely to be elderly and/or have underlying chronic medical conditions, which are characteristics that increase the likelihood of death or serious harm if these individuals are infected with such illness.

These realities have, in part, contributed to a massive loss of life in nursing homes during the current COVID-19 pandemic. According to the CDC’s National Healthcare Safety Network (NHSN) system, as of January 24, 2021, more than 121,000 residents and 1,400 staff of federally certified nursing homes have lost their lives to COVID-19.<sup>1</sup> The total number of COVID-19 deaths due to infections in nursing homes is estimated to be higher, for example, if broadened to include all residents who were discharged from a nursing home or similar facility and later expired in a hospital or other setting. Although the total number of COVID-19 deaths attributable to infections in nursing homes may be higher than reported, the total that is known represents a large percentage of the total lives lost to COVID-19. As of January 22, 2021, resident and staff COVID-19 deaths in long-term care facilities (as defined by states) reflected 37 percent of COVID-19 deaths within the U.S., despite representing only five percent of total COVID-19 cases.<sup>2</sup>

**C. Legislative History****Background**

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<sup>1</sup> CMS, “The Nursing Home COVID-19 Public File,” accessed February 11, 2021, at <https://data.cms.gov/stories/s/COVID-19-Nursing-Home-Data/bkwz-xpvg/>.

<sup>2</sup> Kaiser Family Foundation, “COVID-19: Long-Term Care Facilities,” accessed February 11, 2021, at <https://www.kff.org/coronavirus-covid-19/issue-brief/state-covid-19-data-and-policy-actions/#long-term-care-cases-deaths>.

On February 5, 2021, the House of Representatives approved Senate Concurrent Resolution 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2002(l) of S. Con. Res. 5, the Committee on Ways and Means was directed to submit to the Committee on the Budget changes in laws within its jurisdiction to increase the deficit by not more than \$940,718,000,000 for the period of fiscal years 2021 through 2030.

**Committee hearings**

2 In light of the emergency presented by the COVID 19 global pandemic and the need for immediate legislative action, no hearings were held in the 117th Congress prior to consideration of Subtitle E.

**Committee action**

Beginning on February 10, 2021, in response to its instructions under S. Con. Res. 5, the Committee on Ways and Means met to consider budget reconciliation legislative recommendations. On February 11, 2021, Subtitle E, Support to Skilled Nursing Facilities In Response to COVID-19, was ordered favorably transmitted, as amended, to the House Committee on the Budget by a record vote of 24 to 18.

## II. EXPLANATION OF THE SUBTITLE

### A. Subtitle E – Support to Skilled Nursing Facilities in Response to COVID-19

#### Current Law

##### *Nursing Homes*

Among other responsibilities, the Centers for Medicare & Medicaid Services (CMS) is required to oversee certain institutional care facilities that participate in Medicare under Title XVIII of the Social Security Act (SSA or the Act) or Medicaid under Title XIX of the SSA, which CMS refers to as “long-term care facilities” (LTCFs; also referred to as “nursing homes” throughout this summary). To differentiate participating LTCFs in each program, federal law designates Medicare LTCFs as SNFs under Section 1819 of the SSA and Medicaid LTCFs as nursing facilities (NFs) under Section 1919 of the SSA. The majority of federally certified LTCFs participate in both programs and, thus, constitute SNFs and NFs. In the United States, 15,340 LTCFs participated in Medicare and/or Medicaid as of January 2021. Of this total, 94 percent of LTCFs were dually certified to participate in both Medicare and Medicaid, four percent were certified as Medicare-only, and two percent were certified as Medicaid-only.

The more commonly used term “nursing home” is often substituted for LTCF and SNF/NF designations when describing these federally certified settings; however, not all nursing homes are federally certified to participate in Medicare and/or Medicaid. States primarily have responsibility for licensing health care providers, including institutional care settings, and may license such settings as “nursing homes.” In fact, one federal requirement is that an LTCF must have a state license to operate. The criteria necessary to obtain an operational license may vary across states; some may mirror criteria in federal requirements, while other criteria may be more or less stringent than those established by federal law. Regardless, a license to operate as a “nursing home” within each state may be based on provider requirements that differ from those at the federal level. Accordingly, for purposes of federal certification, LTCFs are nursing homes that are federally certified, meaning they meet a minimum set of federal requirements.

Similarly, the term “nursing home” may be informally used to describe residential care settings that provide services similar to SNFs or NFs but do not participate in Medicare or Medicaid and thus are not required to satisfy federal requirements. For example, states may include nursing homes and assisted living facilities or similar residential settings in their state definition of “long-term care setting” or “long-term care facility.” But unless that setting, or part of that setting, is also federally certified as either a SNF and/or NF, it is not an LTCF as defined by CMS.

In summary, all federally certified nursing homes are LTCFs; some are SNFs, some are NFs, and most are both. But not all state-licensed nursing homes are federally certified nursing homes that participate in Medicare and/or Medicaid.

Depending on what type(s) of facility are specified, resources may be allocated to a different set of “nursing homes,” a group defined by a state operational license and/or the additional federal certification. In Subtitle E, the group of facilities specified are SNFs, which are

federally certified nursing homes that participate in Medicare as defined in Social Security Act (SSA) Section 1819 (98 percent of LTCFs, as defined by CMS).

***Quality Improvement Organizations***

The SSA includes several provisions establishing and outlining the scope of QIOs and their contracts with CMS. Subsection (g) of Section 1862 gives the Secretary of HHS the authority to award contracts through QIOs, while Section 1152 of the SSA defines a “quality improvement organization” as an entity which “(1) is able, as determined by the Secretary, to perform its functions under this part in a manner consistent with the efficient and effective administration of this part and title XVIII; (2) has at least one individual who is a representative of health care providers on its governing body; and (3) has at least one individual who is a representative of consumers on its governing body.” Finally, Section 1153 describes additional requirements related to contracting with QIOs, and Section 1154 delineates their specific functions.

Medicare's quality assurance activities are primarily handled by State Survey Agencies (SAs) and Quality Improvement Organizations (QIOs). SAs and QIOs operate in all states and the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The State Survey Agencies are responsible for inspecting Medicare provider facilities (e.g., nursing homes, home health agencies, and hospitals) to ensure they are in compliance with federal safety and quality standards. QIOs are mostly private, not-for-profit organizations that monitor the quality of care delivered to Medicare beneficiaries and educate/provide technical assistance to providers on the latest quality-improvement techniques.

***Strike Teams***

Current statute does not include reference to “strike teams” in the health care sector.

**Reasons for Change**

Since the early days of the COVID-19 pandemic, nursing homes have been infection hot spots, accounting for more than one-third of U.S. COVID-19 deaths nationwide, despite representing just five percent of cases.<sup>3</sup> In 11 states, at least half of the COVID-19 deaths have occurred in nursing homes.<sup>4</sup>

Accordingly, Subtitle E provides funding for on-the-ground support specifically targeted at improving infection control in the nursing home setting. CMS's QIO program focuses on improving the quality of care provided to Medicare beneficiaries through a series of QIO contracts tied to meeting clinical improvement benchmarks for a given geographic/clinical area. QIOs are uniquely positioned to provide on-the-ground support with infection control in the

<sup>3</sup> Kaiser Family Foundation, “COVID-19: Long-Term Care Facilities,” accessed February 11, 2021, at <https://www.kff.org/coronavirus-covid-19/issue-brief/state-covid-19-data-and-policy-actions/#long-term-care-cases-deaths>.

<sup>4</sup> Kaiser Family Foundation, “COVID-19: Long-Term Care Facilities,” accessed February 11, 2021, at <https://www.kff.org/coronavirus-covid-19/issue-brief/state-covid-19-data-and-policy-actions/#long-term-care-cases-deaths>.

nursing home setting, and preliminary data have already shown significant QIO success in addressing COVID-19 incidence rates.

This policy also ensures states have additional resources to deploy to nursing homes to fend off COVID-19 outbreaks as they occur. Some states, including Massachusetts Maryland, North Carolina, Florida, Texas, New Jersey, Ohio, Wisconsin, and Tennessee, have already developed successful strike team programs to support long-term care facilities in more effectively responding to the pandemic – but more resources are needed.

#### **Explanation of Provisions**

***Sec. 9401. Providing for infection control support to skilled nursing facilities through contracts with quality improvement organizations.*** This section amends 1862(g) of the Social Security Act to provide direct appropriations of \$200 million to the Secretary of the Department of Health and Human Services for the purpose of carrying out infection control support related to COVID-19 in skilled nursing facilities through quality improvement organizations.

***Sec. 9402. Funding for strike teams for resident and employee safety in skilled nursing facilities.*** This section amends 1819 of the Social Security Act by adding a new subsection (k) to provide direct appropriations of \$250 million to the Secretary of the Department of Health and Human Services for the purpose of allocating money to the states, District of Columbia, and U.S. territories to establish strike teams to respond to COVID-19 outbreaks in skilled nursing facilities.

#### **Effective Date**

*Subtitle E:* Effective beginning on the date of enactment.

**IV. VOTES OF THE COMMITTEE**

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of Subtitle E – Support to Skilled Nursing Facilities in Response to COVID-19 on February 11, 2021.

An amendment to the amendment in the nature of a substitute to Subtitle E that would make funds to states conditional on governors signing an attestation that nursing home data reporting has been accurate and will continue to be accurate and require that GAO should investigate any significant past or future nursing home data reporting discrepancies was offered by Mr. Reed. The amendment was defeated by a roll call vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
<b>CHAIRMAN NEAL</b>		X					
<b>TOTALS</b>		24			18		

665

An amendment to the amendment in the nature of a substitute to Subtitle E that would direct HHS to provide notification to Medicare providers that the deficit impact of the Democrats' reconciliation package will result in a \$18 billion sequester was offered by Mr. Smith of Missouri. The amendment was withdrawn.

An amendment to the amendment in the nature of a substitute to Subtitle E that would ensure this subtitle does not go into effect until the Medicare trustee confirms it does not make the Medicare Hospital Insurance Trust Fund worse off nor does it make rural hospitals and health care providers worse off was offered by Mr. Estes. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment in the nature of a substitute to Subtitle E was agreed to by a voice vote. (with a quorum being present).

Subtitle E was ordered favorably transmitted to the House Committee on the Budget as amended by an amendment in the nature of a substitute offered by Chairman Neal by a vote of 24 yeas to 18 nays. The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCARELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS	X			MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT							
CHAIRMAN NEAL	X						
<b>TOTALS</b>	24			<b>TOTALS</b>		18	

**V. BUDGET EFFECTS OF THE SUBTITLE**

**A. Committee Estimate of Budgetary Effects**

In compliance with clause 3(d) of Rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of subtitle E, Support to Skilled Nursing Facilities in Response to COVID-19. The Committee agrees with the estimate prepared by the Congressional Budget Office (CBO).

**B. Statement Regarding New Budget Authority  
and Tax Expenditures Budget Authority**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimates of new budget authority, budget outlays, tax expenditures, or revenues contained in the cost estimate prepared by the CBO.

**C. Cost Estimate Prepared by the Congressional Budget Office**

With respect to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, please refer to Subtitle A for an estimate for the Reconciliation Recommendations of the Committee on Ways and Means as prepared by CBO.

## **VI. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE**

### **A. Committee Oversight Findings and Recommendations**

With respect to clause 3(c)(1) of Rule XIII and clause 2(b)(1) of Rule X of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

### **B. Statement of General Performance Goals and Objectives**

Pursuant to clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, the Committee advises that the general performance goal or objective of this subtitle is to provide assistance to skilled nursing facilities in battling COVID-19 outbreaks and to improve infection control protocols and fund Strike Teams and Quality Improvement Organizations to assist with combatting Covid-19 in these facilities.

### **C. Information Relating to Unfunded Mandates**

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4).

The Committee has determined that the bill does not contain Federal mandates on the private sector. The Committee has determined that the bill does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

### **D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits**

With respect to clause 9 of Rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the bill, and states that the provisions of the bill do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

### **E. Duplication of Federal Programs**

With respect to clause 3(c)(5) of Rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the bill establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report to Congress pursuant to section 21 of Public Law 111-139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant section 6104 of title 31, United States Code.

### **F. Hearings**

Pursuant to section 3(u) of H.Res. 8 (117th Congress), no legislative hearings were held in the 117th Congress to develop or consider Subtitle E due to the exigent nature of the COVID-19 global pandemic and the need for immediate legislative action.

**VII. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE**

**A. Text of Existing Law Amended or Repealed by the Subtitle**

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested but did not receive the text of changes in existing law made by the subtitle, as reported.

671

**VIII. DISSENTING VIEWS**

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

February 16, 2021

**DISSENTING VIEWS ON SUBTITLE E.  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATING TO  
SKILLED NURSING FACILITIES IN RESPONSE TO COVID-19**

Subtitle E of Budget Reconciliation increases funding for nursing home strike teams and allocates additional funds for improving nursing home infection control. While both of these causes, and COVID-19 response as a whole, have been bipartisan efforts thus far, the majority opted to politicize these issues through a partisan process.

In the last year, Republicans and Democrats have worked together to pass five separate COVID-19 relief bills providing \$4 trillion in assistance.<sup>27</sup> Included in this aid was billions of relief money to help nursing homes. Specifically, over \$15 billion has already been distributed from the Provider Relief Fund- including \$5 billion explicitly targeted to help nursing homes improve infection control.<sup>28</sup> When asked, the Department of Health and Human Services was unable to account for how much more money, already provided by Congress for infection control and strike teams in previous COVID-19 relief packages, remained unspent.

The superfluous spending throughout this package is not without consequences. Because the majority opted for a completely partisan process and used Budget Reconciliation, they will not be able to exempt this bill from PAYGO rules. Therefore, the \$1.9 trillion of the spending in this package will trigger a corresponding increase in sequestration for the rest of the budget window. The projected sequestration will result in annual cuts from Medicare of tens of billions of dollars.<sup>29</sup> This means payment cuts for many of the same providers that have been on the front lines treating COVID-19 patients throughout the Public Health Emergency.

During the markup, Committee Republicans also raised concerns around troubling reports regarding the accuracy of nursing home data reported from New York. A January 30, 2021, report from the New York Attorney General showed that New York has been underreporting COVID-19 deaths amongst nursing home patients by up to 50 percent.<sup>30</sup> This would be particularly concerning, not only because of the death and devastation experienced by New York patients and families, but also for how this reported data impacts national public health decisions. The federal government counts on state reported data to inform public health decisions; it is vital that data is as accurate as possible.

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<sup>27</sup> <https://www.rpc.senate.gov/policy-papers/covid-19-relief-funding>

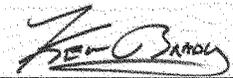
<sup>28</sup> <https://www.hhs.gov/about/news/2020/12/07/trump-administration-announces-new-half-billion-incentive-payment-distribution-to-nursing-homes.html>

<sup>29</sup> <https://thefederalist.com/2021/02/02/democrats-may-raid-medicare-to-fund-stimulus-for-the-wealthy/>

<sup>30</sup> <https://ag.ny.gov/press-release/2021/attorney-general-james-releases-report-nursing-homes-response-covid-19>

To that end, Ways and Means Republicans offered an amendment to this Subtitle that would have required Governors to sign a simple attestation certifying past and future COVID-19 nursing home data be as accurate as possible. Committee Democrats rejected this amendment on a party line vote.

Just hours after that vote, it was reported that a top aide to Governor Cuomo admitted to Democratic state legislators that the Governor rejected their legislative request for nursing home data last August because the Cuomo administration was worried the numbers were “going to be used against us.”<sup>31</sup> This stunning admission warrants future Committee action, but in the meantime, the minority hopes this new report will cause Democrats to reconsider the proposed attestation amendment.

A handwritten signature in black ink, appearing to read "Kevin Brady", is positioned above a horizontal line.

Kevin Brady  
Republican Leader  
Committee on Ways and Means

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<sup>31</sup> <https://www.nytimes.com/2021/02/12/nvregion/new-york-nursing-homes-cuomo.html>

CONTENTS

	<u>Page</u>
SUBTITLE F – PRESERVING HEALTH BENEFITS FOR WORKERS.....	1
I. SUMMARY AND BACKGROUND.....	1
A. Purpose and Summary.....	1
B. Background and Need for Legislation.....	1
C. Legislative History.....	2
II. EXPLANATION OF SUBTITLE F.....	3
A. Preserving Health Benefits for Workers (sec. 9501 of the bill; new sec. 139I, sec. 4980B, new sec. 6432, and new sec. 6720C of the Code; and secs. 601 to 608 of ERISA).....	3
III. VOTES OF THE COMMITTEE.....	16
IV. BUDGET EFFECTS OF SUBTITLE F.....	20
A. Committee Estimate of Budgetary Effects.....	20
B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority..	20
C. Cost Estimate Prepared by the Congressional Budget Office.....	20
V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE.....	21
A. Committee Oversight Findings and Recommendations.....	21
B. Statement of General Performance Goals and Objectives.....	21
C. Information Relating to Unfunded Mandates.....	21
D. Applicability of House Rule XXI, Clause 5(b).....	21
E. Tax Complexity Analysis.....	21
F. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits.....	22
G. Duplication of Federal Programs.....	22
H. Hearings.....	22
VI. CHANGES IN EXISTING LAW MADE BY SUBTITLE F.....	23
A. Text of Existing Law Amended or Repealed by the Subtitle.....	23
VII. DISSENTING VIEWS.....	24

**SUBTITLE F – PRESERVING HEALTH BENEFITS FOR WORKERS****I. SUMMARY AND BACKGROUND****A. Purpose and Summary**

To help employees who have been laid off due to no fault of their own, the subtitle provides for a subsidized period of COBRA coverage beginning with the month after the date of enactment and ending on September 30, 2021. An assistance eligible individual who is eligible for COBRA continuation coverage is an individual who qualifies for COBRA by reason of the termination of employment (except for a voluntary termination) and who does not have another offer of coverage through employer-sponsored insurance or Medicare. Provided as a refundable payroll tax credit to the former employer, the subsidy amount is 85 percent of the COBRA premium with the individual paying the remaining 15 percent of the premium. The subtitle also provides an opportunity for enrollment in COBRA coverage for workers with qualifying events during the Coronavirus Disease 2019 (COVID-19) public health emergency. The subtitle also requires enhanced COBRA notification requirements.

**B. Background and Need for Legislation**

Employment-based health insurance is a predominant source of health insurance coverage to workers and their dependents. The Census Bureau estimates that in 2019, 56.4% of the United States civilian, noninstitutionalized population (including employees, their spouses, and their dependents) had insurance through an employer.<sup>1</sup> As a result of this connection between employment and health insurance, when workers lose their jobs, they can also lose their and their family's health insurance.

One consequence of the COVID-19 pandemic and corresponding recession is that many workers have lost their jobs.<sup>2</sup> The Bureau of Labor Statistics has estimated that there were approximately 33.3 million layoffs or discharges between February 2020 and November 2020, which are approximately 15 million more than the same period during 2019.<sup>3</sup> To the extent that these individuals were receiving employer-sponsored health insurance through their jobs, they would have needed to enroll in COBRA continuation coverage or identify another source of health insurance in order to remain insured.<sup>4</sup>

When offering COBRA coverage to qualified individuals, employers are permitted to charge the covered beneficiary 100% of the premium (both the portion normally paid by the employee and the portion that otherwise would be paid by the employer), plus an additional 2%

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<sup>1</sup> Katherine Keisler-Starkey, and Lisa N. Bunch, Health Insurance Coverage in the United States: 2019, U.S. Census Bureau, September 2020, at <https://www.census.gov/content/dam/Census/library/publications/2020/demo/p60-271.pdf>.

<sup>2</sup> The time periods for the recessions are from National Bureau of Economic Research (NBER), "US Business Cycle Expansions and Contractions," at <https://www.nber.org/cycles.html>.

<sup>3</sup> Bureau of Labor Statistics, *Job Openings and Labor Turnover Survey*, Layoffs and discharges at <https://data.bls.gov/timeseries/JTS0000000000000000LDL>.

<sup>4</sup> For more information on potential health insurance options for these individuals, see CRS In Focus IF11523, *Health Insurance Options Following Loss of Employment*.

administrative fee. Given the high cost, many workers who have lost employment cannot afford the COBRA continuation premiums leaving these individuals and their families uninsured.

Given the extreme economic uncertainty facing many unemployed workers during the COVID-19 pandemic, paying 102 percent of the entire insurance premium for COBRA coverage is often cost-prohibitive. This leads many individuals to become uninsured, during a public health pandemic when timely access to health care is paramount. By supporting coverage through COBRA, individuals will better be able to keep their doctors, provider networks and continuity of care while they look for other employment or wait to be brought back by their employers, helping to eliminate gaps in care and particularly protecting those with ongoing medical conditions or need for treatment. It also ensures that those individuals do not have to restart payments toward a deductible, further protecting individuals from incurring additional out-of-pocket costs.

Congress provided a temporary subsidy for COBRA benefits to eligible individuals who had been terminated from employment as part of the American Recovery and Reinvestment Act of 2009. As with the policy of this subtitle, employers who paid the subsidized portion of the premium were reimbursed through a refundable payroll tax credit.

### **C. Legislative History**

#### **Budget resolution**

On February 5, 2021, the House of Representatives approved Senate Concurrent Resolution 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2002(l) of S. Con. Res. 5, the Committee on Ways and Means was directed to submit to the Committee on the Budget changes in laws within its jurisdiction to increase the deficit by not more than \$940,718,000,000 for the period of fiscal years 2021 through 2030.

#### **Committee hearings**

Pursuant to section 3(u) of H.Res. 8 (117th Congress), no legislative hearings were held in the 117<sup>th</sup> Congress to develop or consider Subtitle F due to the exigent nature of the Covid 19 global pandemic and the need for immediate legislative action.

#### **Committee action**

Beginning on February 10, 2021, in response to its instructions under S. Con. Res. 5, the Committee on Ways and Means met to consider budget reconciliation legislative recommendations. On February 11, 2021, Subtitle F, Legislative Recommendations Relating to Continuation of Job-Based Coverage, was ordered favorably transmitted, as amended, to the House Committee on the Budget by a record vote of 25 to 18.

## II. EXPLANATION OF SUBTITLE F

### BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATED TO CONTINUATION OF JOB-BASED COVERAGE

#### Subtitle F—Preserving Health benefits for workers

##### A. Preserving Health Benefits for Workers (sec. 9501 of the bill; new sec. 139I, sec. 4980B, new sec. 6432, and new sec. 6720C of the Code; and secs. 601 to 608 of ERISA)

#### Present Law

##### In general

Employer-sponsored health plans (referred to as “group health plans”)<sup>5</sup> generally are required to offer an employee, spouse, or dependent child covered by the plan the opportunity to continue coverage under the plan for a specified period of time after the occurrence of certain events that otherwise would have terminated the coverage (“qualifying events”).<sup>6</sup> These continuation of coverage requirements are often referred to as “COBRA continuation coverage” or “COBRA” requirements.<sup>7</sup>

The Code imposes an excise tax on the failure of a group health plan to comply with the COBRA continuation coverage rules with respect to a qualified beneficiary (as defined below). The excise tax with respect to a qualified beneficiary generally is equal to \$100 for each day in the noncompliance period with respect to the failure. A plan’s noncompliance period generally begins on the date the failure first occurs and ends when the failure is corrected. Special rules limit the amount of the excise tax if the failure would not have been discovered despite the exercise of reasonable diligence or if the failure is due to reasonable cause and not willful neglect.

In the case of a multiemployer plan, the excise tax generally is imposed on the group health plan. A multiemployer plan is a plan to which more than one employer is required to contribute that is maintained pursuant to one or more collective bargaining agreements between one or more employee organizations and more than one employer, and that satisfies such other requirements as the Secretary of Labor may prescribe by regulation. In the case of a plan other than a multiemployer plan (a “single employer plan”), the excise tax generally is imposed on the employer.

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<sup>5</sup> A group health plan may include a health flexible spending arrangement, under which medical care expenses of an employee (and family members, if applicable) that are not covered by insurance may be paid or reimbursed.

<sup>6</sup> Sec. 4980B. All section references herein are to the Internal Revenue Code of 1986, as amended (herein “Code”), unless otherwise stated. Section 4980B(d) provides exceptions for plans maintained by employers with fewer than 20 employees, plans of governmental employers, and church plans.

<sup>7</sup> The COBRA requirements were originally enacted as part of the Consolidated Omnibus Budget Reconciliation Act of 1985, Pub. L. No. 99-272.

**Plans subject to COBRA**

A group health plan is defined as a plan of, or contributed to by, an employer (including a self-employed person) or an employee organization to provide health care (directly or otherwise) to its employees, former employees, the employer, others associated or formerly associated with the employer in a business relationship, or their families. A group health plan includes a self-insured plan. The term “group health plan” does not, however, include a plan under which substantially all of the coverage is for qualified long-term care services.

The following types of group health plans are not subject to the Code’s COBRA rules: (1) a plan established and maintained for its employees by a church or by a convention or association of churches which is exempt from tax under section 501 (a “church plan”); (2) a plan established and maintained for its employees by the Federal government, by the government of any State or political subdivision thereof, or by any instrumentality of the foregoing (a “governmental plan”);<sup>8</sup> and (3) a plan maintained by an employer that normally employed fewer than 20 employees on a typical business day during the preceding calendar year<sup>9</sup> (a “small employer plan”).

**Qualifying events and qualified beneficiaries**

A “qualifying event” that gives rise to COBRA continuation coverage is, with respect to any covered employee, any of the following events which would result in a loss of coverage of a qualified beneficiary under a group health plan (but for COBRA continuation coverage): (1) death of the covered employee; (2) the termination (other than by reason of such employee’s gross misconduct), or a reduction in hours, of the covered employee’s employment; (3) divorce or legal separation of the covered employee; (4) the covered employee’s becoming entitled to Medicare benefits under title XVIII of the Social Security Act; (5) a dependent child ceasing to be a dependent child under the generally applicable requirements of the plan; and (6) a proceeding in a case under the U.S. Bankruptcy Code commencing on or after July 1, 1986, with respect to the employer from whose employment the covered employee retired at any time.

A “covered employee” is an individual who is (or was) provided coverage under the group health plan on account of the performance of services by the individual for one or more persons maintaining the plan. A covered employee includes a self-employed individual. A “qualified beneficiary” means, with respect to a covered employee, any individual who on the day before the employee’s qualifying event is a beneficiary under the group health plan as the spouse or dependent child of the employee. A qualified beneficiary also includes the covered employee in the case of a qualifying event that is a termination of employment or reduction in hours.

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<sup>8</sup> A governmental plan also includes certain plans established by an Indian tribal government.

<sup>9</sup> If the plan is a multiemployer plan, then each of the employers contributing to the plan for a calendar year must normally employ fewer than 20 employees during the preceding calendar year.

**Continuation coverage requirements**

Continuation coverage that must be offered to qualified beneficiaries pursuant to COBRA must consist of coverage which, as of the time coverage is provided, is identical to the coverage provided under the plan to similarly situated non-COBRA beneficiaries under the plan with respect to whom a qualifying event has not occurred. If coverage under a plan is modified for any group of similarly situated non-COBRA beneficiaries, the coverage must also be modified in the same manner for qualified beneficiaries. Similarly situated non-COBRA beneficiaries are covered employees, spouses of covered employees, or dependent children of covered employees who (i) are receiving coverage under the group health plan for a reason other than pursuant to COBRA, and (ii) are the most similarly situated to the qualified beneficiary immediately before the qualifying event, based on all of the facts and circumstances.

The minimum required period of continuation coverage for a qualified beneficiary (*i.e.*, the minimum period for which continuation coverage must be offered) depends upon a number of factors, including the specific qualifying event that gives rise to a qualified beneficiary's right to elect continuation coverage. In the case of a qualifying event that is the termination or reduction of hours of a covered employee's employment, the minimum period of coverage that must be offered to the qualified beneficiary is coverage for the period beginning with the loss of coverage on account of the qualifying event and ending on the date that is 18 months<sup>10</sup> after the date of the qualifying event. If coverage under a plan is lost on account of a qualifying event but the loss of coverage occurs on a date after the qualifying event, the minimum coverage period may be extended by the plan so that it is measured from the date when coverage is lost.

The minimum coverage period for a qualified beneficiary generally ends upon the earliest to occur of the following events: (1) the date on which the employer ceases to provide any group health plan to any employee, (2) the date on which coverage ceases under the plan by reason of a failure to make timely payment of any premium required with respect to the qualified beneficiary, and (3) the date on which the qualified beneficiary first becomes (after the date of election of continuation coverage) either (i) covered under any other group health plan (as an employee or otherwise) which does not include any exclusion or limitation with respect to any preexisting condition of such beneficiary or (ii) entitled to Medicare benefits under title XVIII of the Social Security Act. Mere eligibility for another group health plan or Medicare benefits is not sufficient to terminate the minimum coverage period. Instead, the qualified beneficiary must be covered by the other group health plan or must be enrolled in Medicare. Coverage under another group health plan or enrollment in Medicare does not terminate the minimum coverage period if such other coverage or Medicare enrollment begins on or before the date on which continuation coverage is elected.

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<sup>10</sup> In the case of a qualified beneficiary who is determined, under title II or XVI of the Social Security Act, to have been disabled during the first 60 days of continuation coverage, the 18-month minimum coverage period is extended to 29 months with respect to all qualified beneficiaries if notice is given before the end of the initial 18 month continuation coverage period. Sec. 4980B(f)(2)(B)(i)(VIII).

**Election of continuation coverage**

The COBRA rules specify a minimum election period under which a qualified beneficiary is entitled to elect continuation coverage. The election period begins no later than the date on which coverage under the plan terminates on account of the qualifying event, and ends no earlier than the later of 60 days or 60 days after notice is given to the qualified beneficiary of the qualifying event and the beneficiary's election rights.

**Notice requirements**

A group health plan is required to give notice of COBRA continuation coverage rights to employees and their spouses at the time of enrollment in the group health plan.

An employer is required to give notice to the plan administrator of certain qualifying events (including a loss of coverage on account of a termination of employment or reduction in hours) generally within 30 days of the qualifying event. A covered employee or qualified beneficiary is required to give notice to the plan administrator of certain qualifying events within 60 days after the event. The qualifying events giving rise to an employee or beneficiary notification requirement are the divorce or legal separation of the covered employee or a dependent child ceasing to be a dependent child under the terms of the plan. Upon receiving notice of a qualifying event from the employer, covered employee, or qualified beneficiary, the plan administrator is required to give notice of COBRA continuation coverage rights within 14 days to all qualified beneficiaries with respect to the event.

**Premiums**

A plan may require payment of a premium for any period of continuation coverage. The amount of such premium generally may not exceed 102 percent<sup>11</sup> of the "applicable premium" for such period, and the premium must be payable, at the election of the payor, in monthly installments.

The applicable premium for any period of continuation coverage means the cost to the plan for such period of coverage for similarly situated non-COBRA beneficiaries with respect to whom a qualifying event has not occurred, and it is determined without regard to whether the cost is paid by the employer or employee. The determination of any applicable premium is made for a period of 12 months (the "determination period") and is required to be made before the beginning of such 12-month period.

In the case of a self-insured plan, the applicable premium for any period of continuation coverage of qualified beneficiaries is equal to a reasonable estimate of the cost of providing coverage during such period for similarly situated non-COBRA beneficiaries, determined on an actuarial basis, and takes into account such factors as the Secretary of the Treasury ("Secretary") prescribes in regulations. A self-insured plan may elect to determine the applicable premium on

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<sup>11</sup> In the case of a qualified beneficiary whose minimum coverage period is extended to 29 months on account of a disability determination, the premium for the period of the disability extension may not exceed 150 percent of the applicable premium for the period.

the basis of an adjusted cost to the plan for similarly situated non-COBRA beneficiaries during the preceding determination period.

A plan may not require payment of any premium before the day which is 45 days after the date on which the qualified beneficiary made the initial election for continuation coverage. A plan is required to treat any required premium payment as timely if it is made within 30 days after the date the premium is due or within such longer period as applies to, or under, the plan.

**Special rules relating to COVID-19**

On May 4, 2020, the Department of Labor (“DOL”) Employee Benefits Security Administration (“EBSA”) and the Internal Revenue Service (“IRS”) issued temporary relief in response to the COVID-19 pandemic.<sup>12</sup> This relief extended various COBRA time frames and was intended to help minimize the possibility that individuals would lose health insurance because they failed to comply with certain COBRA time frames during the COVID-19 pandemic. Specifically, the days from March 1, 2020 until 60 days after the announced end of the COVID-19 national emergency period<sup>13</sup> (or another date specified by the IRS and EBSA) cannot count toward identified COBRA-related time frames. These time frames include the 60-day COBRA election period, the date for making COBRA premium payments, and the date for notifying a plan administrator of a qualifying event.

**Other continuation coverage rules**

Continuation coverage rules that are parallel to the Code’s continuation coverage rules apply to group health plans under the Employee Retirement Income Security Act of 1974 (“ERISA”).<sup>14</sup> ERISA generally permits the Secretary of Labor and group health plan participants to bring a civil action to obtain appropriate equitable relief to enforce the continuation coverage rules. In the case of a plan administrator who fails to give timely notice to a participant or beneficiary with respect to COBRA continuation coverage, a court may hold the plan administrator liable to the participant or beneficiary in the amount of up to \$110 a day from the date of such failure.

Although the Federal government and State and local governments are not subject to the Code and ERISA’s continuation coverage rules, other laws impose similar continuation coverage requirements with respect to plans maintained by such governmental employers.<sup>15</sup> In addition,

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<sup>12</sup> IRS and EBSA, “Extension of Certain Timeframes for Employee Benefit Plans, Participants, and Beneficiaries Affected by the COVID-19 Outbreak,” 85 Fed. Reg. 26351, May 4, 2020.

<sup>13</sup> The COVID-19 national emergency refers to the “Proclamation on Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak,” issued on March 13, 2020. See <https://trumpwhitehouse.archives.gov/presidential-actions/proclamation-declaring-national-emergency-concerning-novel-coronavirus-disease-covid-19-outbreak/>.

<sup>14</sup> Pub. L. No. 93-406, secs. 601 to 608.

<sup>15</sup> Continuation coverage rights similar to COBRA continuation coverage rights are provided to individuals covered by health plans maintained by the Federal government. 5 U.S.C. sec. 8905a. Group health plans maintained by a State that receives funds under Chapter 6A of Title 42 of the United States Code (the Public Health Service Act) are required to provide continuation coverage rights similar to COBRA continuation coverage rights

many States have enacted laws or promulgated regulations that provide continuation coverage rights that are similar to COBRA continuation coverage rights in the case of a loss of group health coverage. Such State laws, for example, may apply in the case of a loss of coverage under a group health plan maintained by a small employer.

### **Federal employment taxes**

Federal employment taxes (also known as payroll taxes) are imposed on wages paid to employees with respect to employment and include taxes levied under the Federal Insurance Contributions Act (“FICA”), the Federal Unemployment Tax Act (“FUTA”), and the Federal income tax.<sup>16</sup> In addition, tier 1 of the Railroad Retirement Tax Act (“RRTA”) imposes a tax on compensation paid to railroad employees and representatives.<sup>17</sup>

FICA taxes have two components: Old-Age, Survivors, and Disability Insurance (“OASDI”) taxes and Hospital Insurance (“HI”) taxes. With respect to OASDI taxes, the applicable rate is 12.4 percent with half of such rate (6.2 percent) imposed on the employee and the remainder (6.2 percent) imposed on the employer.<sup>18</sup> The tax is assessed on covered wages up to the OASDI wage base (\$142,800 in 2021).<sup>19</sup> The HI tax has two components: Medicare tax and Additional Medicare tax. Medicare tax is imposed on wages, as defined in section 3121(a), with respect to employment, as defined in section 3121(b), at a rate of 1.45 percent for the employer.<sup>20</sup> An equivalent 1.45 percent is withheld from employee wages.<sup>21</sup> Additional Medicare taxes are withheld from employee wages in excess of \$200,000 at a rate of 0.9 percent.<sup>22</sup> There is no equivalent employer’s share of Additional Medicare taxes. For purposes of this description, HI tax does not include Additional Medicare tax.

The employee portion of OASDI taxes must be withheld and remitted to the Federal government by the employer during the calendar quarter, as required by the applicable deposit rules.<sup>23</sup> The employer is liable for the employee portion of OASDI taxes, in addition to its own share, whether or not the employer withholds the amount from the employee’s wages.<sup>24</sup> OASDI and HI taxes are generally allocated by statute among separate trust funds: the OASDI Trust

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for individuals covered by plans maintained by such State (and plans maintained by political subdivisions of such State and agencies and instrumentalities of such State or political subdivision of such State). 42 U.S.C. sec. 300bb-1.

<sup>16</sup> Secs. 3101, 3111, 3301, and 3401.

<sup>17</sup> Sec. 3221.

<sup>18</sup> Sec. 3101.

<sup>19</sup> Generally, the OASDI wage base rises based on increases in the national average wage index. Sec. 230 of the Social Security Act (42 U.S.C. sec. 430).

<sup>20</sup> Sec. 3111(b)(1).

<sup>21</sup> Sec. 3101(b)(1).

<sup>22</sup> Sec. 3101(b)(2).

<sup>23</sup> Sec. 3102(a) and Treas. Reg. sec. 31.3121(a)-2. See also sec. 6302.

<sup>24</sup> Sec. 3102(b).

Funds, Medicare's Hospital Insurance Trust Fund, and the Supplementary Medical Insurance Trust Fund.<sup>25</sup>

**Premium assistance for COBRA benefits**

As part of the American Recovery and Reinvestment Act of 2009,<sup>26</sup> Congress provided temporary premium assistance for COBRA benefits to eligible individuals who had been terminated from employment. The premium assistance under this Act applied to 65 percent of a terminated employee's COBRA premium and was available for individuals who were eligible for COBRA between September 1, 2008 and December 31, 2009. Eligible individuals were treated as paying 100 percent of the premium required for COBRA continuation coverage if the individual paid 35 percent of the premium. Employers, plan administrators, or insurance companies to whom the premiums were payable were allowed a refundable credit against payroll tax liability for the portion of premiums not paid by individuals eligible for premium assistance.

**Reasons for Change**

The COVID-19 pandemic has caused significant economic hardships for many people. The economic crisis has led to widespread job loss, and as a result many Americans have lost their employer-sponsored health insurance at a time when it is critical to have quality, affordable health insurance. The Committee believes it is important to ensure that individuals can retain their health insurance during this period of crisis and can remain with the doctors and health care systems they know and trust.

**Explanation of Provision**

**Reduced COBRA premium**

The provision provides that for a period of coverage during the period beginning on the first day of the first month beginning after the date of enactment and ending on September 30, 2021, an assistance eligible individual is treated as having paid any premium required for COBRA continuation coverage under a group health plan if the individual pays 15 percent of the premium. This reduction in the individual's premium is referred to as premium assistance. An assistance eligible individual is any qualified beneficiary who, with respect to a period of coverage during the period beginning on the first day of the first month beginning after the date of enactment of this provision and ending on September 30, 2021, (1) is eligible for COBRA continuation coverage by reason of the termination of the covered employee's employment (except for a voluntary termination) or reduction of the covered employee's hours,<sup>27</sup> and (2) elects such coverage.

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<sup>25</sup> Secs. 201 and 1817 of the Social Security Act, Pub. L. No. 74-271 as amended (42 U.S.C. secs. 401 and 1395i).

<sup>26</sup> Pub. L. No. 111-5.

<sup>27</sup> The qualified beneficiary must be eligible by reason of a qualifying event specified in section 4980B(f)(3)(B), section 603(2) of ERISA, or section 2203(2) of the Public Health Service Act, Pub. L. No. 78-410,

Under the provision, any premium assistance provided is excludible from the gross income of the assistance eligible individual.<sup>28</sup> In addition, if an assistance eligible individual pays the amount of a premium eligible for premium assistance that the individual would have been required to pay but for the assistance provided under the provision, the person to whom such payment is made must reimburse the individual for the amount paid in excess of the amount required to be paid.<sup>29</sup> Such reimbursement must occur no later than 60 days after the date that the individual elects the continuation coverage that is eligible for premium assistance.

The continuation coverage that qualifies for premium assistance also includes continuation coverage offered by a State<sup>30</sup> program that provides comparable continuation coverage. It does not include coverage under a health flexible spending arrangement offered under a cafeteria plan.<sup>31</sup>

**Plan enrollment option**

A group health plan is permitted to provide a special plan enrollment option to assistance eligible individuals to allow them to change coverage options under the plan in conjunction with electing COBRA continuation coverage. Under this plan enrollment option, the assistance eligible individual may elect to enroll in different coverage within 90 days of the date of notice of the enrollment option. The individual must only be offered the option to change to a coverage option offered to similarly-situated active employees, and the premium for such option must not exceed the premium for the individual's group health plan coverage as of the date of the qualifying event. If the individual elects a different coverage option under this plan enrollment right in conjunction with electing COBRA continuation coverage, that coverage must be provided for purposes of satisfying the COBRA continuation coverage requirement. The different coverage offered may not include: a coverage option that provides only excepted benefits,<sup>32</sup> a qualified small employer health reimbursement arrangement,<sup>33</sup> or a flexible spending arrangement.<sup>34</sup>

This plan enrollment option only allows a group health plan to offer additional coverage options to assistance eligible individuals and does not change the basic requirement that a group health plan must allow an individual to continue enrollment with the coverage in which the individual is enrolled as of the qualifying event. If different coverage is elected, under the COBRA rules it must generally be permitted to be continued for the applicable required period

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except for a voluntary termination. Terminations due to the employee's gross misconduct do not qualify the beneficiary for COBRA continuation coverage.

<sup>28</sup> The provision creates a new section 139I to provide the income exclusion.

<sup>29</sup> The person reimbursing the individual is eligible for a payroll credit (against the HI tax under section 3111(b)) for the amount of the reimbursement. See description of payroll tax credit below.

<sup>30</sup> For this purpose, "State" includes the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

<sup>31</sup> Sec. 125.

<sup>32</sup> Excepted benefits include, for example, certain dental or vision benefits, long-term care, and coverage for on-site medical clinics. Sec. 9832(c); sec. 733(c) of ERISA; sec. 2791(c) of the PHSA.

<sup>33</sup> Sec. 9831(d)(2).

<sup>34</sup> Sec. 106(c)(2).

(generally 18 months or 36 months, absent an event that permits coverage to be terminated) even though the premium assistance may only apply for six months (or less).

**Termination of eligibility for reduced premiums**

The assistance eligible individual's eligibility for premium assistance generally terminates with the first month beginning on or after the earliest of (1) September 30, 2021, (2) the date following the expiration of the maximum required period of continuation coverage for the qualified beneficiary under the applicable COBRA continuation coverage provision, (3) the date following the expiration of the period of continuation coverage applicable under the special COBRA election opportunity described below, or (4) the first date that the assistance eligible individual becomes eligible for Medicare benefits under title XVIII of the Social Security Act or health coverage under another group health plan (including, for example, a group health plan maintained by the new employer of the individual or a plan maintained by the employer of the individual's spouse). However, eligibility for coverage under another group health plan does not terminate eligibility for premium assistance if the other group health plan coverage consists only of excepted benefits; is a qualified small employer health reimbursement arrangement; or is a flexible spending arrangement.

If an assistance eligible individual receiving premium assistance for COBRA continuation coverage under the provision becomes eligible for coverage under another group health plan (except as described in the prior paragraph) or Medicare, the provision requires the individual to notify the group health plan providing the COBRA continuation coverage of such eligibility. The notification must be provided in the time and manner specified by the Secretary of Labor. If an individual fails to provide this notification at the required time and in the required manner, a penalty of \$250 is imposed unless it is shown that such failure is due to reasonable cause and not willful neglect.<sup>35</sup> In addition, if the failure is fraudulent, the individual must pay a penalty equal to the greater of \$250 or 110 percent of the premium assistance provided after termination of eligibility.

**Special COBRA election opportunity**

The provision provides a special election period for a qualified beneficiary who either (1) does not have an election of COBRA continuation coverage in effect on the first day of the first month beginning after the date of enactment of the provision but who would be an assistance eligible individual were such an election in effect, or (2) elected COBRA continuation coverage and discontinued from such coverage before such first day of such first month. The special election period begins on the first day of the first month beginning after the date of the enactment of the provision and ends 60 days after the date on which notice is provided to the individual regarding the availability of premium assistance (see notice requirements described below). COBRA continuation coverage elected during this special election period commences (including for purposes of premium assistance and any cost-sharing requirements for items and services under a group health plan) with the first period of coverage beginning on or after the first day of the first month beginning after the date of enactment of this provision, and must not extend

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<sup>35</sup> The provision creates a new section 6720C with the penalty provision.

beyond the end of the period of COBRA continuation coverage that would have applied had the individual elected coverage under the COBRA rules (and not discontinued such coverage).

**Payroll credit provided to person to whom premium is payable**

The provision provides that the person<sup>36</sup> to whom continuation coverage premiums are payable is allowed a credit for each calendar quarter against HI tax<sup>37</sup> or the equivalent amount of RRTA tax<sup>38</sup> in an amount equal to the premiums not paid by assistance eligible individuals for continuation coverage by reason of the provision with respect to such quarter.<sup>39</sup> The person to whom the premiums are payable is treated as being (1) the multiemployer group health plan; (2) in the case of a group health plan not described in (1) that is subject to COBRA continuation coverage requirements and under which some or all of the coverage is not provided by insurance, the employer maintaining the plan; or (3) in the case of a group health plan not described in (1) or (2), the insurer providing coverage under an insured plan.

The credit allowed may not exceed the HI tax or the equivalent amount of RRTA tax imposed on the employer, reduced by any credits allowed against such taxes under the Families First Coronavirus Response Act<sup>40</sup> or for purposes of the employee retention credit<sup>41</sup> on the wages paid with respect to the employment of all employees of the employer. However, if for any calendar quarter the amount of the credit exceeds the HI tax or RRTA tax imposed on the employer, reduced as described in the prior sentence, such excess is treated as a refundable overpayment.<sup>42</sup>

Under the provision, the gross income of the person receiving the HI credit is increased by the amount of such credit for the taxable year that includes the last day of any calendar quarter with respect to which such credit is allowed. No amount for which a credit is allowed under the provision may be taken into account as qualified wages for purposes of the employee

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<sup>36</sup> For this purpose, "person" includes the government of any State or political subdivision thereof, any Indian tribal government (as defined in section 139E(c)(1)), any agency or instrumentality of any of the foregoing, and any agency or instrumentality of the Government of the United States that is described in section 501(c)(1) and exempt from taxation under section 501(a).

<sup>37</sup> Sec. 3111(b).

<sup>38</sup> Sec. 3221(a).

<sup>39</sup> The provision creates new section 6432 to provide for the credit. Also, the provision does not include express language that "holds harmless" the Federal Hospital Insurance Trust Fund from any effects of the provision. Under present law, amounts appropriated and transferred to the trust fund include amounts equivalent to 100 percent of the taxes imposed by section 3111(b) with respect to applicable wages reported by the Secretary, determined by applying the rate to the reported wages. Sec. 1807 of the Social Security act, 42 U.S.C. sec. 1395i. Because the provision does not affect either the rate under section 3111(b) or applicable wages, but only provides a credit against the amount of tax, the provision does not affect the trust fund, and no hold harmless language is needed.

<sup>40</sup> Pub. L. No. 116-127, secs. 7001 and 7003, as amended by the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act"), Pub. L. No. 116-136, and by the Consolidated Appropriations Act, 2021 ("CAA"), Pub. L. No. 116-260.

<sup>41</sup> CARES Act, sec. 2301, as amended by the CAA.

<sup>42</sup> The excess is treated as an overpayment and refunded under sections 6402(a) and 6413(b). In addition, any amount that is due to an employer is treated in the same manner as a refund due from a credit provision. 31 U.S.C. 1324. Thus, amounts are appropriated to the Secretary of Treasury for refunding such excess amounts.

retention credit or as qualified health plan expenses for purposes of the credits against HI tax and RRTA tax in the Families First Coronavirus Response Act.<sup>43</sup>

The provision provides an appropriation of \$10,000,000 to the Secretary of Labor (in addition to amounts otherwise made available, out of any funds in the Treasury not otherwise appropriated) for fiscal year 2021, to remain available until expended, for the Employee Benefits Security Administration to carry out the provision.

#### **Notice requirements**

Under the provision, the notice of COBRA continuation coverage that a plan administrator is required to provide under present law to qualified beneficiaries with respect to a qualifying event must contain certain additional information if the notice is provided to an individual who becomes entitled to elect COBRA continuation coverage during the period beginning on the first day of the first month beginning after the date of enactment of the provision and ending on September 30, 2021. (Thus, this requirement applies generally to individuals who become entitled to elect COBRA continuation coverage during this time period, and not only those who were involuntarily terminated or had hours reduced.) The additional information that must be provided includes (1) information about the qualified beneficiary's right to premium assistance and any conditions on entitlement to that assistance; (2) a description of the option to enroll in different coverage if permitted; and (3) a description of the obligation of the qualified beneficiary to notify the group health plan of eligibility under another group health plan or eligibility for Medicare, and the penalty for failure to provide this notification.

The provision provides that notice must also be furnished to an assistance eligible individual or to an individual eligible for the special COBRA election opportunity described above if such individual became entitled to elect COBRA continuation coverage before the first day of the first month beginning after the date of enactment of the provision. In such case, the notice must provide the additional information that is required to be added to the notice described above and must be provided within 60 days of such first day of such first month. Failure to provide such a notice is treated as a failure to satisfy the notice rules under the COBRA continuation coverage requirements.

In the case of group health plans that are not subject to the notice provisions of the COBRA continuation coverage requirements of the Code, ERISA, or the Public Health Service Act,<sup>44</sup> the provision requires that notice be given to the relevant employees and beneficiaries as well, as specified by the Secretary of Labor (in consultation with the Secretary and the Secretary of Health and Human Services). Within 30 days after enactment, the Secretary of Labor is generally directed to provide model language for the additional notification required under the provision.

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<sup>43</sup> Pub. L. No. 116-127, secs. 7001 and 7003, as amended by the CARES Act and the CAA.

<sup>44</sup> Pub. L. No. 78-410.

The provision also requires employers to provide assistance eligible individuals a written notice regarding the expiration of the period of premium assistance. Such notice must be provided no earlier than 45 days before the date of such expiration and no later than 15 days before such date. The notice must identify the date that the premium assistance will expire and explain that the individual may be eligible for COBRA continuation coverage without premium assistance or for coverage under a group health plan. Such notice is not required to be provided to an individual who is no longer eligible to receive premium assistance due to eligibility under a group health plan. The Secretary of Labor must prescribe model language for such notice within 45 days of the date of enactment.

#### **Expedited review**

The provision also provides an expedited 15-day review process by the Secretary of Labor or the Secretary of Health and Human Services (both in consultation with the Secretary), under which an individual may request review of a denial of treatment as an assistance eligible individual by a group health plan. Either Secretary's determination upon review is de novo and is the final determination of such Secretary.

#### **Coordination with the HCTC**

Under the provision, any assistance eligible individual who receives premium assistance under the provision for any month is not eligible with respect to such month for the health coverage tax credit ("HCTC").<sup>45</sup>

#### **Regulatory authority**

The provision provides authority to the Secretary and the Secretary of Labor to jointly prescribe such regulations or other guidance as may be necessary and appropriate to carry out the provision as it relates to the premium assistance, including the prevention of fraud and abuse.<sup>46</sup> In addition, the provision provides authority to the Secretary to issue regulations or other guidance as may be necessary or appropriate to carry out the rules relating to the HI credit for persons to whom the COBRA continuation coverage premium is payable, including (1) any reporting requirements or the establishment of other methods for verifying the correct amounts of reimbursements; (2) the application of the provision to a multiemployer group health plan; (3) to allow the advance payment of the HI credit; (4) to provide for the reconciliation of such advance payment with the amount of the credit at the time of filing the tax return for the applicable quarter or taxable year; and (5) to allow the credit to third party payors (including professional employer organizations, certified professional employer organizations, or agents<sup>47</sup>).

#### **Effective Date**

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<sup>45</sup> Sec. 35. In addition, such individual is not treated as a qualifying family member or certified individual for purposes of section 35 or section 7527 (providing for the advance payment of the HCTC).

<sup>46</sup> The provision grants the Secretary of Labor and the Secretary of Health and Human Services the authority to prescribe regulations or other guidance relating to the notices under the provision, in addition to the rules relating to expedited review and outreach.

<sup>47</sup> As described in section 3504.

689

The provision is generally effective on date of enactment.

The rules relating to the HI credit for persons to whom COBRA continuation coverage premiums are payable apply to premiums to which premium assistance applies under the provision and to wages paid on or after April 1, 2021.

The exclusion from gross income of premium assistance for assistance eligible individuals, as well as a coordination rule with the HCTC, are effective for taxable years ending after the date of enactment of the provision.

### III. VOTES OF THE COMMITTEE

Pursuant to clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of Budget Reconciliation Legislative Recommendations Relating to Continuation of Job-Based Coverage, the "Worker Health Coverage Protection Act," on February 11, 2021.

An amendment to the amendment in the nature of a substitute to Subtitle F that would add pro-life Hyde protections to COBRA was offered by Ms. Walorski. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment to the amendment in the nature of a substitute to Subtitle F that would restrict COBRA eligibility to eligible workers who lost their jobs due to President Biden's Executive Action on January 20, 2021, among other things was offered by Mr. Arrington. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment to the amendment in the nature of a substitute to Subtitle F that would restrict eligibility for COBRA subsidies to workers with Social Security Numbers was offered by Mr. Hern. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
<b>CHAIRMAN NEAL</b>		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment in the nature of a substitute to Subtitle F was agreed to by a voice vote (with a quorum being present).

Subtitle F was ordered favorably transmitted to the House Committee on the Budget as amended by an amendment in the nature of a substitute offered by Chairman Neal by a vote of 25 yeas to 18 nays. The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCRELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS	X			MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT	X						
CHAIRMAN NEAL	X						
<b>TOTALS</b>	25			<b>TOTALS</b>		18	

**IV. BUDGET EFFECTS OF SUBTITLE F**

**A. Committee Estimate of Budgetary Effects**

In compliance with clause 3(d) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of the subtitle.

The subtitle is estimated to decrease Federal fiscal year budget receipts by \$13.3 billion for the period 2021 through 2031.

ESTIMATED BUDGETARY EFFECTS OF THE REVENUE PROVISIONS OF THE  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS,  
AS REPORTED BY THE HOUSE COMMITTEE ON WAYS AND MEANS

Fiscal Years 2021 - 2031

(Millions of Dollars)

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
<b>SUBTITLE F - PRESERVING HEALTH BENEFITS FOR WORKERS (SUNSET 9/30/21) [1][2]</b>	cpo's 4/1/21 & tyea DOE	-10,223	-3,146	116	---	---	---	---	---	---	---	---	-13,253	-13,253

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be March 1, 2021.

Legend for "Effective" column:

cpo's = coverage period on or after

DOE = date of enactment

tyea = taxable years ending after

[1] Estimate includes the following budget effects:	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
Total Revenue Effect	-10,223	-3,146	116	---	---	---	---	---	---	---	---	-13,253	-13,253
On-budget effects	-10,227	-3,114	129	---	---	---	---	---	---	---	---	-13,212	-13,212
Off-budget effects	4	-32	-13	---	---	---	---	---	---	---	---	-41	-41

[2] Estimate provided by the Joint Committee on Taxation staff in collaboration with the Congressional Budget Office.

**B. Statement Regarding New Budget Authority  
and Tax Expenditures Budget Authority**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee states that the subtitle involves no new or increased budget authority. The Committee further states that subtitle F includes a new tax expenditure with respect to section 1391 of the Code, as described above.

**C. Cost Estimate Prepared by the Congressional Budget Office**

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by CBO, refer to Subtitle A.

**V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE****A. Committee Oversight Findings and Recommendations**

With respect to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

**B. Statement of General Performance Goals and Objectives**

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee advises that the subtitle contains no measure that authorizes funding, so no statement of general performance goals and objectives is required.

**C. Information Relating to Unfunded Mandates**

With respect to section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4), the Committee has determined that the subtitle does not contain Federal mandates on the private sector. The Committee has determined that the subtitle does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

**D. Applicability of House Rule XXI, Clause 5(b)**

Clause 5(b) of rule XXI of the Rules of the House of Representatives provides, in part, that “It shall not be in order to consider a bill, joint resolution, amendment, or conference report carrying a retroactive Federal income tax rate increase.” The Committee, after careful review, states that the subtitle does not involve any retroactive Federal income tax rate increase within the meaning of the rule.

**E. Tax Complexity Analysis**

Section 4022(b) of Pub. L. No. 105-266, the Internal Revenue Service Restructuring and Reform Act of 1998 (the “RRA”), requires the staff of the Joint Committee on Taxation (in consultation with the Internal Revenue Service and the Treasury Department) to provide a tax complexity analysis. The complexity analysis is required for all legislation reported by the Senate Committee on Finance, the House Committee on Ways and Means, or any committee of conference if the legislation includes a provision that directly or indirectly amends the Internal Revenue Code of 1986 and has widespread applicability to individuals or small businesses.

Pursuant to clause 3(h)(1) of rule XIII of the Rules of the House of Representatives, the staff of the Joint Committee on Taxation has determined that a complexity analysis is not required under section 4022(b) of the RRA because the subtitle contains no provision that amends the Internal Revenue Code of 1986 and has “widespread applicability” to individuals or small businesses within the meaning of the rule.

**F. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits**

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of subtitle F, and states that the provisions of the subtitle do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

**G. Duplication of Federal Programs**

In compliance with clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the subtitle establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report to Congress pursuant to section 21 of Pub. L. No. 111139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant to section 6104 of title 31, United States Code.

**H. Hearings**

Pursuant to section 3(u) of H. Res. 8 (117th Congress), no legislative hearings were held in the 117<sup>th</sup> Congress to develop or consider Subtitle F, Budget Reconciliation Legislative Recommendations Relating to Continuation of Job-Based Coverage, due to the exigent nature of the COVID-19 global pandemic and the need for immediate legislative action.

**VI. CHANGES IN EXISTING LAW MADE BY SUBTITLE F**

**A. Text of Existing Law Amended or Repealed by the Subtitle**

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested but did not receive the text of changes in existing law made by the subtitle, as reported.

700

**VII. DISSENTING VIEWS**

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

February 16, 2021

**DISSENTING VIEWS ON SUBTITLE F.  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATING TO  
CONTINUATION OF JOB-BASED COVERAGE**

Subtitle F of Budget Reconciliation Legislative Recommendations Relating to Continuation of Job-Based Coverage creates a new federal subsidy through September 30, 2021, equal to 85 percent of premium costs for those eligible workers who would enroll in health insurance coverage through the Consolidated Omnibus Budget Reconciliation Act (COBRA).

The American economy is rebuilding. Unemployment has fallen steadily since the height of the pandemic in April – folks are getting back to work, and this nation is proving its resilience and strength. Given these circumstances, passing a multi-billion-dollar COBRA subsidy now doesn't make much sense. Alternative coverage options are available to Americans without this new spending: while everyone who loses their employer-sponsored insurance already gets a special enrollment period (SEP), the President has additionally reopened a broad healthcare.gov SEP—just weeks after the 2021 plan year open enrollment closed.

Moreover, this new subsidy would further increase the amount of taxpayer dollars subsidizing coverage that includes abortion, not restricted to circumstances other than rape, incest, or to save the life of the mother. A majority of Americans — nearly 60 percent — agree that taxpayer dollars should not fund abortion.<sup>32</sup> A Republican amendment to add this common-sense Hyde Amendment language to subtitle F was rejected.

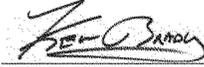
Instead of a new, deficit-increasing, multi-billion-dollar government subsidy program that lacks bipartisan Hyde Amendment protections, this Congress should be focused on defeating the virus, reopening schools, and incentivizing economic recovery and coverage through employer-sponsored insurance. That is the best and most effective use of taxpayer dollars, not a too-late subsidy for health insurance when patients who lose their job-based care already have coverage options at their disposal.

There are a number of ways Congress could have increased spending in a bipartisan way. Republicans would encourage Democrats to consider more targeted relief efforts, including increased vaccine outreach to rural and underserved communities and enhanced mental health and Substance Use Disorder treatment services.

Instead, the Democratic majority is insisting upon a partisan, one-sided process with no room for Republican input. This is not the bipartisan relief bill that the American people deserve.

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<sup>32</sup> <https://www.nationalreview.com/corner/poll-strong-majority-of-americans-back-the-hyde-amendment/>

A handwritten signature in black ink, appearing to read "Kevin Brady", written over a horizontal line.

Kevin Brady  
Republican Leader  
Committee on Ways and Means



## CONTENTS

	<u>Page</u>
SUBTITLE G – PROMOTOING ECONOMIC SECURITY .....	1
I. SUMMARY AND BACKGROUND .....	1
A. Purpose and Summary .....	1
B. Background and Need for Legislation .....	1
C. Legislative History .....	2
II. EXPLANATION OF THE SUBTITLE.....	3
GENERAL BACKGROUND.....	3
A. Present Law .....	3
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATING TO PROMOTING ECONOMIC SECURITY .....	7
SUBTITLE G— PROMOTING ECONOMIC SECURITY .....	7
PART I—2021 RECOVERY REBATES TO INDIVIDUALS .....	7
A. 2021 Recovery Rebates to Individuals (sec. 9601 of the subtitle and new sec. 6428B of the Code) .....	7
PART II—CHILD TAX CREDIT.....	21
A. Child Tax Credit Improvements for 2021 (sec. 9611 of the subtitle and sec. 24 and new sec. 7527A of the Code) .....	21
B. Application of Child Tax Credit in Possessions (sec. 9612 of the subtitle and sec. 24 of the Code) .....	29
PART III—EARNED INCOME TAX CREDIT.....	31
A. Strengthening the Earned Income Tax Credit for Individuals with No Qualifying Children (sec. 9621 of the subtitle and sec. 32 of the Code) .....	31
B. Taxpayer Eligible for Childless Earned Income Credit in Case of Qualifying Children Who Fail to Meet Certain Identification Requirements (sec. 9622 of the subtitle and sec. 32 of the Code) .....	36
C. Credit Allowed in the Case of Certain Separated Spouses (sec. 9623 of the subtitle and sec. 32 of the Code) .....	37
D. Modification of Disqualified Investment Income Test (sec. 9624 of the subtitle and sec. 32 of the Code) .....	38
E. Application of Earned Income Tax Credit in Possessions of the United States (sec. 9625 of the subtitle and sec. 32 and new sec. 7530 of the Code) .....	39

F. Temporary Special Rule for Determining Earned Income for Purposes of the Earned Income Tax Credit (sec. 9626 of the subtitle and sec. 32 of the Code)	41
PART IV—DEPENDENT CARE ASSISTANCE.....	43
A. Refundability and Enhancement of Child and Dependent Care Tax Credit (sec. 9631 of the subtitle and sec. 21 of the Code)	43
B. Employer-Provided Dependent Care Assistance (sec. 9632 of the subtitle and sec. 129 of the Code)	47
PART V—CREDITS FOR PAID SICK AND FAMILY LEAVE .....	49
A. Extension of Credits and Other Modifications (secs. 9641 to 9650 of the subtitle)	49
PART VI—EMPLOYEE RETENTION CREDIT .....	58
A. Extension of Employee Retention Credit (sec. 9651 of the subtitle)	58
PART VII—PREMIUM ASSISTANCE CREDIT .....	72
A. Temporary Modifications to the Premium Assistance Credit (secs. 9661, 9662, and 9663 of the subtitle and sec. 36B of the Code)	72
PART VIII—MISCELLANEOUS PROVISIONS.....	80
A. Repeal of Worldwide Allocation of Interest Election (sec. 9671 of the subtitle and sec. 864(f) of the Code)	80
B. Tax Treatment of Targeted EIDL Advances and Tax Treatment of Restaurant Revitalization Grants (secs. 9672 and 9673 of the subtitle)	82
III. VOTES OF THE COMMITTEE .....	88
IV. BUDGET EFFECTS OF THE SUBTITLE .....	101
A. Committee Estimate of Budgetary Effects	101
B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority	101
C. Cost Estimate Prepared by the Congressional Budget Office	101
V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE .....	102
A. Committee Oversight Findings and Recommendations	102
B. Statement of General Performance Goals and Objectives	102
C. Information Relating to Unfunded Mandates	102
D. Applicability of House Rule XXI, Clause 5(b)	102
E. Tax Complexity Analysis	102
1. 2021 recovery rebates to individuals (sec. 9601 of the subtitle)	103
F. Congressional Earmarks, Limited Tax Benefits and Limited Tariff Benefits	106
G. Duplication of Federal Programs	106

H. Hearings	106
VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE.....	107
VII. DISSENTING VIEWS .....	108

**SUBTITLE G – PROMOTING ECONOMIC SECURITY****I. SUMMARY AND BACKGROUND****A. Purpose and Summary**

To ensure that individuals are afforded the necessary economic security needed in this unprecedented time of economic turmoil, Subtitle G, “Promoting Economic Security,” (1) provides direct payments for individuals, (2) expands essential tax credits targeted at workers and families, including the earned income tax credit, the child tax credit, and the child and dependent care tax credit; (3) expands employer incentives for providing paid leave; (4) improves health care affordability; and (5) extends incentives to keep workers connected with employers that have been adversely impacted by the COVID-19 pandemic.

**B. Background and Need for Legislation**

The COVID-19 global pandemic has caused untold economic and personal harm to millions of American families and businesses. The 116<sup>th</sup> Congress provided substantial aid to both businesses and individuals, including supplemental unemployment insurance benefits, two rounds of stimulus checks, and grants issued through the Paycheck Protection Program. Despite these prior efforts, as the pandemic rages on, and as the rollout of the vaccine remains in its infancy, Americans continue to struggle. This subtitle contains the additional aid that American families need as well as essential supports for our healthcare system to ensure that the most vulnerable among us are protected.

First, to provide immediate assistance to the millions of individuals and families struggling to make ends meet, this subtitle provides for an additional round of \$1,400 stimulus payments, designed to level up the recent \$600 supplement bringing the total to \$2,000.

Next, in recognition of the unique struggles of low-income workers and families with children, this subtitle makes crucial expansions to tax credits targeted at workers and families. For 2021, it enhances the earned income tax credit (EITC) for workers without children by nearly tripling the maximum credit and extending eligibility, ensuring that federal taxes do not pull any workers’ incomes below the poverty line. The subtitle expands the child tax credit in 2021 to \$3,000 per child (or \$3,600 for children under six), and it makes the credit fully refundable and eligible for advance payments so parents can count on a stable monthly income supplement. And finally, it will help families access high-quality childcare by substantially increasing the value of, and making fully refundable, the child and dependent care tax credit to allow families to claim up to half of their childcare expenses in 2021.

While vaccines are being distributed, thousands remain sick and the virus continues to spread. This subtitle contains crucial public health measures, extending the tax incentive to provide paid family and medical leave through September 30, 2021, and extending those provisions to certain public sector employees originally excluded from these benefits. It also reduces health care premiums for low- and middle-income families by increasing the Affordable Care Act’s premium tax credits for 2021 and 2022, helping families retain their healthcare when they need it most.

**C. Legislative History****Budget resolution**

On February 5, 2021, the House of Representatives approved Senate Concurrent Resolution 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2002(l) of S. Con. Res. 5, the Committee on Ways and Means was directed to submit to the Committee on the Budget changes in laws within its jurisdiction to increase the deficit by not more than \$940,718,000,000 for the period of fiscal years 2021 through 2030.

**Committee hearings**

In light of the emergency presented by the COVID-19 global pandemic and the need for immediate legislative action, no hearings were held in the 117<sup>th</sup> Congress prior to consideration of Subtitle G, Budget Reconciliation Legislative Recommendations Relating to Promoting Economic Security.

**Committee action**

Beginning on February 10, 2021, in response to its instructions under S. Con. Res. 5, the Committee on Ways and Means met to consider budget reconciliation legislative recommendations. On February 11, 2021, Subtitle G, Legislative Recommendations Relating to Promoting Economic Security, was ordered favorably transmitted, as amended, to the House Committee on the Budget by a record vote of 24 to 18.

## II. EXPLANATION OF THE SUBTITLE

### GENERAL BACKGROUND

#### A. Present Law

The following descriptions of present law are relevant to the income tax credit provisions in Parts 1 through 4 and Part 7 of the subtitle.

#### **Individual refundable income tax credits**

An individual may reduce his or her income tax liability by available income tax credits. In some instances, a credit is wholly or partially refundable. That is, if the amount of a taxpayer's refundable income tax credits exceeds the taxpayer's income tax liability (net of other nonrefundable credits), these credits create an overpayment, which may generate a refund or be credited against any other internal revenue tax liability.<sup>1</sup> A refund or credit is authorized for a taxable year only if an overpayment exists, that is, if the amounts paid or deemed paid exceed the tax liability for that year.<sup>2</sup>

#### **Dependents**

Under section 152 of the Internal Revenue Code, a taxpayer's dependents include both the taxpayer's qualifying children and the taxpayer's qualifying relatives.<sup>3</sup> A dependent must be a citizen, national,<sup>4</sup> or resident of the United States or of a country contiguous to the United States (*i.e.*, Canada or Mexico).<sup>5</sup>

Generally, a qualifying child of a taxpayer is any individual who (1) meets the age test,<sup>6</sup> and (2) is the taxpayer's son, daughter, stepson, stepdaughter, adopted child, foster child, brother, sister, stepbrother, stepsister, or a descendant of any such individual.<sup>7</sup> The individual also (3) must share the same principal place of abode as the taxpayer for more than one-half of the taxable year,<sup>8</sup> (4) may not have provided over one-half of his or her own support for the taxable year,<sup>9</sup> and (5) may not file a joint return with a spouse.<sup>10</sup> The age test requires that the qualifying child must be either (1) under the age of 19 at the end of the calendar year, (2) under the age of

<sup>1</sup> See secs. 37, 6401, 6402.

<sup>2</sup> See sec. 6402(a).

<sup>3</sup> All section references herein are to the Internal Revenue Code of 1986, as amended (herein "Code"), unless otherwise stated.

<sup>4</sup> Non-citizen U.S. nationals include (i) individuals born in American Samoa or (ii) certain individuals born in the Commonwealth of the Northern Mariana Islands who have chosen to be U.S. nationals instead of U.S. citizens. See 8 U.S.C. sec. 1408; *Tuaua v. United States*, 788 F.3d 300 (D.C. Cir. 2015); 48 U.S.C. sec. 1801 note, Article III.

<sup>5</sup> Sec. 152(b)(3). There are special rules for certain adopted children.

<sup>6</sup> Sec. 152(c)(1)(C), (c)(3).

<sup>7</sup> Sec. 152(c)(1)(A), (c)(2), (f)(1).

<sup>8</sup> Sec. 152(c)(1)(B).

<sup>9</sup> Sec. 152(c)(1)(D).

<sup>10</sup> Sec. 152(c)(1)(E); see also sec. 152(b)(2).

24 at the end of the calendar year and a full-time student,<sup>11</sup> or (3) permanently and totally disabled at any time during the calendar year, regardless of age.<sup>12</sup>

A qualifying relative of a taxpayer is any individual who (1) bears the appropriate relationship to the taxpayer,<sup>13</sup> (2) has gross income for the taxable year that does not exceed the personal exemption amount,<sup>14</sup> (3) receives over one-half of his or her support from the taxpayer,<sup>15</sup> and (4) is not a qualifying child of the taxpayer.<sup>16</sup> A qualifying relative who files a joint return with a spouse does not qualify as a dependent.<sup>17</sup>

For purposes of the definition of qualifying relative, an individual bears the appropriate relationship to the taxpayer if the individual is the taxpayer's lineal descendent or ancestor, brother, sister, aunt, uncle, niece, or nephew.<sup>18</sup> Some relations by marriage also qualify, including stepmothers, stepfathers, stepbrothers, stepsisters, sons-in-law, daughters-in-law, fathers-in-law, mothers-in-law, brothers-in-law, and sisters-in-law. In addition, an individual bears the appropriate relationship if the individual has the same principal place of abode as the taxpayer and is a member of the taxpayer's household.<sup>19</sup>

#### **Qualifying child for purposes of the child tax credit**

Generally, for purposes of the child tax credit, a qualifying child is a qualifying child under section 152 who is under the age of 17.<sup>20</sup> Only a child who is a U.S. citizen, national, or resident may be a qualifying child; citizens of contiguous countries are ineligible under the child tax credit definition of qualifying child.

#### **Identification number requirements**

Many provisions of the Code require a taxpayer to include either a Taxpayer Identification Number ("TIN") or Social Security Number ("SSN") for specified individuals. A

<sup>11</sup> Sec. 152(f)(2). To qualify as a full-time student, the individual must be, during five calendar months during a calendar year: (1) a full-time student at a school that has a regular teaching staff, course of study, and regular student body at the school; or (2) a student taking a full-time, on-farm training course given by a school described in (1), or a state, county, or local government.

<sup>12</sup> An individual is permanently and totally disabled if he or she cannot engage in any substantial gainful activity because of a physical or mental condition and a doctor determines the condition has lasted or can be expected to last continuously for at least a year or can lead to death. Secs. 22(e)(3), 152(c)(3)(B).

<sup>13</sup> Sec. 152(d)(1)(A), (d)(2).

<sup>14</sup> Sec. 152(d)(1)(B). For taxable years beginning in 2018 through 2025, the reduction of the personal exemption amount to zero under section 151(d)(5) is not taken into account in determining whether an individual is a qualifying relative under section 152(d)(1)(B). The exemption amount referenced in section 152(d)(1)(B) will be treated as \$4,150 (adjusted for inflation for taxable years beginning after 2018 and before 2026). See Treas. Reg. sec. 1.152-2(e)(1); Notice 2018-70, 2018-38 I.R.B. 441. The personal exemption amount for this purpose is \$4,300 for taxable years beginning in 2021. Rev. Proc. 2020-45, 2020-46 I.R.B. 1016.

<sup>15</sup> Sec. 152(d)(1)(C).

<sup>16</sup> Sec. 152(d)(1)(D).

<sup>17</sup> Sec. 152(b)(2).

<sup>18</sup> Sec. 152(d)(2).

<sup>19</sup> Sec. 152(d)(2)(H).

<sup>20</sup> Sec. 24(c). The age requirement must be met at the close of the taxable year. See IRS Tax Year 2020 Form 1040 and 1040-SR Instructions (Rev. 2-2021), p.18.

taxpayer is required to include a TIN when filing a U.S. tax return. Generally, an individual taxpayer's TIN is his or her SSN.<sup>21</sup>

SSNs are issued to United States citizens and nationals. In addition, noncitizens may be eligible to receive SSNs. The Social Security Administration ("SSA") is authorized to issue an SSN to a noncitizen for certain purposes including (1) for purposes relating to the lawful admission for employment in the United States, or (2) for claiming a benefit financed in whole or in part from Federal funds.<sup>22</sup>

An individual who has a U.S. tax filing obligation but who is not eligible to receive an SSN must apply to the Internal Revenue Service ("IRS") for an individual taxpayer identification number ("ITIN") for use in connection with the individual's tax filing obligation.<sup>23</sup> An individual who is eligible to receive an SSN may not apply for an ITIN.<sup>24</sup> An ITIN does not provide eligibility to work in the United States or allow the ITIN holder to claim Social Security benefits.

#### **Taxation in the U.S. territories**

Citizens of the United States are generally subject to Federal income tax on their U.S. and foreign income regardless of whether they live in a State, a foreign country, or a U.S. territory. Residents of the five U.S. territories<sup>25</sup> are generally subject to the Federal income tax system based on their status as U.S. citizens or residents of the territories, with certain special rules for determining residence and source of income specific to the territory. Broadly, a bona fide individual resident of a territory is exempt from U.S. tax on income derived from sources within that territory but is subject to U.S. tax on U.S.-source and non-territory-source income.<sup>26</sup> A bona fide resident of a territory for a taxable year is generally an individual (1) who is present for at least 183 days during the taxable year in the territory, and (2) who does not have either a tax home outside the territory or a closer connection to the United States or a foreign country than to the territory.<sup>27</sup>

The application of the Federal tax rules to the territories varies from one territory to another. Three territories—Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands—are referred to as mirror Code territories because the Code serves as the internal tax law of those territories (substituting the particular territory for the United States

<sup>21</sup> Sec. 6109(a); Treas. Reg. sec. 301.6109-1(a)(1)(ii)(A).

<sup>22</sup> See Section 205(c)(2)(B)(i)(I), (II) of the Social Security Act, codified as 42 U.S.C. sec. 405(c)(2)(B)(i)(I), (II). The SSA also is authorized to issue SSNs to individuals who could have been but were not assigned SSNs for either of these purposes, if certain other conditions are met. Section 205(c)(2)(B)(i)(III) of the Social Security Act, codified as 42 U.S.C. sec. 405(c)(2)(B)(i)(III).

<sup>23</sup> Treas. Reg. sec. 301.6109-1(a)(1)(ii)(B), (d)(3).

<sup>24</sup> Treas. Reg. sec. 301.6109-1(d)(3)(ii).

<sup>25</sup> The Code refers to the territories as "possessions."

<sup>26</sup> See secs. 932, 933, and 937; see also former sec. 935 (1986), which remains in effect pursuant to the Tax Reform Act of 1986, Pub. L. No. 99-514, sec. 1277(b), October 22, 1986; 48 U.S.C. sec. 1801 note, sec. 601.

<sup>27</sup> Sec. 937.

wherever the Code refers to the United States).<sup>28</sup> Thus, for example, there is a mirror Code version of the earned income tax credit under the internal revenue laws of each mirror Code territory. A resident of one of those territories generally files a single tax return only with the territory of which the individual is a resident, and not with the United States.<sup>29</sup>

American Samoa and Puerto Rico, by contrast, are non-mirror Code territories. These two territories have their own internal tax laws, and a resident of either American Samoa or Puerto Rico may be required to file income tax returns with both their territory of residence and the United States.

The non-mirror Code territories may offer individual refundable income tax credits to their residents under their own tax laws. In addition, residents of the territories may be entitled to individual refundable income tax credits from the U.S. Treasury under the Code.

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<sup>28</sup> 48 U.S.C. sec. 1397 (U.S. Virgin Islands); 48 U.S.C. sec. 1421i (Guam); 48 U.S.C. 1801 note, sec. 601 (Commonwealth of the Northern Mariana Islands).

<sup>29</sup> Sec. 932 and former sec. 935.

**BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS  
RELATING TO PROMOTING ECONOMIC SECURITY**

**SUBTITLE G— PROMOTING ECONOMIC SECURITY**

**PART I—2021 RECOVERY REBATES TO INDIVIDUALS**

**A. 2021 Recovery Rebates to Individuals  
(sec. 9601 of the subtitle and new sec. 6428B of the Code)**

**Present Law**

In response to the economic and health crises in 2020, Congress enacted two refundable income tax credits for individuals that are advanceable to eligible individuals. Each credit is described below.

**2020 CARES Act recovery rebate**

The Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”)<sup>30</sup> provides a one-year refundable income tax credit for 2020, referred to as the 2020 recovery rebate.<sup>31</sup> The credit is referred to as a rebate because it includes rules, described below, under which the Secretary of the Treasury (herein “Secretary”) makes an advance payment to a taxpayer for the amount of the credit (determined based on prior year filing characteristics or other information) before the taxpayer files a 2020 Federal income tax return.<sup>32</sup>

An eligible individual is allowed a refundable income tax credit for the first taxable year beginning in 2020 equal to the sum of:

- \$1,200 (\$2,400 in the case of a joint return), and
- \$500 for each qualifying child of such individual.

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<sup>30</sup> Pub L. No. 116-136, sec. 2201, March 27, 2020.

<sup>31</sup> Sec. 6428. The CARES Act provision was subsequently amended by the Consolidated Appropriations Act, 2021 (“CAA”), and those amendments were given effect as if included in the CARES Act. See Pub. L. No. 116-260, Div. N, sec. 273, December 27, 2020. The CAA also added an additional 2020 recovery rebate (described below). *Id.*, sec. 272.

The two 2020 one-time rebates are similar in structure to a one-time rebate enacted in 2008 during a prior financial crisis, codified as section 6428 and later repealed. Economic Stimulus Act of 2008, Pub. L. No. 110-185, sec. 101, February 13, 2008. For a description of former section 6428, see Joint Committee on Taxation, *General Explanation of Tax Legislation Enacted in the 110<sup>th</sup> Congress (JCS-1-09)*, March 2009, at pp. 75-80.

<sup>32</sup> In total, Treasury disbursed 161.9 million advance payments worth \$271.4 billion. IRS, “SOI Tax Stats - Coronavirus Aid, Relief, and Economic Security (CARES Act) Statistics,” available at <https://www.irs.gov/statistics/soi-tax-stats-coronavirus-aid-relief-and-economic-security-act-cares-act-statistics> (last visited January 28, 2021).

An eligible individual is any individual other than (1) a nonresident alien, (2) an estate or trust, or (3) a dependent.<sup>33</sup> For these purposes, the child tax credit definition of a qualifying child applies (generally, a qualifying child as defined in section 152 who is under the age of 17).

The amount of the credit is phased out at a rate of five percent of the amount of adjusted gross income ("AGI") above certain threshold amounts.<sup>34</sup> The threshold amount at which the credit begins phasing out is \$150,000 of AGI for joint filers and surviving spouses,<sup>35</sup> \$112,500 of AGI for head of household filers, and \$75,000 of AGI for all other filers.<sup>36</sup> Thus, the credit is fully phased out (*i.e.*, reduced to zero) for joint filers with no children at \$198,000 of AGI and for a single filer at \$99,000 of AGI.

#### Identification number requirement

No credit is allowed to an individual who does not include a valid identification number on the individual's income tax return.<sup>37</sup> In the case of a joint return that does not include a valid identification number for either spouse, no credit is allowed. In the case of a joint return that includes a valid identification number for only one spouse, one-half of the joint return amount (\$1,200) is allowed.<sup>38</sup> A qualifying child may not be taken into account in determining the amount of the credit unless valid identification numbers for the taxpayer (or for at least one spouse in the case of a joint return) and the child are included on the return.

For purposes of this requirement, a valid identification number is an SSN as defined for purposes of the child tax credit,<sup>39</sup> which means that it must be issued by the SSA before the due date of the return (including extensions) to a citizen of the United States or pursuant to a provision of the Social Security Act relating to the lawful admission for employment in the United States.<sup>40</sup> Two exceptions to this requirement are provided. First, an adoption identification number is considered a valid identification number in the case of a qualifying child who is adopted or placed for adoption. Second, when a married couple files a joint return and at least one spouse was a member of the Armed Forces of the United States during the taxable year

<sup>33</sup> Sec. 6428(d).

<sup>34</sup> Sec. 6428(c).

<sup>35</sup> Under the CARES Act, the phaseout threshold for surviving spouses was \$75,000 of AGI. The CAA amended the phaseout threshold for surviving spouses to be \$150,000 AGI.

<sup>36</sup> For example, a married couple that files jointly with two qualifying children and has an AGI below the phaseout range would be entitled to a recovery rebate credit of \$3,400 (\$2,400 + \$500 + \$500). If that couple's AGI were \$175,000, the credit would be \$2,150 ( $\$3,400 - .05 * (\$175,000 - \$150,000)$ ). The credit would be fully phased out for this taxpayer at \$218,000 of AGI.

<sup>37</sup> Sec. 6428(g).

<sup>38</sup> This valid identification number rule for joint returns was amended from the rule in the CARES Act by the CAA. Pub. L. No. 116-260, Div. N, sec. 273(a)(3). The CARES Act required that in the case of a joint return that does not include valid identification numbers for both spouses, no credit is allowed. Advance refunds were made on the basis of the CARES Act rule. Any additional amounts owed as a result of the amended rule can be claimed on a 2020 Federal income tax return.

<sup>39</sup> Sec. 24(h)(7).

<sup>40</sup> Sec. 205(c)(2)(B)(i)(I) (or that portion of subclause (III) that relates to subclause (I)) of the Social Security Act.

for which the return is filed, a full \$2,400 credit (subject to the income-based phaseout) is allowed even if the return includes a valid identification number for only one spouse.

The failure to provide a correct valid identification number is treated as a mathematical or clerical error. If a taxpayer claims an individual as a qualifying child, but based on the SSN provided the individual is too old to be a qualifying child, the provision of the SSN is treated as a mathematical or clerical error.<sup>41</sup>

#### Advance payments of the recovery rebate credit

A taxpayer may receive the recovery rebate credit as an advance refund in the form of a direct deposit to their bank account or as a check or prepaid debit card issued by the Secretary during calendar year 2020.<sup>42</sup> The amount of the advance refund is computed in the same manner as the recovery rebate credit, except that the calculation is made on the basis of the income tax return filed for 2019 (instead of 2020), if available, or otherwise on the basis of the income tax return filed for 2018.<sup>43</sup> Accordingly, the advance refund amount generally is based on a taxpayer's filing status, number of qualifying children, and AGI as reported for 2019 or 2018. The Secretary is directed to issue advance refunds as rapidly as possible.

If a taxpayer has not filed an income tax return for 2019 or 2018, in administering the advance refund the Secretary may use information with respect to that taxpayer that is provided on a 2019 Form SSA-1099, Social Security Benefit Statement, or a 2019 Form RRB-1099, Social Security Equivalent Benefit Statement.<sup>44</sup> Recipients of these forms include Social Security retirement, disability, and survivor benefit recipients and railroad retirees who are not otherwise required to file a Federal income tax return. An individual in one of these categories is allowed a \$1,200 payment per person without the necessity of a return filing or other action.<sup>45</sup>

Supplemental Security Income recipients and recipients of compensation and benefit payments from the Department of Veterans Affairs similarly are allowed \$1,200 per-person payments automatically without the requirement of filing a return or taking other action.<sup>46</sup> Other taxpayers who do not have return-filing obligations in 2018 or 2019 could register to receive advance refunds using the "non-filer portal," a web tool developed by the IRS; alternatively, they could use a simplified Federal income tax return filing procedure for taxable year 2019.<sup>47</sup>

<sup>41</sup> CARES Act, sec. 2201(b)(2).

<sup>42</sup> The Treasury Department referred to these advance refunds as "economic impact payments."

<sup>43</sup> Sec. 6428(f).

<sup>44</sup> Sec. 6428(f)(5)(B).

<sup>45</sup> IRS, "Economic impact payments: what you need to know," IR-2020-61 (March 30, 2020), available at <https://www.irs.gov/newsroom/economic-impact-payments-what-you-need-to-know>.

<sup>46</sup> IRS, "Supplemental Security Income recipients will receive automatic Economic Impact Payments," IR-2020-73 (April 15, 2020), available at <https://www.irs.gov/newsroom/supplemental-security-income-recipients-will-receive-automatic-economic-impact-payments-step-follows-work-between-treasury-irs-social-security-administration>; IRS, "Veterans Affairs recipients will receive automatic Economic Impact Payments," IR-2020-75 (April 17, 2020), available at <https://www.irs.gov/newsroom/veterans-affairs-recipients-will-receive-automatic-economic-impact-payments-step-follows-work-between-treasury-irs-va>.

<sup>47</sup> Rev. Proc. 2020-28, 2020-19 I.R.B. 792; IRS, "Treasury, IRS launch new tool to help non-filers register for Economic Impact Payments," IR-2020-69 (April 10, 2020), available at <https://www.irs.gov/newsroom/treasury>.

In the case of any individual for which payment information is provided to the Secretary by the Commissioner of Social Security, the Railroad Retirement Board, or the Secretary of Veterans Affairs, the advance refund may be provided to the individual's representative payee or fiduciary. The entire payment must be provided to the individual or used for the benefit of the individual. Enforcement provisions apply to prevent the misuse of the payment.

The amount of the recovery rebate credit allowed on a taxpayer's 2020 income tax return (based on 2020 information) must be reduced by any advance refund received during 2020 (based on 2019 or 2018 information).<sup>48</sup> If the recovery rebate amount less the advance refund is a positive number (because, for example, a qualifying child was born to the taxpayer during 2020), the taxpayer is allowed that difference as a refundable credit against 2020 income tax liability. If, however, the result is negative (because, for example, the taxpayer's AGI was higher in 2020 and was in the phaseout range), the taxpayer's 2020 tax liability is not increased by that negative amount. In addition, an eligible taxpayer that did not receive an advance refund may claim the recovery rebate amount on his or her 2020 income tax return. A taxpayer's failure to reduce the recovery rebate amount by an advance refund is treated as a mathematical or clerical error. The advance refund is not includible in gross income.

The Secretary may not issue an advance refund after December 31, 2020. Within 15 days of distribution of the advance refund, the Secretary is required to send a notice by mail to the taxpayer's last known address that indicates the method by which the payment was made, the amount of such payment, and a phone number at the IRS to report any failure to receive such payment.

#### Treatment of the U.S. territories

The CARES Act directs the Secretary to make payments to each mirror Code territory (Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands) that relate to the cost (if any) of each territory's recovery rebate credit. The Secretary is further directed to make similar payments to each non-mirror Code territory (American Samoa and Puerto Rico).

The CARES Act requires the Secretary to pay to each mirror Code territory amounts equal to the aggregate amount of the credits allowable by reason of the CARES Act to that

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[irs-launch-new-tool-to-help-non-filers-register-for-economic-impact-payments](#). Federal benefit recipients also could use the web tool for non-filers to enter information regarding any qualifying children to claim the additional \$500 per child payment as an advance refund. IRS, "IRS takes new steps to ensure people with children receive \$500 economic impact payments," IR-2020-180 (August 14, 2020), available at <https://www.irs.gov/newsroom/irs-takes-new-steps-to-ensure-people-with-children-receive-500-economic-impact-payments>; IRS, "Register by Nov. 21 to get an Economic Impact Payment," IR-2020-260, November 19, 2020, available at <https://www.irs.gov/newsroom/register-by-nov-21-to-get-an-economic-impact-payment-same-deadline-for-federal-beneficiaries-to-get-missed-500-per-child-payments>.

Under the CARES Act, the Secretary (or the Secretary's delegate) is directed to conduct a public awareness campaign, in coordination with the Commissioner of Social Security and the heads of other relevant Federal agencies, to provide information regarding the availability of the recovery rebate credit, including information with respect to individuals who may not have filed a tax return for 2019 or 2018.

<sup>48</sup> Sec. 6428(e).

territory's residents against its income tax. Such amounts are determined by the Secretary based on information provided by the government of the respective territory.

To each non-mirror Code territory, the CARES Act requires the Secretary to pay amounts estimated by the Secretary as being equal to the aggregate credits that would have been allowed to residents of that territory if a mirror Code tax system had been in effect in that territory. Accordingly, the amount of each payment to a non-mirror Code territory is an estimate of the aggregate amount of the credits that would be allowed to the territory's residents if the credit provided by the CARES Act to U.S. residents were provided by the territory to its residents. This payment may not be made to any U.S. territory unless it has a plan that has been approved by the Secretary under which the territory will promptly distribute the payment to its residents.

No credit against U.S. income taxes is permitted under the CARES Act for any person to whom a credit is allowed against territory income taxes as a result of the CARES Act (for example, under that territory's mirror income tax). Similarly, no credit against U.S. income taxes is permitted for any person who is eligible for a payment under a non-mirror Code territory's plan for distributing to its residents the payment described above from the U.S. Treasury.

#### Exception from reduction or offset

Any advance refund allowed or made to an individual or any similar payment to a resident of the U.S. territories is not subject to reduction or offset by other assessed Federal taxes that would otherwise be subject to levy or collection. In addition, the overpayments resulting from these credits generally are not subject to offset for other taxes or non-tax debts owed to the Federal government or State governments.<sup>49</sup>

As an exception, overpayments resulting from recovery rebate credits and the advance refund are subject to the offset against overpayments of the amount of any past-due child support.<sup>50</sup> The term past-due child support means the amount of a delinquency, determined under a court order, or an order of an administrative process established under State law, for support and maintenance of a child (whether or not a minor), or of a child (whether or not a minor) and the parent with whom the child is living.<sup>51</sup> The State must have notified the Secretary of the taxpayer's delinquency in order for the offset to apply. If the offset applies, the Secretary remits the offset amount to the State collecting such support and notifies the taxpayer

<sup>49</sup> Prior to amendment, the CARES Act prohibited overpayments resulting from recovery rebate credits and advance refunds from being subject to reduction or offset. This prohibition was amended to only apply to advance refunds. See Pub. L. No. 116-260, Div. N, sec. 273(b)(1).

<sup>50</sup> See sec. 6402(c). Following distribution of a significant share of the advance payments, the IRS announced that it would issue catch-up payments to individuals where such individual's portion of the payment had been diverted to pay a spouse's past-due child support. IRS, "50,000 spouses to get catch-up Economic Impact Payments," IR-2020-192, August 25, 2020, available at, <https://www.irs.gov/newsroom/irs-50000-spouses-to-get-catch-up-economic-impact-payments>; IRS, "Economic Impact Payment Information Center -- Topic D: Receiving My Payment," Q&A D2, available at, <https://www.irs.gov/newsroom/economic-impact-payment-information-center-topic-d-receiving-my-payment>.

<sup>51</sup> Sec. 464(c) of the Social Security Act, 42 U.S.C. sec. 664(c).

of the remittance. The offset of past-due child support applies before any other reductions allowed by law and before the crediting of the overpayment to the taxpayer's future tax liability.

An overpayment resulting from the recovery rebate credit may be subject to claims by the taxpayer's creditors under applicable State law or Federal bankruptcy law.

### **2020 additional recovery rebate**

#### **In general**

The Consolidated Appropriations Act, 2021 ("CAA"), provides an additional one-year refundable income tax credit for 2020, referred to as the additional 2020 recovery rebate.<sup>52</sup> Like the first 2020 recovery rebate, the additional 2020 recovery rebate includes rules, described below, under which the Secretary makes an advance payment to a taxpayer for the amount of the credit (determined based on prior year filing characteristics or other information) before the taxpayer files a 2020 Federal income tax return. The additional 2020 recovery rebate has many of the same features as the first recovery rebate, with some modifications. These modifications are described below.

The additional 2020 recovery rebate is equal to the sum of:

- \$600 (\$1,200 in the case of a joint return), and
- \$600 for each qualifying child of such individual.<sup>53</sup>

The phaseout thresholds and phaseout rate for the additional 2020 recovery rebate are the same as those of the first rebate, but because of the different amounts of the additional rebate, the additional rebate is fully phased out at different levels of AGI. Thus, the additional 2020 recovery rebate is fully phased out (*i.e.*, reduced to zero) for joint filers with no children at \$174,000 of AGI and for a single filer at \$87,000 of AGI.

#### **Identification number requirement**

The identification number requirements for the additional 2020 recovery rebate follow those for the first recovery rebate (as amended by the CAA) and described above. Because the amounts of the additional 2020 recovery rebate differ from the first rebate, several rules are affected. In the case of a joint return that includes a valid identification number for only one spouse, a \$600 credit is allowed. In the case of a married couple filing a joint return where at least one spouse was a member of the Armed Forces of the United States during the taxable year for which the return is filed, a full \$1,200 credit (subject to the income-based phaseout) is allowed even if the return includes a valid identification number for only one spouse.

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<sup>52</sup> Pub. L. No. 116-260, Div. N, sec. 272, December 27, 2020.

<sup>53</sup> Sec. 6428A(a).

Advance payments of the 2020 additional recovery rebate

Just as with the first recovery rebate, many taxpayers receive the additional 2020 recovery rebate automatically as an advance refund in the form of a direct deposit to their bank account or as a check or prepaid debit card issued by the Secretary.<sup>54</sup> The amount of the additional advance refund is calculated on the basis of the income tax return filed for 2019, if available (rather than 2018 or 2019 as with the first advance refund).<sup>55</sup> Accordingly, the amount of the additional advance refund generally is based on a taxpayer's filing status, number of qualifying children, and AGI as reported for 2019. The Secretary is directed to issue additional advance refunds as rapidly as possible, and no additional advance refund is to be made or allowed after January 15, 2021.<sup>56</sup>

If a taxpayer did not file an income tax return for 2019 at the time the Secretary makes a determination regarding payments, the Secretary may use information to administer the additional advance refund with respect to that taxpayer that is provided (1) in the case of a specified Social Security or Supplemental Security Income recipient, by the SSA; (2) in the case of a specified railroad retirement beneficiary, by the Railroad Retirement Board; and (3) in the case of a specified veterans beneficiary, by the Department of Veterans Affairs.<sup>57</sup> As with the first advance refund, payments for such specified individuals may be provided to the individual's representative payee or fiduciary.

For other individuals who did not have a return-filing obligation, the Secretary could utilize information provided by such individuals who either successfully registered for the first advance refund using the non-filer portal, or submitted a simplified Federal income tax return to receive the advance refund.<sup>58</sup>

An individual who died before January 1, 2020, is not eligible to receive the additional advance refund. If a married couple files a joint return and one spouse died before January 1, 2020, the surviving spouse is allowed (subject to other requirements) a \$600 payment. No payment may be issued with respect to qualifying children of a taxpayer who died before January 1, 2020 (or, in the case of joint return, if both taxpayers died before January 1, 2020).

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<sup>54</sup> Payments started during the last week of December 2020 and continued into January 2021. Direct deposit payments were issued to individuals with valid routing and account information on file with the IRS. IRS, "Questions and Answers about the Second Economic Impact Payment," available at <https://www.irs.gov/coronavirus/second-eip-faqs> (last visited January 24, 2021). As of January 8, 2021, over 100 million advance refunds had been direct deposited into eligible recipients' bank accounts. IRS, "IRS Statement -- Update on Economic Impact Payments," January 11, 2021, available at <https://www.irs.gov/newsroom/irs-statement-update-on-economic-impact-payments>.

The Treasury Department referred to these additional advance refunds as "second economic impact payments."

<sup>55</sup> Sec. 6428A(f).

<sup>56</sup> In the case of a mirror Code territory, the additional advance refund can be made or allowed until September 30, 2021.

<sup>57</sup> Sec. 6428A(f)(5).

<sup>58</sup> IRS, "Treasury and IRS begin delivering second round of Economic Impact Payments to millions of Americans," IR-2020-280, December 29, 2020, available at <https://www.irs.gov/newsroom/treasury-and-irs-begin-delivering-second-round-of-economic-impact-payments-to-millions-of-americans>.

The rules regarding reconciliation of the second advance refund are the same as those for the first advance refund. The second advance refund similarly is not includible in gross income.

The Secretary is required to send a notice of the second advance refund that includes the same information as that required for the first advance refund. The Secretary is also required to carry out a public awareness campaign regarding the availability of the additional recovery rebate credit and the additional advance refund.

#### Treatment of the U.S. territories

The CAA directs the Secretary to make payments to each mirror Code territory that relate to the cost of each territory's additional recovery rebate and to make similar payments to each non-mirror Code territory. The same rules as those that applied to territory payments for the first recovery rebate apply to territory payments for the additional recovery rebate.

#### Exception from reduction or offset

As with the first recovery rebate, any refund payable as an advance refund or as a similar payment to a resident of the U.S. territories is not subject to reduction or offset by other assessed Federal taxes that would otherwise be subject to levy or collection, by other taxes, or by non-tax debts owed to the Federal government or State governments.

Unlike the first advance refund, the additional advance refund is not subject to reduction or offset for past-due child support. The additional advance refund also is not subject to transfer, assignment, execution, levy, attachment, garnishment, or other legal process, or the operation of any bankruptcy or insolvency law. The CAA directs the Secretary to encode payments that are paid electronically with a unique identifier that allows the financial institution maintaining the account to identify the payment as protected.

#### **Reasons for Change**

In response to the on-going economic and health crises due to COVID-19, the Committee believes that another round of recovery rebates is needed to assist struggling Americans and to boost the economy for workers and families. The \$1,400 credits provided for in this subtitle will supplement the \$600 credits in the CAA so that every American eligible for the full credit receives the \$2,000 rebate amount that this Committee believes is necessary for relief and recovery.

This round of rebates is designed to help those most in need by further targeting certain provisions of the 2020 recovery rebate and the 2020 additional recovery rebate. The provision expands relief to families who support older children and other relatives. The provision also provides rebates to all mixed-status families, including those with dependents who are U.S. citizens (without regard to the status of their parents). The provision targets relief to lower- and middle-income Americans by phasing out the rebates more rapidly than in previous iterations of the recovery rebates. Finally, the provision provides an advance payment of recovery rebates in the form of a direct deposit, check, or new debit card and provides for a second advance payment in certain circumstances based on the most up-to-date tax information available to the IRS,

which is more likely to reflect families' economic circumstances as a result of the COVID-19 pandemic.

#### **Explanation of Provision**

##### **In general**

The provision provides a one-year refundable income tax credit for 2021, referred to as the 2021 recovery rebate. The rebate may be paid as an advance refund before the taxpayer files a 2021 income tax return.

An eligible individual is allowed a refundable income tax credit for the first taxable year beginning in 2021 equal to the sum of:

- \$1,400 (\$2,800 in the case of a joint return), and
- \$1,400 for each dependent of the individual.<sup>59</sup>

An eligible individual is any individual other than: (1) a nonresident alien, (2) an estate or trust, or (3) a dependent.<sup>60</sup>

The amount of the credit is phased out above certain income levels.<sup>61</sup> For joint filers or a surviving spouse, the credit phases out ratably over a range beginning at \$150,000 and ending at \$200,000 of AGI. For heads of household, the credit phases out between \$112,500 and \$150,000 of AGI. For all other return filers, the credit phases out between \$75,000 and \$100,000 of AGI. Figure 1 illustrates the credit amount by AGI for selected filing status and dependent combinations.

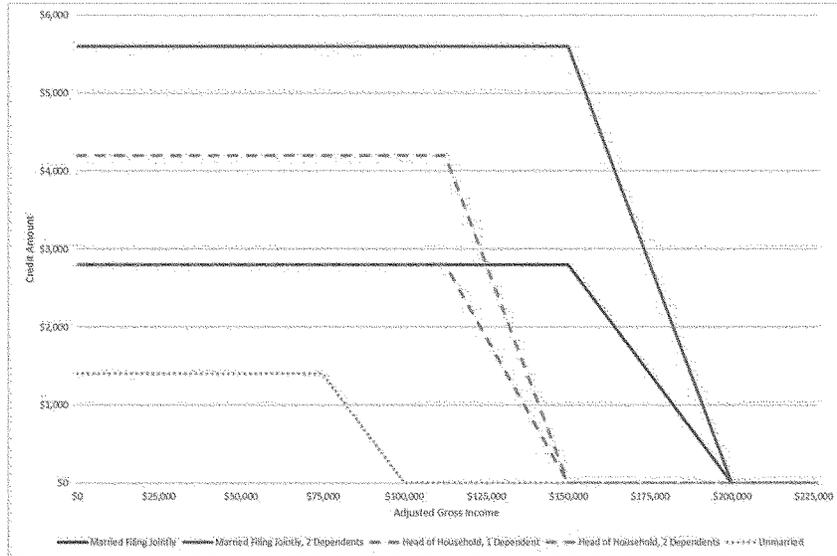
**Figure 1.—Proposed 2021 Recovery Rebate Credit Amount  
by AGI for Selected Taxpayers**

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<sup>59</sup> Sec. 6428B(b). A dependent is defined in section 152 of the Code.

<sup>60</sup> Sec. 6428B(c).

<sup>61</sup> Sec. 6428B(d).



### **Identification number requirement**

A credit is allowed for an individual—that is, the taxpayer, the taxpayer’s spouse, or a dependent of the taxpayer—only if the income tax return on which the credit is claimed includes that individual’s valid identification number.<sup>62</sup> Thus, in the case of a joint return that includes a valid identification for both spouses, a \$2,800 credit is allowed. In the case of a joint return that includes a valid identification number for only one spouse, a \$1,400 credit is allowed. In the case of a joint return that includes a valid identification number for neither spouse, no credit is allowed for either spouse. A \$1,400 credit is allowed for each dependent for which the taxpayer provides a valid identification number even if the return does not include a valid identification number for the taxpayer or spouse. All credit amounts are subject to the income-based phaseout described above.

For purposes of this requirement, a valid identification number is an SSN issued by the SSA on or before the due date for filing the return for the taxable year (including extensions). Unlike the 2020 recovery rebate and the 2020 additional recovery rebate, the 2021 recovery rebate credit does not require the SSN to be issued to a citizen or in relation to lawful admission for employment in the United States.<sup>63</sup> As with the 2020 recovery rebate and the 2020 additional

<sup>62</sup> Sec. 6428B(e)(2).

<sup>63</sup> SSNs that are not issued to a citizen or in relation to lawful admission for employment in the United States include (i) SSNs for claiming a benefit financed in whole or in part from Federal funds or (ii) SSNs to individuals that could have been but were not assigned SSNs for work or benefit purposes, if certain other conditions

recovery rebate, two exceptions to the identification number requirement are provided. First, an adoption identification number is considered a valid identification number in the case of a qualifying child who is adopted or placed for adoption. Second, when a married couple files a joint return and at least one spouse is a member of the Armed Forces of the United States during the taxable year for which the return is filed, a full \$2,800 credit (subject to the income-based phaseout) is allowed even if the return includes a valid identification number for only one spouse.

The failure to provide a correct valid identification number is treated as a mathematical or clerical error.

#### **Advance payments of the 2021 recovery rebate**

The provision provides that the 2021 recovery rebate may be paid as an advance refund in the form of a direct deposit to a taxpayer's bank account or as a check or prepaid debit card issued by the Secretary.<sup>64</sup> The amount of the advance refund is computed in the same manner as the 2021 recovery rebate, except that the calculation is made on the basis of the income tax return filed for 2019 or 2020 (instead of 2021), if available.<sup>65</sup> Accordingly, the amount of the advance refund generally is based on a taxpayer's filing status, number of dependents, and AGI as reported for 2019 or 2020. The Secretary is directed to issue advance refunds as rapidly as possible, consistent with efforts to make payments electronically where appropriate. No advance refund is to be made or allowed after December 31, 2021.

If a taxpayer files a 2020 income tax return and the return is processed before the additional payment determination date, the Secretary may make an additional payment to the taxpayer of any excess advance refund. The excess advance refund is the advance refund based on 2020 return information less any advance refund that was paid based on 2019 return information. The additional payment determination date is the earlier of (i) 90 days after the 2020 filing deadline,<sup>66</sup> or (ii) September 1, 2021.

If a taxpayer did not file an income tax return for 2019 or 2020 (or if the return has been filed but is not yet processed by the IRS) at the time the Secretary makes a determination regarding payments of advance refunds, the Secretary may determine the eligibility of individuals and the advance refund amount that they may be paid on the basis of information available to the Secretary. Payments for such individuals may be provided to the individual's

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are met. See section 205(c)(2)(B)(i) of the Social Security Act, codified as 42 U.S.C. sec. 405(c)(2)(B)(i). Prior to 2003, the SSA issued SSNs to noncitizens for valid nonwork and non-benefit reasons such as to obtain drivers' licenses or to open bank accounts; these SSNs are no longer issued, but previously-issued SSNs for these purposes have not been rescinded. See 20 C.F.R. sec. 422.104(a)(3) (2002).

<sup>64</sup> With respect to any payment made by the Secretary as a prepaid debit card, (1) the Secretary may not make the payment by increasing the balance of an existing prepaid debit card issued solely with respect to the 2020 recovery rebate or additional 2020 recovery rebate, but (2) may increase the balance of an existing prepaid debit card issued for other purposes (such as, for example, a Direct Express card used to pay Federal benefits). Sec. 6428B(g)(9).

<sup>65</sup> Sec. 6428B(g).

<sup>66</sup> The 2020 filing deadline is specified in section 6072(a) and is April 15, 2021. However, the 2020 filing deadline must be determined after taking into account any period disregarded under section 7508A if such disregard applies to substantially all 2020 income tax returns.

representative payee or fiduciary for a Federal benefit program, on the condition that the entire payment is used for the benefit of the individual.

An individual who died before January 1, 2021, is not eligible to receive the advance refund. If a married couple files a joint return and one spouse died before January 1, 2021, the surviving spouse is allowed (subject to other requirements) a \$1,400 payment (subject to the income-based phaseout). No additional payment is issued with respect to dependents of a taxpayer who died before January 1, 2021 (or, in the case of joint return, if both taxpayers died before January 1, 2021). When a married couple has filed a joint return and one spouse, who was a member of the Armed Forces of the United States during the taxable year for which the return is filed, dies before January 1, 2021, a \$1,400 payment (subject to the income-based phaseout) is allowed if the return includes a valid identification number for the deceased spouse but no valid identification number for the other spouse.

The amount of the recovery rebate credit allowed on a taxpayer's 2021 income tax return (based on 2021 information) must be reduced by any advance refund made or allowed during 2021 (based on 2019 or 2020 information).<sup>67</sup> If the 2021 recovery rebate less the advance refund is a positive number (because, for example, a qualifying child was born to the taxpayer during 2021), the taxpayer is allowed that difference as a refundable credit against 2021 income tax liability. If, however, the result is negative (because, for example, the taxpayer's AGI was higher in 2021 and was in the phaseout range), the taxpayer's 2021 tax liability is not increased by that negative amount. In addition, a taxpayer that does not receive an advance refund may claim the 2021 recovery rebate on his or her 2021 income tax return. Failure to reduce the 2021 recovery rebate by the advance refund is treated as a mathematical or clerical error.

The advance refund is not includible in gross income.<sup>68</sup>

As soon as practicable after the distribution of the advance refund, the Secretary is required to send a notice by mail to the taxpayer's last known address that indicates the method by which the payment was made, the amount of such payment, a phone number at the IRS to report any error with respect to such payment, and such other information as the Secretary determines appropriate. The Secretary also is required to carry out a robust and comprehensive outreach program to ensure that taxpayers for whom the Secretary might not otherwise have the necessary information to make an advance payment, such as non-filers, are aware of their eligibility for advance refunds and the 2021 recovery rebates and are provided assistance in applying for such refunds and credits.

The Secretary is provided regulatory authority as may be necessary or appropriate to carry out the purposes of the 2021 recovery rebate credit, including authority to allow taxpayers to provide the Secretary with information sufficient to make an advance refund to the taxpayer if

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<sup>67</sup> Sec. 6428B(f).

<sup>68</sup> Under section 6409, the 2021 recovery rebate is disregarded in the administration of Federal programs and Federally assisted programs. Any refund due to the credit, including any advance payment of the credit, is not taken into account as income and is not taken into account as resources for a period of 12 months from receipt for purposes of determining eligibility for benefits or assistance under any Federal program or under any State or local program financed with Federal funds.

such information is not otherwise available.<sup>69</sup> The Secretary also is provided specific regulatory authority to ensure that in determining the amount of the 2021 recovery rebate, an individual is not taken into account more than once, including by being claimed by different taxpayers or by reason of a change in filing status or dependent status between the tax year used to make the advance refund (2019 or 2020) and the tax year of eligibility for the 2021 recovery rebate (2021).

#### **Treatment of the U.S. territories**

Under the provision, the Secretary is directed to make payments to each mirror Code territory (Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands) that relate to the cost (if any) of each territory's 2021 recovery rebate. The Secretary is further directed to make similar payments to each non-mirror Code territory (American Samoa and Puerto Rico).

The Secretary is directed to pay to each mirror Code territory amounts equal to the aggregate amount of the credits allowable by reason of the provision to that territory's residents against its income tax. These amounts are determined by the Secretary based on information provided by the government of the respective territory.

To each non-mirror Code territory, the Secretary is required to pay amounts estimated by the Secretary as being equal to the aggregate credits that would have been allowed to residents of that territory if a mirror Code tax system had been in effect in that territory. Accordingly, the total amount of payments to a non-mirror Code territory is an estimate of the aggregate amount of the credits that would be allowed to the territory's residents if the credit provided by the provision to U.S. residents were provided by the territory to its residents. These payments will not be made to any U.S. territory unless it has a plan that has been approved by the Secretary under which the territory will promptly distribute the payment to its residents.

No credit against U.S. income taxes is permitted under the provision for any person to whom a credit is allowed against territory income taxes as a result of the provision (*i.e.*, under that territory's mirror income tax). Similarly, no credit against U.S. income taxes is permitted for any person who is eligible for a payment under a non-mirror Code territory's plan for distributing to its residents the payments described above from the U.S. Treasury.

The Secretary is directed to pay to each territory, in addition to the amounts described above, an amount equal to the territory's administrative expenses relating to the 2021 recovery rebate up to \$10 million for Puerto Rico and \$500,000 for each of the other territories. Such amounts are determined by the Secretary based on information provided by the government of the respective territory.

#### **Exception from reduction or offset**

Any refund payable as an advance refund or as a similar payment to a resident of the U.S. territories is not subject to reduction or offset by other assessed Federal taxes that would

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<sup>69</sup> Sec. 6428B(h). In 2020, the Secretary established a non-filer portal and provided a method to file a simplified Federal income tax return so that non-filers could provide information to the Secretary to receive the advance refund with respect to the 2020 recovery rebate.

726

otherwise be subject to levy or collection. In addition, these refunds or payments are not subject to offset for other taxes or non-tax debts owed to the Federal government or State governments.

**Effective Date**

The provision is effective on the date of enactment.

**PART II—CHILD TAX CREDIT**

**A. Child Tax Credit Improvements for 2021  
(sec. 9611 of the subtitle and sec. 24 and new sec. 7527A of the Code)**

**Present Law**

**In general**

Taxpayers are allowed a child tax credit of \$2,000 for each qualifying child.<sup>70</sup> The aggregate amount of otherwise allowable child tax credit is phased out for taxpayers with income over a threshold amount of \$400,000 for taxpayers filing jointly and \$200,000 for all other taxpayers.<sup>71</sup> The otherwise allowable child tax credit amount is reduced by \$50 for each \$1,000 (or fraction thereof) of modified AGI over the applicable threshold amount. For purposes of this limitation, modified AGI means AGI increased by any amount excluded from gross income under section 911 (foreign earned income exclusion), section 931 (exclusion of income for a bona fide resident of American Samoa), or section 933 (exclusion of income for a bona fide resident of Puerto Rico).<sup>72</sup>

The name and SSN of the qualifying child must appear on the return, and the SSN must be issued before the due date for filing the return.<sup>73</sup> The SSN also must be issued to a citizen or national of the United States or pursuant to a provision of the Social Security Act relating to the lawful admission for employment in the United States.<sup>74</sup> The TIN of the taxpayer must be issued on or before the due date for filing the return.<sup>75</sup>

**Partial refundability and calculation of additional child tax credit**

The child tax credit is generally a nonrefundable tax credit taken against income tax liability. The credit is allowable against both the regular tax and the alternative minimum tax.<sup>76</sup>

In some circumstances, all or a portion of the otherwise allowable credit is treated as a refundable credit (the “additional child tax credit”).<sup>77</sup> The credit is treated as refundable in an amount equal to 15 percent of earned income in excess of \$2,500 (the “earned income

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<sup>70</sup> Sec. 24(a), (h)(2). For taxable years beginning after December 31, 2025, the amount of the credit is \$1,000 for each qualifying child.

<sup>71</sup> Sec. 24(b), (h)(3). For taxable years beginning after December 31, 2025, the modified AGI threshold amounts at which the credit begins to phase out are \$75,000 for individuals who are not married, \$110,000 for married individuals filing joint returns, and \$55,000 for married individuals filing separate returns.

<sup>72</sup> Sec. 24(b)(1).

<sup>73</sup> Sec. 24(h)(7). For taxable years beginning after December 31, 2025, the child tax credit may be claimed if the TIN of the qualifying child, rather than the SSN of the child, appears on the return. Sec. 24(e)(1).

<sup>74</sup> See sec. 205(c)(2)(B)(i)(I) (or that portion of subclause (III) that relates to subclause (I)) of the Social Security Act.

<sup>75</sup> Sec. 24(e)(2).

<sup>76</sup> Sec. 26(a).

<sup>77</sup> Sec. 24(d).

formula”).<sup>78</sup> Earned income generally has the same definition as for purposes of the EITC and is defined as the sum of wages, salaries, tips, and other taxable employee compensation plus net self-employment earnings.<sup>79</sup> For purposes of the additional child tax credit, only items taken into account in computing taxable income are treated as earned income.<sup>80</sup> However, combat pay that is excluded from gross income under section 112 is also taken into account.

A taxpayer with three or more qualifying children may determine the additional child tax credit using the “alternative formula,” if this results in a larger additional child tax credit than determined under the earned income formula. Under the alternative formula, the additional child tax credit equals the amount by which the taxpayer’s Social Security taxes exceed the taxpayer’s EITC.<sup>81</sup>

The maximum amount of the additional child tax credit is \$1,400 per qualifying child.<sup>82</sup> This amount is indexed for inflation, although the amount may not exceed the \$2,000 amount of the nonrefundable child tax credit.<sup>83</sup>

### **Withholding**

Chapter 24 of the Code provides rules for employers to deduct and withhold amounts from employee wages for the payment of income tax. Under rules determined by the Secretary, an employee may be entitled to a withholding allowance that reduces the amount of income tax withholding. A taxpayer’s withholding allowances, pursuant to section 3402(f)(1)(C), take into account the number of children for whom it is reasonably expected that the taxpayer is entitled to a child tax credit.<sup>84</sup>

### **Credit for other dependents**

An individual is allowed a \$500 nonrefundable credit for each dependent of the taxpayer as defined in section 152, other than a qualifying child as defined for purposes of the child tax credit.<sup>85</sup>

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<sup>78</sup> Sec. 24(d)(1)(B)(i), (h)(6). For taxable years beginning after December 31, 2025, the earned income threshold for the refundable child tax credit is \$3,000.

<sup>79</sup> Sec. 32(c)(2).

<sup>80</sup> Sec. 24(d)(1)(B)(i). For example, some ministers’ parsonage allowances are considered self-employment income, see section 1402(a)(8), and thus are considered earned income for purposes of computing the EITC, but they are excluded from gross income for income tax purposes and thus are not considered earned income for purposes of the additional child tax credit.

<sup>81</sup> Sec. 24(d)(1)(B)(ii).

<sup>82</sup> Sec. 24(h)(5). For taxable years beginning after December 31, 2025, there is no separately stated maximum amount of the additional child tax credit; however, the refundable credit may not exceed the total amount of the credit of \$1,000 for taxable years beginning after December 31, 2025.

<sup>83</sup> The maximum amount remains \$1,400 for taxable years beginning in 2021. Rev. Proc. 2020-45, 2020-46 I.R.B. 1016.

<sup>84</sup> Sec. 3402(f)(1)(C).

<sup>85</sup> An individual who is a qualifying child for purposes of the dependent rules under section 152, but not a qualifying child for purposes of the child tax credit (*e.g.*, a child who is age 17 or 18, or a full-time student under age 24) is eligible to be a qualifying dependent for purposes of the \$500 nonrefundable credit for other dependents. For taxable years beginning after December 31, 2025, there is no tax credit for other dependents.

**Application of the child tax credit in the territories of the United States**

The three mirror Code territories (Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands) have, under their mirror Codes, a child tax credit identical to that in the U.S. Code. A resident of one of these territories claims the child tax credit on the income tax return filed with the territory's revenue authority. The non-mirror Code territories (Puerto Rico and American Samoa) do not have child tax credits under their internal revenue laws.

Residents of the territories with three or more qualifying children, under the alternative formula, receive the additional child tax credit under the U.S. Code. The U.S. Treasury makes payments to each territory other than Puerto Rico to cover the cost of this credit. Residents of Puerto Rico claim the additional child tax credit under the alternative formula by filing a Form 1040-SS or Form 1040-PR with the IRS.

**Reasons for Change**

The Committee recognizes the importance of providing financial assistance to families raising children and notes that the need for assistance is heightened because of the on-going economic and health crises due to COVID-19. The Committee also recognizes that households with young children currently show disproportionate rates of severe economic distress and that early childhood privation can lead to lifelong educational, health, and social disadvantages. Finally, the Committee believes that monthly advance payments of the child tax credit would more effectively serve the needs of the most vulnerable families, rather than the current annual payment system.

The provision increases the child tax credit, extends the refundable additional child tax credit to families who would otherwise be unable to claim the credit or only be able to claim the credit in part, and raises the credit value for families with young children. Additionally, the provision directs the Secretary to establish a program for advance payments of the child tax credit.

**Explanation of Provision****Temporary increase in credit amount and qualifying child age limit**

Under the provision, the child tax credit is increased from \$2,000 to \$3,000 for 2021.<sup>86</sup> In the case of a qualifying child who has not attained the age of six as of the close of the calendar year, the credit is increased to \$3,600.<sup>87</sup> In addition, the term "qualifying child" is broadened to include a qualifying child who has not attained the age of 18 (instead of 17).<sup>88</sup>

<sup>86</sup> Sec. 24(i)(3). The provision applies for taxable years beginning in 2021.

<sup>87</sup> *Ibid.*

<sup>88</sup> Sec. 24(i)(2). Thus, for 2021, taxpayers may not claim a \$500 credit for other dependents with respect to these taxpayers. Sec. 24(h), (i)(2)(B).

Finally, the child tax credit amount is subject to a second phaseout, which applies in addition to the phaseout under present law.<sup>89</sup> The second phaseout applies to taxpayers with income above an applicable threshold amount. The applicable threshold amounts are lower than those under the present-law child tax credit phaseout: \$150,000 for taxpayers filing jointly (as compared to \$400,000 for the present-law phaseout), \$150,000 for surviving spouses (as compared to \$200,000), \$112,500 for head of household taxpayers (as compared to \$200,000), and \$75,000 for all other taxpayers (as compared to \$200,000). The amount of child tax credit is reduced by \$50 for each \$1,000 (or fraction thereof) of modified AGI over the applicable threshold amount. However, the additional phaseout is limited so that it only applies to the temporary increased child tax credit for 2021 (\$1,600 per child under age six and \$1,000 per child age six and older); it does not reduce the child tax credit amount provided to a taxpayer under present law.<sup>90</sup>

Figure 2 illustrates the proposed child tax credit by modified AGI for selected combinations of filing status and number of qualifying children.

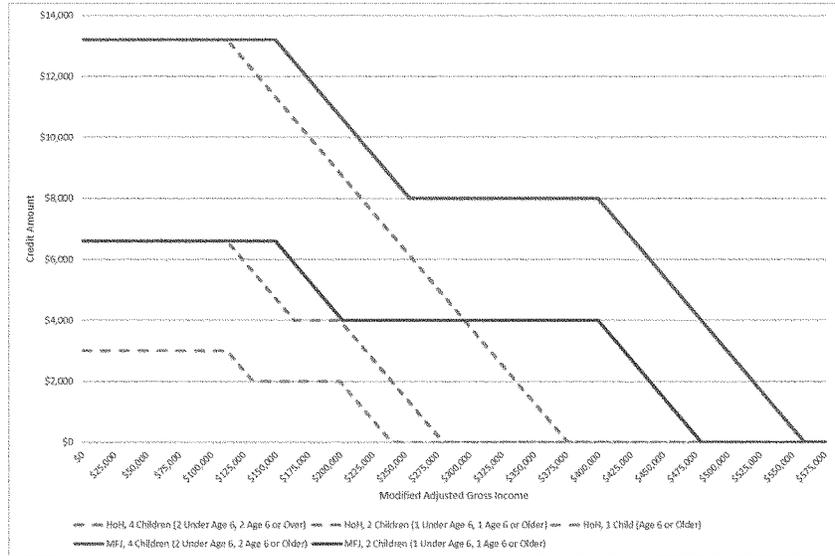
**Figure 2.—Proposed Child Tax Credit for 2021  
by Modified AGI for Selected Taxpayers**

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<sup>89</sup> Sec. 24(i)(4).

<sup>90</sup> Under the provision, the reduction in credit due to the additional phaseout is limited to the lesser of (1) the applicable credit increase amount or (2) five percent of the applicable phaseout threshold range. Sec. 24(i)(4)(C). The applicable credit increase amount is the difference between (1) the aggregate child tax credit allowable under the provision and (2) the aggregate child tax credit allowable under the provision if the credit amount was not increased to \$3,000 or \$3,600 (from \$2,000), both determined without application of any phaseout. The applicable phaseout threshold range is the difference between (1) the threshold amount for the taxpayer under present law and the (2) applicable threshold amount for the taxpayer under the provision, or \$250,000 for taxpayers filing jointly, \$87,500 for heads of households, \$50,000 for surviving spouses, and \$125,000 for all other taxpayers.

For example, a head of household with one child age seven and modified AGI of \$140,000 would qualify for a \$2,000 child tax credit in 2021 under present law. Under the provision, the base child tax credit amount for such child would increase to \$3,000, but this amount would be reduced by the new phaseout. The reduction in credit would be \$50 for each \$1,000 (or fraction thereof) that modified AGI exceeds \$112,500 or \$1,400 ( $\$50 * 28$ ). However, the reduction is limited by the lesser of (1) the applicable credit increase amount of \$1,000 ( $\$3,000 - \$2,000$ ) or (2) five percent of the applicable phaseout threshold range or \$4,375 ( $.05 * \$87,500$ ). Thus, under the provision, the reduction is limited to \$1,000 (not \$1,400), and the child tax credit for this taxpayer is \$2,000. How the credit amount varies across a range of modified AGI for a such a head of household (with a child age six or older) is also illustrated in Figure 2.



### Temporary full refundability

For 2021, the child tax credit is made fully refundable for taxpayers with a principal place of abode in the United States for more than one half of the taxable year.<sup>91</sup> Thus, the child tax credit is generally refundable up to \$3,000 (or \$3,600) per qualifying child, without regard to the earned income formula or the alternative formula. In the case of a joint return, at least one spouse must satisfy the principal place of abode requirement. Principal place of abode is determined as provided in section 32.<sup>92</sup>

The AGI limitation on the credit still applies (regardless of refundability), and the \$500 credit for dependents other than qualifying children remains nonrefundable.

### Temporary advance payments of the child tax credit

#### In general

The provision creates a new section 7527A, under which the Secretary is directed to establish a program to make monthly advance payments of the child tax credit to eligible

<sup>91</sup> Sec. 24(i)(1). For purposes of the principal place of abode rule, the United States includes the States and the District of Columbia. Sec. 7701(a)(9).

<sup>92</sup> Thus, a member of the Armed Forces of the United States stationed outside the United States while serving on extended active duty is treated as having a principal place of abode in the United States.

taxpayers.<sup>93</sup> Each advance payment is 1/12 of an annual advance amount for the calendar year. However, if the Secretary determines that it is not administratively feasible to make monthly advance payments, the Secretary may make advance payments on the basis of a longer interval and adjust the amount of advance payments to take into account the changed interval.<sup>94</sup>

A taxpayer may receive an advance payment in the form of a direct deposit to his or her bank account or a debit card issued by the Secretary.<sup>95</sup>

Monthly advance payments are only to be made for months between July 1, 2021, and December 31, 2021.<sup>96</sup>

#### Annual advance amount

A taxpayer's annual advance amount for a calendar year is the taxpayer's child tax credit for the taxable year beginning in such calendar year, but calculated based on a reference taxable year ("reference year").<sup>97</sup> For purposes of this calculation, (1) the taxpayer's principal place of abode is determined based on the reference year;<sup>98</sup> (2) the taxpayer's modified AGI for the reference year is used to determine any phaseout of credit; and (3) the taxpayer is treated as having only the number of qualifying children the taxpayer had in the reference year.<sup>99</sup> For purposes of this calculation, the age of any qualifying children and their status as qualifying children is determined by taking into account the passage of time. Thus, for example, a qualifying child who was 17 in the reference year would not be a qualifying child for purposes of the calculation. In addition, a qualifying child is not taken into account for the annual advance amount if the child is deceased as of the beginning of the calendar year for which the credit is determined.<sup>100</sup> Thus, for 2021, a child that is known to the Secretary as being deceased as of January 1, 2021, is not taken into account for the annual advance amount for taxable year 2021.

The reference year is the taxpayer's taxable year beginning in the previous calendar year or, if the taxpayer did not file a tax return for that year, the taxpayer's taxable year beginning in the second previous calendar year.<sup>101</sup> The Secretary may modify the annual advance amount for a calendar year to take into account a tax return filed by the taxpayer, including by treating the taxable year of the return as the new reference year.<sup>102</sup> The Secretary may also modify the annual advance amount to take into account any other information provided to the Secretary by

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<sup>93</sup> Sec. 7527A(a).

<sup>94</sup> Sec. 7527A(e). For example, if the Secretary determines that it is administratively feasible to only make payments every two months, each payment would equal 1/6 of the annual advance amount.

<sup>95</sup> Sec. 7527A(f). The advance payments generally must comply with the electronic payment requirements of 31 U.S.C. sec. 3332.

<sup>96</sup> Sec. 7527A(g).

<sup>97</sup> Sec. 7527A(b).

<sup>98</sup> If the information on the taxpayer's tax return for the reference year is insufficient to determine the taxpayer's principal place of abode, the Secretary may make that determination based on other sources. Sec. 7527A(b)(4).

<sup>99</sup> Sec. 7527A(b)(1).

<sup>100</sup> Sec. 7527A(b)(5).

<sup>101</sup> Sec. 7527A(b)(2).

<sup>102</sup> Sec. 7527A(b)(3)(A).

the taxpayer that allows the Secretary to more closely determine the taxpayer's child tax credit for the taxable year.<sup>103</sup> Finally, if the Secretary does modify the annual advance amount, the Secretary may increase or decrease subsequent advance payments in the calendar year in order to account for excessive or deficient prior advance payments based on the pre-modified annual advance amount.<sup>104</sup>

The Secretary is directed to create an online portal to allow taxpayers to provide information regarding (1) a change in the number of the taxpayer's qualifying children, including by reason of the birth of a qualifying child; (2) a change in the taxpayer's marital status; (3) a significant change in the taxpayer's income; and (4) any other factors that the Secretary may provide.<sup>105</sup> A taxpayer may also use the online portal to elect out of advance payments.<sup>106</sup>

#### Withholding and administrative provisions

The Secretary must take the receipt of advance payments of the child tax credit into account in determining the rules regarding withholding allowances.

The Secretary must provide notice to the taxpayer of the aggregate amount of advance payments made to the taxpayer during the calendar year and other information as the Secretary determines appropriate by no later than January 31 of the calendar year following the year in which any such payments were made.<sup>107</sup>

Any advance payment is not subject to reduction or offset by other assessed Federal taxes that would otherwise be subject to levy or collection, by other taxes, or by non-tax debts owed to the Federal government or State governments.<sup>108</sup>

#### Reconciliation

The amount of the child tax credit allowed for any taxable year is reduced by the aggregate advance payments made during the taxable year.<sup>109</sup> A failure to reduce the credit is treated as a mathematical or clerical error.

If the taxpayer receives advance payments in excess of the taxpayer's allowable child tax credit during a taxable year, the taxpayer's tax liability for the taxable year is increased by the excess amount.<sup>110</sup> This increase in tax liability is not considered to be part of a taxpayer's regular tax liability.<sup>111</sup> However, for taxpayers that have modified AGI below certain thresholds, the excess amount may be reduced by a safe harbor amount, limiting the increase in tax liability

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<sup>103</sup> *Ibid.*

<sup>104</sup> Sec. 7527A(b)(3)(B).

<sup>105</sup> Sec. 7527A(c)(2).

<sup>106</sup> Sec. 7527A(c)(1).

<sup>107</sup> Sec. 7527A(d).

<sup>108</sup> Sec. 7527A(f)(4).

<sup>109</sup> Sec. 24(j)(1).

<sup>110</sup> Sec. 24(j)(2).

<sup>111</sup> See sec. 26(b). Because of this, the taxpayer may not use nonrefundable tax credits to offset the increase. Sec. 26(a).

and allowing the taxpayer to retain a portion of the excess amount. The safe harbor amount is \$2,000 for each child incorrectly taken into account in determining the advance payment amount, subject to a phaseout based on taxpayer modified AGI.<sup>112</sup>

**Regulatory authority**

The Secretary is directed to issue regulations or other guidance the Secretary determines is necessary or appropriate to carry out the advance payment program, the temporary changes to the child tax credit, and the reconciliation of the child tax credit and advance payments.<sup>113</sup> This includes regulations or other guidance that provide for the application of these rules in cases where the filing status of the taxpayer changes between taxable years.

**Application of the child tax credit in the territories of the United States**

For 2021, the child tax credit is made fully refundable for taxpayers who are bona fide residents of Puerto Rico for the taxable year, claimed by filing a tax return with the IRS.<sup>114</sup> Thus, for bona fide residents of Puerto Rico, the child tax credit is generally refundable up to \$3,000 (or \$3,600) per qualifying child, without regard to the earned income formula or alternative formula, but subject to the modified AGI phaseouts.

The child tax credit advance payment program does not apply to the territories.<sup>115</sup>

Additional rules for taxpayers in Puerto Rico, American Samoa, and the mirror Code territories are provided by section 9612 of the subtitle (described in the following section).

**Effective Date**

The provision applies to taxable years beginning after December 31, 2020.

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<sup>112</sup> The safe harbor amount is \$2,000 multiplied by the difference in the number of qualifying children used to determine the advance payment amount and the number of qualifying children used to determine the credit for the taxable year. The full safe harbor amount is allowed to taxpayers with modified AGI of up to \$60,000 for married taxpayers filing jointly and surviving spouses, \$50,000 for heads of households, and \$40,000 for all other taxpayers. The safe harbor amount is reduced ratably over these same sized intervals for each filing status, respectively. Thus, the safe harbor is \$0 as modified AGI equals or exceeds \$120,000 for married taxpayers filing jointly and surviving spouses, \$100,000 for heads of households, and \$80,000 for all other taxpayers.

<sup>113</sup> Sec. 7527A(h).

<sup>114</sup> Sec. 24(i)(1), (k)(2).

<sup>115</sup> Sec. 7527A(f)(5).

**B. Application of Child Tax Credit in Possessions  
(sec. 9612 of the subtitle and sec. 24 of the Code)**

**Present Law**

The present law rules for the child tax credit in the territories of the United States are described in the previous section.

**Reasons for Change**

The Committee recognizes the importance of providing financial assistance to families raising children and notes that the need for assistance is currently heightened because of the ongoing economic and health crises due to COVID-19. It also recognizes the need to assist the U.S. territories, the citizens of which are U.S. citizens or nationals.

The Committee wishes to provide funding to Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, and American Samoa to cover the cost of child tax credit programs. It also wishes to directly provide the child tax credit to families in Puerto Rico.

**Explanation of Provision**

Under the provision, the Secretary must make payments to each territory that relate to the cost or approximate cost of that territory's child tax credit or make payments of the credit directly to territory residents.

**Mirror Code territories**

The provision directs the Secretary to make payments to each of Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands in an amount equal to the loss in revenue by reason of the application of the child tax credit to the territory's mirror Code for the taxable year.<sup>116</sup> This amount is determined by the Secretary based on information provided by the government of the territory. Because of their mirror Codes, the changes to the child tax credit made by section 9611 of the subtitle (described in the preceding section) apply to these territories for 2021.

No child tax credit under the Internal Revenue Code is permitted for any resident of a mirror Code territory with respect to whom a child tax credit is allowed against income taxes of the territory.

**Puerto Rico**

For 2021, bona fide residents of Puerto Rico may claim a fully refundable child tax credit by filing a tax return with the IRS.<sup>117</sup>

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<sup>116</sup> Sec. 24(k)(1).

<sup>117</sup> Sec. 9611 of the subtitle (described in the preceding section).

For taxable years beginning after 2021, bona fide residents of Puerto Rico may claim an additional child tax credit up to the maximum amount<sup>118</sup> from the U.S. Treasury under the alternative formula, but determined without regard to the three-child limitation, by filing a return with the IRS.<sup>119</sup>

#### **American Samoa**

The provision directs the Secretary to make payments to American Samoa in an amount estimated by the Secretary as being equal to the aggregate benefits that would have been allowed to residents of American Samoa under the child tax credit if a mirror Code tax system had been in effect in American Samoa in that taxable year.<sup>120</sup> These amounts include, for 2021, amounts resulting from changes made by section 9611 of the subtitle (described in the preceding section).

The provision prohibits the Secretary from making these payments unless American Samoa has a plan approved by the Secretary to promptly distribute the payments to its residents. For years with respect to which American Samoa has an approved plan, no child tax credit under the Internal Revenue Code is permitted for any person who is eligible for a payment under the plan. If American Samoa does not have a plan in place for a taxable year, a bona fide resident of American Samoa may claim a child tax credit by filing a return with the IRS under rules similar to those for Puerto Rico, described above.

#### **Effective Date**

The provision applies to taxable years beginning after December 31, 2020.

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<sup>118</sup> This amount is currently \$1,400 for taxable years beginning in 2021.

<sup>119</sup> Sec. 24(k)(2).

<sup>120</sup> Sec. 24(k)(3).

**PART III—EARNED INCOME TAX CREDIT****A. Strengthening the Earned Income Tax Credit for  
Individuals with No Qualifying Children  
(sec. 9621 of the subtitle and sec. 32 of the Code)****Present Law****In general**

Low- and moderate-income workers may be eligible for the refundable earned income tax credit (“EITC”). The amount of the EITC is based on the presence and number of qualifying children in the worker’s family, filing status, AGI, and earned income.<sup>121</sup>

The EITC generally equals a specified percentage of earned income.<sup>122</sup> Earned income for this purpose cannot exceed a maximum dollar amount, known as the earned income amount. The maximum EITC amount applies over a certain income range and then diminishes to zero over a specified phaseout range. For a taxpayer with earned income (or AGI, if greater) in excess of the beginning of the phaseout range, the maximum EITC amount is reduced by the phaseout rate multiplied by the amount of earned income (or AGI, if greater) in excess of the beginning of the phaseout range. For a taxpayer with earned income (or AGI, if greater) in excess of the end of the phaseout range, no credit is allowed. The specified percentage, maximum dollar amount, and phaseout rate and range vary with filing status and number of children. Four separate credit percentage schedules apply: one for taxpayers with no qualifying children, one for taxpayers with one qualifying child, one for taxpayers with two qualifying children, and one for taxpayers with three or more qualifying children.<sup>123</sup>

For an individual to be a qualifying child for purposes of the parent’s (or parents’) EITC, generally that individual must meet the relationship, age, and residency tests under section 152 (described above in the General Background section).<sup>124</sup>

The EITC may be claimed by a taxpayer if the taxpayer is a U.S. citizen or a resident alien.<sup>125</sup> An individual who is a nonresident alien for any portion of the taxable year is not eligible to claim the EITC unless an election is in effect for the year under section 6013(g) or (h) (relating to an individual who is married to a citizen or resident of the United States at the end of the year). In addition, individuals who claim the benefits of section 911 (relating to the income exclusion election available to U.S. citizens or resident aliens living abroad) are not eligible to claim the EITC.<sup>126</sup>

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<sup>121</sup> Sec. 32.

<sup>122</sup> Sec. 32(a), (b).

<sup>123</sup> Sec. 32(b). All income thresholds are indexed for inflation annually.

<sup>124</sup> Sec. 32(c)(3)(A). See section 152(c)(1) for the definition of qualifying child. For purposes of the EITC, the support test in section 152(c)(1)(D) is disregarded. The residency test in section 152(c)(1)(B) is only satisfied if the principal place of abode is in the United States.

<sup>125</sup> Sec. 32(c)(1)(D).

<sup>126</sup> Sec. 32(c)(1)(C).

To claim the EITC, the taxpayer must include the taxpayer's valid SSN and the valid SSN for the qualifying child (and, if married, the spouse's SSN) on his or her tax return.<sup>127</sup> For these purposes, a valid SSN is an SSN issued to an individual, other than an SSN issued to an individual solely for the purpose of applying for or receiving Federally funded benefits, on or before the due date for filing the return for the year.<sup>128</sup>

**EITC for taxpayers with no qualifying children**

A taxpayer with no qualifying children may claim a credit if the taxpayer is age 25 or older and below age 65, has a principal place of abode in the United States for more than half of the taxable year, and cannot be claimed as a dependent on anyone else's return.<sup>129</sup> For purposes of the principal place of abode requirement, a member of the Armed Forces of the United States stationed outside the United States while serving on extended active duty is treated as having a principal place of abode in the United States.<sup>130</sup>

For 2021, the credit is 7.65 percent of earned income up to an earned income amount of \$7,100, resulting in a maximum credit of \$543.<sup>131</sup> The maximum credit is available for a taxpayer with earned income between \$7,100 and \$8,880 (\$14,820 if married filing jointly). The credit begins to phase out at a rate of 7.65 percent of earned income above \$8,880 (\$14,820 if married filing jointly), resulting in a \$0 credit at \$15,980 of earned income (\$21,920 if married filing jointly). Table 1 shows these parameters for the childless EITC in comparison to the EITC for taxpayers with different numbers of qualifying children.

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<sup>127</sup> Sec. 32(c)(1)(E), (c)(3)(D), (m).

<sup>128</sup> Sec. 205(c)(2)(B)(i)(II) (and that portion of sec. 205(c)(2)(B)(i)(III) relating to it) of the Social Security Act.

<sup>129</sup> Sec. 32(c)(1)(A)(ii).

<sup>130</sup> Sec. 32(c)(4).

<sup>131</sup> The inflation adjusted amounts are provided in Revenue Procedure 2020-45, 2020-46 I.R.B. 1016.

**Table 1.—2021 EITC Schedule<sup>132</sup>**

	Credit percentage	Earned income amount	Maximum credit	Phaseout range (single, head of household)	Phaseout range (joint filers)	Phaseout percentage
Childless	7.65%	\$7,100	\$543	\$8,880 - \$15,980	\$14,820 - \$21,920	7.65%
1 qualifying child	34%	\$10,640	\$3,618	\$19,520 - \$42,158	\$25,470 - \$48,108	15.98%
2 qualifying children	40%	\$14,950	\$5,980	\$19,520 - \$47,915	\$25,470 - \$53,865	21.06%
3 or more qualifying children	45%	\$14,950	\$6,728	\$19,520 - \$51,464	\$25,470 - \$57,414	21.06%

**Reasons for Change**

The EITC is intended to improve incentives to work and to provide tax relief to low- and moderate-income workers, relief that is of heightened importance now because of the on-going economic and health crises due to COVID-19. In addition, the EITC is an effective means by which the overall progressivity of the tax system can be promoted. The Committee believes that expanding access to the EITC to more workers and increasing the amount of the credit for taxpayers with no qualifying children will further these goals.

For taxpayers with no qualifying children, the Committee believes that the definition of eligible individuals should be updated to reflect the modern workforce by expanding the age range to include younger and older workers, and that the amount of the credit should be increased.

Finally, the Committee recognizes the pandemic will have a long-lasting impact on the economy. It is clear that additional income support will be necessary well after this coronavirus relief bill is enacted. Enacting this provision in 2021 will ensure that this particularly vulnerable population of workers will have continued support in calendar year 2022.

**Explanation of Provision**

For 2021, the provision expands EITC eligibility and increases the amount of the credit for taxpayers with no qualifying children.<sup>133</sup>

<sup>132</sup> *Ibid.*

<sup>133</sup> Sec. 32(n). The provision applies for taxable years beginning in 2021.

**Temporary changes to minimum and maximum age**

For 2021, in the case of the credit for a taxpayer with no qualifying children, the minimum age is reduced from 25 to 19.<sup>134</sup> However, if the individual is a specified student (or, in the case of a married individual, if both the individual and the individual's spouse are specified students), the minimum age is reduced from 25 to 24.<sup>135</sup> A specified student means, with respect to a taxable year, an individual who is an eligible student during at least five calendar months during the year. An eligible student is defined in section 25A(b)(3) (relating to the American opportunity tax credit) as a student who, with respect to any academic period, meets the requirements of section 484(a)(1) of the Higher Education Act of 1965 and is carrying at least half the normal full-time work load for the course of study the student is pursuing.

The provision further reduces the minimum age to 18 for any qualified former foster youth or qualified homeless youth.<sup>136</sup> A qualified former foster youth is an individual who, at the age of 14 or older, was in foster care provided under the supervision or administration of an entity administering (or eligible to administer) a plan under part B<sup>137</sup> or part E<sup>138</sup> of Title IV of the Social Security Act. A qualified former foster youth must give the applicable entity consent to disclose to the Secretary information related to the taxpayer's status as a qualified former foster youth.

A qualified homeless youth is an individual who is certified by a local educational agency or a financial aid administrator during the year as being either (1) an unaccompanied youth who is a homeless child or youth or (2) unaccompanied, at risk of homelessness, and self-supporting.<sup>139</sup> A qualified homeless youth must give applicable educational agency or financial aid administrator consent to disclose to the Secretary information related to the taxpayer's status as a qualified homeless youth.

The provision also temporarily removes the upper age limit on the credit for taxpayers with no qualifying children.<sup>140</sup> Therefore, taxpayers 65 and older without qualifying children may claim the credit in 2021.

**Temporary changes to the credit percentage, earned income amount, and phaseout amount**

For 2021, the provision increases the amount of the credit for taxpayers with no qualifying children.<sup>141</sup> The provision increases the credit percentage and phaseout percentage from 7.65 percent to 15.3 percent. In addition, the earned income amount is increased to \$9,820, and the beginning of the phaseout range for non-joint filers is increased to \$11,610 (\$17,550 if

<sup>134</sup> Sec. 32(n)(1)(A), (B)(i).

<sup>135</sup> Sec. 32(n)(1)(A), (B)(ii). The provision requires the Secretary to develop and implement procedures for confirming a taxpayer's status as a specified student using information returns made with respect to such taxpayer under section 6050S (returns relating to higher education tuition and related expenses).

<sup>136</sup> Sec. 32(n)(1)(B)(iii), (D), (C).

<sup>137</sup> 42 U.S.C. sec. 621-628b.

<sup>138</sup> 42 U.S.C. sec. 670-679c.

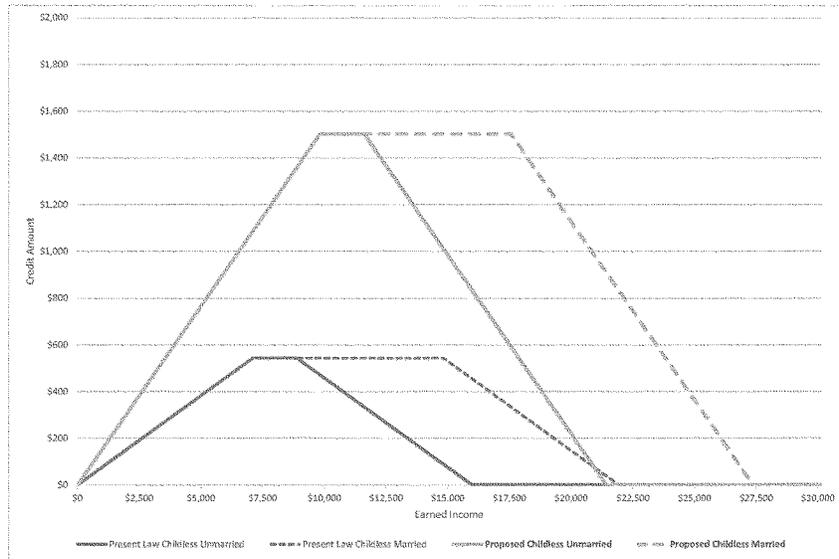
<sup>139</sup> See section 480(d)(1) of the Higher Education Act of 1965, 20 U.S.C. § 1087vv, for the meaning of terms used in this definition.

<sup>140</sup> Sec. 32(n)(2).

<sup>141</sup> Sec. 32(n)(3), (4).

married filing jointly). The maximum amount of the credit is \$1,502. The proposed changes to the EITC for taxpayers with no qualifying children as compared to present law is shown in Figure 3.

**Figure 3.—Proposed EITC for 2021**



**Effective Date**

The provision applies to taxable years beginning after December 31, 2020.

**B. Taxpayer Eligible for Childless Earned Income Credit in Case of Qualifying Children Who Fail to Meet Certain Identification Requirements**  
(sec. 9622 of the subtitle and sec. 32 of the Code)

**Present Law**

Any eligible taxpayer with at least one qualifying child who does not claim the EITC with respect to qualifying children due to failure to meet certain identification requirements with respect to such children (*i.e.*, providing the name, age, and SSN of each of such children) may not claim the EITC for taxpayers without qualifying children.<sup>142</sup>

**Reasons for Change**

The EITC is intended to improve incentives to work and to provide tax relief to low- and moderate- income workers, relief that is of heightened importance now because of the on-going economic and health crises due to COVID-19. The Committee believes that the more modest EITC for no qualifying children should be available to taxpayers who meet the applicable criteria, but whom are unable to claim the more generous EITC for taxpayers with qualifying children because they fail to meet the identification requirements for qualifying children.

**Explanation of Provision**

The provision repeals the rule that an eligible taxpayer with at least one qualifying child who does not claim the EITC with respect to one or more qualifying children due to failure to meet the identification requirements—including the valid SSN requirement—with respect to such children may not claim the EITC for taxpayers with no qualifying children. Accordingly, such a taxpayer may claim the EITC for taxpayers with no qualifying children.

**Effective Date**

The provision applies to taxable years beginning after December 31, 2020.

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<sup>142</sup> Sec. 32(c)(1)(F).

**C. Credit Allowed in the Case of Certain Separated Spouses  
(sec. 9623 of the subtitle and sec. 32 of the Code)**

**Present Law**

An unmarried individual may claim the EITC if he or she files as a single filer or as a head of household. Married individuals generally may not claim the EITC unless they file jointly.<sup>143</sup> An exception to the joint return filing requirement applies to certain spouses who are separated.<sup>144</sup> Under this exception, a married taxpayer who is separated from his or her spouse for the last six months of the taxable year is not considered to be married (and, accordingly, may file a return as head of household and claim the EITC), provided that the taxpayer maintains a household that constitutes the principal place of abode for a dependent child (including a son, stepson, daughter, stepdaughter, adopted child, or a foster child) for over half the taxable year, and pays over half the cost of maintaining the household in which he or she resides with the child during the year.

**Reasons for Change**

The EITC is intended to improve incentives to work and to provide tax relief to low- and moderate- income workers, relief that is of heightened importance now because of the on-going economic and health crises due to COVID-19. The Committee believes that separated individuals should be eligible for the EITC.

**Explanation of Provision**

The provision changes the exception under which an otherwise married individual may claim the EITC on a separate return. Under the provision, an otherwise married individual separated from the individual's spouse is treated as not married for purposes of the EITC if a joint return is not filed. The provision applies only if the taxpayer lives with a qualifying child of the taxpayer for more than one-half of the taxable year and either (1) does not have the same principal place of abode as the individual's spouse during the last six months of the taxable year or (2) has a decree, instrument, or agreement (other than a decree of divorce) described in section 121(d)(3)(C)<sup>145</sup> with respect to the individual's spouse and is not a member of the same household with the individual's spouse by the end of the taxable year.

**Effective Date**

The provision applies with respect to taxable years beginning after December 31, 2020.

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<sup>143</sup> Sec. 32(d).

<sup>144</sup> Sec. 7703(b).

<sup>145</sup> Instruments under this provision include (1) a decree of separate maintenance or a written instrument written to such a decree, (2) a written separation agreement, and (3) a decree not described in (1) requiring a spouse to make payments for the support or maintenance of the other spouse.

**D. Modification of Disqualified Investment Income Test  
(sec. 9624 of the subtitle and sec. 32 of the Code)**

**Present Law**

An individual is not allowed the EITC if the aggregate amount of certain items of the individual's investment income ("disqualified income") for the taxable year exceeds a maximum amount.<sup>146</sup> The maximum amount, which is indexed for inflation, is \$3,650 for taxable years beginning in 2021.<sup>147</sup> Disqualified income is the sum of (1) interest (both taxable and tax exempt), (2) dividends, (3) net rent and royalty income (if greater than zero), (4) capital gains net income, and (5) net passive income that is not self-employment income (if greater than zero).

**Reasons for Change**

The EITC is intended to improve incentives to work and to provide tax relief to low- and moderate-income workers, relief that is of heightened importance now because of the on-going economic and health crises due to COVID-19. The Committee believes that individuals with moderate amounts of investment income should be eligible for the EITC.

**Explanation of Provision**

The provision raises the disqualified income maximum amount to \$10,000 for taxable years beginning in 2021. The maximum amount remains indexed for inflation for taxable years beginning after 2021.

**Effective Date**

The provision applies to taxable years beginning after December 31, 2020.

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<sup>146</sup> Sec. 32(i).

<sup>147</sup> Sec. 32(i), (j). Rev. Proc. 2020-45, 2020-46 I.R.B. 1016.

**E. Application of Earned Income Tax Credit in Possessions of the United States  
(sec. 9625 of the subtitle and sec. 32 and new sec. 7530 of the Code)**

**Present Law**

The three mirror Code territories (Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands) have, under their respective mirror Codes, EITCs identical to that in the U.S. Code.<sup>148</sup> Puerto Rico has an EITC under its internal tax laws.<sup>149</sup> American Samoa does not have an EITC under its internal tax laws.<sup>150</sup> Each territory that has an EITC bears the cost of the credit.

**Reasons for Change**

The EITC is intended to improve incentives to work and to provide tax relief to low- and moderate- income workers, relief that is of heightened importance now because of the on-going economic and health crises due to COVID-19. The Committee wishes to encourage Puerto Rico to expand its EITC in order to further these goals, and it wishes to encourage American Samoa to enact an EITC in order to further these goals. The Committee recognizes the importance of providing funding to all of the U.S. territories, the citizens of which are U.S. citizens or nationals, in order to help fund their EITC programs.

**Explanation of Provision**

Under the provision, the Secretary makes payments to the territories that relate to the cost to each territory of its EITC.

**Puerto Rico**

If Puerto Rico enacts changes to its EITC which increase the percentage of earned income allowed as a credit in a manner designed to substantially increase workforce participation, the provision requires the Secretary to pay to Puerto Rico each calendar year, starting in 2021, a specified matching amount.<sup>151</sup> The specified matching amount for a calendar year is the lesser of (1) the cost to Puerto Rico of the EITC for taxable years beginning in or with such calendar year over the base amount for such calendar year or (2) three times the base amount for such calendar year. The base amount is the greater of (1) the cost to Puerto Rico of the EITC for taxable years beginning in or with calendar year 2019 (rounded to the nearest multiple of \$1 million) or (2) \$200 million. The base amount is indexed for inflation for calendar years after 2021. For example, if Puerto Rico spends \$210 million on the EITC in 2019 and projects to spend \$850 million on the EITC in 2021 (through an appropriate increase in the percentage of earned income allowed as a credit), the base amount is \$210 million (the greater of \$210 million or \$200 million) and the specified matching amount is \$630 million (the lesser of

<sup>148</sup> But see Northern Mariana Laws, Title 4, Division 1, Chapter 7, § 1709 (imposing an additional tax in the amount of any earned income tax credit); see also *Simpao v. Guam*, No. 04-00049 (D. Guam 2005) (holding that the mirror Code jurisdiction of Guam must either pay an earned income tax credit to its residents or change its tax code to a non-Mirror code).

<sup>149</sup> Sección 1052.01 del Código de Rentas Internas de Puerto Rico de 2011.

<sup>150</sup> Am. Samoa Code Ann. sec. 11.0530.

<sup>151</sup> Sec. 7530(a).

(1) \$850 million – \$210 million = \$640 million or (2) 3 \* \$210 million = \$630 million). For each calendar year 2021 through 2025, the provision also directs the Secretary to pay to Puerto Rico the lesser of (1) Puerto Rico's expenditures for education efforts with respect to taxpayers and tax return preparers regarding the EITC or (2) \$1 million.

Under the provision, the Secretary determines the cost of the EITC for Puerto Rico based on the laws of Puerto Rico, but, for purposes of this determination, the cost does not include administrative costs. Puerto Rico must provide an annual report to the Secretary each year that includes an estimate of the costs of its EITC for that year and a statement of the costs in the preceding year. The Secretary must make the payment described above after it receives the annual report and within a reasonable period of time before Puerto Rico's individual income tax filing due date. The provision requires the Secretary to make an adjustment to a payment as soon as practicable after it determines that an estimate was inaccurate.

#### **Mirror Code territories**

The provision requires the Secretary to make payments to Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands each calendar year starting in 2021.<sup>152</sup> The amount of the required annual payment to each territory is the cost to that territory of its EITC in that year. For each calendar year 2021 through 2025, the provision also directs the Secretary to pay to each territory an amount equal to the lesser of (1) the territory's expenditures for education efforts with respect to taxpayers and tax return preparers regarding the EITC or (2) \$50,000. The Secretary determines the cost of the credit and provides payments with respect to each possession under rules similar to the rules described above for Puerto Rico. Each territory must provide an annual report to the Secretary that includes an estimate of the cost of its EITC for the current year and a statement of the cost in the preceding year.

#### **American Samoa**

The provision requires the Secretary to make a payment to American Samoa in each calendar year during which American Samoa has a refundable EITC designed to substantially increase workforce participation.<sup>153</sup> The amount of the annual payment is the lesser of (1) the cost to American Samoa of such credit each year or (2) \$16 million, indexed for inflation. For each calendar year 2021 through 2025, the provision also directs the Secretary to pay the lesser of (1) American Samoa's expenditures in that year for education efforts with respect to taxpayers and tax return preparers regarding the EITC or (2) \$50,000. The Secretary must determine the cost of the credit and must provide payments to American Samoa under rules similar to the rules described above for Puerto Rico. American Samoa must provide a report to the Secretary each year that includes an estimate of the costs of its EITC for that year and a statement of the costs in the preceding year.

#### **Effective Date**

The provision is effective on the date of enactment.

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<sup>152</sup> Sec. 7530(b).

<sup>153</sup> Sec. 7530(c).

**F. Temporary Special Rule for Determining Earned Income  
for Purposes of the Earned Income Tax Credit  
(sec. 9626 of the subtitle and sec. 32 of the Code)**

**Present Law**

Eligible taxpayers may claim an EITC and child tax credit. The amount of the EITC is based on the taxpayer's earned income.<sup>154</sup> The amount of the additional child tax credit, the refundable component of the child tax credit, is generally based on the taxpayer's earned income.<sup>155</sup>

In the CAA, Congress enacted a provision that allows a taxpayer to elect to calculate the taxpayer's EITC and additional child tax credit for taxable years beginning in 2020<sup>156</sup> using 2019 rather than 2020 earned income, if the taxpayer's earned income in 2020 is less than in 2019.<sup>157</sup>

**Reasons for Change**

The on-going economic and health crises due to COVID-19 have disrupted employment for many hardworking Americans. The Committee believes that this should be accounted for and that earned income should be measured based on a taxable year without such disruptions so as to maximize benefits for low- and middle-income workers.

**Explanation of Provision**

The provision permits a taxpayer to elect to calculate the taxpayer's EITC for taxable years beginning in 2021 using 2019 rather than 2021 earned income, if the taxpayer's earned income in 2021 is less than in 2019.<sup>158</sup>

For purposes of the provision, in the case of a joint return, the earned income which is attributable to the taxpayer for 2019 is the sum of the earned income which is attributable to each spouse for 2019.

For administrative purposes, the incorrect use on a return of earned income pursuant to an election under this provision is treated as a mathematical or clerical error. An election under the provision is disregarded for purposes of calculating gross income in the election year.

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<sup>154</sup> Sec. 32.

<sup>155</sup> Sec. 24(d).

<sup>156</sup> The provision applies for taxable years beginning in 2021.

<sup>157</sup> Pub. L. No. 116-260, sec. 211. In addition, Congress has at times, in response to natural disasters, allowed certain taxpayers whose principal place of abode was in the disaster zone or disaster area to elect to calculate their EITC and additional child tax credit for the taxable year on the basis of their earned income from the prior taxable year. See, e.g., Pub. L. No. 116-94, sec. 204(c), December 20, 2019 (certain disasters occurring in 2018 and 2019); Pub. L. No. 115-123, sec. 20104(c), February 9, 2018 (certain California wildfires); Pub. L. No. 115-64, sec. 504(c), September 29, 2017 (Hurricanes Harvey, Irma, and Maria), former sec. 1400S(d) (Hurricanes Katrina, Rita, and Wilma), repealed by Pub. L. No. 115-141, March 23, 2018.

<sup>158</sup> The provision does not allow taxpayers to make an election with respect to the additional child tax credit. However, section 9611 of the subtitle, discussed above, makes the child tax credit fully refundable for 2021, without regard to earned income.

The provision directs the Secretary to pay to the mirror Code territories (Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands) an amount equal to the loss in revenue by reason of the application of the provision. This amount is determined by the Secretary based on information provided by the government of the territory.

The provision directs the Secretary to pay to the non-mirror Code territories (Puerto Rico and American Samoa) an amount estimated by the Secretary as being equal to the aggregate benefits that would have been provided to the residents of the territory from the provision if a mirror Code tax system had been in effect in the territory. The provision prohibits the Secretary from making these payments unless the territory has a plan approved by the Secretary to promptly distribute the payments to its residents.

**Effective Date**

The provision is effective on the date of enactment.

**PART IV—DEPENDENT CARE ASSISTANCE****A. Refundability and Enhancement of Child  
and Dependent Care Tax Credit  
(sec. 9631 of the subtitle and sec. 21 of the Code)****Present Law**

A taxpayer who maintains a household that includes one or more qualifying individuals may claim a nonrefundable credit against income tax liability for up to 35 percent of a limited amount of employment-related child and dependent care expenses.<sup>159</sup> For this purpose, employment-related child and dependent care expenses are expenses for household services and expenses for the care of a qualifying individual.<sup>160</sup> These expenses must be incurred to enable the taxpayer to be gainfully employed.

A taxpayer's employment-related child and dependent care expenses for which the credit is allowed are limited to \$3,000 if the taxpayer has one qualifying individual or \$6,000 if the taxpayer has two or more qualifying individuals.<sup>161</sup> Thus, the maximum credit is \$1,050 if there is one qualifying individual and \$2,100 if there are two or more qualifying individuals. Employment-related child and dependent care expenses generally cannot exceed the taxpayer's earned income.<sup>162</sup>

The applicable dollar limit is reduced by any amount excluded from income under an employer-provided dependent care assistance program under section 129. The 35-percent credit rate is reduced, but not below 20 percent, by one percentage point for each \$2,000 (or fraction thereof) of AGI above \$15,000.<sup>163</sup> Thus, for taxpayers with AGI above \$43,000, the credit rate is 20 percent. The phase-down threshold and the amount of expenses eligible for the credit are not indexed for inflation.

Generally, a qualifying individual is (1) a dependent of the taxpayer under section 152 who is under the age of 13, or (2) a dependent or spouse of the taxpayer if the dependent or spouse is physically or mentally incapable of caring for himself or herself and shares the same principal place of abode with the taxpayer for over one half the year.<sup>164</sup> Married taxpayers must file a joint return in order to claim the credit.

**Reasons for Change**

The Committee recognizes that access to safe, affordable child and dependent care is necessary for parents and other caregivers to fully participate in the workforce. The on-going economic and health crises due to COVID-19 have exacerbated the shortage of safe, affordable

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<sup>159</sup> Sec. 21.

<sup>160</sup> Sec. 21(b)(2). Expenses do not include amounts paid for a camp where a qualifying individual stays overnight.

<sup>161</sup> Sec. 21(c).

<sup>162</sup> Sec. 21(d). Earned income has the same definition as for purposes of the EITC. Treas. Reg. sec. 1.21-2(b)(3).

<sup>163</sup> Sec. 21(a).

<sup>164</sup> Sec. 21(b)(1).

child and dependent care. Therefore, the Committee wishes to provide increased relief to help offset the costs of child and dependent care. By increasing the maximum credit rate and making the credit fully refundable, this provision offers direct financial assistance to working parents and caregivers who incur dependent care expenses. The Committee further believes that this financial assistance should be available to all taxpayers who incur dependent care expenses; by making the credit fully refundable, the Committee extends the availability of this financial assistance to all taxpayers without regard to their net tax liability.

The Committee also recognizes the importance of providing funding to the U.S. territories, the citizens of which are U.S. citizens or nationals, to fund programs that support child and dependent care.

#### Explanation of Provision

The provision temporarily expands the child and dependent care tax credit for 2021.<sup>165</sup> First, the provision makes the credit refundable for a taxpayer who has a principal place of abode in the United States for more than one half of the taxable year.<sup>166</sup> In the case of a joint return, refundability is allowed if at least one spouse satisfies the principal place of abode requirement. Principal place of abode is determined as provided in section 32.<sup>167</sup>

In addition, the provision increases the maximum credit rate to 50 percent and increases the amount at which the maximum credit rate begins to phase down to \$125,000 (from \$15,000).<sup>168</sup> The limitation on employment-related child and dependent care expenses is increased to \$8,000 (from \$3,000) in the case of one qualifying individual and to \$16,000 (from \$6,000) if there are two or more qualifying individuals.<sup>169</sup> Thus, the maximum credit is \$4,000 if there is one qualifying individual and \$8,000 if there are two or more qualifying individuals.

The provision applies a two-part phaseout to the 50-percent credit rate.<sup>170</sup> Under the first part, the 50-percent credit rate is reduced, but not below 20 percent, by one percentage point for each \$2,000 (or fraction thereof) of AGI above \$125,000. Under the second part, the 20-percent credit rate is reduced, but not below zero, by one percentage point for each \$2,000 (or fraction thereof) of AGI above \$400,000. Thus, for taxpayers with AGI between \$183,000 and \$400,000, the credit rate is 20 percent and, for taxpayers with AGI above \$438,000, the credit is fully phased out. Figure 4 illustrates the credit amount by AGI for a taxpayer with one qualifying individual and for a taxpayer with two or more qualifying individuals, in each case assuming that the taxpayer has the maximum amount of employment-related child and dependent care expenses (\$8,000 and \$16,000, respectively).<sup>171</sup>

**Figure 4.—Proposed Child and Dependent Care Tax Credit for 2021  
by AGI for Selected Taxpayers**

<sup>165</sup> Sec. 21(g). The provision applies for taxable years beginning in 2021.

<sup>166</sup> Sec. 21(g)(1).

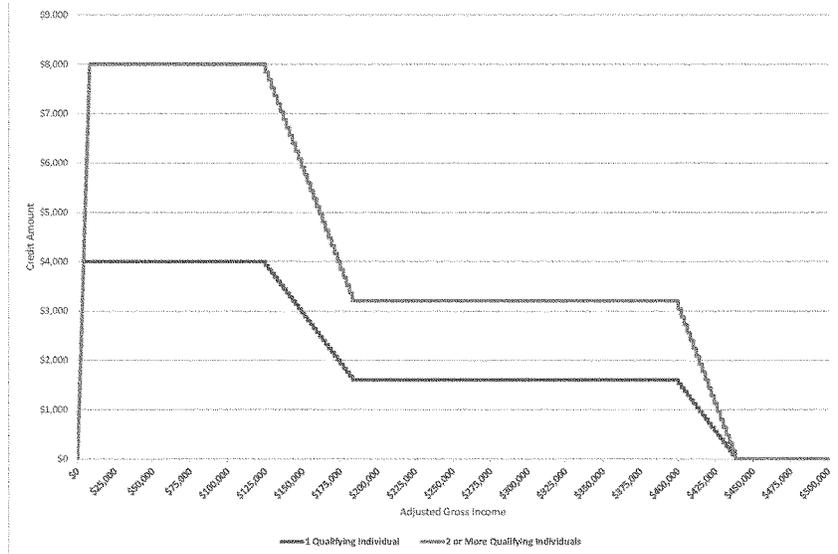
<sup>167</sup> Thus, a member of the Armed Forces of the United States stationed outside the United States while serving on extended active duty is treated as having a principal place of abode in the United States.

<sup>168</sup> Sec. 21(g)(3).

<sup>169</sup> Sec. 21(g)(2).

<sup>170</sup> Sec. 21(g)(4).

<sup>171</sup> Figure assumes AGI and earned income are equal for these taxpayers.



### **Treatment of the U.S. territories**

Under the provision, the Secretary is directed to make payments for 2021<sup>172</sup> to each mirror Code territory (Guam, the Commonwealth of the Northern Mariana Islands, and the U.S. Virgin Islands) that relate to the cost to that territory of the child and dependent care tax credit. The Secretary is further directed to make similar payments for 2021 to each non-mirror Code territory (American Samoa and Puerto Rico).

The provision directs the Secretary to pay to each mirror Code territory amounts equal to the aggregate amount of the credits allowable by reason of the application of the provision. This amount is determined by the Secretary based on information provided by the government of the territory.<sup>173</sup>

The provision directs the Secretary to pay to each non-mirror Code territories amounts estimated by the Secretary as being equal to the aggregate benefits that would have been provided to the residents of the territory from the provision if a mirror Code tax system had been in effect in the territory.<sup>174</sup> The provision prohibits the Secretary from making these payments

<sup>172</sup> The provision applies for taxable years beginning in 2021.

<sup>173</sup> Sec. 21(h)(1).

<sup>174</sup> Sec. 21(h)(2).

unless the territory has a plan approved by the Secretary to promptly distribute the payments to its residents.

No credit against U.S. income taxes is permitted under the provision for any person to whom a credit is allowed against territory income taxes as a result of the provision (*i.e.*, under that territory's mirror Code).<sup>175</sup> Similarly, no credit against U.S. income taxes is permitted for any person who is eligible for a payment under a non-mirror Code territory's plan for distributing to its residents the payment described above from the Secretary.

**Effective Date**

The provision applies to taxable years beginning after December 31, 2020.

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<sup>175</sup> Sec. 21(h)(3).

**B. Employer-Provided Dependent Care Assistance**  
**(sec. 9632 of the subtitle and sec. 129 of the Code)**

**Present Law**

An annual exclusion<sup>176</sup> from the gross income of an employee is allowed for employer-provided dependent care assistance in an amount up to \$5,000 (\$2,500 in the case of a separate return by a married individual) if such assistance is provided pursuant to a “dependent care assistance program.” Among other requirements, a dependent care assistance program<sup>177</sup> must be a separate written plan of an employer for the exclusive benefit of the employer’s employees to provide such employees with dependent care assistance that does not discriminate in favor of highly compensated employees or their dependents as to contributions, benefits, and eligibility.<sup>178</sup>

The amount excludable for any taxable year cannot exceed the earned income of the employee or, if the employee is married, the lesser of the earned income of the employee or the earned income of the employee’s spouse.<sup>179</sup>

Amounts attributable to dependent care assistance that are excludible from gross income are also excludible from wages for employment tax purposes.<sup>180</sup>

A dependent care assistance program may be structured to allow contributions on a pre-tax basis through a cafeteria plan.<sup>181</sup> A cafeteria plan is a written plan maintained by an employer whereby all participants are employees who may choose among two or more benefits including qualified benefits and cash.<sup>182</sup> Qualified benefits provided under a cafeteria plan include dependent care assistance.

**Reasons for Change**

The Committee recognizes the importance of supporting working families who are raising children or caring for dependents, and it also recognizes the value in encouraging employers to provide assistance to employees for such care. The on-going economic and health crises due to COVID-19 have exacerbated the shortage of safe, affordable child and dependent care. The provision increases the annual exclusion with respect to employer-provided dependent care assistance in order to provide increased support to working families and a further incentive for employers to offer such a benefit.

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<sup>176</sup> Sec. 129(a).

<sup>177</sup> Sec. 129(d).

<sup>178</sup> Sec. 129(d)(2) and (3). The exclusion applies if the contributions or benefits under the program do not discriminate in favor of highly compensated employees, within the meaning of section 414(q), or their dependents, and the program benefits employees under a classification established by the employer found not to be discriminatory in favor of such highly compensated employees or their dependents.

<sup>179</sup> Sec. 129(b). The provisions of section 21(d)(2) apply in determining the earned income of a spouse who is a student or incapable of caring for himself. Sec. 129(b)(2).

<sup>180</sup> Secs. 3121(a)(18), 3306(b)(14), 3401(b)(18).

<sup>181</sup> Sec. 125.

<sup>182</sup> Sec. 125(d).

**Explanation of Provision**

The provision temporarily increases, for any taxable year beginning in 2021, the amount of the exclusion for employer-provided dependent care assistance. The provision increases such amount from \$5,000 to \$10,500 (and half of such dollar amount in the case of a separate return by a married individual).

The provision also provides that a plan that otherwise satisfies the requirements of a dependent care assistance program and cafeteria plan shall not fail to meet those requirements if the plan is amended to satisfy this provision and the amendment is retroactive if the following are satisfied (1) the amendment is adopted no later than the last day of the plan year in which the amendment is effective, and (2) the plan is operated consistently with the amendment terms beginning on the effective date of the amendment and ending on the date the amendment is adopted.

**Effective Date**

The provision is effective for taxable years beginning after December 31, 2020.

**PART V—CREDITS FOR PAID SICK AND FAMILY LEAVE**

**A. Extension of Credits and Other Modifications  
(secs. 9641 to 9650 of the subtitle)**

**Present Law**

The Families First Coronavirus Response Act (“FFCRA”)<sup>183</sup> required certain employers with fewer than 500 employees to provide paid sick and expanded family and medical leave to employees unable to work or telework for specified reasons related to COVID-19. The paid sick leave requirements in the Emergency Paid Sick Leave Act,<sup>184</sup> and the expanded family and medical leave requirements in the Emergency Family and Medical Leave Expansion Act,<sup>185</sup> expired on December 31, 2020.

**Paid sick leave and paid expanded family and medical leave: employees**

An employer is allowed a credit against the Old-Age, Survivors and Disability Insurance (“OASDI”) tax<sup>186</sup> or the equivalent amount of tax under the Railroad Retirement Tax Act (“RRTA”) imposed on the employer for each calendar quarter in an amount equal to 100 percent of the qualified sick leave wages and qualified family leave wages paid by the employer with respect to that calendar quarter, subject to limitations.<sup>187</sup> Qualified sick leave wages are defined as wages<sup>188</sup> and compensation<sup>189</sup> paid by an employer which are required to be paid by reason of the Emergency Paid Sick Leave Act. Qualified sick leave wages also generally include wages and compensation that would have been required to be paid if the Emergency Paid Sick Leave Act had been effective until March 31, 2021.<sup>190</sup>

Qualified family leave wages are wages<sup>191</sup> and compensation<sup>192</sup> paid by an employer which are required to be paid by reason of the Emergency Family and Medical Leave Expansion Act.<sup>193</sup> Qualified family leave wages also generally include wages and compensation that would have been required to be paid if the Emergency Family and Medical Leave Expansion Act had

<sup>183</sup> Pub. L. No. 116-127, March 18, 2020.

<sup>184</sup> Division E, FFCRA, Pub. L. No. 116-127.

<sup>185</sup> Division C, FFCRA, Pub. L. No. 116-127.

<sup>186</sup> The Federal Insurance Contributions Act (“FICA”) imposes taxes on “wages,” as defined in section 3121(a), with respect to “employment,” as defined in Section 3121(b). The term wages is defined for FICA purposes as all remuneration for employment, with certain specific exceptions. Employment is defined as any service, of whatever nature, performed by an employee for the person employing him, with certain specific exceptions. FICA taxes consist of the OASDI tax and the HI tax. HI tax includes an employer’s share imposed on wages at a rate of 1.45 percent under Section 3111(b). The employee’s share of HI tax is imposed on wages at a rate of 1.45 percent under Section 3101(b). Unlike OASDI, there is no contribution limit on wages subject to HI tax.

<sup>187</sup> Notice 2020-21.

<sup>188</sup> Sec. 3121(a).

<sup>189</sup> Sec. 3231(e).

<sup>190</sup> Sec. 7001 of Pub. L. No. 116-127, as amended by the CAA, Pub. L. No. 116-260, sec. 286.

<sup>191</sup> Sec. 3121(a).

<sup>192</sup> Sec. 3231(e).

<sup>193</sup> See IRS Notice 2020-54.

been effective until March 31, 2021.<sup>194</sup> In addition to qualified sick leave wages and qualified family leave wages, the credit could be increased by certain health plan expenses of the employer.

Amount of credit for paid sick leave

Certain employers must provide an employee with up to 80 hours of paid sick time to the extent that (1) the employee is subject to a Federal, State, or local quarantine or isolation order related to COVID-19; (2) the employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19; (3) the employee is experiencing symptoms of COVID-19 and is seeking a medical diagnosis; (4) the employee is caring for an individual who is subject to a quarantine or isolation order or has been advised by a health care provider to self-quarantine; (5) the employee is caring for the employee's son or daughter if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable due to COVID-19 precautions; or (6) the employee is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretary of Treasury and the Secretary of Labor.<sup>195</sup>

The amount of qualified sick leave wages that may be taken into account for an employee for purposes of the credit is limited based on the circumstances under which qualified sick leave wages are paid. In the case of paid sick time qualifying under categories (1), (2), or (3) above, the amount of qualified sick leave wages taken into account for purposes of the credit may not exceed \$511 for any day (or portion thereof) when the individual is paid such sick time. In the case of paid sick time qualifying under categories (4), (5), or (6) above, the amount of qualified sick leave wages taken into account may not exceed \$200 for any day (or portion thereof) for which the individual is paid such sick time. In addition, the aggregate number of days that may be taken into account with respect to an individual under all six circumstances may not exceed the excess (if any) of 10 days over the aggregate number of days taken into account for all preceding calendar quarters.

Amount of credit for expanded family and medical leave

Certain employers must provide public health emergency leave to employees under the Family and Medical Leave Act of 1993 ("FMLA"), as amended by the Emergency Family and Medical Leave Expansion Act.<sup>196</sup> This requirement generally applies when an employee is unable to work or telework due to a need for leave to care for a son or daughter under age 18 because the school or place of care has been closed, or the child care provider is unavailable, due to a public health emergency. An employer with employees who are health care providers or emergency responders may elect to exclude such employees from this requirement to provide paid family leave. A public health emergency for this purpose is an emergency with respect to COVID-19 declared by a Federal, State, or local authority.

The first 10 days of public health emergency leave required under the Emergency Family and Medical Leave Expansion Act may consist of unpaid leave, after which paid leave is

<sup>194</sup> Sec. 7001 of Pub. L. No. 116-127, as amended by the CAA, Pub. L. No. 116-260, sec. 286.

<sup>195</sup> Sec. 5102(a), Division E, FFCRA, Pub. L. No. 116-127.

<sup>196</sup> Sec. 3102, Division C, FFCRA, Pub. L. No. 116-127.

required for ten weeks until December 31, 2020. The amount of required paid leave is calculated based on: (a) an amount that is not less than two-thirds of an employee's regular rate of pay; and (b) the number of hours the employee would otherwise be normally scheduled to work. The paid leave mandated by the Emergency Family and Medical Leave Expansion Act does not exceed \$200 per day and \$10,000 in the aggregate.

Employers are allowed a credit against OASDI taxes or the equivalent amount of RRTA taxes in an amount equal to 100 percent of qualified family leave wages paid by the employer during the quarter. Consistent with the mandate, the maximum amount of the qualified family leave wages eligible for the credit is \$200 for any day (or portion thereof) for which the employee is paid qualified family leave wages, and in the aggregate with respect to all quarters, \$10,000.<sup>197</sup> Employers are not allowed the credit in respect of unpaid leave.

#### Additional rules

The credit allowed for paid sick or paid family leave is increased by the employer's qualified health plan expenses as are properly allocable to the qualified sick leave wages for which the credit is allowed. Qualified health plan expenses are amounts paid or incurred by the employer to provide and maintain a group health plan,<sup>198</sup> but only to the extent such amounts are excluded from the employees' income as coverage under an accident or health plan.<sup>199</sup> Qualified health plan expenses are allocated to qualified sick leave wages in such manner as the Secretary (or the Secretary's delegate) may prescribe.<sup>200</sup> Except as otherwise provided by the Secretary, such allocations are treated as properly made if they are pro rata among covered employees and pro rata on the basis of periods of coverage (relative to the time periods of leave to which such wages relate).

The credit allowed may not exceed the OASDI tax or equivalent amount of RRTA tax imposed on the employer, reduced by any credits allowed for the employment of qualified veterans<sup>201</sup> and research expenditures of qualified small businesses<sup>202</sup> for that calendar quarter on the wages paid with respect to all the employer's employees. However, if for any calendar quarter the amount of the credit exceeds the OASDI tax or RRTA tax imposed on the employer, reduced as described in the prior sentence, such excess is treated as a refundable overpayment.<sup>203</sup>

If a taxpayer claims a credit, the amount so claimed is included in gross income. Thus, the credit is not taken into account for purposes of determining any amount allowable as a

<sup>197</sup> Sec. 287 of the CAA, Pub. L. No. 116-260, provides that self-employed individuals may make an election to use prior year net earnings from self-employment in determining the average daily self-employment income for purposes of credits for paid sick and family leave.

<sup>198</sup> Sec. 5000(b)(1).

<sup>199</sup> Sec. 106(a).

<sup>200</sup> See IRS FAQs, <https://www.irs.gov/newsroom/covid-19-related-employee-retention-credits-amount-of-allocable-qualified-health-plan-expenses-faqs#determining-amount-allocable-qualified-health-plan-expenses> (Jan 7, 2021).

<sup>201</sup> Sec. 3111(e).

<sup>202</sup> Sec. 3111(f).

<sup>203</sup> The excess is treated as an overpayment and refunded under sections 6402(a) and 6413(b). In addition, any amount that is due to an employer is treated in the same manner as a refund due from a credit provision. 31 U.S.C. 1324. Thus, amounts are appropriated to the Secretary of Treasury for refunding such excess amounts.

payroll tax deduction or deduction for qualified sick leave wages or qualified family leave wages (or any amount capitalizable to basis).

Any qualified sick leave wages taken into account for purposes of a credit are not taken into account for purposes of determining the section 45S general business credit for employer paid family and medical leave. Thus, the employer may not claim a credit under section 45S with respect to the qualified sick leave wages or qualified family leave wages paid but may be allowed a credit under section 45S with respect to any additional wages paid.

An employer may elect not to claim a tax credit for a calendar quarter for qualified sick leave wages or qualified family leave wages. Further, the credit allowed does not apply to the government of the United States, the government of any State or political subdivision thereof, or any agency or instrumentality of any of those entities. Employers in the U.S. territories may claim the credit by filing their quarterly Federal employment tax returns.

Any wages or compensation required to be paid to employees pursuant to the Emergency Paid Sick Leave Act or Emergency Family and Medical Leave Expansion Act before December 31, 2020, are not considered wages for purposes of OASDI tax or compensation for purposes of RRTA tax. In addition, or, in the case of wages or compensation paid after December, 31, 2020 and before April 1, 2021, any wages or compensation with respect to which a credit is allowed, are not considered wages for purposes of OASDI tax or compensation for purposes of RRTA tax. As a result, no taxes are collected on these amounts from employers or employees.<sup>204</sup>

**Paid sick leave and expanded family and medical leave: self-employed individuals**

An eligible self-employed individual may claim an income tax credit for any taxable year for a qualified sick leave equivalent amount or qualified family leave equivalent amount. An eligible self-employed individual is defined as an individual who regularly carries on any trade or business<sup>205</sup> and who would be entitled to receive paid leave during the taxable year under the Emergency Paid Sick Leave Act or Emergency Family and Medical Leave Expansion Act, if the individual were an employee of an employer (other than himself or herself) that would be subject to the requirements of the Acts and as if the Acts were in effect through March 31, 2021.

The qualified sick leave equivalent amount with respect to an eligible self-employed individual is an amount equal to the number of days during the taxable year that the self-employed individual cannot perform services for which that individual would have been entitled to sick leave pursuant to the Emergency Paid Sick Leave Act<sup>206</sup> (if the individual were employed by an employer), multiplied by the lesser of two amounts: (1) \$511 in the case of paid sick time described in categories (1), (2), or (3) above with respect to section 5102(a) of the Emergency Paid Sick Leave Act (\$200 in the case of paid sick time described in categories (4), (5), or (6)

<sup>204</sup> An amount equal to the reduction in revenues to the Treasury by reason of the FFCRA is appropriated to the OASDI Trust Funds and the Social Security Equivalent Benefit Account established under the Railroad Retirement Act of 1974.<sup>204</sup> This amount is transferred from the general fund at such times and in such manner as to replicate to the extent possible the transfers that would have occurred to the OASDI Trust Funds or Social Security Equivalent Benefit Account had this provision not been enacted.

<sup>205</sup> Within the meaning of sec. 1402.

<sup>206</sup> Division E and C, FFCRA, Pub. L. No. 116-127.

above); or (2) 100 percent of the average daily self-employment income of the individual for the taxable year in the case of any day of paid sick time described in categories (1), (2), or (3) above (67 percent in the case of paid sick time described in categories (4), (5), or (6) above).

The number of days taken into account in determining the qualified sick leave equivalent amount may not exceed, with respect to any taxable year, 10 days, taking into account any days taken in all preceding taxable years. The individual's average daily self-employment income under the provision is an amount equal to the net earnings from self-employment for the taxable year divided by 260.

If an eligible self-employed individual receives qualified sick leave wages,<sup>207</sup> the individual's qualified sick leave equivalent amount determined under the provision is reduced (but not below zero) to the extent that the sum of the qualified sick leave equivalent amount and the qualified sick leave wages received exceeds \$2,000 (\$5,110 in the case of any day any portion of which is paid sick time described in category (1), (2), or (3) above).

The qualified family leave equivalent amount with respect to an eligible self-employed individual is an amount equal to the number of days (up to 50) during the taxable year that the self-employed individual cannot perform services for which that individual would be entitled to paid leave pursuant to the Emergency Family and Medical Leave Expansion Act<sup>208</sup> (if the individual were employed by an employer), multiplied by the lesser of two amounts: (1) 67 percent of the average daily self-employment income of the individual for the taxable year, or (2) \$200. The individual's average daily self-employment income under the provision is an amount equal to the individual's net earnings from self-employment for the year divided by 260.

The credit allowed for the qualified sick leave equivalent amount or qualified family leave equivalent amount is applied against federal income taxes and is a refundable credit.<sup>209</sup>

If an eligible self-employed individual receives qualified family leave wages,<sup>210</sup> the individual's qualified family leave equivalent amount determined under the provision is reduced (but not below zero) to the extent that the sum of the qualified family leave equivalent amount and the qualified family leave wages received exceeds \$10,000.

#### Application of credit in certain territories

The Secretary of Treasury is directed to make payments to each territory with a mirror Code tax system that relate to the cost (if any) of each territory's credits for sick leave or expanded family and medical leave for certain self-employed individuals. The Secretary is further directed to make similar payments to each non-mirror Code territory.

<sup>207</sup> As defined by sec. 7001(c) of FFCRA, Pub. L. No. 116-127.

<sup>208</sup> Division C, FFCRA, Pub. L. No. 116-127.

<sup>209</sup> Any refund due to an individual is treated in the same manner as a refund due from a credit provision, 31 U.S.C. sec. 1324. Thus, amounts are appropriated to the Secretary (or the Secretary's delegate) for refunding such amounts.

<sup>210</sup> As defined by sec. 7003(c) of the FFCRA, Pub. L. No. 116-127.

With respect to mirror Code territories, the Secretary is required to make payments equal to the loss in revenue by reason of the application of the credit for sick leave or expanded family and medical leave for certain self-employed individuals to the territory's mirror Code. This amount is determined by the Secretary based on information provided by the governments of the respective territories.

With respect to Puerto Rico and American Samoa (non-mirror Code territories), the Secretary is directed to make payments in an amount estimated by the Secretary as being equal to the aggregate benefits that would have been provided to the residents of each territory from the credit for sick leave or expanded family and medical leave for certain self-employed individuals if a mirror Code tax system had been in effect in such territory. The Secretary must not make these payments unless the territory has a plan approved by the Secretary to promptly distribute the payments to its residents.

The Secretary of Treasury is directed to prescribe such regulations or other guidance as may be necessary to carry out the purposes of the provision, including (1) to effectuate the purposes of this Act, and (2) to minimize compliance and record-keeping burdens under the provision.

#### **Reasons for Change**

The Committee recognizes the importance of encouraging employers to provide paid sick leave and family leave to employees who are unable to work or telework due to the COVID-19 pandemic. The Committee believes that the credits for paid sick and expanded family leave enacted as part of the FFCRA and expanded and extended as part of the CARES Act and the CAA have provided and will continue to provide much needed resources to self-employed individuals and to employers to provide paid sick time and family leave for their workers. An extension of the credits, including an expansion of the wage limits applicable to such credits, allowance of paid family leave for the same reasons as paid sick leave, plus COVID-19 vaccinations, and a reset of the number of days allowed for paid sick leave, will further encourage the availability and access to paid sick and family leave due to COVID-19. With the pandemic continuing to impact the ability of employees and self-employed individuals to work, the Committee believes it is important to extend this assistance through September 30, 2021.

#### **Explanation of Provision**

##### **Extension of credits**

The provision extends the credit for qualified sick leave wages, qualified sick leave equivalent amount, qualified family leave wages, and qualified family leave equivalent amount by two calendar quarters through September 30, 2021.

##### **Increase in limitations on credits for paid family leave**

The provision increases the amount of qualified family leave wages that may be used for purposes of calculating a credit. The amount of qualified leave wages taken into account with respect to an individual may not exceed \$200 for any day for which the individual is paid

qualified family leave wages, or \$12,000 (increased from \$10,000 under present law) in the aggregate with respect to all calendar quarters.

As a conforming amendment, the provision addresses the denial of double benefit for self-employed individuals. In the case of an individual who receives wages<sup>211</sup> or compensation<sup>212</sup> paid by an employer consistent with the terms of the Emergency Family and Medical Leave Expansion Act, the qualified family leave equivalent amount is reduced (but not below zero) to the extent the sum of the amount and qualified leave wages exceeds \$12,000 (increased from \$10,000 under present law).

The provision also increases the qualified family leave equivalent amount for self-employed individuals. The term “qualified family leave equivalent amount” with respect to a self-employed individual is an amount equal to the product of: (1) the number of days not to exceed 60 (increased from 50 under present law) during the taxable year that the individual is unable to perform services in any trade or business referred to in section 1402 for a reason with respect to which such individual would be entitled to receive paid leave, multiplied by; (2) the lesser of 67 percent of the average daily self-employment income of the individual for the taxable year, or \$200.

The provision amends the definition of qualified family leave wages by adding, in part, that such wages are those which would be required to be paid pursuant to FMLA, as amended by the Emergency Family and Medical Leave Expansion Act, if it were applied by substituting September 30, 2021 for December 31, 2020 and if the maximum wages were applied by substituting \$12,000 for \$10,000.

#### **Expansion of reasons for paid family leave credit**

The provision amends the definition of qualified family leave wages and the qualified family leave equivalent amount by providing that such wages include those which would be required to be paid for any reason described in the six categories that apply for purposes of eligibility for paid sick leave.<sup>213</sup>

#### **Paid leave credits allowed for COVID-19 vaccination**

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<sup>211</sup> Sec. 3121(a).

<sup>212</sup> Sec. 3231(e).

<sup>213</sup> Section 5102(a) of Division E, FFCRA, Pub. L. No. 116-127. The reasons for paid sick leave are that (1) the employee is subject to a Federal, State, or local quarantine or isolation order related to COVID-19; (2) the employee has been advised by a health care provider to self-quarantine due to concerns related to COVID-19; (3) the employee is experiencing symptoms of COVID-19 and is seeking a medical diagnosis; (4) the employee is caring for an individual who is subject to a quarantine or isolation order or has been advised by a health care provider to self-quarantine; (5) the employee is caring for the employee’s son or daughter if the school or place of care of the son or daughter has been closed, or the child care provider of such son or daughter is unavailable due to COVID-19 precautions; or (6) the employee is experiencing any other substantially similar condition specified by the Secretary of Health and Human Services in consultation with the Secretary of Treasury and the Secretary of Labor.

The provision expands the definition of qualified sick leave wages and qualified family leave equivalent amount to include time the employee or self-employed individual is unable to work (or telework) because the employee or self-employed individual is obtaining immunization related to COVID-19 or is recovering from any injury, disability, illness, or condition related to such immunization.

#### **Application of non-discrimination rules**

The provision adds a restriction that no credit is allowed for qualified sick leave wages or qualified family leave wages if, in the provision of qualified sick leave wages or qualified family leave wages, the employer discriminates in favor of highly compensated employees,<sup>214</sup> full-time employees, or employees on the basis of employment tenure with the employer.

#### **Reset of limitation on paid sick leave**

The provision amends the overall limitation on the number of days that may be taken into account for purposes of the payroll credit for paid sick leave. For calendar quarters beginning after March 31, 2021, the aggregate number of days that may be taken into account for paid sick leave may not exceed the excess (if any) of 10 over the aggregate number of days so taken into account in the preceding calendar quarters in such calendar year (other than the first quarter of calendar year 2021). Before the second quarter of 2021 (April 1, 2021), the aggregate number of days taken into account for any calendar quarter may not exceed the excess (if any) of 10 over the aggregate number of days so taken into account for all preceding calendar quarters. The determination of the amount of paid sick time paid to an employee and remuneration counted as qualified sick leave wages are determined on a calendar year basis.<sup>215</sup> The same rule applies to paid sick leave for self-employed individuals and the number of days that may be taken into account for purposes of calculating the qualified sick leave equivalent amount. The provision also coordinates these changes with Divisions C and E of the FFCRA.

#### **Credits allowed against employer Hospital Insurance (“HI”) tax**

Under the provision, the credit is a credit against OASDI tax and the equivalent amount of RRTA tax with a credit against HI tax and the equivalent amount of RRTA tax.<sup>216</sup> The refundable credit against HI tax and the equivalent amount of RRTA tax applies to qualified sick leave wages and qualified family leave wages paid with respect to calendar quarters after March

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<sup>214</sup> Sec. 414(q).

<sup>215</sup> Section 5102 of the FFCRA provides that the amount of paid sick time to which an employee is entitled shall be 80 hours for full-time employees. For part-time employees, the maximum amount of paid sick leave is number of hours equal to the number of hours that such employee works, on average, over a two-week period.

<sup>216</sup> The provision does not include express language that “holds harmless” the Federal Hospital Insurance Trust Fund from any effects of the provision. Under current law, amounts are appropriated and transferred to the trust fund include amounts equivalent to 100 percent of the taxes imposed by section 3111(b) with respect to applicable wages reported by the Secretary, determined by applying the rate to the reported wages. Sec. 1807 of the Social Security Act, 42 U.S.C. sec. 1395i. Because the provision does not affect either the rate under section 3111(b) or applicable wages, but only provides a credit against the amount of tax, the provision does not affect the trust fund, and no hold harmless language is needed.

31, 2021 and before October 1, 2021. The credit for the qualified sick leave equivalent amount and qualified family leave equivalent amount is also extended to September 30, 2021.

**Application of credits to certain governmental employers**

The provision provides that a credit is not allowed for paid sick leave or paid family leave for the U.S. government or any agency or instrumentality thereof with the exception of an organization described in section 501(c)(1) of the Code that is exempt from tax under section 501(a) of the Code. State governments and political subdivisions thereof are now eligible for the credit, whereas such entities were previously ineligible.

**Gross up of credit in lieu of exclusion from tax**

The provision increases the credits for qualified sick leave wages and qualified family leave wages by the amount of the OASDI and HI taxes, and the equivalent portions of RRTA tax, respectively, on qualified sick leave wages and qualified family leave wages, for which a credit is allowed. The denial of a double benefit also applies to the increase in the amount of credits as described in the preceding sentence. Under this rule, the gross income of the employer, for purposes of chapter 1 of the Code, is increased by the amount of the credit. Any wages taken into account in determining the credits for paid sick or paid family leave shall not be taken into account for purposes of the determining the employer's general business credit for paid family leave.<sup>217</sup>

**Effective Date**

The provision is generally effective for amounts paid with respect to calendar quarters after March 31, 2021. The provision is effective for purposes of the paid sick leave credit for self-employed individuals for taxable years beginning after December 31, 2020.

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<sup>217</sup> Sec. 45S.

## PART VI—EMPLOYEE RETENTION CREDIT

A. Extension of Employee Retention Credit  
(sec. 9651 of the subtitle)Present LawIn generalFederal employment taxes and OASDI and HI Trust Funds

Federal employment taxes are imposed on wages paid to employees with respect to employment and include taxes levied under the Federal Insurance Contributions Act (“FICA”), the Federal Unemployment Tax Act (“FUTA”), and the Federal income tax.<sup>218</sup> In addition, tier 1 of the RRTA imposes a tax on compensation paid to railroad employees and representatives.<sup>219</sup>

FICA taxes comprise two components: OASDI tax and HI tax. With respect to OASDI tax, the applicable rate is 12.4 percent with half of such rate (6.2 percent) imposed on the employee and the remainder (6.2 percent) imposed on the employer.<sup>220</sup> The tax is assessed on covered wages up to the OASDI wage base (\$142,800 in 2021<sup>221</sup>). Generally, the OASDI wage base rises based on increases in the national average wage index.<sup>222</sup>

The HI tax also has two components: Medicare tax and Additional Medicare tax. Medicare tax is imposed on wages, as defined in section 3121(a), with respect to employment, as defined in section 3121(b), at a rate of 1.45 percent for the employer.<sup>223</sup> An equivalent 1.45 percent is withheld from employee wages.<sup>224</sup> Additional Medicare taxes are withheld from employee wages in excess of \$200,000 at a rate of 0.9 percent.<sup>225</sup> There is no equivalent employer’s share of Additional Medicare taxes. For purposes of this description, HI tax does not include Additional Medicare tax.

The employee portion of OASDI taxes must be withheld and remitted to the Federal government by the employer during the calendar quarter, as required by the applicable deposit rules.<sup>226</sup> The employer is liable for the employee portion of OASDI taxes, in addition to its own share, whether or not the employer withholds the amount from the employee’s wages.<sup>227</sup> OASDI and HI taxes are generally allocated by statute among separate trust funds: the OASDI Trust

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<sup>218</sup> Secs. 3101, 3111, 3301, and 3401.

<sup>219</sup> Sec. 3221.

<sup>220</sup> Sec. 3101.

<sup>221</sup> See the Social Security Administration’s Contribution and Benefit Bases, available at <https://www.ssa.gov/OACT/COLA/cbb.html>.

<sup>222</sup> Sec. 230 of the Social Security Act (42 U.S.C. sec. 430).

<sup>223</sup> Sec. 3111(b)(1).

<sup>224</sup> Sec. 3101(b)(1).

<sup>225</sup> Sec. 3101(b)(2).

<sup>226</sup> Sec. 3102(a) and Treas. Reg. sec. 31.3121(a)-2. See also sec. 6302.

<sup>227</sup> Sec. 3102(b).

Funds, Medicare's Hospital Insurance Trust Fund, and Supplementary Medical Insurance Trust Fund.<sup>228</sup>

Generally, the term "wages" for OASDI tax purposes means all remuneration for "employment," including the cash value of all remuneration (including benefits) paid in any medium other than cash, with certain exceptions.<sup>229</sup> The name given to the remuneration for employment is immaterial. OASDI wages includes salaries, vacation allowances, bonuses, deferred compensation, commissions, and fringe benefits. The term "employment" is generally defined for FICA tax purposes as any service, of whatever nature, performed by an employee for the person employing him or her, with certain specific exceptions.

#### Railroad retirement program

Railroad workers do not participate in the OASDI system. Compensation subject to RRTA tax is exempt from FICA taxes.<sup>230</sup> The RRTA imposes a tax on compensation paid by covered employers to employees in recognition for the performance of services.<sup>231</sup> The term "compensation" means any form of money remuneration paid to an individual for services rendered as an employee to one or more employers, with certain exceptions.<sup>232</sup> Employees whose compensation is subject to RRTA tax are generally eligible for railroad retirement benefits under a two-tier structure. Rail employees and employers pay tier 1 taxes at the same rate as other employment taxes.<sup>233</sup> In addition, rail employees and employers both pay tier 2 taxes, which are used to finance railroad retirement benefits above Social Security benefit levels.<sup>234</sup> Tier 2 benefits are similar to a private defined benefit pension.

#### Employment tax in the U.S. territories

Employers and employees in the U.S. territories are generally subject to FICA payroll tax obligations.<sup>235</sup> In contrast, employers and employees in the territories are generally not subject to withholding at the source for Federal income tax, although they are subject to withholding of

<sup>228</sup> Secs. 201 and 1817 of the Social Security Act, Pub. L. No. 74-271 as amended (42 U.S.C. secs. 401 and 1395i).

<sup>229</sup> Sec. 3121(a).

<sup>230</sup> Sec. 3121(b)(9).

<sup>231</sup> Secs. 3201 through 3233. Instead of FICA taxes, railroad employers and employees are subject, under the RRTA, to taxes equivalent to the OASDI and HI taxes under FICA. Under the RRTA, employers and employees are also subject to an additional tax, referred to as the "tier 2" tax, on compensation up to a certain amount.

<sup>232</sup> Sec. 3231(e).

<sup>233</sup> The rate is 7.65 percent, consisting of 6.2 percent for retirement on earnings up to \$142,800 in 2021, and 1.45 percent for Medicare hospital insurance on all earnings. The Additional Medicare tax applies a rate of 0.9 percent on earnings above \$200,000.

<sup>234</sup> In 2021, the tier 2 tax rate on earnings up to \$106,200 is 4.9 percent for employees and 13.1 percent for employers. See the U.S. Railroad Retirement Board Reminders for 2021, available at <https://rrb.gov/Benefits/Forms/G-34>.

<sup>235</sup> See sec. 3121(b) and (c) and Covenant to Establish a Commonwealth of the Northern Mariana Islands in Political Union with the United States of America, Sec. 601(c). The U.S. territories referred to in this document are American Samoa, the Commonwealth of the Northern Mariana Islands, Guam, Puerto Rico, and the U.S. Virgin Islands.

local taxes.<sup>236</sup> These payroll obligations of the employers are generally applicable to Federal agencies with personnel in the territory. Employers in the territories file quarterly tax returns with the Federal government to report and pay FICA taxes for employees in the respective territories.

#### **Employee retention credits against income taxes**

Congress has at times enacted employee retention credits against employer income tax in response to natural disasters.<sup>237</sup> These enactments generally provide a credit of 40 percent of the wages (up to a maximum of \$6,000 in wages per employee) paid by certain employers harmed by the applicable disaster to employees employed in the applicable disaster zone during the period when the employer's business was inoperable due to the applicable disaster. The credits are treated as a current year business credit under section 38(b) and therefore subject to the Federal income tax liability limitations of section 38(c). Rules similar to those in sections 51(i)(1), 52, and 280C(a) apply to the credits.<sup>238</sup>

#### **Employee retention credit included in the CARES Act**

##### In general

Section 2301 of the CARES Act, Public Law 116-136, allows an eligible employer to claim a credit against applicable employment taxes for each calendar quarter in an amount equal to 50 percent of the qualified wages with respect to each employee of such employer for such calendar quarter. Applicable employment taxes are OASDI tax<sup>239</sup> imposed on the employer and the equivalent rate for RRTA tax<sup>240</sup> imposed on the employer. The amount of qualified wages with respect to an employee which may be taken into account in calculating the credit for all calendar quarters may not exceed \$10,000. Therefore, the maximum amount of credit per employee for all calendar quarters is \$5,000. The credit applies only to wages paid after March 12, 2020 and before January 1, 2021.

The credit allowed may not exceed the applicable employment taxes imposed on the eligible employer for that calendar quarter on the wages paid with respect to all of the employer's employees, reduced by any credits allowed for the employment of qualified

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<sup>236</sup> Under section 3401(a)(8), most wages paid to U.S. persons for services performed in one of the territories are exempt from Federal income tax withholding if the payments are subject to withholding by the territory, or, in the case of Puerto Rico, the payee is a bona fide resident of the territory for the full year.

<sup>237</sup> See, e.g., sec. 303 of Pub. L. No. 116-260, Div. EE (providing a credit in response to certain major disasters declared in 2020); sec. 203 of Pub. L. No. 116-94, Div. Q (providing a credit in response to certain major disasters declared in 2018 and 2019); sec. 20103 of Pub. L. No. 115-123 (providing a credit in response to 2017 California wildfires); sec. 503 of Pub. L. No. 115-63, as amended by sec. 20201(b) of Pub. L. No. 115-123 (providing a credit in response to Hurricanes Harvey, Irma, and Maria); and former sec. 1400R (providing a credit in response to Hurricanes Katrina, Rita, and Wilma).

<sup>238</sup> For a more detailed description of one recently enacted employee retention credit related to certain major disasters declared in 2018 and 2019, see Joint Committee on Taxation, *Description of H.R. 3301, The Taxpayer Certainty and Disaster Tax Relief Act of 2019* (JCX-30-19), June 2019 pp. 80-81.

<sup>239</sup> Sec. 3111(a).

<sup>240</sup> Sec. 3221(a).

veterans,<sup>241</sup> for research expenditures of a qualified small business,<sup>242</sup> or for paid sick or family leave under sections 7001 and 7003 of the FFCRA.<sup>243</sup> However, if for any calendar quarter the amount of the credit exceeds the applicable employment taxes imposed on the employer, reduced as described in the prior sentence, such excess is treated as a refundable overpayment.<sup>244</sup>

For example, assume that, for a calendar quarter, an eligible employer had applicable employment taxes prior to any credits of \$10,000 and (1) a credit for research expenditures of a qualified small business of \$4,000, (2) a \$3,000 credit for paid sick leave under section 7001 of the FFCRA, and (3) a \$5,000 employee retention credit. The eligible employer's applicable employment taxes are reduced to \$0 and it has a \$2,000 refundable overpayment.<sup>245</sup> If, instead, the eligible employer had applicable employment taxes prior to any credits of \$2,000, its applicable employment taxes are reduced to \$0 and it has an \$8,000 refundable overpayment.<sup>246</sup>

#### Definition of eligible employer

An eligible employer is any employer which was carrying on a trade or business during calendar year 2020 and which meets either of two tests.

Under the first test (the "governmental order test"), such employer is an eligible employer if it experiences a calendar quarter in which the operation of the trade or business is fully or partially suspended during the calendar quarter due to orders from an appropriate governmental authority limiting commerce, travel, or group meetings (for commercial, social, religious, or other purposes) due to COVID19.

For example, a restaurant in a State under a Statewide order that restaurants offer only take-out service meets the governmental order test, as does a concert venue in a State under a Statewide order limiting gatherings to no more than 10 people. Similarly, an accounting firm that is in a county where accounting firms are among businesses subject to a directive from public health authorities to cease all activities other than minimum basic operations and that closes its offices and does not require employees who cannot work from home (*e.g.*, custodial employees, mail room employees) to work meets this test. However, a grocery store in a State that generally imposes limitations on food service, gathering size, and travel outside the home, but exempts grocery stores (and travel to and from grocery stores) from any COVID-19 related

<sup>241</sup> This credit is described in section 3111(e).

<sup>242</sup> This credit is described in section 3111(f).

<sup>243</sup> Pub. L. No. 116-127, as amended by the CARES Act, Pub. L. No. 116-135, and the CAA, Pub. L. No. 116-260.

<sup>244</sup> The excess is treated as an overpayment and refunded under sections 6402(a) and 6413(b). For purposes of section 1324 of Title 31, United States Code, any amount due to an employer is treated in the same manner as a refund due from the credits against applicable employment taxes described above. Thus, pursuant to that section, amounts are appropriated to the Secretary for refunding such excess amounts.

<sup>245</sup> The tax is reduced by the \$4,000 research expenditures credit, the \$3,000 paid sick leave credit, and \$3,000 of the \$5,000 employee retention credit. The \$2,000 excess employee retention credit is treated as refundable.

<sup>246</sup> The tax is reduced by the \$2,000 research expenditures credit, the other \$2,000 of which is not refundable. See sec. 3111(f). The \$3,000 paid sick leave credit is treated as refundable, section 7001(b)(4) of the FFCRA, as is the \$5,000 employee retention credit.

restrictions (e.g., because grocery stores are deemed an “essential business” that is excepted from restrictions) would not meet this test.

Under the second test (the “reduced gross receipts test”), such employer is an eligible employer if it experiences a significant decline in gross receipts. The employer is treated as experiencing a significant decline in gross receipts in the period (i) beginning with the first calendar quarter beginning after December 31, 2019, for which gross receipts (within the meaning of section 448(c)) for the calendar quarter are less than 50 percent of gross receipts for the same calendar quarter in the prior year, and (ii) ending with the quarter following the first calendar quarter beginning after a calendar quarter described in (i) in which gross receipts exceed 80 percent of gross receipts for the same calendar quarter for the prior year.

For example, if an employer had gross receipts of \$100 in each calendar quarter of 2019 and then had gross receipts in the first, second, third, and fourth quarters of 2020 of \$100, \$40, \$90, and \$100, respectively, the period in which such employer is treated as meeting the significant decline in gross receipts test is the second and third quarters of 2020.

An organization described in section 501(c) may qualify as an eligible employer under either test.<sup>247</sup> The requirement that an eligible employer be carrying on a trade or business during calendar year 2020 and the governmental order test are to be applied as if they referred to all operations of such organization, and not merely those which are treated as a trade or business.

#### Definition of qualified wages

The definition of qualified wages depends on the average number of full-time and full-time equivalent employees of the eligible employer during 2019.<sup>248</sup> All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 are treated as one employer for purposes of the credit.

For an eligible employer that had more than 100 such employees in 2019, qualified wages are wages paid by the eligible employer with respect to which an employee is not providing services due to circumstances that cause the eligible employer to meet either the governmental order test or the reduced gross receipts test.

For example, if a restaurant that had an average of 150 full-time employees during 2019 meets the governmental order test, and the restaurant continues to pay kitchen employees’ wages as if they were working 40 hours per week but only requires them to work 15 hours per week, the wages paid to the kitchen employees for the 25 hours per week with respect to which the kitchen

<sup>247</sup> Section 206(a) of Division EE of the CAA (Pub. L. No. 116-260), clarifies this definition, as described below.

<sup>248</sup> The metric is the “average number of full-time employees (within the meaning of section 4980H of the Internal Revenue Code of 1986).” This language includes full-time equivalents as referred to in section 4980H(c)(2)(E), which reads as follows:

(E) Full-time equivalents treated as full-time employees. Solely for purposes of determining whether an employer is an applicable large employer under this paragraph, an employer shall, in addition to the number of full-time employees for any month otherwise determined, include for such month a number of full-time employees determined by dividing the aggregate number of hours of service of employees who are not full-time employees for the month by 120.

employees are not providing services are qualified wages. However, if the same restaurant reduces kitchen employees' working hours from 40 hours per week to 15 hours per week and only pays wages for 15 hours per week, no wages paid to the kitchen employees are qualified wages.

As another example, if an accounting firm that had an average of 500 full-time employees during 2019 meets the governmental order test, and during the period in which the governmental order is in place the accounting firm closes its office and does not require custodial and mail room employees to work but continues to pay them their full salaries, wages paid to those custodial and mail room employees for the time they do not work are qualified wages. Similarly, if the accounting firm continues to pay administrative assistants their full salaries but only requires them to work two days per week on a rotating schedule reflecting reduced demand for assistance resulting from the office closure, the portion of an administrative assistant's salary attributable to days not worked are qualified wages.

Qualified wages paid to an employee by an eligible employer that had more than 100 full-time employees in 2019 cannot exceed the amount such employee would have been paid for working an equivalent duration during the 30 days immediately preceding the period in which the eligible employer met either the governmental order test or the reduced gross receipts test.

For example, if an eligible employer subject to this rule paid an employee \$15 per hour for all hours worked prior to meeting the governmental order test, but during the period when the eligible employer meets the governmental order test pays the same employee \$10 per hour for hours when the employee is providing services and \$20 per hour for hours when the employee is not providing services, only \$15 per hour of wages paid when the employee is not providing services are qualified wages. As another example, if an eligible employer subject to this rule paid an employee \$15 per hour for all hours worked prior to meeting the governmental order test, but during the period when the eligible employer meets the governmental order test pays the same employee \$20 per hour (both for hours when the employee is providing services and for hours when the employee is not providing services), only \$15 per hour of wages paid when the employee is not providing services are qualified wages.

For an eligible employer that had an average of 100 or fewer full-time employees in 2019, qualified wages are wages paid to any employee either during the time period in which such eligible employer meets the governmental order test or during a quarter in which the eligible employer meets the reduced gross receipts test.

For example, if a restaurant that had an average of 45 full-time employees during 2019 meets the governmental order test, and the restaurant continues to pay kitchen employees' wages as if they were working 40 hours per week but only requires them to work 15 hours per week, all of such employees' wages paid during the period to which the governmental order applies are qualified wages. If the same restaurant responds to the governmental order by reducing the hours of kitchen employees who had previously worked 40 hours per week to 15 hours per week and only pays wages for 15 hours per week, such wages paid during the period to which the governmental order applies are qualified wages.

As another example, if a grocery store that had an average of 75 full-time employees during 2019 meets the reduced gross receipts test for the second and third calendar quarters of 2020, all wages paid by the grocery store during those quarters are qualified wages.

Qualified wages do not include any wages<sup>249</sup> or compensation<sup>250</sup> taken into account under sections 7001 or 7003 of the FFCRA. Qualified wages also include so much of the employer's qualified health plan expenses as are properly allocable to qualified wages under the credit. Qualified health plan expenses are defined as amounts paid or incurred by the employer to provide and maintain a group health plan,<sup>251</sup> but only to the extent such amounts are excluded from the employees' income as coverage under an accident or health plan.<sup>252</sup> Qualified health plan expenses are allocated to qualified wages in such manner as the Secretary (or the Secretary's delegate) may prescribe. Except as otherwise provided by the Secretary (or the Secretary's delegate), such allocations are treated as properly made if made pro rata among covered employees and pro rata on the basis of periods of coverage (relative to the time periods of leave to which such wages relate).<sup>253</sup>

#### Other rules, definitions, and guidance

No credit is available to any employer that receives a small business interruption loan (*i.e.*, a covered loan under paragraph (36) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as added by section 1102 of the CARES Act).

If a taxpayer claims the credit, rules similar to the rules of sections 51(i)(1) and 280C(a) apply. Thus, for example, an employee retention credit may not be generated by an individual employer hiring his or her children. In addition, the credit is taken into account for purposes of determining any amount allowable as an income tax deduction for qualified wages (or any amount capitalizable to basis) or for payroll taxes associated with such qualified wages. For example, assume a calendar year employer pays \$2,500 of qualified wages for the second quarter of 2020. If the employer claimed no employee retention credit, the employer would be able to deduct \$2,500 of wage expense (assuming such wages are not subject to capitalization) and \$155 of applicable employment tax liability, for a total income tax deduction of \$2,655 for the quarter with respect to those wages. If the employer claims an employee retention credit of \$1,250 for those wages, the employee retention credit would offset \$155 of applicable employment taxes and \$1,095 of wage expense, leaving \$1,405 of qualified wages as deductible for income tax purposes.

Continuing the example above, assume that the employer delays the deposit of its \$155 of applicable employment tax liability until December 31, 2021, pursuant to section 2302 of the CARES Act, and thus does not have a current income tax deduction for such applicable

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<sup>249</sup> Sec. 3121(a).

<sup>250</sup> Sec. 3231(e).

<sup>251</sup> Group health plan for this purpose is defined in section 5000(b)(1).

<sup>252</sup> For the exclusion, see section 106(a).

<sup>253</sup> Section 206(b) of Division EE of the CAA clarifies this definition, as described below.

employment taxes.<sup>254</sup> If the employer claims an employee retention credit of \$1,250, the employee retention credit would offset \$1,250 of wage expense, leaving \$1,250 of qualified wages as deductible for income tax purposes.

An employer may elect, at such time and in such manner as provided by the Secretary (or the Secretary's delegate), to have the credit not apply for a calendar quarter. Further, the credit is not available to the Government of the United States, the government of any State or political subdivision thereof, or any agency or instrumentality of any of those entities. Employers in the U.S. territories may claim the credit by filing their quarterly Federal employment tax returns.

The credit is not available for wages paid to any employee for any period with respect to any employer if such employer is allowed a credit under section 51 (*i.e.*, the work opportunity tax credit) with respect to such employee for such period. Furthermore, any wages taken into account in determining the credit shall not be taken into account for purposes of determining the credit allowed under section 45S (*i.e.*, the employer credit for paid family and medical leave).

Any credit allowed is treated as a credit described in section 3511(d)(2) (relating to certified professional employer organizations).

The Secretary (or the Secretary's delegate) is directed to waive any penalty under section 6656 for failure to make a deposit of applicable employment taxes if the Secretary (or the Secretary's delegate) determines that such failure was due to the reasonable anticipation of the credit allowed.

The Secretary (or the Secretary's delegate) is required to provide such regulations or other guidance as may be necessary to carry out the purposes of the credit, including regulations or other guidance: (1) to allow the advance payment of the credit based on such information as the Secretary (or the Secretary's delegate) may require;<sup>255</sup> (2) to provide for the reconciliation of

<sup>254</sup> In general, an employer's payroll tax liability is deductible when paid by the employer to the governmental authority. See sec. 461 and Treas. Reg. secs. 1.461-1 and 1.461-4(g). However, an accrual method employer who has adopted the recurring item exception method of accounting for its payroll taxes may generally deduct such taxes for which it has a fixed and determinable liability by the end of its taxable year if it pays the taxes by the earlier of the date the it files a timely income tax return (including extensions) for such taxable year or the 15th day of the ninth calendar month following the close of such taxable year (*e.g.*, by September 15, 2021, for the 2020 calendar taxable year). See sec. 461(h), Treas. Reg. sec. 1.461-5, and Rev. Proc. 2008-25, 2008-1 C.B. 686. Thus, if the 2020 payroll taxes are not paid until December 31, 2021, they will not be deductible in 2020 by a calendar year employer, regardless of whether the employer uses the cash or accrual method of accounting.

<sup>255</sup> For 2020, the IRS provided Form 7200, Advance Payment of Employer Credits Due to COVID-19, to allow taxpayers to request advance payment of the credit. The instructions to Form 7200 explain that:

Eligible employers who pay . . . qualified wages eligible for the employee retention credit should retain an amount of the employment taxes equal to the amount of . . . their employee retention credit, rather than depositing these amounts with the IRS. The employment taxes that are available for the credit[] include withheld federal income tax, the employee share of social security and HI taxes, and the employer share of social security and HI taxes with respect to all employees. If there aren't sufficient employment taxes to cover the cost of . . . the employee retention credit, employers can file Form 7200 to request an advance payment from the IRS. Don't reduce your deposits and request advance credit payments for the same expected credit. You will need to reconcile your advance credit payments and reduced deposits on your employment tax return.

See Instructions to IRS Form 7200, revised March 2020, available at <https://www.irs.gov/instructions/i7200>.

such advance payment with the amount advanced at the time of filing the return of tax for the applicable calendar quarter or taxable year; (3) to provide for recapture of the credit if it is allowed to a taxpayer which receives a small business interruption loan; (4) with respect to the application of the credit to third party payors (including professional employer organizations, certified professional employer organizations, or agents under section 3504), including regulations or other guidance allowing such payors to submit documentation necessary to substantiate the eligible employer status of employers that use such payors; and (5) for application of the reduced gross receipts test to any employer which was not carrying on a trade or business for all or part of the same calendar quarter in the prior year.

#### **Modifications in the Consolidated Appropriations Act, 2021**

Sections 206, 207, and 303 of Division EE of the CAA modify the employee retention credit that was included in the CARES Act in the following ways.

##### Retroactive modifications

Section 206(a) of Division EE of the CAA clarifies that, in the case of an organization described in section 501(c) of the Code, any reference to gross receipts in the CARES Act employee retention credit (as modified by the CAA) shall be treated as a reference to gross receipts within the meaning of section 6033 of the Code.

Section 206(b) of Division EE of the CAA clarifies that health plan expenses paid to provide and maintain a group health plan<sup>256</sup> are treated as wages that are eligible for the credit, assuming other requirements are met. The amount of such expenses per employee and per period shall be the amount properly allocable to such employee and such period under rules prescribed by the Secretary. Except as otherwise provided by the Secretary, an allocation of such expenses is proper if made on the basis of being pro rata among periods of coverage.

Section 206(c) of Division EE of the CAA alters the interaction of the credit and the Paycheck Protection Program (“PPP”). First, it removes the rule in section 2301(j) of the CARES Act that provided that an employer that received a PPP loan<sup>257</sup> was ineligible for the credit, as well as the instruction to the Secretary in section 2301(1)(3) of the CARES Act to provide for recapture of the credit in the event it was allowed to a taxpayer who received a PPP loan. As a result, taxpayers receiving a PPP loan are potentially eligible for the credit. Section 1106 of the CARES Act<sup>258</sup> is then amended to provide that the definition of payroll costs that may give rise to loan forgiveness described in section 1106(b) of the CARES Act<sup>259</sup> do not include qualified wages taken into account in determining the amount of the employee retention credit, and an employer is permitted to elect not to take into account any amount of the

<sup>256</sup> As defined in section 5000(b)(1) of the Code.

<sup>257</sup> Referred to in the statute as a “small business interruption loan” and defined as a covered loan under paragraph (36) of section 7(a) of the Small Business Act (15 U.S.C. 636(a), as added by section 1102 of the CARES Act).

<sup>258</sup> Section 304(b)(1) of Title III of Division N of the Act redesignates section 1106 of the CARES Act as section 7A of the Small Business Act (15 U.S.C. § 631 et seq.).

<sup>259</sup> Redesignated by the CAA as section 7A(b) of the Small Business Act.

employer's qualified wages for purposes of calculating the credit. However, such an election does not prevent payroll costs paid during the covered period from being treated as qualified wages of the eligible employer to the extent that a PPP loan is not forgiven by reason of a decision by the lender under section 1106(g) of the CARES Act<sup>260</sup> to deny forgiveness.

Finally, section 206(d) of Division EE of the CAA requires the Secretary to issue such forms, instructions, regulations, and other guidance as are necessary to prevent the avoidance of the purposes of the limitations on the credit, including through the leaseback of employees.

The effective date of section 206 of Division EE of the CAA includes a special rule permitting any employer who has filed a return of tax with respect to applicable employment taxes before the date of enactment of the CAA to elect to treat any applicable amount as an amount paid in the calendar quarter which includes the date of enactment of the CAA (*i.e.*, the 4<sup>th</sup> quarter of calendar year 2020). An applicable amount is any amount of either group health plan expenses treated as wages by subsection (b) of section 206 of Division EE of the CAA or wages permitted to be treated as qualified wages as a result of subsection (c)(2) of such section (addressing coordination between the PPP and the credit), provided such amount was paid in a calendar quarter beginning after December 31, 2019, and before October 1, 2020, and was not taken into account by the taxpayer in calculating the credit for such calendar quarter.

Modifications that are effective on date of enactment of the CAA

Section 303(d) of Division EE of the CAA provides that the credit is reduced by any credit allowed for wages paid by certain tax-exempt organizations affected by qualified disasters in 2020.<sup>261</sup>

Modifications that are effective for calendar quarters beginning after December 31, 2020

Section 207(a) of Division EE of the CAA extends the credit to apply to wages paid before July 1, 2021, extending by two calendar quarters the end-date provided by section 2301(m) of the CARES Act.

Section 207 of Division EE of the CAA also makes certain changes to the limitations on the credit. First, the percentage of qualified wages used to calculate the credit is increased from 50 percent of such wages to 70 percent of such wages.<sup>262</sup>

Second, the amount of qualified wages per employee that may be taken into account in calculating the credit is increased from \$10,000 for all calendar quarters to \$10,000 per calendar quarter.<sup>263</sup>

Third, an employer may qualify as an eligible employer under the reduced gross receipts test with respect to a calendar quarter for which the gross receipts of the employer are less than

<sup>260</sup> Redesignated by the CAA as section 7A(g) of the Small Business Act.

<sup>261</sup> Section 303 of Division EE of the CAA, 2021 provides an employee retention credit for certain employers affected by qualified disasters in 2020, which includes a payroll tax credit for certain tax-exempt organizations.

<sup>262</sup> See sec. 207(b) of the CAA.

<sup>263</sup> See sec. 207(c) of the CAA.

80 percent of the gross receipts of the same employer for the same calendar quarter in 2019. For employers not in existence at the beginning of the relevant calendar quarter in 2019, this rule is applied by reference to the same calendar quarter in 2020 rather than 2019. Additionally, employers may elect to compare the gross receipts of the immediately preceding calendar quarter, rather than the quarter for which the credit is claimed, to the gross receipts for the corresponding calendar quarter in 2019. For employers not in existence in 2019, the election permits the employer to compare the gross receipts of the immediately preceding calendar quarter to the corresponding calendar quarter in 2020.<sup>264</sup>

Fourth, with regard to the definition of qualified wages, the average number of full-time and full-time equivalent employees the eligible employer may have had during 2019 to claim credit for any wages paid to an employee — rather than merely wages with respect to which the employee is not providing services — is increased from 100 or fewer to 500 or fewer.<sup>265</sup>

Finally, the rule that qualified wages paid to an employee by an eligible employer that had more than 500 full-time employees in 2019 cannot exceed the amount such employee would have been paid for working an equivalent duration during the 30 days immediately preceding the period in which the eligible employer met either the governmental order test or the reduced gross receipts test is eliminated.<sup>266</sup>

The rule prohibiting certain government employers from claiming the credit is modified.<sup>267</sup> First, any organization described in section 501(c)(1) of the Code and exempt from tax under section 501(a) of the Code is excluded from the rule. Second, any entity that is a college or university and any entity the principal purpose or function of which is providing medical or hospital care is excluded from the rule. As a result, such organizations and entities are not prevented from claiming the credit by reason of the general prohibition against certain government employers claiming the credit. With respect to any organization or entity meeting either exception, wages as defined in section 3121(a) of the Code shall be determined for purposes of the credit without regard to paragraphs (5) and (6) (relating to certain services performed in the employ of the United States or an instrumentality of the United States), (7) (relating to certain services performed in the employ of a State, any political subdivision thereof, or any instrumentality of one or more of the foregoing which is wholly owned thereby), (10) (relating to certain services performed in connection with a school, college, or university), and (13) (relating to certain services performed as a student nurse) of section 3121(b).

Section 2301(h) of the CARES Act is revised to provide that any wages taken into account in determining the credit are not taken into account as wages for purposes of sections 41 (providing a credit for increasing research activities), 45A (the Indian employment credit), 45P (providing an employer wage credit for employees who are active duty members of the

<sup>264</sup> For the rules described in this paragraph, see sec. 207(d)(1) and (2) of the CAA.

<sup>265</sup> See sec. 207(c)(1) of the CAA.

<sup>266</sup> See sec. 207(c)(2) of the CAA.

<sup>267</sup> See sec. 207(d)(3) of the CAA.

uniformed services), 45S (providing an employer credit for paid family and medical leave), 51 (the work opportunity credit), and 1396 (the empowerment zone employment credit).<sup>268</sup>

Under rules to be provided by the Secretary, small employers (*i.e.*, those for whom the average number of full-time and full-time equivalent employees during 2019 was not greater than 500) are permitted to elect to receive an advance payment of the credit for any quarter in an amount not to exceed 70 percent of the average quarterly wages paid by the employer in calendar year 2019. An employer who employs seasonal workers<sup>269</sup> may elect a limitation equal to 70 percent of the wages for the calendar quarter in 2019 that corresponds to the calendar quarter to which the election relates, rather than 70 percent of average quarterly wages for 2019. For employers not in existence in 2019, the limitations under both the general rule and the election are calculated using 2020 numbers rather than 2019 numbers. The amount of the credit which would be allowed but for receipt of such an advance payment is reduced by the amount of the advance payment.<sup>270</sup> If the advance payments to a taxpayer for a calendar quarter exceed the credit allowed but for receipt of the advance payment, the tax imposed by chapters 21 (FICA) or 22 (RRTA) of the Code (whichever is applicable) are increased by the amount of the excess.<sup>271</sup>

The grant of authority in section 2301(l) of the CARES Act is modified to require that any forms, instructions, regulations, or other guidance issued with respect to application of the credit to third-party payors (including professional employer organizations, certified professional employer organizations, or agents under section 3504 of the Code) require the customer to be responsible for the accounting of the credit and for any liability for improperly claimed credits. Such forms, etc., shall require the third-party payor to accurately report the credit based on the information provided by the customer.<sup>272</sup>

The Secretary is required to conduct a public awareness campaign, in coordination with the Administrator of the Small Business Administration, to provide information regarding the availability of the credit. As part of the outreach, the Secretary is required to provide notice about the credit to all employers who reported 500 or fewer employees on their most recently filed employment tax return, and, within 30 days of the date of enactment of the CAA, provide educational materials about the credit to all employers.<sup>273</sup>

An election not to take into account any amount of the employer's qualified wages for purposes of calculating the credit does not prevent payroll costs paid during the covered period from being treated as qualified wages of the eligible employer to the extent that a PPP second draw loan described in 15 U.S.C. section 636(a)(37) is not forgiven by reason of the application of paragraph (37)(J) of such section.<sup>274</sup>

<sup>268</sup> See sec. 207(f) of the CAA.

<sup>269</sup> As defined in section 45R(d)(5)(B) of the Code.

<sup>270</sup> Any failure to so reduce the credit is treated as arising out of a mathematical or clerical error and any excess tax due as a result is assessed according to section 6213(b) of the Code.

<sup>271</sup> For the rules described in this paragraph, see sec. 207(g) of the CAA.

<sup>272</sup> See sec. 207(h) of the CAA.

<sup>273</sup> For the rules described in this paragraph, see sec. 207(i) of the CAA.

<sup>274</sup> See sec. 207(j) of the CAA.

### **Reasons for Change**

Between February 2020 and January 2021, the U.S. economy shed nearly ten million jobs.<sup>275</sup> The on-going public health crisis and economic downturn warrants incentives to preserve the employer/employee relationship for businesses and workers most affected by the pandemic. Millions of Americans rely on their employer to provide healthcare, retirement savings, childcare, and other benefits.

The Committee believes that the employee retention credit enacted as part of the CARES Act and expanded and extended as part of the CAA has provided and will continue to provide much needed resources for businesses negatively affected by the COVID-19 pandemic to pay and provide health care for their workers. With the pandemic continuing to dampen economic activity, particularly with regard to services-based businesses, the Committee believes it is important to extend this assistance through the end of calendar year 2021.

### **Explanation of Provision**

The provision extends the credit by two calendar quarters to apply to wages paid before January 1, 2022.

Under the provision, the credit is a credit against the employer's share of HI tax and the equivalent amount of RRTA tax.<sup>276</sup>

As revised by the provision, the credit allowed may not exceed the applicable employment taxes imposed on the eligible employer for that calendar quarter on the wages paid with respect to all of the employer's employees, reduced by any credits allowed for paid sick or family leave under sections 7001 and 7003 of the FFCRA.<sup>277</sup> However, if for any calendar quarter the amount of the credit exceeds the applicable employment taxes imposed on the employer, reduced as described in the prior sentence, such excess is treated as a refundable overpayment.

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<sup>275</sup> Bureau of Labor Statistics, Employment Situation Summary, "The Employment Situation -- January 2021," February 5, 2021, available at [www.bls.gov/news.release/empsit.nr0.htm](http://www.bls.gov/news.release/empsit.nr0.htm).

<sup>276</sup> As a result, the credit is not reduced by any credits allowed for the employment of qualified veterans, for research expenditures of a qualified small business, or for wages paid by certain tax-exempt organizations affected by qualified disasters in 2020. See the discussion of changes made to the credits for paid sick or family leave under sections 7001 and 7003 of the FFCRA elsewhere in this document. Also, the provision does not include express language that "holds harmless" the Federal Hospital Insurance Trust Fund from any effects of the provision. Under current law, amounts appropriated and transferred to the trust fund include amounts equivalent to 100 percent of the taxes imposed by section 3111(b) with respect to applicable wages reported by the Secretary, determined by applying the rate to the reported wages. Sec. 1807 of the Social Security Act, 42 U.S.C. sec. 1395i. Because the provision does not affect either the rate under section 3111(b) or applicable wages, but only provides a credit against the amount of tax, the provision does not affect the trust fund, and no hold harmless language is needed.

<sup>277</sup> Under section 9647 of the subtitle, section 7001 and 7003 of the FFCRA are amended to be credits against the employer's share of HI tax and the equivalent amount of RRTA tax, for calendar quarters beginning after March 31, 2021. See the detailed discussion of "Extension of Credits and Other Modifications (secs. 9641 to 9650 of the subtitle)" elsewhere in this document.

777

**Effective Date**

The provision is effective for calendar quarters beginning after June 30, 2021.

## PART VII—PREMIUM ASSISTANCE CREDIT

A. Temporary Modifications to the Premium Assistance Credit  
(secs. 9661, 9662, and 9663 of the subtitle and sec. 36B of the Code)Present LawIn general

A refundable tax credit (the “premium assistance credit”) is provided for eligible individuals and families to subsidize the purchase of “qualified health plans,”<sup>278</sup> health insurance plans offered through an American Health Benefit Exchange (“Exchange”) created by the Patient Protection and Affordable Care Act (“PPACA”).<sup>279</sup> In general, the Treasury Department makes advance payments with respect to the premium assistance credit during the year directly to the insurer, as discussed below.<sup>280</sup> However, eligible individuals may choose to pay their total health insurance premiums without advance payments and to claim the credit for the taxable year on a Federal income tax return.

The premium assistance credit is generally available for individuals (single or joint filers) with household incomes between 100 percent and 400 percent of the Federal poverty level (“FPL”) for the applicable family size.<sup>281</sup> Household income is defined as the sum of (1) the individual’s modified AGI, plus (2) the aggregate modified AGI of all other individuals taken into account in determining the individual’s family size (but only if the other individuals are required to file tax returns for the taxable year).<sup>282</sup> Modified AGI is defined as AGI increased by (1) any amount excluded from gross income for citizens or residents living abroad,<sup>283</sup> (2) any tax-exempt interest received or accrued during the tax year, and (3) any portion of the individual’s Social Security benefits not included in gross income.<sup>284</sup> To be eligible for the premium assistance credit, individuals who are married must file a joint return.<sup>285</sup> Individuals who are listed as dependents on a return are not eligible for the premium assistance credit.

<sup>278</sup> Sec. 36B. Qualified health plans generally must meet certain requirements. Secs. 1301 and 1302 of the PPACA, 42 U.S.C. secs. 18021 and 18022.

<sup>279</sup> Pub. L. No. 111-148, March 23, 2010. The PPACA was modified by the Health Care and Education Reconciliation Act of 2010 (“HCERA”), Pub. L. No. 111-152, Title I, sec. 1001, March 30, 2010. PPACA and HCERA are referred to collectively as the Affordable Care Act (“ACA”).

<sup>280</sup> Sec. 1412 of the PPACA, 42 U.S.C. sec. 18082.

<sup>281</sup> Sec. 36B(c)(1). Federal poverty level refers to the most recently published poverty guidelines determined by the Secretary of Health and Human Services (“HHS”). Levels for 2021 and previous years are available at <https://aspe.hhs.gov/prior-hhs-poverty-guidelines-and-federal-register-references>.

Under sec. 36B(c)(1)(B), a taxpayer with household income less than 100 percent of FPL who is an alien lawfully present but is ineligible for Medicaid under title XIX of the Social Security Act by reason of such alien status may be treated as an applicable taxpayer with a household income equal to 100 percent of FPL.

<sup>282</sup> Sec. 36B(d)(2).

<sup>283</sup> Sec. 911.

<sup>284</sup> Under section 86, only a portion of an individual’s Social Security benefits is included in gross income.

<sup>285</sup> Sec. 36B(c)(1)(C).

An individual who is eligible for minimum essential coverage from a source other than the individual insurance market generally is not eligible for the premium assistance credit.<sup>286</sup> However, an individual who is offered minimum essential coverage under an employer-sponsored health plan may be eligible for the premium assistance credit if (1) the coverage is either unaffordable or does not provide minimum value, and (2) the individual declines the employer-offered coverage.<sup>287</sup> Thus, an individual who enrolls in an employer-sponsored health plan generally is ineligible for the premium assistance credit even if the coverage is considered unaffordable or does not provide minimum value. Coverage is considered unaffordable if an employee's share of the premium for self-only coverage under the plan exceeds 9.83 percent (for 2021)<sup>288</sup> of the employee's household income.<sup>289</sup> Coverage is considered to not provide minimum value if the plan's share of total allowed costs of plan benefits is less than 60 percent of such costs.

#### **Amount of credit**

The premium assistance credit amount is generally the lower of (1) the premium for the qualified health plan in which the individual or family enrolls, and (2) the premium for the second lowest cost silver plan in the rating area where the individual resides,<sup>290</sup> reduced by the individual's or family's share of premiums.<sup>291</sup> As shown in Table 1 below, an individual's or a family's share of premiums is a certain percentage of household income. For 2021, the share of premiums is 2.07 percent of household income up to 133 percent of FPL and is determined on a sliding scale in a linear manner up to 9.83 percent as household income rises from 133 percent of FPL to 400 percent of FPL.

<sup>286</sup> Sec. 36B(c)(2). Minimum essential coverage is defined in section 5000A(f).

<sup>287</sup> Sec. 36B(c)(2)(C).

<sup>288</sup> Rev. Proc. 2020-36, 2020-32 I.R.B. 244.

<sup>289</sup> Employees and their family members who are provided a qualified small employer health reimbursement arrangement ("QSEHRA") that constitutes affordable coverage are not eligible for the premium assistance credit. Sec. 36B(c)(4)(C). The affordability determination for QSEHRAs is similar to the affordability determination for an employer-sponsored health plan. Specifically, a QSEHRA is treated as constituting affordable coverage for a month if an employee's share of the premium for self-only coverage under the second lowest cost silver plan offered in the relevant individual health insurance market does not exceed 9.83 percent (for 2021) of the employee's household income. A QSEHRA is defined in section 9831(d)(2).

<sup>290</sup> A "silver plan" refers to the level of coverage provided by the health plan. PPACA sec. 1302(d), 42 U.S.C. sec. 18022. Most health plans sold through an Exchange are required to meet actuarial value ("AV") standards, among other requirements. AV is a summary measure of a plan's generosity, expressed as a percentage of medical expenses estimated to be paid by the insurer for a standard population and set of allowed charges. Silver-level plans are designed to provide benefits that are actuarially equivalent to 70 percent of the full AV of the benefits provided under the plan. The premium assistance credit looks to the second lowest cost plan of all of the silver plans available in the relevant rating area.

An individual's "rating area" refers to the geographical unit within the State where the individual resides. Insurers may vary individual market premiums based on rating areas, among other factors. See PPACA sec. 1201, 42 U.S.C. 300gg.

<sup>291</sup> Sec. 36B(b). The amount of the premium assistance credit is determined on a monthly basis, and the amount of the credit for a year is the sum of the monthly amounts.

**Table 1.—Household’s Share of Premiums (for 2021)<sup>292</sup>**

Household income (expressed as a percent of FPL)	Initial percentage of household income*	Final percentage of household income*
Less than 133%	2.07	2.07
133% up to 150%	3.10	4.14
150% up to 200%	4.14	6.52
200% up to 250%	6.52	8.33
250% up to 300%	8.33	9.83
300% up to and including 400%	9.83	9.83

\* The initial percentage of household income corresponds to the bottom of the corresponding FPL range, and the final percentage of household income corresponds to the top of the corresponding FPL range.

#### **Advance payments of the premium assistance credit**

As part of the process of enrollment in a qualified health plan through an Exchange, an individual may apply and be approved for advance payments with respect to a premium assistance credit (“advance payments”).<sup>293</sup> The individual must provide information on income, family size, changes in marital or family status or income, and citizenship or lawful presence status.<sup>294</sup> Eligibility for advance payments is generally based on the individual’s income for the taxable year ending two years prior to the enrollment period. The Exchange process is administered by HHS and includes a system through which information provided by the individual is verified using information from the IRS and certain other sources.<sup>295</sup> If an

<sup>292</sup> Rev. Proc. 2020-36, 2020-32 I.R.B. 244. The percentages are indexed to the excess of premium growth over income growth for the preceding calendar year. After 2018, if the aggregate amount of premium assistance credits (and cost-sharing reductions under section 1402 of PPACA) exceeds 0.504 percent of the gross domestic product for that year, the percentage of household income is also adjusted to reflect the excess (if any) of premium growth over the rate of growth in the Consumer Price Index for the preceding calendar year. Such an adjustment was not required for 2021.

<sup>293</sup> Secs. 1411 and 1412 of PPACA, 42 U.S.C. secs. 18081 and 18082. Under section 1402 of PPACA, 42 U.S.C. sec. 18071, certain individuals eligible for advance premium assistance payments also are eligible for a reduction in their share of medical costs, such as deductibles and copays, under the plan, referred to as reduced cost-sharing. Eligibility for reduced cost-sharing is also determined as part of the Exchange enrollment process. HHS is responsible for rules relating to Exchanges and the eligibility determination process.

<sup>294</sup> Under section 1312(f)(3) of PPACA, 42 U.S.C. sec. 18032(f)(3), an individual may not enroll in a qualified health plan through an Exchange if the individual is not a citizen or national of United States or an alien lawfully present in the United States. Thus, such an individual is not eligible for the premium assistance credit.

<sup>295</sup> Under section 6103, returns and return information are confidential and may not be disclosed, except as authorized by the Code, by IRS employees, other Federal employees, State employees, and certain others having access to such information. Under section 6103(l)(21), upon written request of the Secretary of HHS, the IRS is permitted to disclose certain return information for use in determining an individual’s eligibility for advance premium assistance payments, reduced cost-sharing, or certain other State health subsidy programs, including a

individual is approved for advance payments, the Secretary pays the advance amounts on a monthly basis directly to the issuer of the health plan in which the individual is enrolled. The individual then pays to the issuer of the plan the difference between the advance payment amount and the total premium charged for the plan.

An individual on whose behalf advance payments of the premium assistance credit for a taxable year are made is required to file an income tax return to reconcile the advance payments with the credit that the individual is allowed for the taxable year.<sup>296</sup>

If the advance payments of the premium assistance credit exceed the amount of credit that the individual is allowed, the excess (“excess advance payments”) is treated as an additional tax liability on the individual’s income tax return for the taxable year (is “recaptured”), subject to a limit on the amount of additional liability in some cases. For an individual with household income below 400 percent of FPL, recapture for a taxable year is limited to a specific dollar amount (the “applicable dollar amount”) as shown in Table 2 below. One-half of the applicable dollar amount shown in Table 2 applies to an unmarried individual who is not a surviving spouse or filing as a head of household.

**Table 2.—Recapture Limits (for 2021)<sup>297</sup>**

Household income (expressed as a percent of FPL)	Applicable dollar amount
Less than 200%	\$650
At least 200% but less than 300%	\$1,600
At least 300% but less than 400%	\$2,700

State Medicaid program under title XIX of the Social Security Act, 42 U.S.C. secs. 1396w-1 through 1396w-5, a State’s Children’s Health Insurance Program under title XXI of the Social Security Act, 42 U.S.C. secs. 1397aa through 1397mm, and a Basic Health Program under section 1331 of PPACA, 42 U.S.C. sec. 18051.

<sup>296</sup> Treas. Reg. sec. 1.6011-8. Under section 6055, health insurance issuers are required to report to the IRS and to the individual the months during a year for which the individual was covered by minimum essential coverage issued by the insurer. In Notices 2019-63 and 2020-76, however, the IRS announced that for 2019 and 2020 it will not assess penalties for the failure to provide the required statement to individuals if certain conditions are met, following the reduction of the individual shared responsibility payment in section 5000A to \$0. 2019-51 I.R.B. 1390; 2020-47 I.R.B. 1058.

In addition, under section 36B(f)(3), an Exchange is required to report to the IRS and to the individual the months during a year for which the individual was covered by a qualified health plan purchased through the Exchange; the level of coverage; the name, address, and TIN of the primary insured and each individual covered by the policy; the total premiums paid by the individual; and, if applicable, advance premium assistance payments made on behalf of the individual.

<sup>297</sup> Rev. Proc. 2020-45, 2020-46 I.R.B. 1016. The applicable dollar amounts are indexed to reflect cost-of-living increases, with the amount of any increase rounded down to the next lowest multiple of \$50.

If the advance payments of the premium assistance credit for a taxable year are less than the amount of the credit that the individual is allowed, the additional credit amount is allowed when the individual files an income tax return for the year.

#### **Enrollment in a qualified health plan**

Generally, an individual may enroll in a qualified health plan through an Exchange during an annual open enrollment period.<sup>298</sup> The 2021 open enrollment period in most States ended December 15, 2020. An Exchange must provide for special enrollment periods during which an individual may enroll in a qualified health plan or change enrollment in a qualified health plan if the individual experiences certain life events, including losing health coverage, getting married, or having a baby.<sup>299</sup> On January 28, 2021, the President issued an Executive Order ordering the Secretary of HHS to consider establishing a special enrollment period for the Federally Facilitated Marketplace in light of the exceptional circumstances caused by the ongoing COVID-19 pandemic and the economic downturn.<sup>300</sup> In accordance with the Executive Order, HHS determined that it will provide a special enrollment period for the Federal Facilitated Marketplace from February 15, 2021 through May 15, 2021.<sup>301</sup> HHS strongly encouraged States operating their own marketplace platforms to establish similar enrollment opportunities.

#### **Unemployment compensation**

Unemployment compensation benefits are includible in gross income.<sup>302</sup> Unemployment compensation is defined as any amount received under a law of the United States or of a State which is in the nature of unemployment compensation.<sup>303</sup> The CARES Act temporarily expanded states' ability to provide unemployment insurance for many workers impacted by the COVID-19 pandemic, including for workers who are not ordinarily eligible for unemployment benefits.<sup>304</sup> The CAA generally extended and reauthorized certain provisions of the CARES Act unemployment insurance expansion.<sup>305</sup>

#### **Reasons for Change**

The COVID-19 pandemic has caused significant economic hardships for many people. The economic crisis has led to widespread job loss, and as a result many Americans have lost their employer-sponsored health insurance at a time when it is critical to have quality, affordable health insurance. To ensure that unemployed workers can maintain and afford health insurance,

<sup>298</sup> PPACA sec. 1311, 42 U.S.C. 13031.

<sup>299</sup> 45 CFR 155.420.

<sup>300</sup> President Biden, "Executive Order on Strengthening Medicaid and the Affordable Care Act," January 28, 2021, available at <https://www.whitehouse.gov/briefing-room/presidential-actions/2021/01/28/executive-order-on-strengthening-medicare-and-the-affordable-care-act/>. Pursuant to 45 C.F.R. 155.420(d)(9), an Exchange may allow a special enrollment period in the event of exceptional circumstances as determined by the Exchange in accordance with HHS guidelines.

<sup>301</sup> Centers for Medicare & Medicaid Services, "Fact Sheet: 2021 Special Enrollment Period in Response to the COVID-19 Emergency," January 28, 2021, available at <https://www.cms.gov/newsroom/fact-sheets/2021-special-enrollment-period-response-covid-19-emergency>.

<sup>302</sup> Sec. 85.

<sup>303</sup> Sec. 85(b); see also Treas. Reg. sec. 1.85-1(b)(1).

<sup>304</sup> Pub. L. No. 116-136, Div. A, Title II, subtitle A.

<sup>305</sup> Pub. L. No. 116-260, Div. N, Title II, subtitle A.

the provision improves the affordability of health insurance purchased through an Exchange by increasing the availability and generosity of premium assistance credits for 2021 and 2022. The provision reduces, and in some cases eliminates, the share of health insurance premiums that low- and middle-income families must contribute to the cost of coverage, thereby lowering their out-of-pocket costs for healthcare.

Due to the economic crisis, taxpayers also may have experienced unexpected changes in income, such as the receipt of unemployment compensation or significant overtime pay. These unexpected changes could cause taxpayers who received advance payments of the premium assistance credit during 2020 to have predicted their income inaccurately and, as a consequence, to be subject to recapture of excess advance payments when they file their 2020 income tax returns. To offset the negative effects of this income volatility and resulting unexpected tax liability, the provision eliminates the recapture of excess advance payments for 2020 so that taxpayers will not have an additional tax burden from unexpected changes in income.

Finally, the Committee recognizes that unemployed workers face unique hardships in securing health insurance for themselves and their families. The provision provides that workers who receive unemployment compensation at any point during 2021 generally are eligible for premium assistance credits that will cover the full cost of quality health insurance purchased through an Exchange. These provisions will build upon the special enrollment period announced by the President to assist families during the COVID-19 pandemic.

#### Explanation of Provision

##### Improving affordability by expanding premium assistance for consumers

For taxable years beginning in 2021 and 2022, the provision reduces or eliminates an individual's or family's share of premiums used in determining the amount of the premium assistance credit. The provision also makes the premium assistance credit available to taxpayers with incomes above the present law limitation of 400 percent of FPL for the applicable family size.

Table 3 below shows an individual's or family's modified share of premiums applicable for 2021 and 2022 under the provision. The share of premiums is a certain percentage of household income, ranging from 0.0 percent of household income (up to 150 percent of FPL) up to 8.5 percent of household income, determined on a sliding scale in a linear manner.

**Table 3.—Household's Share of Premiums  
(for 2021 and 2022)**

Household income (expressed as a percent of FPL)	Initial percentage of household income	Final percentage of household income
Less than 150%	0.0	0.0
150% up to 200%	0.0	2.0

Household income (expressed as a percent of FPL)	Initial percentage of household income	Final percentage of household income
200% up to 250%	2.0	4.0
250% up to 300%	4.0	6.0
300% up to 400%	6.0	8.5
400% and higher	8.5	8.5

Taxpayers may be able to take advantage of the COVID-19 related special enrollment period to receive the benefit of this temporary expansion.

**Temporary modification of limitations on reconciliation of tax credits**

For a taxable year beginning in 2020, the provision removes the requirement that excess advance payments are treated as an additional tax liability on the individual's income tax return for the taxable year. Accordingly, under the provision no excess advance payment is subject to recapture. The provision applies to taxpayers who file a 2020 income tax return and reconcile any advance payment of the credit.<sup>306</sup>

**Application of premium assistance credit in case of individuals receiving unemployment compensation during 2021**

The provision provides a special rule for the premium assistance credit in the case of a taxpayer who has received, or has been approved to receive, unemployment compensation for any week during calendar year 2021.<sup>307</sup> Under the rule, for a taxable year beginning in 2021, (i) such a taxpayer is treated as an applicable taxpayer, and (ii) the taxpayer's household income is not taken into account to the extent it exceeds 133 percent of FPL for a family of the size involved. Accordingly, under the provision, a taxpayer receiving unemployment compensation during 2021 and whose household income exceeds 133 percent of FPL may receive a larger premium assistance credit and may be subject to lower recapture than under present law. In addition, a taxpayer receiving unemployment compensation during 2021 whose household income is less than 100 percent of FPL may be allowed a premium assistance credit.

This special rule does not affect the requirement that married couples must file a joint return to claim the premium assistance credit. The special rule also does not apply to determinations of household income for purposes of determining the affordability of employer-sponsored health plans and QSEHRAs.

<sup>306</sup> All taxpayers who receive the benefit of advance payments of the premium assistance credit are required to file an income tax return for the taxable year and reconcile the advance credit payments. Treas. Reg. sec. 1.6011-8. Advance payments of the premium assistance credit are reported on Form 8962, *Premium Tax Credit*, line 29, and on Form 1040, Schedule 2, *Additional Taxes*, line 2.

<sup>307</sup> Unemployment compensation is as defined in section 85(b).

The taxpayer must attest to receipt of or approval for unemployment compensation to receive the benefit of the special rule. The Secretary may prescribe documentation requirements to verify the taxpayer's receipt of or approval for unemployment compensation. These requirements could include information available to the Secretary from third-party information reporting.<sup>308</sup>

Taxpayers may be able to take advantage of the COVID-19 related special enrollment period to receive the benefit of this special rule.

**Effective Date**

The provisions to temporarily expand the premium assistance credit and to provide a special rule for certain unemployed individuals apply to taxable years beginning after December 31, 2020. The provision to temporarily modify the recapture limitations applies to taxable years beginning after December 31, 2019.

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<sup>308</sup> See sec. 6050B (returns relating to unemployment compensation).

## PART VIII—MISCELLANEOUS PROVISIONS

A. Repeal of Worldwide Allocation of Interest Election  
(sec. 9671 of the subtitle and sec. 864(f) of the Code)Present Law

For purposes of computing the section 904 foreign tax credit limitation, a taxpayer must determine the amount of its taxable income from foreign sources. As part of this determination, the taxpayer must allocate and apportion deductions between U.S.-source gross income and foreign-source gross income in each limitation category.

The current rules generally treat interest expense as being properly attributable to all business activities and property of a taxpayer, regardless of any specific purpose for incurring a specific obligation on which interest is paid. For purposes of allocating and apportioning interest expense, all members of an affiliated group of corporations generally are treated as a single corporation (the so-called “one-taxpayer rule”) and the allocation and apportionment of such expense must be made on the basis of assets, rather than gross income.<sup>309</sup> An affiliated group in this context generally is defined by reference to the rules for determining whether corporations are eligible to file consolidated returns.<sup>310</sup> As with the rules for filing a consolidated return, the definition of affiliated group for interest expense allocation and apportionment purposes generally also excludes foreign corporations.<sup>311</sup> Thus, while debt generally is considered fungible among the assets of a group of domestic affiliated corporations, the same rules do not apply between the domestic and foreign members of a group.

For the first taxable year beginning after December 31, 2020,<sup>312</sup> section 864(f) provides that the common parent of a U.S. affiliated group may elect to allocate and apportion the interest

<sup>309</sup> Sec. 864(e)(1), (e)(2).

<sup>310</sup> Sec. 864(e)(5). For consolidation purposes, the term affiliated group is one or more chains of includible corporations connected through stock ownership with a common parent corporation that is an includible corporation, but only if: (1) the common parent owns directly stock possessing at least 80 percent of the total voting power and at least 80 percent of the total value of the stock of at least one other includible corporation; and (2) stock meeting the same voting power and value standards with respect to each includible corporation (excluding the common parent) is directly owned by one or more other includible corporations. Generally, an includible corporation is any domestic corporation except certain corporations exempt from tax under section 501 (for example, corporations organized and operated exclusively for charitable or educational purposes), certain life insurance companies, corporations electing application of the possession tax credit, regulated investment companies, real estate investment trusts, and domestic international sales corporations. A foreign corporation generally is not an includible corporation. Sec. 1504.

<sup>311</sup> Secs. 864(e)(5), 1504(b)(3). An exception to this general rule excluding foreign corporations is that the affiliated group for interest allocation purposes includes a foreign corporation if more than 50 percent of its gross income for the taxable year is effectively connected with the conduct of a U.S. trade or business and at least 80 percent of the vote or value of all outstanding stock of the foreign corporation is owned directly or indirectly by members of the affiliated group (determined with regard to this sentence). Sec. 864(e)(5)(A).

<sup>312</sup> Section 864(f), added to the Code by section 401 of the American Jobs Creation Act, Pub. L. No. 108-357, in 2004, with delayed effective dates, most recently delayed until taxable years beginning in 2021. See Hiring Incentives to Restore Employment Act, Pub. L. No. 111-147, sec. 551(a).

expense of each member of its worldwide affiliated group<sup>313</sup> as if all domestic and foreign affiliates are a single corporation. The election is a one-time election, due with the filing of the first return relating to taxable years beginning after December 31, 2020, in which a worldwide affiliated group exists and has at least one foreign corporation. It is irrevocable absent consent of the IRS. As a result of this rule, interest expense of foreign members of the worldwide affiliated group is taken into account in determining whether a portion of the interest expense of the domestic members of the group must be allocated to foreign-source income. An allocation to foreign-source income generally is required only if, in broad terms, the domestic members of the group are, in the aggregate, more highly leveraged than is the entire worldwide group.

#### **Reasons for Change**

The Committee believes that the election to allocate and apportion interest expense on a worldwide basis raises significant administrative and policy concerns. An election under section 864(f) would allow for the allocation of interest expense based on the assets and liabilities of the members of a worldwide group. It is unclear how the aggregate computation contemplated by section 864(f) applies to the shareholder computations for determining taxable income for purposes of the foreign tax credit limitation. For this reason, the Committee believes section 864(f) is not administrable in its current form.

Congress has delayed the effective date of section 864(f) several times without any ill effect to the economy or taxpayers generally. In that time, Congress made extensive changes to the international tax system, including substantially reducing the corporate income tax rate and providing other benefits to multinational corporations. An election would have the effect of reducing the amount of interest expense allocated and apportioned to foreign source income, providing a further tax benefit to multinational corporations. The Committee does not believe such an additional benefit is warranted considering the tax burden multinational corporations generally face. In consideration of these factors, the Committee has determined that section 864(f) should be repealed.

#### **Explanation of Provision**

The provision repeals section 864(f), so that taxpayers may not elect to allocate and apportion interest expense on a worldwide basis.

#### **Effective Date**

The provision is effective for taxable years beginning after December 31, 2020.

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<sup>313</sup> As defined in section 864(f)(1)(C), a worldwide affiliated group includes eligible members determined without regard to the limitations of section 1504(b)(2) (insurance companies subject to tax under section 801) and controlled foreign corporations if the members of the group in aggregate meet ownership requirements of section 1504(a)(2).

**B. Tax Treatment of Targeted EIDL Advances and Tax  
Treatment of Restaurant Revitalization Grants  
(secs. 9672 and 9673 of the subtitle)**

**Present Law**

**Tax treatment relating to amounts excluded from income**

Exclusions from income

Gross income means all income from whatever source derived.<sup>314</sup> Specific exclusions from income apply to certain otherwise includable amounts and payments, however. For example, the forgiveness of a loan is generally treated as discharge of indebtedness income to the borrower,<sup>315</sup> but limited exclusions apply to income from a discharge of indebtedness that occurs in a Title 11 case (generally, a bankruptcy case), or that occurs when the taxpayer is insolvent to the extent of the insolvency amount, or arises from the discharge of qualified farm indebtedness.<sup>316</sup> Similarly, income exclusions apply to qualified disaster relief payments and qualified disaster mitigation payments.<sup>317</sup>

Effect of income exclusion on deductions, tax attributes, and basis

In general.—Several provisions limit deductions, tax attributes, or basis increases associated with excluded income. These provisions maintain accurate income measurement by preventing the reduction of taxable income for costs associated with untaxed income.

Limitations on deductions.—One such rule, section 265, disallows deductions that are allocable to a class of income wholly exempt from income tax.<sup>318</sup> Similarly, a pro rata limitation on interest deductions applies in the case of a financial institution with tax-exempt interest income.<sup>319</sup> An interest deduction limitation rule applies in the case of a life insurance contract, the death benefit under which is excludable from income by section 101(a).<sup>320</sup>

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<sup>314</sup> Sec. 61; *U.S. v. Kirby Lumber Co.*, 284 U.S. 1 (1931).

<sup>315</sup> Sec. 61(a)(11).

<sup>316</sup> Sec. 108(a).

<sup>317</sup> Sec. 139.

<sup>318</sup> Sec. 265(a)(1). This rule applies with respect to exempt income other than interest; section 265 also disallows the deduction for interest expense on debt incurred or continued to purchase or carry obligations the interest income on which is wholly exempt from income tax (sec. 265(a)(2)), and disallows deductions otherwise allowable under section 212 for expenses for the production of interest income wholly exempt from income tax.

<sup>319</sup> The limitation ratio is (1) the average adjusted bases of certain types of tax-exempt obligations, to (2) average adjusted bases for all assets of the taxpayer (sec. 265(b)).

<sup>320</sup> Sec. 264(f). This pro rata interest deduction limitation permits no deduction for that portion of the taxpayer's interest expense determined by applying the ratio of (1) unborrowed policy cash values, to (2) the sum of all the taxpayer's average unborrowed policy cash values and average adjusted bases of all other assets (sec. 264(f)(1) and (2)).

Reductions in tax attributes.—In the case of discharge of indebtedness income that is excluded from income,<sup>321</sup> rules for reduction of tax attributes apply.<sup>322</sup> The excluded amount is applied to reduce the tax attributes of the taxpayer in the order prescribed by statute: (1) net operating losses, (2) general business credit, (3) minimum tax credit, (4) capital loss carryovers, (5) basis of the taxpayer's property, (6) passive activity loss and credit carryovers, and (7) foreign tax credit carryovers.

Limitations on basis increases.—Limitations apply to otherwise allowable increases in the basis of property associated with excluded income. For example, in the case of qualified disaster mitigation payments that are excluded from income, no increase in the basis or adjusted basis of property is allowed for any amount so excluded.<sup>323</sup>

Circumstances in which limitations not imposed.—Limitations on deductions, tax attributes, or basis increases are not imposed in certain situations in which the policy of the exclusion may outweigh the income tax policy of accurate income measurement. For example, in the case of excludable parsonage and military housing allowances, no deduction is denied for mortgage interest or real property taxes on the taxpayer's home under the section 265 deduction limitation by reason of the receipt of the excludable amount.<sup>324</sup> As another example, the pro rata interest deduction limitation for financial institutions with exempt income generally does not apply in the case of tax-exempt obligations issued in 2009 or 2010.<sup>325</sup>

Tax treatment of partnerships.—A partnership generally is not subject to Federal income tax, but rather, income and gain of the partnership are generally taxed to partners. Items of partnership income (including tax exempt income), gain, loss, deduction, and credit pass through to partners.<sup>326</sup> Although loss (including capital loss) and deductions of the partnership pass through to partners, a partner is allowed a loss or deduction only to the extent of the adjusted basis of the partnership interest, generally measured at the end of the partnership year in which the loss occurs or the deduction arises.<sup>327</sup>

Tax exempt or excluded income items of the partnership can affect the partner's basis in the partnership interest. Adjustments are made to the basis of a partner's interest to account for the partner's distributive share of partnership items.<sup>328</sup> The basis in the partnership interest is

<sup>321</sup> Sec. 108.

<sup>322</sup> Secs. 108(b) and 1017.

<sup>323</sup> Sec. 139(g)(3). See also section 139(h) (denial of double benefit rule). As another example, the basis of property is reduced to the extent of contributions to capital of a corporation excludable from gross income under section 118 (see sec. 362).

<sup>324</sup> Sec. 265(a)(6).

<sup>325</sup> Sec. 265(b)(7). This rule is subject to the proviso that the amount of such tax-exempt obligations does not exceed two percent of the taxpayer's average adjusted bases of tax-exempt obligations to which the interest limitation does apply. The years 2009 and 2010 followed the financial crisis of 2008.

<sup>326</sup> Secs. 701 and 702.

<sup>327</sup> Sec. 704(d). Other limitations may apply. See *e.g.*, secs. 465 and 469.

<sup>328</sup> The basis of a partner's interest that is acquired by contribution to the partnership is generally the amount of money and the adjusted basis of property contributed (sec. 722) and is adjusted under section 705. Section 705 provides that the basis of the partnership interest is increased by the sum of the partner's distributive share of taxable income, income exempt from tax, and the excess of depletion deductions over the basis of the depletable property. The basis of the partnership interest is decreased by distributions from the partnership and by

increased by the partner's distributive share of partnership income, including income that is exempt from tax.<sup>329</sup> A partner's basis in the partnership interest generally is increased by an increase in the partner's share of partnership liabilities and is decreased by a decrease in the partner's share of liabilities.<sup>330</sup>

**Tax treatment of S corporations.**—Income of an S corporation is taxed to the S corporation shareholders. Each S corporation shareholder's pro rata share of S corporation income (including tax exempt income), gain, loss, deduction and credit is passed through to the shareholder.<sup>331</sup> The basis of an S corporation shareholder's stock is adjusted to account for the shareholder's pro rata share of S corporation income (including tax exempt income<sup>332</sup>), loss, deduction or credit. An S corporation shareholder's stock basis is not adjusted to take account of S corporation-level debt (unlike a partner's basis in its partnership interest).

**Targeted EIDL advances that are not required to be repaid**

The CARES Act<sup>333</sup> provides that an eligible entity that applies for a specified type of Small Business Act loan<sup>334</sup> may request an advance.<sup>335</sup> The advance generally may not exceed \$10,000. The applicant is not required to repay the advance, even if the loan for which the applicant applied is subsequently denied.<sup>336</sup>

The CAA<sup>337</sup> (amending the CARES Act) adds that an EIDL advance that is not repaid in whole or in part is not included in the income of the person that receives the advance, for Federal income tax purposes.<sup>338</sup> In the case of EIDL funding that is received relating to small business

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the sum of the partner's distributive share of losses, expenditures that are not deductible in computing taxable income and not properly chargeable to capital account, and certain depletion deductions.

<sup>329</sup> Sec. 705(a)(1)(B).

<sup>330</sup> Sec. 752. An increase in a partner's share of partnership liabilities is treated as a contribution to the partnership (sec. 752(a)), and a decrease in a partner's share of partnership liabilities is treated as a distribution from the partnership (sec. 752(b)).

<sup>331</sup> Secs. 1363(a) and 1366.

<sup>332</sup> Secs. 1367(a)(1)(A) and 1366(a)(1)(A).

<sup>333</sup> Pub. L. No. 116-136.

<sup>334</sup> Economic Injury Disaster Loan ("EIDL"). This is a loan under section 7(b)(2) of the Small Business Act, 15 U.S.C. 636(b)(2).

<sup>335</sup> CARES Act sec. 1110(e).

<sup>336</sup> CARES Act sec. 1110(e)(5).

<sup>337</sup> Pub. L. No. 116-260.

<sup>338</sup> Secs. 278(b) and (e)(1) of Division N of the CAA, effective for taxable years ending after the date of enactment of the CARES Act (March 27, 2020).

continuity, adaptation, and resiliency,<sup>339</sup> the funding is not included in the income of the person that receives the funding.<sup>340</sup>

Further, no deduction is denied, no tax attribute is reduced, and no basis increase is denied, by reason of the exclusion from income. As a result, otherwise deductible costs remain deductible even if the costs are paid with the excluded income or are associated with the excluded amount. Similarly, because section 108 does not apply, no tax attribute is reduced by reason of the exclusion.<sup>341</sup> Further, an otherwise allowable increase in the basis of property remains allowable even if the expenditure giving rise to the basis increase is paid with the excluded income or is associated with the excluded amount. For example, if a person engaged in a trade or business receives an EIDL advance or funding described in the provision and uses the proceeds to pay deductible wages of employees of the business, the section 162 deduction for the wages is not disallowed even though the advance or funding is excluded from the taxpayer's income.

If the person that receives the advance or funding is a partnership or S corporation, any amount excluded from income by reason of the provision is treated as tax exempt income for purposes of sections 705 (the determination of a partner's basis in the partnership interest) and 1366 (the passthrough of items to an S corporation shareholder). The provision also requires the Secretary (or the Secretary's delegate) to prescribe rules for determining a partner's distributive share of any amount treated as tax exempt income under the provision for purposes of the determination of a partner's basis in the partnership interest.

For example, assume that a business partnership has two partners (A and B). The partnership is engaged in a trade or business, receives an EIDL advance of \$10,000 that is not repaid, and uses the proceeds to pay deductible wages of employees of the business. The deduction for the wages is not disallowed even though the advance is excluded from the taxpayer's income. A's and B's aggregate basis in the partnership is increased by \$10,000. Treasury guidance will determine by how much each of A's and B's basis in their partnership interests, respectively, is increased.

#### **Reasons for Change**

The Committee acknowledges that the on-going COVID-19 pandemic has disrupted business activities and affected the revenues of businesses. This pandemic-related disruption has

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<sup>339</sup> This funding is provided in section 331 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, which is in Division N of the CAA. The total amount of such funding that a covered entity may receive is \$10,000, and if a covered entity received an EIDL grant (advance) under section 1110(c) of the CARES Act, the amount of the grant under section 331 of Division N is the difference between \$10,000 and the amount of the previously received grant (Div. N, sec. 331(b)). A covered entity for this purpose is generally defined as an entity that is eligible for a specified type of Small Business Administration loan, applies for such a loan during the period beginning on January 31, 2020 and ending on December 31, 2021, is located in a low-income community, has suffered an economic loss of greater than 30 percent, and employs no more than 300 employees (Div. N, sec. 331(a)(2)).

<sup>340</sup> Sec. 278(b) of Division N of the CAA.

<sup>341</sup> Because the exclusion from income is allowed under section 278(b) of Division N of the CAA, and not under Internal Revenue Code section 108, the tax attribute reduction requirements that relate to the income exclusion under section 108 do not apply.

made it difficult for some businesses to pay employees' wages and to pay other costs and obligations of the business. Under these unusual circumstances, the Committee has determined that the benefit of Targeted EIDL Advances and Restaurant Revitalization Grants to recipients should not be reduced by the Federal income tax cost of receiving the Advance or Grant. Consequently, the provision clarifies that the Targeted EIDL Advances and the Restaurant Revitalization Grants made under the provisions of the Coronavirus relief bill are excludable from the income of the recipient, just as rounds of EIDL advances were excludable from the income of the recipient under prior legislation. For the same reason, this provision clarifies that no deduction is denied, no tax attribute is reduced, and no basis increase is denied, by reason of the exclusion of the Targeted EIDL Advance or the Restaurant Revitalization Grant from the recipient's income.

In the case of either a Targeted EIDL Advance or a Restaurant Revitalization Grant received by a partnership or S corporation, the provision includes rules relating to their treatment that are consistent with the purpose not to reduce the benefit of the Advance or Grant. Under these rules a partner or S corporation shareholder increases the basis of the interest in the entity so that otherwise allowable deductions remain allowable. These rules for a recipient that is a partnership or S corporation are at the same time intended to prevent abuse of the exclusion (or related rules for deductions, tax attributes, and basis increases) through the use of passthrough entities. In particular, in the case of a partnership, the rules are intended to prevent creation of disparities between the aggregate basis of partners' interests in the partnership and the aggregate basis of partnership assets.

#### **Explanation of Provision**

##### **Tax treatment relating to Targeted EIDL Advances**

In connection with the appropriation of additional funds for Targeted EIDL Advances by the House Committee on Small Business,<sup>342</sup> the provision provides that for Federal income tax purposes the Targeted EIDL Advance is not included in the income of the person that receives the amount. No deduction is denied, no tax attribute is reduced, and no basis increase is denied, by reason of the exclusion from income. If the person that receives the Advance is a partnership or S corporation, any amount excluded from income by reason of the provision is treated as tax exempt income for purposes of the determination of the basis of a partner's interest in the partnership and the passthrough of items to an S corporation shareholder. The provision requires the Secretary (or the Secretary's delegate) to prescribe rules for determining a partner's distributive share of any amount so treated as tax exempt income for purposes of determining the basis of a partner's interest in the partnership. Thus, the provision gives Federal income tax treatment identical to such treatment for EIDL Advances under the CAA.

##### **Tax treatment relating to Restaurant Revitalization Grants**

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<sup>342</sup> See sec. 6002 of Title VI of the Small Business Committee Print (providing for reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021), "Targeted EIDL Advance."

In connection with the establishment of the Restaurant Revitalization Fund and the associated appropriation of funds by the House Committee on Small Business,<sup>343</sup> the provision provides that for Federal income tax purposes a Restaurant Revitalization Grant is not included in the income of the person that receives the amount. No deduction is denied, no tax attribute is reduced, and no basis increase is denied, by reason of the exclusion from income. Except as otherwise provided by the Secretary (or the Secretary's delegate),<sup>344</sup> if the person that receives the amount is a partnership or S corporation, any amount excluded from income by reason of the provision is treated as tax exempt income for purposes of the determination of the basis of a partner's interest in the partnership and the passthrough of items to an S corporation shareholder. The provision requires the Secretary (or the Secretary's delegate) to prescribe rules for determining a partner's distributive share of any amount so treated as tax exempt income for purposes of determining the basis of a partner's interest in the partnership.

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<sup>343</sup> See sec. 6003 of Title VI of the Small Business Committee Print (providing for reconciliation pursuant to S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021), "Support for Restaurants."

<sup>344</sup> The Committee intends that the basis of partnership interests or S corporation stock is to be decreased to the extent an excluded Grant amount is returned under the terms of the Restaurant Revitalization Grant legislative provisions, and directs the Treasury Department to implement this intent in its guidance.

**III. VOTES OF THE COMMITTEE**

Pursuant to clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of Budget Reconciliation Legislative Recommendations Relating to Promoting Economic Security, on February 11, 2021.

An amendment to the amendment in the nature of a substitute to Subtitle G that would provide a Healthy Workplace Tax Credit - 50% payroll tax credit for COVID employee protection, workplace reconfiguration, and technology expenses was offered by Mr. Rice. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCARELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD							
MS. PLASKETT		X					
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment to the amendment in the nature of a substitute to Subtitle G that would create a general business credit for businesses that hire long-term unemployed workers (unemployed for more than 12 weeks): \$1,000 credit/hire (\$500 for part-time) for any qualifying business, additional \$1,000 credit/hire (full-time or part-time) for small businesses with 50 or fewer employees was offered by Mr. Smucker. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD							
MS. PLASKETT		X					
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment to the amendment in the nature of a substitute to Subtitle G that would provide the additional (\$1,400 per individual, spouse, and dependent) economic impact payments under the subtitle for workers unemployed due to two Biden executive orders: (1) moratorium on oil and gas leasing on federal lands and waters, and (2) revocation of Keystone XL pipeline permit was offered by Mr. Brady. The amendment was defeated by a vote of 17 yeas to 25 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)			
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT		X					
CHAIRMAN NEAL		X					
<b>TOTALS</b>		25		<b>TOTALS</b>	17		

An amendment to the amendment in the nature of a substitute to Subtitle G that would provide a small business tax credit to offset the cost of the federal minimum wage mandate was offered by Mr. Buchanan. The amendment was defeated by a vote of 16 yeas to 25 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)			
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON			
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT		X					
CHAIRMAN NEAL		X					
<b>TOTALS</b>		25		<b>TOTALS</b>	16		

An amendment to the amendment in the nature of a substitute to Subtitle G that would expand 529-eligible expenses to books and instructional materials, tutoring expenses, fees for exams related to college admissions, and educational therapy for students with disabilities was offered by Mr. Smith of Missouri. The amendment was defeated by a vote of 17 yeas to 25 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)			
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT		X					
CHAIRMAN NEAL		X					
<b>TOTALS</b>		25		<b>TOTALS</b>	17		

An amendment to the amendment in the nature of a substitute to Subtitle G that would create an Increased Child Tax Credit (\$2,000 under TCJA) made permanent was offered by Mr. Smith of Missouri. The amendment was defeated by a vote of 17 yeas to 25 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCARELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)			
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT		X					
CHAIRMAN NEAL		X					
<b>TOTALS</b>		25		<b>TOTALS</b>	17		

An amendment to the amendment in the nature of a substitute to Subtitle G that would require Treasury to establish a program for reviewing EITC and CDCTC claims and inconsistencies was offered by Mr. Schweikert. The amendment was defeated by a vote of 17 yeas to 25 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCARELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)			
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT		X					
CHAIRMAN NEAL		X					
<b>TOTALS</b>		25		<b>TOTALS</b>	17		

An amendment to the amendment in the nature of a substitute to Subtitle G that would provide the ability for divorced spouses and victims of domestic violence who previously filed taxes on a joint basis to update their tax information for purposes of receiving a recovery rebate was offered by Mr. Reed. The amendment was defeated by a vote of 18 yeas to 23 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT				MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD							
MS. PLASKETT		X					
CHAIRMAN NEAL		X					
<b>TOTALS</b>		23		<b>TOTALS</b>	18		

An amendment to the amendment in the nature of a substitute to Subtitle G that would provide for better customer service at the IRS for people who receive erroneous and missing advance payments of a recovery rebate was offered by Mr. Kelly. The amendment was withdrawn.

An amendment to the amendment in the nature of a substitute to Subtitle I that would strike the new universal entitlement and expansions created under the amendment in the nature of a substitute and replace them with more tailored policies to lower health care costs and improve coverage options for Americans was offered by Mr. Nunes. The amendment was withdrawn.

An amendment to the amendment in the nature of a substitute to Subtitle G that would add provisions to the amendment in the nature of a substitute that advance long-term, sustainable solutions to achieve the goal of American medical security and manufacturing dominance was offered by Mr. Rice. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment to the amendment in the nature of a substitute to Subtitle G that would condition eligibility on a demonstration of at least 10 percent reduced income in 2020 as compared to 2019 and would require the use of 2020 tax return information for the advance payment was offered by Mr. Arrington. The amendment was defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment in the nature of a substitute to Subtitle G was agreed to by a voice vote. (with a quorum being present).

Subtitle G was ordered favorably transmitted to the House Committee on the Budget as amended by an amendment in the nature of a substitute offered by Chairman Neal by a vote of 24 yeas to 18 nays. The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCRELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS	X			MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT							
CHAIRMAN NEAL	X						
<b>TOTALS</b>	24			<b>TOTALS</b>		18	

**IV. BUDGET EFFECTS OF THE SUBTITLE**

**A. Committee Estimate of Budgetary Effects**

In compliance with clause 3(d) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of the subtitle.

Subtitle G is estimated to decrease Federal fiscal year budget receipts by \$603 billion for the period 2021 through 2031.

ESTIMATED BUDGETARY EFFECTS OF THE REVENUE PROVISIONS OF THE  
 BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS,  
 AS REPORTED BY THE HOUSE COMMITTEE ON WAYS AND MEANS

Fiscal Years 2021 - 2031

[Millions of Dollars]

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
<b>SUBTITLE G - PROMOTING ECONOMIC SECURITY</b>														
<b>I. Additional Recovery Rebates to Individuals - \$1,400 for</b>														
<b>Singles/\$2,800 for Married Filing Jointly (SSN Required</b>														
<b>for Each Taxpayer), and \$1,400 Per Dependent (SSN</b>														
<b>Required for Each Dependent); Phaseout Ranges by AGI:</b>														
<b>\$75,000-\$100,000 for Single, \$112,500-\$150,000 for</b>														
<b>Head of Household, \$150,000-\$200,000 for Married Filing Jointly</b>														
<b>(Fully Phased Out at Larger Amounts); Payments to Certain</b>														
<b>Non-Filers (Sunset 12/31/21).....</b>														
	DOE	-404,937	-17,400	---	---	---	---	---	---	---	---	---	-422,337	-422,337
<b>II. Child Tax Credit - Improvements for 2021 (Sunset</b>														
<b>12/31/21); and Application of Child Tax Credit in</b>														
<b>Possessions [1].....</b>														
	tyba 12/31/20	-25,826	-79,248	-710	-721	-725	-721	-307	-311	-316	-320	-323	-107,952	-109,528
<b>III. Earned Income Tax Credit</b>														
<b>1. Strengthening the earned income tax credit for individuals</b>														
<b>with no qualifying children (sunset 12/31/21) [1].....</b>														
	tyba 12/31/20	-521	-11,361	---	---	---	---	---	---	---	---	---	-11,882	-11,882
<b>2. Taxpayer eligible for childless earned income credit</b>														
<b>in case of qualifying children who fail to meet certain</b>														
<b>identification requirements [1].....</b>														
	tyba 12/31/20	[2]	-12	-2	-1	-1	-1	-2	-2	-2	-2	-2	-16	-26
<b>3. Credit allowed in case of certain separated spouses [1].....</b>														
	tyba 12/31/20	-1	-20	-21	-22	-23	-25	-25	-27	-28	-30	-31	-111	-252
<b>4. Modification of disqualified investment income test [1].....</b>														
	tyba 12/31/20	-24	-330	-198	-200	-225	-229	-238	-233	-231	-240	-251	-1,206	-2,399
<b>5. Application of earned income tax credit in possessions of</b>														
<b>the United States [1].....</b>														
	DOE	---	-738	-746	-764	-781	-798	-814	-831	-849	-867	-885	-3,828	-8,074
<b>6. Temporary special rule for determining earned income for</b>														
<b>purposes of earned income tax credit (sunset 12/31/20) [1].....</b>														
	DOE	---	-3,185	---	---	---	---	---	---	---	---	---	-3,185	-3,185
<b>Total of Earned Income Tax Credit.....</b>														
		-546	-15,646	-967	-987	-1,030	-1,053	-1,079	-1,093	-1,110	-1,139	-1,169	-20,228	-25,818
<b>IV. Dependent Care Assistance</b>														
<b>1. Refundability and enhancement of child and dependent</b>														
<b>care tax credit (sunset 12/31/21) [1].....</b>														
	tyba 12/31/20	-2,127	-5,837	---	---	---	---	---	---	---	---	---	-7,964	-7,964

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
2. Increase in exclusion for employer-provided dependent care assistance (sunset 12/31/21) [3].....	tyba 12/31/20	-78	-39	---	---	---	---	---	---	---	---	---	-117	-117
<b>Total of Dependent Care Assistance.....</b>		<b>-2,205</b>	<b>-5,876</b>	---	---	---	---	---	---	---	---	---	<b>-8,081</b>	<b>-8,081</b>
<b>V. Extension and Modification of Credits for Paid Sick and Family Leave (sunset 9/30/21) [1] .....</b>	<b>apa 3/31/21</b>	<b>-4,054</b>	<b>-1,154</b>	---	---	---	---	---	---	---	---	---	<b>-5,208</b>	<b>-5,208</b>
<b>VI Extension and Modification of the Employee Retention Credit (sunset 12/31/21) [1].....</b>	<b>cqba 6/30/21</b>	<b>-2,791</b>	<b>-5,993</b>	---	---	---	---	---	---	---	---	---	<b>-8,784</b>	<b>-8,784</b>
<b>VII The Premium Tax Credit</b>														
1. Improving affordability by expanding premium assistance for consumers (sunset 12/31/22) [1][4][5].....	tyba 12/31/20	-4,137	-22,234	-7,964	-536	23	---	---	---	---	---	---	-34,847	-34,847
2. Temporary modification of limitations on reconciliation of tax credits for coverage under a qualified health plan with advance payments of such credit [6].....	tyba 12/31/19	-4,696	-1,565	---	---	---	---	---	---	---	---	---	-6,261	-6,261
3. Application of premium tax credit in case of individuals receiving unemployment compensation during 2021 [1][4][7].....	tyba 12/31/20	-2,624	-1,660	-232	---	---	---	---	---	---	---	---	-4,516	-4,516
<b>Total of the Premium Tax Credit .....</b>		<b>-11,457</b>	<b>-25,459</b>	<b>-8,196</b>	<b>-536</b>	<b>23</b>	---	---	---	---	---	---	<b>-45,624</b>	<b>-45,624</b>
<b>VIII. Miscellaneous Provisions</b>														
1. Repeal of worldwide interest allocation rules.....	tyba 12/31/20	335	1,277	2,023	2,284	2,383	2,334	2,358	2,385	2,343	2,283	2,327	10,636	22,331
2. Tax treatment of targeted economic injury disaster loan advances.....	---	---	---	---	---	---	---	---	---	---	---	---	----- Estimate to Be Provided By The Congressional Budget Office -----	----- Estimate to Be Provided By The Congressional Budget Office -----
3. Tax treatment of restaurant revitalization grants.....	---	---	---	---	---	---	---	---	---	---	---	---	----- Estimate to Be Provided By The Congressional Budget Office -----	----- Estimate to Be Provided By The Congressional Budget Office -----
<b>Total of Miscellaneous Provisions .....</b>		<b>335</b>	<b>1,277</b>	<b>2,023</b>	<b>2,284</b>	<b>2,383</b>	<b>2,334</b>	<b>2,358</b>	<b>2,385</b>	<b>2,343</b>	<b>2,283</b>	<b>2,327</b>	<b>10,636</b>	<b>22,331</b>
<b>NET TOTAL .....</b>		<b>-451,481</b>	<b>-149,499</b>	<b>-7,850</b>	<b>40</b>	<b>651</b>	<b>560</b>	<b>972</b>	<b>981</b>	<b>917</b>	<b>824</b>	<b>835</b>	<b>-607,578</b>	<b>-603,049</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be March 1, 2021. Revenue provisions as submitted in statutory language Neal\_012.

Legend for "Effective" column:

apa = amounts paid after  
 cqba = calendar quarters beginning after

DOE = date of enactment  
 tyba = taxable years beginning after

[Footnotes for Table 21-1 012 appear on the following page]

Footnotes continued for Table Z1-1 012:

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
{1} Estimates contain the following outlay effects:													
Child tax credit - improvements for 2021 (sunset 12/31/21), and application of child tax credit in possessions.....	18,169	66,185	710	721	725	721	307	311	316	320	323	87,232	88,808
Strengthening the earned income tax credit for individuals with no qualifying children (sunset 12/31/21).....	---	9,278	---	---	---	---	---	---	---	---	---	9,278	9,278
Taxpayer eligible for childless earned income credit in case of qualifying children who fail to meet certain identification requirements.....	---	11	2	1	1	1	2	2	2	2	2	16	26
Credit allowed in case of certain separated spouses.....	---	18	18	19	20	21	21	22	23	24	24	96	210
Modification to disqualified investment income test.....	---	224	141	143	165	164	162	159	159	165	173	837	1,655
Application of earned income tax credit in possessions of United States.....	---	738	746	764	781	798	814	831	849	867	885	3,828	8,074
Temporary special rule for determining earned income for purposes of earned income tax credit.....	---	2,866	---	---	---	---	---	---	---	---	---	2,866	2,866
Refundability and enhancement of child and dependent care tax credit (sunset 12/31/21).....	---	3,752	---	---	---	---	---	---	---	---	---	3,752	3,752
Extension and modification of credits for paid sick and family leave (sunset 9/30/21).....	3,323	431	---	---	---	---	---	---	---	---	---	3,754	3,754
Extension and modification of the employee retention credit.....	1,090	878	---	---	---	---	---	---	---	---	---	1,968	1,968
Improving affordability by expanding premium assistance for consumers.....	2,725	14,306	5,203	450	---	---	---	---	---	---	---	22,684	22,684
Application of premium tax credit in case of individuals receiving unemployment compensation during 2020.....	1,351	926	149	---	---	---	---	---	---	---	---	2,426	2,426
[2] Loss of less than \$500,000.													
[3] Estimate includes the following budget effects:													
Total Revenue Effect.....	-78	-39	---	---	---	---	---	---	---	---	---	-117	-117
On-budget effects.....	-27	-14	---	---	---	---	---	---	---	---	---	-41	-41
Off-budget effects.....	-51	-25	---	---	---	---	---	---	---	---	---	-76	-76
[4] Estimate provided by the Joint Committee on Taxation staff in collaboration with the Congressional Budget Office.													
[5] Estimate includes the following budget effects:													
Total Revenue Effect.....	-4,137	-22,345	-7,964	-336	23	---	---	---	---	---	---	-34,959	-34,959
On-budget effects.....	-4,144	-22,421	---	---	---	---	---	---	---	---	---	-26,565	-26,565
Off-budget effects.....	7	76	52	10	---	---	---	---	---	---	---	145	145
[6] The statute applies in the case of any taxable year beginning in 2020, so the sunset only applies to tax year 2020.													
[7] Estimate includes the following budget effects:													
Total Revenue Effect.....	-2,624	-1,660	-232	---	---	---	---	---	---	---	---	-4,516	-4,516
On-budget effects.....	-2,731	-1,767	-257	---	---	---	---	---	---	---	---	-4,755	-4,755
Off-budget effects.....	107	107	25	---	---	---	---	---	---	---	---	239	239

**B. Statement Regarding New Budget Authority  
and Tax Expenditures Budget Authority**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee states that subtitle G involves no new or increased budget authority. The Committee further states that the following sections of the subtitle include new tax expenditures: sections 9601 (2021 recovery rebates to individuals), 9611 (Child tax credit improvements for 2021), 9621 (Strengthening the earned income tax credit for individuals with no qualifying children), 9622 (Taxpayer eligible for childless earned income credit in case of qualifying children who fail to meet certain identification requirements), 9623 (Credit allowed in case of certain separated spouses), 9624 (Modification of disqualified investment income test), 9626 (Temporary special rule for determining earned income for purposes of earned income tax credit), 9631 (Refundability and enhancement of child and dependent care tax credit), 9632 (Increase in exclusion for employer-provided dependent care assistance), 9661 (Improving affordability by expanding premium assistance for consumers), 9662 (Temporary modification of limitations on reconciliation of tax credits for coverage under a qualified health plan with advance payments of such credit), 9663 (Application of premium tax credit in case of individuals receiving unemployment compensation during 2021), 9672 (Tax treatment of targeted EIDL advances), and 9673 (Tax treatment of restaurant revitalization grants). These provisions are described in the above table.

**C. Cost Estimate Prepared by the Congressional Budget Office**

With respect to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, please refer to subtitle A for an estimate for the Reconciliation Recommendations of the Committee on Ways and Means as prepared by CBO.

**V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE****A. Committee Oversight Findings and Recommendations**

With respect to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

**B. Statement of General Performance Goals and Objectives**

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee advises that the subtitle contains no measure that authorizes funding, so no statement of general performance goals and objectives is required.

**C. Information Relating to Unfunded Mandates**

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4).

The Committee has determined that the subtitle contains a Federal mandate on the private sector with respect to the repeal of worldwide allocation of interest election. The Committee has determined that the subtitle does not impose a Federal intergovernmental mandate on State, local, or tribal governments. Refer to subtitle A for CBO analysis of mandates contained in the Reconciliation Recommendations of the Committee on Ways and Means.

**D. Applicability of House Rule XXI, Clause 5(b)**

Clause 5(b) of rule XXI of the Rules of the House of Representatives provides, in part, that "It shall not be in order to consider a bill, joint resolution, amendment, or conference report carrying a retroactive Federal income tax rate increase." The Committee, after careful review, states that the subtitle does not involve any retroactive Federal income tax rate increase within the meaning of the rule.

**E. Tax Complexity Analysis**

Section 4022(b) of Pub. L. No. 105-266, the Internal Revenue Service Restructuring and Reform Act of 1998 (the "RRA"), requires the staff of the Joint Committee on Taxation (in consultation with the Internal Revenue Service and the Treasury Department) to provide a tax complexity analysis. The complexity analysis is required for all legislation reported by the Senate Committee on Finance, the House Committee on Ways and Means, or any committee of conference if the legislation includes a provision that directly or indirectly amends the Internal Revenue Code of 1986 and has widespread applicability to individuals or small businesses.

Pursuant to clause 3(h)(1) of rule XIII of the Rules of the House of Representatives, for each such provision identified by the staff of the Joint Committee on Taxation, a summary description of the provision is provided below along with an estimate of the number and type of affected taxpayers, and a discussion regarding the relevant complexity and administrative issues.

Following the analysis of the staff of the Joint Committee on Taxation are comments of the IRS and Treasury regarding each provision included in the complexity analysis.

**List of Provisions in the Complexity Analysis**

**1. 2021 recovery rebates to individuals (sec. 9601 of the subtitle)**

*Summary description of provision*

For taxable years beginning in 2021, the provision creates a one-time refundable credit, called a recovery rebate, in the amount of \$1,400 (\$2,800 in the case of a joint return), plus \$1,400 for each dependent of the taxpayer for the taxable year. The rebate is subject to an AGI phaseout. The taxpayer generally must provide an SSN for each individual for whom a refund amount is claimed. The 2021 recovery rebates are similar in many respects to the 2020 recovery rebates and the 2020 additional recovery rebates.

The Secretary is directed to make advance payments of the rebate based on 2019 or 2020 return information. The Secretary may also make payments of the rebate to non-filers based on information available to the Secretary. The Secretary may make an additional round of payments based on newly-filed 2020 income tax returns. Taxpayers must reduce the recovery rebate credit claimed on their 2021 income tax return by any advance payments received, but excess advance payments of the credit are not subject to recapture.

Finally, under the provision, the U.S. Treasury will cover over the costs of the recovery rebates to the territories.

*Number of affected taxpayers*

It is estimated that the provision will affect approximately 163 million tax returns.

*Discussion*

The IRS will need to modify forms, instructions, and publications to reflect this one-time refundable credit. The IRS also may need to issue regulations or other guidance to clarify rules regarding eligibility for and the amount of the credit and to provide advance payments to non-filers. The IRS may need to provide a tool for individuals to look up their advance refund amount to reconcile with their 2021 recovery rebate credit.

The IRS will need to create a system to make advance refunds to tax filers and non-filers based on information it has available. This system will require significant programming and other information technology changes. The IRS also will need to generate notices regarding the advance refunds and will need to conduct an outreach campaign regarding the availability of advance refunds.

Taxpayers will need to maintain records of any advance refund amounts received. The advance refunds and reconciliation may result in an increase in disputes with the IRS. The advance payment program and reconciliation may increase tax preparation costs for individuals.

Finally, IRS and Treasury will have to approve plans from the territories and update agreements to make payments to the territories as required under the provision.

## **2. Child tax credit improvements for 2021 (sec. 9611 of the subtitle)**

### *Summary description of provision*

The provision, for taxable years beginning in 2021: (1) makes the child tax credit fully refundable for taxpayers with a principal place of abode in the United States for over one-half of the taxable year; (2) changes the definition of qualifying child to include 17-year old children; and (3) increases the amount of the credit to \$3,600 for qualifying children younger than six years old and \$3,000 for qualifying children six years old and older, while adding a new phaseout for the amount of the credit increase.

The provision also, for taxable years beginning in 2021, directs the Secretary to establish a program to make advance payments of the child tax credit and requires reconciliation of advance payments on the taxpayer's tax return, subject to a safe harbor amount that phases out with AGI.

Finally, under the provision, the above-described changes to the child tax credit apply to bona fide residents of Puerto Rico for taxable years beginning in 2021, except that such residents are not eligible for the advance payment program.

### *Number of affected taxpayers*

It is estimated that the provision will affect approximately 35 million tax returns.

### *Discussion*

The IRS will need to modify forms, instructions, and publications to reflect the three enumerated temporary changes to the child tax credit described above. The IRS also may need to issue regulations or other guidance to clarify rules regarding eligibility for and the amount of the credit. Taxpayers newly eligible for the child tax credit may have to keep additional records. It is not otherwise anticipated that taxpayers will need to keep additional records due to the changes, or that compliance with the changes will impose any costs on taxpayers. The changes should not result in an increase in disputes with the IRS. In addition, these changes should not increase the tax preparation costs for most individuals.

In order to establish the advance payment program, the IRS will need to modify forms, instructions, and publications. It will also need to create an online portal that allows taxpayers to elect out of the program and allows taxpayers to provide additional information. The IRS will also need to create a notice to send to taxpayers providing the aggregate amount of advance payments. Regulatory guidance may be necessary to provide additional rules for the advance payment program and reconciliation. This program will require significant programming and other information technology changes. Taxpayers will need to maintain records of advance payments received, but will be assisted by receipt of the IRS notice. The advance payments and reconciliation may result in an increase in disputes with the IRS. The advance payment program and reconciliation may also increase tax preparation costs for individuals.

The application of the provision to bona fide residents of Puerto Rico will require the IRS to create new forms, instructions, and publications for these residents to file returns with the United States to claim the child tax credit. Regulatory guidance may be necessary to provide additional rules for these residents. These residents will need to keep additional records to establish eligibility for the child tax credit. There may be additional disputes between these residents and the IRS about eligibility for the child tax credit and calculation of the child tax credit. Finally, these residents will have increased tax preparation costs because they will now have to file tax returns with the IRS.

**3. Strengthening the earned income tax credit for individuals with no qualifying children; temporary special rule for determining earned income for purposes of earned income tax credit (secs. 9621 and 9626 of the subtitle)**

*Summary description of provisions*

Section 9621, for taxable years beginning in 2021, makes certain changes to the “childless EITC” to: (1) lower the minimum age to (i) 24 for certain specified students; (ii) 18 for qualified former foster youth and qualified homeless youth; and (iii) 19 in all other cases; (2) remove the maximum age; and (3) increase (i) the credit and phaseout percentages to 15.3 percent, (ii) the earned income amount to \$9,820, and (iii) the beginning of the phaseout range to \$11,610. The provision directs the Secretary to develop procedures to use information returns under section 6050S to check the status of individuals as specified students.

Section 9626 permits a taxpayer to elect to calculate the taxpayer’s EITC for taxable years beginning in 2021 using 2019 rather than 2021 earned income, if the taxpayer’s earned income in 2021 is less than in 2019.

*Number of affected taxpayers*

It is estimated that sections 9621 and 9626 will affect approximately 38 million tax returns.

*Discussion*

The IRS will need to modify forms, instructions, and publications to reflect the changes to the EITC due to the provisions. It will also need to create new procedures to determine specified student, qualified former foster youth, and qualified homeless youth status. Regulatory or other guidance may be necessary. Taxpayers newly eligible for the “childless EITC” may have to keep records, such as information about self-employment income, necessary for the determination of the EITC. It is not otherwise anticipated that taxpayers will need to keep additional records due to the provisions, or that compliance with the provision will impose new costs on taxpayers. Determination of qualified former foster youth or qualified homeless youth status may result in an increase in disputes with the IRS. Otherwise, the provisions should not result in an increase in disputes with the IRS. In addition, the provision should not increase the tax preparation costs for most individuals.



DEPARTMENT OF THE TREASURY  
INTERNAL REVENUE SERVICE  
WASHINGTON, DC 20224

February 12, 2021

Mr. Thomas A. Barthold  
Chief of Staff  
Joint Committee on Taxation  
Washington, D.C. 20515

Dear Mr. Barthold:

I am responding to your letter dated February 11, 2021, in which you requested a complexity analysis related to the Committee Report for "Budget Reconciliation Legislative Recommendations."

Enclosed are the combined comments of the Internal Revenue Service (IRS) and the Treasury Department for inclusion in the complexity analysis in the Committee Report for "Budget Reconciliation Legislative Recommendations."

Our analysis covers the three provisions that you preliminarily identified in your letter: 2021 Recovery Rebates to Individuals, Child Tax Credit, and Earned Income Tax Credit. Please note that for purposes of this complexity analysis, IRS staff assumed timely enactment of this legislation. If legislation is not enacted before the end of the year, there would be complexity for IRS and for taxpayers that is not addressed in this response.

Our comments are based on the description of the provision provided in your letter. This analysis does not include the administrative cost estimates for the changes that would be required. Due to the short turnaround time, our comments are provisional and subject to change upon a more complete and in-depth analysis of the provisions.

Sincerely,

Charles P. Rettig

Enclosure

COMPLEXITY ANALYSIS OF BUDGET RECONCILIATION  
LEGISLATIVE RECOMMENDATIONS

### 1. 2021 Recovery Rebates to Individuals

For taxable years beginning in 2021, the provision creates a one-time refundable credit, called a recovery rebate, in the amount of \$1,400 (\$2,800 in the case of a joint return), plus \$1,400 for each dependent of the taxpayer for the taxable year. The rebate is subject to an AGI phaseout. The taxpayer generally must provide an SSN for each individual for whom a refund amount is claimed. The 2021 recovery rebates are similar in many respects to the 2020 recovery rebates and the 2020 additional recovery rebates.

The Secretary is directed to make advance payments of the rebate based on 2019 or 2020 return information by treating taxpayers as having made a payment in the amount of the advance refund amount in either 2019 or 2020. The advance refund amount is computed on the basis of the income tax return filed for 2019 or 2020. The Secretary may also make payments of the rebate to non-filers based on information available to the Secretary. The Secretary may make an additional round of payments based on newly-filed 2020 income tax returns. Taxpayers must reduce the recovery rebate credit claimed on their 2021 income tax return by any advance payments received, but excess advance payments of the credit are not subject to recapture.

Finally, under the provision, the U.S. Treasury will cover over the costs of the recovery rebates to the territories.

#### IRS and Treasury Comments:

- Publications 17, 5486, and the 2021 Instructions for Forms 1040 and 1040-SR, would be revised to reflect the fully refundable rebate credit.
- Internal Revenue Manuals and employee training would be updated.
- Internal communications would be shared with all employees and external communications with the public would need updating and sharing.
- Programming changes would be required to incorporate the changes into the appropriate processing and compliance systems.
- Programming changes would need to be made to calculate advance payments.
- IRS would be required to issue millions of additional notices.
- The proposed statutory changes would require taxpayers to maintain records of the advance payments received in order to properly reconcile their entitlement to a recovery rebate credit on their 2021 tax return. The proposed statutory changes could lead to additional disputes between taxpayers and the IRS over whether the taxpayers are entitled to receive the credit as an advance payment during 2021 and disputes when offsets are made against the RRC claimed on a filed return that could have been issued as an advance payment.
- Revisions to the applicable lead sheets for Examination use would be needed.
- Plans would need to be written or revised with the Territories to distribute the monies.

### 2. Child Tax Credit

The provision, for taxable years beginning in 2021: (1) makes the child tax credit fully refundable for taxpayers with a principal place of abode in the United States for over one-half of the taxable year (2) changes the definition of qualifying child to include 17-year old children; and (3) changes the amount of the credit to \$3,600 for children younger than 6 and \$3,000 for children 6 and older and adds a new phaseout for the amount of the credit increase; (4) directs the Secretary to establish a program to make advance payments of the child tax credit; and (5) requires reconciliation of advance payments on the taxpayer's tax return, subject to a safe harbor amount that is subject to an AGI phaseout.

Additionally, under the provision, the above-described changes to the child tax credit apply to bona fide residents of Puerto Rico for taxable years beginning in 2021, except that such residents are not eligible for the advance payment program. These residents will continue to receive the child tax credit from the U.S. Treasury. For taxable years beginning after 2021, bona fide residents of Puerto Rico may claim the additional child tax credit from the U.S. Treasury under the alternative formula, modified to remove the “3 or more qualifying children” limitation.

Finally, under the provision, the U.S. Treasury will cover over the costs of the child tax credit to the territories of Guam, the Commonwealth of the Northern Mariana Islands, the U.S. Virgin Islands, and American Samoa.

**IRS and Treasury Comments:**

- Schedule 8812 (Form 1040), Publications 972, 4012, 4491 and the Instructions for Forms 1040 and 1040-SR, would be revised to reflect the fully refundable credit and the increased amounts.
- Internal Revenue Manuals and employee training would be updated.
- Internal communications would be shared with all employees and external communications with the public would need updating and sharing.
- IRS would need to update webpages and other publicly available information.
- The statutory language would require the creation of an entirely new process for issuing advance payments to eligible taxpayers and a new portal for taxpayers to provide information and opt out of advance payment program.
- IRS would be required to issue millions of additional notices.
- The statutory language with regard to repayment of excess advance CTC payments requires the development of programming to implement the complex safe harbor rules in connection with the processing of the 2021 return.
- Programming changes would be required to incorporate the changes into the appropriate processing and compliance systems.
- The proposed statutory changes would require taxpayers to maintain records of the advance payments received in order to properly reconcile their entitlement to CTC on their 2021 tax return and could lead to additional disputes between taxpayers and the IRS about the amount of advance payments and offsets when advance payments are not made and the additional CTC is claimed on a filed return.
- Revisions to the applicable lead sheets for Examination use would be needed.
- Plans would need to be written or revised with the Territories to distribute the monies.

**3. Earned Income Tax Credit**

The provision, for taxable years beginning in 2021, makes certain changes to the “childless EITC” to: (1) lower the minimum age to (i) 24 for certain specified students; (ii) 18 for qualified former foster youth and qualified homeless youth; and (iii) 19 in all other cases; (2) remove the maximum age; and (3) increase (i) the credit percentage to 15.3 percent, (ii) the earned income amount to \$9,820, and (ii) the beginning of the phaseout range to \$11,610. The provision directs the Secretary to develop procedures to use information returns under section 6050S to check the statute of individuals as specified students.

Finally, the proposal permits a taxpayer to elect to calculate the taxpayer’s EITC for taxable years beginning in 2021 using 2019 rather than 2020 earned income, if the taxpayer’s earned income in 2021 is less than in 2019.

**IRS and Treasury Comments:**

- The 2021 Instructions for Forms 1040 and 1040-SR, Form 886-H-EIC, Schedule EIC and Publications 596, 596(SP), 962, 3211, 4933, 4935, and Notice 797, would be revised to fully reflect the new law.
- Internal Revenue Manuals and employee training would be updated.
- Internal communications would be shared with all employees and external communications with the public would need updating and sharing.
- IRS would need to update webpages and other publicly available information.

- The proposal could require the IRS to enter into multiple/countless agreements to obtain information about former foster children and qualified homeless youth; and may require programming to accept and integrate that information into processing systems.
- Programming changes would be required to incorporate the changes into the appropriate processing and compliance systems.
- The proposed statutory changes could require additional taxpayer record keeping relative to current law for former foster children, qualified homeless youth and certain students, and could lead to additional disputes between taxpayers and the IRS, especially with regard to these new categories of eligible recipients.
- Revisions to the applicable lead sheets for Examination use would be needed.
- Plans would need to be written or revised with the Territories to distribute the monies.

**F. Congressional Earmarks, Limited Tax Benefits  
and Limited Tariff Benefits**

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of subtitle G, and states that the provisions of the subtitle do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

**G. Duplication of Federal Programs**

In compliance with clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the subtitle establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report to Congress pursuant to section 21 of Pub. L. No. 111139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant to section 6104 of title 31, United States Code.

**H. Hearings**

Pursuant to section 3(u) of H. Res. 8 (117th Congress), no legislative hearings were held in the 117<sup>th</sup> Congress to develop or consider Subtitle G, Budget Reconciliation Legislative Recommendations Relating to Promoting Economic Security, due to the exigent nature of the COVID-19 global pandemic and the need for immediate legislative action.

**VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE**

**A. Text of Existing Law Amended or Repealed by The Subtitle**

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested but did not receive the text of changes in existing law made by the subtitle as reported.

**VII. DISSENTING VIEWS**

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

February 16, 2021

**MINORITY VIEWS ON SUBTITLE G.  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS RELATING TO  
PROMOTING ECONOMIC SECURITY**

In light of the new administration's call for unity, it is unfortunate that our colleagues chose to reject Republican input and pursue partisan tax priorities under the guise of COVID-19 response. We should unite around the goals of crushing the virus, reopening Main Street safely, getting unemployed Americans back to work, and targeting aid to American families most in need.

Instead, the Democrats produced legislation that lacks meaningful investment in vaccines or America's medical supply chains, offers nothing to help Main Street reopen, and fails to get unemployed workers off the sidelines. In fact, this legislative package targets small business with an expensive minimum wage mandate, and the new administration has already issued job-crushing edicts. These actions will only deepen and prolong our unemployment crisis.

It should be no surprise that the nonpartisan Congressional Budget Office reported last week that we will not return to our pre-pandemic labor market strength—which was built on Republican tax and regulatory policies—for more than a decade.

This subtitle also contains three provisions expanding the current-law entitlement for the subsidized purchase of private health insurance. Together, these provisions increase the deficit by \$45 billion, create a staggering fiscal cliff in 2022, disincentivize work, and most critically, do nothing to lower the cost of health care. The cost of health care and health insurance is an issue that Congress can and should tackle on a bipartisan basis. However, this bill uses the COVID-19 pandemic as a trojan horse to push for an incredibly costly campaign to expand a failed health care law while doing nothing to truly lower the cost of care.

Trying to be constructive, we offered amendments to improve this legislation. At every turn, we were rebuffed by our colleagues on the other side, who defeated our efforts on technicalities or with prearranged party-line votes.

Here are some of the common-sense amendments that were opposed by our colleagues:

- Economic impact payments to families who—through no fault of their own—are losing their livelihoods due to unilateral actions by the Biden administration.
- Aid to small businesses to help them keep their doors open and their employees and customers safe.
- Protection for small businesses and families from Democrats' costly minimum wage mandate, which the Congressional Budget Office says will result in 1.4 million jobs lost.
- Permanent extension of the \$2,000 per child tax credit, to prevent it from being slashed in half in coming years.

- Measure to prevent abuse of the new, expanded refundable credits proposed by the Democrats.
- Targeted economic impact payments to families who have experienced real economic harm during the pandemic.
- Incentives for innovative American companies to find and develop cures and therapies to treat and defeat infectious diseases like COVID-19.
- Hiring incentives for employers, and especially small businesses, to bring long-term unemployed Americans back into the workforce.
- Help for businesses that reopen while keeping their workers and customers safe.
- Help for families with the costs of educating their children, in light of school closures and the challenges of remote learning.
- Measures to lower the cost of health care by empowering consumers to save more and shop for services, replacing the Democrats' plan to chase ever-increasing health care costs with ever-increasing subsidies.
- Better customer assistance by the IRS for Americans who are still waiting for their economic impact payments.
- Assistance to victims of domestic violence in accessing their economic impact payments without having to deal directly with their abuser.

In Democrats' rush to spend nearly \$2 trillion, they missed a major opportunity to enact bipartisan solutions to help Americans return to work, reopen our economy safely, and ensure that another pandemic never sets our country back like this again.



Kevin Brady  
Republican Leader  
Committee on Ways and Means

## CONTENTS

	<u>Page</u>
SUBTITLE H – LEGISLATIVE RECOMENDATIONS RELATED TO PENSIONS .....	1
I. SUMMARY AND BACKGROUND .....	1
A. Purpose and Summary .....	1
B. Legislative History .....	1
EXPLANATION OF THE SUBTITLE.....	2
Budget reconciliation legislative recommendations relating to pensions.....	2
Subtitle H—Pensions .....	2
A. Temporary Delay of Designation of Multiemployer Plans as in Endangered, Critical or Critical and Declining Status (sec. 9701 of the subtitle, sec. 432 of the Code, and sec. 305 of ERISA) .....	2
B. Temporary Extension of the Funding Improvement and Rehabilitation Periods for Multiemployer Pension Plans in Critical and Endangered Status for 2020 or 2021 (sec. 9702 of the subtitle, sec. 432 of the Code, and sec. 305 of ERISA) .....	8
C. Adjustments to Funding Standard Account Rules (sec. 9703 of the subtitle, sec. 431 of the Code, and sec. 304 of ERISA) .....	10
D. Special Financial Assistance Program for Financially Troubled Multiemployer Plans (sec. 9704 of the subtitle and secs. 4005, 4006, and 4262 of ERISA) .....	16
E. Extended Amortization for Single Employer Plans (sec. 9705 of the subtitle, sec. 430 of the Code, and sec. 303 of ERISA) .....	31
F. Extension of Pension Funding Stabilization Percentages for Single Employer Plans (sec. 9706 of the subtitle, sec. 430 of the Code, and secs. 101 and 303 of ERISA) .....	37
G. Modification of Special Rules for Minimum Funding Standards for Community Newspaper Plans (sec. 9707 of the subtitle, sec. 430 of the Code, and sec. 303 of ERISA) .....	39
H. Cost-of-Living Adjustment Freeze (sec. 9708 of the subtitle and secs. 401(a) and 415 of the Code) .....	41
IV. VOTES OF THE COMMITTEE .....	44
V. BUDGET EFFECTS OF THE SUBTITLE .....	47
A. Committee Estimate of Budgetary Effects .....	47
B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority .....	47
C. Cost Estimate Prepared by the Congressional Budget Office .....	47
VI. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE .....	48
A. Committee Oversight Findings and Recommendations .....	48

B. Statement of General Performance Goals and Objectives	48
C. Information Relating to Unfunded Mandates	48
D. Applicability of House Rule XXI, Clause 5(b)	48
E. Tax Complexity Analysis	48
F. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits	49
G. Duplication of Federal Programs	49
H. Hearings	49
VII. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE.....	50
A. Text of Existing Law Amended or Repealed by the Subtitle	50
VIII. DISSENTING VIEWS .....	51

**SUBTITLE H – LEGISLATIVE RECOMENDATIONS RELATED TO PENSIONS****I. SUMMARY AND BACKGROUND****A. Purpose and Summary**

Budget Reconciliation Legislative Recommendations Relating to Pensions, the “Butch Lewis Emergency Pension Relief Act of 2021,” as ordered transmitted to the Committee on the Budget by the Committee on Ways and Means on February 11, 2021, amends the Internal Revenue Code of 1986 and the Employee Retirement Income Security Income Act to establish a special financial assistance program for financially troubled multiemployer pension plans, and for other purposes.

**B. Legislative History****Budget Resolution**

On February 5, 2021, the House of Representatives approved Senate Concurrent Resolution 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2002(f) of S. Con. Res. 5, the Committee on Ways and Means was directed to submit to the Committee on the Budget changes in laws within its jurisdiction to increase the deficit by not more than \$940,718,000,000 for the period of fiscal years 2021 through 2030.

**Committee hearings**

In light of the emergency presented by the Covid 19 global pandemic and the need for immediate legislative action, no hearings were held in the 117<sup>th</sup> Congress prior to consideration of Subtitle H.

**Committee action**

Beginning on February 10, 2021, in response to its instructions under S. Con. Res. 5, the Committee on Ways and Means met to consider budget reconciliation legislative recommendations. On February 11, 2021, Subtitle H, Legislative Recommendations Relating to Pensions, was ordered favorably transmitted, as amended, to the House Committee on the Budget by a record vote of 25 to 18.

EXPLANATION OF THE SUBTITLE  
BUDGET RECONCILIATION LEGISLATIVE  
RECOMMENDATIONS RELATING TO PENSIONS

SUBTITLE H—PENSIONS

**A. Temporary Delay of Designation of Multiemployer Plans as in Endangered,  
Critical or Critical and Declining Status  
(sec. 9701 of the subtitle, sec. 432 of the Code, and sec. 305 of ERISA)**

Present Law

**Multiemployer plans**

A multiemployer plan is a plan to which more than one unrelated employer contributes, that is established pursuant to one or more collective bargaining agreements, and which meets such other requirements as specified by the Secretary of Labor.<sup>1</sup> Multiemployer plans are governed by a board of trustees consisting of an equal number of employer and employee representatives, referred to as the plan sponsor. In general, the level of contributions to a multiemployer plan is specified in the applicable collective bargaining agreements, and the level of plan benefits is established by the plan sponsor.

Like other private defined benefit plans,<sup>2</sup> multiemployer defined benefit plans are subject to minimum funding requirements under the Code and the Employee Retirement Income Security Act of 1974 (“ERISA”).<sup>3</sup> An excise tax may be imposed on the employers maintaining the plan if the funding requirements are not met.<sup>4</sup> However, the excise tax does not apply for a taxable year with respect to a multiemployer plan if, for the plan years ending with or within the taxable year, the plan is in critical status (as defined below).<sup>5</sup>

**General funding requirements for multiemployer plans**

Employer contributions to a defined benefit plan are generally subject to minimum funding requirements, the details of which depend on whether the plan is a single employer plan or a multiemployer plan. Unless a funding waiver is obtained, an employer may be subject to a two-tier excise tax if the funding requirements are not met.

In general, the annual deduction limit on employer contributions to a multiemployer defined benefit plan for a year is the excess of (1) 140 percent of the plan’s current liability (the

<sup>1</sup> Sec. 414(f) and ERISA section 2(37). All section references herein are to the Internal Revenue Code of 1986, as amended (herein “Code”), unless otherwise stated.

<sup>2</sup> Sec. 414(j).

<sup>3</sup> Secs. 412 and 431, and ERISA secs. 302 and 304. Additional rules apply to multiemployer plans that are insolvent under section 418E and ERISA section 4245. Certain changes were made to the funding requirements for multiemployer plans by the Pension Protection Act of 2006 (“PPA”), Pub. L. No. 109-280 and by the Multiemployer Pension Reform Act of 2014 (“MPRA”), Pub. L. No. 113-235, Division O.

<sup>4</sup> Sec. 4971.

<sup>5</sup> Sec. 4971(g)(1).

present value of all benefits earned under the plan), over (2) the value of plan assets. However, the deduction limit is never less than the amount of contributions required under the funding rules. If contributions exceed the amount deductible, the employers that contribute to the multiemployer plan are generally subject to an excise tax.

General funding requirements apply to all multiemployer plans. Additional funding requirements apply to plans in endangered or critical status, as defined below. An employer that withdraws from a multiemployer plan is generally liable to the plan for a portion of the plan's unfunded vested benefits, referred to as withdrawal liability. Various provisions limit the amount of an employer's withdrawal liability.

Under the general funding requirements, a multiemployer defined benefit plan maintains a funding standard account, to which charges (such as for benefit accruals and negative plan experience) and credits (such as for positive plan experience and contributions) are made. The minimum required contribution for a plan year is the amount, if any, needed to balance accumulated credits and accumulated charges to the funding standard account. If required contributions are not made, causing the funding standard account to have a negative balance, an accumulated funding deficiency results.

A multiemployer plan is required to use an acceptable actuarial cost method (referred to as the plan's funding method) to determine the elements included in its funding standard account for a year, including normal cost and supplemental cost. Normal cost generally represents the cost of future benefits allocated to the year under the plan's funding method. The supplemental cost for a plan year is the cost of future benefits that would not be met by future normal costs, future employee contributions, or plan assets. Supplemental costs may be attributable to past service liability or to worse than expected plan experience. Supplemental costs are amortized (that is, recognized for funding purposes) over a specified number of years (generally 15 years) by annual charges to the funding standard account over that period. Factors that result in a supplemental loss can alternatively result in a gain that is recognized by annual credits to the funding standard account over a 15-year amortization period (in addition to a credit for contributions made for the plan year).

Actuarial assumptions used under the multiemployer plan funding rules must be reasonable. The interest rate (which represents the expected return on plan assets over time) and mortality assumptions used in funding computations are subject to these general standards; the funding rules do not specify the interest rate or mortality tables that need to be used. For funding purposes, the actuarial value of plan assets may be used, rather than fair market value, subject to certain conditions.

#### **Additional requirements relating to plans in endangered or critical status**

##### **In general**

Additional funding-related requirements apply to a multiemployer defined benefit pension plan that is in endangered or critical status. In connection with the endangered and critical rules, not later than the 90th day of each plan year, the actuary for any multiemployer plan must certify to the Secretary and to the plan sponsor whether or not the plan is in

endangered or critical status for the plan year. In the case of a plan which is in a funding improvement period or rehabilitation period, the actuary must also certify whether or not the plan is making its scheduled progress in meeting the requirements of its funding improvement or rehabilitation plan. If a plan is certified as being in endangered or critical status, notice of endangered or critical status must be provided within 30 days after the date of certification to plan participants and beneficiaries, the bargaining parties, the Pension Benefit Guaranty Corporation ("PBGC"), and the Secretary of Labor. Additional notice requirements apply in the case of a plan certified as being in critical status.

Failure of the plan's actuary to certify the status of the plan is treated as a failure to file the annual report (thus, an ERISA penalty of up to \$1,100 per day applies).

Various requirements apply to a plan in endangered or critical status, including adoption of and compliance with (1) a funding improvement plan in the case of a multiemployer plan in endangered status, and (2) a rehabilitation plan in the case of a multiemployer plan in critical status. In addition, restrictions on certain plan amendments, benefit increases, and reductions in employer contributions apply during certain periods.

A multiemployer plan is generally in endangered status if the plan is not in critical status and, as of the beginning of the plan year, (1) the plan's funded percentage for the plan year is less than 80 percent, or (2) the plan has an accumulated funding deficiency for the plan year or is projected to have an accumulated funding deficiency in any of the six succeeding plan years (taking into account amortization extensions).<sup>6</sup> A plan's funded percentage is the percentage determined by dividing the value of plan assets by the accrued liability of the plan. A plan that meets the requirements of both (1) and (2) is treated as in seriously endangered status.

A multiemployer plan is in critical status for a plan year if, as of the beginning of the plan year, it meets any of the following definitions:

- The funded percentage of the plan is less than 65 percent and the sum of (1) the market value of plan assets, plus (2) the present value of reasonably anticipated employer and employee contributions for the current plan year and each of the six succeeding plan years (assuming that the terms of the collective bargaining agreements continue in effect) is less than the present value of all benefits projected to be payable under the plan during the current plan year and each of the six succeeding plan years (plus administrative expenses);
- The plan has an accumulated funding deficiency for the current plan year, not taking into account any amortization period extensions, or (2) the plan is projected to have an accumulated funding deficiency for any of the three succeeding plan years (four succeeding plan years if the funded percentage of the plan is 65 percent or less), not taking into account any amortization period extensions;
- The plan's normal cost for the current plan year, plus interest for the current plan year on the amount of unfunded benefit liabilities under the plan as of the last day of the preceding year, exceeds the present value of the reasonably anticipated employer

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<sup>6</sup> Sec. 432(b)(1) and ERISA sec. 305(b)(1).

contributions for the current plan year, (2) the present value of vested (that is, nonforfeitable) benefits of inactive participants is greater than the present value of vested benefits of active participants, and (3) the plan has an accumulated funding deficiency for the current plan year, or is projected to have an accumulated funding deficiency for any of the four succeeding plan years (not taking into account amortization period extensions); or

- The sum of (1) the fair market value of plan assets, plus (2) the present value of the reasonably anticipated employer contributions for the current plan year and each of the four succeeding plan years (assuming that the terms of the collective bargaining agreements continue in effect) is less than the present value of all benefits projected to be payable under the plan during the current plan year and each of the four succeeding plan years (plus administrative expenses).<sup>7</sup>

The first plan year for which the plan is in critical status is referred to as the “initial critical year,” and governs the timing of certain requirements and periods.

In making the determinations and projections applicable in determining and certifying endangered or critical status (or neither), the plan actuary must follow certain statutory standards. The actuary’s projections generally must be based on reasonable actuarial estimates, assumptions, and methods that offer the actuary’s best estimate of anticipated experience under the plan.<sup>8</sup> In addition, the plan actuary must make projections for the current and succeeding plan years of the current value of the assets of the plan and the present value of all liabilities to participants and beneficiaries under the plan for the current plan year as of the beginning of the year. The projected present value of liabilities as of the beginning of the year must be based on the most recent actuarial statement required with respect to the most recently filed annual report or the actuarial valuation for the preceding plan year. Any projection of activity in the industry or industries covered by the plan, including future covered employment and contribution levels, must be based on information provided by the plan sponsor, which shall act reasonably and in good faith.

In the case of a multiemployer plan in critical status, additional required contributions (referred to as employer surcharges) apply until the adoption of a collective bargaining agreement that is consistent with the rehabilitation plan. In addition, employers are relieved of liability for minimum required contributions under the otherwise applicable funding rules (and the related excise tax), provided that a rehabilitation plan is adopted and followed.<sup>9</sup> Moreover, subject to notice requirements, some benefits that would otherwise be protected from elimination or reduction may be eliminated or reduced in accordance with the rehabilitation plan.<sup>10</sup>

<sup>7</sup> Sec. 432(b)(2) and ERISA sec. 305(b)(2).

<sup>8</sup> Under section 432(j)(8) and ERISA section 305(j)(8), for purposes of the endangered and critical rules, various actuarial computations are based upon the unit credit funding method, regardless of whether it is the funding method used in applying the general funding requirements to the plan.

<sup>9</sup> Sec. 4971(g)(1)(A).

<sup>10</sup> The rules for multiemployer plans in critical status include the elimination or reduction of “adjustable benefits,” which include some benefits that would otherwise be protected from elimination or reduction under the anti-cutback rules under section 411(d)(6) and ERISA section 204(g).

In the case of a failure to meet the requirements applicable to a multiemployer plan in endangered or critical status, the plan actuary, plan sponsor, or employers required to contribute to the plan may be subject to an excise tax under the Code or a civil penalty under ERISA.<sup>11</sup>

#### **Reasons for Change**

Nearly one-third of multiemployer defined benefit plans are in critical or critical and declining funding status, and approximately another ten percent are in endangered status. Many of these troubled multiemployer plans cover workers who are on the front lines of the COVID-19 public health crisis, such as trucking, food processing, grocery store workers, and others. The economic catastrophe resulting from COVID-19 has exacerbated the multiemployer pension crisis and threatened the hard-earned pensions of workers and retirees. Plans that are in endangered, critical, or critical and declining status are subject to additional funding and other requirements contained in funding improvement and rehabilitation plans.

The Committee believes that providing multiemployer plan sponsors temporary relief from having to update their funding improvement or rehabilitation plan and allowing them to maintain their prior year's funding status will provide them with some flexibility and ease an administrative burden during the economic and financial turmoil resulting from the COVID-19 public health emergency.

#### **Explanation of Provision**

Under the provision, the sponsor of a multiemployer defined benefit pension plan may elect for an applicable plan year to treat the plan's status for purposes of the additional funding rules applicable to multiemployer plans in endangered or critical status<sup>12</sup> the same as the plan's status for the preceding plan year. The applicable plan year is either the first plan year beginning during the period beginning on March 1, 2020, and ending on February 28, 2021, or the next succeeding plan year, as designated by the plan sponsor. Thus, for example, a calendar year plan that is not in critical or endangered status for 2020 may elect to retain its non-critical and non-endangered status for 2021, and a calendar year plan that was in either critical or endangered status for 2020 may elect to retain such status for 2021.

An election under the provision may only be revoked with the consent of the Secretary of the Treasury and special notice provisions apply with respect to the election and the notification of participants, the bargaining parties, the PBGC, and the Secretary of Labor.

In the case of a plan that elects to retain its endangered or critical status, the plan is not required to update its funding improvement or rehabilitation plan and schedules (as applicable) until the plan year that follows the applicable plan year. If an election is made by a plan under the provision and, without regard to the election, the plan is certified by the plan's actuary for the applicable plan year to be in critical status, the plan is treated as a plan in critical status for purposes of the special rules that relieve contributing employers from liability for minimum

<sup>11</sup> Sec. 4971(g) and ERISA sec. 502(c)(8). In addition, certain failures are treated as a failure to file an annual report with respect to the multiemployer plan, subject to a civil penalty under ERISA.

<sup>12</sup> For purposes of sec. 432 and sec. 305 of ERISA.

833

required contributions (that would apply under the otherwise applicable minimum funding rules) and the excise tax that applies in the case of a failure to make such contributions.

**Effective Date**

The provision is effective on the date of enactment.

**B. Temporary Extension of the Funding Improvement and Rehabilitation  
Periods for Multiemployer Pension Plans in Critical  
and Endangered Status for 2020 or 2021  
(sec. 9702 of the subtitle, sec. 432 of the Code, and sec. 305 of ERISA)**

**Present Law**

**General funding requirements for multiemployer plans**

General funding requirements apply to all multiemployer plans. For background relating to such requirements, see Present Law under section A. above.

**Funding improvement and rehabilitation plans and periods**

Under section 432, additional funding rules apply to a multiemployer defined benefit pension plan that is in endangered or critical status. These rules require the adoption of and compliance with (1) a funding improvement plan in the case of a multiemployer plan in endangered status, and (2) a rehabilitation plan in the case of a multiemployer plan in critical status.

The funding improvement period is the 10-year period beginning on the first day of the first plan year beginning after the earlier of (1) the second anniversary of the date of adoption of the funding improvement plan, or (2) the expiration of collective bargaining agreements that were in effect on the due date for the actuarial certification of endangered status for the initial determination year and covering, as of such date, at least 75 percent of the plan's active participants. The period ends if the plan is no longer in endangered status or if the plan enters critical status. Generally, in the case of a "seriously endangered plan," the funding improvement period is 15 years, rather than 10 years. The rehabilitation period is the 10-year period beginning on the first day of the first plan year following the earlier of (1) the second anniversary of the date of adoption of the rehabilitation plan or (2) the expiration of collective bargaining agreements that were in effect on the due date for the actuarial certification of critical status for the initial critical year and covering at least 75 percent of the active participants in the plan as of such due date. The rehabilitation period ends if the plan emerges from critical status.

**Reasons for Change**

Nearly one-third of multiemployer defined benefit plans are in critical or critical and declining funding status, and approximately another ten percent are in endangered status. Many of these troubled multiemployer plans cover workers who are on the front lines of the COVID-19 public health crisis, such as trucking, food processing, grocery store workers, and others. The economic catastrophe resulting from COVID-19 has exacerbated the multiemployer pension crisis and threatened the hard-earned pensions of workers and retirees. Plans that are in endangered, critical, or critical and declining status are subject to additional funding and other requirements contained in funding improvement and rehabilitation plans.

The Committee believes that providing multiemployer plan sponsors in endangered, critical, or critical and declining status the opportunity to extend the plan's funding improvement or rehabilitation period by five years would provide a plan additional time to improve its

contribution rates, limit benefit accruals and maintain plan funding during the economic and financial turmoil resulting from the COVID-19 public health emergency.

**Explanation of Provision**

Under the provision, a plan sponsor of a multiemployer defined benefit pension plan that is in endangered or critical status for a plan year beginning in 2020 or 2021 may elect to extend the plan's otherwise applicable funding improvement or rehabilitation period by five years, from 10 to 15 years. If a multiemployer defined benefit pension plan is in seriously endangered status for a plan year beginning in 2020 or 2021, the plan sponsor may elect to extend the plan's otherwise applicable funding improvement period by five years, from 15 to 20 years.

The election is to be made at such time, and in such manner and form, as the Secretary of the Treasury, or the Secretary's delegate, may prescribe in consultation with the Secretary of Labor.

**Effective Date**

The provision is effective for plan years beginning after December 31, 2019.

**C. Adjustments to Funding Standard Account Rules**  
(sec. 9703 of the subtitle, sec. 431 of the Code, and sec. 304 of ERISA)

**Present Law**

Defined benefit pension plans generally are subject to minimum funding rules under the Code that require the sponsoring employer to periodically make contributions to fund plan benefits. Similar rules apply to plans under ERISA.

The minimum funding rules for single employer and multiemployer plans are different.<sup>13</sup> A single employer plan is a plan that is not a multiemployer plan. A multiemployer plan is generally a plan to which more than one employer is required to contribute and which is maintained pursuant to a collective bargaining agreement.<sup>14</sup>

**Funding standard account**

A multiemployer defined benefit pension plan is required to maintain a special account called a “funding standard account” to which charges and credits (such as credits for plan contributions) are made for each plan year. If, as of the close of the plan year, charges to the funding standard account exceed credits to the account, the plan has an “accumulated funding deficiency” equal to the amount of such excess charges. For example, if the balance of charges to the funding standard account of a plan for a year would be \$200,000 without any contributions, then a minimum contribution equal to that amount is required to meet the minimum funding standard for the year to prevent an accumulated funding deficiency. If credits to the funding standard account exceeds charges, a “credit balance” results. The amount of the credit balance, increased with interest, can be used to reduce future required contributions.

**Amortization periods**

A plan is required to use an acceptable actuarial cost method to determine the elements included in its funding standard account for a year. Generally, an acceptable actuarial cost method breaks up the cost of benefits under the plan into annual charges consisting of two elements for each plan year. These elements are referred to as the: (1) normal cost and (2) amortization of supplemental cost. The normal cost for a plan for a plan year generally represents the cost of future benefits allocated to the plan year under the funding method used by the plan for current employees. The supplemental cost for a plan year is the cost of future benefits that would not be met by future normal costs, future employee contributions, or plan assets, such as a net experience loss. Supplemental costs are amortized (i.e., recognized for funding purposes) over a specified number of years, depending on the source. The amortization period applicable to a multiemployer plan for most credits and charges is 15 years.<sup>15</sup> Past

<sup>13</sup> The Pension Protection Act of 2006, Pub. L. No. 109-280, modified the minimum funding rules for multiemployer defined benefit pension plans. These modifications are generally effective for plan years beginning after 2007.

<sup>14</sup> Sec. 414(f) and sec. 3(37) of ERISA.

<sup>15</sup> Sec. 431(b)(2) and sec. 304(b)(2) of ERISA. Prior to the effective date of PPA, the amortization period was 30 years for past service liability, past service liability due to plan amendments, and losses and gains resulting from a change in actuarial assumptions.

service liability under the plan is amortized over 15 years;<sup>16</sup> past service liability due to plan amendments is amortized over 15 years; and experience gains and losses resulting from a change in actuarial assumptions are amortized over 15 years. Experience gains and losses and waived funding deficiencies are also amortized over 15 years.

The Secretary, upon receipt of an application, is required to grant an extension of the amortization period for up to five years with respect to any unfunded past service liability, investment loss, or experience loss.<sup>17</sup> There must be included with the application a certification by the plan's actuary that: (1) absent the extension, the plan would have an accumulated funding deficiency in the current plan year and any of the nine succeeding plan years; (2) the plan sponsor has adopted a plan to improve the plan's funding status; (3) taking into account the extension, the plan is projected to have sufficient assets to timely pay its expected benefit liabilities and other anticipated expenditures; and (4) required notice has been provided. The Secretary may also grant an additional extension of such amortization periods for an additional five years, using the same standards for determining whether such an extension may be granted as under the pre-Pension Protection Act of 2006 ("PPA 2006")<sup>18</sup> minimum funding rules.<sup>19</sup>

#### **Actuarial assumptions**

In applying the funding rules, all costs, liabilities, interest rates, and other factors are required to be determined on the basis of actuarial assumptions and methods, each of which must be reasonable (taking into account the experience of the plan and reasonable expectations), or which, in the aggregate, result in a total plan contribution equivalent to a contribution that would be obtained if each assumption and method were reasonable. In addition, the assumptions are required to offer the actuary's best estimate of anticipated experience under the plan.

#### **Valuation of plan assets**

In determining the charges and credits to be made to the plan's funding standard account for a multiemployer plan, the value of plan assets may be determined on the basis of any reasonable actuarial method of valuation which takes into account fair market value and which is permitted under regulations prescribed by the Secretary.<sup>20</sup> Thus, the actuarial value of a plan's assets under a reasonable actuarial valuation method may be used instead of fair market value. A reasonable actuarial valuation method generally may include a smoothing methodology that takes into account reasonable expected investment returns and average values of the plan assets, so long as the smoothing or averaging period does not exceed the five most recent plan years, including the current plan year. In addition, in order to be reasonable, any actuarial valuation method used by the plan is required to result in a value of plan assets that is not less than 80

<sup>16</sup> In the case of a plan in existence on January 1, 1974, past service liability under the plan on the first day on which the plan was first subject to ERISA was amortized over 40 years. In the case of a plan which was not in existence on January 1, 1974, past service liability under the plan on the first day on which the plan was first subject to ERISA was amortized over 30 years. Past service liability due to plan amendments was amortized over 30 years.

<sup>17</sup> Sec. 431(d)(1) and sec. 304(d)(1) of ERISA.

<sup>18</sup> Pub. L. No. 109-280.

<sup>19</sup> Sec. 431(d)(2) and sec. 304(d)(2) of ERISA.

<sup>20</sup> Sec. 431(c)(2) and sec. 304(c)(2) of ERISA.

percent of the current fair market value of the assets and not more than 120 percent of the current fair market value.<sup>21</sup> In determining plan funding under an acceptable actuarial cost method, a plan's actuary generally makes certain assumptions regarding the future experience of a plan.

The actuarial valuation method is considered to be part of the plan's funding method. The same method must be used each plan year. If the valuation method is changed, the change is only permitted to take effect if approved by the Secretary of the Treasury.<sup>22</sup>

#### **Additional funding rules for plans in endangered or critical status**

Under section 432,<sup>23</sup> additional funding rules apply to a multiemployer defined benefit pension plan that is in endangered or critical status. These rules require the adoption of and compliance with: (1) a funding improvement plan in the case of a multiemployer plan in endangered status; and (2) a rehabilitation plan in the case of a multiemployer plan in critical status. In the case of a plan in critical status, additional required contributions and benefit reductions apply and employers are relieved of liability for minimum required contributions under the otherwise applicable funding rules, provided that a rehabilitation plan is adopted and followed.

#### **Failure to comply with minimum funding rules**

In the event of a failure to comply with the minimum funding rules, the Code imposes a two-level excise tax on the plan sponsor.<sup>24</sup> The initial tax is five percent of the plan's accumulated funding deficiency for multiemployer plans. An additional tax is imposed if the failure is not corrected before the date that a notice of deficiency with respect to the initial five percent tax is mailed to the employer by the IRS or the date of assessment of the initial tax. The additional tax is equal to 100 percent of the unpaid contribution or the accumulated funding deficiency, whichever is applicable. Before issuing a notice of deficiency with respect to the excise tax, the Secretary must notify the Secretary of Labor and provide the Secretary of Labor with a reasonable opportunity to require the employer responsible for contributing to, or under, the plan to correct the deficiency or comment on the imposition of the tax.

#### **Reasons for Change**

Multiemployer defined benefit plans that incur a funding shortfall as a result of investment losses are generally required to amortize such shortfall over a period of 15 years. Following the financial crisis of 2008, multiemployer plans were allowed to amortize investment losses incurred during 2008 or 2009 over a period of 30 years.

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<sup>21</sup> Treas. Reg. sec. 1.412(c)(2)-1(b). Rev. Proc. 2000-40, 2000-2 CB 357, generally indicates that only an averaging period that does not exceed five years will be approved by the IRS. The revenue procedure also indicates that for a funding valuation method to be approved, the asset value determined under the method must be adjusted to be no greater than 120 percent and no less than 80 percent of the fair market value.

<sup>22</sup> Sec. 412(d)(1) and sec. 302(d)(1) of ERISA.

<sup>23</sup> Parallel rules apply under ERISA.

<sup>24</sup> Sec. 4971. Special rules apply under section 4971 for multiemployer plans in endangered or critical status.

The Committee believes that as a result of the economic crisis resulting from the COVID-19 pandemic, similar relief should be provided to multiemployer defined benefit plans for plan years ending on or after February 29, 2020.

#### Explanation of Provision

##### Special funding relief rules

A plan sponsor of a multiemployer plan that meets a solvency test (described below) is permitted to use either one or both of two special funding relief rules which apply generally for the first two plan years ending after February 29, 2020. The special relief is not available to a plan to which special financial assistance is granted.<sup>25</sup>

##### Amortization of net investment losses

The first special funding relief rule allows the plan sponsor to treat the portion of its experience loss attributable to the net investment losses (if any), as well as any other losses related to the virus SARS-CoV-2 or coronavirus disease 2019 (“COVID-19”) (including experience losses related to reductions in contributions, reductions in employment, and deviations from anticipated retirement rates, as determined by the plan sponsor), incurred in either or both of the first two plan years ending after February 29, 2020, as an item separate from other experience losses, to be amortized in equal annual installments (until fully amortized) over the period beginning with the plan year in which such portion is first recognized in the actuarial value of assets and ending with the last plan year in the 30-plan-year period beginning with the plan year in which the net investment loss was incurred. If this treatment is used for a plan year, the plan sponsor is not eligible for an extension of this amortization period for this separate item, and if an extension was granted before electing this treatment of net investment losses, such extension must not result in such amortization period exceeding 30 years.

A plan sponsor is required to determine its net investment losses in the manner described by the Secretary, on the basis of the difference between actual and expected returns (including any difference attributable to any criminally fraudulent investment arrangement). The determination as to whether an arrangement is a criminally fraudulent investment arrangement is made under rules substantially similar to the rules prescribed by the Secretary for purposes of section 165.

##### Expanded smoothing period and asset valuation corridor

Under the other special funding relief rule, a multiemployer plan may change its asset valuation method in a manner which spreads the difference between the expected returns and actual returns for either or both of the first two plan years ending after February 29, 2020, over a period of not more than 10 years. However, as under present law, spreading the difference between expected and actual returns under a plan’s asset valuation method is only permitted if it does not result in a value of plan assets, when compared to the current fair market value of the plan assets, to be at any time outside an asset valuation corridor.

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<sup>25</sup> Pursuant to section 4262 of ERISA, as added by Part D of this provision.

Under this special funding relief rule, the asset valuation corridor is expanded so that, for either or both of the first two plan years beginning after February 29, 2020, the plan's asset value must be adjusted under the valuation method being used so the value of plan assets is not less than 80 percent of the current fair market value of the assets and not more than 130 percent of the current fair market value (rather than 120 percent). This expanded valuation corridor is available whether or not the plan sponsor increases the period for spreading the difference between expected and actual returns under its asset valuation method.

If a plan sponsor uses either or both of the options (extending the spreading period and the expanded asset valuation corridor) under this special relief rule for one or both of these plan years, the Secretary shall not treat the asset valuation method of the plan as unreasonable solely because of such change and the change will be deemed to be approved by the Secretary.

**Amortization of reduction in unfunded accrued liability**

To the extent a plan sponsor uses both of the two special funding relief rules for any plan year, the plan is required to treat any resulting reduction in the plan's unfunded accrued liability as a separate experience amortization base. This separate experience amortization base is amortized in annual installments (until fully amortized) over a period of 30 plan years (rather than the otherwise applicable amortization period).

**Solvency test**

The solvency test is satisfied only if the plan actuary certifies that the plan is projected to have sufficient assets to timely pay expected benefits and anticipated expenditures over the amortization period, taking into account the changes in the funding standard account under the special funding relief rule elected.

**Benefit restriction**

If a plan sponsor of a multiemployer plan uses one, or both, of the special funding relief rules under this provision, then, in addition to any other applicable restrictions on benefit increases, the following limit also applies. A plan amendment increasing benefits may not go into effect during either of the two plan years immediately following any plan year to which such election first applies unless one of the following conditions is satisfied: either (1) the plan actuary certifies that such increase is paid for out of additional contributions not allocated to the plan immediately before the election was made, and the plan's funded percentage and projected credit balances for such two plan years are reasonably expected to be generally at the same levels as such percentage and balances would have been if the benefit increase had not been adopted, or (2) the amendment is required to maintain the plan's status as a qualified retirement plan under the applicable provisions of the Code or to comply with other applicable law.

**Reporting**

A plan sponsor of a multiemployer plan that uses one or both of these special funding relief rules must give notice to participants and beneficiaries of its use of the relief and must inform the PBGC of its use of the relief in such form and manner as the Director of the PBGC may prescribe.

**Effective Date**

The provision takes effect as of the first day of the first plan year ending on or after February 29, 2020. However, if a plan sponsor uses either (or both) of the special funding relief provisions and such use affects the plan's funding standard account for the first plan year beginning after February 29, 2020, the use of the rule is disregarded for purposes of applying the provisions for additional funding rules for multiemployer plans in endangered or critical status to such plan year.

The restriction on plan amendments increasing benefits is effective on the date of enactment of this provision.

**D. Special Financial Assistance Program for Financially  
Troubled Multiemployer Plans  
(sec. 9704 of the subtitle and secs. 4005, 4006, and 4262 of ERISA)**

**Present Law**

**Multiemployer plans**

A multiemployer plan is a plan to which more than one unrelated employer contributes, that is established pursuant to one or more collective bargaining agreements, and which meets such other requirements as specified by the Secretary of Labor.<sup>26</sup> Multiemployer plans are governed by a board of trustees consisting of an equal number of employer and employee representatives, referred to as the plan sponsor. In general, the level of contributions to a multiemployer plan is specified in the applicable collective bargaining agreements, and the level of plan benefits is established by the plan sponsor.

Like other private defined benefit plans,<sup>27</sup> multiemployer defined benefit plans are subject to minimum funding requirements under the Code and ERISA.<sup>28</sup> An excise tax may be imposed on the employers maintaining the plan if the funding requirements are not met.<sup>29</sup> However, the excise tax does not apply for a taxable year with respect to a multiemployer plan if, for the plan years ending with or within the taxable year, the plan is in critical status (as defined below).<sup>30</sup>

**General funding requirements for multiemployer plans**

Employer contributions to a defined benefit plan are generally subject to minimum funding requirements, the details of which depend on whether the plan is a single employer plan or a multiemployer plan. Unless a funding waiver is obtained, an employer may be subject to a two-tier excise tax if the funding requirements are not met.

In general, the annual deduction limit on employer contributions to a multiemployer defined benefit plan for a year is the excess of (1) 140 percent of the plan's current liability (the present value of all benefits earned under the plan), over (2) the value of plan assets. However, the deduction limit is never less than the amount of contributions required under the funding rules. If contributions exceed the amount deductible, the employers that contribute to the multiemployer plan are generally subject to an excise tax.

General funding requirements apply to all multiemployer plans. Additional funding requirements apply to plans in endangered or critical status, as defined below. An employer that withdraws from a multiemployer plan is generally liable to the plan for a portion of the plan's

<sup>26</sup> Sec. 414(f) and ERISA section 2(37).

<sup>27</sup> Sec. 414(j).

<sup>28</sup> Secs. 412 and 431, and ERISA secs. 302 and 304. Additional rules apply to multiemployer plans that are insolvent under section 418E and ERISA section 4245. Certain changes were made to the funding requirements for multiemployer plans by the Pension Protection Act of 2006 ("PPA"), Pub. L. No. 109-280 and by the Multiemployer Pension Reform Act of 2014 ("MPRA"), Pub. L. No. 113-235, Division O.

<sup>29</sup> Sec. 4971.

<sup>30</sup> Sec. 4971(g)(1).

unfunded vested benefits, referred to as withdrawal liability. Various provisions limit the amount of an employer's withdrawal liability.

Under the general funding requirements, a multiemployer defined benefit plan maintains a funding standard account, to which charges (such as for benefit accruals and negative plan experience) and credits (such as for positive plan experience and contributions) are made. The minimum required contribution for a plan year is the amount, if any, needed to balance accumulated credits and accumulated charges to the funding standard account. If required contributions are not made, causing the funding standard account to have a negative balance, an accumulated funding deficiency results.

A multiemployer plan is required to use an acceptable actuarial cost method (referred to as the plan's funding method) to determine the elements included in its funding standard account for a year, including normal cost and supplemental cost. Normal cost generally represents the cost of future benefits allocated to the year under the plan's funding method. The supplemental cost for a plan year is the cost of future benefits that would not be met by future normal costs, future employee contributions, or plan assets. Supplemental costs may be attributable to past service liability or to worse than expected plan experience. Supplemental costs are amortized (that is, recognized for funding purposes) over a specified number of years (generally 15 years) by annual charges to the funding standard account over that period. Factors that result in a supplemental loss can alternatively result in a gain that is recognized by annual credits to the funding standard account over a 15-year amortization period (in addition to a credit for contributions made for the plan year).

Actuarial assumptions used under the multiemployer plan funding rules must be reasonable. The interest rate (which represents the expected return on plan assets over time) and mortality assumptions used in funding computations are subject to these general standards; the funding rules do not specify the interest rate or mortality tables that need to be used. For funding purposes, the actuarial value of plan assets may be used, rather than fair market value, subject to certain conditions.

#### **Additional requirements relating to plans in endangered or critical status**

Additional funding-related requirements apply to a multiemployer defined benefit pension plan that is in endangered or critical status. In connection with the endangered and critical rules, not later than the 90th day of each plan year, the actuary for any multiemployer plan must certify to the Secretary and to the plan sponsor whether or not the plan is in endangered or critical status for the plan year. In the case of a plan which is in a funding improvement period or rehabilitation period, the actuary must also certify whether or not the plan is making its scheduled progress in meeting the requirements of its funding improvement or rehabilitation plan. If a plan is certified as being in endangered or critical status, notice of endangered or critical status must be provided within 30 days after the date of certification to plan participants and beneficiaries, the bargaining parties, the Pension Benefit Guaranty Corporation (PBGC), and the Secretary of Labor. Additional notice requirements apply in the case of a plan certified as being in critical status.

Failure of the plan's actuary to certify the status of the plan is treated as a failure to file the annual report (thus, an ERISA penalty of up to \$1,100 per day applies).

Various requirements apply to a plan in endangered or critical status, including adoption of and compliance with (1) a funding improvement plan in the case of a multiemployer plan in endangered status, and (2) a rehabilitation plan in the case of a multiemployer plan in critical status. In addition, restrictions on certain plan amendments, benefit increases, and reductions in employer contributions apply during certain periods.

A multiemployer plan is generally in endangered status if the plan is not in critical status and, as of the beginning of the plan year, (1) the plan's funded percentage for the plan year is less than 80 percent, or (2) the plan has an accumulated funding deficiency for the plan year or is projected to have an accumulated funding deficiency in any of the six succeeding plan years (taking into account amortization extensions).<sup>31</sup> A plan's funded percentage is the percentage determined by dividing the value of plan assets by the accrued liability of the plan. A plan that meets the requirements of both (1) and (2) is treated as in seriously endangered status.

A multiemployer plan is in critical status for a plan year if, as of the beginning of the plan year, it meets any of the following definitions:

- The funded percentage of the plan is less than 65 percent and the sum of (1) the market value of plan assets, plus (2) the present value of reasonably anticipated employer and employee contributions for the current plan year and each of the six succeeding plan years (assuming that the terms of the collective bargaining agreements continue in effect) is less than the present value of all benefits projected to be payable under the plan during the current plan year and each of the six succeeding plan years (plus administrative expenses);
- The plan has an accumulated funding deficiency for the current plan year, not taking into account any amortization period extensions, or (2) the plan is projected to have an accumulated funding deficiency for any of the three succeeding plan years (four succeeding plan years if the funded percentage of the plan is 65 percent or less), not taking into account any amortization period extensions;
- The plan's normal cost for the current plan year, plus interest for the current plan year on the amount of unfunded benefit liabilities under the plan as of the last day of the preceding year, exceeds the present value of the reasonably anticipated employer contributions for the current plan year, (2) the present value of vested (that is, nonforfeitable) benefits of inactive participants is greater than the present value of vested benefits of active participants, and (3) the plan has an accumulated funding deficiency for the current plan year, or is projected to have an accumulated funding deficiency for any of the four succeeding plan years (not taking into account amortization period extensions); or
- The sum of (1) the market value of plan assets, plus (2) the present value of the reasonably anticipated employer contributions for the current plan year and each of the four succeeding plan years (assuming that the terms of the collective bargaining

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<sup>31</sup> Sec. 432(b)(1) and ERISA sec. 305(b)(1).

agreements continue in effect) is less than the present value of all benefits projected to be payable under the plan during the current plan year and each of the four succeeding plan years (plus administrative expenses).<sup>32</sup>

The first plan year for which the plan is in critical status is referred to as the “initial critical year,” and governs the timing of certain requirements and periods.

In making the determinations and projections applicable in determining and certifying endangered or critical status (or neither), the plan actuary must follow certain statutory standards. The actuary’s projections generally must be based on reasonable actuarial estimates, assumptions, and methods that offer the actuary’s best estimate of anticipated experience under the plan.<sup>33</sup> In addition, the plan actuary must make projections for the current and succeeding plan years of the current value of the assets of the plan and the present value of all liabilities to participants and beneficiaries under the plan for the current plan year as of the beginning of the year. The projected present value of liabilities as of the beginning of the year must be based on the most recent actuarial statement required with respect to the most recently filed annual report or the actuarial valuation for the preceding plan year. Any projection of activity in the industry or industries covered by the plan, including future covered employment and contribution levels, must be based on information provided by the plan sponsor, which shall act reasonably and in good faith.

In the case of a multiemployer plan in critical status, additional required contributions (referred to as employer surcharges) apply until the adoption of a collective bargaining agreement that is consistent with the rehabilitation plan. In addition, employers are relieved of liability for minimum required contributions under the otherwise applicable funding rules (and the related excise tax), provided that a rehabilitation plan is adopted and followed.<sup>34</sup> Moreover, subject to notice requirements, some benefits that would otherwise be protected from elimination or reduction may be eliminated or reduced in accordance with the rehabilitation plan.<sup>35</sup>

In the case of a failure to meet the requirements applicable to a multiemployer plan in endangered or critical status, the plan actuary, plan sponsor, or employers required to contribute to the plan may be subject to an excise tax under the Code or a civil penalty under ERISA.<sup>36</sup>

#### **Anti-cutback exceptions for multiemployer plans**

Under the anticutback rules, generally applicable to defined benefit plans, a plan amendment generally may not reduce accrued benefits or reduce or eliminate an optional form of

<sup>32</sup> Sec. 432(b)(2) and ERISA sec. 305(b)(2).

<sup>33</sup> Under section 432(j)(8) and ERISA section 305(j)(8), for purposes of the endangered and critical rules, various actuarial computations are based upon the unit credit funding method, regardless of whether it is the funding method used in applying the general funding requirements to the plan.

<sup>34</sup> Sec. 4971(g)(1)(A).

<sup>35</sup> The rules for multiemployer plans in critical status include the elimination or reduction of “adjustable benefits,” which include some benefits that would otherwise be protected from elimination or reduction under the anti-cutback rules under section 411(d)(6) and ERISA section 204(g).

<sup>36</sup> Sec. 4971(g) and ERISA sec. 502(c)(8). In addition, certain failures are treated as a failure to file an annual report with respect to the multiemployer plan, subject to a civil penalty under ERISA.

benefit, early retirement benefit, or retirement-type subsidy with respect to accrued benefits. Amendments are generally permitted only to reduce future rates of accrual, eliminate optional forms of benefit, or eliminate or reduce early retirement benefits or retirement-type subsidies only with respect to future accruals; and, in those cases, notice must be provided.

In the case of a multiemployer defined benefit plan that is in critical status<sup>37</sup> or critical and declining status,<sup>38</sup> or is insolvent,<sup>39</sup> subject to notice and other procedural requirements, certain plan benefits that would otherwise be protected under the anti-cutback rules are required or permitted to be reduced or eliminated.

In the case of a multiemployer plan in critical status, payments in excess of a single life annuity (plus any social security supplement, if applicable) may not be made to a participant or beneficiary who begins receiving benefits after notice that the plan is in critical status is provided and payments may not be made for the purchase of an irrevocable commitment from an insurer to pay benefits. In addition, the plan sponsor may reduce certain benefits (“adjustable benefits”) that the plan sponsor deems appropriate, but not for a participant or beneficiary who began to receive benefits before receiving notice that the plan is in critical status. Adjustable benefits generally include disability benefits not in pay status, early retirement benefits or retirement-type subsidies, and most benefit payment options, but not the amount of an accrued benefit payable at normal retirement age.

In general, a multiemployer plan is insolvent when its available resources in a plan year are not sufficient to pay the plan benefits for that plan year. In that case, benefits must be reduced to the level that can be covered by the plan’s assets, but not below the level of benefits that are eligible for guarantee under the PBGC’s multiemployer plan program. If plan assets are insufficient to pay benefits at the guarantee level, the PBGC provides financial assistance to the plan in the form of loans.

#### Suspension of benefits in multiemployer plans that are in critical and declining status

A multiemployer plan is in critical and declining status<sup>40</sup> if the plan (1) is in critical status and (2) is projected to become insolvent<sup>41</sup> during the current plan year or any of the 14 succeeding plan years (19 succeeding plan years if either the ratio of inactive plan participants to active plan participants is more than two to one or the plan’s funded percentage is less than 80 percent). In that case, subject to certain conditions, limitations, and procedural requirements, including the appointment of a retiree representative in some cases and approval by the Secretary of the Treasury, previously earned benefits may be reduced (referred to as benefit suspensions), including benefits of some participants and beneficiaries in pay status.

Benefit suspensions are permitted only if the plan actuary certifies that, taking the benefit suspensions into account, the plan is projected to avoid insolvency, and the plan sponsor

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<sup>37</sup> Sec. 432(b)(2) and sec. 305(b)(2) of ERISA.

<sup>38</sup> Sec. 432(b)(6) and sec. 305(b)(6) of ERISA.

<sup>39</sup> Sec. 418E of ERISA and sec. 4245 of ERISA.

<sup>40</sup> Sec. 432(b)(6) and sec. 305(b)(6) of ERISA.

<sup>41</sup> As defined in sec. 418E and sec. 4245 of ERISA.

determines that, despite all reasonable measures to avoid insolvency, the plan is projected to become insolvent unless benefits are suspended.

The plan sponsor generally determines the amount of the benefit suspensions and how the suspensions apply to plan participants and beneficiaries. However, benefits cannot be reduced below 110 percent of the monthly PBGC guarantee level; disability benefits cannot be suspended; benefit reductions for a participant or beneficiary between the ages of 75 and 80 are limited; benefit reductions are not permitted for a participant or beneficiary age 80 or over; and benefit suspensions in the aggregate must be at the level reasonably estimated to achieve, but not materially exceed, the level that is necessary to avoid insolvency.

### **Partition**

On application by the plan sponsor of an eligible multiemployer plan for a partition of the plan, the PBGC may order a partition of the plan. Not later than 30 days after submitting an application to the PBGC for partition of a plan, the plan sponsor must notify the participants and beneficiaries of the application, in the form and manner prescribed by PBGC regulations.

For purposes of the provision, a multiemployer plan is an eligible multiemployer plan if--

- the plan is in critical and declining status (as described above),
- the PBGC determines, after consultation with the Participant and Plan Sponsor Advocate,<sup>42</sup> that the plan sponsor has taken (or is taking concurrently with an application for partition) all reasonable measures to avoid insolvency, including maximum benefit suspensions permitted in the case of a critical and declining plan, if applicable,
- the PBGC reasonably expects that a partition of the plan will reduce the PBGC's expected long-term loss with respect to the plan and is necessary for the plan to remain solvent,
- the PBGC certifies to Congress that the PBGC's ability to meet existing financial assistance obligations to other plans (including any liabilities associated with multiemployer plans that are insolvent or that are projected to become insolvent within 10 years) will not be impaired by the partition, and
- the cost to the PBGC arising from the proposed partition is paid exclusively from the fund for basic benefits guaranteed for multiemployer plans.<sup>43</sup>

The PBGC must make a determination regarding a partition application not later than 270 days after the application is filed (or, if later, the date the application is completed) in accordance with PBGC regulations. Not later than 14 days after a partition order, the PBGC must provide notice thereof to the House Committees on Education and the Workforce and on Ways and

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<sup>42</sup> Established under section 4004 of ERISA.

<sup>43</sup> Thus, other Federal funds, including funds from the PBGC single employer plan program, may not be used for this purpose.

Means and the Senate Committees on Finance and on Health, Education, Labor, and Pensions, as well as to any affected participants or beneficiaries.

The plan sponsor and the plan administrator of the eligible multiemployer plan (the “original” plan) before the partition are the plan sponsor and plan administrator of the plan created by the partition order (the “new” plan). For purposes of determining benefits eligible for guarantee by the PBGC, the new plan is a successor plan with respect to the original plan.

The PBGC’s partition order is to provide for a transfer to the new plan the minimum amount of the original plan’s liabilities necessary for the original plan to remain solvent. The provision does not provide for the transfer to the new plan of any assets of the original plan.

It is expected that the liabilities transferred to the new plan will be liabilities attributable to benefits of specific participants and beneficiaries (or a specific group or groups of participants and beneficiaries) as requested by the plan sponsor of the original plan and approved by the PBGC, up to the PBGC guarantee level applicable to each participant or beneficiary. Thus, benefits for such participants and beneficiaries up to the guarantee level will be paid by the new plan. For each month after the effective date of the partition that such a participant or beneficiary is in pay status, the original plan will pay a monthly benefit to the participant or beneficiary in the amount by which (1) the monthly benefit that would be paid to the participant or beneficiary under the terms of the original plan if the partition had not occurred (taking into account any benefit suspensions and any plan amendments after the effective date of the partition) exceeds (2) the amount of the participant’s or beneficiary’s benefit up to the PBGC guarantee level.

During the 10-year period following the effective date of the partition, the original plan must pay the PBGC premiums due for each year with respect to participants whose benefits were transferred to the new plan. The original plan must pay an additional amount to the PBGC if it provides a benefit improvement (as defined under the rules for plans in critical and declining status, described above) that takes effect after the effective date of the partition. Specifically, for each year during the 10-year period following the effective date of the partition, the original plan must pay the PBGC an annual amount equal to the lesser of (1) the total value of the increase in benefit payments for the year that is attributable to the benefit improvement, or (2) the total benefit payments from the new plan for the year. This payment must be made to the PBGC at the time of, and in addition to, any other PBGC premium due from the original plan.

If an employer withdraws from the original plan within 10 years after the date of the partition order, the employer’s withdrawal liability will be determined by reference to both the original plan and the new plan. If the withdrawal occurs more than 10 years after the date of the partition order, withdrawal liability will be determined only by reference to the original plan and not with respect to the new plan.

#### **Withdrawal liability**

An employer that withdraws from a multiemployer plan in a complete or partial withdrawal is generally liable to the plan in the amount determined to be the employer’s

withdrawal liability.<sup>44</sup> In general, a “complete withdrawal” means the employer has permanently ceased operations under the plan or has permanently ceased to have an obligation to contribute. A “partial withdrawal” generally occurs on the last day of a plan year if, for such plan year, there is a 70-percent contribution decline or there is a partial cessation of the employer’s contribution obligation.

When an employer withdraws from a multiemployer plan, the plan sponsor is required to determine the amount of the employer’s withdrawal liability, notify the employer of the amount of the withdrawal liability, and collect the amount of the withdrawal liability from the employer. In order to determine an employer’s withdrawal liability, a portion of the plan’s unfunded vested benefits is first allocated to the employer, generally in proportion to the employer’s share of plan contributions for a previous period.<sup>45</sup> The amount of unfunded vested benefits allocable to the employer is then subject to various reductions and adjustments. An employer’s withdrawal liability is generally payable, with interest, in level annual installments. However, the amount of the annual installments is limited, based on the amount of the employer’s previous contributions to the plan, and the period over which installments are paid is limited to 20 years. An employer’s withdrawal liability is the amount determined after application of these limits. In addition, the plan sponsor and the employer may agree to settle an employer’s withdrawal liability obligation for a different amount.

If a multiemployer plan is in critical status, payments in excess of a single life annuity (plus any social security supplement, if applicable) may not be made and reductions in adjustable benefits are permitted. If a plan is in critical and declining status, benefit suspensions are permitted, including with respect to participants and beneficiaries in pay status. The elimination of any prohibited forms of distribution and reductions in adjustable benefits are disregarded in determining a plan’s unfunded vested benefits for purposes of determining an employer’s withdrawal liability. In addition, suspensions of benefits made under a multiemployer plan in critical and declining status are disregarded in determining the plan’s unfunded vested benefits for purposes of determining an employer’s withdrawal liability unless the withdrawal occurs more than 10 years after the effective date of the benefit suspension.

#### **Multiemployer Plan Program of the Pension Benefit Guaranty Corporation**

The PBGC, a corporation within DOL, provides an insurance program for benefits under most defined benefit plans maintained by private employers. The PBGC is administered by a director. Its board of directors consists of the Secretary of the Treasury, the Secretary of Labor, and the Secretary of Commerce.

The PBGC is financed through the payment of premiums by covered defined benefit plans, assets from terminated single employer defined benefit plans trustee by the PBGC, and investment income on PBGC assets. The PBGC insures pension benefits under separate programs for single employer and multiemployer defined benefit plans.

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<sup>44</sup> ERISA secs. 4201-4225.

<sup>45</sup> Under 29 C.F.R. sec. 4211.2, for this purpose, unfunded vested benefits are the amount by which the value of vested benefits under the plan exceeds the value of plan assets.

In the case of a multiemployer plan, flat-rate premiums apply at a rate of \$31 per participant for 2021. The PBGC provides financial assistance to insolvent multiemployer plans in the amount needed to pay benefits at the guarantee limit, which is the sum of 100 percent of the first \$11 of monthly benefits plus 75 percent of the next \$33 of monthly benefits multiplied by the participant's years of service.

Termination of a multiemployer defined benefit pension plan can occur as a result of (1) the adoption of a plan amendment providing that participants receive no credit under the plan for any purpose for service with any employer after a date specified in the amendment (referred to as "freezing accruals"), (2) the adoption of a plan amendment causing the plan to become a defined contribution plan, or (3) the withdrawal of every employer from the plan or the cessation of the obligation of all employers to contribute to the plan (referred to as "mass withdrawal").<sup>46</sup>

If a terminated multiemployer plan becomes insolvent and plan assets are not sufficient to pay benefits at the level guaranteed by the PBGC, the PBGC will provide financial assistance as needed to pay benefits at the guarantee level, as described above.<sup>47</sup> If a multiemployer plan that has not terminated becomes insolvent, similar rules apply, including the provision by the PBGC of financial assistance in an amount needed to provide benefits at the guarantee level.

#### **Reasons for Change**

About 10 million Americans participate in multiemployer pension plans and about 1.3 million of them are in plans that are quickly running out of money. Approximately 12 percent of multiemployer plans covering over one million workers, retirees, and beneficiaries are projected to become insolvent within the next 20 years, and many of these plans are projected to run out of funds in the next 10 years. Many of these troubled multiemployer plans cover workers who are on the front lines of the COVID-19 public health crisis, such as trucking, food processing, grocery store workers, and others. Even before the pandemic, workers, businesses, and retirees faced a crisis and were in dire need of help. The economic catastrophe resulting from COVID-19 has exacerbated the multiemployer pension crisis and threatened the hard-earned pensions of even more workers and retirees. This threatens to bankrupt the PBGC, impose damaging liabilities on thousands of businesses, and devastate communities across the country.

The Committee believes that implementing a special financial assistance program for the most financially troubled multiemployer plans and increasing PBGC premiums for multiemployer plans will (1) permit these plans to restore their solvency; (2) protect pension benefits of the participants and beneficiaries in these plans; and (3) lessen the financial impact of these plans upon the PBGC's multiemployer plan program.

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<sup>46</sup> ERISA sec. 4041A. Unlike the termination of a single employer plan (and except in the case of multiemployer plan terminations occurring before 1981), termination of a multiemployer plan does not of itself result in the end of the operation of the plan or in the PBGC's taking over the plan. Instead, the plan sponsor continues to administer the plan.

<sup>47</sup> ERISA secs. 4261 and 4281.

The legislation generally would create a special financial assistance program under which cash payments would be made by the PBGC to financially troubled multiemployer pension plans to ensure that such plans can continue paying retirees' benefits.

#### **Explanation of Provision**

##### **Special financial assistance**

The PBGC will provide financial assistance to an eligible multiemployer plan upon the application of the plan sponsor in accordance with the following requirements. A plan receiving such financial assistance will not be subject to repayment obligations.

##### **Eligible multiemployer plan**

A multiemployer defined benefit pension plan is eligible to apply for special financial assistance if:

- The plan is in critical and declining status<sup>48</sup> in any plan year beginning in 2020 through 2022;
- A suspension of benefits has been approved with respect to the plan as of the date of enactment;<sup>49</sup>
- In any plan year beginning in 2020 through 2022, the plan is certified by the plan actuary to be in critical status,<sup>50</sup> has a modified funded percentage of less than 40 percent,<sup>51</sup> and has a ratio of active to inactive participants which is less than two to three; or
- The plan became insolvent<sup>52</sup> after December 16, 2014, has remained insolvent, and has not been terminated as of the date of enactment of this provision;<sup>53</sup>

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<sup>48</sup> Within the meaning of section 305(b)(6) of ERISA.

<sup>49</sup> Sec. 432(c)(9) and sec. 305(c)(9) of ERISA.

<sup>50</sup> Within the meaning of section 305(b)(2) of ERISA.

<sup>51</sup> As noted above, for determining critical status for purposes of section 432 and section 305 of ERISA, assets and liabilities are generally both determined at their actuarial value for purposes of calculating the funded percentage, but for purposes of determining which plans are eligible multiemployer plans, the modified funded percentage means the percentage equal to a fraction the numerator of which is the current value of plan assets as defined in ERISA section 3(26) (fair market value if available and otherwise the fair value as determined in good faith by a trustee or named fiduciary pursuant to the terms of the plan and in accordance with regulations of the Secretary, assuming an orderly liquidation at the time of such determination) and the denominator of which is current liabilities (as defined in section 431(c)(6)(D) and section 304(c)(6)(D) of ERISA).

<sup>52</sup> For purposes of section 418E.

<sup>53</sup> Pursuant to section 4041A of ERISA.

Application for special financial assistance

The provision requires the PBGC to, within 120 days of the date of enactment, issue regulations or guidance setting forth the requirements for special financial assistance applications that:

- Limit the materials required to be submitted for a special financial assistance application to the minimum necessary to make a determination on the application;
- Specify the effective dates for transfers of special financial assistance following approval of an application, based on the effective date of the supporting actuarial analysis and the date on which the application is submitted; and
- Provide for an alternate application for special financial assistance which may be used by a plan that has been approved for a partition<sup>54</sup> before the date of enactment.

Temporary priority consideration of applications

The PBGC may also provide in regulations or guidance that during a period no longer than the first two years following the date of enactment, applications may not be filed by an eligible multiemployer plan unless

- The plan is insolvent, or is likely to become insolvent within five years of the date of enactment;
- The PBGC projects the plan to have a present value of financial assistance payments<sup>55</sup> that exceeds \$1,000,000,000 if the special financial assistance is not ordered;
- The plan has implemented benefit suspensions<sup>56</sup> as of the date of enactment; or
- The PBGC determines it appropriate based on other similar circumstances.

Actuarial assumptions

For purposes of determining eligibility for special financial assistance, the provision requires PBGC to accept assumptions incorporated in the eligible multiemployer plan's determination that it is in critical status or critical and declining status for certifications completed before January 1, 2021, unless such assumptions are clearly erroneous. For certifications of plan status completed after December 31, 2020, a plan determines whether it is in critical or critical and declining status for purposes of eligibility for special financial assistance by using the assumptions that the plan used in its most recently completed certification of plan status before January 1, 2021, unless such assumptions (excluding the plan's interest rate) are unreasonable.

Assumptions used in determination of amount of financial assistance


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<sup>54</sup> Sec. 4233 of ERISA.

<sup>55</sup> As defined in sec. 4261 of ERISA.

<sup>56</sup> As described in sec. 432(e)(9) and sec. 305(e)(9) of ERISA.

In determining the amount of financial assistance, an eligible multiemployer plan in its application must use the interest rate used by the plan in its most recently completed certification of plan status before January 1, 2021, provided that such interest rate does not exceed the interest rate limit. The interest rate limit is the third segment rate<sup>57</sup> for the month in which the application for special financial assistance is filed by the eligible multiemployer plan (“specified rate”) or the three preceding months, with such specified rate increased by 200 basis points. For other assumptions, the plan should use the assumptions that the plan used in its most recently completed certification of plan status before January 1, 2021, unless such assumptions are unreasonable.

If a plan determines that use of one or more prior assumptions is unreasonable, the plan may propose to change such assumptions in its application, provided that the plan discloses such changes in its application and describes the reasons why such assumptions are no longer reasonable. The PBGC shall accept such changed assumptions unless it determines the changes are unreasonable individually or in the aggregate. The plan may not propose a change to the interest rate that is otherwise required to be used (as described above) for eligibility or determining the financial assistance amount.

#### Deadline for submitting application

Any application by a plan for special financial assistance must be submitted no later than December 31, 2025, and any revised application must be submitted no later than December 31, 2026.

#### Determinations on applications

A plan’s application for special financial assistance that is timely filed in accordance with the regulations or guidance issued by the PBGC is deemed to be approved unless the corporation notifies the plan within 120 days of the filing of the application that the application is incomplete, any proposed change or assumption is unreasonable, or the plan is ineligible. Such notice must specify the reasons the plan is ineligible for special financial assistance, any proposed change or assumption is unreasonable, or information is needed to complete the application. If a plan is denied special financial assistance, the plan may submit a revised application. Any revised application for special financial assistance submitted by a plan is to be deemed approved unless the PBGC notifies the plan within 120 days of the filing of the revised application that the application is incomplete, any proposed change or assumption is unreasonable, or the plan is ineligible for such assistance.

#### Amount and manner of payment of special financial assistance

Special financial assistance issued by the PBGC to an eligible multiemployer plan is effective on a date determined by the PBGC but no later than 1 year after a plan’s special financial assistance application is approved, or deemed approved, by the PBGC. The special financial assistance must be paid by the PBGC to an eligible multiemployer plan as a single lump sum payment as soon as practicable upon approval of the application by the PBGC. The PBGC

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<sup>57</sup> Sec. 303(h)(2)(C)(iii) of ERISA disregarding modifications made under clause (iv) of such section.

may not make any special financial assistance payments to an eligible multiemployer plan after September 30, 2030.

The special financial assistance to be transferred to the eligible multiemployer plan is the amount necessary as demonstrated by the plan sponsor in its application. Such amount is the amount needed by the eligible multiemployer plan to be able to pay all benefits due during the period beginning on the date of payment of the special financial assistance and ending on the last day of the plan year ending in 2051,<sup>58</sup> with no reduction in a participant's or beneficiary's accrued benefit as of the date of enactment of this provision, except to the extent of benefit adjustments<sup>59</sup> adopted prior to the plan's application for special financial assistance, and taking into account the reinstatement of benefit suspensions (required as described below). The amount of special financial assistance is not capped by the PBGC multiemployer plan benefit guarantee.<sup>60</sup>

#### Reinstatement of suspended benefits

An eligible multiemployer plan that receives special financial assistance must reinstate any benefits that were suspended<sup>61</sup> effective as of the first month in which the effective date for the special financial assistance occurs, for participants and beneficiaries as of such month. The eligible multiemployer plan will provide payments to any participant or beneficiary in pay status as of the effective date of the special financial assistance, payable, as determined by the eligible multiemployer plan, either (1) as a lump sum within three months of the effective date of the special financial assistance; or (2) in equal monthly installments over a period of five years, commencing within three months of the effective date, with no adjustment for interest.

#### Restrictions on use of special financial assistance by eligible multiemployer plans

Special financial assistance received by an eligible multiemployer plan may be used by such plan to make benefit payments and pay plan expenses. Special financial assistance and any earnings must be segregated from other plan assets and are to be invested by plans in investment-grade bonds or other investments, as permitted by PBGC.

PBGC may impose, by regulation, reasonable conditions on an eligible multiemployer plan that receives special financial assistance relating to increases in future accrual rates and any retroactive benefit improvements, allocation of plan assets, reductions in employer contribution rates, diversion of contributions to, and allocation of expenses to, other benefit plans, and withdrawal liability.

PBGC may not impose conditions on an eligible multiemployer plan as a condition of, or following the receipt of, special financial assistance, relating to:

- Any prospective reduction in plan benefits, including adjustable benefits;<sup>62</sup>

<sup>58</sup> The funding projections will be performed on a deterministic basis.

<sup>59</sup> Made in accordance with section 305(e)(8) of ERISA.

<sup>60</sup> Sec. 4022A of ERISA.

<sup>61</sup> Sec. 305(e)(9) or sec. 4245(a) of ERISA.

<sup>62</sup> Sec. 305(e)(8) of ERISA.

- Plan governance, including selection of, removal of, and terms of contracts with, trustees, actuaries, investment managers, and other service providers; or
- Any funding rules relating to the plan receiving special financial assistance.

#### **Withdrawal liability**

An employer's withdrawal liability is calculated without taking into account special financial assistance received under this provision until the plan year beginning 15 calendar years after the effective date of the special financial assistance.

#### **Required disclosure**

An eligible multiemployer plan receiving special financial assistance must provide each employer that has an obligation to contribute to the plan, and each labor organization representing participants employed by such employer, with an estimate of the employer's share of the plan's unfunded vested benefits as of the end of each plan year ending after the date of enactment of the provision (as determined after taking into account special financial assistance received). This disclosure must include a statement that, due to the special financial assistance, the plan will have sufficient resources to pay 100 percent of the plan's benefit obligations until the last day of the plan year ending in 2051.

#### **Other conditions on plans receiving special financial assistance**

An eligible multiemployer plan receiving financial assistance:

- That subsequently becomes insolvent,<sup>63</sup> will become subject to the current rules and guarantee for insolvent plans;
- Is not eligible to apply for a new suspension of benefits; and
- Is deemed to be in critical status until the last plan year ending in 2051.

#### **Appropriations**

The provision establishes an eighth fund for special financial assistance to multiemployer plans and to pay for PBGC's necessary administrative and operating expenses relating to such special financial assistance.

Amounts are appropriated from the General Fund of the Treasury to the eighth fund as are necessary to meet the costs of providing special financial assistance to eligible multiemployer plans and the necessary administrative and operating expenses of PBGC. The provision requires such amounts to be credited to the eighth fund from time to time as the Secretary of the Treasury, in conjunction with the Director of the PBGC, determines appropriate but in no case may such transfers occur after September 30, 2030.

#### **Pension Benefit Guaranty Corporation premiums**

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<sup>63</sup> As described in sec. 418E and sec. 4245 of ERISA.

## 856

An eligible multiemployer plan receiving special financial assistance will continue to pay all premiums due for the plan for participants and beneficiaries in the plan.

### Premium rate increase

In the case of a multiemployer plan, for plan years beginning after December 31, 2030, the flat rate PBGC premium will increase to \$52 for each individual who is a participant in such plan during the applicable year.

The premium will be adjusted for inflation for each plan year beginning in a calendar year after 2031. If the amount of the adjustment is not a multiple of \$1, the amount will be rounded to the nearest multiple of \$1.

### Effective Date

The provision shall be effective on the date of enactment.

**E. Extended Amortization for Single Employer Plans**  
(sec. 9705 of the subtitle, sec. 430 of the Code, and sec. 303 of ERISA)

Present Law

Minimum funding rules

A defined benefit plan maintained by a single employer is subject to minimum funding rules that generally require the sponsoring employer to make a certain level of contribution for each plan year to fund plan benefits.<sup>64</sup> The minimum funding rules for single employer defined benefit plans were substantially revised by the Pension Protection Act of 2006 (“PPA”).<sup>65</sup>

Minimum required contributions

In general

The minimum required contribution for a plan year for a single employer defined benefit plan generally depends on a comparison of the value of the plan’s assets, reduced by any prefunding balance or funding standard carryover balance (“net value of plan assets”),<sup>66</sup> with the plan’s funding target and target normal cost. The plan’s funding target for a plan year is the present value of all benefits accrued or earned as of the beginning of the plan year. A plan’s target normal cost for a plan year is generally the present value of benefits expected to accrue or to be earned during the plan year. In the case of a plan funded below a certain level, referred to as an “at-risk” plan, specified assumptions must be used in determining the plan’s funding target and target normal cost.<sup>67</sup>

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<sup>64</sup> Secs. 412 and 430; secs. 302-303 of ERISA. For purposes of whether a plan is maintained by a single employer, certain related entities, such as the members of a controlled group, are treated as a single employer. Different funding rules apply to multiemployer and certain multiple-employer defined benefit plans, which are types of plans maintained by two or more unrelated employers. A number of exceptions to the minimum funding rules apply. For example, governmental plans (within the meaning of section 414(d)) and church plans (within the meaning of section 414(c)) are generally not subject to the minimum funding rules. Under section 4971, an excise tax applies if the minimum funding requirements are not satisfied.

<sup>65</sup> Pub. L. No. 109-280. The PPA minimum funding rules for single employer plans are generally effective for plan years beginning after December 31, 2007. Subsequent changes were made by the Worker, Retiree, and Employer Recovery Act of 2008 (“WRERA”), Pub. L. No. 110-458; the Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (“PRA 2010”), Pub. L. No. 111-192; and the Moving Ahead for Progress in the 21st Century Act, the Highway and Transportation Funding Act of 2014, and the Bipartisan Budget Act of 2015, discussed further herein.

<sup>66</sup> The value of plan assets is generally reduced by any prefunding balance or funding standard carryover balance in determining minimum required contributions. A prefunding balance results from plan contributions that exceed the minimum required contributions. A funding standard carryover balance results from a positive balance in the funding standard account that applied under the funding requirements in effect before PPA. Subject to certain conditions, a prefunding balance or funding standard carryover balance may be credited against the minimum required contribution for a year, reducing the amount that must be contributed.

<sup>67</sup> For an at-risk plan, the specified assumptions generally are as follows: All employees who are not otherwise assumed to retire as of the valuation date but who will be eligible to elect benefits during the plan year and the next 10 plan years must be assumed to retire at the earliest retirement date under the plan but not before the end of the plan year for which the “at-risk funding target” and “at-risk normal cost” are being determined. Also, all

If the net value of plan assets is less than the plan's funding target, so that the plan has a funding shortfall (discussed further below), the minimum required contribution is the sum of the plan's target normal cost and the shortfall amortization charge for the plan year (determined as described below).<sup>68</sup> If the net value of plan assets is equal to or exceeds the plan's funding target, the minimum required contribution is the plan's target normal cost, reduced by the amount, if any, by which the net value of plan assets exceeds the plan's funding target.

#### Shortfall amortization charge

The shortfall amortization charge for a plan year is the sum of the annual shortfall amortization installments attributable to the shortfall bases for that plan year and the six previous plan years. Generally, if a plan has a funding shortfall for the plan year, a shortfall amortization base must be established for the plan year.<sup>69</sup> A plan's funding shortfall is the amount by which the plan's funding target exceeds the net value of plan assets. The shortfall amortization base for a plan year is: (1) the plan's funding shortfall, minus (2) the present value, determined using the segment interest rates (discussed below), of the aggregate total of the shortfall amortization installments that have been determined for the plan year and any succeeding plan year with respect to any shortfall amortization bases for the six previous plan years. The shortfall amortization base is amortized in level annual installments ("shortfall amortization installments") over a seven-year period beginning with the current plan year and using the segment interest rates (discussed below).<sup>70</sup>

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employees must be assumed to elect the retirement benefit available under the plan at the assumed retirement age (determined as above) that would result in the highest present value of benefits. The at-risk funding target is the present value of all benefits accrued or earned under the plan as of the beginning of the plan year using the actuarial assumptions set forth in the Code and regulations for single employer plans, with the addition of a loading factor which arises when the plan has been in at-risk status for at least two of the four preceding plan years. This loading factor is equal to the sum of (1) \$700 multiplied by the number of participants in the plan and (2) four percent of the funding target (determined without regard to the definition of at-risk funding target). The at-risk normal cost for a plan year generally represents the excess of the sum of (1) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year using the at-risk assumptions described above plus (2) the amount of plan related expenses expected to be paid from plan assets during the plan year, over (3) the amount of mandatory employee contributions expected to be made during the plan year. In addition, where the plan has been in at-risk status for at least two of the four preceding plan years, a loading factor is added, which is equal to four percent of the target normal cost (the excess of the sum of (1) the present value of all benefits which are expected to accrue or to be earned under the plan during the plan year plus (2) the amount of plan-related expenses expected to be paid from plan assets during the plan year, over (3) the amount of mandatory employee contributions expected to be made during the plan year) with respect to the plan for the plan year.

<sup>68</sup> If the plan has obtained a waiver of the minimum required contribution (a funding waiver) within the past five years, the minimum required contribution also includes the related waiver amortization charge, that is, the annual installment needed to amortize the waived amount in level installments over the five years following the year of the waiver.

<sup>69</sup> If the value of plan assets, reduced only by any prefunding balance if the employer elects to apply the prefunding balance against the required contribution for the plan year, is at least equal to the plan's funding target, no shortfall amortization base is established for the year.

<sup>70</sup> Under PRA 2010, employers were permitted to elect to use one of two alternative extended amortization schedules for up to two "eligible" plan years during the period 2008-2011. The use of an extended amortization schedule has the effect of reducing the amount of the shortfall amortization installments attributable to the shortfall amortization base for the eligible plan year. However, the shortfall amortization installments attributable to an eligible plan year may be increased by an additional amount, an "installment acceleration amount," in the case of

The shortfall amortization base for a plan year may be positive or negative, depending on whether the present value of remaining installments with respect to amortization bases for previous years is more or less than the plan's funding shortfall. If the shortfall amortization base is positive (that is, the funding shortfall exceeds the present value of the remaining installments), the related shortfall amortization installments are positive. If the shortfall amortization base is negative, the related shortfall amortization installments are negative. The positive and negative shortfall amortization installments for a particular plan year are netted when adding them up in determining the shortfall amortization charge for the plan year, but the resulting shortfall amortization charge cannot be less than zero (that is, negative amortization installments may not offset normal cost).

If the net value of plan assets for a plan year is at least equal to the plan's funding target for the year, so the plan has no funding shortfall, any shortfall amortization bases and related shortfall amortization installments are eliminated.<sup>71</sup> As indicated above, if the net value of plan assets exceeds the plan's funding target, the excess is applied against target normal cost in determining the minimum required contribution.

**Interest rate used to determine target normal cost and funding target**

The minimum funding rules for single employer plans also specify the interest rates that must be used in determining the present value of benefits for purposes of a plan's target normal cost and funding target. Present value is generally determined using three interest rates ("segment" rates), each of which applies to benefit payments expected to be made from the plan during a certain period.<sup>72</sup>

The first segment rate applies to benefits reasonably determined to be payable during the five-year period beginning on the plan's annual valuation date;<sup>73</sup> the second segment rate applies to benefits reasonably determined to be payable during the 15-year period following the initial five-year period; and the third segment rate applies to benefits reasonably determined to be payable after the end of the 15-year period. Under the funding rules as enacted in PPA ("PPA" rules), each segment rate is a single interest rate determined monthly by the Secretary of the Treasury, on the basis of a corporate bond yield curve, taking into account only the portion of the yield curve based on corporate bonds maturing during the particular segment rate period. The corporate bond yield curve used for this purpose reflects the average, for the 24-month period ending with the preceding month, of yields on investment grade corporate bonds with varying maturities and that are in the top three quality levels available.<sup>74</sup> The Internal Revenue Service ("IRS") publishes the segment rates each month.

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employee compensation exceeding \$1 million, extraordinary dividends, or stock redemptions within a certain period of the eligible plan year.

<sup>71</sup> Any amortization base relating to a funding waiver for a previous year is also eliminated.

<sup>72</sup> Sec. 430(h)(2) and ERISA sec. 303(h)(2).

<sup>73</sup> Subject to an exception for small plans with no more than 100 participants, the annual valuation date for a plan must be the first day of the plan year.

<sup>74</sup> Solely for purposes of determining minimum required contributions, in lieu of the segment rates, an employer may elect to use interest rates on a yield curve based on the yields on investment grade corporate bonds for the month preceding the month in which the plan year begins (that is, without regard to the 24-month averaging

Under the Moving Ahead for Progress in the 21st Century Act (“MAP-21”), the Highway and Transportation Funding Act of 2014 (“2014 Highway Act”), and the Bipartisan Budget Act of 2015 (“2015 Bipartisan Budget Act”),<sup>75</sup> for plan years beginning after December 31, 2011, a segment rate determined under the PPA rules is adjusted if it falls outside a specified percentage range of the average segment rates for a preceding period. In particular, if a segment rate determined under the PPA rules is less than the applicable minimum percentage in the specified range, the segment rate is adjusted upward to match the minimum percentage. If a segment rate determined under the PPA rules is more than the applicable maximum percentage in the specified range, the segment rate is adjusted downward to match the maximum percentage. For this purpose, an average segment rate is the average of the segment rates determined under the PPA rules for the 25-year period ending September 30 of the calendar year preceding the calendar year in which the plan year begins. The Secretary is to determine average segment rates on an annual basis and may prescribe equivalent rates for any years in the 25-year period for which segment rates determined under the PPA rules are not available. The Secretary is directed to publish the average segment rates each month.

The specified percentage range (that is, the range from the applicable minimum percentage to the applicable maximum percentage) for a plan year is determined by reference to the calendar year in which the plan year begins as follows:

- 90 percent to 110 percent for 2012 through 2020,
- 85 percent to 115 percent for 2021,
- 80 percent to 120 percent for 2022,
- 75 percent to 125 percent for 2023, and
- 70 percent to 130 percent for 2024 or later.

#### **Annual funding notice**

The plan administrator of a single employer defined benefit plan must provide an annual funding notice to each participant and beneficiary, each labor organization representing participants or beneficiaries, and the PBGC.<sup>76</sup> In addition to the information required to be provided in all funding notices, in the case of a single employer defined benefit plan, the notice must include (1) the plan’s funding target attainment percentage for the plan year to which the notice relates and the two preceding plan years, (2) the value of the plan’s assets and benefit liabilities (that is, the present value of benefits owed under the plan) for the plan year and the two preceding years, determined in the same manner as under the funding rules, and (3) the value of the plan’s assets and benefit liabilities as of the last day of the plan year to which the notice relates, determined using the fair market value of plan assets (rather value determined under the

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described above) (“monthly yield curve”). If an election to use a monthly yield curve is made, it cannot be revoked without IRS approval.

<sup>75</sup> Pub. L. Nos. 112-141, 113-159 and 114-74.

<sup>76</sup> ERISA sec. 101(f). Annual funding notice requirements, with some differences, apply also to multiemployer and multiple-employer plans.

funding rules) and, in computing benefit liabilities, the interest rates used in computing variable-rate PBGC premiums.<sup>77</sup>

Additional information must be included in a single employer plan's annual funding notice in the case of an applicable plan year. For this purpose, an applicable plan year is any plan year beginning after December 31, 2011, and before January 1, 2023, for which (1) the plan's funding target, determined using segment rates as adjusted to reflect average segment rates ("adjusted" segment rates), is less than 95 percent of the funding target determined without regard to adjusted segment rates, (2) the plan has a funding shortfall, determined without regard to adjusted segment rates, greater than \$500,000, and (3) the plan had 50 or more participants on any day during the preceding plan year. Specifically, the notice must include (1) a statement that MAP-21, the 2014 Highway Act, and the 2015 Bipartisan Budget Act modified the method for determining the interest rates used to determine the actuarial value of benefits earned under the plan, providing for a 25-year average of interest rates to be taken into account in addition to a two-year average, (2) a statement that, as a result of MAP-21, the 2014 Highway Act, and the 2015 Bipartisan Budget Act, the plan sponsor may contribute less money to the plan when interest rates are at historical lows, and (3) a table showing, for the applicable plan year and each of the two preceding plan years, the plan's funding target attainment percentage, funding shortfall, and the employer's minimum required contribution, each determined both using adjusted segment rates and without regard to adjusted segment rates.

#### **Reasons for Change**

As a result of the ongoing pattern of interest rate and market volatility due to the COVID-19 public health emergency, the current law requirement to amortize funding shortfalls over seven years does not provide enough stability and sufficient time over which to pay for long-term liabilities.

The Committee believes that for plan year 2019 or plan year 2020 (at the election of the plan sponsor), all shortfall amortization bases for all plan years preceding such plan year should be reduced to zero. In addition, for all plan years beginning after December 31, 2019 or 2020 (i.e., the plan year the plan sponsor elected), all shortfalls should be amortized over 15 years, rather than seven years.

#### **Explanation of Provision**

Under the provision, with respect to plan years beginning after December 31, 2019, (or, at the election of the plan sponsor, after December 31, 2018) the shortfall amortization bases for all plan years preceding the first plan year beginning after December 31, 2019 (or after December 31, 2018, whichever is elected), and all shortfall amortization installments determined with respect to such bases, are reduced to zero. In addition, the shortfall amortization

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<sup>77</sup> In applying the funding rules, the value of plan assets may be determined on the basis of average fair market values over a period of up to 24 months. PBGC variable-rate premiums are based on a plan's unfunded vested benefit liabilities, computed using the first, second and third segment rates as determined under the PPA rules (without the adjustments applicable for funding purposes), but based on a monthly corporate bond yield curve, rather than a yield curve reflecting average yields for a 24-month period.

862

installments of the plan for plan years beginning after December 31, 2019 (or, if elected, after December 31, 2018) are determined over a 15-year period, rather than a 7-year period.

**Effective Date**

The provision is effective for plan years beginning after December 31, 2018.

**F. Extension of Pension Funding Stabilization Percentages for Single Employer Plans  
(sec. 9706 of the subtitle, sec. 430 of the Code, and secs. 101 and 303 of ERISA)**

**Present Law**

**Minimum funding rules**

A defined benefit plan maintained by a single employer is subject to minimum funding rules that generally require the sponsoring employer to make a certain level of contribution for each plan year to fund plan benefits.<sup>78</sup> For background relating to these rules, see Present Law under section E. above.

**Reasons for Change**

In 2012, 2014, and 2015, Congress provided for pension interest rate smoothing in order to address concerns that historically low interest rates were creating inflated pension funding obligations, diverting corporate assets away from jobs and business recovery. Under interest rate smoothing, the interest rates used to value pension liabilities must be within 10% of 25-year interest rate averages. The smoothed interest rates would begin phasing out in 2021, with the 10% corridor around the 25-year interest rate averages increasing five percentage points each year until interest rates need only be within 30% of the 25-year averages. Because of this phaseout, smoothing would soon cease to have much effect.

The Committee believes that in order to preserve the stabilizing effects of smoothing, especially in light of the current COVID-19 pandemic, an interest rate corridor should be retained but reduced from a 10% interest rate corridor to 5%, effective in 2020 and the phase-out of the 5% corridor would be delayed until 2026, at which point the corridor would, as under current law, increase by five percentage points each year until it attains 30% in 2030, where it would stay. A 5% floor would be put on the 25-year interest rate averages. This floor would establish stability and predictability on a longer-term basis, so that interest rate variations do not create excessive volatility. In addition, this floor would protect funding rules from the extremes of interest rate movements.

**Explanation of Provision**

The provision revises the specified percentage ranges (that is, the range from the applicable minimum percentage to the applicable maximum percentage of average segment rates) for determining whether a segment rate must be adjusted upward or downward. Under the provision, the specified percentage range for a plan year is determined by reference to the calendar year in which the plan year begins as follows:

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<sup>78</sup> Secs. 412 and 430; secs. 302-303 of ERISA. For purposes of whether a plan is maintained by a single employer, certain related entities, such as the members of a controlled group, are treated as a single employer. Different funding rules apply to multiemployer and certain multiple-employer defined benefit plans, which are types of plans maintained by two or more unrelated employers. A number of exceptions to the minimum funding rules apply. For example, governmental plans (within the meaning of section 414(d)) and church plans (within the meaning of section 414(e)) are generally not subject to the minimum funding rules. Under section 4971, an excise tax applies if the minimum funding requirements are not satisfied.

864

- 90 percent to 110 percent for 2012 through 2019,
- 95 percent to 105 percent for 2020 through 2025,
- 90 percent to 110 percent for 2026,
- 85 percent to 115 percent for 2027,
- 80 percent to 120 percent for 2028,
- 75 percent to 125 percent for 2029, and
- 70 percent to 130 percent for 2030 or later.

The provision further provides that if the average of the first, second or third segment rate for any 25-year period is less than five percent, such average shall be deemed to be five percent.

In addition, for purposes of the additional information that must be provided in a funding notice for an applicable plan year, an applicable plan year includes any plan year that begins after December 31, 2011, and before January 1, 2029, and that otherwise meets the definition of applicable plan year.

**Effective Date**

The provision applies to plan years beginning after December 31, 2019.

**G. Modification of Special Rules for Minimum Funding Standards  
for Community Newspaper Plans  
(sec. 9707 of the subtitle, sec. 430 of the Code, and sec. 303 of ERISA)**

**Present Law**

**Minimum funding rules**

A defined benefit plan maintained by a single employer is subject to minimum funding rules that generally require the sponsoring employer to make a certain level of contribution for each plan year to fund plan benefits.<sup>79</sup> For background relating to these rules, see Present Law under section E. above.

**Special rules for community newspaper plans**

Under the Setting Every Community Up for Retirement Enhancement Act of 2019 (“SECURE Act”), Congress enacted special funding rules that apply to community newspaper plans.<sup>80</sup> An employer maintaining a community newspaper plan (as defined below) under which no participant has had the participant’s accrued benefit increased (whether because of service or compensation) after December 31, 2017, may elect to apply certain alternative funding rules to the plan and any other plan sponsored by any member of the controlled group.<sup>81</sup> An election to apply the alternative funding rules must be made at such time and in such manner as prescribed by the Secretary of the Treasury, and once made with respect to a plan year, applies to all subsequent years unless revoked with the consent of the Secretary of the Treasury.<sup>82</sup>

Under the alternative funding rules, an interest rate of eight percent is used to determine a plan’s funding target and target normal cost, rather than the first, second, and third segment rates. However, if new benefits are accrued or earned under a plan for a plan year in which the election is in effect, the present value of such benefits must be determined on the basis of the U.S. Treasury obligation yield curve for the day that is the valuation date of such plan for such plan year. In addition, if the value of plan assets is less than the plan’s funding target, such that the plan has a funding shortfall, the shortfall is required to be funded by contributions, with interest, over 30 years, rather than over seven years. The shortfall amortization bases determined<sup>83</sup> for all plan years preceding the first plan year to which the election applies (and all related shortfall

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<sup>79</sup> Secs. 412 and 430; secs. 302-303 of ERISA. For purposes of whether a plan is maintained by a single employer, certain related entities, such as the members of a controlled group, are treated as a single employer. Different funding rules apply to multiemployer and certain multiple-employer defined benefit plans, which are types of plans maintained by two or more unrelated employers. A number of exceptions to the minimum funding rules apply. For example, governmental plans (within the meaning of section 414(d)) and church plans (within the meaning of section 414(e)) are generally not subject to the minimum funding rules. Under section 4971, an excise tax applies if the minimum funding requirements are not satisfied.

<sup>80</sup> Sec. 430(m), as added by the SECURE Act, Pub. L. No. 116-94, Div. O.

<sup>81</sup> For this purpose, the controlled group means all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 as of the date of enactment of the SECURE Act.

<sup>82</sup> The IRS has provided guidance on such elections in Notice 2020-60, 2020-36 I.R.B. 514, August 31, 2020.

<sup>83</sup> Under section 430(c)(3).

amortization installments) are reduced to zero. Further, the assumptions applicable to an “at-risk” plan do not apply.

For purposes of these rules, a “community newspaper plan” is a plan<sup>84</sup> that is maintained by an employer that, as of December 31, 2017:

- publishes and distributes daily, either electronically or in printed form, one or more community newspapers (as defined below) in a single State;<sup>85</sup>
- is not a company the stock of which is publicly traded on a stock exchange or in an over-the-counter market, and is not controlled, directly or indirectly, by such a company;
- is controlled, directly or indirectly (a) by one or more persons residing primarily in the State in which the community newspaper is published; (b) for at least 30 years by individuals who are members of the same family; (c) by a trust created or organized in the State in which the community newspaper is published, the sole trustees of which are persons described in (a) or (b); (d) by an entity described in section 501(c)(3) and exempt from tax under section 501(a) that is organized and operated in the State in which the community newspaper is published, and the primary purpose of which is to benefit communities in the State; or (e) by a combination of persons described in (a), (c), or (d); and
- does not control, directly or indirectly, any newspaper in any other State.

A “community newspaper” means a newspaper that primarily serves a metropolitan statistical area, as determined by the Office of Management and Budget, with a population of not less than 100,000. A person (the “first” person) is treated as controlled by another person if the other person possesses, directly or indirectly, the power to direct or cause the direction and management of the first person (including the power to elect a majority of the members of the board of directors of the first person) through the ownership of voting securities.

#### **Reasons for Change**

The special funding rules enacted under the SECURE Act provided relief to many sponsors of community newspaper pension plans. The Committee believes that this relief should be extended to certain community newspaper pension plans that did not qualify under the eligibility rules in the SECURE Act, and that eligibility for such relief should also be refined to best target the plans most in need of relief.

#### **Explanation of Provision**

The provision modifies the eligibility rules that apply to the special rules for minimum funding standards for community newspaper plans. Under the provision, an eligible newspaper

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<sup>84</sup> The plan must also be a plan to which section 430(m) applies.

<sup>85</sup> Under ERISA, a community newspaper plan includes one that publishes and distributes daily, either electronically or in printed form, either a community newspaper or one or more community newspapers in the same State. Sec. 303(m)(4)(A)(i).

plan sponsor of a plan under which no participant has had the participant's accrued benefit increased (whether because of service or compensation) after April 2, 2019, may elect to apply the alternative funding rules to the plan. An eligible newspaper plan sponsor is defined in the provision as the plan sponsor of any community newspaper plan or any other plan sponsored, as of April 2, 2019, by a member of the same controlled group of a plan sponsor of a community newspaper plan if such member is in the trade or business of publishing one or more newspapers.

The provision revises the definition of community newspaper plan to mean any plan maintained as of December 31, 2018, by an employer that:

- maintains the plan on behalf of participants and beneficiaries with respect to employment in the trade or business of publishing one or more newspapers which were published by the employer at any time during the 11-year period ending on the date of the enactment of this provision;
- either (a) is not a company the stock of which is publicly traded (on a stock exchange or in an over-the-counter market), and is not controlled, directly or indirectly, by such a company, or (b) is controlled, directly or indirectly, during the entire 30-year period ending on the date of the enactment of this provision by individuals who are members of the same family, and does not publish or distribute a daily newspaper that is carrier-distributed in printed form in more than five States; and
- is controlled, directly or indirectly (a) by one or more persons residing primarily in a State in which the community newspaper has been published on newsprint or carrier-distributed; (b) during the entire 30-year period ending on the date of the enactment of this provision by individuals who are members of the same family; (c) by one or more trusts, the sole trustees of which are persons described in (a) or (b); or (d) by a combination of persons described in (a), (b), or (c).

The provision removes the definition of "community newspaper" from the eligibility rules, but defines "newspaper" as not including any newspaper to which any of the following apply: (a) the newspaper is not in general circulation; (b) the newspaper is published (on newsprint or electronically) less frequently than three times per week; (c) the newspaper has not ever been regularly published on newsprint; and (d) the newspaper does not have a bona fide list of paid subscribers.

#### Effective Date

The provision applies to plan years ending after December 31, 2017.

### **H. Cost-of-Living Adjustment Freeze (sec. 9708 of the subtitle and secs. 401(a) and 415 of the Code)**

#### Present Law

The Code imposes limits relating to contributions and benefits under qualified plans. Under a defined contribution plan, annual additions to the plan with respect to each plan participant are limited to the lesser of (1) 100 percent of compensation or (2) \$40,000.<sup>86</sup> The \$40,000 amount is adjusted annually for cost-of-living increases in \$1,000 increments.<sup>87</sup> For 2021, this amount is \$58,000.

Under a defined benefit plan, the maximum annual benefit payable at retirement is generally the lesser of (1) \$160,000,<sup>88</sup> or (2) 100 percent of the participant's high-three-year average compensation. The \$160,000 dollar amount is adjusted annually for cost-of-living increases in \$5,000 increments,<sup>89</sup> and is \$230,000 for 2021. In the case of a participant who separated from service, the amount taken into account under clause (2) is also adjusted annually for cost-of-living increases.<sup>90</sup>

In addition, the annual compensation of each participant that may be taken into account for purposes of determining contributions and benefits under a plan, applying the deduction rules, and for nondiscrimination testing purposes is limited to \$200,000, indexed for cost-of-living adjustments in \$10,000 increments.<sup>91</sup> For 2021, the limit on annual compensation that may be taken into account is \$290,000.

#### **Reasons for Change**

The Committee believes it is important to encourage retirement savings by providing favorable tax treatment to qualified retirement plans and participants. However, the Committee also believes that such favorable tax treatment should be limited so as not to disproportionately benefit high-income individuals when compared with middle- and low-income individuals. For this reason, the Committee believes that it is appropriate to freeze the cost-of-living adjustments that apply to certain limits under qualified plans so that such limits are not adjusted for cost-of-living increases in calendar years after 2030.

#### **Explanation of Provision**

Under the provision, the \$40,000 amount applicable to the contribution limit for defined contribution plans and the \$160,000 amount applicable to the maximum annual benefit under a defined benefit plan (as well as the amount taken into account in determining the defined benefit plan limitation in the case of participant who separated from service) are not adjusted for cost-of-living increases for calendar years after 2030. Similarly, the limit on annual compensation of a participant that may be taken into account under a plan is not adjusted for cost-of-living

<sup>86</sup> Sec. 415(c). Annual additions are the sum of employer contributions, employee contributions, and forfeitures with respect to an individual under all defined contribution plans of the same employer. Sec. 415(c)(2); sec. 415(f).

<sup>87</sup> Secs. 415(d)(1)(C) and 415(d)(4)(B).

<sup>88</sup> Sec. 415(b)(1).

<sup>89</sup> Secs. 415(d)(1)(A) and 415(d)(4)(A).

<sup>90</sup> Sec. 415(d)(1)(B). For a participant who has separated from service before January 1, 2021, the limitation under a defined benefit plan is computed by multiplying the participant's compensation limitation, as adjusted through 2020, by 1.0122. Notice 2020-79, 2020-46 I.R.B. 1014, November 9, 2020.

<sup>91</sup> Sec. 401(a)(17).

increases for calendar years after 2030. Rather, the cost-of-living adjustments that apply to each of these amounts for calendar year 2030 apply for calendar years after 2030. (For 2021, the annual contribution limit for defined contribution plans<sup>92</sup> is \$58,000, the limit on the annual benefit under a defined benefit plan<sup>93</sup> is \$230,000, and the annual compensation limit<sup>94</sup> is \$290,000.)

The modifications to the rules applicable to cost-of-living adjustments under this provision do not apply to a plan maintained pursuant to one or more collective bargaining agreements. In addition, the provision does not change the cost-of-living adjustments that apply to individual retirement accounts,<sup>95</sup> certain deferred compensation plans maintained by state and local governments and tax-exempt organizations,<sup>96</sup> and simplified employee pension (“SEP”) plans.<sup>97</sup>

#### **Effective Date**

The provision is effective on the date of enactment.

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<sup>92</sup> Under sec. 415(c)(1)(A).

<sup>93</sup> Under sec. 415(b)(1)(A).

<sup>94</sup> Under sec. 401(a)(17).

<sup>95</sup> Sec. 408(a). The provision also does not apply to individual retirement annuities under section 408(b).

<sup>96</sup> Sec. 457(b).

<sup>97</sup> Sec. 408(k).

**IV. VOTES OF THE COMMITTEE**

Pursuant to clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of Budget Reconciliation Legislative Recommendations Relating to Pensions, the “Butch Lewis Emergency Pension Plan Relief Act of 2021,” on February 11, 2021.

An amendment to the amendment in the nature of a substitute to Subtitle H that would provide appropriate federal oversight of plans receiving federal assistance under Section 9704 of subtitle H was offered by Mr. Buchanan.

An amendment to the amendment in the nature of a substitute to Subtitle H that would limit assistance to plans that are currently in critical and declining status and to the amount necessary to allow plans to pay at least as much as the PBGC guaranteed benefit through 2051 was offered by Mr. Arrington.

The amendments offered by Mr. Buchanan and Mr Arrington were considered and voted en bloc and were defeated by a vote of 18 yeas to 24 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT				MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS		X		MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT		X					
CHAIRMAN NEAL		X					
<b>TOTALS</b>		24		<b>TOTALS</b>	18		

An amendment in the nature of a substitute to Subtitle H was agreed to by a voice vote (with a quorum being present).

Subtitle H was ordered favorably transmitted to the House Committee on the Budget as amended by an amendment in the nature of a substitute offered by Chairman Neal by a vote of 25 yeas to 18 nays. The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NE)		X	
MR. KIND	X			MR. REED		X	
MR. PASCRELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE	X			MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS	X			MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT	X						
CHAIRMAN NEAL	X						
<b>TOTALS</b>	25					18	

**V. BUDGET EFFECTS OF THE SUBTITLE**

**A. Committee Estimate of Budgetary Effects**

In compliance with clause 3(d) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of the subtitle.

Subtitle H is estimated to increase Federal fiscal year budget receipts by \$23.2 billion for the period 2021 through 2031.

**ESTIMATED BUDGETARY EFFECTS OF THE REVENUE PROVISIONS OF THE  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS,  
AS REPORTED BY THE HOUSE COMMITTEE ON WAYS AND MEANS**

Fiscal Years 2021 - 2031

[Millions of Dollars]

Provision	Effective	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
<b>SUBTITLE H - PENSIONS</b>														
A. Relief for Multiemployer Pension Plans [1].....	various	----- Estimate To Be Provided by the Congressional Budget Office-----												
B. Relief for Single Employer Pension Plans														
1. Extended amortization for single employer plans [2][3].....	pyba 12/31/18	361	508	826	1,191	2,335	1,678	2,819	3,234	3,477	3,346	3,068	6,899	22,841
2. Extension of pension funding stabilization percentages for single employer plans [3].....	pyba 12/31/19	----- Estimate Included In Item B. 1. Above-----												
3. Modification of special rules for minimum funding standards for community newspaper plans [1][2][4].....	pyea 12/31/17	25	19	24	27	28	31	33	33	32	30	30	154	311
C. Reconciliation Offsets - Cost of Living Adjustment														
Freeze [5].....	cyba 12/31/30	---	---	---	---	---	---	---	-3	-9	-17	58	---	29
<b>NET TOTAL</b> .....		<b>386</b>	<b>527</b>	<b>850</b>	<b>1,218</b>	<b>2,363</b>	<b>1,709</b>	<b>2,852</b>	<b>3,264</b>	<b>3,500</b>	<b>3,359</b>	<b>3,156</b>	<b>7,053</b>	<b>23,181</b>

Joint Committee on Taxation

NOTE: Details may not add to totals due to rounding. The date of enactment is assumed to be March 1, 2021. Revenue provisions as submitted in statutory language Neal\_014.

Legend for "Effective" column:

cyba = calendar years beginning after

pyba = plan years beginning after

pyea = plan years ending after

[1] Estimate provided by the Congressional Budget Office.

[2] Estimates contain the following outlay effects:

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
Extended amortization for single employer plans.....	-107	-144	-232	-353	-1,124	-93	-917	-1,156	-1,419	-1,643	-1,819	-2,053	-9,007
Modification of special rules for minimum funding standards for community newspaper plans [6].....	-7	-7	-11	-15	-18	-21	-24	-27	-30	-32	-35	-79	-227

[3] Estimate includes the following budget and outlay effects:

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
Total Revenue Effect.....	361	508	826	1,191	2,335	1,678	2,819	3,234	3,477	3,346	3,068	6,899	22,842
On-budget effects.....	229	312	499	689	973	1,272	1,522	1,644	1,611	1,329	975	3,973	11,055
Off-budget effects.....	25	53	95	150	238	312	380	434	447	374	273	873	2,781

[Footnotes for Table 21-1 013 continued on the following page]

Footnotes continued for Table Z1-1 013:

	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-26	2021-31
[4] Estimate includes the following budget and outlay effects:													
Total Revenue Effect.....	25	19	24	27	28	31	33	33	32	30	30	154	311
On-budget effects.....	16	10	11	9	8	8	6	4	[7]	-3	-5	61	63
Off-budget effects.....	2	2	3	3	3	3	3	2	1	1	17	14	21
[5] Estimate includes the following budget effects:													
Total Revenue Effect.....	---	---	---	---	---	---	---	-3	-9	-17	58	---	29
On-budget effects.....	---	---	---	---	---	---	---	-2	-7	-13	38	---	16
Off-budget effects.....	---	---	---	---	---	---	---	-1	-2	-4	20	---	13

[6] Outlay effects provided by the Congressional Budget Office. For estimates under Subtitle H, items 2.B.1., 2.B.2 and 2.B.3, spending is decreased (negative) as premiums rise due to higher plan underfunding; this has the same effect on the deficit as an increase in revenues.

[7] Gain of less than \$500,000.

**B. Statement Regarding New Budget Authority  
and Tax Expenditures Budget Authority**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee states that subtitle H involves no new or increased budget authority. The Committee further states that the following sections of the subtitle include new tax expenditures: 9704 (Special Financial Assistance Program for Financially Troubled Multiemployer Plans), 9705 (Extended Amortization for Single Employer Plans), 9706 (Extension of Pension Funding Stabilization Percentages for Single Employer Plans), and 9707 (Modification of Special Rules for Minimum Funding Standards for Community Newspaper Plans).

**C. Cost Estimate Prepared by the Congressional Budget Office**

With respect to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, please refer to Subtitle A for an estimate for the Reconciliation Recommendations of the Committee on Ways and Means as prepared by CBO.

## **VI. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE**

### **A. Committee Oversight Findings and Recommendations**

With respect to clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

### **B. Statement of General Performance Goals and Objectives**

With respect to clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the Committee advises that the subtitle contains no measure that authorizes funding, so no statement of general performance goals and objectives is required.

### **C. Information Relating to Unfunded Mandates**

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4).

The Committee has determined that subtitle H contains Federal mandates on the private sector with respect to the cost-of-living adjustment freeze. The Committee has determined that the subtitle does not impose a Federal intergovernmental mandate on State, local, or tribal governments. Refer to subtitle A for CBO analysis of mandates contained in the Reconciliation Recommendations of the Committee on Ways and Means.

### **D. Applicability of House Rule XXI, Clause 5(b)**

Clause 5(b) of rule XXI of the Rules of the House of Representatives provides, in part, that "It shall not be in order to consider a bill, joint resolution, amendment, or conference report carrying a retroactive Federal income tax rate increase." The Committee, after careful review, states that the subtitle does not involve any retroactive Federal income tax rate increase within the meaning of the rule.

### **E. Tax Complexity Analysis**

Section 4022(b) of Pub. L. No. 105-266, the Internal Revenue Service Restructuring and Reform Act of 1998 (the "RRA"), requires the staff of the Joint Committee on Taxation (in consultation with the Internal Revenue Service and the Treasury Department) to provide a tax complexity analysis. The complexity analysis is required for all legislation reported by the Senate Committee on Finance, the House Committee on Ways and Means, or any committee of conference if the legislation includes a provision that directly or indirectly amends the Code and has widespread applicability to individuals or small businesses.

Pursuant to clause 3(h)(1) of rule XIII of the Rules of the House of Representatives, the staff of the Joint Committee on Taxation has determined that a complexity analysis is not required under section 4022(b) of the RRA because the subtitle contains no provision that

amends the Code and has “widespread applicability” to individuals or small businesses within the meaning of the rule.

**F. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits**

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the subtitle H, and states that the provisions of the subtitle do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

**G. Duplication of Federal Programs**

In compliance with clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the subtitle establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report to Congress pursuant to section 21 of Pub L. No. 111139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant to section 6104 of title 31, United States Code.

**H. Hearings**

Pursuant to section 3(u) of H.Res. 8 (117th Congress), no legislative hearings were held in the 117<sup>th</sup> Congress to develop or consider Subtitle H due to the exigent nature of the Covid 19 global pandemic and the need for immediate legislative action.

**VII. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE**

**A. Text of Existing Law Amended or Repealed by the Subtitle**

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested but did not receive the text of changes in existing law made by the subtitle, as reported.

**VIII. DISSENTING VIEWS**

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

February 16, 2021

**DISSENTING VIEWS ON SUBTITLE H.  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS  
RELATING TO PENSIONS**

We are disappointed that the Democrats opted to include an unprecedented bailout of union- and employer-run pension plans in a legislative package that should be focused on crushing the virus and reopening the economy. The condition of multiemployer pensions is serious, and improving it requires thoughtful consideration and long-term solutions. We should be clear: this taxpayer-funded bailout has nothing to do with COVID-19.

Many multiemployer pensions are in trouble due to unfunded pension promises and decades of mismanagement. The Congressional Research Service reported that that multiemployer pensions were already underfunded by more than \$650 billion before the impact of the COVID-19 pandemic. The Democrats' costly bailout sets a dangerous precedent and will exacerbate our future challenges. Though we did not know the total cost when the Committee approved the proposal along party lines, the Congressional Budget Office has since estimated that the bailout will cost \$84 billion. That staggering amount is significantly higher than the cost of the partition plan passed by the House twice in 2020, and it will be allocated to a relatively small number of plan participants. According to the Pension Benefit Guarantee Corporation (PBGC), the bailout will benefit only about 2 million of the roughly 11 million participants in multiemployer plans. The \$84 billion bailout amount equals more than \$35,000 for each participant in a qualifying plan, and \$319,000 per active participant in such plans. American taxpayers are being asked to cover promises that pension trustees never should have been allowed to make.

As Republicans emphasized, workers and retirees should not be blamed for the poor, and sometimes corrupt, management of multiemployer pension plans. It is troubling that Democrats would dismiss the opportunity to protect millions of other plan participants by adopting reforms recommended by experts and bipartisan members of Congress who have studied this issue in recent years.

Republicans offered amendments to improve the management and solvency of multiemployer pension plans, including appointing independent trustees, strengthening governance rules, and targeting assistance to plans currently in critical and declining status. Republicans sought to repeal a provision that prohibits PBGC from governance oversight of plans receiving taxpayer assistance and a provision that would allow plan trustees to artificially worsen the financial condition of their plan to qualify for federal assistance. All of these reasonable improvements were rejected by the Democrats.

American workers and families would be better served by pandemic response legislation centered around measures to defeat the virus and get the economy back on track, and by bipartisan, long-term solutions to the significant multiemployer pension challenge.

A handwritten signature in black ink, appearing to read "Kevin Brady", is enclosed within a rectangular border that has a dotted or stippled texture.

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Kevin Brady  
Republican Leader  
Committee on Ways and Means

CONTENTS

	<u>Page</u>
SUBTITLE I – CHILD CARE FOR WORKERS .....	1
I. SUMMARY AND BACKGROUND.....	1
A. Purpose and Summary.....	1
B. Background and Need for Legislation.....	1
C. Legislative History .....	4
II. EXPLANATION OF SUBTITLE.....	5
A. Subtitle I – Child Care for Workers.....	5
III. VOTES OF THE COMMITTEE .....	6
IV. BUDGET EFFECTS OF THE SUBTITLE .....	10
A. Committee Estimate of Budgetary Effects .....	10
B. Statement Regarding New Budget Authority and Tax Expenditures Budget Authority .....	10
C. Cost Estimate Prepared by the Congressional Budget Office .....	10
V. OTHER MATTERS TO BE DISCUSSED UNDER THE RULES OF THE HOUSE .....	11
A. Committee Oversight Findings and Recommendations .....	11
B. Statement of General Performance Goals and Objectives.....	11
C. Information Relating to Unfunded Mandates.....	11
D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits.....	11
E. Duplication of Federal Programs.....	11
F. Hearings.....	12
VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE .....	12
VII. DISSENTING VIEWS.....	13

## SUBTITLE I – CHILD CARE FOR WORKERS

### I. SUMMARY AND BACKGROUND

#### A. Purpose and Summary

Subtitle I, “Child Care for Workers” as ordered reported by the Committee on Ways and Means on February 10, 2021, permanently increases annual funding for the Child Care Entitlement to States to \$3.55 billion, with \$100 million to be provided to tribes and tribal organizations, \$75 million to be provided to U.S. Territories, and \$3.375 billion allocated among states and the District of Columbia. The Subtitle also waives state matching requirements on funds provided to states in excess of what they would have received under prior law, for fiscal years 2021 and 2022 only.

#### B. Background and Need for Legislation

As of February 2021, COVID-19 has led to more than 27 million confirmed cases resulting in over 466,000 deaths,<sup>1</sup> with Black, Latino, and Native Americans accounting for a disproportionate number of cases and deaths. Weekly applications for unemployment benefits hit a recorded-history high in March of 2020, continued to climb, and remain at levels never seen before this pandemic.<sup>2</sup> Real Gross Domestic Product declined by 3.5 percent in 2020, the largest drop since 1946.<sup>3</sup> The impact of COVID-19 was disproportionately felt by families with children, who have experienced disproportionate levels of material hardship,<sup>4</sup> and by communities of color, where rates of infection, unemployment, and death were disproportionately high.<sup>5</sup>

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<sup>1</sup> *COVID Data Tracker*, CTRS. FOR DISEASE CONTROL & PREVENTION, <https://covid.cdc.gov/covid-data-tracker/#datatracker-home> (last visited Feb. 11, 2021).

<sup>2</sup> Unemployment insurance weekly claims data. (n.d.). Retrieved February 12, 2021, from <https://oui.doleta.gov/unemploy/claims.asp>

<sup>3</sup> Bureau of Economic Analysis. (n.d.). Gross Domestic Product, 4th Quarter and Year 2020 (Advance Estimate). Retrieved February 12, 2021, from <https://www.bea.gov/news/2021/gross-domestic-product-4th-quarter-and-year-2020-advance-estimate>

<sup>4</sup> Cooney, P., & Shafer, H. (2021, February). Trends in hardship and mental health in the United States at the end of 2020. Available at <https://poverty.umich.edu/files/2021/02/PovertySolutionsMaterialHardshipEndof2020-Feb2021.pdf>

<sup>5</sup> Mazure, C. M., PhD. (2020, September 03). Health notes: People of color suffer disproportionate impact of covid-19 pandemic. Retrieved February 12, 2021, from <https://medicine.yale.edu/news-article/27086/>;

Swagel, P. L. (2020). *Characteristics of People Receiving Regular Unemployment Benefits in July 2020* (USA, Congressional Budget Office). Washington, DC: CBO. Available at <https://www.cbo.gov/publication/56447>

Pandemic restrictions forced 65 percent of child care providers to operate below 25 percent capacity,<sup>6</sup> stressing their already thin operating budget margins.<sup>7</sup> The public health restrictions associated with the pandemic have caused at least 37 percent of providers to reduce their workforce,<sup>8</sup> which is a rate surpassed only by restaurant and hotel industries.<sup>9</sup> Pandemic child care shortages have, in turn, reduced workforce participation among women who are parents. According to a USA Today analysis, “[t]he number of women with child care-related absences in any month more than doubled from 2019 to 2020. Women accounted for 84 percent of all workers who missed work in the average month last year due to child care issues -- a five-year high.”<sup>10</sup>

The Child Care Entitlement to States (CCES), which provides guaranteed annual funding for child care to states, tribes and tribal organizations, and the District of Columbia, has been funded at \$2.917 billion per year since 2006. Between 1 and 2 percent of total funding is set aside for tribes and tribal organizations. The remainder is allocated to states and the District of Columbia in two parts. First, each receives a fixed amount equal to the federal funds the state received for welfare-related child care programs in the mid-1990s. Those funds are not subject to maintenance of effort (MOE) or matching requirements. Second, the remainder of funding is allocated to states based on their share of children under age 13. To receive these funds, states must meet a child care MOE requirement and match the federal funds with state dollars at the Federal Medical Assistance Percentage (FMAP) rate.

The federal government administers CCES funds jointly with the Child Care and Development Block Grant (CCDBG), which funds child care through annual appropriations. The combined funding is known as the Child Care and Development Fund (CCDF) and provides a cohesive federal child care program. Eligibility for direct assistance is limited to families with income at or below 85 percent of the state’s median income, but funds used to improve child care quality may benefit children of all income levels. In the most recent year for which we have data,

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<sup>6</sup> National Association for the Education of Young Children. (2020). From the Front Lines: The Ongoing Effect of the Pandemic on Child Care. Available at [https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/resources/topics/naeyc\\_coronavirus\\_ongoingeffectsonchildcare.pdf](https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/resources/topics/naeyc_coronavirus_ongoingeffectsonchildcare.pdf)

<sup>7</sup> Workman, S. (2018, February 14). Where does your child care dollar go? Retrieved February 12, 2021, from <https://www.americanprogress.org/issues/early-childhood/reports/2018/02/14/446330/child-care-dollar-go/>

<sup>8</sup> National Association for the Education of Young Children. (2020). From the Front Lines: The Ongoing Effect of the Pandemic on Child Care. Available at [https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/resources/topics/naeyc\\_coronavirus\\_ongoingeffectsonchildcare.pdf](https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/resources/topics/naeyc_coronavirus_ongoingeffectsonchildcare.pdf)

<sup>9</sup> Wire, S. D. (2020, June 08). Child care is still the missing ingredient for a fast economic recovery. Retrieved February 12, 2021, from <https://www.latimes.com/politics/story/2020-06-08/lack-of-childcare-options-missing-ingredient-fast-economic-recovery>

<sup>10</sup> Wym, M. (2021, January 29). Child care problems skyrocketed under COVID. Women paid the price. Retrieved February 12, 2021, from <https://www.usatoday.com/story/news/investigations/2021/01/29/coronavirus-childcare-burden-fell-womens-shoulders/4279673001/>

CCDF served approximately 1.3 million children. Nearly two-thirds of the children served were under age 6. Current CCDF funding is sufficient to serve about 1 in 6 eligible children.

The pandemic has exacerbated existing serious problems with access to affordable, good-quality child care for workers who need it. In 2018, about 51 percent of Americans lived in a child care desert, meaning that their census tract had more than three young children for every one licensed child care slot.<sup>11</sup> In 2016, when unemployment was very low, an estimated 2 million parents were forced to reduce work hours or leave the workforce entirely<sup>12</sup> due to child care barriers. Before the pandemic, the annual economic burden of inadequate child care was approximately \$57 billion.<sup>13</sup> For low wage earners, work is impossible without child care subsidies, and difficult even with assistance. Low-wage workers are also more likely to have jobs with unpredictable, variable, or inflexible schedules that require them to work outside of typical business hours, making child care more expensive and harder to obtain.<sup>14</sup>

The child care crisis is not restricted to just the states and District of Columbia. For example, in the Commonwealth of Puerto Rico, the average cost of both infant and toddler child care for a licensed child care facility was 52 percent of total median income for a single parent.<sup>15</sup>

Addressing the child care crisis that has only worsened during the pandemic requires not only an emergency response but an investment in permanent, guaranteed funding so that states can ensure that the industry remains stable. In a letter to Congress after the pandemic began, 41 Chambers of Commerce wrote: “For millions of Americans, returning to work is not just contingent on the lifting of stay-at-home orders and their employer reopening, but on securing care for their children.”<sup>16</sup> For the economy to fully recover and remain strong, workers and employers will need more certainty that they will be able to find and purchase child care now and in future years.

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<sup>11</sup> Hamm, K., & Malik, R. (2018, June 12). America's child Care deserts in 2018. Retrieved February 12, 2021, from <https://www.americanprogress.org/issues/early-childhood/reports/2018/12/06/461643/americas-child-care-deserts-2018/>

<sup>12</sup> Schochet, L., & Malik, R. (2017, September 13). 2 million parents forced to make Career sacrifices due to problems with child care. Retrieved February 12, 2021, from <https://www.americanprogress.org/issues/early-childhood/news/2017/09/13/438838/2-million-parents-forced-make-career-sacrifices-due-problems-child-care/>

<sup>13</sup> Bishop-Josef, S., PhD, Beakey, C., Watson, S., & Garrett, T. (2019). *Want to Grow the Economy? Fix the Child Care Crisis*. (Rep.). Washington, DC: Council for a Strong America.

<sup>14</sup> Georgetown University Law Center. (2010). Scholarship @ Georgetown law. Retrieved February 12, 2021, from <https://scholarship.law.georgetown.edu/flexibility>

<sup>15</sup> Child Care Aware. (2020). *2020 Child Care State Fact Sheet Puerto Rico* (Issue brief). Child Care Aware. Available at <https://info.childcareaware.org/hubfs/2020%20State%20Fact%20Sheets/PuertoRico-2020StateFactSheet.pdf>

<sup>16</sup> State Chambers of Commerce. Letter to Members of Congress (June 10, 2021). Retrieved February 14, 2021, from [https://www.uschamber.com/sites/default/files/200610\\_childcare\\_congress.pdf](https://www.uschamber.com/sites/default/files/200610_childcare_congress.pdf)

**C. Legislative History****Budget Resolution**

On February 5, 2021, the House of Representatives approved Senate Concurrent Resolution 5, setting forth the congressional budget for the United States Government for fiscal year 2021 and setting forth the appropriate budgetary levels for fiscal years 2022 through 2030. Pursuant to section 2002(l) of S. Con. Res. 5, the Committee on Ways and Means was directed to submit to the Committee on the Budget changes in laws within its jurisdiction to increase the deficit by not more than \$940,718,000,000 for the period of fiscal years 2021 through 2030.

**Committee hearings**

In light of the emergency presented by the Covid 19 global pandemic and the need for immediate legislative action, no hearings were held in the 117<sup>th</sup> Congress prior to consideration of Subtitle I.

**Committee action**

Beginning on February 10, 2021, in response to its instructions under S. Con. Res. 5, the Committee on Ways and Means met to consider budget reconciliation legislative recommendations. On February 10, 2021, Subtitle I, Legislative Recommendations Relating to Child Care for Workers, was ordered favorably transmitted, as amended, to the House Committee on the Budget by a record vote of 22 to 18.

## II. EXPLANATION OF SUBTITLE

### A. Subtitle I – Child Care for Workers

#### Current Law

The Child Care Entitlement to States directly appropriates \$2.917 billion to states, tribes and tribal organizations, and the District of Columbia in fiscal year 2021, for the purpose of providing child care assistance to families. Tribes and tribal organizations receive between 1 and 2 percent of total funding. States receive a portion of their funds (roughly \$1.2 billion) based on historical allotments and remaining funds based on a formula. To receive their full allotment under the formula, states must meet a child care Maintenance of Effort (MOE) requirement and match these federal funds with state dollars at the Federal Medical Assistance Percentage (FMAP) rate. U.S. Territories are excluded from the CCES.

#### Reasons for Change

Current funding levels are insufficient to address the child care crisis facing workers and employers, which has been exacerbated by the pandemic. To fully support the economic recovery in the wake of the COVID-19 pandemic, both short-term funding and long-term guarantees are needed to provide confidence to parents and caregivers returning to work, and also to the employers who hire them.

#### Explanation of Provisions

**Section 9801. Child Care Assistance.** This section provides additional funding for the Child Care Entitlement to States and makes changes to eligibility and conditions of funding.

**Paragraph (a). Appropriation.** This section increases annual funding for the Child Care Entitlement to States (CCES) to \$3,550,000,000 per year, of which \$3,375,000,000 is for the states and the District of Columbia, \$100,000,000 is for American Indian tribes and tribal organizations, and \$75,000,000 is for U.S. territories.

**Paragraph (b). Suspension of State Match Requirement in Fiscal Years 2021 and 2022.** This section waives the required state match on funding above \$2.917 billion for fiscal year 2021 and fiscal year 2022.

**Paragraph (c). Funding for the Territories.** This section makes U.S. territories eligible to receive CCES funding, which shall be allotted to them in the same proportions in which they currently receive discretionary child care funds through the Child Care and Development Block Grant, provides for redistribution of unused funds, and exempts funds provided under Section 418 from the overall cap on funding to U.S. Territories. Eligible territories are Commonwealth of Puerto Rico, United States Virgin Islands, Guam, American Samoa, and Commonwealth of the Northern Mariana Islands.

Effective Date

Provisions of this subtitle are effective on enactment.

**III. VOTES OF THE COMMITTEE**

In compliance with clause 3(b) of rule XIII of the Rules of the House of Representatives, the following statement is made concerning the vote of the Committee on Ways and Means in its consideration of Subtitle I, Child Care for Workers, on February 10, 2021.

An amendment to the amendment in the nature of a substitute to Subtitle I that would make waiving the match for the additional childcare dollars conditional on states having a plan to safely re-open schools with in-person learning was offered by Mrs. Walorski. The amendment was defeated by a vote of 18 yeas to 23 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCARELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS				MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
<b>CHAIRMAN NEAL</b>		X					
<b>TOTALS</b>		23		<b>TOTALS</b>	18		

An amendment to the amendment in the nature of a substitute to Subtitle I that would make waiving the match for additional childcare dollars conditional on states submitting a plan within 30 days on how they will make funding available to local childcare providers was offered by Mr. Reed. The amendment was defeated by a vote of 18 yeas to 23 nays (with a quorum being present). The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT		X		MR. BRADY	X		
MR. THOMPSON		X		MR. NUNES	X		
MR. LARSON		X		MR. BUCHANAN	X		
MR. BLUMENAUER		X		MR. SMITH (NE)	X		
MR. KIND		X		MR. REED	X		
MR. PASCRELL		X		MR. KELLY	X		
MR. DAVIS		X		MR. SMITH (MO)	X		
MS. SANCHEZ		X		MR. RICE	X		
MR. HIGGINS		X		MR. SCHWEIKERT	X		
MS. SEWELL		X		MS. WALORSKI	X		
MS. DELBENE		X		MR. LAHOOD (IL)	X		
MS. CHU		X		DR. WENSTRUP	X		
MS. MOORE		X		MR. ARRINGTON	X		
MR. KILDEE		X		DR. FERGUSON	X		
MR. BOYLE		X		MR. ESTES	X		
MR. BEYER		X		MR. SMUCKER	X		
MR. EVANS				MR. HERN	X		
MR. SCHNEIDER		X		MS. MILLER	X		
MR. SUOZZI		X					
MR. PANETTA		X					
MS. MURPHY		X					
MR. GOMEZ		X					
MR. HORSFORD		X					
MS. PLASKETT							
<b>CHAIRMAN NEAL</b>		X					
<b>TOTALS</b>		23		<b>TOTALS</b>	18		

An amendment in the nature of a substitute to Subtitle I was agreed to by a voice vote. (with a quorum being present).

Subtitle I was ordered favorably transmitted to the House Committee on the Budget as amended by an amendment in the nature of a substitute offered by Chairman Neal by a roll call vote of 22 yeas to 18 nays. The vote was as follows:

Representative	Yea	Nay	Present	Representative	Yea	Nay	Present
MR. DOGGETT	X			MR. BRADY		X	
MR. THOMPSON	X			MR. NUNES		X	
MR. LARSON	X			MR. BUCHANAN		X	
MR. BLUMENAUER	X			MR. SMITH (NEJ)		X	
MR. KIND	X			MR. REED		X	
MR. PASCRELL	X			MR. KELLY		X	
MR. DAVIS	X			MR. SMITH (MO)		X	
MS. SANCHEZ	X			MR. RICE		X	
MR. HIGGINS	X			MR. SCHWEIKERT		X	
MS. SEWELL	X			MS. WALORSKI		X	
MS. DELBENE	X			MR. LAHOOD (IL)		X	
MS. CHU	X			DR. WENSTRUP		X	
MS. MOORE				MR. ARRINGTON		X	
MR. KILDEE	X			DR. FERGUSON		X	
MR. BOYLE	X			MR. ESTES		X	
MR. BEYER	X			MR. SMUCKER		X	
MR. EVANS				MR. HERN		X	
MR. SCHNEIDER	X			MS. MILLER		X	
MR. SUOZZI	X						
MR. PANETTA	X						
MS. MURPHY	X						
MR. GOMEZ	X						
MR. HORSFORD	X						
MS. PLASKETT							
<b>CHAIRMAN NEAL</b>	X						
<b>TOTALS</b>	22			<b>TOTALS</b>		18	

**IV. BUDGET EFFECTS OF THE SUBTITLE****A. Committee Estimate of Budgetary Effects**

In compliance with clause 3(d) of Rule XIII of the Rules of the House of Representatives, the following statement is made concerning the effects on the budget of the subtitle, Child Care for Workers, as ordered transmitted. The Committee agrees with the estimate prepared by the Congressional Budget Office (CBO).

**B. Statement Regarding New Budget Authority  
and Tax Expenditures Budget Authority**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the estimates of new budget authority, budget outlays, tax expenditures, or revenues contained in the cost estimate prepared by the CBO.

**C. Cost Estimate Prepared by the Congressional Budget Office**

With respect to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, requiring a cost estimate prepared by the CBO, please refer to Subtitle A for an estimate for the Reconciliation Recommendations of the Committee on Ways and Means as prepared by CBO.

**V. OTHER MATTERS TO BE DISCUSSED UNDER THE  
RULES OF THE HOUSE****A. Committee Oversight Findings and Recommendations**

With respect to clause 3(c)(1) of Rule XIII and clause 2(b)(1) of Rule X of the Rules of the House of Representatives, the Committee made findings and recommendations that are reflected in this report.

**B. Statement of General Performance Goals and Objectives**

Pursuant to clause 3(c)(4) of Rule XIII of the Rules of the House of Representatives, the Committee advises that the general performance goal or objective for which this subtitle authorizes funding is to increase access to child care for low-income families in the 50 states, tribal communities, and the U.S. Territories.

**C. Information Relating to Unfunded Mandates**

This information is provided in accordance with section 423 of the Unfunded Mandates Reform Act of 1995 (Pub. L. No. 104-4).

The Committee has determined that the subtitle does not contain Federal mandates on the private sector. The Committee has determined that the subtitle does not impose a Federal intergovernmental mandate on State, local, or tribal governments.

**D. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits**

With respect to clause 9 of Rule XXI of the Rules of the House of Representatives, the Committee has carefully reviewed the provisions of the subtitle, and states that the provisions of the subtitle do not contain any congressional earmarks, limited tax benefits, or limited tariff benefits within the meaning of the rule.

**E. Duplication of Federal Programs**

In compliance with clause 3(c)(5) of Rule XIII of the Rules of the House of Representatives, the Committee states that no provision of the subtitle establishes or reauthorizes: (1) a program of the Federal Government known to be duplicative of another Federal program; (2) a program included in any report to Congress pursuant to section 21 of Public Law 111-139; or (3) a program related to a program identified in the most recent Catalog of Federal Domestic Assistance, published pursuant section 6104 of title 31, United States Code.

**F. Hearings**

Pursuant to section 3(u) of H.Res. 8 (117th Congress), no legislative hearings were held in the 117<sup>th</sup> Congress to develop or consider Subtitle I due to the exigent nature of the Covid 19 global pandemic and the need for immediate legislative action.

**VI. CHANGES IN EXISTING LAW MADE BY THE SUBTITLE**

**A. Text of Existing Law Amended or Repealed by The Subtitle**

With respect to clause 3(e) of rule XIII of the Rules of the House of Representatives, the Committee requested but did not receive the text of changes in existing law made by the subtitle, as reported.

**VII. DISSENTING VIEWS**

## COMMITTEE ON WAYS AND MEANS

U.S. HOUSE OF REPRESENTATIVES  
WASHINGTON, DC 20515

February 16, 2021

**DISSENTING VIEWS ON SUBTITLE I.  
BUDGET RECONCILIATION LEGISLATIVE RECOMMENDATIONS  
RELATING TO CHILD CARE FOR WORKERS**

Committee Republicans oppose Subtitle I. In the past, Republicans and Democrats have worked together to increase access to affordable, high quality child care. In the last five years, Congress has doubled funding for the Child Care and Development Block Grant (CCDBG). Last March, Congress took bipartisan action in the CARES Act to provide \$3.5 billion in dedicated resources to address child care. Most recently, the bipartisan \$900 billion COVID relief package passed in December included another \$10 billion in emergency funding to help child care programs and providers safely reopen. All told, in 2020, states received nearly \$22 billion in federal funding for child care. In Subtitle I, the Majority proposes to increase mandatory funding for the child care entitlement to states by another \$600 million permanently.

Meanwhile, the Majority at the Committee on Education and Labor simultaneously marked up a COVID-19 reconciliation package that would increase funding for child care by another \$39 billion.<sup>33</sup> There does not appear to be a justification for this additional mandatory increase – aside from a false pretense the Majority clung to during the mark-up that these particular dollars would be for families and the other resources for child care providers. This is not true. Resources from CCDBG, of which Committee on Education and Labor has primary jurisdiction, and funds from the child care entitlement to states, of which this Committee has jurisdiction – are combined and operated as a single block grant to states as the Child care and Development Fund. Uses and purposes of funds do not differ – they may go to families or child care providers at the state’s discretion. At no point in the mark-up did the Majority speak to the level of funding being considered by the Committee on Education and Labor. Yet, would scold Republicans for opposing the funding considered in Subtitle I.

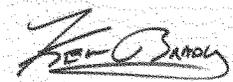
Committee Republicans offered two amendments to ensure any additional funding for child care is provided with reasonable assurances from states that they would re-open schools and that they would provide a plan for distributing funds to local providers in a timely manner. The first amendment would have made waiving the match for additional child care dollars in FY 2021 and 2022, conditional on states having a plan to safely re-open schools with in-person learning. The re-opening of child care and schools goes hand-in-hand. Schools can return to in-person learning and operate safely with some basic precautions. Just last week, CDC Director Rochelle

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<sup>33</sup> Section 2203 provides \$14.99 billion for the Child Care and Development Block Grant (CCDBG) and an additional \$23.98 billion for child care stabilization in accordance with requirements of CCDBG: <https://edlabor.house.gov/imo/media/doc/2021-02-08%20FY21%20Budget%20Reconciliation%20Section%20by%20Section.pdf>

Walensky said that “vaccination of teachers is not a prerequisite for safe reopening of schools” and that it is clear “that there is increasing data to suggest that schools can safely reopen.”<sup>34</sup>

By re-opening schools, we can start to combat many of the issue’s children face with social isolation, loneliness, and anxiety. Access to education is fundamental in allowing children to achieve the American Dream. This amendment would have leveraged additional child care dollars to incentivize states to re-open schools. Democrats falsely claimed the amendment would condition new funding on re-opening schools, in fact the amendment would solely apply as a condition of waiving the state match requirement. The second amendment would have required states to submit a plan within 30 days of enactment on how they will make any supplemental child care money available to local providers in a timely manner, again as a condition of waiving the state match requirement. The amendment would have simply asked states to formally commit to a plan and a timetable to ensure there is an urgency to getting additional money down to local communities. Both amendments were unanimously rejected by Committee Democrats.



Kevin Brady  
Republican Leader  
Committee on Ways and Means

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<sup>34</sup> “CDC Director says it’s not necessary for teachers to be vaccinated in order to reopen schools,” February 3, 2021, ABC News.

**VOTES OF THE COMMITTEE ON THE BUDGET**

Clause 3(b) of House Rule XIII requires each committee report to accompany any bill or resolution of a public character to include the total number of votes cast for and against each record vote, on a motion to report and any amendments offered to the measure or matter, together with the names of those voting for and against.

Listed below are the actions taken in the Committee on the Budget of the House of Representatives on the American Rescue Plan Act of 2021. On February 22, 2021, the Committee met in open session, a quorum being present. Mr. Boyle asked unanimous consent that the Chair be authorized, consistent with clause 4 of rule XVI of the Rules of the House of Representatives, to declare a recess at any time during the Committee meeting.

There was no objection to the unanimous consent request.

Mr. Boyle asked unanimous consent that the first reading of the bill be dispensed with and that the bill be considered as read.

There was no objection to the unanimous consent request.

The Chairman asked unanimous consent that Members have until the end of the day to submit their statements for the record.

There was no objection to the unanimous consent request.

The Committee adopted and ordered reported the American Rescue Plan Act of 2021.

The Ranking Member requested the requisite number of days for the minority to file its views.

There was no objection to the Ranking Member's request.

Mr. Boyle made a motion that on the measure reported the staff be authorized to make any necessary technical and conforming corrections prior to filing the bill, that the motion to reconsider be laid on the table, and that, pursuant to clause 1 of rule XXII, the Chair be authorized to offer motions to go to conference on the reported bill or any companion measure from the Senate.

There was no objection to the unanimous consent request.

The Committee on the Budget also took the following votes:

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual ProceedingDescription of Vote: **Roll Call Vote #1—Motion to Postpone (Rep. Smith)**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)				SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)			
HORSFORD (NV)		X		BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)	X		
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (TN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 14 No: 19 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual ProceedingDescription of Vote: **Roll Call Vote #2 – Reporting the American Rescue Plan Act of 2021**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)	X			SMITH (MO) (Ranking)		X	
JEFFRIES (NY)	X			KELLY (MS)		X	
HIGGINS (NY)	X			MCCLINTOCK (CA)		X	
BOYLE (PA)	X			GROTHMAN (WI)		X	
DOGGETT <sup>1</sup> (TX)		X		SMUCKER (PA)		X	
PRICE (NC)	X			JACOBS (NY)		X	
SCHAKOWSKY (IL)	X			BURGESS (TX)		X	
KILDEE (MI)	X			CARTER (GA)		X	
MORELLE (NY)	X			CLINE (VA)		X	
HORSFORD (NV)	X			BOEBERT (CO)		X	
LEE (CA)	X			DONALDS (FL)		X	
CHU (CA)	X			FEENSTRA (IA)		X	
PLASKETT (VI-At Large)	X			GOOD (VA)		X	
WEXTON (VA)	X			HINSON (IA)		X	
SCOTT (VA)	X			OBERNOLTE (CA)		X	
JACKSON LEE (TX)	X						
COOPER (TN)	X						
SIRIS (NY)	X						
PETERS (CA)	X						
MOULTON (MA)							
JAYAPAL (WA)	X			(Return to Chair)			

TOTALS: Aye: 19 No: 16 Present: \_\_\_\_\_

<sup>1</sup> Later in the meeting, Mr. Doggett indicated that if he were able he would change his "no" vote to a "yes" vote (and that he was a supporter of the bill).

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #3: A motion offered by Mrs. Hinson and Mr. Feenstra that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment related to determining the legislation's effect on private-sector employment and small businesses.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)		X		BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)	X		
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (TN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 15 No: 20 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #4: A motion offered by Ms. Jackson Lee that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 not make in order any amendment that would strike or modify the Coronavirus Local Fiscal Recovery Fund.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)	X			SMITH (MO) (Ranking)		X	
JEFFRIES (NY)	X			KELLY (MS)		X	
HIGGINS (NY)	X			MCCLINTOCK (CA)		X	
BOYLE (PA)	X			GROTHMAN (WI)		X	
DOGGETT (TX)	X			SMUCKER (PA)		X	
PRICE (NC)	X			JACOBS (NY)		X	
SCHAKOWSKY (IL)	X			BUGGESS (TX)		X	
KILDEE (ME)	X			CARTER (GA)		X	
MORELLE (NY)	X			CLINE (VA)		X	
HORSFORD (NV)	X			BOEBERT (CO)		X	
LEE (CA)	X			DONALDS (FL)		X	
CHU (CA)	X			FEENSTRA (IA)		X	
PLASKETT (VI-At Large)	X			GOOD (VA)		X	
WEXTON (VA)	X			HINSON (IA)		X	
SCOTT (VA)	X			OBERNOLTE (CA)		X	
JACKSON LEE (TX)	X						
COOPER (IN)	X						
SIRES (NY)	X						
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)	X			(Return to Chair)			

TOTALS: Aye: 19 No: 16 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #5: A motion offered by Mr. Donalds and Mr. Grothman that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to strike a provision that raises the federal minimum wage and to require review and removal of provisions that increase the cost of living.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)		X		BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)			
CHU (CA)		X		YEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (TN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 14 No: 20 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #6: A motion offered by Mr. Feenstra and Mrs. Boebert that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to strike all provisions of the bill not directly related to vaccination, testing and treatment of Covid-19.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)	X			SMITH (MO) (Ranking)	X		
JEFFRIES (NY)	X			KELLY (MS)	X		
HIGGINS (NY)	X			MCCLINTOCK (CA)	X		
BOYLE (PA)	X			GROTHMAN (WI)	X		
DOGGETT (TX)	X			SMUCKER (PA)	X		
PRICE (NC)	X			JACOBS (NY)	X		
SCHAKOWSKY (IL)	X			BURGESS (TX)	X		
KILDEE (MI)	X			CARTER (GA)	X		
MORELLE (NY)	X			CLINE (VA)	X		
HORSFORD (NV)	X			BOEBERT (CO)	X		
LEE (CA)	X			DONALDS (FL)	X		
CHU (CA)	X			FEENSTRA (IA)	X		
PLASKETT (VI-At Large)	X			GOOD (VA)	X		
WEXTON (VA)	X			HINSON (IA)	X		
SCOTT (VA)	X			OBERNOLTE (CA)	X		
JACKSON LEE (TX)	X						
COOPER (TN)	X						
SIRES (NY)	X						
PETERS (CA)	X						
MOULTON (MA)							
JAYAPAL (WA)	X			(Return to Chair)			

TOTALS: Aye: 15 No: 20 Present: \_\_\_\_\_

COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #7: A motion offered by Mrs. Boebert and Mr. Obernolte that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to strike all funding for state and local governments.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)	X			SMITH (MO) (Ranking)	X		
JEFFRIES (NY)	X			KELLY (MS)	X		
HIGGINS (NY)	X			MCCLINTOCK (CA)	X		
BOYLE (PA)	X			GROTHMAN (WI)	X		
DOGGETT (TX)	X			SMUCKER (PA)	X		
PRICE (NC)	X			JACOBS (NY)		X	
SCHAKOWSKY (IL)	X			BURGESS (TX)	X		
KILDEE (MI)	X			CARTER (GA)	X		
MORELLE (NY)	X			CLINE (VA)	X		
HORSFORD (NV)	X			BOEBERT (CO)	X		
LEE (CA)	X			DONALDS (FL)	X		
CHU (CA)	X			FEENSTRA (IA)	X		
PLASKETT (VI-At Large)	X			GOOD (VA)	X		
WEXTON (VA)	X			HINSON (IA)	X		
SCOTT (VA)	X			OBERNOLTE (CA)	X		
JACKSON LEE (TX)	X						
COOPER (TN)	X						
SIRES (NY)	X						
PETERS (CA)	X						
MOULTON (MA)							
JAYAPAL (WA)	X			(Return to Chair)			

TOTALS: Aye: 14 No: 21 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #8: A motion offered by Mr. Obernolte and Mr. Good that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to change the formula for allocating state and local fiscal recovery funds and to strike funding for transit.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)		X		BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)	X		
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (IN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 15 No: 20 Present: \_\_\_\_\_

COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #9: A motion offered by Mr. Smith and Mr. Carter that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to strike provisions expanding health care premium tax credit assistance, to increase direct payments to certain individuals, and to require disclosures by certain campaign contributors.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)		X		BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)			
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)		X	
JACKSON LEE (TX)		X					
COOPER (TN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 13 No: 21 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: Roll Call Vote #10: A motion offered by Mr. Grothman and Mr. Donalds that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to require that funding in the bill go to individuals with valid Social Security numbers and to strike all funds for international assistance.

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)				BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)			
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (TN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 14 No: 19 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #11: A motion offered by Mr. Jacobs and Mr. Smucker that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to condition state and local government funding on certification of accuracy of data related to skilled nursing facilities.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)				BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)			
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (TN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 14 No: 19 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #12: A motion offered by Mr. Smith and Mr. Smucker that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment related to preventing a Statutory Pay-As-You-Go sequestration.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)		X		BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)			
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (TN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 14 No: 20 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #13: A motion offered by Mr. Burgess and Mr. Smith that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to strike funding for global health and Medicaid for inmates and to increase funding for testing and personal protective equipment for U.S. southern border states.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)		X		BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)			
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (TN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 14 No: 20 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #14: A motion offered by Mr. Good and Mr. Cline that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to strike provisions related to the minimum wage and Medicaid and to increase certain mental health, substance abuse and domestic violence funding.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)		X		KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)		X		BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)			
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (TN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 14 No: 20 Present: \_\_\_\_\_

## COMMITTEE ON THE BUDGET

HOUSE OF REPRESENTATIVES

117TH CONGRESS

## RECORD OF COMMITTEE VOTE

Date: February 22, 2021 Time: 1:00 PM Place: Virtual Proceeding

Description of Vote: **Roll Call Vote #15: A motion offered by Mr. Donalds and Mrs. Hinson that the Committee on the Budget direct its Chairman to request that the rule providing for consideration of the American Rescue Plan Act of 2021 make in order an amendment to condition funding for state and local governments on reopening K-12 schools.**

Name & State	Aye	No	Answer Present	Name & State	Aye	No	Answer Present
YARMUTH (KY) (Chair)		X		SMITH (MO) (Ranking)	X		
JEFFRIES (NY)				KELLY (MS)	X		
HIGGINS (NY)		X		MCCLINTOCK (CA)	X		
BOYLE (PA)		X		GROTHMAN (WI)	X		
DOGGETT (TX)		X		SMUCKER (PA)	X		
PRICE (NC)		X		JACOBS (NY)	X		
SCHAKOWSKY (IL)		X		BURGESS (TX)	X		
KILDEE (MI)		X		CARTER (GA)	X		
MORELLE (NY)		X		CLINE (VA)	X		
HORSFORD (NV)		X		BOEBERT (CO)	X		
LEE (CA)		X		DONALDS (FL)			
CHU (CA)		X		FEENSTRA (IA)	X		
PLASKETT (VI-At Large)		X		GOOD (VA)	X		
WEXTON (VA)		X		HINSON (IA)	X		
SCOTT (VA)		X		OBERNOLTE (CA)	X		
JACKSON LEE (TX)		X					
COOPER (IN)		X					
SIRES (NY)		X					
PETERS (CA)		X					
MOULTON (MA)							
JAYAPAL (WA)		X		(Return to Chair)			

TOTALS: Aye: 14 No: 19 Present:

**HOUSE REPORT REQUIREMENTS****COMMITTEE CONSIDERATION**

On Monday, February 22, 2021 the Committee met in open session and ordered the bill, H.R. 1319 favorably reported, without amendment, by a roll call vote of 19 ayes to 16 noes, a quorum being present.

**COMMITTEE OVERSIGHT FINDINGS**

Clause 3(c)(1) of rule XIII of the Rules of the House of Representatives requires the report of a committee on a measure to contain oversight findings and recommendations required pursuant to Clause (2)(b)(1) of rule X. The Committee on the Budget has examined its activities over the past session and has determined that there are no specific oversight findings on the text of the reported bill.

**COMMITTEE COST ESTIMATE**

For purposes of Clauses 3(c)(2) and (3) of rule XIII of the Rules of the House of Representatives and Section 308(a)(1) of the Congressional Budget and Impoundment Control Act of 1974 (relating to estimates of new budget authority, new spending authority, new credit authority, or increased or decreased revenues or tax expenditures), the committee report incorporates the cost estimates prepared by the Director of the Congressional Budget Office pursuant to Sections 402 and 423 of the Congressional Budget and Impoundment Control Act of 1974. The required matter is included in the report language for each title of the legislative recommendations submitted by the appropriate instructed committees and reported to the House by the Committee on the Budget and is summarized in the section below.

**NEW BUDGET AUTHORITY AND CBO COST ESTIMATE**

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, and pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following estimate from the Director of the Congressional Budget Office:

**Table 1.**  
**Estimated Budget Effects of the American Rescue Plan Act of 2021**  
**As Posted on the Website of the House Committee on Rules on February 19, 2021 (timestamped February 18, 2021 at 4:34 p.m.)**

	By Fiscal Year: Millions of Dollars											2021-	2021-
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2021-	2031
<b>Increase or Decrease (-) in Direct Spending</b>													
<b>Title 1—Agriculture and Nutrition</b>													
Estimated Budget Authority	16,112	0	0	0	0	0	0	0	0	0	0	16,112	16,112
Estimated Outlays	13,018	1,893	700	165	44	36	28	29	29	29	0	16,072	16,072
<b>Title 2—Education and Labor</b>													
Estimated Budget Authority	219,358	1,982	2,915	3,711	4,984	6,478	8,186	8,545	8,446	10,018	12,671	274,623	287,294
Estimated Outlays	22,849	70,301	53,683	40,378	29,559	18,593	13,189	11,167	9,380	10,994	13,712	280,073	293,784
On-Budget Direct Spending													
Estimated Budget Authority	219,358	1,976	2,881	3,505	4,359	5,200	6,589	6,505	5,922	8,910	8,830	263,456	272,195
Estimated Outlays	22,849	70,295	53,649	40,172	28,934	17,415	11,592	9,127	6,836	7,886	9,871	268,798	276,625
Off-Budget Direct Spending													
Estimated Budget Authority	*	6	34	206	625	1,178	1,597	2,040	2,524	3,108	3,841	11,318	15,159
Estimated Outlays	*	6	34	206	625	1,178	1,597	2,040	2,524	3,108	3,841	11,318	15,159
<b>Title 3—Energy and Commerce</b>													
Estimated Budget Authority	110,302	5,354	5,129	3,928	2,549	2,744	1,516	-910	-1,799	-1,863	-2,303	125,920	124,647
Estimated Outlays	27,498	62,210	21,380	10,017	4,751	3,081	1,641	-815	-1,778	-1,897	-2,303	126,133	123,827
<b>Title 4—Financial Services</b>													
Estimated Budget Authority	74,980	-30	-30	-30	-30	-210	-50	-90	-100	-110	-2,280	74,260	71,970
Estimated Outlays	38,189	12,150	12,372	5,625	3,441	915	185	10	-100	-110	-2,280	72,850	70,560
<b>Title 5—Oversight and Reform<sup>1</sup></b>													
Estimated Budget Authority	350,687	0	0	0	0	0	0	0	0	0	0	350,687	350,687
Estimated Outlays	350,051	235	25	23	23	0	0	0	0	0	0	350,357	350,357
<b>Title 6—Small Business</b>													
Budget Authority	50,000	0	0	0	0	0	0	0	0	0	0	50,000	50,000
Estimated Outlays	49,400	1,130	250	5	5	0	0	0	0	0	0	49,799	49,799
<b>Title 7—Transportation and Infrastructure<sup>2</sup></b>													
Budget Authority	95,530	0	0	0	0	0	0	0	0	0	0	95,530	95,530
Estimated Outlays	28,400	27,161	16,626	5,825	3,825	2,753	2,370	1,700	1,000	800	0	90,400	90,460
<b>Title 8—Veterans' Affairs</b>													
Budget Authority	17,000	0	0	0	0	0	0	0	0	0	0	17,000	17,000
Estimated Outlays	10,720	4,124	1,346	269	124	29	0	0	0	0	0	16,612	16,812
<b>Title 9—Ways and Means</b>													
Estimated Budget Authority	659,776	202,885	9,880	3,479	2,507	2,351	1,939	1,958	1,982	2,011	2,040	888,768	890,808
Estimated Outlays	655,183	205,127	10,303	3,143	936	988	159	877	624	417	261	877,761	878,022
<b>Remove Estimate for Duplicate COBRA Provision<sup>3</sup></b>													
Estimated Budget Authority	5,915	771	0	0	0	0	0	0	0	0	0	6,086	6,086
Estimated Outlays	5,919	158	0	0	0	0	0	0	0	0	0	6,085	6,086
<b>Total Increase in Direct Spending</b>													
Estimated Budget Authority	1,689,680	210,382	17,894	11,088	10,010	11,363	11,551	8,803	8,829	10,056	10,118	1,905,018	1,910,134
Estimated Outlays	1,200,226	384,589	116,685	65,655	42,708	26,393	17,572	12,988	9,137	10,273	9,380	1,886,221	1,895,600
On-Budget Direct Spending													
Estimated Budget Authority	1,599,660	210,356	17,860	10,882	9,385	10,185	9,954	7,463	6,005	6,948	6,277	1,855,696	1,864,975
Estimated Outlays	1,200,226	384,593	116,651	65,449	42,083	25,215	15,975	10,828	6,613	7,165	5,539	1,874,963	1,880,441
Off-Budget Direct Spending													
Estimated Budget Authority	*	6	34	206	625	1,178	1,597	2,040	2,524	3,108	3,841	11,318	15,159
Estimated Outlays	*	6	34	206	625	1,178	1,597	2,040	2,524	3,108	3,841	11,318	15,159

**Table 1**  
**Estimated Budget Effects of the American Rescue Plan Act of 2021**  
**As Posted on the Website of the House Committee on Rules on February 18, 2021 (timestamped February 18, 2021 at 4:34 p.m.)**

	By Fiscal Year, Millions of Dollars											2021	2021-
	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2030	2031
<b>Increases or Decreases (-) in Revenues</b>													
<b>Title 2—Education and Labor</b>													
Estimated Revenues	-11,936	-3,948	-232	-250	-2,313	1,090	2,839	3,792	4,638	5,099	5,047	-1,261	3,786
On-Budget Revenues	-12,048	-4,305	-1,283	-2,497	-5,914	-3,349	-2,050	-1,350	-697	-321	-305	-33,848	-34,149
Off-Budget Revenues	62	357	1,061	2,247	3,601	4,439	4,919	5,142	5,335	5,420	5,352	32,583	37,935
<b>Title 3—Energy and Commerce</b>													
Estimated Revenues	0	0	241	279	285	303	260	51	31	24	14	1,474	1,488
On-Budget Revenues	0	0	159	161	164	177	155	33	20	15	9	869	873
Off-Budget Revenues	0	0	102	118	121	126	105	18	11	9	5	610	615
<b>Title 9—Ways and Means</b>													
Estimated Revenues	-33,809	-44,664	-132	3,095	3,749	4,105	4,471	4,653	4,651	4,263	3,950	-15,638	-45,638
On-Budget Revenues	-33,903	-44,845	-294	2,932	3,508	3,790	4,068	4,248	4,205	3,892	3,657	-22,379	-48,722
Off-Budget Revenues	94	181	162	163	241	315	383	435	446	371	293	2,731	3,084
<i>Remove Estimate for Duplicate COBRA Provision<sup>a</sup></i>													
Estimated Revenues	11,972	3,991	0	0	0	0	0	0	0	0	0	15,963	15,963
On-Budget Revenues	11,970	3,982	0	0	0	0	0	0	0	0	0	15,968	15,968
Off-Budget Revenues	-4	-7	0	0	0	0	0	0	0	0	0	-5	-5
<b>Total Changes in Revenues</b>	<b>-33,823</b>	<b>-44,821</b>	<b>-113</b>	<b>3,124</b>	<b>1,721</b>	<b>5,498</b>	<b>7,570</b>	<b>8,526</b>	<b>9,320</b>	<b>9,388</b>	<b>9,011</b>	<b>-33,412</b>	<b>-24,401</b>
On-Budget Revenues	-33,975	-45,158	-1,438	596	-2,242	618	2,163	2,931	3,528	3,586	3,361	-69,391	-86,030
Off-Budget Revenues	152	537	1,325	2,528	3,983	4,880	5,407	5,595	5,792	5,800	6,650	20,879	41,629
<b>Increases or Decreases (-) in the Deficit From Changes in Direct Spending and Revenues</b>													
Estimated Effect on the Deficit	1,234,049	429,220	118,798	62,531	40,987	20,895	10,002	4,442	-183	887	369	1,919,632	1,920,001
On-Budget Deficit	1,234,201	429,751	118,089	64,853	44,325	24,597	13,812	7,997	3,026	3,579	2,178	1,944,284	1,946,471
Off-Budget Deficit	-162	-531	-1,291	-2,322	-3,338	-3,702	-3,810	-3,555	-3,268	-2,692	-1,809	-24,651	-26,470

Sources: Congressional Budget Office; staff of the Joint Committee on Taxation (JCT).  
 Estimates relative to CBO's February 2021 baseline. Components may not sum to totals because of rounding. \* = between \$0 and \$500,000.  
 Unless otherwise noted, all effects in this table are on-budget. The transactions of U.S. Postal Service and the cash flows of the two Social Security trust funds (the Old-Age and Survivors Insurance Trust Fund and the Disability Insurance Trust Fund) are off-budget.  
 The act would impose intergovernmental and private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the aggregate cost of the mandates would greatly exceed the annual thresholds established in UMRA (\$85 million for intergovernmental mandates and \$170 million for private-sector mandates in 2021, adjusted annually for inflation). Title II would impose significant intergovernmental and private-sector mandates by requiring employers with workers covered under the Fair Labor Standards Act to pay a minimum wage of \$15 by 2025. CBO and JCT have determined that Title IX would impose a significant private-sector mandate by amending the Internal Revenue Code. The bill also would impose small private-sector mandates by requiring notifications concerning changes to COBRA and imposing certain user fees to be paid to the Federal Communications Commission. CBO has not reviewed Title IV, subtitle A, for mandates. Section 4 of UMRA excludes from the application of that act any legislative provisions that are necessary for national security. CBO has determined that the provisions of the Defense Production Act of 1950, as amended by subtitle A, would fall under that exclusion.  
 a. U.S. Postal Service (USPS) employees would be eligible under section 5111 for paid leave through the Emergency Federal Employee Leave Fund. USPS receipts and outlays are recorded as off-budget direct spending. CBO estimates that costs to USPS and receipts from reimbursements would be fully offset over the 2021-2030 period; thus, off-budget direct spending would net to zero over that period.  
 b. Title 7 would authorize new criminal penalties, which are recorded as revenues in the budget. CBO expects that any increases in revenues would be less than \$500,000 in any year or over the 2021-2030 period because of the relatively small number of cases likely to be affected.  
 c. Sections 2401 and 9501 include an identical provision regarding the preservation of COBRA health benefits for workers. CBO estimates that the provision would decrease direct spending and revenues and increase the deficit on net. This adjustment removes the changes in direct spending and revenues estimated for section 2401 to eliminate the double counting of the budgetary effects of the COBRA provision in the table totals. The estimated budgetary effects of section 9501 are substantially similar but also account for interactions with sections 9951 and 3853.

**FEDERAL MANDATES STATEMENT**

Section 423 of the Congressional Budget and Impoundment Control Act of 1974 requires a statement of whether the provisions of the reported bill include unfunded mandates. Any statements regarding unfunded mandates for a legislative recommendation submitted by an instructed committee are included under the appropriate title of this report.

**ADVISORY COMMITTEE STATEMENT**

No advisory committee within the meaning of section 5(b) of the Federal Advisory Committee Act was created by this legislation.

**APPLICABILITY TO THE LEGISLATIVE BRANCH**

Any finding that a legislative recommendation submitted by an instructed committee relates to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (P.L. 104-1) is included under the appropriate title of this report.

**DUPLICATION OF FEDERAL PROGRAMS**

No provision of the reconciliation bill reported by the Committee on the Budget establishes or reauthorizes a program of the Federal government known to be duplicative of another Federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111-139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

**PERFORMANCE GOALS AND OBJECTIVES**

This bill is reported pursuant to Title II of S. Con. Res. 5, the Concurrent Resolution on the Budget for Fiscal Year 2021. Pursuant to Clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goals and objectives of this bill are to tackle the public health and economic crises stemming from the COVID-19 pandemic by providing crucial relief to the American people, changing the direction of the COVID-19 pandemic, and building a bridge towards an inclusive and strong economic recovery.

**EARMARK STATEMENT**

In accordance with Clause 9 of rule XXI of the Rules of the House of Representatives, the bill does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in Clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House of Representatives.

**SECTION-BY-SECTION ANALYSIS**

This matter is included in the report language for each title of the legislative recommendations submitted by the appropriate instructed committees and reported to the House by the Committee on the Budget.

**CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED**

Clause 3(e) of rule XIII of the Rules of the House of Representatives requires that each report of a committee on a bill or joint resolution contain the text of statutes that are proposed to be repealed and a comparative print of that part of the bill proposed to be amended whenever the bill repeals or amends any statute. A comparative print of changes in existing law made by the reconciliation bill reported by the Committee on the Budget has been requested but not received.

**VIEWS OF COMMITTEE MEMBERS**

Clause 2(c) of rule XIII of the Rules of the House of Representatives requires each report by a committee on a public matter to include any additional, minority, supplemental, or dissenting views submitted pursuant to Clause 2(l) of rule XI by one or more members of the committee. In addition, this report includes views from members of committees submitting reconciliation recommendations pursuant to Title II of S. Con. Res. 5 under the appropriate titles or subtitles of this report. The Minority views of members of the Committee on the Budget are as follows:

**MINORITY VIEWS**

Committee approval of this bill is misguided and irresponsible. After more than 700 days of failing to write a budget, Democrats have now moved quickly to adopt a fiscal year (FY) 2021 “shell” budget resolution even though all funding for FY 2021 has been appropriated. They have done so in order to set up a partisan reconciliation process to push through a bill that incentivizes state lockdowns, harms America’s working-class, and prioritizes enacting a political agenda over the COVID-19 response. Congress has already enacted almost \$4 trillion (including higher interest payments on the debt) in stimulus-related funding. Of this nearly \$4 trillion, about \$1 trillion remains to be spent. That is why Committee Republicans offered a motion to postpone the markup—to give the Biden Administration ample time to provide a full and transparent accounting of what stimulus funds have been spent, what stimulus funds remain unspent, and a timeline for when the Administration anticipates that the remaining unspent funds will be disbursed.

This bill is harmful to workers and provides inappropriate and unnecessary spending at the expense of working-class Americans, seniors, and small businesses. Only nine percent of the spending in this bill is actually allocated to crushing the COVID-19 virus. For this reason and others, this bill is the wrong plan, at the wrong time, and for all the wrong reasons.

Spending billions of dollars to bailout state and local governments incentivizes the continuation of state and local lockdowns. These lockdowns have caused many hard-working Americans to lose their jobs, forced small businesses to shut down, and kept kids out of school – all of which can have a terrible effect on the financial, physical, and mental health of individuals in a community.

Moreover, the bill chooses a different funding formula than what was used in previous COVID-19 related laws for state and local governments. Previous legislation used a population-based formula, but this bill changes it to be based on both population and unemployment. This formula change punishes states that have actually reopened and let businesses and Americans return to work. Under this new formula, states like Georgia, Virginia, North Carolina, South Carolina, and Florida get billions of dollars less than they would have received under the previous population-based formula.

At a time when President Biden is promulgating executive orders that have destroyed jobs and will increase the cost of living for all Americans, this bill spends \$471 billion on policies which will further reduce employment. Expanding unemployment insurance will result in more than half of Americans earning more from this benefit than from actual work. Expanding Obamacare subsidies and establishing a form of universal basic income will reduce the number of hours worked in our economy.

Further, the Congressional Budget Office (CBO), estimates that the \$15 Washington Mandate in this bill will destroy 1.4 million jobs (this figure could be as high as 2.7 million jobs), and the removal of the 14(c) wage would limit employment opportunities for disabled workers. Additionally, this bill comes at the wrong time. CBO has already projected that by the middle of this year, our economy will return to a pre-pandemic level of real gross domestic product (GDP),

even without any additional stimulus spending. Furthermore, a prominent Democrat and former senior government official has publicly criticized the timing of this relief bill, suggesting that this proposed stimulus is at least three times the size of the output shortfall. When combined with already enacted legislation, the total COVID-19 stimulus price tag, at almost \$6 trillion, would be more than the GDP of every country other than China and the United States.

This bill is being rushed through a partisan process for all the wrong reasons. Less than nine percent of the \$1.9 trillion in funding is allocated for combating COVID-19. Among the non-COVID-19-related provisions are an additional \$12 billion in foreign aid, on top of the more than \$30 billion enacted just last December, and millions of dollars for the National Endowment for the Arts and the National Endowment for the Humanities. Furthermore, while Democrats claim the \$130 billion in K-12 public school funding is necessary to expeditiously reopen schools, according to CBO, only five percent of this funding will be spent this fiscal year.

Lastly, under the Statutory Pay-As-You-Go (PAYGO) law, the deficit spending in this bill will cause a dramatic cut to the Medicare program over the next ten years, starting in January 2022. Such a cut poses a direct threat to America's seniors.

Committee Republicans offered 12 motions to instruct to ensure protections for working-class Americans, seniors, families, and combating the COVID-19 virus, including:

A motion offered by Representative Hinson (IA) and Representative Feenstra (IA) to stop the legislation from harming America's working class.

A motion offered by Representative Donalds (FL) and Representative Grothman (WI) to stop the legislation from harming America's seniors and low- and middle-income working-class Americans.

A motion offered by Representative Feenstra (IA) and Representative Boebert (CO) to stop the legislation from using the COVID-19 pandemic to advance a political agenda.

A motion offered by Representative Boebert (CO) and Representative Obernolte (CA) to stop the legislation from rewarding politicians who harm workers, small businesses, and students.

A motion offered by Representative Obernolte (CA) and Representative Good (VA) to stop the legislation from harming rural America.

A motion offered by Ranking Member Smith (MO) and Representative Carter (GA) to stop the Administration from harming union and working-class Americans, to benefit President Biden's campaign supporters.

A motion offered by Representative Grothman (WI) and Representative Donalds (FL) to put American working families' needs, protection, and support ahead of illegal immigrants and globalism.

A motion offered by Representative Jacobs (NY) and Representative Smucker (PA) to stop bailing out states that cannot or will not protect their nursing home residents and staff.

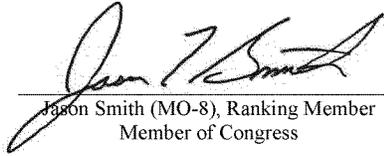
A motion offered by Ranking Member Smith (MO) and Representative Smucker (PA) to protect America's seniors from President Biden's agenda.

A motion offered by Representative Burgess (TX) and Ranking Member Smith (MO) to protect American families from the COVID-19 virus by testing and providing personal protective equipment to illegal immigrants at the southern border as a result of President Biden's border crisis.

A motion offered by Representative Good (VA) and Representative Cline (VA) to support Americans harmed by lockdowns.

A motion offered by Representative Donalds (FL) and Representative Hinson (IA) to put America's children ahead of politicians.

All of these motions were rejected by Committee Democrats. Congress should work in a bipartisan manner to provide relief and support, as needed, to working-class Americans, seniors, and families while combating the COVID-19 virus. This bill is the wrong plan for the American people, it comes at the wrong time, and it's for all the wrong reasons, we urge the House to reject it.



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Jason Smith (MO-8), Ranking Member  
Member of Congress



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Tom McClintock (CA-04)  
Member of Congress



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Glenn Grothman (WI-06)  
Member of Congress



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Lloyd Smucker (PA-11)  
Member of Congress



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Chris Jacobs (NY-27)  
Member of Congress



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Michael C. Burgess, M.D. (TX-26)  
Member of Congress



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Buddy Carter (GA-01)  
Member of Congress



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Ben Cline (VA-06)  
Member of Congress



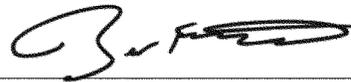
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Lauren Boebert (CO-03)  
Member of Congress



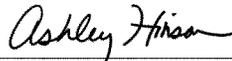
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Byron Donalds (FL-19)  
Member of Congress



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Randy Feenstra (IA-04)  
Member of Congress



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Ashley Hinson (IA-01)  
Member of Congress

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

**SECTION 1. SHORT TITLE.**

This Act may be cited as the “American Rescue Plan Act of 2021”.

**SEC. 2. TABLE OF CONTENTS.**

The table of contents for this Act is as follows:

- Sec. 1. Short title.  
Sec. 2. Table of contents.

TITLE I—COMMITTEE ON AGRICULTURE

Subtitle A—Agriculture

- Sec. 1001. Food Supply Chain and Agriculture Pandemic Response.  
Sec. 1002. Emergency grants for rural health care.  
Sec. 1003. Pandemic program administration funds.  
Sec. 1004. Funding for the USDA Office of Inspector General for oversight of COVID—19-related programs.  
Sec. 1005. Farm loan assistance for socially disadvantaged farmers and ranchers.  
Sec. 1006. Assistance and support for socially disadvantaged farmers, ranchers, forest land owners and operators, and groups.  
Sec. 1007. Funding for Food for Peace title II Grants.

Subtitle B—Nutrition

- Sec. 1011. Supplemental nutrition assistance program.  
Sec. 1012. Additional assistance for SNAP online purchasing and technology improvements.  
Sec. 1013. Additional funding for nutrition assistance programs.  
Sec. 1014. Commodity supplemental food program.

TITLE II—COMMITTEE ON EDUCATION AND LABOR

Subtitle A—Education Matters

PART 1—DEPARTMENT OF EDUCATION

- Sec. 2001. Elementary and secondary school emergency relief fund.  
Sec. 2002. Higher education emergency relief fund.  
Sec. 2003. Maintenance of effort and maintenance of equity.  
Sec. 2004. Outlying areas.  
Sec. 2005. Bureau of Indian Education.  
Sec. 2006. Gallaudet University.  
Sec. 2007. Student aid administration.  
Sec. 2008. Howard University.  
Sec. 2009. National Technical Institute for the Deaf.  
Sec. 2010. Institute of Education Sciences.  
Sec. 2011. Program administration.  
Sec. 2012. Office of inspector general.  
Sec. 2013. Modification of revenue requirements for proprietary institutions of higher education.

PART 2—MISCELLANEOUS

- Sec. 2021. National endowment for the arts.  
Sec. 2022. National endowment for the humanities.  
Sec. 2023. Institute of museum and library services.  
Sec. 2024. COVID-19 response resources for the preservation and maintenance of Native American languages.

Subtitle B—Labor Matters

- Sec. 2101. Raising the Federal minimum wage.  
Sec. 2102. Funding for Department of Labor Worker Protection Activities.  
Sec. 2103. Eligibility for workers’ compensation benefits for Federal employees diagnosed with COVID—19.  
Sec. 2104. Compensation pursuant to the Longshore and Harbor Workers’ Compensation Act.

Subtitle C—Human Services and Community Supports

- Sec. 2201. Additional funding for aging and disability services programs.
- Sec. 2202. Supporting older Americans and their families.
- Sec. 2203. Child Care and Development Block Grant Program.
- Sec. 2204. Child Care Stabilization.
- Sec. 2205. Head Start.
- Sec. 2206. Programs for survivors.
- Sec. 2207. Child abuse prevention and treatment.
- Sec. 2208. LIHEAP.
- Sec. 2209. Department of Health and Human Services.
- Sec. 2210. Corporation for National and Community Service and the National Service Trust.

Subtitle D—Child Nutrition & Related Programs

- Sec. 2301. Improvements to WIC benefits.
- Sec. 2302. WIC program modernization.
- Sec. 2303. Meals and supplements reimbursements for individuals who have not attained the age of 25.
- Sec. 2304. Pandemic EBT program.

Subtitle E—COBRA Continuation Coverage

- Sec. 2401. Preserving health benefits for workers.

TITLE III—COMMITTEE ON ENERGY AND COMMERCE

Subtitle A—Public Health

CHAPTER 1—VACCINES AND THERAPEUTICS

- Sec. 3001. Funding for COVID–19 vaccine activities at the centers for disease control and prevention.
- Sec. 3002. Funding for vaccine confidence activities.
- Sec. 3003. Funding for supply chain for COVID–19 vaccines, therapeutics, and medical supplies.
- Sec. 3004. Funding for COVID–19 vaccine, therapeutic, and device activities at the Food and Drug Administration.

CHAPTER 2—TESTING

- Sec. 3011. Funding for COVID–19 testing, contact tracing, and mitigation activities.
- Sec. 3012. Funding for SARS–CoV–2 genomic sequencing and surveillance.
- Sec. 3013. Funding for global health.
- Sec. 3014. Funding for data modernization and forecasting center.

CHAPTER 3—PUBLIC HEALTH WORKFORCE

- Sec. 3021. Funding for public health workforce.
- Sec. 3022. Funding for Medical Reserve Corps.

CHAPTER 4—PUBLIC HEALTH INVESTMENTS

- Sec. 3031. Funding for community health centers and community care.
- Sec. 3032. Funding for National Health Service Corps.
- Sec. 3033. Funding for Nurse Corps.
- Sec. 3034. Funding for teaching health centers that operate graduate medical education.
- Sec. 3035. Funding for COVID–19 testing, contact tracing, and mitigation activities in congregate settings.
- Sec. 3036. Funding for family planning.
- Sec. 3037. Funding for children under the care of the Department of Health and Human Services.
- Sec. 3038. Funding for Office of Inspector General.

CHAPTER 5—INDIAN HEALTH

- Sec. 3041. Funding for Indian health.

CHAPTER 6—MENTAL HEALTH AND SUBSTANCE USE DISORDER

- Sec. 3051. Funding for block grants for community mental health services.
- Sec. 3052. Funding for block grants for prevention and treatment of substance abuse.

- Sec. 3053. Funding for mental and behavioral health training for health care professionals, paraprofessionals, and public safety officers.
- Sec. 3054. Funding for education and awareness campaign encouraging healthy work conditions and use of mental and behavioral health services by health care professionals.
- Sec. 3055. Funding for grants for health care providers to promote mental and behavioral health among their health professional workforce.
- Sec. 3056. Funding for community-based funding for local substance use disorder services.
- Sec. 3057. Funding for community-based funding for local behavioral health needs.
- Sec. 3058. Funding for the National Child Traumatic Stress Network.
- Sec. 3059. Funding for Project AWARE.
- Sec. 3059A. Funding for youth suicide prevention.
- Sec. 3059B. Funding for behavioral health workforce education and training.

#### CHAPTER 7—EXCHANGE GRANT PROGRAM

- Sec. 3061. Establishing a grant program for Exchange modernization.

#### Subtitle B—Medicaid

- Sec. 3101. Mandatory coverage of COVID-19 vaccines and administration and treatment under Medicaid.
- Sec. 3102. Modifications to certain coverage under Medicaid for pregnant and postpartum women.
- Sec. 3103. Allowing for medical assistance under Medicaid for inmates during 30-day period preceding release.
- Sec. 3104. Enhanced Federal Medicaid support for community-based mobile crisis intervention services.
- Sec. 3105. Temporary increase in FMAP for medical assistance under State Medicaid plans which begin to expend amounts for certain mandatory individuals.
- Sec. 3106. Extension of 100 percent Federal medical assistance percentage to Urban Indian Health Organizations and Native Hawaiian Health Care Systems.
- Sec. 3107. Sunset of limit on maximum rebate amount for single source drugs and innovator multiple source drugs.
- Sec. 3108. Additional support for Medicaid home and community-based services during the COVID-19 emergency period.
- Sec. 3109. Funding for State strike teams for resident and employee safety in nursing facilities.

#### Subtitle C—Children’s Health Insurance Program

- Sec. 3201. Mandatory coverage of COVID-19 vaccines and administration and treatment under CHIP.
- Sec. 3202. Modifications to certain coverage under CHIP for pregnant and postpartum women.

#### Subtitle D—Other Provisions

#### CHAPTER 1—ENSURING ENVIRONMENTAL HEALTH AND RATEPAYER PROTECTION DURING THE PANDEMIC

- Sec. 3301. Funding for pollution and disparate impacts of the COVID-19 pandemic.
- Sec. 3302. Funding for LIHEAP.
- Sec. 3303. Funding for water assistance program.

#### CHAPTER 2—DISTANCE LEARNING AND CONSUMER PROTECTION DURING THE COVID-19 PANDEMIC

- Sec. 3311. Funding for consumer product safety fund to protect consumers from potentially dangerous products related to COVID-19.
- Sec. 3312. Funding for E-Rate support for emergency educational connections and devices.

#### CHAPTER 3—OVERSIGHT OF DEPARTMENT OF COMMERCE PREVENTION AND RESPONSE TO COVID-19

- Sec. 3321. Funding for Department of Commerce Inspector General.

## TITLE IV—COMMITTEE ON FINANCIAL SERVICES

## Subtitle A—Defense Production Act of 1950

Sec. 4001. COVID-19 emergency medical supplies enhancement.

## Subtitle B—Housing Provisions

- Sec. 4101. Emergency rental assistance.  
 Sec. 4102. Emergency housing vouchers.  
 Sec. 4103. Emergency assistance for rural housing.  
 Sec. 4104. Housing assistance and supportive services programs for Native Americans.  
 Sec. 4105. Housing counseling.  
 Sec. 4106. Homelessness assistance and supportive services program.  
 Sec. 4107. Homeowner Assistance Fund.  
 Sec. 4108. Relief measures for section 502 and 504 direct loan borrowers.

## Subtitle C—Small Business (SSBCI)

Sec. 4201. Reauthorization of the State Small Business Credit Initiative Act of 2010.

## Subtitle D—Airlines

Sec. 4301. Air Transportation Payroll Support Program Extension.

## TITLE V—COMMITTEE ON OVERSIGHT AND REFORM

## Subtitle A—Coronavirus State and Local Fiscal Recovery Funds

Sec. 5001. Coronavirus State and Local Fiscal Recovery Funds.

## Subtitle B—Other Matters

- Sec. 5111. Emergency Federal Employee Leave Fund.  
 Sec. 5112. Funding for the Government Accountability Office.  
 Sec. 5113. Pandemic Response Accountability Committee funding availability.

## TITLE VI—COMMITTEE ON SMALL BUSINESS

- Sec. 6001. Modifications to paycheck protection program.  
 Sec. 6002. Targeted EIDL advance.  
 Sec. 6003. Support for restaurants.  
 Sec. 6004. Community navigator pilot program.  
 Sec. 6005. Shuttered venue operators.  
 Sec. 6006. Direct appropriations.

## TITLE VII—COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

## Subtitle A—Transportation and Infrastructure

- Sec. 7001. Federal Emergency Management Agency appropriation.  
 Sec. 7002. Funeral assistance.  
 Sec. 7003. Economic adjustment assistance.  
 Sec. 7004. Great Lakes St. Lawrence Seaway Development Corporation operations and maintenance.  
 Sec. 7005. Grants to the National Railroad Passenger Corporation.  
 Sec. 7006. Federal Transit Administration grants.  
 Sec. 7007. Relief for airports.

## Subtitle B—Aviation Manufacturing Jobs Protection

- Sec. 7101. Definitions.  
 Sec. 7102. Payroll support program.

## Subtitle C—Continued Assistance to Rail Workers

- Sec. 7201. Additional enhanced benefits under the Railroad Unemployment Insurance Act.  
 Sec. 7202. Extended unemployment benefits under the Railroad Unemployment Insurance Act.  
 Sec. 7203. Extension of waiver of the 7-day waiting period for benefits under the Railroad Unemployment Insurance Act.  
 Sec. 7204. Railroad Retirement Board and Office of the Inspector General funding.

## TITLE VIII—COMMITTEE ON VETERANS' AFFAIRS

Sec. 8001. Funding for claims and appeals processing.

- Sec. 8002. Funding availability for medical care and health needs.
- Sec. 8003. Funding for supply chain modernization.
- Sec. 8004. Funding for state homes.
- Sec. 8005. Funding for the Department of Veterans Affairs office of inspector general.
- Sec. 8006. Covid-19 veteran rapid retraining assistance program.
- Sec. 8007. Prohibition on copayments and cost sharing for veterans during emergency relating to COVID-19.

#### TITLE IX—COMMITTEE ON WAYS AND MEANS

##### Subtitle A—Crisis Support for Unemployed Workers

- Sec. 9001. Short title.

##### PART 1—EXTENSION OF CARES ACT UNEMPLOYMENT PROVISIONS

- Sec. 9011. Extension of pandemic unemployment assistance.
- Sec. 9012. Extension of emergency unemployment relief for governmental entities and nonprofit organizations.
- Sec. 9013. Extension of Federal Pandemic Unemployment Compensation.
- Sec. 9014. Extension of full Federal funding of the first week of compensable regular unemployment for States with no waiting week.
- Sec. 9015. Extension of emergency State staffing flexibility.
- Sec. 9016. Extension of Pandemic Emergency Unemployment Compensation.
- Sec. 9017. Extension of temporary financing of short-time compensation payments in States with programs in law.
- Sec. 9018. Extension of temporary financing of short-time compensation agreements for States without programs in law.

##### PART 2—EXTENSION OF FFCRA UNEMPLOYMENT PROVISIONS

- Sec. 9021. Extension of temporary assistance for States with advances.
- Sec. 9022. Extension of full Federal funding of extended unemployment compensation.

##### PART 3—DEPARTMENT OF LABOR FUNDING FOR TIMELY, ACCURATE, AND EQUITABLE PAYMENT

- Sec. 9031. Funding for administration.
- Sec. 9032. Funding for fraud prevention, equitable access, and timely payment to eligible workers.

##### Subtitle B—Emergency Assistance to Families Through Home Visiting Programs

- Sec. 9101. Emergency assistance to families through home visiting programs.

##### Subtitle C—Emergency Assistance to Children and Families

- Sec. 9201. Pandemic Emergency Assistance Fund.

##### Subtitle D—Elder Justice and Support Guarantee

- Sec. 9301. Additional funding for aging and disability services programs.

##### Subtitle E—Support to Skilled Nursing Facilities in Response to COVID-19

- Sec. 9401. Providing for infection control support to skilled nursing facilities through contracts with quality improvement organizations.
- Sec. 9402. Funding for strike teams for resident and employee safety in skilled nursing facilities.

##### Subtitle F—Preserving Health Benefits for Workers

- Sec. 9500. Short title.
- Sec. 9501. Preserving health benefits for workers.

##### Subtitle G—Promoting Economic Security

##### PART 1—2021 RECOVERY REBATES TO INDIVIDUALS

- Sec. 9601. 2021 recovery rebates to individuals.

##### PART 2—CHILD TAX CREDIT

- Sec. 9611. Child tax credit improvements for 2021.
- Sec. 9612. Application of child tax credit in possessions.

## PART 3—EARNED INCOME TAX CREDIT

- Sec. 9621. Strengthening the earned income tax credit for individuals with no qualifying children.
- Sec. 9622. Taxpayer eligible for childless earned income credit in case of qualifying children who fail to meet certain identification requirements.
- Sec. 9623. Credit allowed in case of certain separated spouses.
- Sec. 9624. Modification of disqualified investment income test.
- Sec. 9625. Application of earned income tax credit in possessions of the United States.
- Sec. 9626. Temporary special rule for determining earned income for purposes of earned income tax credit.

## PART 4—DEPENDENT CARE ASSISTANCE

- Sec. 9631. Refundability and enhancement of child and dependent care tax credit.
- Sec. 9632. Increase in exclusion for employer-provided dependent care assistance.

## PART 5—CREDITS FOR PAID SICK AND FAMILY LEAVE

- Sec. 9641. Extension of credits.
- Sec. 9642. Increase in limitations on credits for paid family leave.
- Sec. 9643. Expansion of leave to which paid family leave credits applies.
- Sec. 9644. Paid leave credits allowed for leave for COVID-vaccination.
- Sec. 9645. Application of non-discrimination rules.
- Sec. 9646. Reset of limitation on paid sick leave.
- Sec. 9647. Credits allowed against employer hospital insurance tax.
- Sec. 9648. Application of credits to certain governmental employers.
- Sec. 9649. Gross up of credit in lieu of exclusion from tax.
- Sec. 9650. Effective date.

## PART 6—EMPLOYEE RETENTION CREDIT

- Sec. 9651. Extension of employee retention credit.

## PART 7—PREMIUM TAX CREDIT

- Sec. 9661. Improving affordability by expanding premium assistance for consumers.
- Sec. 9662. Temporary modification of limitations on reconciliation of tax credits for coverage under a qualified health plan with advance payments of such credit.
- Sec. 9663. Application of premium tax credit in case of individuals receiving unemployment compensation during 2021.

## PART 8—MISCELLANEOUS PROVISIONS

- Sec. 9671. Repeal of election to allocate interest, etc. on worldwide basis.
- Sec. 9672. Tax treatment of targeted EIDL advances.
- Sec. 9673. Tax treatment of restaurant revitalization grants.

## Subtitle H—Pensions

- Sec. 9700. Short title.
- Sec. 9701. Temporary delay of designation of multiemployer plans as in endangered, critical, or critical and declining status.
- Sec. 9702. Temporary extension of the funding improvement and rehabilitation periods for multiemployer pension plans in critical and endangered status for 2020 or 2021.
- Sec. 9703. Adjustments to funding standard account rules.
- Sec. 9704. Special financial assistance program for financially troubled multiemployer plans.
- Sec. 9705. Extended amortization for single employer plans.
- Sec. 9706. Extension of pension funding stabilization percentages for single employer plans.
- Sec. 9707. Modification of special rules for minimum funding standards for community newspaper plans.
- Sec. 9708. Cost of living adjustment freeze.

## Subtitle I—Child Care for Workers

- Sec. 9801. Child care assistance.

# TITLE I—COMMITTEE ON AGRICULTURE

## Subtitle A—Agriculture

### SEC. 1001. FOOD SUPPLY CHAIN AND AGRICULTURE PANDEMIC RESPONSE.

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Secretary of Agriculture for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$4,000,000,000, to remain available until expended, to carry out this section.

(b) USE OF FUNDS.—The Secretary of Agriculture shall use the amounts made available pursuant to subsection (a)—

(1) to purchase food and agricultural commodities;

(2) to purchase and distribute agricultural commodities (including fresh produce, dairy, seafood, eggs, and meat) to individuals in need, including through delivery to nonprofit organizations and through restaurants and other food related entities, as determined by the Secretary, that may receive, store, process, and distribute food items;

(3) to make grants and loans for small or mid-sized food processors or distributors, seafood processing facilities and processing vessels, farmers markets, producers, or other organizations to respond to COVID-19, including for measures to protect workers against COVID-19;

(4) to make loans and grants and provide other assistance to maintain and improve food and agricultural supply chain resiliency; and

(5) to make payments for necessary expenses related to losses of crops (including losses due to high winds or derechos) pursuant to title I of the Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Public Law 116-20), as amended by section 116 of the Continuing Appropriations Act, 2020 (Public Law 116-59) and as further amended by subsection (c) of section 791 of the Further Consolidated Appropriations Act, 2020 (Public Law 116-94) for crop losses in crop year 2020.

(c) ANIMAL HEALTH.—

(1) COVID-19 ANIMAL SURVEILLANCE.—The Secretary of Agriculture shall conduct monitoring and surveillance of susceptible animals for incidence of SARS-CoV-2.

(2) INTERGOVERNMENTAL COOPERATION.—Activities conducted under paragraph (1) shall be consistent with guidance provided by the World Organisation for Animal Health.

(3) FUNDING.—Out of the amounts made available under subsection (a), the Secretary shall use \$300,000,000 to carry out this subsection.

(d) OVERTIME FEES.—

(1) SMALL ESTABLISHMENT; VERY SMALL ESTABLISHMENT DEFINITIONS.—The terms “small establishment” and “very small establishment” have the meaning given those terms in the final rule entitled “Pathogen Reduction; Hazard Analysis and Crit-

ical Control Point (HACCP) Systems” published in the Federal Register on July 25, 1996 (61 Fed. Reg. 38806).

(2) OVERTIME INSPECTION COST REDUCTION.—Notwithstanding any other provision of law and subject to the availability of funds under paragraph (3), the Secretary of Agriculture shall reduce the amount of overtime inspection costs borne by federally-inspected small establishments and very small establishments engaged in meat, poultry, or egg products processing and subject to the requirements of the Federal Meat Inspection Act (21 U.S.C. 601 et seq.), the Poultry Products Inspection Act (21 U.S.C. 451 et seq.), or the Egg Products Inspection Act (21 U.S.C. 1031 et seq.), for inspection activities carried out during the period of fiscal years 2021 through 2030.

(3) FUNDING.—Out of the amounts made available under subsection (a), the Secretary shall use \$100,000,000 to carry out this subsection.

**SEC. 1002. EMERGENCY GRANTS FOR RURAL HEALTH CARE.**

(a) GRANTS.—The Secretary of Agriculture (in this section referred to as the “Secretary”) shall use the funds made available by this section to establish an emergency pilot program not later than 150 days after the date of enactment of this Act to provide grants to eligible applicants (as defined in section 3570.61(a) of title 7, Code of Federal Regulations) to be awarded by the Secretary based on needs related to the COVID–19 pandemic.

(b) USES.—An eligible applicant to whom a grant is awarded under this section may use the grant funds for costs, including those incurred prior to the issuance of the grant, as determined by the Secretary, on facilities which primarily serve rural areas (as defined in section 343(a)(13)(C) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1991(a)(13)(C)), which are located in a rural area, the median household income of the population to be served by which is less than the greater of the poverty line or the applicable percentage (determined under section 3570.63(b) of title 7, Code of Federal Regulations) of the State nonmetropolitan median household income, and for which the performance of construction work shall meet the condition set forth in section 9003(f) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8103(f)), to—

- (1) increase capacity for vaccine distribution;
- (2) provide drugs or medical supplies to increase medical surge capacity;
- (3) reimburse for COVID–19-related expenses and lost revenue to maintain capacity, including expenses and revenue losses incurred prior to the awarding of the grant;
- (4) increase telehealth capabilities, including underlying health care information systems;
- (5) construct temporary or permanent structures to provide health care services, including vaccine administration or testing;
- (6) support staffing needs for vaccine administration or testing; and
- (7) engage in any other efforts determined to be critical to address the COVID–19 pandemic, including nutritional assistance to vulnerable individuals, as approved by the Secretary.

(c) **FUNDING.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$500,000,000, to remain available until September 30, 2023, to carry out this section, of which not more than 3 percent may be used by the Secretary for administrative purposes and not more than 2 percent may be used by the Secretary for technical assistance as defined in section 306(a)(26) of the Consolidated Farm and Rural Development Act (7 U.S.C. 1926(a)(26)).

**SEC. 1003. PANDEMIC PROGRAM ADMINISTRATION FUNDS.**

In addition to amounts otherwise available, there are appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$47,500,000, to remain available until expended, for necessary administrative expenses associated with carrying out this subtitle.

**SEC. 1004. FUNDING FOR THE USDA OFFICE OF INSPECTOR GENERAL FOR OVERSIGHT OF COVID—19-RELATED PROGRAMS.**

In addition to amounts otherwise made available, there are appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$2,500,000, to remain available until September 30, 2022, to carry out audits, investigations, and other oversight activities authorized under the Inspector General Act of 1978 (5 U.S.C. App.) of projects and activities carried out with funds made available to the Department of Agriculture related to the COVID—19 pandemic.

**SEC. 1005. FARM LOAN ASSISTANCE FOR SOCIALLY DISADVANTAGED FARMERS AND RANCHERS.**

(a) **PAYMENTS.**—

(1) **APPROPRIATION.**—For the purposes of addressing the longstanding and widespread discrimination against socially disadvantaged farmers and ranchers in farm loan programs and across the Department of Agriculture, as documented for decades by Congress and Federal agencies, and alleviating discriminatory barriers preventing socially disadvantaged farmers and ranchers from fully participating in the American farm economy, in addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of amounts in the Treasury not otherwise appropriated, such sums as may be necessary, to remain available until expended, for the cost of loan modifications and payments under this section.

(2) **PAYMENTS.**—Using a simplified process to be determined by the Secretary, the Secretary shall provide a payment in an amount equal to 120 percent of the outstanding indebtedness of each socially disadvantaged farmer or rancher as of January 1, 2021, to pay off the loan directly or to the socially disadvantaged farmer or rancher (or a combination of both), on each—

(A) direct farm loan made by the Secretary to the socially disadvantaged farmer or rancher; and

(B) farm loan guaranteed by the Secretary the borrower of which is the socially disadvantaged farmer or rancher.

(3) **EFFECT ON ELIGIBILITY.**—Notwithstanding any other provision of law, the provision of a payment under paragraph (2) to a socially disadvantaged farmer or rancher shall not affect

the eligibility of such farmer or rancher for a farm loan after the date on which the payment is provided.

(b) DEFINITIONS.—In this section:

(1) FARM LOAN.—The term “farm loan” means—

(A) a loan administered by the Farm Service Agency under subtitle A, B, or C of the Consolidated Farm and Rural Development Act (7 U.S.C. 1922 et seq.); and

(B) a Commodity Credit Corporation Farm Storage Facility Loan.

(2) SECRETARY.—The term “Secretary” means the Secretary of Agriculture.

(3) SOCIALLY DISADVANTAGED FARMER OR RANCHER.—The term “socially disadvantaged farmer or rancher” has the meaning given the term in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).

**SEC. 1006. ASSISTANCE AND SUPPORT FOR SOCIALLY DISADVANTAGED FARMERS, RANCHERS, FOREST LAND OWNERS AND OPERATORS, AND GROUPS.**

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Secretary of Agriculture for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$1,010,000,000, to remain available until expended, to carry out this section.

(b) ASSISTANCE.—The Secretary of Agriculture shall use the amounts made available pursuant to subsection (a)—

(1) to provide outreach, mediation, financial training, capacity building training, cooperative development training and support, and other technical assistance to socially disadvantaged groups;

(2) to provide grants and loans to improve land access for socially disadvantaged farmers, ranchers, or forest landowners, including issues related to heirs’ property in a manner as determined by the Secretary;

(3) to support the development of agricultural credit institutions that are designed to serve socially disadvantaged groups, including other financing institutions funded by the Farm Credit System;

(4) to support the activities of one or more equity commissions;

(5) to support the development of one or more legal centers focused on agricultural legal issues of socially disadvantaged groups;

(6) to support and supplement research, education, and extension, as well as scholarships and programs that provide internships and pathways to Federal employment, at—

(A) colleges or universities eligible to receive funds under the Act of August 30, 1890 (commonly known as the “Second Morrill Act”) (7 U.S.C. 321 et seq.), including Tuskegee University;

(B) 1994 Institutions (as defined in section 532 of the Equity in Educational Land-Grant Status Act of 1994 (7 U.S.C. 301 note; Public Law 103–382));

(C) Alaska Native serving institutions and Native Hawaiian serving institutions eligible to receive grants under subsections (a) and (b), respectively, of section 1419B of

the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3156);

(D) Hispanic-serving institutions eligible to receive grants under section 1455 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3241); and

(E) the insular area institutions of higher education located in the territories of the United States, as referred to in section 1489 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3361);

(7) to provide assistance to socially disadvantaged farmers, ranchers, or forest landowners that are former farm loan borrowers that suffered related adverse actions or past discrimination or bias, as determined by the Secretary; and

(8) to establish pilot projects to provide technical and financial assistance to socially disadvantaged groups, including projects that focus on land acquisition, financial planning, technical assistance, and credit.

(c) DEFINITIONS.—In this section:

(1) NONINDUSTRIAL PRIVATE FOREST LAND.—The term “non-industrial private forest land” has the meaning given the term in section 1201(a)(18) of the Food Security Act of 1985 (16 U.S.C. 3801(a)(18)).

(2) SOCIALLY DISADVANTAGED FARMER, RANCHER, OR FOREST LANDOWNER.—The term “socially disadvantaged farmer, rancher, or forest landowner” means a farmer, rancher, or owner or operator of nonindustrial private forest land who is a member of a socially disadvantaged group.

(3) SOCIALLY DISADVANTAGED GROUP.—The term “socially disadvantaged group” has the meaning given the term in section 2501(a) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)).

**SEC. 1007. FUNDING FOR FOOD FOR PEACE TITLE II GRANTS.**

In addition to amounts otherwise made available, there are appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$800,000,000, to remain available until September 30, 2022, for expenses, not otherwise recoverable, and unrecovered prior years’ costs, including interest thereon, under the Food for Peace Act (Public Law 83–480), for commodities supplied in connection with dispositions abroad under title II of said Act.

## **Subtitle B—Nutrition**

**SEC. 1011. SUPPLEMENTAL NUTRITION ASSISTANCE PROGRAM.**

(a) VALUE OF BENEFITS.—Section 702(a) of division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260) is amended by striking “June 30, 2021” and inserting “September 30, 2021”.

(b) SNAP ADMINISTRATIVE EXPENSES.—In addition to amounts otherwise available, there is hereby appropriated for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$1,150,000,000, to remain available until September 30, 2023, with amounts to be obligated for each of fiscal years 2021, 2022, and 2023, for the costs of State administrative expenses asso-

ciated with carrying out this section and administering the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.), of which—

(1) \$15,000,000 shall be for necessary expenses of the Secretary of Agriculture (in this section referred to as the “Secretary”) for management and oversight of the program; and

(2) \$1,135,000,000 shall be for the Secretary to make grants to each State agency for each of fiscal years 2021 through 2023 as follows:

(A) 75 percent of the amounts available shall be allocated to States based on the share of each State of households that participate in the supplemental nutrition assistance program as reported to the Department of Agriculture for the most recent 12-month period for which data are available, adjusted by the Secretary (as of the date of the enactment of this Act) for participation in disaster programs under section 5(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(h)); and

(B) 25 percent of the amounts available shall be allocated to States based on the increase in the number of households that participate in the supplemental nutrition assistance program as reported to the Department of Agriculture over the most recent 12-month period for which data are available, adjusted by the Secretary (as of the date of the enactment of this Act) for participation in disaster programs under section 5(h) of the Food and Nutrition Act of 2008 (7 U.S.C. 2014(h)).

**SEC. 1012. ADDITIONAL ASSISTANCE FOR SNAP ONLINE PURCHASING AND TECHNOLOGY IMPROVEMENTS.**

(a) **FUNDING.**—In addition to amounts otherwise made available, there is appropriated for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$25,000,000 to remain available through September 30, 2026, to carry out this section.

(b) **USE OF FUNDS.**—The Secretary of Agriculture may use the amounts made available pursuant to subsection (a)—

(1) to make technological improvements to improve online purchasing in the supplemental nutrition assistance program established under the Food and Nutrition Act of 2008 (7 U.S.C. 2011 et seq.);

(2) to modernize electronic benefit transfer technology;

(3) to support the mobile technologies demonstration projects and the use of mobile technologies authorized under section 7(h)(14) of the Food and Nutrition Act of 2008 (7 U.S.C. 2016(h)(14)); and

(4) to provide technical assistance to educate retailers on the process and technical requirements for the online acceptance of the supplemental nutrition assistance program benefits, for mobile payments, and for electronic benefit transfer modernization initiatives.

**SEC. 1013. ADDITIONAL FUNDING FOR NUTRITION ASSISTANCE PROGRAMS.**

Section 704 of division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260) is amended—

(1) by striking “In addition” and inserting the following:

“(a) **COVID–19 RESPONSE FUNDING.**—In addition”; and

(2) by adding at the end the following—

“(b) **ADDITIONAL FUNDING.**—In addition to any other funds made available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$1,000,000,000 to remain available until September 30, 2027, for the Secretary of Agriculture to provide grants to the Commonwealth of Northern Mariana Islands, Puerto Rico, and American Samoa for nutrition assistance, of which \$30,000,000 shall be available to provide grants to the Commonwealth of Northern Mariana Islands for such assistance.”

**SEC. 1014. COMMODITY SUPPLEMENTAL FOOD PROGRAM.**

In addition to amounts otherwise made available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$37,000,000, to remain available until September 30, 2022, for activities authorized by section 4(a) of the Agriculture and Consumer Protection Act of 1973 (7 U.S.C. 612c note).

## **TITLE II—COMMITTEE ON EDUCATION AND LABOR**

### **Subtitle A—Education Matters**

#### **PART 1—DEPARTMENT OF EDUCATION**

**SEC. 2001. ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$128,554,800,000, to remain available through September 30, 2023, for providing grants to States in accordance with the same terms and conditions that apply to the Elementary and Secondary School Emergency Relief Fund of the Education Stabilization Fund for funding appropriated for fiscal year 2021, except that—

(1) a State that receives a grant under this section shall use—

(A) not less than 90 percent of such grant for subgrants to local educational agencies; and

(B) not less than 5 percent of such grant to carry out, directly or through grants or contracts, activities to address learning loss by supporting the implementation of evidence-based interventions, such as summer learning, extended day comprehensive afterschool programs, or extended school year programs, and ensure such interventions respond to students’ academic, social, and emotional needs and address the disproportionate impact of the coronavirus on the student populations described in section 1111(h)(1)(C)(ii) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(h)(1)(C)(ii)); and

(2) each local educational agency that receives funds from a subgrant under paragraph (1)(A) shall—

(A) reserve not less than 20 percent of such funds to address learning loss through the implementation of evidence-based interventions, such as summer learning, extended day comprehensive afterschool programs, or extended school year programs, and ensure such interventions respond to students' academic, social, and emotional needs and address the disproportionate impact of the coronavirus on the student populations described in section 1111(h)(1)(C)(ii) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(h)(1)(C)(ii)); and

(B) using funds reserved under subparagraph (A), provide equitable services in the same manner as provided under section 1117 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6320) to students and teachers in non-public schools, as determined in consultation with representatives of non-public schools.

(b) **PUBLIC CONTROL OF FUNDS.**—Control of funds provided under subsection (a)(2)(B), and title to materials, equipment, and property purchased with such funds, shall be in a public agency, and a public agency shall administer such funds, materials, equipment, and property and shall provide such services (or may contract for the provision of such services with a public or private entity).

**SEC. 2002. HIGHER EDUCATION EMERGENCY RELIEF FUND.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$39,584,570,000, to remain available through September 30, 2023, for making allocations to institutions of higher education in accordance with the same terms and conditions that apply to the Higher Education Emergency Relief Fund of the Education Stabilization Fund for funding appropriated for fiscal year 2021, except that—

(1) 91 percent of such funds shall be allocated to each institution of higher education as defined in section 101 or section 102(c) of the Higher Education Act of 1965 (20 U.S.C. 1001, 1002(c)), and shall be apportioned using the same formula used to apportion funds to each such institution under such Higher Education Emergency Relief Fund;

(2) 1 percent of such funds shall be allocated to institutions of higher education as defined in section 102(b) of the Higher Education Act of 1965 (20 U.S.C. 1002(b)), and shall be apportioned using the same formula used to apportion funds to each such institution under such Higher Education Emergency Relief Fund;

(3) an institution shall solely determine which students receive emergency financial aid grants under this section;

(4) an institution receiving an allocation—

(A) under paragraph (1) shall use not less than 50 percent of such allocation to provide emergency financial aid grants to students; and

(B) under paragraph (2) shall use 100 percent of such allocation to provide emergency financial aid grants to students;

(5) an institution receiving an allocation under paragraph (1) shall use a portion of such allocation to—

(A) implement evidence-based practices to monitor and suppress coronavirus in accordance with public health guidelines; and

(B) conduct direct outreach to financial aid applicants about the opportunity to receive a financial aid adjustment due to the recent unemployment of a family member or independent student, or other circumstances, described in section 479A of the Higher Education Act of 1965 (20 U.S.C. 1087tt);

(6) notwithstanding paragraph (4)(A) or paragraph (5), an institution receiving an allocation under paragraph (1) a portion of which is apportioned according to a relative share (based on full-time equivalent enrollment or total number) of students who were Pell grant recipients and who were exclusively enrolled in distance education courses prior to the qualifying emergency shall use 100 percent of such portion to provide emergency financial aid grants to students; and

(7) institutions required to remit payment to the Internal Revenue Service for the excise tax based on investment income of private colleges and universities under section 4968 of the Internal Revenue Code of 1986 for tax year 2019 shall not be subject to restrictions related to the amount of allocations or uses of funds applicable to such institutions under such Higher Education Emergency Relief Fund.

**SEC. 2003. MAINTENANCE OF EFFORT AND MAINTENANCE OF EQUITY.**

(a) **STATE MAINTENANCE OF EFFORT.—**

(1) **IN GENERAL.—**As a condition of receiving funds under section 2001, a State shall maintain support for elementary and secondary education, and for higher education (which shall include State funding to institutions of higher education and State need-based financial aid, and shall not include support for capital projects or for research and development or tuition and fees paid by students), in each of fiscal years 2022 and 2023 at least at the proportional levels of such State's support for elementary and secondary education and for higher education relative to such State's overall spending, averaged over fiscal years 2017, 2018, and 2019.

(2) **WAIVER.—**For the purpose of relieving fiscal burdens incurred by States in preventing, preparing for, and responding to the coronavirus, the Secretary of Education may waive any maintenance of effort requirements associated with the Education Stabilization Fund.

(b) **STATE MAINTENANCE OF EQUITY.—**

(1) **HIGH-POVERTY LOCAL EDUCATIONAL AGENCIES.—**As a condition of receiving funds under section 2001, a State educational agency shall not, in fiscal year 2022 or 2023, reduce State funding (calculated on a per-pupil basis) for any high-poverty local educational agency in the State by an amount that exceeds the overall per-pupil reduction in State funds, if any, across all local educational agencies in such State in such fiscal year.

(2) **LOCAL EDUCATIONAL AGENCIES WITH HIGHEST SHARE OF ECONOMICALLY DISADVANTAGED STUDENT.—**Notwithstanding paragraph (1), as a condition of receiving funds under section 2001, a State educational agency shall not, in fiscal year 2022

or 2023, reduce State funding for any local educational agency that is part of the 20 percent of local educational agencies in the State with the highest percentage of economically disadvantaged students (based on the percentages of economically disadvantaged students served by all local educational agencies in the State on the basis of the most recent satisfactory data available from the Department of Commerce) below the level of funding provided to such local educational agencies in fiscal year 2019.

(c) LOCAL EDUCATIONAL AGENCY MAINTENANCE OF EQUITY FOR HIGH-POVERTY SCHOOLS.—As a condition of receiving funds under section 2001, a local educational agency shall not, in fiscal year 2022 or 2023—

(1) reduce per-pupil funding (from combined State and local funding) for any high-poverty school served by such local educational agency by an amount that exceeds—

(A) the total reduction in local educational agency funding (from combined State and local funding) for all schools served by the local educational agency in such fiscal year (if any); divided by

(B) the number of children enrolled in all schools served by the local educational agency in such fiscal year; or

(2) reduce per-pupil, full-time equivalent staff in any high-poverty school by an amount that exceeds—

(A) the total reduction in full-time equivalent staff in all schools served by such local educational agency in such fiscal year (if any); divided by

(B) the number of children enrolled in all schools served by the local educational agency in such fiscal year.

(d) DEFINITIONS.—In this section:

(1) The term “high-poverty local educational agency” means, with respect to a local educational agency in a State, a local educational agency that serves a higher percentage of economically disadvantaged students than the local educational agency that serves the median percentage of economically disadvantaged students, based on the percentages of economically disadvantaged students served by all local educational agencies in such State, on the basis of the most recent satisfactory data available from the Department of Commerce.

(2) The term “high-poverty school” means, with respect to a school served by a local educational agency, a school that serves a higher percentage of economically disadvantaged students, as determined by any of the measures of poverty in section 1113 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6313) than the school that serves the median percentage of economically disadvantaged students based on the percentages of economically disadvantaged students—

(A) at all schools served by such local educational agency; or

(B) at all schools within each grade-span of such local educational agency.

(3) The term “overall per-pupil reduction in State funds” means, with respect to a fiscal year—

(A) the amount of any reduction in the total amount of State funds provided to all local educational agencies in

the State in such fiscal year compared to the total amount of such funds provided to all local educational agencies in the State in the previous fiscal year; divided by

(B) the aggregate number of children enrolled in all schools served by all local educational agencies in the State in the fiscal year for which the determination is being made.

**SEC. 2004. OUTLYING AREAS.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$850,000,000, to remain available through September 30, 2023, for the Secretary of Education to allocate awards to the outlying areas on the basis of their respective needs, as determined by the Secretary, to be allocated not more than 30 calendar days after the date of enactment of this Act.

**SEC. 2005. BUREAU OF INDIAN EDUCATION.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$850,000,000, to remain available until expended, for the Secretary of Education to allocate to the Secretary of the Interior for awards, which awards shall be determined and funds for such awards allocated by the Secretary of the Interior not more than 30 calendar days after the date of enactment of this Act, for programs operated or funded by the Bureau of Indian Education, for Bureau-funded schools (as defined in section 1141(3) of the Education Amendments of 1978 (25 U.S.C. 2021(3)), and for Tribal Colleges or Universities (as defined in section 316(b)(3) of the Higher Education Act of 1965 (20 U.S.C. 1059c(b)(3))).

**SEC. 2006. GALLAUDET UNIVERSITY.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$19,250,000, to remain available through September 30, 2023, for the Kendall Demonstration Elementary School, the Model Secondary School for the Deaf, and Gallaudet University under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) to prevent, prepare for, and respond to coronavirus, domestically or internationally, including to defray expenses associated with coronavirus (including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll) and to provide financial aid grants to students, which may be used for any component of the student's cost of attendance.

**SEC. 2007. STUDENT AID ADMINISTRATION.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$91,130,000, to remain available through September 30, 2023, for Student Aid Administration within the Department of Education to prevent, prepare for, and respond to coronavirus, domestically or internationally, including direct outreach to students and borrowers about fi-

nancial aid, economic impact payments, means-tested benefits, and tax benefits for which they may be eligible.

**SEC. 2008. HOWARD UNIVERSITY.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$35,000,000, to remain available through September 30, 2023, for Howard University to prevent, prepare for, and respond to coronavirus, domestically or internationally, including to defray expenses associated with coronavirus (including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff trainings, and payroll) and to provide financial aid grants to students, which may be used for any component of the student's cost of attendance.

**SEC. 2009. NATIONAL TECHNICAL INSTITUTE FOR THE DEAF.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$19,250,000, to remain available through September 30, 2023, for the National Technical Institute for the Deaf under titles I and II of the Education of the Deaf Act of 1986 (20 U.S.C. 4301 et seq.) to prevent, prepare for, and respond to coronavirus, domestically or internationally, including to defray expenses associated with coronavirus (including lost revenue, reimbursement for expenses already incurred, technology costs associated with a transition to distance education, faculty and staff training, and payroll) and to provide financial aid grants to students, which may be used for any component of the student's cost of attendance.

**SEC. 2010. INSTITUTE OF EDUCATION SCIENCES.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$100,000,000, to remain available through September 30, 2023, for the Institute of Education Sciences established under part A of title I of the Education Sciences Reform Act of 2002 (20 U.S.C. 9511 et seq.) to carry out research related to addressing learning loss caused by the coronavirus among the student populations described in section 1111(h)(1)(C)(ii) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(h)(1)(C)(ii)) and to disseminate such findings to State educational agencies and local educational agencies and other appropriate entities.

**SEC. 2011. PROGRAM ADMINISTRATION.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$15,000,000, to remain available through September 30, 2024, for Program Administration within the Department of Education to prevent, prepare for, and respond to coronavirus, domestically or internationally, and for salaries and expenses necessary to implement this part.

**SEC. 2012. OFFICE OF INSPECTOR GENERAL.**

In addition to amounts otherwise available, there is appropriated to the Department of Education for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$5,000,000, to

remain available until expended, for the Office of Inspector General of the Department of Education, as authorized by section 211 of the Department of Education Organization Act (20 U.S.C. 3422), to prevent, prepare for, and respond to coronavirus, domestically or internationally, including for salaries and expenses necessary for oversight, investigations, and audits of programs, grants, and projects funded under this part to respond to coronavirus.

**SEC. 2013. MODIFICATION OF REVENUE REQUIREMENTS FOR PROPRIETARY INSTITUTIONS OF HIGHER EDUCATION.**

(a) **IN GENERAL.**—Section 487(a)(24) of the Higher Education Act of 1965 (20 U.S.C. 1094(a)(24)) is amended by striking “funds provided under this title” and inserting “Federal funds that are disbursed or delivered to or on behalf of a student to be used to attend such institution (referred to in this paragraph and subsection (d) as ‘Federal education assistance funds’)”.

(b) **IMPLEMENTATION OF NON-FEDERAL REVENUE REQUIREMENT.**—Section 487(d) of the Higher Education Act of 1965 (20 U.S.C. 1094(d)) is amended—

(1) in the subsection heading, by striking “Non-title IV” and inserting “Non-Federal”; and

(2) in paragraph (1)(C), by striking “funds for a program under this title” and inserting “Federal education assistance funds”.

## **PART 2—MISCELLANEOUS**

**SEC. 2021. NATIONAL ENDOWMENT FOR THE ARTS.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$135,000,000, to remain available until expended, under the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 951 et seq.), as follows:

(1) Forty percent shall be for grants, and relevant administrative expenses, to State arts agencies and regional arts organizations that support organizations’ programming and general operating expenses to cover up to 100 percent of the costs of the programs which the grants support, to prevent, prepare for, respond to, and recover from the coronavirus.

(2) Sixty percent shall be for direct grants, and relevant administrative expenses, that support organizations’ programming and general operating expenses to cover up to 100 percent of the costs of the programs which the grants support, to prevent, prepare for, respond to, and recover from the coronavirus.

**SEC. 2022. NATIONAL ENDOWMENT FOR THE HUMANITIES.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$135,000,000, to remain available until expended, under the National Foundation on the Arts and the Humanities Act of 1965 (20 U.S.C. 951 et seq.), as follows:

(1) Forty percent shall be for grants, and relevant administrative expenses, to State humanities councils that support humanities organizations’ programming and general operating expenses to cover up to 100 percent of the costs of the programs

which the grants support, to prevent, prepare for, respond to, and recover from the coronavirus.

(2) Sixty percent shall be for direct grants, and relevant administrative expenses, that support humanities organizations' programming and general operating expenses to cover up to 100 percent of the costs of the programs which the grants support, to prevent, prepare for, respond to, and recover from the coronavirus.

**SEC. 2023. INSTITUTE OF MUSEUM AND LIBRARY SERVICES.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$200,000,000, to remain available until expended, to carry out the Library Services and Technology Act (20 U.S.C. 9121 et seq.) as authorized under subtitle B of the Museum and Library Services Act (20 U.S.C. 9121 et seq.), including for administrative costs authorized under section 210C of such Act (20 U.S.C. 9111), except that—

(1) section 221(b)(3)(A) of the Library Services and Technology Act shall be applied by substituting “\$2,000,000” for “\$680,000” and by substituting “\$200,000” for “\$60,000”; and

(2) section 221(b)(3)(C) and subsections (b) and (c) of section 223 of such Act shall not apply to funds provided under this section.

**SEC. 2024. COVID-19 RESPONSE RESOURCES FOR THE PRESERVATION AND MAINTENANCE OF NATIVE AMERICAN LANGUAGES.**

(a) Section 816 of the Native American Programs Act of 1974 (42 U.S.C. 2992d) is amended by adding at the end the following:

“(f) In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$10,000,000 to remain available until expended, to carry out section 803C(g) of this Act.”.

(b) Section 803C of the Native American Programs Act of 1974 (42 U.S.C. 2991b-3) is amended by adding at the end the following:

“(g) EMERGENCY GRANTS FOR NATIVE AMERICAN LANGUAGE PRESERVATION AND MAINTENANCE.—Not later than 180 days after the effective date of this subsection, the Secretary shall award grants to entities eligible to receive assistance under subsection (a) to ensure the survival and continuing vitality of Native American languages during and after the public health emergency declared by the Secretary pursuant to section 319 of the Public Health Service Act (42 U.S.C. 247d) with respect to the COVID–19 pandemic.”.

## **Subtitle B—Labor Matters**

**SEC. 2101. RAISING THE FEDERAL MINIMUM WAGE.**

(a) MINIMUM WAGE INCREASES.—

(1) IN GENERAL.—Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

“(1) except as otherwise provided in this section, not less than—

“(A) \$9.50 an hour, beginning on the effective date under section 2101(e) of the American Rescue Plan Act of 2021;

“(B) \$11.00 an hour, beginning 1 year after such effective date;

“(C) \$12.50 an hour, beginning 2 years after such effective date;

“(D) \$14.00 an hour, beginning 3 years after such effective date;

“(E) \$15.00 an hour, beginning 4 years after such effective date; and

“(F) beginning on the date that is 5 years after such effective date, and annually thereafter, the amount determined by the Secretary under subsection (h);”.

(2) DETERMINATION BASED ON INCREASE IN THE MEDIAN HOURLY WAGE OF ALL EMPLOYEES.—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) is amended by adding at the end the following:

“(h)(1) Not later than each date that is 90 days before a new minimum wage determined under subsection (a)(1)(F) is to take effect, the Secretary shall determine the minimum wage to be in effect under this subsection for each period described in subsection (a)(1)(F). The wage determined under this subsection for a year shall be—

“(A) not less than the amount in effect under subsection (a)(1) on the date of such determination;

“(B) increased from such amount by the annual percentage increase, if any, in the median hourly wage of all employees as determined by the Bureau of Labor Statistics; and

“(C) rounded up to the nearest multiple of \$0.05.

“(2) In calculating the annual percentage increase in the median hourly wage of all employees for purposes of paragraph (1)(B), the Secretary, through the Bureau of Labor Statistics, shall compile data on the hourly wages of all employees to determine such a median hourly wage and compare such median hourly wage for the most recent year for which data are available with the median hourly wage determined for the preceding year.”.

(b) TIPPED EMPLOYEES.—

(1) BASE MINIMUM WAGE FOR TIPPED EMPLOYEES AND TIPS RETAINED BY EMPLOYEES.—Section 3(m)(2)(A)(i) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(m)(2)(A)(i)) is amended to read as follows:

“(i) the cash wage paid such employee, which for purposes of such determination shall be not less than—

“(I) for the 1-year period beginning on the effective date under section 2101(e) of the American Rescue Plan Act of 2021, \$4.95 an hour;

“(II) for each succeeding 1-year period until the hourly wage under this clause equals the wage in effect under section 6(a)(1) for such period, an hourly wage equal to the amount determined under this clause for the preceding year, increased by the lesser of—

“(aa) \$2.00; or

“(bb) the amount necessary for the wage in effect under this clause to equal the wage in effect under section 6(a)(1) for such period, rounded up to the nearest multiple of \$0.05; and

“(III) for each succeeding 1-year period after all increases are made pursuant to subclause (II), the minimum wage in effect under section 6(a)(1); and”.

(2) SCHEDULED REPEAL OF SEPARATE MINIMUM WAGE FOR TIPPED EMPLOYEES.—

(A) TIPPED EMPLOYEES.—Section 3(m)(2)(A) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(m)(2)(A)), as amended by paragraph (1), is further amended by striking the sentence beginning with “In determining the wage an employer is required to pay a tipped employee,” and all that follows through “of this subsection.” and inserting “The wage required to be paid to a tipped employee shall be the wage set forth in section 6(a)(1).”.

(B) EFFECTIVE DATE.—The amendments made by subparagraph (A) shall take effect on the date that is 1 day after the date on which the hourly wage under subclause (III) of section 3(m)(2)(A)(i) of the Fair Labor Standards Act of 1938 (29 U.S.C. 203(m)(2)(A)(i)), as amended by paragraph (1), takes effect.

(3) PENALTIES.—Section 16 of the Fair Labor Standards Act of 1938 (29 U.S.C. 216) is amended—

(A) in the third sentence of subsection (b), by inserting “or used” after “kept”; and

(B) in the second sentence of subsection (e)(2), by inserting “or used” after “kept”.

(c) NEWLY HIRED EMPLOYEES WHO ARE LESS THAN 20 YEARS OLD.—

(1) IN GENERAL.—Section 6(g)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(g)(1)) is amended by striking “a wage which is not less than \$4.25 an hour.” and inserting the following: “a wage at a rate that is not less than—

“(A) for the 1-year period beginning on the effective date under section 2101(e) of the American Rescue Plan Act of 2021, \$6.00 an hour;

“(B) for each succeeding 1-year period until the hourly wage under this paragraph equals the wage in effect under section 6(a)(1) for such period, an hourly wage equal to the amount determined under this paragraph for the preceding year, increased by the lesser of—

“(i) \$1.75; or

“(ii) the amount necessary for the wage in effect under this paragraph to equal the wage in effect under section 6(a)(1) for such period, rounded up to the nearest multiple of \$0.05; and

“(C) for each succeeding 1-year period after all increases are made pursuant to subparagraph (B), the minimum wage in effect under section 6(a)(1).”.

(2) SCHEDULED REPEAL OF SEPARATE MINIMUM WAGE FOR NEWLY HIRED EMPLOYEES WHO ARE LESS THAN 20 YEARS OLD.—

(A) IN GENERAL.—Section 6(g) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(g)), as amended by paragraph (1), shall be repealed.

(B) EFFECTIVE DATE.—The repeal made by subparagraph (A) shall take effect on the date that is 1 day after the date

on which the hourly wage under subparagraph (C) of section 6(g)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(g)(1)), as amended by paragraph (1), takes effect.

(d) PROMOTING ECONOMIC SELF-SUFFICIENCY FOR INDIVIDUALS WITH DISABILITIES.—

(1) PROHIBITION ON NEW SPECIAL CERTIFICATES.—

(A) IN GENERAL.—Section 14(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 214(c)) is amended by adding at the end the following:

“(6) PROHIBITION ON NEW SPECIAL CERTIFICATES.—Notwithstanding paragraph (1), the Secretary shall not issue a special certificate under this subsection to an employer that was not issued a special certificate under this subsection before the date of enactment of the American Rescue Plan Act of 2021.”.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall take effect on the date of enactment of this Act.

(2) TRANSITION TO FAIR WAGES FOR INDIVIDUALS WITH DISABILITIES.—Subparagraph (A) of section 14(c)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 214(c)(1)) is amended to read as follows:

“(A) at a rate that equals or exceeds, for each year, the greater of—

“(i)(I) \$5.00 an hour, beginning on the effective date under section 2101(e) of the American Rescue Plan Act of 2021;

“(II) \$7.50 an hour, beginning 1 year after such effective date;

“(III) \$10.00 an hour, beginning 2 years after such effective date;

“(IV) \$12.50 an hour, beginning 3 years after such effective date;

“(V) \$15.00 an hour, beginning 4 years after such effective date; and

“(VI) the wage rate in effect under section 6(a)(1), beginning 5 years after such effective date; or

“(ii) if applicable, the wage rate in effect on the day before the date of enactment of the American Rescue Plan Act of 2021 for the employment, under a special certificate issued under this paragraph, of the individual for whom the wage rate is being determined under this subparagraph.”.

(3) SUNSET.—Section 14(c) of the Fair Labor Standards Act of 1938 (29 U.S.C. 214(c)) is further amended by adding at the end the following:

“(7) SUNSET.—Beginning on the day after the date on which the wage rate described in paragraph (1)(A)(i)(VI) takes effect, the authority to issue special certificates under paragraph (1) shall expire, and no special certificates issued under paragraph (1) shall have any legal effect.”.

(e) GENERAL EFFECTIVE DATE.—Except as otherwise provided in this section, or the amendments made by this section, this section and the amendments made by this section shall take effect—

(1) subject to paragraph (2), on the first day of the third month that begins after the date of the enactment of this Act; and

(2) with respect to the Commonwealth of the Northern Mariana Islands, on the date that is 18 months after the effective date described in paragraph (1).

**SEC. 2102. FUNDING FOR DEPARTMENT OF LABOR WORKER PROTECTION ACTIVITIES.**

(a) **APPROPRIATION.**—In addition to amounts otherwise made available, out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary of Labor for fiscal year 2021, \$150,000,000, to remain available until September 30, 2023, for the Wage and Hour Division, the Office of Workers' Compensation Programs, the Office of the Solicitor, the Mine Safety and Health Administration, and the Occupational Safety and Health Administration to carry out COVID-19 related worker protection activities, and for the Office of Inspector General for oversight of the Secretary's activities to prevent, prepare for, and respond to COVID-19.

(b) **ALLOCATION OF AMOUNTS.**—Amounts appropriated under subsection (a) shall be allocated as follows:

(1) Not less than \$75,000,000 shall be for the Occupational Safety and Health Administration, of which \$10,000,000 shall be for Susan Harwood training grants and not less than \$5,000,000 shall be for enforcement activities related to COVID-19 at high risk workplaces including health care, meat and poultry processing facilities, agricultural workplaces and correctional facilities.

(2) \$12,500,000 shall be for the Office of Inspector General.

**SEC. 2103. ELIGIBILITY FOR WORKERS' COMPENSATION BENEFITS FOR FEDERAL EMPLOYEES DIAGNOSED WITH COVID-19.**

(a) **IN GENERAL.**—Subject to subsection (c), a covered employee shall, with respect to any claim made by or on behalf of the covered employee for benefits under subchapter I of chapter 81 of title 5, United States Code, be deemed to have an injury proximately caused by exposure to the novel coronavirus arising out of the nature of the covered employee's employment. Such covered employee, or a beneficiary of such an employee, shall be entitled to such benefits for such claim, including disability compensation, medical services, and survivor benefits.

(b) **DEFINITIONS.**—In this section, the following:

(1) **COVERED EMPLOYEE.**—

(A) **IN GENERAL.**—The term “covered employee” means an individual—

(i) who is an employee under section 8101(1) of title 5, United States Code, (including an employee of the United States Postal Service, the Transportation Security Administration, or the Department of Veterans Affairs, including any individual appointed under chapter 73 or 74 of title 38, United States Code) employed in the Federal service at anytime during the period beginning on January 27, 2020, and ending on January 27, 2023;

(ii) who is diagnosed with COVID-19 during such period; and

(iii) who, during a covered exposure period prior to such diagnosis, carries out duties that—

(I) require contact with patients, members of the public, or co-workers; or

(II) include a risk of exposure to the novel coronavirus.

(B) TELEWORKING EXCEPTION.—The term “covered employee” does not include any employee otherwise covered by subparagraph (A) who is exclusively teleworking during a covered exposure period, regardless of whether such employment is full time or part time.

(2) COVERED EXPOSURE PERIOD.—The term “covered exposure period” means, with respect to a diagnosis of COVID-19, the period beginning on a date to be determined by the Secretary of Labor.

(3) NOVEL CORONAVIRUS.—The term “novel coronavirus” means SARS-CoV-2 or another coronavirus declared to be a pandemic by public health authorities.

(c) LIMITATION.—

(1) DETERMINATIONS MADE ON OR BEFORE THE DATE OF ENACTMENT.—This section shall not apply with respect to a covered employee who is determined to be entitled to benefits under subchapter I of chapter 81 of title 5, United States Code, for a claim described in subsection (a) if such determination is made on or before the date of enactment of this Act.

(2) LIMITATION ON DURATION OF BENEFITS.—No funds are authorized to be appropriated to pay, and no benefits may be paid for, claims approved on the basis of subsection (a) after September 30, 2030. No administrative costs related to any such claim may be paid after such date.

(d) EMPLOYEES’ COMPENSATION FUND.—

(1) IN GENERAL.—The costs of benefits for claims approved on the basis of subsection (a) shall not be included in the annual statement of the cost of benefits and other payments of an agency or instrumentality under section 8147(b) of title 5, United States Code.

(2) FAIR SHARE PROVISION.—Costs of administration for claims described in paragraph (1)—

(A) may be paid from the Employees’ Compensation Fund; and

(B) shall not be subject to the fair share provision in section 8147(c) of title 5, United States Code.

**SEC. 2104. COMPENSATION PURSUANT TO THE LONGSHORE AND HARBOR WORKERS’ COMPENSATION ACT.**

(a) CLAIMS RELATED TO COVID-19.—

(1) IN GENERAL.—Subject to subsection (c), a covered employee who receives a diagnosis or is subject to an order described in paragraph (2)(B) and who provides notice of or files a claim relating to such diagnosis or order under section 12 or 13 of the Longshore and Harbor Workers’ Compensation Act (33 U.S.C. 912, 913), respectively, shall be conclusively presumed to have an injury arising out of or in the course of employment for the purpose of compensation under the Longshore and Harbor Workers’ Compensation Act (33 U.S.C. 901 et seq.).

(2) COVERED EMPLOYEE.—In this section, the term “covered employee” means an individual who, at any time during the period beginning January 27, 2020, and ending on January 27, 2023—

(A) is an employee; and

(B) is—

(i) diagnosed with COVID–19; or

(ii) ordered not to return to work by the employee’s employer or by a local, State, or Federal agency because of exposure, or the risk of exposure, to 1 or more individuals diagnosed with COVID–19 in the workplace.

(3) LIMITATION.—This section shall not apply with respect to a covered employee who—

(A) provides notice or files a claim described in paragraph (1) on or before the date of the enactment of this Act; and

(B) is determined to be entitled to the compensation described in paragraph (1) or awarded such compensation if such determination or award is made on or before such date.

(4) DENIALS ON OR BEFORE THE DATE OF ENACTMENT.—Paragraph (1) shall apply with respect to a covered employee who is determined not to be entitled to, or who is not awarded, compensation described in paragraph (1) if such determination or decision not to award such compensation is made on or before the date of enactment of this Act.

(b) REIMBURSEMENT.—

(1) IN GENERAL.—

(A) ENTITLEMENT.—Subject to subparagraph (B) and to the availability of appropriations and limitation on payments under subsection (c), an employer of a covered employee or the employer’s carrier shall be entitled to reimbursement for any compensation paid with respect to a notice or claim described in subsection (a), including disability benefits, funeral and burial expenses, medical or other related costs for treatment and care, and reasonable and necessary allocated claims expenses.

(B) SAFETY AND HEALTH REQUIREMENTS.—To be entitled to reimbursement under subparagraph (A)—

(i) an employer shall be in compliance with all applicable safety and health guidelines and standards that are related to the prevention of occupational exposure to the novel coronavirus that causes COVID–19, including such guidelines and standards issued by the Occupational Safety and Health Administration, State plans approved under section 18 of the Occupational Safety and Health Act of 1970 (29 U.S.C. 667), and the National Institute for Occupational Safety and Health; and

(ii) a carrier—

(I) shall be a carrier for an employer that is in compliance with clause (i); and

(II) shall not adjust the experience rating or the annual premium of the employer based upon the

compensation paid by the carrier with respect to a notice or claim described in subparagraph (A).

(2) REIMBURSEMENT PROCEDURES.—

(A) IN GENERAL.—Subject to subsection (c), to receive reimbursement under paragraph (1)—

(i) a claim for such reimbursement shall be submitted to the Secretary of Labor—

(I) not earlier than—

(aa) the date on which a compensation order (as described in section 19(e) of the Longshore and Harbor Workers' Compensation Act (33 U.S.C. 919(e))) is issued that fixes entitlement to benefits; or

(bb) the date on which—

(AA) a payment is made under such Act;

(BB) entitlement to benefits is established under such Act; and

(CC) the rate of compensation and period of payment is relatively fixed and known; and

(II) not later than one year after the final payment of compensation to a covered employee pursuant to this section; and

(ii) an employer and the employer's carrier shall make, keep, and preserve such records, make such reports, and provide such information, as the Secretary of Labor determines necessary or appropriate to carry out this section.

(B) COMMUTATION OF COMPENSATION INSTALLMENTS.—

The Secretary may commute future compensation installments with respect to a claim under this section.

(c) EMPLOYEES' COMPENSATION FUND.—

(1) IN GENERAL.—A reimbursement under subsection (b) shall be paid out of the Employees' Compensation Fund under section 8147 of title 5, United States Code.

(2) FUNDING.—In addition to amounts otherwise available, there are authorized to be appropriated, and there are appropriated, out of any money in the Treasury not otherwise appropriated, such funds as may be necessary for the period beginning on the date of enactment of this Act and ending on September 30, 2030, to reimburse the Employees' Compensation Fund for each reimbursement paid out of such Fund under subsection (b).

(3) LIMITATION.—With respect to a claim for benefits approved on the basis of subsection (a), no payments may be made from the Employees' Compensation Fund or the special fund established in section 44 of Longshore and Harbor Workers' Compensation Act (33 U.S.C. 944) after September 30, 2030, for benefits, reimbursements, or other expenditures relating to such claim.

(4) FINAL ACTION.—The action of the Secretary in allowing or denying any reimbursement under subsection (b) shall be final and conclusive on all questions of law and fact and not subject

to review by any other official of the United States or by any court by mandamus or otherwise.

(d) DEFINITIONS.—In this section:

(1) LHWCA TERMS.—The terms “carrier”, “compensation”, “employee”, and “employer” have the meanings given the terms in section 2 of the Longshore and Harbor Workers’ Compensation Act (33 U.S.C. 902).

(2) NOVEL CORONAVIRUS.—The term “novel coronavirus” means SARS-CoV-2 or any other coronavirus declared to be a pandemic by public health authorities.

## **Subtitle C—Human Services and Community Supports**

### **SEC. 2201. ADDITIONAL FUNDING FOR AGING AND DISABILITY SERVICES PROGRAMS.**

Subtitle A of title XX of the Social Security Act (42 U.S.C. 1397-1397h) is amended by adding at the end the following:

#### **“SEC. 2010. ADDITIONAL FUNDING FOR AGING AND DISABILITY SERVICES PROGRAMS.**

“(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$276,000,000, to remain available until expended, to carry out the programs described in subtitle B.

“(b) USE OF FUNDS.—

“(1) IN GENERAL.—Of the amounts made available by subsection (a)—

“(A) \$88,000,000 shall be made available to carry out the programs described in subtitle B in fiscal year 2021, of which not less than an amount equal to \$100,000,000 minus the amount previously provided in fiscal year 2021 to carry out section 2042(b) shall be made available to carry out such section; and

“(B) \$188,000,000 shall be made available to carry out the programs described in subtitle B in fiscal year 2022, of which not less than \$100,000,000 shall be for activities described in section 2042(b).

“(2) SERVICES FOR ALL ADULTS.—The amounts made available by subsection (a) of this section to carry out section 2042(b) may be used to provide services under programs described in section 2042(b) for all adults.”.

### **SEC. 2202. SUPPORTING OLDER AMERICANS AND THEIR FAMILIES.**

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$1,444,000,000, to remain available until expended, to carry out the Older Americans Act of 1965.

(b) ALLOCATION OF AMOUNTS.—Amounts made available by subsection (a) shall be available as follows:

(1) \$750,000,000 shall be available to carry out part C of title III of such Act.

(2) \$25,000,000 shall be available to carry out title VI of such Act, including part C of such title.

(3) \$470,000,000 shall be available to carry out part B of title III of such Act, including for—

(A) supportive services of the types made available for fiscal year 2020;

(B) efforts related to COVID–19 vaccination outreach, including education, communication, transportation, and other activities to facilitate vaccination of older individuals; and

(C) prevention and mitigation activities related to COVID–19 focused on addressing extended social isolation among older individuals, including activities for investments in technological equipment and solutions or other strategies aimed at alleviating negative health effects of social isolation due to long-term stay-at-home recommendations for older individuals for the duration of the COVID–19 public health emergency;

(4) \$44,000,000 shall be available to carry out part D of title III of such Act.

(5) \$145,000,000 shall be available to carry out part E of title III of such Act.

(6) \$10,000,000 shall be available to carry out the long-term care ombudsman program under title VII of such Act.

**SEC. 2203. CHILD CARE AND DEVELOPMENT BLOCK GRANT PROGRAM.**

(a) **CHILD CARE AND DEVELOPMENT BLOCK GRANT FUNDING.**—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$14,990,000,000, to remain available through September 30, 2021, to carry out the Child Care and Development Block Grant of 1990 (42 U.S.C. 9857 et seq.) without regard to requirements in sections 658E(c)(3)(D)–(E) or 658G of such Act (42 U.S.C. 9858c(c)(3), 9858e). Payments made to States, territories, Indian Tribes, and Tribal organizations from funds made available under this subsection shall be obligated in fiscal year 2021 or the succeeding 2 fiscal years. States, territories, Indian Tribes, and Tribal organizations are authorized to use such funds 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 of section 658P(4) of the Child Care and Development Block Grant Act (42 U.S.C. 9858n(4)).

(b) **CHILD CARE STABILIZATION FUNDING.**—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$23,975,000,000, to remain available through September 30, 2021, for grants under section 2204(b) of this subtitle and in accordance with the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.), except for the requirements in subparagraphs (C) through (E) of section 658E(c)(3), and section 658G, of such Act (42 U.S.C. 9858c(c)(3), 9858e).

(c) **ADMINISTRATIVE COSTS.**—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$35,000,000, to remain available through September 30, 2025, for the costs of providing technical assistance and conducting research and for the

administrative costs to carry out this section and section 2204 of this subtitle.

**SEC. 2204. CHILD CARE STABILIZATION.**

(a) DEFINITIONS.—In this section:

(1) CHILD CARE AND DEVELOPMENT BLOCK GRANT TERMS.—The terms “lead agency”, “Secretary”, and “State” have the meanings given those terms, and the terms “Indian Tribe” and “Tribal organization” have the meanings given the terms “Indian tribe” and “tribal organization”, in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n) except as otherwise provided in this section.

(2) COVID-19 PUBLIC HEALTH EMERGENCY.—The term “COVID-19 public health emergency” means the public health emergency declared by the Secretary of Health and Human Services under section 319 of the Public Health Service Act (42 U.S.C. 247d) on January 31, 2020, with respect to COVID-19, including any renewal of the declaration.

(3) ELIGIBLE CHILD CARE PROVIDER.—The term “eligible child care provider” means an eligible child care provider as defined in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n) or a child care provider that is licensed, regulated, or registered in the State, territory, or Indian Tribe on the date of enactment of this Act and meets applicable State and local health and safety requirements.

(b) GRANTS.—From the amounts appropriated to carry out this section and under the authority of section 658O of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858m) and this section, the Secretary shall award to the lead agency of each State (as designated or established under section 658D(a) of such Act (42 U.S.C. 9858b(a)), territory and possession described in subsection 658O(a)(1) of such Act, and Indian Tribe and Tribal organization described in section 658O(a)(2) of such Act that has submitted to the Secretary a letter of intent to use funds awarded pursuant to this subsection, child care stabilization grants from allotments and payments determined in accordance with paragraphs (1) and (2) of subsection (a), and subsection (b), of section 658O of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858m). Such grants shall be used in accordance with the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.), except for the requirements in subparagraphs (C) through (E) of section 658E(c)(3), and in section 658G, of such Act (42 U.S.C. 9858c(c)(3), 9858e).

(c) STATE RESERVATIONS AND SUBGRANTS.—

(1) RESERVATION.—A lead agency for a State that receives a child care stabilization grant pursuant to subsection (b) shall reserve not more than 10 percent of such grant funds to administer subgrants, provide technical assistance and support for applying for and accessing the subgrant opportunity, publicize the availability of the subgrants, and provide technical assistance to help child care providers implement policies as described in paragraph (2)(D)(i).

(2) SUBGRANTS TO QUALIFIED CHILD CARE PROVIDERS.—

(A) IN GENERAL.—The lead agency shall use the remainder of the grant funds awarded pursuant to subsection (b) to make subgrants to qualified child care providers de-

scribed in subparagraph (B), regardless of such a provider's previous receipt of other Federal assistance, to support the stability of the child care sector during and after the COVID-19 public health emergency.

(B) QUALIFIED CHILD CARE PROVIDER.—To be qualified to receive a subgrant under this paragraph, a provider shall be an eligible child care provider that on the date of submission of an application for the subgrant, was either—

- (i) open and available to provide child care services;
- or
- (ii) closed due to public health, financial hardship, or other reasons relating to the COVID-19 public health emergency.

(C) SUBGRANT AMOUNT.—The amount of such a subgrant to a qualified child care provider shall be based on the provider's stated current operating expenses, including costs associated with providing or preparing to provide child care services during the COVID-19 public health emergency, and to the extent practicable, cover such operating expenses for the intended period of the subgrant.

(D) APPLICATION.—The lead agency shall—

- (i) make available on the lead agency's website an application for qualified child care providers that includes certifications that, for the duration of the subgrant—

- (I) the provider applying will, when open and available to provide child care services, implement policies in line with guidance from the corresponding State, Tribal, and local authorities, and in accordance with State, Tribal, and local orders, and, to the greatest extent possible, implement policies in line with guidance from the Centers for Disease Control and Prevention;

- (II) for each employee, the provider will pay not less than the full compensation, including any benefits, that was provided to the employee as of the date of submission of the application for the subgrant (referred to in this subclause as "full compensation"), and will not take any action that reduces the weekly amount of the employee's compensation below the weekly amount of full compensation, or that reduces the employee's rate of compensation below the rate of full compensation, including the involuntary furloughing of any employee employed on the date of submission of the application for the subgrant; and

- (III) the provider will provide relief from copayments and tuition payments for the families enrolled in the provider's program, to the extent possible, and prioritize such relief for families struggling to make either type of payment; and

- (ii) accept and process applications submitted under this subparagraph on a rolling basis, and provide subgrant funds in advance of provider expenditures, except as provided in subsection (d)(2).

(E) OBLIGATION.—The lead agency shall notify the Secretary if it is unable to obligate at least 50 percent of the funds received pursuant to subsection (b) that are available for subgrants described in this paragraph within 9 months of the date of enactment of this Act.

(d) USES OF FUNDS.—

(1) IN GENERAL.—A qualified child care provider that receives funds through such a subgrant shall use the funds for at least one of the following:

(A) Personnel costs, including payroll and salaries or similar compensation for an employee (including any sole proprietor or independent contractor), employee benefits, premium pay, or costs for employee recruitment and retention.

(B) Rent (including rent under a lease agreement) or payment on any mortgage obligation, utilities, facility maintenance or improvements, or insurance.

(C) Personal protective equipment, cleaning and sanitization supplies and services, or training and professional development related to health and safety practices.

(D) Purchases of or updates to equipment and supplies to respond to the COVID–19 public health emergency.

(E) Goods and services necessary to maintain or resume child care services.

(F) Mental health supports for children and employees.

(2) REIMBURSEMENT.—The qualified child care provider may use the subgrant funds to reimburse the provider for sums obligated or expended before the date of enactment of this Act for the cost of a good or service described in paragraph (1) to respond to the COVID–19 public health emergency.

(e) SUPPLEMENT NOT SUPPLANT.—Amounts made available to carry out this section shall be used to supplement and not supplant other Federal, State, and local public funds expended to provide child care services for eligible individuals, including funds provided under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.) and State child care programs.

**SEC. 2205. HEAD START.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$1,000,000,000, to remain available through September 30, 2022, to carry out the Head Start Act (42 U.S.C. 9831 et seq.), including for Federal administrative expenses, to be allocated to each Head Start agency in an amount that bears the same ratio to the portion available for allocations as the number of enrolled children served by the Head Start agency bears to the number of enrolled children served by all Head Start agencies, except that funds appropriated in this section—

(1) shall not be included in the calculation of the “base grant” in subsequent fiscal years, as such term is defined in section 640(a)(7)(A), 641A(h)(1)(B), or 645(d)(3) of the Head Start Act (42 U.S.C. 9835(a)(7)(A), 9836a(h)(1)(B), 9840(d)(3)); and

(2) shall not be subject to the allocation requirements of section 640(a) of such Act (42 U.S.C. 9835(a)).

**SEC. 2206. PROGRAMS FOR SURVIVORS.**

(a) **IN GENERAL.**—Section 303 of the Family Violence Prevention and Services Act (42 U.S.C. 10403) is amended by adding at the end the following:

“(d) **ADDITIONAL FUNDING.**—For the purposes of carrying out this title, in addition to amounts otherwise made available for such purposes, there are appropriated, out of any amounts in the Treasury not otherwise appropriated, for fiscal year 2021, to remain available until expended, each of the following:

“(1) \$180,000,000 to carry out sections 301 through 312, to be allocated in the manner described in subsection (a)(2), except that a reference in subsection (a)(2) to an amount appropriated under subsection (a)(1) shall be considered to be a reference to an amount appropriated under this paragraph, and that the matching requirement under section 306(c)(4) shall not apply.

“(2) \$18,000,000 to carry out section 309.

“(3) \$2,000,000 to carry out section 313, of which \$1,000,000 for each fiscal year shall be allocated to support Indian communities.”

(b) **COVID–19 PUBLIC HEALTH EMERGENCY DEFINED.**—In this section, the term “COVID–19 public health emergency” means the public health emergency declared by the Secretary of Health and Human Services under section 319 of the Public Health Service Act (42 U.S.C. 247d) on January 31, 2020, with respect to COVID–19, including any renewal of the declaration.

(c) **GRANTS TO SUPPORT CULTURALLY SPECIFIC POPULATIONS.**—

(1) **IN GENERAL.**—In addition to amounts otherwise made available, there is appropriated, out of any amounts in the Treasury not otherwise appropriated, to the Secretary of Health and Human Services, \$49,500,000 for fiscal year 2021, to be available until expended, to carry out this subsection (excluding Federal administrative costs, for which funds are appropriated under subsection (e)).

(2) **USE OF FUNDS.**—From amounts appropriated under paragraph (1), the Secretary acting through the Director of the Family Violence Prevention and Services Program, shall—

(A) support culturally specific community-based organizations to provide culturally specific activities for survivors of sexual assault and domestic violence, to address emergent needs resulting from the COVID–19 public health emergency and other public health concerns; and

(B) support culturally specific community-based organizations that provide culturally specific activities to promote strategic partnership development and collaboration in responding to the impact of COVID–19 and other public health concerns on survivors of sexual assault and domestic violence.

(d) **GRANTS TO SUPPORT SURVIVORS OF SEXUAL ASSAULT.**—

(1) **IN GENERAL.**—In addition to amounts otherwise made available, there is appropriated, out of any amounts in the Treasury not otherwise appropriated, to the Secretary of Health and Human Services, \$198,000,000 for fiscal year 2021, to be available until expended, to carry out this subsection (ex-

cluding Federal administrative costs, for which funds are appropriated under subsection (e)).

(2) USE OF FUNDS.—From amounts appropriated under paragraph (1), the Secretary acting through the Director of the Family Violence Prevention and Services Program, shall assist rape crisis centers in transitioning to virtual services and meeting the emergency needs of survivors.

(e) ADMINISTRATIVE COSTS.—In addition to amounts otherwise made available, there is appropriated to the Secretary of Health and Human Services, out of any amounts in the Treasury not otherwise appropriated, \$2,500,000 for fiscal year 2021, to remain available until expended, for the Federal administrative costs of carrying out subsections (c) and (d).

**SEC. 2207. CHILD ABUSE PREVENTION AND TREATMENT.**

In addition to amounts otherwise available, there is appropriated to the Secretary of Health and Human Services for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, the following amounts, to remain available through September 30, 2023:

(1) \$250,000,000 for carrying out title II of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5116 et seq.), which shall be allocated without regard to section 204(4) of such Act (42 U.S.C. 5116d(4)) and shall be allotted to States in accordance with section 203 of such Act (42 U.S.C. 5116b), except that—

(A) in subsection (b)(1)(A) of such section 203, “70 percent” shall be deemed to be “100 percent”; and

(B) subsections (b)(1)(B) and (c) of such section 203 shall not apply; and

(2) \$100,000,000 for carrying out the State grant program authorized under section 106 of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5106a), which shall be allocated without regard to section 112(a)(2) of such Act (42 U.S.C. 5106h(a)(2)).

**SEC. 2208. LIHEAP.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$4,500,000,000, to remain available through September 30, 2022, for additional funding to provide payments under section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)), except that—

(1) \$2,250,000,000 of such amounts shall be allocated as though the total appropriation for such payments for fiscal year 2021 was less than \$1,975,000,000;

(2) section 2607(b)(2)(B) of such Act (42 U.S.C. 8626(b)(2)(B)) shall not apply to funds appropriated under this section for fiscal year 2021; and

(3) with respect to amounts appropriated under this section for fiscal year 2021, notwithstanding section 2604(d) of such Act (42 U.S.C. 8623(d)), the Secretary shall reserve under such section 2604(d) amounts for Indian tribes that bear the same ratio, for each Indian tribe, that the amount reserved for the Indian tribe, from funds appropriated for such payments for fiscal year 2021 before the date of enactment of this section,

bore to the amount allotted to the applicable State for such payments from any such appropriated funds.

**SEC. 2209. DEPARTMENT OF HEALTH AND HUMAN SERVICES.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Department of Health and Human Services for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$425,000,000, to remain available until expended for the Secretary of Health and Human Services to allocate as such Secretary determines necessary for cost increases that result from the COVID–19 public health emergency in programs administered under the Administration for Children and Families that provide direct program services to children.

(b) **DEFINITION.**—In this section, the term “COVID–19 public health emergency” means the public health emergency declared by the Secretary of Health and Human Services under section 319 of the Public Health Service Act (42 U.S.C. 247d) on January 31, 2020, with respect to COVID–19, including any renewal of the declaration.

**SEC. 2210. CORPORATION FOR NATIONAL AND COMMUNITY SERVICE AND THE NATIONAL SERVICE TRUST.**

(a) **CORPORATION FOR NATIONAL AND COMMUNITY SERVICE.**—In addition to amounts otherwise made available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$852,000,000, to remain available through September 30, 2024, for necessary expenses under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4950 et seq.) and the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.) notwithstanding sections 198B(b)(3), 198S(g), and subparagraphs (C) and (F) of section 501(a)(4) of the National and Community Service Act of 1990 (42 U.S.C. 12653b(b)(3), 12653s(g), 12681(a)(4)).

(b) **ALLOCATION OF AMOUNTS.**—Amounts provided by subsection (a) shall be allocated as follows:

(1) **AMERICORPS STATE AND NATIONAL.**—\$620,000,000 shall be used—

(A) to increase the living allowances, of participants in national service programs, described in section 140 of the National and Community Service Act of 1990 (42 U.S.C. 12594); and

(B) to make funding adjustments to existing (as of the date of enactment of this Act) awards and award new and additional awards to organizations described in subsection (a) of section 121 of the National and Community Service Act of 1990 (42 U.S.C. 12571(a)), whether or not the entities are already grant recipients under that section on the date of enactment of this Act, and without regard to the requirements of subsections (d) and (e) of such section 121, by—

(i) prioritizing entities serving communities disproportionately impacted by COVID–19 and utilizing culturally competent and multilingual strategies in the provision of services; and

(ii) taking into account the diversity of communities and participants served by such entities, including ra-

cial, ethnic, socioeconomic, linguistic, or geographic diversity.

(2) STATE COMMISSIONS.—\$20,000,000 shall be used to make adjustments to existing (as of the date of enactment of this Act) awards and new and additional awards, including awards to State Commissions on National and Community Service, under section 126(a) of the National and Community Service Act of 1990 (42 U.S.C. 12576(a)).

(3) VOLUNTEER GENERATION FUND.—\$20,000,000 shall be used for expenses authorized under section 501(a)(4)(F) of the National and Community Service Act of 1990 (42 U.S.C. 12681(a)(4)(F)), which, notwithstanding section 198P(d)(1)(B) of that Act (42 U.S.C. 12653p(d)(1)(B)), shall be for grants awarded by the Corporation for National and Community Service on a competitive basis.

(4) AMERICORPS VISTA.—\$80,000,000 shall be used for programs authorized under part A of title I of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4951 et seq.), including to increase the living allowances of volunteers, described in section 105(b) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 4955(b)).

(5) NATIONAL SENIOR SERVICE CORPS.—\$30,000,000 shall be used for programs authorized under title II of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5000 et seq.).

(6) ADMINISTRATIVE COSTS.—\$73,000,000 shall, notwithstanding section 501(a)(5)(B) of the National and Community Service Act of 1990 (42 U.S.C. 12681(a)(5)(B)) and section 504(a) of the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5084(a)), be used for necessary expenses of administration as provided under section 501(a)(5) of the National and Community Service Act of 1990 (42 U.S.C. 12681(a)(5)), including administrative costs of the Corporation for National and Community Service associated with the provision of funds under paragraphs (1) through (5).

(7) OFFICE OF INSPECTOR GENERAL.—\$9,000,000 shall be used for the Office of Inspector General of the Corporation for National and Community Service for salaries and expenses necessary for oversight and audit of programs and activities funded by subsection (a).

(c) NATIONAL SERVICE TRUST.—In addition to amounts otherwise made available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$148,000,000, to remain available until expended, for payment to and administration of the National Service Trust established in section 145 of the National and Community Service Act of 1990 (42 U.S.C. 12601).

## **Subtitle D—Child Nutrition & Related Programs**

### **SEC. 2301. IMPROVEMENTS TO WIC BENEFITS.**

(a) DEFINITIONS.—In this section:

(1) APPLICABLE PERIOD.—The term “applicable period” means a period—

- (A) beginning after the date of enactment of this Act, as selected by a State agency; and
- (B) ending not later than the earlier of—
  - (i) 4 months after the date described in subparagraph (A); or
  - (ii) September 30, 2021.
- (2) CASH-VALUE VOUCHER.—The term “cash-value voucher” has the meaning given the term in section 246.2 of title 7, Code of Federal Regulations (as in effect on the date of the enactment of this Act).
- (3) PROGRAM.—The term “program” means the special supplemental nutrition program for women, infants, and children established by section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786).
- (4) QUALIFIED FOOD PACKAGE.—The term “qualified food package” means each of the following food packages (as defined in section 246.10(e) of title 7, Code of Federal Regulations (as in effect on the date of the enactment of this Act)):
  - (A) Food Package IV—Children 1 through 4 years.
  - (B) Food Package V—Pregnant and partially (mostly) breastfeeding women.
  - (C) Food Package VI—Postpartum women.
  - (D) Food Package VII—Fully breastfeeding.
- (5) SECRETARY.—The term “Secretary” means the Secretary of Agriculture.
- (6) STATE AGENCY.—The term “State agency” has the meaning given the term in section 17(b) of the Child Nutrition Act of 1966 (42 U.S.C. 1786(b)).
- (b) AUTHORITY TO INCREASE AMOUNT OF CASH-VALUE VOUCHER.—During the public health emergency declared by the Secretary of Health and Human Services under section 319 of the Public Health Service Act (42 U.S.C. 247d) on January 31, 2020, with respect to the Coronavirus Disease 2019 (COVID–19), and in response to challenges relating to that public health emergency, the Secretary may, in carrying out the program, increase the amount of a cash-value voucher under a qualified food package to an amount that is less than or equal to \$35.
- (c) APPLICATION OF INCREASED AMOUNT OF CASH-VALUE VOUCHER TO STATE AGENCIES.—
  - (1) NOTIFICATION.—An increase to the amount of a cash-value voucher under subsection (b) shall apply to any State agency that notifies the Secretary of—
    - (A) the intent to use that increased amount, without further application; and
    - (B) the applicable period selected by the State agency during which that increased amount shall apply.
  - (2) USE OF INCREASED AMOUNT.—A State agency that makes a notification to the Secretary under paragraph (1) shall use the increased amount described in that paragraph—
    - (A) during the applicable period described in that notification; and
    - (B) only during a single applicable period.
- (d) SUNSET.—The authority of the Secretary under subsection (b), and the authority of a State agency to increase the amount of a

cash-value voucher under subsection (c), shall terminate on September 30, 2021.

(e) **FUNDING.**—In addition to amounts otherwise made available, there is appropriated to the Secretary, out of funds in the Treasury not otherwise appropriated, \$490,000,000 to carry out this section, to remain available until September 30, 2022.

**SEC. 2302. WIC PROGRAM MODERNIZATION.**

In addition to amounts otherwise available, there are appropriated to the Secretary of Agriculture, out of amounts in the Treasury not otherwise appropriated, \$390,000,000 for fiscal year 2021, to remain available until September 30, 2024, to carry out outreach, innovation, and program modernization efforts, including appropriate waivers and flexibility, to increase participation in and redemption of benefits under programs established under section 17 of the Child Nutrition Act of 1966 (7 U.S.C. 1431), except that such waivers may not relate to the content of the WIC Food Packages (as defined in section 246.10(e) of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act)), or the nondiscrimination requirements under section 246.8 of title 7, Code of Federal Regulations (as in effect on the date of enactment of this Act).

**SEC. 2303. MEALS AND SUPPLEMENTS REIMBURSEMENTS FOR INDIVIDUALS WHO HAVE NOT ATTAINED THE AGE OF 25.**

(a) **PROGRAM FOR AT-RISK SCHOOL CHILDREN.**—Beginning on the date of enactment of this section, notwithstanding paragraph (1)(A) of section 17(r) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(r)), during the COVID–19 public health emergency declared under section 319 of the Public Health Service Act (42 U.S.C. 247d), the Secretary shall reimburse institutions that are emergency shelters under such section 17(r) (42 U.S.C. 1766(r)) for meals and supplements served to individuals who, at the time of such service—

- (1) have not attained the age of 25; and
- (2) are receiving assistance, including non-residential assistance, from such emergency shelter.

(b) **PARTICIPATION BY EMERGENCY SHELTERS.**—Beginning on the date of enactment of this section, notwithstanding paragraph (5)(A) of section 17(t) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(t)), during the COVID–19 public health emergency declared under section 319 of the Public Health Service Act (42 U.S.C. 247d), the Secretary shall reimburse emergency shelters under such section 17(t) (42 U.S.C. 1766(t)) for meals and supplements served to individuals who, at the time of such service have not attained the age of 25.

(c) **DEFINITIONS.**—In this section:

- (1) **EMERGENCY SHELTER.**—The term “emergency shelter” has the meaning given the term under section 17(t)(1) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1766(t)(1)).
- (2) **SECRETARY.**—The term “Secretary” means the Secretary of Agriculture.

**SEC. 2304. PANDEMIC EBT PROGRAM.**

Section 1101 of the Families First Coronavirus Response Act (7 U.S.C. 2011 note; Public Law 116–127) is amended—

(1) in subsection (a)—

(A) by striking “During fiscal years 2020 and 2021” and inserting “In any school year in which there is a public health emergency designation”; and

(B) by inserting “or in a covered summer period following a school session” after “in session”;

(2) by amending subsection (e) to read as follows:

“(e) RELEASE OF INFORMATION.—Notwithstanding any provision of the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.), the Secretary of Agriculture may authorize State educational agencies and school food authorities administering a school lunch program under such Act to release to appropriate officials administering the supplemental nutrition assistance program such information as may be necessary to carry out this section, including to carry out assistance during a covered summer period pursuant to subsection (i).”;

(3) in subsection (f)(2), in the paragraph heading, by striking “FOR SCHOOL YEAR 2020–2021”;

(4) in subsection (g), by striking “During fiscal year 2020, the” and inserting “The”;

(5) in subsection (h)(1)—

(A) by inserting “either” after “at least 1 child enrolled in such a covered child care facility and”; and

(B) by inserting “or a Department of Agriculture grant-funded nutrition assistance program in the Commonwealth of the Northern Mariana Islands, Puerto Rico, or American Samoa” before “shall be eligible to receive assistance”;

(6) by redesignating subsections (i) and (j) as subsections (j) and (k), respectively;

(7) by inserting after subsection (h) the following:

“(i) EMERGENCIES DURING SUMMER.—The Secretary of Agriculture may permit a State agency to extend a State agency plan approved under subsection (b) for not more than 90 days for the purpose of operating the plan during a covered summer period, during which time schools participating in the school lunch program under the Richard B. Russell National School Lunch Act (42 U.S.C. 1751 et seq.) or the school breakfast program under section 4 of the Child Nutrition Act of 1966 (42 U.S.C. 1773 ) and covered child care facilities shall be deemed closed for purposes of this section.”;

(8) in subsection (j) (as so redesignated)—

(A) by redesignating paragraphs (2) through (6) as paragraphs (3) through (7), respectively;

(B) by inserting after paragraph (1) the following:

“(2) COVERED SUMMER PERIOD.—The term ‘covered summer period’ means a summer period that follows a school year during which there was a public health emergency designation.”; and

(C) in paragraph (5) (as so redesignated), by striking “or another coronavirus with pandemic potential”; and

(9) in subsection (k) (as so redesignated), by inserting “Federal agencies,” before “State agencies”.

## Subtitle E—COBRA Continuation Coverage

### SEC. 2401. PRESERVING HEALTH BENEFITS FOR WORKERS.

(a) PREMIUM ASSISTANCE FOR COBRA CONTINUATION COVERAGE FOR INDIVIDUALS AND THEIR FAMILIES.—

(1) PROVISION OF PREMIUM ASSISTANCE.—

(A) REDUCTION OF PREMIUMS PAYABLE.—In the case of any premium for a period of coverage during the period beginning on the first day of the first month beginning after the date of the enactment of this Act, and ending on September 30, 2021, for COBRA continuation coverage with respect to any assistance eligible individual described in paragraph (3), such individual shall be treated for purposes of any COBRA continuation provision as having paid the amount of such premium if such individual pays (or any person other than such individual's employer pays on behalf of such individual) 15 percent of the amount of such premium.

(B) PLAN ENROLLMENT OPTION.—

(i) IN GENERAL.—Notwithstanding the COBRA continuation provisions, any assistance eligible individual who is enrolled in a group health plan offered by a plan sponsor may, not later than 90 days after the date of notice of the plan enrollment option described in this subparagraph, elect to enroll in coverage under a plan offered by such plan sponsor that is different than coverage under the plan in which such individual was enrolled at the time, in the case of any assistance eligible individual described in paragraph (3), the qualifying event specified in section 603(2) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(3)(B) of the Internal Revenue Code of 1986, or section 2203(2) of the Public Health Service Act, except for the voluntary termination of such individual's employment by such individual, occurred, and such coverage shall be treated as COBRA continuation coverage for purposes of the applicable COBRA continuation coverage provision.

(ii) REQUIREMENTS.—Any assistance eligible individual may elect to enroll in different coverage as described in clause (i) only if—

(I) the employer involved has made a determination that such employer will permit such assistance eligible individual to enroll in different coverage as provided under this subparagraph;

(II) the premium for such different coverage does not exceed the premium for coverage in which such individual was enrolled at the time such qualifying event occurred;

(III) the different coverage in which the individual elects to enroll is coverage that is also offered to similarly situated active employees of the employer at the time at which such election is made; and

(IV) the different coverage in which the individual elects to enroll is not—

(aa) coverage that provides only excepted benefits as defined in section 9832(c) of the Internal Revenue Code of 1986, section 733(c) of the Employee Retirement Income Security Act of 1974, and section 2791(c) of the Public Health Service Act;

(bb) a qualified small employer health reimbursement arrangement (as defined in section 9831(d)(2) of the Internal Revenue Code of 1986); or

(cc) a flexible spending arrangement (as defined in section 106(c)(2) of the Internal Revenue Code of 1986).

(2) LIMITATION OF PERIOD OF PREMIUM ASSISTANCE.—

(A) ELIGIBILITY FOR ADDITIONAL COVERAGE.—Paragraph (1)(A) shall not apply with respect to any assistance eligible individual described in paragraph (3) for months of coverage beginning on or after the earlier of—

(i) the first date that such individual is eligible for coverage under any other group health plan (other than coverage consisting of only excepted benefits (as defined in section 9832(c) of the Internal Revenue Code of 1986, section 733(c) of the Employee Retirement Income Security Act of 1974, and section 2791(c) of the Public Health Service Act), coverage under a flexible spending arrangement (as defined in section 106(c)(2) of the Internal Revenue Code of 1986), coverage under a qualified small employer health reimbursement arrangement (as defined in section 9831(d)(2) of the Internal Revenue Code of 1986)), or eligible for benefits under the Medicare program under title XVIII of the Social Security Act; or

(ii) the earlier of—

(I) the date following the expiration of the maximum period of continuation coverage required under the applicable COBRA continuation coverage provision; or

(II) the date following the expiration of the period of continuation coverage allowed under paragraph (4)(B)(ii).

(B) NOTIFICATION REQUIREMENT.—Any assistance eligible individual shall notify the group health plan with respect to which paragraph (1)(A) applies if such paragraph ceases to apply by reason of clause (i) of subparagraph (A). Such notice shall be provided to the group health plan in such time and manner as may be specified by the Secretary of Labor.

(3) ASSISTANCE ELIGIBLE INDIVIDUAL.—For purposes of this section, the term “assistance eligible individual” means, with respect to a period of coverage during the period beginning on the first day of the first month beginning after the date of the enactment of this Act, and ending on September 30, 2021, any individual that is a qualified beneficiary who—

(A) is eligible for COBRA continuation coverage by reason of a qualifying event specified in section 603(2) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(3)(B) of the Internal Revenue Code of 1986, or section 2203(2) of the Public Health Service Act, except for the voluntary termination of such individual's employment by such individual; and

(B) elects such coverage.

(4) EXTENSION OF ELECTION PERIOD AND EFFECT ON COVERAGE.—

(A) IN GENERAL.—For purposes of applying section 605(a) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(5)(A) of the Internal Revenue Code of 1986, and section 2205(a) of the Public Health Service Act, in the case of—

(i) an individual who does not have an election of COBRA continuation coverage in effect on the first day of the first month beginning after the date of the enactment of this Act but who would be an assistance eligible individual described in paragraph (3) if such election were so in effect; or

(ii) an individual who elected COBRA continuation coverage and discontinued from such coverage before the first day of the first month beginning after the date of the enactment of this Act,

such individual may elect the COBRA continuation coverage under the COBRA continuation coverage provisions containing such provisions during the period beginning on the first day of the first month beginning after the date of the enactment of this Act and ending 60 days after the date on which the notification required under paragraph (6)(C) is provided to such individual.

(B) COMMENCEMENT OF COBRA CONTINUATION COVERAGE.—Any COBRA continuation coverage elected by a qualified beneficiary during an extended election period under subparagraph (A)—

(i) shall commence (including for purposes of applying the treatment of premium payments under paragraph (1)(A) and any cost-sharing requirements for items and services under a group health plan) with the first period of coverage beginning on or after the first day of the first month beginning after the date of the enactment of this Act, and

(ii) shall not extend beyond the period of COBRA continuation coverage that would have been required under the applicable COBRA continuation coverage provision if the coverage had been elected as required under such provision.

(5) EXPEDITED REVIEW OF DENIALS OF PREMIUM ASSISTANCE.—In any case in which an individual requests treatment as an assistance eligible individual described in paragraph (3) and is denied such treatment by the group health plan, the Secretary of Labor (or the Secretary of Health and Human Services in connection with COBRA continuation coverage which is provided other than pursuant to part 6 of subtitle B

of title I of the Employee Retirement Income Security Act of 1974), in consultation with the Secretary of the Treasury, shall provide for expedited review of such denial. An individual shall be entitled to such review upon application to such Secretary in such form and manner as shall be provided by such Secretary, in consultation with the Secretary of the Treasury. Such Secretary shall make a determination regarding such individual's eligibility within 15 business days after receipt of such individual's application for review under this paragraph. Such Secretary's determination upon review of the denial shall be de novo and shall be the final determination of such Secretary. A reviewing court shall grant deference to such Secretary's determination. The provisions of this paragraph, paragraphs (1) through (4), and paragraphs (6) through (7) shall be treated as provisions of title I of the Employee Retirement Income Security Act of 1974 for purposes of part 5 of subtitle B of such title.

(6) NOTICES TO INDIVIDUALS.—

(A) GENERAL NOTICE.—

(i) IN GENERAL.—In the case of notices provided under section 606(a)(4) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1166(4)), section 4980B(f)(6)(D) of the Internal Revenue Code of 1986, or section 2206(4) of the Public Health Service Act (42 U.S.C. 300bb-6(4)), with respect to individuals who, during the period described in paragraph (3), become entitled to elect COBRA continuation coverage, the requirements of such provisions shall not be treated as met unless such notices include an additional written notification to the recipient in clear and understandable language of—

(I) the availability of premium assistance with respect to such coverage under this subsection; and

(II) the option to enroll in different coverage if the employer permits assistance eligible individuals described in paragraph (3) to elect enrollment in different coverage (as described in paragraph (1)(B)).

(ii) ALTERNATIVE NOTICE.—In the case of COBRA continuation coverage to which the notice provision under such sections does not apply, the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall, in consultation with administrators of the group health plans (or other entities) that provide or administer the COBRA continuation coverage involved, provide rules requiring the provision of such notice.

(iii) FORM.—The requirement of the additional notification under this subparagraph may be met by amendment of existing notice forms or by inclusion of a separate document with the notice otherwise required.

(B) SPECIFIC REQUIREMENTS.—Each additional notification under subparagraph (A) shall include—

(i) the forms necessary for establishing eligibility for premium assistance under this subsection;

(ii) the name, address, and telephone number necessary to contact the plan administrator and any other person maintaining relevant information in connection with such premium assistance;

(iii) a description of the extended election period provided for in paragraph (4)(A);

(iv) a description of the obligation of the qualified beneficiary under paragraph (2)(B) and the penalty provided under section 6720C of the Internal Revenue Code of 1986 for failure to carry out the obligation;

(v) a description, displayed in a prominent manner, of the qualified beneficiary's right to a reduced premium and any conditions on entitlement to the reduced premium; and

(vi) a description of the option of the qualified beneficiary to enroll in different coverage if the employer permits such beneficiary to elect to enroll in such different coverage under paragraph (1)(B).

(C) NOTICE IN CONNECTION WITH EXTENDED ELECTION PERIODS.—In the case of any assistance eligible individual described in paragraph (3) (or any individual described in paragraph (4)(A)) who became entitled to elect COBRA continuation coverage before the first day of the first month beginning after the date of the enactment of this Act, the administrator of the applicable group health plan (or other entity) shall provide (within 60 days after such first day of such first month) for the additional notification required to be provided under subparagraph (A) and failure to provide such notice shall be treated as a failure to meet the notice requirements under the applicable COBRA continuation provision.

(D) MODEL NOTICES.—Not later than 30 days after the date of enactment of this Act, with respect to any assistance eligible individual described in paragraph (3), the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall prescribe models for the additional notification required under this paragraph.

(7) NOTICE OF EXPIRATION OF PERIOD OF PREMIUM ASSISTANCE.—

(A) IN GENERAL.—With respect to any assistance eligible individual, subject to subparagraph (B), the requirements of section 606(a)(4) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1166(4)), section 4980B(f)(6)(D) of the Internal Revenue Code of 1986, or section 2206(4) of the Public Health Service Act (42 U.S.C. 300bb-6(4)), shall not be treated as met unless the plan administrator of the individual, during the period specified under subparagraph (C), provides to such individual a written notice in clear and understandable language—

(i) that the premium assistance for such individual will expire soon and the prominent identification of the date of such expiration; and

(ii) that such individual may be eligible for coverage without any premium assistance through—

(I) COBRA continuation coverage; or

(II) coverage under a group health plan.

(B) EXCEPTION.—The requirement for the group health plan administrator to provide the written notice under subparagraph (A) shall be waived if the premium assistance for such individual expires pursuant to clause (i) of paragraph (2)(A).

(C) PERIOD SPECIFIED.—For purposes of subparagraph (A), the period specified in this subparagraph is, with respect to the date of expiration of premium assistance for any assistance eligible individual pursuant to a limitation requiring a notice under this paragraph, the period beginning on the day that is 45 days before the date of such expiration and ending on the day that is 15 days before the date of such expiration.

(D) MODEL NOTICES.—Not later than 45 days after the date of enactment of this Act, with respect to any assistance eligible individual, the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall prescribe models for the notification required under this paragraph.

(8) REGULATIONS.—The Secretary of the Treasury and the Secretary of Labor may jointly prescribe such regulations or other guidance as may be necessary or appropriate to carry out the provisions of this subsection, including the prevention of fraud and abuse under this subsection, except that the Secretary of Labor and the Secretary of Health and Human Services may prescribe such regulations (including interim final regulations) or other guidance as may be necessary or appropriate to carry out the provisions of paragraphs (5), (6), (7), and (9).

(9) OUTREACH.—

(A) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall provide outreach consisting of public education and enrollment assistance relating to premium assistance provided under this subsection. Such outreach shall target employers, group health plan administrators, public assistance programs, States, insurers, and other entities as determined appropriate by such Secretaries. Such outreach shall include an initial focus on those individuals electing continuation coverage who are referred to in paragraph (6)(C). Information on such premium assistance, including enrollment, shall also be made available on websites of the Departments of Labor, Treasury, and Health and Human Services.

(B) ENROLLMENT UNDER MEDICARE.—The Secretary of Health and Human Services shall provide outreach consisting of public education. Such outreach shall target individuals who lose health insurance coverage. Such outreach shall include information regarding enrollment for benefits under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for purposes of preventing mistaken delays of such

enrollment by such individuals, including lifetime penalties for failure of timely enrollment.

(10) DEFINITIONS.—For purposes of this section:

(A) ADMINISTRATOR.—The term “administrator” has the meaning given such term in section 3(16)(A) of the Employee Retirement Income Security Act of 1974.

(B) COBRA CONTINUATION COVERAGE.—The term “COBRA continuation coverage” means continuation coverage provided pursuant to part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (other than under section 609), title XXII of the Public Health Service Act, or section 4980B of the Internal Revenue Code of 1986 (other than subsection (f)(1) of such section insofar as it relates to pediatric vaccines), or under a State program that provides comparable continuation coverage. Such term does not include coverage under a health flexible spending arrangement under a cafeteria plan within the meaning of section 125 of the Internal Revenue Code of 1986.

(C) COBRA CONTINUATION PROVISION.—The term “COBRA continuation provision” means the provisions of law described in subparagraph (B).

(D) COVERED EMPLOYEE.—The term “covered employee” has the meaning given such term in section 607(2) of the Employee Retirement Income Security Act of 1974.

(E) QUALIFIED BENEFICIARY.—The term “qualified beneficiary” has the meaning given such term in section 607(3) of the Employee Retirement Income Security Act of 1974.

(F) GROUP HEALTH PLAN.—The term “group health plan” has the meaning given such term in section 607(1) of the Employee Retirement Income Security Act of 1974.

(G) STATE.—The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(H) PERIOD OF COVERAGE.—Any reference in this subsection to a period of coverage shall be treated as a reference to a monthly or shorter period of coverage with respect to which premiums are charged with respect to such coverage.

(I) PLAN SPONSOR.—The term “plan sponsor” has the meaning given such term in section 3(16)(B) of the Employee Retirement Income Security Act of 1974.

(J) PREMIUM.—The term “premium” includes, with respect to COBRA continuation coverage, any administrative fee.

(11) IMPLEMENTATION FUNDING.—In addition to amounts otherwise made available, out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary of Labor for fiscal year 2021, \$10,000,000, to remain available until expended, for the Employee Benefits Security Administration to carry out the provisions of this subtitle.

(b) COBRA PREMIUM ASSISTANCE.—

(1) ALLOWANCE OF CREDIT.—

(A) IN GENERAL.—Subchapter B of chapter 65 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 6432. CONTINUATION COVERAGE PREMIUM ASSISTANCE.**

“(a) IN GENERAL.—The person to whom premiums are payable for continuation coverage under section 2401(a)(1) of the American Rescue Plan Act of 2021 shall be allowed as a credit against the tax imposed by section 3111(b), or so much of the taxes imposed under section 3221(a) as are attributable to the rate in effect under section 3111(b), for each calendar quarter an amount equal to the premiums not paid by assistance eligible individuals for such coverage by reason of such section 2401(a)(1) with respect to such calendar quarter.

“(b) PERSON TO WHOM PREMIUMS ARE PAYABLE.—For purposes of subsection (a), except as otherwise provided by the Secretary, the person to whom premiums are payable under such continuation coverage shall be treated as being—

“(1) in the case of any group health plan which is a multiemployer plan (as defined in section 3(37) of the Employee Retirement Income Security Act of 1974), the plan,

“(2) in the case of any group health plan not described in paragraph (1), and under which some or all of the coverage is not provided by insurance, the employer maintaining the plan, and

“(3) in the case of any group health plan not described in paragraph (1) or (2), the insurer providing the coverage under the group health plan.

“(c) LIMITATIONS AND REFUNDABILITY.—

“(1) CREDIT LIMITED TO CERTAIN EMPLOYMENT TAXES.—The credit allowed by subsection (a) with respect to any calendar quarter shall not exceed the tax imposed by section 3111(b), or so much of the taxes imposed under section 3221(a) as are attributable to the rate in effect under section 3111(b), for such calendar quarter (reduced by any credits allowed against such taxes under sections 7001 and 7003 of the Families First Coronavirus Response Act and section 2301 of the CARES Act) on the wages paid with respect to the employment of all employees of the employer.

“(2) REFUNDABILITY OF EXCESS CREDIT.—

“(A) CREDIT IS REFUNDABLE.—If the amount of the credit under subsection (a) exceeds the limitation of paragraph (1) for any calendar quarter, such excess shall be treated as an overpayment that shall be refunded under sections 6402(a) and 6413(b).

“(B) CREDIT MAY BE ADVANCED.—In anticipation of the credit, including the refundable portion under subparagraph (A), the credit may be advanced, according to forms and instructions provided by the Secretary, up to an amount calculated under subsection (a) through the end of the most recent payroll period in the quarter.

“(C) TREATMENT OF DEPOSITS.—The Secretary shall waive any penalty under section 6656 for any failure to make a deposit of the tax imposed by section 3111(b), or so much of the taxes imposed under section 3221(a) as are attributable to the rate in effect under section 3111(b), if

the Secretary determines that such failure was due to the anticipation of the credit allowed under this section.

“(D) TREATMENT OF PAYMENTS.—For purposes of section 1324 of title 31, United States Code, any amounts due to an employer under this paragraph shall be treated in the same manner as a refund due from a credit provision referred to in subsection (b)(2) of such section.

“(3) OVERSTATEMENTS.—Any overstatement of the credit to which a person is entitled under this section (and any amount paid by the Secretary as a result of such overstatement) shall be treated as an underpayment by such person of the taxes described in paragraph (1) and may be assessed and collected by the Secretary in the same manner as such taxes.

“(d) GOVERNMENTAL ENTITIES.—For purposes of this section, the term ‘person’ includes the government of any State or political subdivision thereof, any Indian tribal government (as defined in section 139E(c)(1)), any agency or instrumentality of any of the foregoing, and any agency or instrumentality of the Government of the United States that is described in section 501(c)(1) and exempt from taxation under section 501(a).

“(e) DENIAL OF DOUBLE BENEFIT.—For purposes of chapter 1, the gross income of any person allowed a credit under this section shall be increased for the taxable year which includes the last day of any calendar quarter with respect to which such credit is allowed by the amount of such credit. No amount for which a credit is allowed under this section shall be taken into account as qualified wages under section 2301 of the CARES Act or as qualified health plan expenses under section 7001(d) or 7003(d) of the Families First Coronavirus Response Act.

“(f) REGULATIONS.—The Secretary shall issue such regulations, or other guidance, forms, instructions, and publications, as may be necessary or appropriate to carry out this section, including—

“(1) the requirement to report information or the establishment of other methods for verifying the correct amounts of reimbursements under this section,

“(2) the application of this section to group health plans that are multiemployer plans (as defined in section 3(37) of the Employee Retirement Income Security Act of 1974),

“(3) to allow the advance payment of the credit determined under subsection (a), subject to the limitations provided in this section, based on such information as the Secretary shall require,

“(4) to provide for the reconciliation of such advance payment with the amount of the credit at the time of filing the return of tax for the applicable quarter or taxable year, and

“(5) allowing the credit to third party payors (including professional employer organizations, certified professional employer organizations, or agents under section 3504).”.

(B) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 65 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Sec. 6432. Continuation coverage premium assistance.”.

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to premiums to which subsection (a)(1)(A) applies and wages paid on or after April 1, 2021.

(D) SPECIAL RULE IN CASE OF EMPLOYEE PAYMENT THAT IS NOT REQUIRED UNDER THIS SECTION.—

(i) IN GENERAL.—In the case of an assistance eligible individual who pays, with respect any period of coverage to which subsection (a)(1)(A) applies, the amount of the premium for such coverage that the individual would have (but for this Act) been required to pay, the person to whom such payment is payable shall reimburse such individual for the amount of such premium paid in excess of the amount required to be paid under subsection (a)(1)(A).

(ii) CREDIT OF REIMBURSEMENT.—A person to which clause (i) applies shall be allowed a credit in the manner provided under section 6432 of the Internal Revenue Code of 1986 for any payment made to the employee under such clause.

(iii) PAYMENT OF CREDITS.—Any person to which clause (i) applies shall make the payment required under such clause to the individual not later than 60 days after the date on which such individual elects continuation coverage under subsection (a)(1).

(2) PENALTY FOR FAILURE TO NOTIFY HEALTH PLAN OF CESSATION OF ELIGIBILITY FOR PREMIUM ASSISTANCE.—

(A) IN GENERAL.—Part I of subchapter B of chapter 68 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 6720C. PENALTY FOR FAILURE TO NOTIFY HEALTH PLAN OF CESSATION OF ELIGIBILITY FOR CONTINUATION COVERAGE PREMIUM ASSISTANCE.**

“(a) IN GENERAL.—Except in the case of a failure described in subsection (b) or (c), any person required to notify a group health plan under section 2401(a)(2)(B) of the American Rescue Plan Act of 2021 who fails to make such a notification at such time and in such manner as the Secretary of Labor may require shall pay a penalty of \$250 for each such failure.

“(b) INTENTIONAL FAILURE.—In the case of any such failure that is fraudulent, such person shall pay a penalty equal to the greater of—

“(1) \$250, or

“(2) 110 percent of the premium assistance provided under section 9501(a)(1)(A) of the American Rescue Plan Act of 2021 after termination of eligibility under such section.

“(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause and not to willful neglect.”.

(B) CLERICAL AMENDMENT.—The table of sections of part I of subchapter B of chapter 68 of such Code is amended by adding at the end the following new item:

“Sec. 6720C. Penalty for failure to notify health plan of cessation of eligibility for continuation coverage premium assistance.”.

(3) COORDINATION WITH HCTC.—

(A) IN GENERAL.—Section 35(g)(9) of the Internal Revenue Code of 1986 is amended to read as follows:

“(9) CONTINUATION COVERAGE PREMIUM ASSISTANCE.—In the case of an assistance eligible individual who receives premium assistance for continuation coverage under section 2401(a)(1) of the American Rescue Plan Act of 2021 for any month during the taxable year, such individual shall not be treated as an eligible individual, a certified individual, or a qualifying family member for purposes of this section or section 7527 with respect to such month.”.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply to taxable years ending after the date of the enactment of this Act.

(4) EXCLUSION OF CONTINUATION COVERAGE PREMIUM ASSISTANCE FROM GROSS INCOME.—

(A) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 139H the following new section:

**“SEC. 139I. CONTINUATION COVERAGE PREMIUM ASSISTANCE.**

“In the case of an assistance eligible individual (as defined in subsection (a)(3) of section 2401 of the American Rescue Plan Act of 2021), gross income does not include any premium assistance provided under subsection (a)(1) of such section.”.

(B) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 139H the following new item:

“Sec. 139I. Continuation coverage premium assistance.”.

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to taxable years ending after the date of the enactment of this Act.

## **TITLE III—COMMITTEE ON ENERGY AND COMMERCE**

### **Subtitle A—Public Health**

#### **CHAPTER 1—VACCINES AND THERAPEUTICS**

**SEC. 3001. FUNDING FOR COVID-19 VACCINE ACTIVITIES AT THE CENTERS FOR DISEASE CONTROL AND PREVENTION.**

(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Secretary of Health and Human Services (in this subtitle referred to as the “Secretary”) for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$7,500,000,000, to remain available until expended, to carry out activities to plan, prepare for, promote, distribute, administer, monitor, and track COVID-19 vaccines.

(b) USE OF FUNDS.—The Secretary, acting through the Director of the Centers for Disease Control and Prevention, and in consultation with other agencies, as applicable, shall, in conducting activities referred to in subsection (a)—

(1) conduct activities to enhance, expand, and improve nationwide COVID-19 vaccine distribution and administration,

including activities related to distribution of ancillary medical products and supplies related to vaccines; and

(2) provide technical assistance, guidance, and support to, and award grants or cooperative agreements to, State, local, Tribal, and territorial public health departments for enhancement of COVID-19 vaccine distribution and administration capabilities, including—

(A) the distribution and administration of vaccines licensed under section 351 of the Public Health Service Act (42 U.S.C. 262) or authorized under section 564 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bbb-3) and ancillary medical products and supplies related to vaccines;

(B) the establishment and expansion, including staffing support, of community vaccination centers, particularly in underserved areas;

(C) the deployment of mobile vaccination units, particularly in underserved areas;

(D) information technology, data, and reporting enhancements, including improvements necessary to support sharing of data related to vaccine distribution and vaccinations and systems that enhance vaccine safety, effectiveness, and uptake, particularly among underserved populations;

(E) facilities enhancements; and

(F) communication with the public regarding when, where, and how to receive COVID-19 vaccines.

**SEC. 3002. FUNDING FOR VACCINE CONFIDENCE ACTIVITIES.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$1,000,000,000, to remain available until expended, to carry out activities, acting through the Director of the Centers for Disease Control and Prevention—

(1) to strengthen vaccine confidence in the United States, including its territories and possessions;

(2) to provide further information and education with respect to vaccines licensed under section 351 of the Public Health Service Act (42 U.S.C. 262) or authorized under section 564 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bbb-3); and

(3) to improve rates of vaccination throughout the United States, including its territories and possessions, including through activities described in section 313 of the Public Health Service Act, as amended by section 311 of division BB of the Consolidated Appropriations Act, 2021 (Public Law 116-260).

**SEC. 3003. FUNDING FOR SUPPLY CHAIN FOR COVID-19 VACCINES, THERAPEUTICS, AND MEDICAL SUPPLIES.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$5,200,000,000, to remain available until expended, for necessary expenses with respect to research, development, manufacturing, production, and the purchase of vaccines, therapeutics, and ancillary medical products and supplies to prevent, prepare, or respond to—

- (1) SARS-CoV-2 or any viral variant mutating therefrom with pandemic potential; and
- (2) COVID-19 or any disease with potential for creating a pandemic.

**SEC. 3004. FUNDING FOR COVID-19 VACCINE, THERAPEUTIC, AND DEVICE ACTIVITIES AT THE FOOD AND DRUG ADMINISTRATION.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$500,000,000, to remain available until expended, to be used for the evaluation of the continued performance, safety, and effectiveness, including with respect to emerging COVID-19 variants, of vaccines, therapeutics, and diagnostics approved, cleared, licensed, or authorized for use for the treatment, prevention, or diagnosis of COVID-19; facilitation of advanced continuous manufacturing activities related to production of vaccines and related materials; facilitation and conduct of inspections related to the manufacturing of vaccines, therapeutics, and devices delayed or cancelled for reasons related to COVID-19; review of devices authorized for use for the treatment, prevention, or diagnosis of COVID-19; and oversight of the supply chain and mitigation of shortages of vaccines, therapeutics, and devices approved, cleared, licensed, or authorized for use for the treatment, prevention, or diagnosis of COVID-19 by the Food and Drug Administration.

**CHAPTER 2—TESTING**

**SEC. 3011. FUNDING FOR COVID-19 TESTING, CONTACT TRACING, AND MITIGATION ACTIVITIES.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$46,000,000,000, to remain available until expended, to carry out activities to detect, diagnose, trace, and monitor SARS-CoV-2 and COVID-19 infections and related strategies to mitigate the spread of COVID-19.

(b) **USE OF FUNDS.**—From amounts appropriated by subsection (a), the Secretary shall—

(1) implement a national, evidence-based strategy for testing, contact tracing, surveillance, and mitigation with respect to SARS-CoV-2 and COVID-19;

(2) provide technical assistance, guidance, and support, and award grants or cooperative agreements to State, local, and territorial public health departments for activities to detect, diagnose, trace, and monitor SARS-CoV-2 and COVID-19 infections and related strategies and activities to mitigate the spread of COVID-19;

(3) support the development, manufacturing, procurement, distribution, and administration of tests to detect or diagnose SARS-CoV-2 and COVID-19, including supplies necessary for administering tests, such as personal protective equipment;

(4) establish and expand Federal, State, local, and territorial testing and contact tracing capabilities, including investments in laboratory capacity, community-based testing sites, and mobile testing units, particularly in medically underserved areas;

(5) enhance information technology, data modernization, and reporting, including improvements necessary to support sharing of data related to public health capabilities;

(6) award grants to, or enter into cooperative agreements or contracts with, State, local, and territorial public health departments to establish, expand, and sustain a public health workforce; and

(7) to cover administrative and program support costs necessary to conduct activities related to subparagraph (a).

**SEC. 3012. FUNDING FOR SARS-COV-2 GENOMIC SEQUENCING AND SURVEILLANCE.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021 out of any money in the Treasury not otherwise appropriated, \$1,750,000,000, to remain available until expended, to strengthen and expand activities and workforce related to genomic sequencing, analytics, and disease surveillance.

(b) **USE OF FUNDS.**—From amounts appropriated by subsection (a), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, shall—

(1) conduct, expand, and improve activities to sequence genomes, identify mutations, and survey the circulation and transmission of viruses and other organisms, including strains of SARS-CoV-2;

(2) award grants or cooperative agreements to State, local, Tribal, or territorial public health departments or public health laboratories—

(A) to increase their capacity to sequence genomes of circulating strains of viruses and other organisms, including SARS-CoV-2;

(B) to identify mutations in viruses and other organisms, including SARS-CoV-2;

(C) to use genomic sequencing to identify outbreaks and clusters of diseases or infections, including COVID-19; and

(D) to develop effective disease response strategies based on genomic sequencing and surveillance data;

(3) enhance and expand the informatics capabilities of the public health workforce; and

(4) award grants for the construction, alteration, or renovation of facilities to improve genomic sequencing and surveillance capabilities at the State and local level.

**SEC. 3013. FUNDING FOR GLOBAL HEALTH.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$750,000,000, to remain available until expended, for activities to be conducted acting through the Director of the Centers for Disease Control and Prevention to combat SARS-CoV-2, COVID-19, and other emerging infectious disease threats globally, including efforts related to global health security, global disease detection and response, global health protection, global immunization, and global coordination on public health.

**SEC. 3014. FUNDING FOR DATA MODERNIZATION AND FORECASTING CENTER.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$500,000,000, to remain available until expended, for activities to be conducted acting through the Director of the Centers for Disease Control and Prevention to support public health data surveillance and analytics infrastructure modernization initiatives at the Centers for Disease Control and Prevention, and establish, expand, and maintain efforts to modernize the United States disease warning system to forecast and track hotspots for COVID-19, its variants, and emerging biological threats, including academic and workforce support for analytics and informatics infrastructure and data collection systems.

**CHAPTER 3—PUBLIC HEALTH WORKFORCE****SEC. 3021. FUNDING FOR PUBLIC HEALTH WORKFORCE.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$7,660,000,000, to remain available until expended, to carry out activities related to establishing, expanding, and sustaining a public health workforce, including by making awards to State, local, and territorial public health departments.

(b) **USE OF FUNDS FOR PUBLIC HEALTH DEPARTMENTS.**—Amounts made available to an awardee pursuant to subsection (a) shall be used for the following:

(1) Costs, including wages and benefits, related to the recruiting, hiring, and training of individuals—

(A) to serve as case investigators, contact tracers, social support specialists, community health workers, public health nurses, disease intervention specialists, epidemiologists, program managers, laboratory personnel, informaticians, communication and policy experts, and any other positions as may be required to prevent, prepare for, and respond to COVID-19; and

(B) who are employed by—

(i) the State, territorial, or local public health department involved; or

(ii) a nonprofit private or public organization with demonstrated expertise in implementing public health programs and established relationships with such State, territorial, or local public health departments, particularly in medically underserved areas.

(2) Personal protective equipment, data management and other technology, or other necessary supplies.

(3) Administrative costs and activities necessary for awardees to implement activities funded under this section.

(4) Reporting to the Secretary on implementation of the activities funded under this section.

(5) Subawards from recipients of awards under subsection (a) to local health departments for the purposes of the activities funded under this section.

**SEC. 3022. FUNDING FOR MEDICAL RESERVE CORPS.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$100,000,000, to remain available until expended, for carrying out section 2813 of the Public Health Service Act (42 U.S.C. 300hh-15).

**CHAPTER 4—PUBLIC HEALTH INVESTMENTS****SEC. 3031. FUNDING FOR COMMUNITY HEALTH CENTERS AND COMMUNITY CARE.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$7,600,000,000, to remain available until expended, for necessary expenses for awarding grants and cooperative agreements under section 330 of the Public Health Service Act (42 U.S.C. 254b) to be awarded without regard to subsections (e)(3), (e)(6)(A)(iii), (e)(6)(B)(iii), and (r)(2)(B) of such section 330, and for necessary expenses for awarding grants to Federally qualified health centers (as defined in section 1861(aa)(4)(B) of the Social Security Act (42 U.S.C. 1395x(aa))), and for awarding grants or contracts to qualified entities under the Native Hawaiian Health Care Improvement Act (42 U.S.C. 11701 et seq.). Of the total amount appropriated by the preceding sentence, not less than \$20,000,000 shall be for grants or contracts to qualified entities under the Native Hawaiian Health Care Improvement Act (42 U.S.C. 11701 et seq.).

(b) **USE OF FUNDS.**—Amounts made available to an awardee pursuant to subsection (a) shall be used—

(1) to plan, prepare for, promote, distribute, administer, and track COVID-19 vaccines, and to carry out other vaccine-related activities;

(2) to detect, diagnose, trace, and monitor COVID-19 infections and related activities necessary to mitigate the spread of COVID-19, including activities related to, and equipment or supplies purchased for, testing, contact tracing, surveillance, mitigation, and treatment of COVID-19;

(3) to purchase equipment and supplies to conduct mobile testing or vaccinations for COVID-19, to purchase and maintain mobile vehicles and equipment to conduct such testing or vaccinations, and to hire and train laboratory personnel and other staff to conduct such mobile testing or vaccinations, particularly in medically underserved areas;

(4) to establish, expand, and sustain the health care workforce to prevent, prepare for, and respond to COVID-19, and to carry out other health workforce-related activities;

(5) to modify, enhance, and expand health care services and infrastructure; and

(6) to conduct community outreach and education activities related to COVID-19.

(c) **PAST EXPENDITURES.**—An awardee may use amounts awarded pursuant to subsection (a) to cover the costs of the awardee carrying out any of the activities described in subsection (b) during the period beginning on the date of the declaration of a public health emergency by the Secretary under section 319 of the Public Health

Service Act (42 U.S.C. 247d) on January 31, 2020, with respect to COVID-19 and ending on the date of such award.

**SEC. 3032. FUNDING FOR NATIONAL HEALTH SERVICE CORPS.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$800,000,000, to remain available until expended, for carrying out title III of the Public Health Service Act (42 U.S.C. 241 et seq.) with respect to the health workforce.

(b) **STATE LOAN REPAYMENT PROGRAMS.**—

(1) **IN GENERAL.**—Of the amount made available pursuant to subsection (a), \$100,000,000 shall be made available for providing public health services through supplemental grants to States under section 338I(a) of the Public Health Service Act (42 U.S.C. 254q-1(a)).

(2) **CONDITIONS.**—With respect to grants described in paragraph (1) using funds made available under such paragraph:

(A) Section 338I(b) of the Public Health Service Act (42 U.S.C. 254q-1(b)) shall not apply.

(B) Notwithstanding section 338I(d)(2) of the Public Health Service Act (42 U.S.C. 254q-1(d)(2)), not more than 10 percent of an award to a State from such amounts, may be used by the State for costs of administering the State loan repayment program.

**SEC. 3033. FUNDING FOR NURSE CORPS.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$200,000,000, to remain available until expended, for carrying out section 846 of the Public Health Service Act (42 U.S.C. 297n).

**SEC. 3034. FUNDING FOR TEACHING HEALTH CENTERS THAT OPERATE GRADUATE MEDICAL EDUCATION.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, and notwithstanding the capped amount referenced in sections 340H(b)(2) and 340H(d)(2) of the Public Health Service Act (42 U.S.C. 256h(b)(2) and (d)(2)), there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$330,000,000, to remain available until September 30, 2023, for the program of payments to teaching health centers that operate graduate medical education under section 340H of the Public Health Service Act (42 U.S.C. 256h) and for teaching health center development grants authorized under section 749A of the Public Health Service Act (42 U.S.C. 2931-1).

(b) **USE OF FUNDS.**—Amounts made available pursuant to subsection (a) shall be used for the following activities:

(1) For making payments to new approved graduate medical residency training programs, provided that the number of full-time equivalent residents for which a qualified teaching health center receives payments pursuant to section 340H(a)(1)(C) of the Public Health Service Act (42 U.S.C. 256h(a)(1)(C)) for a fiscal year shall not exceed by more than 6 the number of full-time equivalent residents for which the center received such payments for the preceding fiscal year.

(2) To provide an increase to the per resident amount described in section 340H(a)(2) of the Public Health Service Act (42 U.S.C. 256h(a)(2)) of \$10,000.

(3) For making payments under section 340H of the Public Health Service Act (42 U.S.C. 256h) to qualified teaching health centers for approved graduate medical residency training programs, for the number of full-time equivalent residents at a program at a number that is no lower than the highest number of full-time equivalent residents in that program for the period of fiscal years 2016 through 2018.

(4) For making payments under section 340H(a)(1)(B) of the Public Health Service Act (42 U.S.C. 256h(a)(1)(B)) for the expansion of existing approved graduate medical residency programs.

(5) For making awards under section 749A of the Public Health Service Act (42 U.S.C. 2931-1) to teaching health centers for the purpose of establishing new accredited or expanded primary care residency programs.

(6) To cover administrative costs and activities necessary for qualified teaching health centers receiving payments under section 340H of the Public Health Service Act (42 U.S.C. 256h) to carry out activities under such section.

**SEC. 3035. FUNDING FOR COVID-19 TESTING, CONTACT TRACING, AND MITIGATION ACTIVITIES IN CONGREGATE SETTINGS.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$1,800,000,000, to remain available until expended, to carry out activities to detect, diagnose, trace, monitor, and report on SARS-CoV-2 and COVID-19 infections, and related strategies to mitigate the spread of SARS-CoV-2, in congregate settings.

(b) **USE OF FUNDS.**—From amounts appropriated by subsection (a), the Secretary shall—

(1) support activities related to testing through the use of in vitro diagnostic products (as defined in section 809.3(a) of title 21, Code of Federal Regulations) for the detection or diagnosis of SARS-CoV-2 and the virus that causes COVID-19, including to purchase, procure, or administer tests and supplies necessary for administering and processing such tests to staff of, or individuals residing in, congregate settings, and pay (through any mechanism deemed appropriate by the Secretary) part or all of the costs to such entities of administering or processing such tests;

(2) support vaccine-related activities for authorized or licensed COVID-19 vaccines, to provide for the vaccination of staff of, or individuals residing in, congregate settings, and pay (through any mechanism deemed appropriate by the Secretary) part or all of the costs to such entities of administering such vaccines;

(3) purchase, procure, or distribute personal protective equipment or other products or supplies for use in mitigation of COVID-19 transmission among staff of, or individuals residing in, congregate settings; and

(4) provide technical assistance, guidance, and support and award grants, contracts, or cooperative agreements to State,

local, territorial, and Tribal public health departments, or Federal, State, local, territorial, or Tribal public and private entities that manage congregate settings, for activities to detect, diagnose, trace, monitor, and report on SARS-CoV-2 and COVID-19 infections, and related strategies and activities to mitigate the spread of SARS-CoV-2, in congregate settings.

(c) **DEFINITION.**—For purposes of this section, the term “congregate settings” includes Federal, State, local, territorial, and Tribal prisons, jails, detention centers (including juvenile detention centers), other correctional, detention, and reentry facilities, long-term care facilities, psychiatric hospitals, psychiatric residential treatment facilities, shared living arrangements for individuals with disabilities, intermediate care facilities, and other residential care facilities.

**SEC. 3036. FUNDING FOR FAMILY PLANNING.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$50,000,000, to remain available until expended, for necessary expenses for making grants and contracts under section 1001 of the Public Health Service Act (42 U.S.C. 300).

**SEC. 3037. FUNDING FOR CHILDREN UNDER THE CARE OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$425,000,000, to remain available until expended, for expenses incurred in preparing for and providing child care, education services, health care services, case management services, or other necessary services for children in the care of personnel employed by or under a grant, cooperative agreement, or contract with the Department of Health and Human Services (or agency, subdivision, or office thereof).

(b) **USE OF FUNDS.**—Amounts made available pursuant to subsection (a) shall be used for—

(1) costs related to capacity to provide care to children described in such subsection;

(2) costs related to the recruiting, hiring, and training of additional staff;

(3) activities to detect, diagnose, trace, treat, and monitor SARS-CoV-2 and COVID-19 infections and related strategies and activities to mitigate the spread of SARS-CoV-2 and COVID-19;

(4) the purchase, procurement, or distribution of in vitro diagnostic products (as defined in section 809.3(a) of title 21, Code of Federal Regulations) for the detection or diagnosis of SARS-CoV-2 and the virus that causes COVID-19 or supplies necessary for administering tests to such children and staff caring for such children;

(5) distribution of COVID-19 vaccines licensed under section 351 of the Public Health Service Act (42 U.S.C. 262) or authorized for emergency use under section 564 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 360bbb-3) for such children or staff caring for such children; or

(6) the purchase, procurement, or distribution of personal protective equipment or other measures for mitigation and prevention of COVID-19 transmission among such children and staff caring for such children.

**SEC. 3038. FUNDING FOR OFFICE OF INSPECTOR GENERAL.**

In addition to amounts otherwise available, there is appropriated to the inspector general of the Department of Health and Human Services for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$5,000,000, to remain available until expended, for oversight of activities supported with funds appropriated to the Department of Health and Human Services to prevent, prepare for, and respond to coronavirus 2019 or COVID-19, domestically or internationally.

**CHAPTER 5—INDIAN HEALTH**

**SEC. 3041. FUNDING FOR INDIAN HEALTH.**

(a) In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$6,094,000,000, to remain available until expended, of which—

(1) \$5,484,000,000 shall be for carrying out the Act of August 5, 1954 (42 U.S.C. 2001 et seq.) (commonly referred to as the Transfer Act), the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5301 et seq.), the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.), and titles II and III of the Public Health Service Act (42 U.S.C. 201 et seq. and 241 et seq.) with respect to the Indian Health Service, of which—

(A) \$2,000,000,000 shall be for lost reimbursements, in accordance with section 207 of the Indian Health Care Improvement Act (25 U.S.C. 1621f);

(B) \$500,000,000 shall be for the provision of additional health care services, services provided through the Purchased/Referred Care program, and other related activities;

(C) \$140,000,000 shall be for information technology, telehealth infrastructure, and the Indian Health Service electronic health records system;

(D) \$84,000,000 shall be for maintaining operations of the Urban Indian health program, which shall be in addition to other amounts made available under this subsection for Urban Indian organizations (as defined in section 4 of the Indian Health Care Improvement Act (25 U.S.C. 1603));

(E) \$600,000,000 shall be for necessary expenses to plan, prepare for, promote, distribute, administer, and track COVID-19 vaccines, for the purposes described in subparagraphs (F) and (G), and for other vaccine-related activities;

(F) \$1,500,000,000 shall be for necessary expenses to detect, diagnose, trace, and monitor COVID-19 infections, activities necessary to mitigate the spread of COVID-19, supplies necessary for such activities, for the purposes described in subparagraphs (E) and (G), and for other related activities;

(G) \$240,000,000 shall be for necessary expenses to establish, expand, and sustain a public health workforce to prevent, prepare for, and respond to COVID–19, other public health workforce-related activities, for the purposes described in subparagraphs (E) and (F), and for other related activities; and

(H) \$420,000,000 shall be for necessary expenses related to mental and behavioral health prevention and treatment services, for the purposes described in subparagraph (C) and paragraph (2) as related to mental and behavioral health, and for other related activities;

(2) \$600,000,000 shall be for the lease, purchase, construction, alteration, renovation, or equipping of health facilities to respond to COVID–19, and for maintenance and improvement projects necessary to respond to COVID–19 under section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a), the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5301 et seq.), the Indian Health Care Improvement Act (25 U.S.C. 1601 et seq.), and titles II and III of the Public Health Service Act (42 U.S.C. 202 et seq.) with respect to the Indian Health Service; and

(3) \$10,000,000 shall be for carrying out section 7 of the Act of August 5, 1954 (42 U.S.C. 2004a) for expenses relating to potable water delivery.

(b) Funds appropriated by subsection (a) shall be made available to restore amounts, either directly or through reimbursement, for obligations for the purposes specified in this section that were incurred to prevent, prepare for, and respond to COVID–19 during the period beginning on the date on which the public health emergency was declared by the Secretary on January 31, 2020, pursuant to section 319 of the Public Health Service Act (42 U.S.C. 247d) with respect to COVID–19 and ending on the date of the enactment of this Act.

(c) Funds made available under subsection (a) to Tribes and Tribal organizations under the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5301 et seq.) shall be available on a one-time basis. Such non-recurring funds shall not be part of the amount required by section 106 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 5325), and such funds shall only be used for the purposes identified in this section.

## **CHAPTER 6—MENTAL HEALTH AND SUBSTANCE USE DISORDER**

### **SEC. 3051. FUNDING FOR BLOCK GRANTS FOR COMMUNITY MENTAL HEALTH SERVICES.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$1,750,000,000, to remain available until expended, for carrying out subpart I of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x et seq.), subpart III of part B of title XIX of such Act (42 U.S.C. 300x–51 et seq.), and section 505(c) of such Act (42 U.S.C. 290aa–4(c)) with respect to mental health. Notwithstanding section 1952 of the Public Health Service Act (42 U.S.C. 300x–62), any amount awarded

to a State out of amounts appropriated by this section shall be expended by the State by September 30, 2025.

**SEC. 3052. FUNDING FOR BLOCK GRANTS FOR PREVENTION AND TREATMENT OF SUBSTANCE ABUSE.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$1,750,000,000, to remain available until expended, for carrying out subpart II of part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–21 et seq.), subpart III of part B of title XIX of such Act (42 U.S.C. 300x–51 et seq.), section 505(d) of such Act (42 U.S.C. 290aa–4(d)) with respect to substance abuse, and section 515(d) of such Act (42 U.S.C. 290bb–21(d)). Notwithstanding section 1952 of the Public Health Service Act (42 U.S.C. 300x–62), any amount awarded to a State out of amounts appropriated by this section shall be expended by the State by September 30, 2025.

**SEC. 3053. FUNDING FOR MENTAL AND BEHAVIORAL HEALTH TRAINING FOR HEALTH CARE PROFESSIONALS, PARAPROFESSIONALS, AND PUBLIC SAFETY OFFICERS.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$80,000,000, to remain available until expended, for the purpose described in subsection (b).

(b) **USE OF FUNDING.**—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall, taking into consideration the needs of rural and medically underserved communities, use amounts appropriated by subsection (a) to award grants or contracts to health professions schools, academic health centers, State or local governments, Indian Tribes and Tribal organizations, or other appropriate public or private nonprofit entities (or consortia of entities, including entities promoting multidisciplinary approaches), to plan, develop, operate, or participate in health professions and nursing training activities for health care students, residents, professionals, paraprofessionals, trainees, and public safety officers, and employers of such individuals, in evidence-informed strategies for reducing and addressing suicide, burnout, and mental and behavioral health conditions (including substance use disorders) among health care professionals.

**SEC. 3054. FUNDING FOR EDUCATION AND AWARENESS CAMPAIGN ENCOURAGING HEALTHY WORK CONDITIONS AND USE OF MENTAL AND BEHAVIORAL HEALTH SERVICES BY HEALTH CARE PROFESSIONALS.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$20,000,000, to remain available until expended, for the purpose described in subsection (b).

(b) **USE OF FUNDS.**—The Secretary, acting through the Director of the Centers for Disease Control and Prevention and in consultation with the medical professional community, shall use amounts appropriated by subsection (a) to carry out a national evidence-based education and awareness campaign directed at health care professionals and first responders (such as emergency medical serv-

ice providers), and employers of such professionals and first responders. Such awareness campaign shall—

(1) encourage primary prevention of mental and behavioral health conditions and secondary and tertiary prevention by encouraging health care professionals to seek support and treatment for their own behavioral health concerns;

(2) help such professionals to identify risk factors in themselves and others and respond to such risks;

(3) include information on reducing or preventing suicide, substance use disorders, burnout, and other mental and behavioral health conditions, and addressing stigma associated with seeking mental and behavioral health support and treatment; and

(4) consider the needs of rural and medically underserved communities.

**SEC. 3055. FUNDING FOR GRANTS FOR HEALTH CARE PROVIDERS TO PROMOTE MENTAL AND BEHAVIORAL HEALTH AMONG THEIR HEALTH PROFESSIONAL WORKFORCE.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$40,000,000, to remain available until expended, for the purpose described in subsection (b).

(b) **USE OF FUNDS.**—The Secretary, acting through the Administrator of the Health Resources and Services Administration, shall, taking into consideration the needs of rural and medically underserved communities, use amounts appropriated by subsection (a) to award grants or contracts to entities providing health care, including health care providers associations and Federally qualified health centers, to establish, enhance, or expand evidence-informed programs or protocols to promote mental and behavioral health among their providers, other personnel, and members.

**SEC. 3056. FUNDING FOR COMMUNITY-BASED FUNDING FOR LOCAL SUBSTANCE USE DISORDER SERVICES.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$30,000,000, to remain available until expended, to carry out the purpose described in subsection (b).

(b) **USE OF FUNDS.**—

(1) **IN GENERAL.**—The Secretary, acting through the Assistant Secretary for Mental Health and Substance Use and in consultation with the Director of the Centers for Disease Control and Prevention, shall award grants to support States; local, Tribal, and territorial governments; Tribal organizations; nonprofit community-based organizations; and primary and behavioral health organizations to support community-based overdose prevention programs, syringe services programs, and other harm reduction services, with respect to harms of drug misuse that are exacerbated by the COVID-19 public health emergency.

(2) **USE OF GRANT FUNDS.**—Grant funds awarded under this section to eligible entities may be used for preventing and controlling the spread of infectious diseases and the consequences of such diseases for individuals with substance use disorder,

distributing opioid overdose reversal medication to individuals at risk of overdose, connecting individuals at risk for, or with, a substance use disorder to overdose education, counseling, and health education, and encouraging such individuals to take steps to reduce the negative personal and public health impacts of substance use or misuse.

**SEC. 3057. FUNDING FOR COMMUNITY-BASED FUNDING FOR LOCAL BEHAVIORAL HEALTH NEEDS.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$50,000,000, to remain available until expended, to carry out the purpose described in subsection (b).

(b) **USE OF FUNDS.**—

(1) **IN GENERAL.**—The Secretary, acting through the Assistant Secretary for Mental Health and Substance Use, shall award grants to State, local, Tribal, and territorial governments, Tribal organizations, nonprofit community-based entities, and primary care and behavioral health organizations to address increased community behavioral health needs worsened by the COVID-19 public health emergency.

(2) **USE OF GRANT FUNDS.**—Grant funds awarded under this section to eligible entities may be used for promoting care coordination among local entities; training the mental and behavioral health workforce, relevant stakeholders, and community members; expanding evidence-based integrated models of care; addressing surge capacity for mental and behavioral health needs; providing mental and behavioral health services to individuals with mental health needs (including co-occurring substance use disorders) as delivered by behavioral and mental health professionals utilizing telehealth services; and supporting, enhancing, or expanding mental and behavioral health preventive and crisis intervention services.

**SEC. 3058. FUNDING FOR THE NATIONAL CHILD TRAUMATIC STRESS NETWORK.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$10,000,000, to remain available until expended, for carrying out section 582 of the Public Health Service Act (42 U.S.C. 290hh-1) with respect to addressing the problem of high-risk or medically underserved persons who experience violence-related stress.

**SEC. 3059. FUNDING FOR PROJECT AWARE.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$30,000,000, to remain available until expended, for carrying out section 520A of the Public Health Service Act (42 U.S.C. 290bb-32) with respect to advancing wellness and resiliency in education.

**SEC. 3059A. FUNDING FOR YOUTH SUICIDE PREVENTION.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$20,000,000, to remain avail-

able until expended, for carrying out sections 520E and 520E-2 of the Public Health Service Act (42 U.S.C. 290bb-36, 290bb-36b).

**SEC. 3059B. FUNDING FOR BEHAVIORAL HEALTH WORKFORCE EDUCATION AND TRAINING.**

In addition to amounts otherwise available, there is appropriated to the Secretary for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$100,000,000, to remain available until expended, for carrying out section 756 of the Public Health Service Act (42 U.S.C. 294e-1).

**CHAPTER 7—EXCHANGE GRANT PROGRAM**

**SEC. 3061. ESTABLISHING A GRANT PROGRAM FOR EXCHANGE MODERNIZATION.**

(a) **IN GENERAL.**—Out of funds appropriated under subsection (b), the Secretary shall award grants to each American Health Benefits Exchange established under subtitle D of title I of the Patient Protection and Affordable Care Act (42 U.S.C. 18021 et seq.) (other than an Exchange established by the Secretary under section 1321(c) of such Act (42 U.S.C. 18041(c))) that submits to the Secretary an application at such time and in such manner, and containing such information, as specified by the Secretary, for purposes of enabling such Exchange to modernize or update any system, program, or technology utilized by such Exchange to ensure such Exchange is compliant with all applicable requirements of section 1311 of such Act (42 U.S.C. 18031).

(b) **FUNDING.**—There is appropriated, out of any monies in the Treasury not otherwise obligated, \$20,000,000, to remain available until expended, for carrying out this section.

**Subtitle B—Medicaid**

**SEC. 3101. MANDATORY COVERAGE OF COVID-19 VACCINES AND ADMINISTRATION AND TREATMENT UNDER MEDICAID.**

(a) **COVERAGE.**—

(1) **IN GENERAL.**—Section 1905(a)(4) of the Social Security Act (42 U.S.C. 1396d(a)(4)) is amended—

(A) by striking “and (D)” and inserting “(D)”; and

(B) by striking the semicolon at the end and inserting “; (E) during the period beginning on the date of the enactment of the American Rescue Plan Act of 2021 and ending on the last day of the first calendar quarter that begins at least one year after the last day of the emergency period described in section 1135(g)(1)(B), a COVID-19 vaccine and administration of the vaccine; and (F) during the period beginning on the date of the enactment of the American Rescue Plan Act of 2021 and ending on the last day of the first calendar quarter that begins at least one year after the last day of the emergency period described in section 1135(g)(1)(B), testing and treatments for COVID-19, including specialized equipment and therapies (including preventive therapies), and, without regard to the requirements of section 1902(a)(10)(B) (relating to comparability), in the case of an individual who is diagnosed with or presumed to have COVID-19, during the period such indi-

vidual has (or is presumed to have) COVID-19, the treatment of a condition that may seriously complicate the treatment of COVID-19, if otherwise covered under the State plan (or waiver of such plan);”

(2) MAKING COVID-19 VACCINE AVAILABLE TO ADDITIONAL ELIGIBILITY GROUPS AND TREATMENT AVAILABLE TO CERTAIN UNINSURED.—Section 1902(a)(10) of such Act (42 U.S.C. 1396a(a)(10)) is amended in the matter following subparagraph (G)—

(A) by striking “and to other conditions which may complicate pregnancy, (VIII)” and inserting “, medical assistance for services related to other conditions which may complicate pregnancy, and medical assistance for vaccines described in section 1905(a)(4)(E) and the administration of such vaccines during the period described in such section, (VIII)”;

(B) by inserting “and medical assistance for vaccines described in section 1905(a)(4)(E) and the administration of such vaccines during the period described in such section” after “(described in subsection (z)(2))”;

(C) by striking “cancer (XV)” and inserting “cancer, (XV)”;

(D) by inserting “and medical assistance for vaccines described in section 1905(a)(4)(E) and the administration of such vaccines during the period described in such section” after “described in subsection (k)(1)”;

(E) by inserting “and medical assistance for vaccines described in section 1905(a)(4)(E) and the administration of such vaccines during the period described in such section” after “family planning setting”;

(F) by striking “and (XVIII)” and inserting “(XVIII)”;

(G) by striking “and any visit described in section 1916(a)(2)(G) that is furnished during any such portion” and inserting “, any service described in section 1916(a)(2)(G) that is furnished during any such portion, any vaccine described in section 1905(a)(4)(E) (and the administration of such vaccine) that is furnished during any such portion, and testing and treatments for COVID-19, including specialized equipment and therapies (including preventive therapies), and, in the case of an individual who is diagnosed with or presumed to have COVID-19, during the period such individual has (or is presumed to have) COVID-19, the treatment of a condition that may seriously complicate the treatment of COVID-19, if otherwise covered under the State plan (or waiver of such plan)”;

(H) by striking the semicolon at the end and inserting “, and (XIX) medical assistance shall be made available during the period described in section 1905(a)(4)(E) for vaccines described in such section and the administration of such vaccines, for any individual who is eligible for and receiving medical assistance under the State plan or under a waiver of such plan (other than an individual who is eligible for medical assistance consisting only of payment of premiums pursuant to subparagraph (E) or (F) or section

1933), notwithstanding any provision of law limiting such individual's eligibility for medical assistance under such plan or waiver to coverage for a limited type of benefits and services that would not otherwise include coverage of a COVID-19 vaccine and its administration;”.

(3) PROHIBITION OF COST SHARING.—

(A) IN GENERAL.—Subsections (a)(2) and (b)(2) of section 1916 of the Social Security Act (42 U.S.C. 1396o) are each amended—

- (i) in subparagraph (F), by striking “or” at the end;
- (ii) in subparagraph (G), by striking “; and”;
- (iii) by adding at the end the following subparagraphs:

“(H) during the period beginning on the date of the enactment of this subparagraph and ending on the last day of the first calendar quarter that begins at least one year after the last day of the emergency period described in section 1135(g)(1)(B), a COVID-19 vaccine and the administration of such vaccine (for any individual eligible for medical assistance for such vaccine (and administration)); or

“(I) during the period beginning on the date of the enactment of this subparagraph and ending on the last day of the first calendar quarter that begins at least one year after the last day of the emergency period described in section 1135(g)(1)(B), testing and treatments for COVID-19, including specialized equipment and therapies (including preventive therapies), and, in the case of an individual who is diagnosed with or presumed to have COVID-19, during the period during which such individual has (or is presumed to have) COVID-19, the treatment of a condition that may seriously complicate the treatment of COVID-19, if otherwise covered under the State plan (or waiver of such plan); and”.

(B) APPLICATION TO ALTERNATIVE COST SHARING.—Section 1916A(b)(3)(B) of the Social Security Act (42 U.S.C. 1396o-1(b)(3)(B)) is amended—

- (i) in clause (xi), by striking “any visit” and inserting “any service”; and
- (ii) by adding at the end the following clauses:

“(xii) During the period beginning on the date of the enactment of this clause and ending on the last day of the first calendar quarter that begins at least one year after the last day of the emergency period described in section 1135(g)(1)(B), a COVID-19 vaccine and the administration of such vaccine (for any individual eligible for medical assistance for such vaccine (and administration)).

“(xiii) During the period beginning on the date of the enactment of this clause and ending on the last day of the first calendar quarter that begins at least one year after the last day of the emergency period described in section 1135(g)(1)(B), testing and treatments for COVID-19, including specialized equipment and therapies (including preventive therapies), and, in the case of an individual who is diagnosed with or presumed to

have COVID-19, during the period during which such individual has (or is presumed to have) COVID-19, the treatment of a condition that may seriously complicate the treatment of COVID-19, if otherwise covered under the State plan (or waiver of such plan).”.

(4) INCLUSION IN THE MEDICAID DRUG REBATE PROGRAM OF COVERED OUTPATIENT DRUGS USED FOR COVID-19 TREATMENT.—

(A) IN GENERAL.—The requirements of section 1927 of the Social Security Act (42 U.S.C. 1396r-8) shall apply to any drug or biological product described in subparagraph (F) of section 1905(a)(4) of such Act, as added by paragraph (1), or described in the subclause (XVIII) in the matter following subparagraph (G) of section 1902(a)(10) of such Act, as added by paragraph (2), that is—

(i) furnished as medical assistance in accordance with such subparagraph (F) or subclause (XVIII), as applicable, for the treatment, or prevention, of COVID-19, as described in such subparagraph of subclause, respectively; and

(ii) a covered outpatient drug (as defined in section 1927(k) of such Act, except that, in applying paragraph (2)(A) of such section to a drug described in such subparagraph (F) or such subclause (XVIII), such drug shall be deemed a prescribed drug for purposes of section 1905(a)(12) of such Act).

(B) CONFORMING AMENDMENT.—Section 1927(d)(7) of the Social Security Act (42 U.S.C. 1396r-8(d)(7)) is amended by adding at the end the following new subparagraph:

“(E) Drugs and biological products described in section 1905(a)(4)(F) and subclause (XVIII) in the matter following subparagraph (G) of section 1902(a)(10) that are furnished as medical assistance in accordance with such section or clause, respectively, for the treatment or prevention, of COVID-19, as described in such subparagraph of subclause, respectively.”.

(5) ALTERNATIVE BENEFIT PLANS.—Section 1937(b) of the Social Security Act (42 U.S.C. 1396u-7(b)) is amended by adding at the end the following new paragraph:

“(8) COVID-19 VACCINES, TESTING, AND TREATMENT.—Notwithstanding the previous provisions of this section, a State may not provide for medical assistance through enrollment of an individual with benchmark coverage or benchmark-equivalent coverage under this section unless, during the period beginning on the date of the enactment of the American Rescue Plan Act of 2021 and ending on the last day of the first calendar quarter that begins at least one year after the last day of the emergency period described in section 1135(g)(1)(B), such coverage includes (and does not impose any deduction, cost sharing, or similar charge for)—

“(A) COVID-19 vaccines and administration of the vaccines; and

“(B) testing and treatments for COVID-19, including specialized equipment and therapies (including preventive therapies), and, in the case of such an individual who is diagnosed with or presumed to have COVID-19, during

the period such individual has (or is presumed to have) COVID-19, the treatment of a condition that may seriously complicate the treatment of COVID-19, if otherwise covered under the State plan (or waiver of such plan).”

(b) TEMPORARY INCREASE IN FEDERAL PAYMENTS FOR COVERAGE AND ADMINISTRATION OF COVID-19 VACCINES.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(1) in subsection (b), by striking “and (ff)” and inserting “(ff), and (hh)”;

(2) in subsection (ff), in the matter preceding paragraph (1), by inserting “, subject to subsection (hh)” after “or (z)(2)” and

(3) by adding at the end the following new subsection:

“(hh) TEMPORARY INCREASED FMAP FOR MEDICAL ASSISTANCE FOR COVERAGE AND ADMINISTRATION OF COVID-19 VACCINES.—

“(1) IN GENERAL.—Notwithstanding any other provision of this title, during the period described in paragraph (2), the Federal medical assistance percentage for a State, with respect to amounts expended by the State for medical assistance for a vaccine described in subsection (a)(4)(E) (and the administration of such a vaccine), shall be equal to 100 percent.

“(2) PERIOD DESCRIBED.—The period described in this paragraph is the period that—

“(A) begins on the first day of the first quarter beginning after the date of the enactment of this subsection; and

“(B) ends on the last day of the first quarter that begins at least one year after the last day of the emergency period described in section 1135(g)(1)(B).

“(3) EXCLUSION OF EXPENDITURES FROM TERRITORIAL CAPS.—Any payment made to a territory for expenditures for medical assistance under subsection (a)(4)(E) that are subject to the Federal medical assistance percentage specified under paragraph (1) shall not be taken into account for purposes of applying payment limits under subsections (f) and (g) of section 1108.”

**SEC. 3102. MODIFICATIONS TO CERTAIN COVERAGE UNDER MEDICAID FOR PREGNANT AND POSTPARTUM WOMEN.**

(a) STATE OPTION.—Section 1902(e) of the Social Security Act (42 U.S.C. 1396a(e)) is amended by adding at the end the following new paragraph:

“(16) EXTENDING CERTAIN COVERAGE FOR PREGNANT AND POSTPARTUM WOMEN.—

“(A) IN GENERAL.—At the option of the State, the State plan (or waiver of such State plan) may provide, that an individual who, while pregnant, is eligible for and has received medical assistance under the State plan approved under this title (or a waiver of such plan) (including during a period of retroactive eligibility under subsection (a)(34)) shall, in addition to remaining eligible under paragraph (5) for all pregnancy-related and postpartum medical assistance available under the State plan (or waiver) through the last day of the month in which the 60-day period (beginning on the last day of her pregnancy) ends, remain eligible under the State plan (or waiver) for medical assistance for the period beginning on the first day occurring after the end of such 60-day period and ending on the last

day of the month in which the 12-month period (beginning on the last day of her pregnancy) ends.

“(B) FULL BENEFITS DURING PREGNANCY AND THROUGHOUT THE 12-MONTH POSTPARTUM PERIOD.—The medical assistance provided for a pregnant or postpartum individual by a State making an election under this paragraph, without regard to the basis on which the individual is eligible for medical assistance under the State plan (or waiver), shall—

“(i) include all items and services covered under the State plan (or waiver) that are not less in amount, duration, or scope, or are determined by the Secretary to be substantially equivalent, to the medical assistance available for an individual described in subsection (a)(10)(A)(i); and

“(ii) be provided for the individual while pregnant and during the 12-month period that begins on the last day of the individual’s pregnancy and ends on the last day of the month in which such 12-month period ends.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to State elections made under paragraph (16) of section 1902(e) of the Social Security Act (42 U.S.C. 1396a(e)), as added by subsection (a), during the 5-year period beginning on the 1st day of the 1st fiscal year quarter that begins at least one year after the date of the enactment of this Act.

**SEC. 3103. ALLOWING FOR MEDICAL ASSISTANCE UNDER MEDICAID FOR INMATES DURING 30-DAY PERIOD PRECEDING RELEASE.**

The subdivision (A) following paragraph (30) of section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended by inserting “and, during the 5-year period beginning on the first day of the first fiscal year quarter that begins at least one year after the date of the enactment of the American Rescue Plan Act of 2021, except during the 30-day period preceding the date of release of such individual from such public institution” after “medical institution”.

**SEC. 3104. ENHANCED FEDERAL MEDICAID SUPPORT FOR COMMUNITY-BASED MOBILE CRISIS INTERVENTION SERVICES.**

Section 1903 of the Social Security Act (42 U.S.C. 1396b) is amended by adding at the end the following new subsection:

“(bb) BUNDLED COMMUNITY-BASED MOBILE CRISIS INTERVENTION SERVICES.—

“(1) IN GENERAL.—Notwithstanding section 1902(a)(1) (relating to Statewide-ness), section 1902(a)(10)(B) (relating to comparability), section 1902(a)(23)(A) (relating to freedom of choice of providers), or section 1902(a)(27) (relating to provider agreements), a State may, during the 5-year period beginning on the first day of the first fiscal year quarter that begins on or after the date that is 1 year after the date of the enactment of this subsection, provide medical assistance, through bundled payments, for qualifying community-based mobile crisis intervention services under a State plan amendment or waiver approved under section 1115 or subsection (b) or (c) of section 1915.

“(2) QUALIFYING COMMUNITY-BASED MOBILE CRISIS INTERVENTION SERVICES DEFINED.—For purposes of this subsection, the term ‘qualifying community-based mobile crisis intervention services’ means, with respect to a State, items and services for which medical assistance is available under the State plan under this title or a waiver of such plan, that are—

“(A) furnished to an individual otherwise eligible for medical assistance under the State plan (or waiver of such plan) who is—

“(i) outside of a hospital or other facility setting; and

“(ii) experiencing a mental health or substance use disorder crisis;

“(B) furnished by a multidisciplinary mobile crisis team—

“(i) that includes at least 1 behavioral health care professional who is capable of conducting an assessment of the individual, in accordance with the professional’s permitted scope of practice under State law, and other professionals or paraprofessionals with appropriate expertise in behavioral health or mental health crisis response, including nurses, social workers, peer support specialists, and others, as designated by the State through a State plan amendment (or waiver of such plan);

“(ii) whose members are trained in trauma-informed care, de-escalation strategies, and harm reduction;

“(iii) that is able to respond in a timely manner and, where appropriate, provide—

“(I) screening and assessment;

“(II) stabilization and de-escalation;

“(III) coordination with, and referrals to, health, social, and other services and supports as needed; and

“(IV) assistance in facilitating the individual’s access to emergency or nonemergency (as applicable) transportation services under the State plan (or waiver of such plan) to ensure access to the next step in care or treatment;

“(iv) that maintains relationships with relevant community partners, including medical and behavioral health providers, primary care providers, community health centers, crisis respite centers, managed care organizations (if applicable), entities able to provide assistance with application and enrollment in the State plan or a waiver of the plan, entities able to provide assistance with applying for and enrolling in benefit programs, entities that provide assistance with housing (such as public housing authorities, Continuum of Care programs, or not-for-profit entities that provide housing assistance), and entities that provide assistance with other social services;

“(v) that coordinates with crisis intervention hotlines and emergency response systems;

“(vi) that maintains the privacy and confidentiality of patient information consistent with Federal and State requirements; and

“(vii) that operates independently from (but may coordinate with) State or local law enforcement agencies;

“(C) available 24 hours per day, every day of the year; and

“(D) voluntary to receive.

“(3) PAYMENTS.—

“(A) IN GENERAL.—Notwithstanding section 1905(b) or 1905(ff) and subject to subsections (y) and (z) of section 1905, during each of the first 12 fiscal quarters occurring during the period described in paragraph (1) that a State meets the requirements described in paragraph (4), the Federal medical assistance percentage applicable to amounts expended by the State for medical assistance, through bundled payments described in paragraph (1), for qualifying community-based mobile crisis intervention services furnished during such quarter shall be equal to 85 percent. In no case shall the application of the previous sentence result in the Federal medical assistance percentage applicable to amounts expended by a State for medical assistance for such qualifying community-based mobile crisis intervention services furnished during a quarter being less than the Federal medical assistance percentage that would apply to such amounts expended by the State for such services furnished during such quarter without application of the previous sentence.

“(B) EXCLUSION OF EXPENDITURES FROM TERRITORIAL CAPS.—Expenditures for medical assistance consisting of qualifying community-based mobile crisis intervention services furnished in a territory during a quarter with respect to which subparagraph (A) applies to such territory shall not be taken into account for purposes of applying payment limits under subsections (f) and (g) of section 1108.

“(4) REQUIREMENTS.—The requirements described in this paragraph are the following:

“(A) The State demonstrates, to the satisfaction of the Secretary—

“(i) that it will be able to support the provision of qualifying community-based mobile crisis intervention services that meet the conditions specified in paragraph (2); and

“(ii) how it will support coordination between mobile crisis teams and community partners, including health care providers, to enable the provision of services, needed referrals, and other activities identified by the Secretary.

“(B) The State provides assurances satisfactory to the Secretary that—

“(i) any additional Federal funds received by the State for qualifying community-based mobile crisis intervention services provided under this subsection that are attributable to the increased Federal medical

assistance percentage under paragraph (3)(A) will be used to supplement, and not supplant, the level of State funds expended for such services for the fiscal year preceding the first fiscal quarter occurring during the period described in paragraph (1);

“(ii) if the State made qualifying community-based mobile crisis intervention services available in a region of the State in such fiscal year, the State will continue to make such services available in such region under this subsection during each month occurring during the period described in paragraph (1) for which the Federal medical assistance percentage under paragraph (3)(A) is applicable with respect to the State.

“(5) FUNDING FOR STATE PLANNING GRANTS.—There is appropriated, out of any funds in the Treasury not otherwise appropriated, \$15,000,000 to the Secretary for purposes of implementing, administering, and making planning grants to States as soon as practicable for purposes of developing a State plan amendment or section 1115, 1915(b), or 1915(c) waiver request (or an amendment to such a waiver) to provide qualifying community-based mobile crisis intervention services under this subsection, to remain available until expended.”.

**SEC. 3105. TEMPORARY INCREASE IN FMAP FOR MEDICAL ASSISTANCE UNDER STATE MEDICAID PLANS WHICH BEGIN TO EXPEND AMOUNTS FOR CERTAIN MANDATORY INDIVIDUALS.**

Section 1905 of the Social Security Act (42 U.S.C. 1396d), as amended by section 3101 of this subtitle, is further amended—

(1) in subsection (b), in the first sentence, by striking “and (hh)” and inserting “(hh), and (ii)”;

(2) in subsection (ff), by striking “subject to subsection (hh)” and inserting “subject to subsections (hh) and (ii)”;

(3) by adding at the end the following new subsection:

“(ii) TEMPORARY INCREASE IN FMAP FOR MEDICAL ASSISTANCE UNDER STATE MEDICAID PLANS WHICH BEGIN TO EXPEND AMOUNTS FOR CERTAIN MANDATORY INDIVIDUALS.—

“(1) IN GENERAL.—For each quarter occurring during the 8-quarter period beginning with the first calendar quarter during which a qualifying State (as defined in paragraph (3)) expends amounts for all individuals described in section 1902(a)(10)(A)(i)(VIII) under the State plan (or waiver of such plan), the Federal medical assistance percentage determined under subsection (b) for such State shall, after application of any increase, if applicable, under section 6008 of the Families First Coronavirus Response Act, be increased by 5 percentage points, except for any quarter (and each subsequent quarter) during such period during which the State ceases to provide medical assistance to any such individual under the State plan (or waiver of such plan).

“(2) SPECIAL APPLICATION RULES.—Any increase described in paragraph (1) (or payment made for expenditures on medical assistance that are subject to such increase)—

“(A) shall not apply with respect to disproportionate share hospital payments described in section 1923;

“(B) shall not be taken into account in calculating the enhanced FMAP of a State under section 2105;

“(C) shall not be taken into account for purposes of part A, D, or E of title IV; and

“(D) shall not be taken into account for purposes of applying payment limits under subsections (f) and (g) of section 1108.

“(3) DEFINITION.—For purposes of this subsection, the term ‘qualifying State’ means a State which has not expended amounts for all individuals described in section 1902(a)(10)(A)(i)(VIII) before the date of the enactment of this subsection.”.

**SEC. 3106. EXTENSION OF 100 PERCENT FEDERAL MEDICAL ASSISTANCE PERCENTAGE TO URBAN INDIAN HEALTH ORGANIZATIONS AND NATIVE HAWAIIAN HEALTH CARE SYSTEMS.**

Section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) is amended by inserting after “(as defined in section 4 of the Indian Health Care Improvement Act)” the following: “; for the 8 fiscal year quarters beginning with the first fiscal year quarter beginning after the date of the enactment of the American Rescue Plan Act of 2021, the Federal medical assistance percentage shall also be 100 per centum with respect to amounts expended as medical assistance for services which are received through an Urban Indian organization (as defined in paragraph (29) of section 4 of the Indian Health Care Improvement Act) that has a grant or contract with the Indian Health Service under title V of such Act; and, for such 8 fiscal year quarters, the Federal medical assistance percentage shall also be 100 per centum with respect to amounts expended as medical assistance for services which are received through a Native Hawaiian Health Center (as defined in section 12(4) of the Native Hawaiian Health Care Improvement Act) or a qualified entity (as defined in section 6(b) of such Act) that has a grant or contract with the Papa Ola Lokahi under section 8 of such Act”.

**SEC. 3107. SUNSET OF LIMIT ON MAXIMUM REBATE AMOUNT FOR SINGLE SOURCE DRUGS AND INNOVATOR MULTIPLE SOURCE DRUGS.**

Section 1927(c)(2)(D) of the Social Security Act (42 U.S.C. 1396r–8(c)(2)(D)) is amended by inserting after “December 31, 2009,” the following: “and before January 1, 2023.”.

**SEC. 3108. ADDITIONAL SUPPORT FOR MEDICAID HOME AND COMMUNITY-BASED SERVICES DURING THE COVID-19 EMERGENCY PERIOD.**

(a) INCREASED FMAP.—

(1) IN GENERAL.—Notwithstanding section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) or section 1905(ff), in the case of a State that meets the HCBS program conditions under subsection (b), the Federal medical assistance percentage determined for the State under section 1905(b) of such Act (or, if applicable, under section 1905(ff)) and, if applicable, increased under subsection (y), (z), (aa), or (ii) of section 1905 of such Act (42 U.S.C. 1396d), section 1915(k) of such Act (42 U.S.C. 1396n(k)), or section 6008(a) of the Families First Coronavirus Response Act (Public Law 116–127), shall be increased by 7.35 percentage points with respect to expenditures of the State under the State Medicaid program for home and

community-based services (as defined in paragraph (2)(B)) that are provided during the HCBS program improvement period (as defined in paragraph (2)(A)). In no case may the application of the previous sentence result in the Federal medical assistance percentage determined for a State being more than 95 percent with respect to such expenditures. Any payment made to Puerto Rico, the Virgin Islands, Guam, the Northern Mariana Islands, or American Samoa for expenditures on medical assistance that are subject to the Federal medical assistance percentage increase specified under the first sentence of this paragraph shall not be taken into account for purposes of applying payment limits under subsections (f) and (g) of section 1108 of the Social Security Act (42 U.S.C. 1308).

(2) DEFINITIONS.—In this section:

(A) HCBS PROGRAM IMPROVEMENT PERIOD.—The term “HCBS program improvement period” means, with respect to a State, the period—

- (i) beginning on April 1, 2021; and
- (ii) ending on March 31, 2022.

(B) HOME AND COMMUNITY-BASED SERVICES.—The term “home and community-based services” means any of the following:

(i) Home health care services authorized under paragraph (7) of section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)).

(ii) Personal care services authorized under paragraph (24) of such section.

(iii) PACE services authorized under paragraph (26) of such section.

(iv) Home and community-based services authorized under subsections (b), (c), (i), (j), and (k) of section 1915 of such Act (42 U.S.C. 1396n), such services authorized under a waiver under section 1115 of such Act (42 U.S.C. 1315), and such services through coverage authorized under section 1937 of such Act (42 U.S.C. 1396u–7).

(v) Case management services authorized under section 1905(a)(19) of the Social Security Act (42 U.S.C. 1396d(a)(19)) and section 1915(g) of such Act (42 U.S.C. 1396n(g)).

(vi) Rehabilitative services, including those related to behavioral health, described in section 1905(a)(13) of such Act (42 U.S.C. 1396d(a)(13)).

(vii) Such other services specified by the Secretary of Health and Human Services.

(C) COVID–19 PUBLIC HEALTH EMERGENCY PERIOD.—The term “COVID–19 public health emergency period” means the portion of the emergency period described in paragraph (1)(B) of section 1135(g) of the Social Security Act (42 U.S.C. 1320b–5(g)) beginning on or after the date of the enactment of this Act.

(D) ELIGIBLE INDIVIDUAL.—The term “eligible individual” means an individual who is eligible for and enrolled for medical assistance under a State Medicaid program and includes an individual who becomes eligible for medical as-

sistance under a State Medicaid program when removed from a waiting list.

(E) MEDICAID PROGRAM.—The term “Medicaid program” means, with respect to a State, the State program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) (including any waiver or demonstration under such title or under section 1115 of such Act (42 U.S.C. 1315) relating to such title).

(F) STATE.—The term “State” has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(b) STATE REQUIREMENTS FOR FMAP INCREASE.—As conditions for receipt of the increase under subsection (a) to the Federal medical assistance percentage determined for a State, the State shall meet each of the following conditions (referred to in subsection (a) as the HCBS program conditions):

(1) SUPPLEMENT, NOT SUPPLANT.—The State shall use the Federal funds attributable to the increase under subsection (a) to supplement, and not supplant, the level of State funds expended for home and community-based services for eligible individuals through programs in effect as of April 1, 2021.

(2) REQUIRED IMPLEMENTATION OF CERTAIN ACTIVITIES.—The State shall implement one or more of the following activities to enhance, expand, or strengthen home and community-based services under the State Medicaid program:

(A) Increase rates for home health agencies, PACE organizations whose members provide direct care, and agencies or beneficiaries that employ direct support professionals (including independent providers in a self-directed or consumer-directed model) to provide home and community-based services under the State Medicaid program, if elected by the beneficiary for continuation of care, provided that any agency, beneficiary, or other individual that receives payment under such an increased rate increases the compensation it pays its home health workers or direct support professionals.

(B) Provide paid sick leave, paid family leave, and paid medical leave for home health workers and direct support professionals.

(C) Provide hazard pay, overtime pay, and shift differential pay for home health workers and direct support professionals.

(D) Provide home and community-based services to eligible individuals in order to reduce waiting lists for programs approved under sections 1115 or 1915 of the Social Security Act (42 U.S.C. 1315, 1396n).

(E) Purchase emergency supplies and equipment, which may include items not typically covered under the Medicaid program necessary to enhance access to services and to protect the health and well-being of home health workers and direct support professionals.

(F) Recruit new home health workers and direct support professionals.

(G) Support family care providers of eligible individuals with needed supplies and equipment, which may include

items not typically covered under the Medicaid program, such as personal protective equipment, and pay.

(H) Pay for training for home health workers and direct support professionals that is specific to the COVID-19 public health emergency.

(I) Pay for assistive technologies, staffing, and other costs incurred during the COVID-19 public health emergency period in order to mitigate isolation and ensure an individual's person-centered service plan continues to be fully implemented.

(J) Prepare information and public health and educational materials in accessible formats (including formats accessible to people with low literacy or intellectual disabilities) about prevention, treatment, recovery and other aspects of COVID-19 for eligible individuals, their families, and the general community served by community partners, such as Area Agencies on Aging, Centers for Independent Living, nonprofit home and community-based services providers, and other entities providing home and community-based services.

(K) Pay for American sign language and other languages interpreters to assist in providing home and community-based services to eligible individuals and to inform the general public about COVID-19.

(L) Pay for retainer payments for home and community-based services providers, including home health workers and direct support professionals (regardless of whether such payments directly benefit a beneficiary) which may be provided without limits on duration during the COVID-19 public health emergency period.

(M) Pay for other expenses deemed appropriate by the Secretary to enhance, expand, or strengthen Home and Community-Based Services and expenses which meet the criteria of the home and community-based settings rule published on January 16, 2014.

(N) Support (including by paying for moving costs, security deposits or first month's rent, one-time stocking of food products sufficient for the initial month, and other one-time expenses and start-up costs) transitions from institutional settings, congregate community settings, and homeless shelters or other temporary housing for individuals who are eligible for home and community-based services.

(O) Assist eligible individuals in receiving mental health services and necessary rehabilitative service to regain skills lost during the COVID-19 public health emergency period.

(P) Assist eligible individuals who had to relocate to a nursing facility or institutional setting from their homes during the COVID-19 public health emergency period, who were isolated in their homes during such period, or who moved into congregate non-institutional settings as a result of such period, in—

(i) moving back to their homes (including by paying for moving costs, security deposits or first month's

rent, one-time stocking of food products sufficient for the initial month, and other one-time expenses and start-up costs); and

(ii) continuing home and community-based services for eligible individuals who were served from a waiting list for such services during the public health emergency period.

**SEC. 3109. FUNDING FOR STATE STRIKE TEAMS FOR RESIDENT AND EMPLOYEE SAFETY IN NURSING FACILITIES.**

Section 1919 of the Social Security Act (42 U.S.C. 1396r) is amended by adding at the end the following new subsection:

“(k) **FUNDING FOR STATE STRIKE TEAMS.**—In addition to amounts otherwise available, there is appropriated to the Secretary, out of any monies in the Treasury not otherwise appropriated, \$250,000,000, to remain available until expended, for purposes of allocating such amount among the States (including the District of Columbia and each territory of the United States) to increase the capacity of such a State to respond to COVID–19 by allowing such a State to establish and implement a strike team that will be deployed to a nursing facility in the State with diagnosed or suspected cases of COVID–19 among residents or staff for the purposes of assisting with clinical care, infection control, or staffing during the emergency period described in section 1135(g)(1)(B).”.

## **Subtitle C—Children’s Health Insurance Program**

**SEC. 3201. MANDATORY COVERAGE OF COVID–19 VACCINES AND ADMINISTRATION AND TREATMENT UNDER CHIP.**

(a) **COVERAGE.**—

(1) **IN GENERAL.**—Section 2103(c) of the Social Security Act (42 U.S.C. 1397cc(c)) is amended by adding at the end the following paragraph:

“(1) **REQUIRED COVERAGE OF COVID–19 VACCINES AND TREATMENT.**—Regardless of the type of coverage elected by a State under subsection (a), the child health assistance provided for a targeted low-income child, and, in the case of a State that elects to provide pregnancy-related assistance pursuant to section 2112, the pregnancy-related assistance provided for a targeted low-income pregnant woman (as such terms are defined for purposes of such section), shall include coverage, during the period beginning on the date of the enactment of this paragraph and ending on the last day of the first calendar quarter that begins at least one year after the last day of the emergency period described in section 1135(g)(1)(B), of—

“(A) a COVID–19 vaccine (and the administration of the vaccine); and

“(B) testing and treatments for COVID-19, including specialized equipment and therapies (including preventive therapies), and, in the case of an individual who is diagnosed with or presumed to have COVID–19, during the period during which such individual has (or is presumed to have) COVID–19, the treatment of a condition that may seriously complicate the treatment of COVID–19, if other-

wise covered under the State child health plan (or waiver of such plan).”.

(2) PROHIBITION OF COST SHARING.—Section 2103(e)(2) of the Social Security Act (42 U.S.C. 1397cc(e)(2)), as amended by section 6004(b)(3) of the Families First Coronavirus Response Act, is amended—

(A) in the paragraph header, by inserting “A COVID–19 VACCINE, COVID–19 TREATMENT,” before “OR PREGNANCY-RELATED ASSISTANCE”; and

(B) by striking “visits described in section 1916(a)(2)(G), or” and inserting “services described in section 1916(a)(2)(G), vaccines described in section 1916(a)(2)(H) administered during the period described in such section (and the administration of such vaccines), testing or treatments described in section 1916(a)(2)(I) furnished during the period described in such section, or”.

(b) TEMPORARY INCREASE IN FEDERAL PAYMENTS FOR COVERAGE AND ADMINISTRATION OF COVID–19 VACCINES.—Section 2105(c) of the Social Security Act (42 U.S.C. 1397ee(c)) is amended by adding at the end the following new paragraph:

“(12) TEMPORARY ENHANCED PAYMENT FOR COVERAGE AND ADMINISTRATION OF COVID–19 VACCINES.—During the period described in section 1905(hh)(2), notwithstanding subsection (b), the enhanced FMAP for a State, with respect to payments under subsection (a) for expenditures under the State child health plan (or a waiver of such plan) for a vaccine described in section 1905(a)(4)(E) (and the administration of such a vaccine), shall be equal to 100 percent.”.

(c) ADJUSTMENT OF CHIP ALLOTMENTS.—Section 2104(m) of the Social Security Act (42 U.S.C. 1397dd(m)) is amended—

(1) in paragraph (2)(B), in the matter preceding clause (i), by striking “paragraphs (5) and (7)” and inserting “paragraphs (5), (7), and (12)”; and

(2) by adding at the end the following new paragraph:

“(12) ADJUSTING ALLOTMENTS TO ACCOUNT FOR INCREASED FEDERAL PAYMENTS FOR COVERAGE AND ADMINISTRATION OF COVID–19 VACCINES.—If a State, commonwealth, or territory receives payment for a fiscal year (beginning with fiscal year 2021) under subsection (a) of section 2105 for expenditures that are subject to the enhanced FMAP specified under subsection (c)(12) of such section, the amount of the allotment determined for the State, commonwealth, or territory under this subsection—

“(A) for such fiscal year shall be increased by the projected expenditures for such year by the State, commonwealth, or territory under the State child health plan (or a waiver of such plan) for vaccines described in section 1905(a)(4)(E) (and the administration of such vaccines); and

“(B) once actual expenditures are available in the subsequent fiscal year, the fiscal year allotment that was adjusted by the amount described in subparagraph (A) shall be adjusted on the basis of the difference between—

“(i) such projected amount of expenditures described in subparagraph (A) for such fiscal year described in

such subparagraph by the State, commonwealth, or territory; and

“(ii) the actual amount of expenditures for such fiscal year described in subparagraph (A) by the State, commonwealth, or territory under the State child health plan (or waiver of such plan) for vaccines described in section 1905(a)(4)(E) (and the administration of such vaccines).”.

**SEC. 3202. MODIFICATIONS TO CERTAIN COVERAGE UNDER CHIP FOR PREGNANT AND POSTPARTUM WOMEN.**

(a) **MODIFICATIONS TO COVERAGE.**—

(1) **IN GENERAL.**—Section 2107(e)(1) of the Social Security Act (42 U.S.C. 1397gg(e)(1)) is amended—

(A) by redesignating subparagraphs (J) through (S) as subparagraphs (K) through (T), respectively; and

(B) by inserting after subparagraph (I) the following new subparagraph:

“(J) Paragraphs (5) and (16) of section 1902(e) (relating to the State option to provide medical assistance consisting of full benefits during pregnancy and throughout the 12-month postpartum period under title XIX, but only if the State has elected to apply such paragraph (16) with respect to pregnant women under title XIX and provides child health assistance for targeted low-income children who are pregnant or has elected under section 2112(a) to provide pregnancy-related assistance for targeted low-income pregnant women and, in the case of such a State, the provision of assistance under the State child health plan for such targeted low-income children or targeted low-income pregnant women (as applicable) during pregnancy and the 12-month postpartum period shall be required and not at the option of the State, and subparagraph (B) of section 1902(e)(16) shall be applied to the State child health plan or waiver as requiring coverage of all items or services provided to a targeted low income children or targeted low-income pregnant woman (as applicable) under such plan or waiver).”.

(2) **OPTIONAL COVERAGE OF TARGETED LOW-INCOME PREGNANT WOMEN.**—Section 2112(d)(2)(A) of the Social Security Act (42 U.S.C. 1397ll(d)(2)(A)) is amended by inserting after “60-day period” the following: “, or, in the case that subparagraph (A) of section 1902(e)(16) applies to the State child health plan (or waiver of such plan), pursuant to section 2107(e)(1), the 12-month period.”.

(b) **EFFECTIVE DATE.**—The amendments made by subsection (a), shall apply with respect to State elections made under paragraph (16) of section 1902(e) of the Social Security Act (42 U.S.C. 1396a(e)), as added by section 3102(a) of subtitle B of this title, during the 5-year period beginning on the 1st day of the 1st fiscal year quarter that begins at least one year after the date of the enactment of this Act.

## Subtitle D—Other Provisions

### CHAPTER 1—ENSURING ENVIRONMENTAL HEALTH AND RATEPAYER PROTECTION DURING THE PANDEMIC

#### SEC. 3301. FUNDING FOR POLLUTION AND DISPARATE IMPACTS OF THE COVID-19 PANDEMIC.

(a) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Environmental Protection Agency for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$100,000,000, to remain available until expended, to address health outcome disparities from pollution and the COVID-19 pandemic, of which—

(1) \$50,000,000, shall be for grants, contracts, and other agency activities that implement the environmental justice purposes and objectives described in Executive Order 12898 titled “Federal Actions To Address Environmental Justice in Minority Populations and Low-Income Populations” (59 Fed. Reg. 7629), as amended; section 219 of Executive Order 14008 titled “Tackling the Climate Crisis at Home and Abroad” (86 Fed. Reg. 7619); and the Environmental Protection Agency’s Environmental Justice 2020 Action Agenda, published May 22, 2016; and

(2) \$50,000,000 shall be for grants and activities authorized under subsections (a) through (c) of section 103 of the Clean Air Act (42 U.S.C. 7403) and grants and activities authorized under section 105 of such Act (42 U.S.C. 7405).

#### (b) ADMINISTRATION OF FUNDS.—

(1) Of the funds made available pursuant to subsection (a)(1), the Administrator shall reserve 2 percent for administrative costs necessary to carry out activities funded pursuant to such subsection.

(2) Of the funds made available pursuant to subsection (a)(2), the Administrator shall reserve 5 percent for activities funded pursuant to such subsection other than grants.

#### SEC. 3302. FUNDING FOR LIHEAP.

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$4,500,000,000, to remain available through September 30, 2022, for additional funding to provide payments under section 2602(b) of the Low-Income Home Energy Assistance Act of 1981 (42 U.S.C. 8621(b)), except that—

(1) \$2,250,000,000 of such amounts shall be allocated as though the total appropriation for such payments for fiscal year 2021 was less than \$1,975,000,000;

(2) section 2607(b)(2)(B) of such Act (42 U.S.C. 8626(b)(2)(B)) shall not apply to funds appropriated under this section for fiscal year 2021; and

(3) with respect to amounts appropriated under this section for fiscal year 2021, notwithstanding section 2604(d) of such Act (42 U.S.C. 8623(d)), the Secretary shall reserve under such section 2604(d) amounts for Indian tribes that bear the same ratio, for each Indian tribe, that the amount reserved for the Indian tribe, from funds appropriated for such payments for fiscal year 2021 before the date of enactment of this section,

bore to the amount allotted to the applicable State for such payments from any such appropriated funds.

**SEC. 3303. FUNDING FOR WATER ASSISTANCE PROGRAM.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary of Health and Human Services for fiscal year 2021, out of any amounts in the Treasury not otherwise appropriated, \$500,000,000, to remain available until expended, for grants to States and Indian Tribes to assist low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for drinking water and wastewater services, by providing funds to owners or operators of public water systems or treatment works to reduce arrearages of and rates charged to such households for such services.

(b) **ALLOTMENT.**—The Secretary shall—

(1) allot amounts appropriated in this section to a State or Indian Tribe based on—

(A) the percentage of households in the State, or under the jurisdiction of the Indian Tribe, with income equal or less than 150 percent of the Federal poverty line; and

(B) the percentage of households in the State, or under the jurisdiction of the Indian Tribe, that spend more than 30 percent of monthly income on housing; and

(2) reserve up to 3 percent of the amount appropriated in this section for Indian Tribes and tribal organizations.

**CHAPTER 2—DISTANCE LEARNING AND CONSUMER PROTECTION DURING THE COVID-19 PANDEMIC**

**SEC. 3311. FUNDING FOR CONSUMER PRODUCT SAFETY FUND TO PROTECT CONSUMERS FROM POTENTIALLY DANGEROUS PRODUCTS RELATED TO COVID-19.**

(a) **APPROPRIATION.**—In addition to amounts otherwise available, there is appropriated to the Consumer Product Safety Commission for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$50,000,000, to remain available until September 30, 2026, for the purposes described in subsection (b).

(b) **PURPOSES.**—The funds made available in subsection (a) shall only be used for purposes of the Consumer Product Safety Commission to—

(1) carry out the requirements in title XX of division FF of the Consolidated Appropriations Act, 2021 (Public Law 116-260);

(2) enhance targeting, surveillance, and screening of consumer products, particularly COVID-19 products, entering the United States at ports of entry, including ports of entry for de minimis shipments;

(3) enhance monitoring of internet websites for the offering for sale of new and used violative consumer products, particularly COVID-19 products, and coordination with retail and resale websites to improve identification and elimination of listings of such products;

(4) increase awareness and communication particularly of COVID-19 product related risks and other consumer product safety information; and

(5) improve the Commission's data collection and analysis system especially with a focus on consumer product safety

risks resulting from the COVID-19 pandemic to socially disadvantaged individuals and other vulnerable populations.

(c) DEFINITIONS.—In this section—

(1) the term “Commission” means the Consumer Product Safety Commission;

(2) the term “de minimis shipments” means articles containing consumer products entering the United States under the de minimis value exemption in section 321(a)(2)(C) of the Tariff Act of 1930 (19 U.S.C. 1321(a)(2)(C));

(3) the term “violative consumer products” means consumer products in violation of an applicable consumer product safety standard under the Consumer Product Safety Act (15 U.S.C. 2051 et seq.) or any similar rule, regulation, standard, or ban under any other Act enforced by the Commission;

(4) the term “COVID-19 emergency period” means the period during which a public health emergency declared pursuant to section 319 of the Public Health Service Act (42 U.S.C. 247d) with respect to the 2019 novel coronavirus (COVID-19), including under any renewal of such declaration, is in effect; and

(5) the term “COVID-19 products” means products whose risks have been significantly affected by COVID-19 or whose sales have materially increased during the COVID-19 emergency period as a result of the COVID-19 pandemic.

**SEC. 3312. FUNDING FOR E-RATE SUPPORT FOR EMERGENCY EDUCATIONAL CONNECTIONS AND DEVICES.**

(a) REGULATIONS REQUIRED.—Not later than 60 days after the date of the enactment of this Act, the Commission shall promulgate regulations providing for the provision, from amounts made available from the Emergency Connectivity Fund, of support under paragraphs (1)(B) and (2) of section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)) to an eligible school or library, for the purchase during a COVID-19 emergency period of eligible equipment or advanced telecommunications and information services (or both), for use by—

(1) in the case of a school, students and staff of the school at locations that include locations other than the school; and

(2) in the case of a library, patrons of the library at locations that include locations other than the library.

(b) SUPPORT AMOUNT.—In providing support under the covered regulations, the Commission shall reimburse 100 percent of the costs associated with the eligible equipment, advanced telecommunications and information services, or eligible equipment and advanced telecommunications and information services, except that any reimbursement of a school or library for the costs associated with any eligible equipment may not exceed an amount that the Commission determines, with respect to the request by the school or library for the reimbursement, is reasonable.

(c) EMERGENCY CONNECTIVITY FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund to be known as the “Emergency Connectivity Fund”.

(2) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Emergency Connectivity Fund for fiscal year 2021, out of any money in the Treasury not otherwise appropriated—

(A) \$7,599,000,000, to remain available until September 30, 2030, for—

(i) the provision of support under the covered regulations; and

(ii) the Commission to adopt, and the Commission and the Universal Service Administrative Company to administer, the covered regulations; and

(B) \$1,000,000, to remain available until September 30, 2030, for the Inspector General of the Commission to conduct oversight of support provided under the covered regulations.

(3) LIMITATION.—Not more than 2 percent of the amount made available under paragraph (2)(A) may be used for the purposes described in clause (ii) of such paragraph.

(4) RELATIONSHIP TO UNIVERSAL SERVICE CONTRIBUTIONS.—Support provided under the covered regulations shall be provided from amounts made available from the Emergency Connectivity Fund and not from contributions under section 254(d) of the Communications Act of 1934 (47 U.S.C. 254(d)).

(d) DEFINITIONS.—In this section:

(1) ADVANCED TELECOMMUNICATIONS AND INFORMATION SERVICES.—The term “advanced telecommunications and information services” means advanced telecommunications and information services, as such term is used in section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)).

(2) COMMISSION.—The term “Commission” means the Federal Communications Commission.

(3) CONNECTED DEVICE.—The term “connected device” means a laptop computer, tablet computer, or similar end-user device that is capable of connecting to advanced telecommunications and information services.

(4) COVERED REGULATIONS.—The term “covered regulations” means the regulations promulgated under subsection (a).

(5) COVID-19 EMERGENCY PERIOD.—The term “COVID-19 emergency period” means a period that—

(A) begins on the date of a determination by the Secretary of Health and Human Services pursuant to section 319 of the Public Health Service Act (42 U.S.C. 247d) that a public health emergency exists as a result of COVID-19; and

(B) ends on the June 30 that first occurs after the date that is 1 year after the date on which such determination (including any renewal thereof) terminates.

(6) ELIGIBLE EQUIPMENT.—The term “eligible equipment” means the following:

(A) Wi-Fi hotspots.

(B) Modems.

(C) Routers.

(D) Devices that combine a modem and router.

(E) Connected devices.

(7) ELIGIBLE SCHOOL OR LIBRARY.—The term “eligible school or library” means an elementary school, secondary school, or library (including a Tribal elementary school, Tribal secondary school, or Tribal library) eligible for support under paragraphs

(1)(B) and (2) of section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)), except as provided in paragraph (10).

(8) EMERGENCY CONNECTIVITY FUND.—The term “Emergency Connectivity Fund” means the fund established under subsection (c)(1).

(9) LIBRARY.—The term “library” includes a library consortium.

(10) TRIBAL LIBRARY.—The term “Tribal library” means, only during a COVID–19 emergency period, a facility owned by an Indian Tribe, serving Indian Tribes, or serving American Indians, Alaskan Natives, or Native Hawaiian communities, including—

(A) a library or library consortium; or

(B) a government building, chapter house, longhouse, community center, or other similar public building; and such facility need not comply with the portion of paragraph (4) of section 254(h) of the Communications Act of 1934 (47 U.S.C. 254(h)) relating to eligibility for assistance from a State library administrative agency.

(11) WI-FI.—The term “Wi-Fi” means a wireless networking protocol based on Institute of Electrical and Electronics Engineers standard 802.11 (or any successor standard).

(12) WI-FI HOTSPOT.—The term “Wi-Fi hotspot” means a device that is capable of—

(A) receiving advanced telecommunications and information services; and

(B) sharing such services with a connected device through the use of Wi-Fi.

### **CHAPTER 3—OVERSIGHT OF DEPARTMENT OF COMMERCE PREVENTION AND RESPONSE TO COVID-19**

#### **SEC. 3321. FUNDING FOR DEPARTMENT OF COMMERCE INSPECTOR GENERAL.**

In addition to amounts otherwise available, there is appropriated to the Office of the Inspector General of the Department of Commerce for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$3,000,000, to remain available until September 30, 2022, for oversight of activities supported with funds appropriated to the Department of Commerce to prevent, prepare for, and respond to COVID–19, domestically or internationally.

## **TITLE IV—COMMITTEE ON FINANCIAL SERVICES**

### **Subtitle A—Defense Production Act of 1950**

#### **SEC. 4001. COVID-19 EMERGENCY MEDICAL SUPPLIES ENHANCEMENT.**

(a) SUPPORTING ENHANCED USE OF THE DEFENSE PRODUCTION ACT OF 1950.—In addition to funds otherwise available, there is appropriated, for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$10,000,000,000, to remain available until September 30, 2025, to carry out titles I, III, and VII of the

Defense Production Act of 1950 (50 U.S.C. 4501 et seq.) in accordance with subsection (b).

(b) MEDICAL SUPPLIES AND EQUIPMENT.—

(1) TESTING, PPE, VACCINES, AND OTHER MATERIALS.—Except as provided in paragraph (2), amounts appropriated in subsection (a) shall be used for the purchase, production (including the construction, repair, and retrofitting of government-owned or private facilities as necessary), or distribution of medical supplies and equipment (including durable medical equipment) related to combating the COVID-19 pandemic, including—

(A) in vitro diagnostic products (as defined in section 809.3(a) of title 21, Code of Federal Regulations) for the detection of SARS-CoV-2 or the diagnosis of the virus that causes COVID-19, and the reagents and other materials necessary for producing, conducting, or administering such products, and the machinery, equipment, laboratory capacity, or other technology necessary to produce such products;

(B) face masks and personal protective equipment, including face shields, nitrile gloves, N-95 filtering facepiece respirators, and any other masks or equipment (including durable medical equipment) determined by the Secretary of Health and Human Services to be needed to respond to the COVID-19 pandemic, and the materials, machinery, additional manufacturing lines or facilities, or other technology necessary to produce such equipment; and

(C) drugs and devices (as those terms are defined in the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.) and biological products (as that term is defined by section 351 of the Public Health Service Act (42 U.S.C. 262)) that are approved, cleared, licensed, or authorized under either of such Acts for use in treating or preventing COVID-19 and symptoms related to COVID-19, and any materials, manufacturing machinery, additional manufacturing or fill-finish lines or facilities, technology, or equipment (including durable medical equipment) necessary to produce or use such drugs, biological products, or devices (including syringes, vials, or other supplies or equipment related to delivery, distribution, or administration).

(2) RESPONDING TO PUBLIC HEALTH EMERGENCIES.—After September 30, 2022, amounts appropriated in subsection (a) may be used for any activity authorized by paragraph (1), or any other activity that the Secretary of Health and Human Services determines to be necessary, to meet critical public health needs of the United States, with respect to any pathogen that the President has determined has the potential for creating a public health emergency.

(c) DELEGATION AUTHORITY.—For purposes of using amounts appropriated in subsection (a), the President shall only delegate authority to—

(1) with respect to any uses described under subsection (b), the Secretary of Health and Human Services;

(2) with respect to uses described under subsection (b)(1), the head of any other agency responsible for responding to the COVID-19 pandemic if the President determines that such del-

egation is important to an effective response to such pandemic; and

(3) with respect to uses described under subsection (b)(2), the head of any other agency responsible for responding to any pathogen with the potential for creating a public health emergency if the President determines that such delegation is important to an effective response to a public health emergency that may be created by such pathogen.

(d) APPLICATION OF LIMITATIONS UNDER THE DEFENSE PRODUCTION ACT OF 1950.—The requirements described in section 304(e) of the Defense Production Act of 1950 (50 U.S.C. 4534(e)) shall not apply to the funds appropriated in subsection (a) until September 30, 2025.

## Subtitle B—Housing Provisions

### SEC. 4101. EMERGENCY RENTAL ASSISTANCE.

#### (a) FUNDING.—

(1) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Secretary of the Treasury for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$19,050,000,000, to remain available until September 30, 2027, for making payments to eligible grantees under this section—

(2) RESERVATION OF FUNDS.—Of the amount appropriated under paragraph (1), the Secretary shall reserve—

(A) \$305,000,000 for making payments under this section to the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa;

(B) \$30,000,000 for costs of the Secretary for the administration of emergency rental assistance programs and technical assistance to recipients of any grants made by the Secretary to provide financial and other assistance to renters; and

(C) \$3,000,000 for administrative expenses of the Inspector General relating to oversight of funds provided in this section.

#### (b) ALLOCATION FOR RENTAL AND UTILITY ASSISTANCE.—

##### (1) ALLOCATION FOR STATES AND UNITS OF LOCAL GOVERNMENT.—

(A) IN GENERAL.—The amount appropriated under paragraph (1) of subsection (a) that remains after the application of paragraph (2) of such subsection shall be allocated to eligible grantees described in subparagraphs (A) and (B) of subsection (i)(1) in the same manner as the amount appropriated under section 501 of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260) is allocated to States and units of local government under subsection (b)(1) of such section, except that section 501(b) of such subtitle A shall be applied—

- (i) without regard to clause (i) of paragraph (1)(A);
- (ii) by deeming the amount appropriated under paragraph (1) of subsection (a) of this Act that re-

mains after the application of paragraph (2) of such subsection to be the amount deemed to apply for purposes of applying clause (ii) of section 501(b)(1)(A) of such subtitle A;

(iii) by substituting “\$152,000,000” for “\$200,000,000” each place such term appears;

(iv) in subclause (I) of such section 501(b)(1)(A)(v), by substituting “under section 4101 of the American Rescue Plan Act of 2021” for “under this section”; and

(v) in subclause (II) of such section 501(b)(1)(A)(v), by substituting “local government elects to receive funds from the Secretary under section 4101 of the American Rescue Plan Act of 2021 and will use the funds in a manner consistent with such section” for “local government’s proposed uses of the funds are consistent with subsection (d)”.

(B) PRO RATA ADJUSTMENT.—The Secretary shall make pro rata adjustments in the amounts of the allocations determined under subparagraph (A) of this paragraph for entities described in such subparagraph as necessary to ensure that the total amount of allocations made pursuant to such subparagraph does not exceed the remainder appropriated amount described in such subparagraph.

(2) ALLOCATIONS FOR TERRITORIES.—The amount reserved under subsection (a)(2)(A) shall be allocated to eligible grantees described in subsection (i)(1)(C) in the same manner as the amount appropriated under section 501(a)(2)(A) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260) is allocated under section 501(b)(3) of such subtitle A to eligible grantees under subparagraph (C) of such section 501(b)(3), except that section 501(b)(3) of such subtitle A shall be applied—

(A) in subparagraph (A), by inserting “of this Act” after “the amount reserved under subsection (a)(2)(A)”; and

(B) in clause (i) of subparagraph (B), by substituting “the amount equal to 0.3 percent of the amount appropriated under subsection (a)(1)” with “the amount equal to 0.3 percent of the amount appropriated under subsection (a)(1) of this Act”.

(c) PAYMENT SCHEDULE.—

(1) IN GENERAL.—The Secretary shall pay all eligible grantees not less than 50 percent of each such eligible grantee’s total allocation provided under subsection (b) within 60 days of enactment of this Act.

(2) SUBSEQUENT PAYMENTS.—The Secretary shall pay to eligible grantees additional amounts in tranches up to the full amount of each such eligible grantee’s total allocation in accordance with a procedure established by the Secretary, provided that any such procedure established by the Secretary shall require that an eligible grantee must have obligated not less than 75 percent of the funds already disbursed by the Secretary pursuant to this section prior to disbursement of additional amounts.

(d) USE OF FUNDS.—

(1) IN GENERAL.—An eligible grantee shall only use the funds provided from payments made under this section as follows:

(A) FINANCIAL ASSISTANCE.—

(i) IN GENERAL.—Subject to clause (ii) of this subparagraph, funds received by an eligible grantee from payments made under this section shall be used to provide financial assistance to eligible households, not to exceed 18 months, including the payment of—

- (I) rent;
- (II) rental arrears;
- (III) utilities and home energy costs;
- (IV) utilities and home energy costs arrears; and
- (V) other expenses related to housing.

(ii) LIMITATION.—The aggregate amount of financial assistance an eligible household may receive under this section, when combined with financial assistance provided under section 501 of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260), shall not exceed 18 months.

(B) HOUSING STABILITY SERVICES.—Not more than 10 percent of funds received by an eligible grantee from payments made under this section may be used to provide case management and other services intended to help keep households stably housed.

(C) ADMINISTRATIVE COSTS.—Not more than 15 percent of the total amount paid to an eligible grantee under this section may be used for administrative costs attributable to providing financial assistance, housing stability services, and other affordable rental housing and eviction prevention activities under subparagraphs (A), (B), and (D), respectively, including for data collection and reporting requirements related to such funds.

(D) OTHER AFFORDABLE RENTAL HOUSING AND EVICTION PREVENTION ACTIVITIES.—An eligible grantee may use any funds from payments made under this section that are unobligated on October 1, 2022, for purposes in addition to those specified in this paragraph, provided that—

(i) such other purposes are affordable housing purposes, as defined by the Secretary, serving very low-income families (as such term is defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))); and

(ii) prior to obligating any funds for such purposes, the eligible grantee has obligated not less than 75 percent of the total funds allocated to such eligible grantee in accordance with this section.

(2) DISTRIBUTION OF ASSISTANCE.—Amounts appropriated under subsection (a)(1) of this section shall be subject to the same terms and conditions that apply under paragraph (4) of section 501(c) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260) to amounts appropriated under subsection (a)(1) of such section 501.

(e) REALLOCATION OF FUNDS.—

(1) **IN GENERAL.**—After September 30, 2022, the Secretary shall reallocate funds allocated to eligible grantees in accordance with subsection (b) but not yet paid in accordance with subsection (c)(2) according to a procedure established by the Secretary.

(2) **ELIGIBILITY FOR REALLOCATED FUNDS.**—The Secretary shall require an eligible grantee to have obligated 50 percent of the total amount of funds allocated to such eligible grantee under subsection (b) to be eligible to receive funds reallocated under paragraph (1) of this subsection.

(3) **PAYMENT OF REALLOCATED FUNDS BY THE SECRETARY.**—The Secretary shall pay to each eligible grantee eligible for a payment of reallocated funds described in paragraph (2) of this subsection the amount allocated to such eligible grantee in accordance with the procedure established by the Secretary in accordance with paragraph (2) of this subsection.

(4) **USE OF REALLOCATED FUNDS.**—Eligible grantees may use any funds received in accordance with this subsection only for purposes specified in paragraph (1) of subsection (d).

(f) **INAPPLICABILITY OF PAPERWORK REDUCTION ACT.**—Subchapter I of chapter 35 of title 44, United States Code, shall not apply to the collection of information for reporting or research requirements specified in this section if the Secretary determines it is necessary to expedite the efficient use of funds under this section.

(g) **TREATMENT OF ASSISTANCE.**—Assistance provided to a household from a payment made under this section shall not be regarded as income and shall not be regarded as a resource for purposes of determining the eligibility of the household or any member of the household for benefits or assistance, or the amount or extent of benefits or assistance, under any Federal program or under any State or local program financed in whole or in part with Federal funds.

(h) **INFORMATION REQUIRED BY SECRETARY.**—Each eligible grantee that receives an allocation of funds under subsection (b) and at least one payment under subsection (c) shall submit to the Secretary information required by the Secretary to monitor and evaluate activities carried out by the eligible grantee under subsection (d).

(i) **DEFINITIONS.**—In this section:

(1) **ELIGIBLE GRANTEE.**—The term “eligible grantee” means any of the following:

(A) The 50 States of the United States and the District of Columbia.

(B) A unit of local government (as defined in paragraph (5)).

(C) The Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa.

(2) **ELIGIBLE HOUSEHOLD.**—The term “eligible household” means a household of 1 or more individuals who are obligated to pay rent on a residential dwelling and with respect to which the eligible grantee involved determines that—

(A) 1 or more individuals within the household has—  
(i) qualified for unemployment benefits; or

(ii) experienced a reduction in household income, incurred significant costs, or experienced other financial hardship during or due, directly or indirectly, to the coronavirus pandemic;

(B) 1 or more individuals within the household can demonstrate a risk of experiencing homelessness or housing instability; and

(C) the household is a low-income family (as such term is defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))).

(3) INSPECTOR GENERAL.—The term “Inspector General” means the Inspector General of the Department of the Treasury.

(4) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(5) UNIT OF LOCAL GOVERNMENT.—The term “unit of local government” has the meaning given such term in section 501 of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260).

(j) AVAILABILITY.—Funds provided to an eligible grantee under a payment made under this section shall remain available through September 30, 2025.

(k) EXTENSION OF AVAILABILITY UNDER PROGRAM FOR EXISTING FUNDING.—Paragraph (1) of section 501(e) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116–260) is amended by striking “December 31, 2021” and inserting “September 30, 2022”.

**SEC. 4102. EMERGENCY HOUSING VOUCHERS.**

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Secretary of Housing and Urban Development (in this section referred to as the “Secretary”) for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$5,000,000,000, to remain available until September 30, 2030, for—

(1) incremental emergency vouchers under subsection (b);

(2) renewals of the vouchers under subsection (b);

(3) fees for the costs of administering vouchers under subsection (b) and other eligible expenses defined by notice to prevent, prepare, and respond to coronavirus to facilitate the leasing of the emergency vouchers, such as security deposit assistance and other costs related to retention and support of participating owners; and

(4) adjustments in the calendar year 2021 section 8 renewal funding allocation, including mainstream vouchers, for public housing agencies that experience a significant increase in voucher per-unit costs due to extraordinary circumstances or that, despite taking reasonable cost savings measures, would otherwise be required to terminate rental assistance for families as a result of insufficient funding.

(b) EMERGENCY VOUCHERS.—

(1) IN GENERAL.—The Secretary shall provide emergency rental assistance vouchers under subsection (a), which shall be tenant-based rental assistance under section 8(o) of the United States Housing Act of 1937 (42 U.S.C. 1437f(o)).

(2) **QUALIFYING INDIVIDUALS OR FAMILIES DEFINED.**—For the purposes of this section, qualifying individuals or families are those who are—

(A) homeless (as such term is defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));

(B) at risk of homelessness (as such term is defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1)));

(C) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking; or

(D) recently homeless, as determined by the Secretary, and for whom providing rental assistance will prevent the family's homelessness or having high risk of housing instability.

(3) **ALLOCATION.**—Public housing agencies shall be notified of the number of emergency vouchers allocated pursuant to this section to the agency not later than 60 days after the date of the enactment of this Act, in accordance with a formula that includes public housing agency capacity and ensures geographic diversity, including with respect to rural areas, among public housing agencies administering the Housing Choice Voucher program.

(4) **TERMS AND CONDITIONS.**—

(A) **ELECTION TO ADMINISTER.**—The Secretary shall establish a procedure for public housing agencies to accept or decline the emergency vouchers allocated to the agency in accordance with the formula under subparagraph (3).

(B) **FAILURE TO USE VOUCHERS PROMPTLY.**—If a public housing agency fails to lease its authorized vouchers under subsection (b) on behalf of eligible families within a reasonable period of time, the Secretary may revoke and redistribute any unleased vouchers and associated funds, including administrative fees and costs referred to in subsection (a)(3), to other public housing agencies according to the formula under paragraph (3).

(5) **WAIVERS AND ALTERNATIVE REQUIREMENTS.**—Any provision of any statute or regulation used to administer the amounts made available under this section (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), shall be waived upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of amounts made available in this section.

(6) **TERMINATION OF VOUCHERS UPON TURNOVER.**—After September 30, 2023, a public housing agency may not reissue any vouchers made available under this section when assistance for the family assisted ends.

(c) **TECHNICAL ASSISTANCE AND OTHER COSTS.**—The Secretary may use not more \$20,000,000 of the amounts made available under this section for the costs to the Secretary of administering and overseeing the implementation of this section and the Housing Choice Voucher program generally, including information technology, financial reporting, and other costs. Of the amounts set

aside under this subsection, the Secretary may use not more than \$10,000,000, without competition, to make new awards or increase prior awards to existing technical assistance providers to provide an immediate increase in capacity building and technical assistance to public housing agencies.

(d) IMPLEMENTATION.—The provisions of this section may be implemented by notice.

**SEC. 4103. EMERGENCY ASSISTANCE FOR RURAL HOUSING.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$100,000,000, to remain available until September 30, 2022, to provide grants under section 521(a)(2) of the Housing Act of 1949 or agreements entered into in lieu of debt forgiveness or payments for eligible households as authorized by section 502(c)(5)(D) of the Housing Act of 1949, for temporary adjustment of income losses for residents of housing financed or assisted under section 514, 515, or 516 of the Housing Act of 1949 who have experienced income loss but are not currently receiving Federal rental assistance.

**SEC. 4104. HOUSING ASSISTANCE AND SUPPORTIVE SERVICES PROGRAMS FOR NATIVE AMERICANS.**

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$750,000,000, to remain available until September 30, 2025, to prevent, prepare for, and respond to coronavirus, for activities and assistance authorized under title I of the Native American Housing Assistance and Self-Determination Act of 1996 (NAHASDA) (25 U.S.C. 4111 et seq.), under title VIII of NAHASDA (25 U.S.C. 4221 et seq.), and under section 106(a)(1) of the Housing and Community Development Act of 1974 with respect to Indian tribes (42 U.S.C. 5301 et seq.), which shall be made available as follows:

(1) HOUSING BLOCK GRANTS.—\$455,000,000 shall be available for the Native American Housing Block Grants and Native Hawaiian Housing Block Grant programs, as authorized under titles I and VIII of NAHASDA, subject to the following terms and conditions:

(A) FORMULA.—Of the amounts made available under this paragraph, \$450,000,000 shall be for grants under title I of NAHASDA and shall be distributed according to the same funding formula used in fiscal year 2021.

(B) NATIVE HAWAIIANS.—Of the amounts made available under this paragraph, \$5,000,000 shall be for grants under title VIII of NAHASDA.

(C) USE.—Amounts made available under this paragraph shall be used by recipients to prevent, prepare for, and respond to coronavirus, including to maintain normal operations and fund eligible affordable housing activities under NAHASDA during the period that the program is impacted by coronavirus. In addition, amounts made available under subparagraph (B) shall be used to provide rental assistance to eligible Native Hawaiian families both on and off the Hawaiian Home Lands.

(D) TIMING OF OBLIGATIONS.—Amounts made available under this paragraph shall be used, as necessary, to cover or reimburse allowable costs to prevent, prepare for, and respond to coronavirus that are incurred by a recipient, including for costs incurred as of January 21, 2020.

(E) WAIVERS.—Any provision of statute or regulation used to administer amounts made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), shall be waived upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of amounts made available under this paragraph.

(F) UNOBLIGATED AMOUNTS.—Amounts made available under this paragraph which are not accepted, are voluntarily returned, or otherwise recaptured for any reason shall be used to fund grants under paragraph (2).

(2) INDIAN COMMUNITY DEVELOPMENT BLOCK GRANTS.—\$280,000,000 shall be available for grants under title I of the Housing and Community Development Act of 1974, subject to the following terms and conditions:

(A) USE.—Amounts made available under this paragraph shall be used, without competition, for emergencies that constitute imminent threats to health and safety and are designed to prevent, prepare for, and respond to coronavirus.

(B) PLANNING.—Not to exceed 20 percent of any grant made with funds made available under this paragraph shall be expended for planning and management development and administration.

(C) TIMING OF OBLIGATIONS.—Amounts made available under this paragraph shall be used, as necessary, to cover or reimburse allowable costs to prevent, prepare for, and respond to coronavirus incurred by a recipient, including for costs incurred as of January 21, 2020.

(D) INAPPLICABILITY OF PUBLIC SERVICES CAP.—Notwithstanding section 105(a)(8) of the Housing and Community Development Act of 1974 (42 U.S.C. 5305(a)(8)), there shall be no per centum limitation for the use of funds made available under this paragraph for public services activities to prevent, prepare for, and respond to coronavirus.

(E) WAIVERS.—Any provision of any statute or regulation used to administer amounts made available under this paragraph (except for requirements related to fair housing, nondiscrimination, labor standards, and the environment), shall be waived upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of amounts made available under this paragraph.

(3) TECHNICAL ASSISTANCE.—\$10,000,000 shall be used, without competition, to make new awards or increase prior awards to existing technical assistance providers to provide an immediate increase in training and technical assistance to Indian tribes, Indian housing authorities, and tribally designated housing entities for activities under this section.

(4) OTHER COSTS.—\$5,000,000 shall be used for the administrative costs to oversee and administer the implementation of this section, and pay for associated information technology, financial reporting, and other costs.

**SEC. 4105. HOUSING COUNSELING.**

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Neighborhood Reinvestment Corporation (in this section referred to as the “Corporation”) for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$100,000,000, to remain available until September 30, 2025, for grants to housing counseling intermediaries approved by the Department of Housing and Urban Development, State housing finance agencies, and NeighborWorks organizations for providing housing counseling services, as authorized under the Neighborhood Reinvestment Corporation Act (42 U.S.C. 8101-8107) and consistent with the discretion set forth in section 606(a)(5) of such Act (42 U.S.C. 8105(a)(5)) to design and administer grant programs. Of the grant funds made available under this subsection, not less than 40 percent shall be provided to counseling organizations that—

(1) target housing counseling services to minority and low-income populations facing housing instability; or

(2) provide housing counseling services in neighborhoods having high concentrations of minority and low-income populations.

(b) LIMITATION.—The aggregate amount provided to NeighborWorks organizations under this section shall not exceed 15 percent of the total of grant funds made available by subsection (a).

(c) ADMINISTRATION AND OVERSIGHT.—The Corporation may retain a portion of the amounts provided under this section, in a proportion consistent with its standard rate for program administration in order to cover its expenses related to program administration and oversight.

(d) HOUSING COUNSELING SERVICES DEFINED.— For the purposes of this section, the term “housing counseling services” means—

(1) housing counseling provided directly to households facing housing instability, such as eviction, default, foreclosure, loss of income, or homelessness;

(2) education, outreach, training, technology upgrades, and other program related support; and

(3) operational oversight funding for grantees and subgrantees that receive funds under this section.

**SEC. 4106. HOMELESSNESS ASSISTANCE AND SUPPORTIVE SERVICES PROGRAM.**

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$5,000,000,000, to remain available until September 30, 2025, except that amounts authorized under subsection (d)(3) shall remain available until September 30, 2029, for assistance under title II of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12721 et seq.) for the following activities to primarily benefit qualifying individuals or families:

(1) Tenant-based rental assistance.

(2) The development and support of affordable housing pursuant to section 212(a) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C. 12742(a)) (“the Act” herein).

(3) Supportive services to qualifying individuals or families not already receiving such supportive services, including—

- (A) activities listed in section 401(29) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(29));
- (B) housing counseling; and
- (C) homeless prevention services.

(4) The acquisition and development of non-congregate shelter units, all or a portion of which may—

- (A) be converted to permanent affordable housing;
- (B) be used as emergency shelter under subtitle B of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11371-11378);
- (C) be converted to permanent housing under subtitle C of title IV of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11381-11389); or
- (D) remain as non-congregate shelter units.

(b) QUALIFYING INDIVIDUALS OR FAMILIES DEFINED.—For the purposes of this section, qualifying individuals or families are those who are—

(1) homeless, as defined in section 103(a) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11302(a));

(2) at-risk of homelessness, as defined in section 401(1) of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(1));

(3) fleeing, or attempting to flee, domestic violence, dating violence, sexual assault, stalking, or human trafficking;

(4) in other populations where providing supportive services or assistance under section 212(a) of the Act (42 U.S.C. 12742(a)) would prevent the family’s homelessness or would serve those with the greatest risk of housing instability; or

(5) veterans and families that include a veteran family member that meet one of the preceding criteria.

(c) TERMS AND CONDITIONS.—

(1) FUNDING RESTRICTIONS.—The cost limits in section 212(e) (42 U.S.C. 12742(e)), the commitment requirements in section 218(g) (42 U.S.C. 12749(g)), the matching requirements in section 220 (42 U.S.C. 12750), and the set-aside for housing developed, sponsored, or owned by community housing development organizations required in section 231 of the Act (42 U.S.C. 12771) shall not apply for amounts made available in this section.

(2) ADMINISTRATIVE COSTS.—Notwithstanding sections 212(c) and (d)(1) of the Act (42 U.S.C. 12742(c) and (d)(1)), of the funds made available in this section for carrying out activities authorized in this section, a grantee may use up to fifteen percent of its allocation for administrative and planning costs.

(3) OPERATING EXPENSES.—Notwithstanding sections 212(a) and (g) of the Act (42 U.S.C. 12742(a) and (g)), a grantee may use up to an additional five percent of its allocation for the payment of operating expenses of community housing development organizations and nonprofit organizations carrying out activities authorized under this section, but only if—

(A) such funds are used to develop the capacity of the community housing development organization or nonprofit organization in the jurisdiction or insular area to carry out activities authorized under this section; and

(B) the community housing development organization or nonprofit organization complies with the limitation on assistance in section 234(b) of the Act (42 U.S.C. 12774(b)).

(4) CONTRACTING.—A grantee, when contracting with service providers engaged directly in the provision of services under paragraph (a)(3), shall, to the extent practicable, enter into contracts in amounts that cover the actual total program costs and administrative overhead to provide the services contracted.

(d) ALLOCATION.—

(1) FORMULA ASSISTANCE.—Except as provided in paragraphs (2) and (3), amounts made available under this section shall be allocated pursuant to section 217 of the Act (42 U.S.C. 12746) to grantees that received allocations pursuant to that same formula in fiscal year 2021, and such allocations shall be made within 30 days of enactment of this Act.

(2) TECHNICAL ASSISTANCE.—Up to \$25,000,000 of the amounts made available under this section shall be used, without competition, to make new awards or increase prior awards to existing technical assistance providers to provide an immediate increase in capacity building and technical assistance available to any grantees implementing activities or projects consistent with this section.

(3) OTHER COSTS.—Up to \$50,000,000 of the amounts made available under this section shall be used for the administrative costs to oversee and administer implementation of this section and the HOME program generally, including information technology, financial reporting, and other costs.

(4) WAIVERS.—Any provision of any statute or regulation used to administer the amounts made available under this section (except for requirements related to fair housing, non-discrimination, labor standards, and the environment), may be waived upon a finding that any such waivers or alternative requirements are necessary to expedite or facilitate the use of amounts made available in this section.

**SEC. 4107. HOMEOWNER ASSISTANCE FUND.**

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated to the Homeowner Assistance Fund established under subsection (c) for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$9,961,000,000, to remain available until September 30, 2025, for qualified expenses that meet the purposes specified under subsection (c) and expenses described in subsection (d)(1).

(b) DEFINITIONS.—In this section:

(1) CONFORMING LOAN LIMIT.—The term “conforming loan limit” means the applicable limitation governing the maximum original principal obligation of a mortgage secured by a single-family residence, a mortgage secured by a 2-family residence, a mortgage secured by a 3-family residence, or a mortgage secured by a 4-family residence, as determined and adjusted annually under section 302(b)(2) of the Federal National Mortgage Association Charter Act (12 U.S.C. 1717(b)(2)) and section

305(a)(2) of the Federal Home Loan Mortgage Corporation Act (12 U.S.C. 1454(a)(2)).

(2) DWELLING.—The term “dwelling” means any building, structure, or portion thereof which is occupied as, or designed or intended for occupancy as, a residence by one or more individuals.

(3) ELIGIBLE ENTITY.—The term “eligible entity” means—

(A) a State; or

(B) any entity eligible for payment under subsection (f).

(4) MORTGAGE.—The term “mortgage” means any credit transaction—

(A) that is secured by a mortgage, deed of trust, or other consensual security interest on a principal residence of a borrower that is (i) a 1- to 4-unit dwelling, or (ii) residential real property that includes a 1- to 4-unit dwelling; and

(B) the unpaid principal balance of which was, at the time of origination, not more than the conforming loan limit.

(5) FUND.—The term “Fund” means the Homeowner Assistance Fund established under subsection (c).

(6) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(7) STATE.—The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands.

(c) ESTABLISHMENT OF FUND.—

(1) ESTABLISHMENT; QUALIFIED EXPENSES.—There is established in the Department of the Treasury a Homeowner Assistance Fund to mitigate financial hardships associated with the coronavirus pandemic by providing such funds as are appropriated by subsection (a) to eligible entities, and to require an eligible entity that receives funds pursuant to this section to periodically submit to the Secretary a report that describes the activities carried out by the eligible entity using the funds provided under this section, for the purpose of preventing homeowner mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020, through qualified expenses related to mortgages and housing, which include—

(A) mortgage payment assistance;

(B) financial assistance to allow a homeowner to reinstate a mortgage or to pay other housing related costs related to a period of forbearance, delinquency, or default;

(C) principal reduction;

(D) facilitating interest rate reductions;

(E) payment assistance for—

(i) utilities, including electric, gas, and water;

(ii) internet service, including broadband internet access service, as defined in section 8.1(b) of title 47, Code of Federal Regulations (or any successor regulation);

(iii) property taxes;

(iv) homeowner's insurance, flood insurance, and mortgage insurance; and

(v) homeowner's association, condominium association fees, or common charges;

(F) reimbursement of funds expended by a State, local government, or designated entity under subsection (e) during the period beginning on January 21, 2020, and ending on the date that the first funds are disbursed by the eligible entity under the Homeowner Assistance Fund, for the purpose of providing housing or utility payment assistance to individuals or otherwise providing funds to prevent foreclosure or eviction of a homeowner or tenant or prevent mortgage delinquency or loss of housing or utilities as a response to the coronavirus disease (COVID) pandemic; and

(G) any other assistance to promote housing stability for homeowners, including preventing eviction, mortgage delinquency or default, foreclosure, or the loss of utility or home energy services, as determined by the Secretary.

(2) TARGETING.—Not less than 60 percent of amounts made to each eligible entity allocated amounts under subsection (d) or (f) shall be used for qualified expenses that assist homeowners having incomes equal to or less than 100 percent of the area median income for their household size or equal to or less than 100 percent of the median income for the United States, as determined by the Secretary of Housing and Urban Development, whichever is greater. The eligible entity shall prioritize remaining funds to populations or geographies experiencing the greatest need.

(d) ALLOCATION OF FUNDS.—

(1) ADMINISTRATION.—Of any amounts made available under this section, the Secretary shall reserve—

(A) to the Department of the Treasury, an amount not to exceed \$40,000,000 to administer and oversee the Fund, and to provide technical assistance to eligible entities for the creation and implementation of State and tribal programs to administer assistance from the Fund; and

(B) to the Inspector General of the Department of the Treasury, an amount to not exceed \$2,600,000 for oversight of the program under this section.

(2) FOR STATES.—After the application of paragraphs (1), (4), and (5) of this subsection and subject to paragraph (3) of this subsection, the Secretary shall establish such criteria as are necessary to allocate the remaining funds available within the Homeowner Assistance Fund to each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, taking into consideration, for such State relative to all States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, as of the date of the enactment of this Act—

(A) the average number of unemployed individuals measured over a period of time not fewer than 3 months and not more than 12 months;

(B) the total number or mortgagors with—

(i) mortgage payments that are more than 30 days past due; or

(ii) mortgages in foreclosure.

(3) SMALL STATE MINIMUM.—

(A) IN GENERAL.—Each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico shall receive no less than \$40,000,000 for the purposes established in (c).

(B) PRO RATA ADJUSTMENTS.—The Secretary shall adjust on a pro rata basis the amount of the payments for each State of the United States, the District of Columbia, and the Commonwealth of Puerto Rico determined under this subsection without regard to this subparagraph to the extent necessary to comply with the requirements of subparagraph (A).

(4) TERRITORY SET-ASIDE.—Notwithstanding any other provision of this section, of the amounts appropriated under subsection (a), the Secretary shall reserve \$30,000,000 to be disbursed to Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands based on each such territory's share of the combined total population of all such territories, as determined by the Secretary. For the purposes of this paragraph, population shall be determined based on the most recent year for which data are available from the United States Census Bureau.

(5) TRIBAL SET-ASIDE.—The Secretary shall allocate funds to any eligible entity designated under subsection (f) pursuant to the requirements of that subsection.

(e) DISTRIBUTION OF FUNDS TO STATES.—

(1) IN GENERAL.—The Secretary shall make payments, beginning not later than 45 days after enactment of this Act, from amounts allocated under subsection (d) to eligible entities that have notified the Secretary that they request to receive payment from the Fund and that the eligible entity will use such payments in compliance with this section.

(2) REALLOCATION.—If a State does not request allocated funds by the 90th day after the date of enactment of this Act, such State shall not be eligible for a payment from the Secretary pursuant to this section, and the Secretary shall reallocate any funds that were not requested by such State among the States that have requested funds by the 90th day after the date of enactment of this Act. For any such reallocation of funds, the Secretary shall adhere to the requirements of subsection (d), except for paragraph (1), to the greatest extent possible, provided that the Secretary shall also take into consideration in determining such reallocation a State's remaining need and a State's record of using payments from the Fund to serve homeowners at disproportionate risk of mortgage default, foreclosure, or displacement, including homeowners having incomes equal to or less than 100 percent of the area median income for their household size or 100 percent of the median income for the United States, as determined by the Secretary of Housing and Urban Development, whichever is greater, and minority homeowners.

(f) TRIBAL SET-ASIDE.—

(1) SET-ASIDE.—Notwithstanding any other provision of this section, of the amounts appropriated under subsection (a), the

Secretary shall use 5 percent to make payments to entities that are eligible for payments under clauses (i) and (ii) of section 501(b)(2)(A) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260) for the purposes described in subsection (c).

(2) ALLOCATION AND PAYMENT.—The Secretary shall allocate the funds set aside under paragraph (1) using the allocation formulas described in clauses (i) and (ii) of section 501(b)(2)(A) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260), and shall make payments of such amounts beginning no later than 45 days after enactment of this Act to entities eligible for payment under clauses (i) and (ii) of section 501(b)(2)(A) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260) that notify the Secretary that they request to receive payments allocated from the Fund by the Secretary for purposes described under subsection (c) and will use such payments in compliance with this section.

(3) ADJUSTMENT.—Allocations provided under this subsection may be further adjusted as provided by section 501(b)(2)(B) of subtitle A of title V of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260).

**SEC. 4108. RELIEF MEASURES FOR SECTION 502 AND 504 DIRECT LOAN BORROWERS.**

(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$39,000,000, to remain available until September 30, 2023, for direct loans made under sections 502 and 504 of the Housing Act of 1949 (42 U.S.C. 1472, 1474).

(b) ADMINISTRATIVE EXPENSES.—The Secretary may use not more than 3 percent of the amounts appropriated under this section for administrative purposes.

## **Subtitle C—Small Business (SSBCI)**

**SEC. 4201. REAUTHORIZATION OF THE STATE SMALL BUSINESS CREDIT INITIATIVE ACT OF 2010.**

(a) REAUTHORIZATION.—

(1) IN GENERAL.—The State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5701 et seq.) is amended—

(A) in section 3003—

(i) in subsection (b)—

(I) by amending paragraph (1) to read as follows:

“(1) IN GENERAL.—Not later than 30 days after the date of enactment of subsection (d), the Secretary shall allocate Federal funds to participating States so that each State is eligible to receive an amount equal to what the State would receive under the 2021 allocation, as determined under paragraph (2).”;

(II) in paragraph (2)—

(aa) by striking “2009” each place such term appears and inserting “2021”;

(bb) by striking “2008” each place such term appears and inserting “2020”;

(cc) in subparagraph (A), by striking “The Secretary” and inserting “With respect to States other than Tribal governments, the Secretary”;

(dd) in subparagraph (C)(i), by striking “2007” and inserting “2019”; and

(ee) by adding at the end the following:

“(C) SEPARATE ALLOCATION FOR TRIBAL GOVERNMENTS.—

“(i) IN GENERAL.—With respect to States that are Tribal governments, the Secretary shall determine the 2021 allocation by allocating \$500,000,000 among the Tribal governments in the proportion the Secretary determines appropriate, including with consideration to available employment and economic data regarding each such Tribal government.

“(ii) NOTICE OF INTENT; TIMING OF ALLOCATION.—With respect to allocations to States that are Tribal governments, the Secretary may—

“(I) require Tribal governments that individually or jointly wish to participate in the Program to file a notice of intent with the Secretary not later than 30 days after the date of enactment of subsection (d); and

“(II) notwithstanding paragraph (1), allocate Federal funds to participating Tribal governments not later than 60 days after the date of enactment of subsection (d).

“(D) EMPLOYMENT DATA.—If the Secretary determines that employment data with respect to a State is unavailable from the Bureau of Labor Statistics of the Department of Labor, the Secretary shall consider such other economic and employment data that is otherwise available for purposes of determining the employment data of such State.”; and

(III) by striking paragraph (3); and

(ii) in subsection (c)—

(I) in paragraph (1)(A)(iii), by inserting before the period the following: “that have delivered loans or investments to eligible businesses”; and

(II) by amending paragraph (4) to read as follows:

“(4) TERMINATION OF AVAILABILITY OF AMOUNTS NOT TRANSFERRED.—

“(A) IN GENERAL.—Any portion of a participating State’s allocated amount that has not been transferred to the State under this section may be deemed by the Secretary to be no longer allocated to the State and no longer available to the State and shall be returned to the general fund of the Treasury or reallocated as described under subparagraph (B), if—

“(i) the second  $\frac{1}{3}$  of a State’s allocated amount has not been transferred to the State before the end of the

end of the 3-year period beginning on the date that the Secretary approves the State for participation; or  
 “(ii) the last  $\frac{1}{3}$  of a State’s allocated amount has not been transferred to the State before the end of the end of the 6-year period beginning on the date that the Secretary approves the State for participation.

“(B) REALLOCATION.—Any amount deemed by the Secretary to be no longer allocated to a State and no longer available to such State under subparagraph (A) may be reallocated by the Secretary to other participating States. In making such a reallocation, the Secretary shall not take into account the minimum allocation requirements under subsection (b)(2)(B) or the specific allocation for Tribal governments described under subsection (b)(2)(C).”;

(B) in section 3004(d), by striking “date of enactment of this Act” each place it appears and inserting “date of the enactment of section 3003(d)”;

(C) in section 3005(b), by striking “date of enactment of this Act” each place it appears and inserting “date of the enactment of section 3003(d)”;

(D) in section 3006(b)(4), by striking “date of enactment of this Act” and inserting “date of the enactment of section 3003(d)”;

(E) in section 3007(b), by striking “March 31, 2011” and inserting “March 31, 2022”;

(F) in section 3009, by striking “date of enactment of this Act” each place it appears and inserting “date of the enactment of section 3003(d)”;

(G) in section 3011(b), by striking “date of the enactment of this Act” each place it appears and inserting “date of the enactment of section 3003(d)”.

(2) APPROPRIATION.—

(A) IN GENERAL.—In addition to amounts otherwise available, there is hereby appropriated to the Secretary of the Treasury for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$10,000,000,000, to remain available until expended, to reauthorize, expand, and enhance the State Small Business Credit Initiative established under the State Small Business Credit Initiative Act of 2010, including to provide support to small businesses responding to and recovering from the economic effects of the COVID–19 pandemic, ensure business enterprises owned and controlled by socially and economically disadvantaged individuals have access to credit and investments, provide technical assistance to help small businesses applying for various support programs, and to pay reasonable costs of administering such Initiative.

(B) RESCISSION.—With respect to amounts appropriated under subparagraph (A)—

(i) the Secretary of the Treasury shall complete all disbursements and remaining obligations before September 30, 2030; and

(ii) any amounts that remain unexpended (whether obligated or unobligated) on September 30, 2030, shall

be rescinded and deposited into the general fund of the Treasury.

(b) ADDITIONAL ALLOCATIONS TO SUPPORT BUSINESS ENTERPRISES OWNED AND CONTROLLED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—Section 3003 of the State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5702) is amended by adding at the end the following:

“(d) ADDITIONAL ALLOCATIONS TO SUPPORT BUSINESS ENTERPRISES OWNED AND CONTROLLED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—Of the amounts appropriated for fiscal year 2021 to carry out the Program, the Secretary shall—

“(1) ensure that \$1,500,000,000 from funds allocated under this section shall be allocated to States to be expended for business enterprises owned and controlled by socially and economically disadvantaged individuals;

“(2) allocate such amounts to States based on the needs of business enterprises owned and controlled by socially and economically disadvantaged individuals, as determined by the Secretary, in each State, and not subject to the allocation formula described under subsection (b);

“(3) oversee the States’ use of these funds to ensure they directly support business enterprises owned and controlled by socially and economically disadvantaged individuals; and

“(4) establish a minimum amount of support that a State shall provide to business enterprises owned and controlled by socially and economically disadvantaged individuals.

(e) INCENTIVE ALLOCATIONS TO SUPPORT BUSINESS ENTERPRISES OWNED AND CONTROLLED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—Of the amounts appropriated for fiscal year 2021 to carry out the Program, the Secretary shall set aside \$1,000,000,000 for an incentive program under which the Secretary shall increase the second  $\frac{1}{3}$  and last  $\frac{1}{3}$  allocations for States that demonstrate robust support, as determined by the Secretary, for business concerns owned and controlled by socially and economically disadvantaged individuals in the deployment of prior allocation amounts.”.

(c) ADDITIONAL ALLOCATIONS TO SUPPORT VERY SMALL BUSINESSES.—Section 3003 of the State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5702), as amended by subsection (b), is further amended by adding at the end the following:

“(f) ADDITIONAL ALLOCATIONS TO SUPPORT VERY SMALL BUSINESSES.—

“(1) IN GENERAL.—Of the amounts appropriated to carry out the Program, the Secretary shall ensure that not less than \$500,000,000 from funds allocated under this section shall be expended for very small businesses.

“(2) VERY SMALL BUSINESS DEFINED.—In this subsection, the term ‘very small business’—

“(A) means a business with fewer than 10 employees;

and

“(B) may include independent contractors and sole proprietors.”.

(d) CDFI AND MDI PARTICIPATION PLAN.—Section 3004 of the State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5703) is amended by adding at the end the following:

“(e) CDFI AND MDI PARTICIPATION PLAN.—The Secretary may not approve a State to be a participating State unless the State has provided the Secretary with a plan detailing how minority depository institutions and community development financial institutions will be encouraged to participate in State programs.”.

(e) PANDEMIC RESPONSE PLAN.—Section 3004 of the State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5703), as amended by subsection (c), is further amended by adding at the end the following:

“(f) PANDEMIC RESPONSE PLAN.—The Secretary may not approve a State to be a participating State unless the State has provided the Secretary with a description of how the State will expeditiously utilize funds to support small businesses, including business enterprises owned and controlled by socially and economically disadvantaged individuals, in responding to and recovering from the economic effects of the COVID–19 pandemic.”.

(f) TECHNICAL ASSISTANCE.—Section 3009 of the State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5708) is amended by adding at the end the following:

“(e) TECHNICAL ASSISTANCE.—Of the amounts appropriated for fiscal year 2021 to carry out the Program, \$500,000,000 may be used by the Secretary to—

“(1) provide funds to States to carry out a technical assistance plan under which a State will provide legal, accounting, and financial advisory services, either directly or contracted with legal, accounting, and financial advisory firms, with priority given to business enterprises owned and controlled by socially and economically disadvantaged individuals, to very small businesses and business enterprises owned and controlled by socially and economically disadvantaged individuals applying for—

“(A) State programs under the Program; and

“(B) other State or Federal programs that support small businesses;

“(2) transfer amounts to the Minority Business Development Agency, so that the Agency may use such amounts in a manner the Agency determines appropriate, including through contracting with third parties, to provide technical assistance to business enterprises owned and controlled by socially and economically disadvantaged individuals applying to—

“(A) State programs under the Program; and

“(B) other State or Federal programs that support small businesses; and

“(3) contract with legal, accounting, and financial advisory firms (with priority given to business enterprises owned and controlled by socially and economically disadvantaged individuals), to provide technical assistance to business enterprises owned and controlled by socially and economically disadvantaged individuals applying to—

“(A) State programs under the Program; and

“(B) other State or Federal programs that support small businesses.”.

(g) MULTI-STATE PARTICIPATION PROGRAM.—Section 3009 of the State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5708),

as amended by subsection (d)(2), is further amended by adding at the end the following:

“(f) MULTI-STATE PARTICIPATION PROGRAM.—The Secretary may establish a multi-State participation program under which—

“(1) the Secretary determines which State programs are similar to each other, with respect to eligibility criteria and such other criteria as the Secretary determines appropriate; and

“(2) a State may elect to automatically deem a person eligible for a State program if the person is already participating in another State’s State program that the Secretary has determined is similar under paragraph (1).”.

(h) APPROVAL OF MULTI-STATE PROGRAMS.—Section 3004 of the State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5703), as amended by subsection (d), is further amended by adding at the end the following:

“(g) APPROVAL OF MULTI-STATE PROGRAMS.—In approving State programs under section 3005 or 3006, the Secretary may approve a State program carried out jointly by more than one State.”.

(i) PREDATORY LENDING PROHIBITED.—Section 3004 of the State Small Business Credit Initiative Act of 2010 (15 U.S.C. 5702), as amended by subsection (g), is further amended by adding at the end the following:

“(h) PREDATORY LENDING PROHIBITED.—The Secretary may not approve a State to be a participating State unless the State has agreed that no lending activity supported by amounts received by the State under the Program would result in predatory lending, as determined by the Secretary.”.

(j) INCLUSION OF TRIBAL GOVERNMENTS.—Section 3002(10) of the State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5701(10)) is amended—

(1) in subparagraph (C), by striking “and” at the end;

(2) in subparagraph (D), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(E) a Tribal government, or a group of Tribal governments that jointly apply for an allocation.”.

(k) DEFINITIONS.—Section 3002 of the State Small Business Credit Initiative Act of 2010 (12 U.S.C. 5701) is amended by adding at the end the following:

“(15) BUSINESS ENTERPRISE OWNED AND CONTROLLED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS.—The term ‘business enterprise owned and controlled by socially and economically disadvantaged individuals’ means a business that—

“(A) if privately owned, 51 percent is owned by one or more socially and economically disadvantaged individuals;

“(B) if publicly owned, 51 percent of the stock is owned by one or more socially and economically disadvantaged individuals; and

“(C) in the case of a mutual institution, a majority of the Board of Directors, account holders, and the community which the institution services is predominantly comprised of socially and economically disadvantaged individuals.

“(16) COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION.—The term ‘community development financial institution’ has the meaning given that term under section 103 of the Riegle Community Development and Regulatory Improvement Act of 1994.

“(17) MINORITY DEPOSITORY INSTITUTION.—The term ‘minority depository institution’ has the meaning given that term under section 308(b) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

“(18) SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUAL.—The term ‘socially and economically disadvantaged individual’ means an individual who is a socially disadvantaged individual or an economically disadvantaged individual, as such terms are defined, respectively, under section 8 of the Small Business Act (15 U.S.C. 637) and the regulations thereunder.

“(19) TRIBAL GOVERNMENT.—The term ‘Tribal government’ means a government of an Indian Tribe listed on the list of recognized Tribes published by the Secretary of the Interior under section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 5131).”

(1) RULE OF APPLICATION.—The amendments made by this section shall apply with respect to funds appropriated under this section and funds appropriated on and after the date of enactment of this section.

## Subtitle D—Airlines

### SEC. 4301. AIR TRANSPORTATION PAYROLL SUPPORT PROGRAM EXTENSION.

(a) DEFINITIONS.—The definitions in section 40102(a) of title 49, United States Code, shall apply with respect to terms used in this section, except that—

(1) the term “catering functions” means preparation, assembly, or both, of food, beverages, provisions and related supplies for delivery, and the delivery of such items, directly to aircraft or to a location on or near airport property for subsequent delivery to aircraft;

(2) the term “contractor” means—

(A) a person that performs, under contract with a passenger air carrier conducting operations under part 121 of title 14, Code of Federal Regulations—

(i) catering functions; or

(ii) functions on the property of an airport that are directly related to the air transportation of persons, property, or mail, including the loading and unloading of property on aircraft, assistance to passengers under part 382 of title 14, Code of Federal Regulations, security, airport ticketing and check-in functions, ground-handling of aircraft, or aircraft cleaning and sanitization functions and waste removal; or

(B) a subcontractor that performs such functions;

(3) the term “employee” means an individual, other than a corporate officer, who is employed by an air carrier or a contractor;

- (4) the term “eligible air carrier” means an air carrier that—
- (A) received financial assistance pursuant section 402(a)(1) of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260);
  - (B) provides air transportation as of March 31, 2021;
  - (C) has not conducted involuntary furloughs or reduced pay rates or benefits between March 31, 2021, and the date on which the air carrier makes a certification to the Secretary pursuant to subparagraph (D); and
  - (D) certifies to the Secretary that such air carrier will—
    - (i) refrain from conducting involuntary furloughs or reducing pay rates or benefits until September 30, 2021, or the date on which assistance provided under this section is exhausted, whichever is later;
    - (ii) refrain from purchasing an equity security of the air carrier or the parent company of the air carrier that is listed on a national securities exchange through September 30, 2022;
    - (iii) refrain from paying dividends, or making other capital distributions, with respect to common stock (or equivalent interest) of such air carrier through September 30, 2022;
    - (iv) during the 2-year period beginning April 1, 2021, and ending April 1, 2023, refrain from paying—
      - (I) any officer or employee of the air carrier whose total compensation exceeded \$425,000 in calendar year 2019 (other than an employee whose compensation is determined through an existing collective bargaining agreement entered into prior to the date of enactment of this Act)—
        - (aa) total compensation that exceeds, during any 12 consecutive months of such 2-year period, the total compensation received by the officer or employee from the air carrier in calendar year 2019; or
        - (bb) severance pay or other benefits upon termination of employment with the air carrier which exceeds twice the maximum total compensation received by the officer or employee from the air carrier in calendar year 2019; and
      - (II) any officer or employee of the air carrier whose total compensation exceeded \$3,000,000 in calendar year 2019 during any 12 consecutive months of such period total compensation in excess of the sum of—
        - (aa) \$3,000,000; and
        - (bb) 50 percent of the excess over \$3,000,000 of the total compensation received by the officer or employee from the air carrier in calendar year 2019.
- (5) the term “eligible contractor” means a contractor that—
- (A) received financial assistance pursuant to section 402(a)(2) of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260);

- (B) performs one or more of the functions described under paragraph (2) as of March 31, 2021;
- (C) has not conducted involuntary furloughs or reduced pay rates or benefits between March 31, 2021, and the date on which the contractor makes a certification to the Secretary pursuant to subparagraph (D); and
- (D) certifies to the Secretary that such contractor will—
- (i) refrain from conducting involuntary furloughs or reducing pay rates or benefits until September 30, 2021, or the date on which assistance provided under this section is exhausted, whichever is later;
  - (ii) refrain from purchasing an equity security of the contractor or the parent company of the contractor that is listed on a national securities exchange through September 30, 2022;
  - (iii) refrain from paying dividends, or making other capital distributions, with respect to common stock (or equivalent interest) of the contractor through September 30, 2022;
  - (iv) during the 2-year period beginning April 1, 2021, and ending April 1, 2023, refrain from paying—
    - (I) any officer or employee of the contractor whose total compensation exceeded \$425,000 in calendar year 2019 (other than an employee whose compensation is determined through an existing collective bargaining agreement entered into prior to the date of enactment of this Act)—
      - (aa) total compensation that exceeds, during any 12 consecutive months of such 2-year period, the total compensation received by the officer or employee from the contractor in calendar year 2019; or
      - (bb) severance pay or other benefits upon termination of employment with the contractor which exceeds twice the maximum total compensation received by the officer or employee from the contractor in calendar year 2019; and
    - (II) any officer or employee of the contractor whose total compensation exceeded \$3,000,000 in calendar year 2019 during any 12 consecutive months of such period total compensation in excess of the sum of—
      - (aa) \$3,000,000; and
      - (bb) 50 percent of the excess over \$3,000,000 of the total compensation received by the officer or employee from the contractor in calendar year 2019.
- (6) the term “Secretary” means the Secretary of the Treasury.
- (b) PAYROLL SUPPORT GRANTS.—
- (1) IN GENERAL.—To preserve aviation jobs and compensate air carrier industry workers, the Secretary shall make available to eligible air carriers and eligible contractors, financial

assistance exclusively for the continuation of payment of employee wages, salaries, and benefits to—

(A) eligible air carriers, in an aggregate amount of \$14,000,000,000; and

(B) eligible contractors, in an aggregate amount of \$1,000,000,000.

(2) APPORTIONMENTS.—

(A) IN GENERAL.—The Secretary shall apportion funds to eligible air carriers and eligible contractors in accordance with the requirements of this section not later than April 15, 2021.

(B) ELIGIBLE AIR CARRIERS.—The Secretary shall apportion funds made available under paragraph (1)(A) to each eligible air carrier in the ratio that—

(i) the amount received by the air carrier pursuant to section 403(a) of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260) bears to

(ii) \$15,000,000,000.

(C) ELIGIBLE CONTRACTORS.—The Secretary shall apportion, to each eligible contractor, an amount equal to the total amount such contractor received pursuant to section 403(a) of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260).

(3) IN GENERAL.—

(A) FORMS; TERMS AND CONDITIONS.—The Secretary shall provide financial assistance to an eligible air carrier or eligible contractor under this section in the same form and on the same terms and conditions as determined by pursuant to section 403(b)(1)(A) of subtitle A of title IV of division N of the Consolidated Appropriations Act, 2021 (Pub. L. No. 116-260).

(B) PROCEDURES.—The Secretary shall publish streamlined and expedited procedures not later than 5 days after the date of enactment of this section for eligible air carriers and eligible contractors to submit requests for financial assistance under this section.

(C) DEADLINE FOR IMMEDIATE PAYROLL ASSISTANCE.—Not later than 10 days after the date of enactment of this section, the Secretary shall make initial payments to air carriers and contractors that submit requests for financial assistance approved by the Secretary.

(4) TAXPAYER PROTECTION.—The Secretary shall receive financial instruments issued by recipients of financial assistance under this section in the same form and amount, and under the same terms and conditions, as determined by the Secretary under section 408 of subtitle A of title IV of division N of the Consolidated Appropriations Act, 2021 (Pub. L. No. 116-260).

(5) ADMINISTRATIVE EXPENSES.—Of the amounts made available under paragraph (1)(A), \$10,000,000 shall be made available to the Secretary for costs and administrative expenses associated with providing financial assistance under this section.

(c) FUNDING.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$15,000,000,000, to remain available until expended, to carry out this section.

## TITLE V—COMMITTEE ON OVERSIGHT AND REFORM

### Subtitle A—Coronavirus State and Local Fiscal Recovery Funds

#### SEC. 5001. CORONAVIRUS STATE AND LOCAL FISCAL RECOVERY FUNDS.

(a) IN GENERAL.—Title VI of the Social Security Act (42 U.S.C. 801 et seq.) is amended by adding at the end the following:

#### “SEC. 602. CORONAVIRUS STATE FISCAL RECOVERY FUND.

“(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$219,800,000,000, to remain available until expended, for making payments under this section to States, territories, and Tribal governments to mitigate the fiscal effects stemming from the public health emergency with respect to the Coronavirus Disease (COVID–19).

“(b) AUTHORITY TO MAKE PAYMENTS.—

“(1) PAYMENTS TO TERRITORIES.—

“(A) IN GENERAL.—The Secretary shall reserve \$4,500,000,000 of the amount appropriated under subsection (a) to make payments to the territories.

“(B) ALLOCATION.—Of the amount reserved under subparagraph (A)—

“(i) 50 percent of such amount shall be allocated by the Secretary equally among each territory; and

“(ii) 50 percent of such amount shall be allocated by the Secretary as an additional amount to each territory in an amount which bears the same proportion to  $\frac{1}{2}$  of the total amount reserved under subparagraph (A) as the relative population of the territory bears to the total population of all such territories.

“(C) PAYMENT.—The Secretary shall pay each territory the total of the amounts allocated for the territory under subparagraph (B).

“(2) PAYMENTS TO TRIBAL GOVERNMENTS.—

“(A) IN GENERAL.—The Secretary shall reserve \$20,000,000,000 of the amount appropriated under subsection (a) to make payments to Tribal governments.

“(B) ALLOCATION.—Of the amount reserved under subparagraph (A)—

“(i) \$1,000,000,000 shall be allocated by the Secretary equally among each Tribal government; and

“(ii) \$19,000,000,000 shall be allocated by the Secretary among each Tribal government in an amount determined by the Secretary.

“(C) PAYMENT.—The Secretary shall pay each Tribal government the total of the amounts allocated for the Tribal government under subparagraph (B).

“(3) PAYMENTS TO EACH OF THE 50 STATES AND THE DISTRICT OF COLUMBIA.—

“(A) IN GENERAL.—The Secretary shall reserve \$195,300,000,000 of the amount appropriated under subsection (a) to make payments to each of the 50 States and the District of Columbia.

“(B) ALLOCATIONS.—Of the amount reserved under subparagraph (A)—

“(i) \$25,500,000,000 of such amount shall be allocated by the Secretary equally among each of the 50 States and the District of Columbia;

“(ii) an amount equal to \$1,250,000,000 less the amount allocated for the District of Columbia pursuant to section 601(c)(6) shall be allocated by the Secretary as an additional amount to the District of Columbia; and

“(iii) an amount equal to the remainder of the amount reserved under subparagraph (A) after the application of clauses (i) and (ii) of this subparagraph shall be allocated by the Secretary as an additional amount to each of the 50 States and the District of Columbia in an amount which bears the same proportion to such remainder as the average estimated number of seasonally-adjusted unemployed individuals (as measured by the Bureau of Labor Statistics Local Area Unemployment Statistics program) in the State or District of Columbia over the 3-month period ending in December 2020 bears to the average estimated number of seasonally-adjusted unemployed individuals in all of the 50 States and the District of Columbia over the same period.

“(C) PAYMENT.—The Secretary shall pay each of the 50 States and the District of Columbia the total of the amounts allocated for the State and District of Columbia under subparagraph (B).

“(4) POPULATION DATA.—For purposes of determining allocations for a State or territory under this section, the population of the State or territory shall be determined based on the most recent data available from the Bureau of the Census.

“(5) TIMING.—

“(A) IN GENERAL.—Subject to subparagraph (B), to the extent practicable, with respect to each State, territory, and Tribal government allocated a payment under this subsection, the Secretary shall make the payment required for the State, territory, or Tribal government (as applicable) not later than 60 days after the date on which the certification required under subsection (d) is provided to the Secretary.

“(B) EXCEPTION.—With respect to the amount allocated to the District of Columbia under paragraph (3)(B)(ii)—

“(i) the Secretary shall pay such amount to the District of Columbia not later than 15 days after the date of enactment of this section; and

“(ii) the District of Columbia shall not be required to submit a certification under subsection (d) as a condition for receiving such payment.

“(6) PRO RATA ADJUSTMENT AUTHORITY.—The amounts otherwise determined for allocation and payment under paragraphs (1), (2), and (3) may be adjusted by the Secretary on a pro rata basis to the extent necessary to ensure that all available funds are distributed to territories, Tribal governments, and States in accordance with the requirements specified in each paragraph (as applicable) and the certification requirement specified in subsection (d).

“(c) REQUIREMENTS.—

“(1) USE OF FUNDS.—A State, territory, or Tribal government shall only use the funds provided under a payment made under this section to—

“(A) respond to or mitigate the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts;

“(B) cover costs incurred as a result of such emergency;

“(C) replace revenue that was lost, delayed, or decreased (as determined based on revenue projections for the State, Tribal Government, or territory as of January 27, 2020) as a result of such emergency; or

“(D) address the negative economic impacts of such emergency.

“(2) TRANSFER AUTHORITY.—A State, territory, or Tribal government receiving a payment from funds made available under this section may transfer funds to a private nonprofit organization (as that term is defined in paragraph (17) of section 401 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(17)), a public benefit corporation involved in the transportation of passengers or cargo, a special-purpose unit of State or local government, or a multi-State entity involved in the transportation of passengers or cargo.

“(d) CERTIFICATION OF NEED AND INTENDED USES.—In order to receive a payment under this section (other than the payment made in accordance with subsection (b)(5)(B)), a State, territory, or Tribal government shall provide the Secretary with a certification signed by the authorized officer of such State, territory, or Tribal government, that—

“(1) such State, territory, or Tribal government requires Federal assistance under this section to effectively carry out the activities specified in subsection (c); and

“(2) such State, territory, or Tribal government’s intended uses of any payment under this section are consistent with subsection (c).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) STATE.—The term ‘State’ means each of the 50 States and the District of Columbia.

“(3) TERRITORY.—The term ‘territory’ means the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa.

“(4) TRIBAL GOVERNMENT.—The term ‘Tribal Government’ means the recognized governing body of any Indian or Alaska Native tribe, band, nation, pueblo, village, community, compo-

ment band, or component reservation, individually identified (including parenthetically) in the list published most recently as of the date of enactment of this Act pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994 (25 U.S.C. 5131).

**“SEC. 603. CORONAVIRUS LOCAL FISCAL RECOVERY FUND.**

“(a) APPROPRIATION.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$130,200,000,000, to remain available until expended, for making payments under this section to metropolitan cities, nonentitlement units of local government, and counties to mitigate the fiscal effects stemming from the public health emergency with respect to the Coronavirus Disease (COVID–19).

“(b) AUTHORITY TO MAKE PAYMENTS.—

“(1) METROPOLITAN CITIES.—

“(A) IN GENERAL.—Of the amount appropriated under subsection (a), the Secretary shall reserve \$45,570,000,000 to make payments to metropolitan cities.

“(B) ALLOCATION AND PAYMENT.—From the amount reserved under subparagraph (A), the Secretary shall allocate and pay to each metropolitan city an amount determined for the metropolitan city pursuant to the formula under section 106(b)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(b)(1)), except that, in applying such formula, the Secretary shall substitute ‘all metropolitan cities’ for ‘all metropolitan areas’ each place it appears.

“(2) NONENTITLEMENT UNITS OF LOCAL GOVERNMENT.—

“(A) IN GENERAL.—Of the amount appropriated under subsection (a), the Secretary shall reserve \$19,530,000,000 to make payments to States for distribution by the State to nonentitlement units of local government in the State.

“(B) ALLOCATION AND PAYMENT.—From the amount reserved under subparagraph (A), the Secretary shall allocate and pay to each State an amount which bears the same proportion to such reserved amount as the total population of all nonentitlement units of local government in the State bears to the total population of all nonentitlement units of local government in all such States.

“(C) DISTRIBUTION TO NONENTITLEMENT UNITS OF LOCAL GOVERNMENT.—

“(i) IN GENERAL.—Not later than 30 days after a State receives a payment under subparagraph (B), the State shall distribute to each nonentitlement unit of local government in the State an amount that bears the same proportion to the amount of such payment as the population of the nonentitlement unit of local government bears to the total population of all the nonentitlement units of local government in the State, subject to clause (iii).

“(ii) DISTRIBUTION OF FUNDS.—

“(I) EXTENSION FOR DISTRIBUTION.—If an authorized officer of a State required to make distributions under clause (i) certifies in writing to

the Secretary before the end of the 30-day distribution period described in such clause that it would constitute an excessive administrative burden for the State to meet the terms of such clause with respect to 1 or more such distributions, the authorized officer may request, and the Secretary shall grant, an extension of such period of not more than 30 days to allow the State to make such distributions in accordance with clause (i).

“(II) ADDITIONAL EXTENSIONS.—

“(aa) IN GENERAL.—If a State has been granted an extension to the distribution period under subclause (I) but is unable to make all the distributions required under clause (i) before the end of such period as extended, the authorized officer of the State may request an additional extension of the distribution period of not more than 30 days. The Secretary may grant a request for an additional extension of such period only if—

“(AA) the authorized officer making such request provides a written plan to the Secretary specifying, for each distribution for which an additional extension is requested, when the State expects to make such distribution and the actions the State has taken and will take in order to make all such distributions before the end of the distribution period (as extended under subclause (I) and this subclause); and

“(BB) the Secretary certifies in writing that the actions specified in such plan are likely sufficient for the State to make all such distributions before the end of the distribution period (as so extended).

“(bb) FURTHER ADDITIONAL EXTENSIONS.—If a State granted an additional extension of the distribution period under item (aa) requires any further additional extensions of such period, the request only may be made and granted subject to the requirements specified in item (aa).

“(iii) CAPPED AMOUNT.—The total amount distributed to a nonentitlement unit of local government under this paragraph may not exceed the amount equal to 75 percent of the most recent budget for the nonentitlement unit of local government as of January 27, 2020.

“(iv) REDISTRIBUTION OF EXCESS AMOUNTS.—Any amounts not distributed to a nonentitlement unit of local government as a result of the application of clause (iii) shall be retained or paid as follows:

“(I) 50 percent of all such undistributed amounts shall be retained by the State.

“(II) Subject to the payment limit under clause (iii), the remainder of all such undistributed amounts shall be allocated and paid by the State to each nonentitlement unit of local government in the State an amount that bears the same proportion to such remainder as the population of the nonentitlement unit of local government bears to the total population of all nonentitlement units of local government in the State.

“(v) ADJUSTMENT AUTHORITY.—A State may make pro rata adjustments to the allocations determined under clause (iv)(II) as necessary to comply with clause (iii) and ensure that all available funds are distributed to nonentitlement units of local government in a State.

“(D) PENALTY FOR NONCOMPLIANCE.—If, by the end of the 120-day period that begins on the date a State receives a payment under subparagraph (B) or, if later, the last day of the distribution period for the State (as extended with respect to the State under subparagraph (C)(ii)), such State has failed to make all the distributions from such payment in accordance with the terms of subparagraph (C) (including any extensions of the distribution period granted in accordance with such subparagraph), an amount equal to the amount of such payment that remains undistributed as of such date shall be booked as a debt of such State owed to the Federal Government, shall be paid back from the State’s allocation provided under section 602(b)(3)(B)(iii), and shall be deposited into the general fund of the Treasury.

“(3) COUNTIES.—

“(A) AMOUNT.—From the amount appropriated under subsection (a), the Secretary shall reserve \$65,100,000,000 of such amount to make payments directly to counties within the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa in an amount which bears the same proportion to the total amount reserved under this paragraph as the relative population of each such county bears to the total population of all such entities.

“(B) SPECIAL RULES.—

“(i) URBAN COUNTIES.—No county that is an ‘urban county’ (as defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) shall receive less than the amount the county would otherwise receive if the amount paid under this paragraph were allocated to metropolitan cities and urban counties under section 106(b) of the Housing and Community Development Act of 1974 (42 U.S.C. 5306(b)).

“(ii) COUNTIES THAT ARE NOT UNITS OF GENERAL LOCAL GOVERNMENT.—In the case of an amount to be paid to a county that is not a unit of general local government, the amount shall instead be paid to the

State in which such county is located, and such State shall distribute such amount to units of general local government within such county in an amounts that bear the same proportion as the population of such units of general local government bear to the total population of such county.

“(iii) DISTRICT OF COLUMBIA.—For purposes of this paragraph, the District of Columbia shall be considered to consist of a single county that is a unit of general local government.

“(4) CONSOLIDATED GOVERNMENTS.—A unit of general local government that has formed a consolidated government, or that is geographically contained (in full or in part) within the boundaries of another unit of general local government may receive a distribution under each of paragraphs (1), (2), and (3), as applicable, based on the respective formulas specified in such paragraphs.

“(5) PRO RATA ADJUSTMENT AUTHORITY.—The amounts otherwise determined for allocation and payment under paragraphs (1), (2), and (3) may be adjusted by the Secretary on a pro rata basis to the extent necessary to ensure that all available funds are distributed to metropolitan cities, counties, and States in accordance with the requirements specified in each paragraph (as applicable) and the certification requirement specified in subsection (d).

“(6) POPULATION.—For purposes of determining allocations under this section, the population of an entity shall be determined based on the most recent data are available from the Bureau of the Census or, if not available, from such other data as a State determines appropriate.

“(7) TIMING.—To the extent practicable—

“(A) with respect to each metropolitan city allocated a payment under paragraph (1) and each county allocated a payment under paragraph (3), the Secretary shall make the payment required for the metropolitan city or county (as applicable) not later than 60 days after the date on which the certification required under subsection (d) is provided to the Secretary; and

“(B) with respect to the payments allocated to States under paragraph (2) for distribution to nonentitlement units of local government, the Secretary shall make such payments not later than 60 days after the date of enactment of this section.

“(c) REQUIREMENTS.—

“(1) USE OF FUNDS.—A metropolitan city, nonentitlement unit of local government, or county receiving a payment from funds made available under this section shall only use such amounts to—

“(A) respond to or mitigate the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19) or its negative economic impacts;

“(B) cover costs incurred as a result of such emergency;

“(C) replace revenue that was lost, delayed, or decreased (as determined based on revenue projections for the metropolitan city, nonentitlement unit of local government, or

county as of January 27, 2020) as a result of such emergency; or

“(D) address the negative economic impacts of such emergency.

“(2) TRANSFER AUTHORITY.—A metropolitan city, nonentitlement unit of local government, or county receiving a payment from funds made available under this section may transfer funds to a private nonprofit organization (as that term is defined in paragraph (17) of section 401 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11360(17)), a public benefit corporation involved in the transportation of passengers or cargo, a special-purpose unit of State or local government, or a multi-State entity involved in the transportation of passengers or cargo.

“(d) CERTIFICATION OF NEED AND INTENDED USES.—In order to receive a payment under paragraphs (1) or (3) of subsection (b), a metropolitan city or a county (as each of those terms are defined in subsection (e)), shall provide the Secretary with a certification signed by the authorized officer of such metropolitan city or county, that—

“(1) such metropolitan city or county requires Federal assistance under this section to effectively carry out the activities specified in subsection (c); and

“(2) such metropolitan city or county’s intended uses of any payment under this section are consistent with subsection (c).

“(e) DEFINITIONS.—In this section:

“(1) COUNTY.—The term ‘county’ means a county, parish, or other equivalent county division (as defined by the Bureau of the Census).

“(2) METROPOLITAN CITY.—The term ‘metropolitan city’ has the meaning given that term in section 102(a)(4) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(4)) and includes cities that relinquish or defer their status as a metropolitan city for purposes of receiving allocations under section 106 of such Act (42 U.S.C. 5306) for fiscal year 2021.

“(3) NONENTITLEMENT UNIT OF LOCAL GOVERNMENT.—The term ‘nonentitlement unit of local government’ means a unit of general local government, other than a county, that is located in a nonentitlement area (as defined in section 102 of the Housing and Community Development Act of 1974 (42 U.S.C. 5302)) of a State (as that term is defined in such section 102).

“(4) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(5) STATE.—The term ‘State’ has the meaning given that term in section 102(a)(2) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302 (a)(2)).

“(6) UNIT OF GENERAL LOCAL GOVERNMENT.—The term ‘unit of general local government’ has the meaning given that term in section 102(a)(1) of the Housing and Community Development Act of 1974 (42 U.S.C. 5302(a)(1)).”

(b) TECHNICAL AMENDMENT.—The heading for title VI of the Social Security Act (42 U.S.C. 801 et seq.) is amended by striking “**FUND**” and inserting “**AND FISCAL RECOVERY FUNDS**”.

## Subtitle B—Other Matters

### SEC. 5111. EMERGENCY FEDERAL EMPLOYEE LEAVE FUND.

(a) **ESTABLISHMENT; APPROPRIATION.**—There is established in the Treasury the Emergency Federal Employee Leave Fund (in this section referred to as the “Fund”), to be administered by the Director of the Office of Personnel Management, for the purposes set forth in subsection (b). In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$570,000,000, to be deposited into the Fund.

(b) **PURPOSE.**—Amounts in the Fund shall be available for payment to an agency for the use of paid leave by any employee of the agency who is unable to work because the employee—

(1) is subject to a Federal, State, or local quarantine or isolation order related to COVID–19;

(2) has been advised by a health care provider to self-quarantine due to concerns related to COVID–19;

(3) is caring for an individual who is subject to such an order or has been so advised;

(4) is experiencing symptoms of COVID–19 and seeking a medical diagnosis;

(5) is caring for a son or daughter of such employee if the school or place of care of the son or daughter has been closed, if the school of such son or daughter requires or makes optional a virtual learning instruction model or requires or makes optional a hybrid of in-person and virtual learning instruction models, or the child care provider of such son or daughter is unavailable, due to COVID–19 precautions;

(6) is experiencing any other substantially similar condition;

(7) is caring for a family member with a mental or physical disability or who is 55 years of age or older and incapable of self-care, without regard to whether another individual other than the employee is available to care for such family member, if the place of care for such family member is closed or the direct care provider is unavailable due to COVID–19; or

(8) is obtaining immunization related to COVID–19 or to recover from any injury, disability, illness, or condition related to such immunization.

(c) **LIMITATIONS.**—

(1) **PERIOD OF AVAILABILITY.**—Paid leave under this section may only be provided to and used by an employee during the period beginning on the date of enactment of this Act and ending on September 30, 2021.

(2) **TOTAL HOURS; AMOUNT.**—Paid leave under this section—

(A) may be provided to an employee in an amount not to exceed 600 hours of paid leave for each full-time employee, and in the case of a part-time employee, employee on an uncommon tour of duty, or employee with a seasonal work schedule, in an amount not to exceed the proportional equivalent of 600 hours as established by the applicable agency; and

(B) may not be provided to an employee —

(i) at a rate that exceeds \$35 for each hour of leave taken; and

(ii) in an amount greater than \$1,400 in aggregate for any week.

(3) RELATIONSHIP TO OTHER LEAVE.—Paid leave under this section—

(A) is in addition to any other leave provided to an employee; and

(B) may not be used by an employee concurrently with any other paid leave.

(4) CALCULATION OF ANNUITY.—Any paid leave provided to an employee under this section shall not count for purposes of determining the annuity of the employee, including an annuity under chapter 83 or 84 of title 5, United States Code.

(d) DEFINITIONS.—In this section—

(1) the term “agency” means—

(A) any agency or instrumentality of the executive branch of Government;

(B) the United States Postal Service and the Postal Regulatory Commission; and

(C) the Public Defender Service for the District of Columbia and the District of Columbia Courts; and

(2) the term “employee” does not include any member of the Armed Forces.

(e) CLARIFICATION.—Notwithstanding section 7425(b) of title 38, United States Code, the term “agency” in subsection (d)(1) includes the Veterans Health Administration.

**SEC. 5112. FUNDING FOR THE GOVERNMENT ACCOUNTABILITY OFFICE.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$77,000,000, to remain available until September 30, 2025, for necessary expenses of the Government Accountability Office to prevent, prepare for, and respond to Coronavirus and to support oversight of the Coronavirus response and of funds provided in this Act or any other Act pertaining to the Coronavirus pandemic.

**SEC. 5113. PANDEMIC RESPONSE ACCOUNTABILITY COMMITTEE FUNDING AVAILABILITY.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$40,000,000, to remain available until September 30, 2025, for the Pandemic Response Accountability Committee to promote transparency and support oversight of the Coronavirus response and of funds provided in this Act or any other Act pertaining to the Coronavirus pandemic.

## **TITLE VI—COMMITTEE ON SMALL BUSINESS**

**SEC. 6001. MODIFICATIONS TO PAYCHECK PROTECTION PROGRAM.**

(a) ELIGIBILITY OF CERTAIN NONPROFIT ENTITIES FOR COVERED LOANS UNDER THE PAYCHECK PROTECTION PROGRAM.—

(1) IN GENERAL.—Section 7(a)(36) of the Small Business Act (15 U.S.C. 636(a)(36)), as amended by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260), is amended—

(A) in subparagraph (A)—

- (i) in clause (xv), by striking “and” at the end;
- (ii) in clause (xvi), by striking the period at the end and inserting “; and”; and
- (iii) by adding at the end the following:  
“(xvii) the term ‘additional covered nonprofit entity’—

“(I) means an organization described in any paragraph of section 501(c) of the Internal Revenue Code of 1986, other than paragraph (3), (4), (6), or (19), and exempt from tax under section 501(a) of such Code; and

“(II) does not include any entity that, if the entity were a business concern, would be described in section 120.110 of title 13, Code of Federal Regulations (or in any successor regulation or other related guidance or rule that may be issued by the Administrator) other than a business concern described in paragraph (a) or (k) of such section.”; and

(B) in subparagraph (D)—

- (i) in clause (iii), by adding at the end the following:

“(III) ELIGIBILITY OF CERTAIN ORGANIZATIONS.—Subject to the provisions in this subparagraph, during the covered period—

“(aa) a nonprofit organization shall be eligible to receive a covered loan if the nonprofit organization employs not more than 500 employees per physical location of the organization; and

“(bb) an additional covered nonprofit entity and an organization that, but for subclasses (I)(dd) and (II)(dd) of clause (vii), would be eligible for a covered loan under clause (vii) shall be eligible to receive a covered loan if the entity or organization employs not more than 300 employees per physical location of the entity or organization.”;

- (ii) in clause (iv)—

(I) in subclause (III), by striking “and” at the end;

(II) in subclause (IV)—

(aa) by striking “(aa)”;

(bb) by striking “; or” and inserting a semicolon; and

(cc) by striking item (bb); and

(III) by adding at the end the following:

“(V) any nonprofit organization, additional covered nonprofit entity, or any organization made eligible for a loan under clause (vii); and”;

(iii) by striking clause (vi) and inserting the following:

“(vi) ELIGIBILITY OF ADDITIONAL COVERED NONPROFIT ENTITIES.—An additional covered nonprofit entity shall be eligible to receive a covered loan if—

“(I) the additional covered nonprofit entity does not receive more than 15 percent of its receipts from lobbying activities;

“(II) the lobbying activities of the additional covered nonprofit entity do not comprise more than 15 percent of the total activities of the organization;

“(III) the cost of the lobbying activities of the additional covered nonprofit entity did not exceed \$1,000,000 during the most recent tax year of the additional covered nonprofit entity that ended prior to February 15, 2020; and

“(IV) the additional covered nonprofit entity employs not more than 300 employees.”.

(2) ELIGIBILITY FOR SECOND DRAW LOANS.—Paragraph (37)(A)(i) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as added by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260), is amended by inserting “additional covered nonprofit entity,” after “the terms”.

(b) ELIGIBILITY OF INTERNET PUBLISHING ORGANIZATIONS FOR COVERED LOANS UNDER THE PAYCHECK PROTECTION PROGRAM.—

(1) IN GENERAL.—Section 7(a)(36)(D) of the Small Business Act (15 U.S.C. 636(a)(36)(D)), as amended by subsection (a), is further amended—

(A) in clause (iii), by adding at the end the following:

“(IV) ELIGIBILITY OF INTERNET PUBLISHING ORGANIZATIONS.—A business concern or other organization that was not eligible to receive a covered loan the day before the date of enactment of this subclause, is assigned a North American Industry Classification System code of 519130, certifies in good faith as an Internet-only news publisher or Internet-only periodical publisher, and is engaged in the collection and distribution of local or regional and national news and information shall be eligible to receive a covered loan for the continued provision of news, information, content, or emergency information if—

“(aa) the business concern or organization employs not more than 500 employees, or the size standard established by the Administrator for that North American Industry Classification code, per physical location of the business concern or organization; and

“(bb) the business concern or organization makes a good faith certification that proceeds of the loan will be used to support expenses at the component of the business concern or or-

ganization that supports local or regional news.”;

(B) in clause (iv), by adding at the end the following:

“(VI) any business concern or other organization that was not eligible to receive a covered loan the day before the date of enactment of this subclause, is assigned a North American Industry Classification System code of 519130, certifies in good faith as an Internet-only news publisher or Internet-only periodical publisher, and is engaged in the collection and distribution of local or regional and national news and information, if the business concern or organization—

“(aa) employs not more than 500 employees, or the size standard established by the Administrator for that North American Industry Classification code, per physical location of the business concern or organization; and

“(bb) is majority owned or controlled by a business concern or organization that is assigned a North American Industry Classification System code of 519130.”;

(C) in clause (v), by striking “clause (iii)(II), (iv)(IV), or (vii)” and inserting “subclause (II), (III), or (IV) of clause (iii), subclause (IV) or (VI) of clause (iv), clause (vi), or clause (vii)”; and

(D) in clause (viii)(II)—

(i) by striking “business concern made eligible by clause (iii)(II) or clause (iv)(IV) of this subparagraph” and inserting “business concern made eligible by subclause (II) or (IV) of clause (iii) or subclause (IV) or (VI) of clause (iv) of this subparagraph”; and

(ii) by inserting “or organization” after “business concern” each place it appears.

(2) ELIGIBILITY FOR SECOND DRAW LOANS.—Section 7(a)(37)(A)(iv)(II) of the Small Business Act, as amended by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260), is amended by striking “clause (iii)(II), (iv)(IV), or (vii)” and inserting “subclause (II) or (III) of clause (iii), subclause (IV) or (V) of clause (iv), clause (vi), or clause (vii)”.

(c) COORDINATION WITH CONTINUATION COVERAGE PREMIUM ASSISTANCE.—

(1) PAYCHECK PROTECTION PROGRAM.—Section 7A(a)(12) of the Small Business Act (as redesignated, transferred, and amended by section 304(b) of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (Public Law 116–260)) is amended—

(A) by striking “CARES Act or” and inserting “CARES Act.”; and

(B) by inserting before the period at the end the following: “, or premiums taken into account in determining the credit allowed under section 6432 of the Internal Revenue Code of 1986”.

(2) PAYCHECK PROTECTION PROGRAM SECOND DRAW.—Section 7(a)(37)(J)(iii)(I) of the Small Business Act, as amended by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260), is amended—

(A) by striking “or” at the end of item (aa);

(B) by striking the period at the end of item (bb) and inserting “; or”; and

(C) by adding at the end the following new item:

“(cc) premiums taken into account in determining the credit allowed under section 6432 of the Internal Revenue Code of 1986.”.

(3) APPLICABILITY.—The amendments made by this subsection shall apply only with respect to applications for forgiveness of covered loans made under paragraphs (36) or (37) of section 7(a) of the Small Business Act, as amended by the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260), that are received on or after the date of the enactment of this Act.

(d) COMMITMENT AUTHORITY AND APPROPRIATIONS.—

(1) COMMITMENT AUTHORITY.—Section 1102(b)(1) of the CARES Act (Public Law 116–136) is amended by striking “\$806,450,000,000” and inserting “\$813,700,000,000”.

(2) DIRECT APPROPRIATIONS.—In addition to amounts otherwise available, there is appropriated to the Administrator of the Small Business Administration for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$7,250,000,000, to remain available until expended, for carrying out this section.

**SEC. 6002. TARGETED EIDL ADVANCE.**

(a) DEFINITIONS.—In this section—

(1) the term “Administrator” means the Administrator of the Small Business Administration;

(2) the terms “covered entity” and “economic loss” have the meanings given the terms in section 331(a) of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260);

(3) the term “severely impacted small business” means a covered entity that—

(A) has suffered an economic loss of greater than 50 percent; and

(B) employs not more than 10 employees;

(4) the term “substantially impacted small business” means a covered entity that—

(A) employs not more than 10 employees; and

(B) is not a severely impacted small business; and

(5) the term “supplemental payment” means a payment—

(A) made by the Administrator under section 1110(e) of the CARES Act (15 U.S.C. 9009(e)) to a severely impacted small business or a substantially impacted small business;

(B) in an amount that is \$5,000; and

(C) that, with respect to a covered entity, is in addition to any payment made to the covered entity under section 1110(e) of the CARES Act (15 U.S.C. 9009(e)) or section 331 of the Economic Aid to Hard-Hit Small Businesses,

Nonprofits, and Venues Act (title III of division N of Public Law 116–260).

(b) PAYMENTS.—The Administrator shall take the following actions:

(1) Not later than 14 days after the date of the enactment of this subsection, the Administrator shall begin processing applications for payments, and may make payments, to covered entities that have not received the full amounts to which the covered entities are entitled under section 331 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260).

(2)(A) During the 14-day period beginning on the date that is 28 days after the date of enactment of this subsection, and subject to the availability of funds, the Administrator shall—

(i) begin processing applications for supplemental payments to severely impacted small businesses; and

(ii) continue to process applications for the payments described in paragraph (1).

(B) During the period described in subparagraph (A), the Administrator may make supplemental payments to severely impacted small businesses, and payments described in paragraph (1), in the order that the Administrator receives applications for those payments.

(3)(A) Beginning on the date that is 42 days after the date of enactment of this subsection, and subject to the availability of funds, the Administrator shall—

(i) begin processing applications for supplemental payments to substantially impacted small businesses; and

(ii) continue to process applications for the supplemental payments described in paragraph (2) and payments described in paragraph (1).

(B) During the period described in subparagraph (A), the Administrator may make supplemental payments to substantially impacted small businesses, supplemental payments described in paragraph (2), and payments described in paragraph (1), in the order that the Administrator receives applications for those payments.

(c) APPROPRIATIONS.—In addition to amounts otherwise available, there is appropriated to the Administrator for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$15,000,000,000, to remain available until expended, for carrying out this section.

**SEC. 6003. SUPPORT FOR RESTAURANTS.**

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Small Business Administration.

(2) AFFILIATED BUSINESS.—The term “affiliated business” means a business in which an eligible entity has an equity or right to profit distributions of not less than 50 percent, or in which an eligible entity has the contractual authority to control the direction of the business, provided that such affiliation shall be determined as of any arrangements or agreements in existence as of March 13, 2020.

(3) COVERED PERIOD.—The term “covered period” means the period—

- (A) beginning on February 15, 2020; and  
 (B) ending on December 31, 2021, or a date to be determined by the Administrator that is not later than 2 years after the date of enactment of this section.
- (4) **ELIGIBLE ENTITY.**—The term “eligible entity”—
- (A) means a restaurant, food stand, food truck, food cart, caterer, saloon, inn, tavern, bar, lounge, brewpub, tasting room, taproom, licensed facility or premise of a beverage alcohol producer where the public may taste, sample, or purchase products, or other similar place of business in which the public or patrons assemble for the primary purpose of being served food or drink;
- (B) includes an entity described in subparagraph (A) that is located in an airport terminal or that is a Tribally-owned concern; and
- (C) does not include—
- (i) an entity described in subparagraph (A) that—
- (I) is a State or local government-operated business;
- (II) as of March 13, 2020, owns or operates (together with any affiliated business) more than 20 locations, regardless of whether those locations do business under the same or multiple names; or
- (III) has a pending application for or has received a grant under section 324 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260); or
- (ii) a publicly-traded company.
- (5) **EXCHANGE; ISSUER; SECURITY.**—The terms “exchange”, “issuer”, and “security” have the meanings given those terms in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).
- (6) **FUND.**—The term “Fund” means the Restaurant Revitalization Fund established under subsection (b).
- (7) **PANDEMIC-RELATED REVENUE LOSS.**—The term “pandemic-related revenue loss” means, with respect to an eligible entity—
- (A) except as provided in subparagraphs (B), (C), and (D), the gross receipts, as established using such verification documentation as the Administrator may require, of the eligible entity during 2020 subtracted from the gross receipts of the eligible entity in 2019, if such sum is greater than zero;
- (B) if the eligible entity was not in operation for the entirety of 2019—
- (i) the difference between—
- (I) the product obtained by multiplying the average monthly gross receipts of the eligible entity in 2019 by 12; and
- (II) the product obtained by multiplying the average monthly gross receipts of the eligible entity in 2020 by 12; or
- (ii) an amount based on a formula determined by the Administrator;

(C) if the eligible entity opened during the period beginning on January 1, 2020, and ending on the day before the date of enactment of this section—

(i) the expenses described in subsection (c)(5)(A) that were incurred by the eligible entity minus any gross receipts received; or

(ii) an amount based on a formula determined by the Administrator; or

(D) if the eligible entity has not yet opened as of the date of application for a grant under subsection (c), but has incurred expenses described in subsection (c)(5)(A) as of the date of enactment of this section—

(i) the amount of those expenses; or

(ii) an amount based on a formula determined by the Administrator.

For purposes of this paragraph, the pandemic-related revenue losses for an eligible entity shall be reduced by any amounts received from a covered loan made under paragraph (36) or (37) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)) in 2020 or 2021.

(8) PAYROLL COSTS.—The term “payroll costs” has the meaning given the term in section 7(a)(36)(A) of the Small Business Act (15 U.S.C. 636(a)(36)(A)), except that such term shall not include—

(A) qualified wages (as defined in subsection (c)(3) of section 2301 of the CARES Act) taken into account in determining the credit allowed under such section 2301; or

(B) premiums taken into account in determining the credit allowed under section 6432 of the Internal Revenue Code of 1986.

(9) PUBLICLY-TRADED COMPANY.—The term “publicly-traded company” means an entity that is majority owned or controlled by an entity that is an issuer, the securities of which are listed on a national securities exchange under section 6 of the Securities Exchange Act of 1934 (15 U.S.C. 78f).

(10) TRIBALLY-OWNED CONCERN.—The term “Tribally-owned concern” has the meaning given the term in section 124.3 of title 13, Code of Federal Regulations, or any successor regulation.

(b) RESTAURANT REVITALIZATION FUND.—

(1) IN GENERAL.—There is established in the Treasury of the United States a fund to be known as the Restaurant Revitalization Fund.

(2) APPROPRIATIONS.—

(A) IN GENERAL.—In addition to amounts otherwise available, there is appropriated to the Restaurant Revitalization Fund for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$25,000,000,000, to remain available until expended.

(B) DISTRIBUTION.—

(i) IN GENERAL.—Of the amounts made available under subparagraph (A)—

(I) \$5,000,000,000 shall be available to eligible entities with gross receipts during 2019 of not more than \$500,000; and

(II) \$20,000,000,000 shall be available to the Administrator to award grants under subsection (c) in an equitable manner to eligible entities of different sizes based on annual gross receipts.

(ii) ADJUSTMENTS.—The Administrator may make adjustments as necessary to the distribution of funds under clause (i)(II) based on demand and the relative local costs in the markets in which eligible entities operate.

(C) GRANTS AFTER INITIAL PERIOD.—Notwithstanding subparagraph (B), on and after the date that is 60 days after the date of enactment of this section, or another period of time determined by the Administrator, the Administrator may make grants using amounts appropriated under subparagraph (A) to any eligible entity regardless of the annual gross receipts of the eligible entity.

(3) USE OF FUNDS.—The Administrator shall use amounts in the Fund to make grants described in subsection (c).

(c) RESTAURANT REVITALIZATION GRANTS.—

(1) IN GENERAL.—Except as provided in subsection (b) and paragraph (3), the Administrator shall award grants to eligible entities in the order in which applications are received by the Administrator.

(2) APPLICATION.—

(A) CERTIFICATION.—An eligible entity applying for a grant under this subsection shall make a good faith certification that—

(i) the uncertainty of current economic conditions makes necessary the grant request to support the ongoing operations of the eligible entity; and

(ii) the eligible entity has not applied for or received a grant under section 324 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260).

(B) PREVENTION OF WASTE, FRAUD, AND ABUSE.—The Administrator may impose requirements on applicants for the purpose of reducing waste, fraud, and abuse.

(C) BUSINESS IDENTIFIERS.—In accepting applications for grants under this subsection, the Administrator shall prioritize the ability of each applicant to use their existing business identifiers over requiring other forms of registration or identification that may not be common to their industry and imposing additional burdens on applicants.

(3) PRIORITY IN AWARDING GRANTS.—

(A) IN GENERAL.—During the initial 21-day period in which the Administrator awards grants under this subsection, the Administrator shall prioritize awarding grants to eligible entities that are small business concerns owned controlled by women (as defined in section 3(n) of the Small Business Act (15 U.S.C. 632(n))), small business concerns owned and controlled by veterans (as defined in section 3(q) of such Act (15 U.S.C. 632(q))), or socially and economically disadvantaged small business concerns (as defined in section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 637(a)(4)(A))). The Administrator may take such

steps as necessary to ensure that eligible entities described in this subparagraph have access to grant funding under this section after the end of such 21-day period.

(B) CERTIFICATION.—For purposes of establishing priority under subparagraph (A), an applicant shall submit a self-certification of eligibility for priority with the grant application.

(4) GRANT AMOUNT.—

(A) AGGREGATE MAXIMUM AMOUNT.—The aggregate amount of grants made to an eligible entity and any affiliated businesses of the eligible entity under this subsection—

(i) shall not exceed \$10,000,000; and

(ii) shall be limited to \$5,000,000 per physical location of the eligible entity.

(B) DETERMINATION OF GRANT AMOUNT.—

(i) IN GENERAL.—Except as provided in this paragraph, the amount of a grant made to an eligible entity under this subsection shall be equal to the pandemic-related revenue loss of the eligible entity.

(ii) RETURN TO TREASURY.—Any amount of a grant made under this subsection to an eligible entity based on estimated receipts that is greater than the actual gross receipts of the eligible entity in 2020 shall be returned to the Treasury.

(5) USE OF FUNDS.—During the covered period, an eligible entity that receives a grant under this subsection may use the grant funds for the following expenses incurred as a direct result of, or during, the COVID-19 pandemic:

(A) Payroll costs.

(B) Payments of principal or interest on any mortgage obligation (which shall not include any prepayment of principal on a mortgage obligation).

(C) Rent payments, including rent under a lease agreement (which shall not include any prepayment of rent).

(D) Utilities.

(E) Maintenance expenses, including—

(i) construction to accommodate outdoor seating; and

(ii) walls, floors, deck surfaces, furniture, fixtures, and equipment.

(F) Supplies, including protective equipment and cleaning materials.

(G) Food and beverage expenses that are within the scope of the normal business practice of the eligible entity before the covered period.

(H) Covered supplier costs, as defined in section 7A(a) of the Small Business Act (as redesignated, transferred, and amended by section 304(b) of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (Public Law 116-260)).

(I) Operational expenses.

(J) Paid sick leave.

(K) Any other expenses that the Administrator determines to be essential to maintaining the eligible entity.

(6) RETURNING FUNDS.—If an eligible entity that receives a grant under this subsection fails to use all grant funds or permanently ceases operations on or before the last day of the covered period, the eligible entity shall return to the Treasury any funds that the eligible entity did not use for the allowable expenses under paragraph (5).

(7) LIMITATION WITH RESPECT TO PRIVATE FUNDS.—

(A) DEFINITIONS.—In this paragraph:

(i) AFFILIATE.—

(I) IN GENERAL.—The term “affiliate” means, with respect to a person, any other person directly or indirectly controlling, controlled by, or under direct or indirect common control with the person.

(II) CONTROL.—For purposes of subclause (I), the term “control” means the ability to make or block management decisions of an entity.

(ii) EXECUTIVE.—The term “executive” means—

(I) any individual who serves an executive or director of a person, including the principal executive officer, principal financial officer, comptroller or principal accounting officer; and

(II) an executive officer, as defined in section 230.405 of title 17, Code of Federal Regulations, or any successor regulation.

(iii) PRIVATE FUND.—The term “private fund” means an issuer that would be an investment company, as defined in the Investment Company Act of 1940 (15 U.S.C. 80a–1 et seq.), but for paragraph (1) or (7) of section 3(c) of that Act (15 U.S.C. 80a–3(c)).

(B) ANTI-EVASION.—No company in which a private fund holds an ownership interest that has, directly or indirectly, received amounts under this subsection may pay any distributions, dividends, consulting fees, advisory fees, interest payments, or any other fees, expenses, or charges in excess of 10 percent of the net operating profits of the company operating profits for the calendar year ending December 31, 2021 (and for each successive year until the covered period has ended), to—

(i) a person registered as an investment adviser under the Investment Advisers Act of 1940 (15 U.S.C. 80b–1 et seq.) who advises a private fund;

(ii) any affiliate of such adviser;

(iii) any executive of such adviser or affiliate; or

(iv) any employee, consultant, or other person with a contractual relationship to provide services for or on behalf of such adviser or affiliate.

**SEC. 6004. COMMUNITY NAVIGATOR PILOT PROGRAM.**

(a) DEFINITIONS.—In this section:

(1) ADMINISTRATION.—The term “Administration” means the Small Business Administration.

(2) ADMINISTRATOR.—The term “Administrator” means the Administrator of the Small Business Administration.

(3) COMMUNITY NAVIGATOR SERVICES.—The term “community navigator services” means the outreach, education, and technical assistance provided by community navigators that target

eligible businesses to increase awareness of, and participation in, programs of the Small Business Administration.

(4) **COMMUNITY NAVIGATOR.**—The term “community navigator” means a community organization, community financial institution as defined in section 7(a)(36)(A) of the Small Business Act (15 U.S.C. 636(a)(36)(A)), or other private nonprofit organization engaged in the delivery of community navigator services.

(5) **ELIGIBLE BUSINESS.**—The term “eligible business” means any small business concern, with priority for small business concerns owned and controlled by women (as defined in section 3(n) of the Small Business Act (15 U.S.C. 632(n))), small business concerns owned and controlled by veterans (as defined in section 3(q) of such Act (15 U.S.C. 632(q))), and socially and economically disadvantaged small business concerns (as defined in section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 637(a)(4)(A))).

(6) **PRIVATE NONPROFIT ORGANIZATION.**—The term “private nonprofit organization” means an entity that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.

(7) **RESOURCE PARTNER.**—The term “resource partner” means—

(A) a small business development center (as defined in section 3 of the Small Business Act (15 U.S.C. 632));

(B) a women’s business center (as described in section 29 of the Small Business Act (15 U.S.C. 656)); and

(C) a chapter of the Service Corps of Retired Executives (as defined in section 8(b)(1)(B) of the Act (15 U.S.C. 637(b)(1)(B))).

(8) **SMALL BUSINESS CONCERN.**—The term “small business concern” has the meaning given under section 3 of the Small Business Act (15 U.S.C. 632).

(9) **STATE.**—The term “State” means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, the Commonwealth of the Northern Mariana Islands, and Guam, or an agency, instrumentality, or fiscal agent thereof.

(10) **UNIT OF GENERAL LOCAL GOVERNMENT.**—The term “unit of general local government” means a county, city, town, village, or other general purpose political subdivision of a State.

(b) **COMMUNITY NAVIGATOR PILOT PROGRAM.**—

(1) **IN GENERAL.**—The Administrator of the Small Business Administration shall establish a Community Navigator pilot program to make grants to, or enter into contracts or cooperative agreements with, private nonprofit organizations, resource partners, States, Tribes, and units of local government to ensure the delivery of free community navigator services to current or prospective owners of eligible businesses in order to improve access to assistance programs and resources made available because of the COVID–19 pandemic by Federal, State, Tribal, and local entities.

(2) **APPROPRIATIONS.**—In addition to amounts otherwise available, there is appropriated to the Administrator for fiscal year 2021, out of any money in the Treasury not otherwise ap-

appropriated, \$100,000,000, to remain available until expended, for carrying out this subsection.

(c) **OUTREACH AND EDUCATION.**—

(1) **PROMOTION.**—The Administrator shall develop and implement a program to promote community navigator services to current or prospective owners of eligible businesses.

(2) **CALL CENTER.**—The Administrator shall establish a telephone hotline to offer information about Federal programs to assist eligible businesses and offer referral services to resource partners, community navigators, potential lenders, and other persons that the Administrator determines appropriate for current or prospective owners of eligible businesses.

(3) **OUTREACH.**—The Administrator shall—

(A) conduct outreach and education, in the 10 most commonly spoken languages in the United States, to current or prospective owners of eligible businesses on community navigator services and other Federal programs to assist eligible businesses;

(B) improve the website of the Administration to describe such community navigator services and other Federal programs; and

(C) implement an education campaign by advertising in media targeted to current or prospective owners of eligible businesses.

(4) **APPROPRIATIONS.**—In addition to amounts otherwise available, there is appropriated to the Administrator for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$75,000,000, to remain available until expended, for carrying out this subsection.

(d) **SUNSET.**—The authority of the Administrator to make grants under this section shall terminate on December 31, 2025.

**SEC. 6005. SHUTTERED VENUE OPERATORS.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$1,250,000,000, to remain available until expended, to carry out section 324 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260), of which \$500,000 shall be used to provide technical assistance to help applicants access the System for Award Management (or any successor thereto) or to assist applicants with an alternative grant application system, which the Administrator of the Small Business Administration may develop for use for grant programs of the Small Business Administration.

**SEC. 6006. DIRECT APPROPRIATIONS.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Administrator for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, to remain available until expended—

(1) \$840,000,000 for administrative expenses, including to prevent, prepare for, and respond to the COVID–19 pandemic, domestically or internationally, including administrative expenses related to paragraphs (36) and (37) of section 7(a) of the Small Business Act, section 324 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of

division N of Public Law 116–260), section 6002 of this title, and section 6003 of this title; and

(2) \$460,000,000 to carry out the disaster loan program authorized by section 7(b) of the Small Business Act (15 U.S.C. 636(b)), of which \$70,000,000 shall be for the cost of direct loans authorized by such section and \$390,000,000 shall be for administrative expenses to carry out such program.

(b) INSPECTOR GENERAL.—In addition to amounts otherwise available, there is appropriated to the Inspector General of the Small Business Administration for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$25,000,000, to remain available until expended, for necessary expenses of the Office of Inspector General in carrying out the provisions of the Inspector General Act of 1978.

## **TITLE VII—COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE**

### **Subtitle A—Transportation and Infrastructure**

#### **SEC. 7001. FEDERAL EMERGENCY MANAGEMENT AGENCY APPROPRIATION.**

In addition to amounts otherwise available, there is appropriated to the Federal Emergency Management Agency for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$50,000,000,000, to remain available until September 30, 2025, for major disasters declared pursuant to the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et sec.).

#### **SEC. 7002. FUNERAL ASSISTANCE.**

(a) IN GENERAL.—For the emergency declaration issued by the President on March 13, 2020, pursuant to section 501(b) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5191(b)), and for any subsequent major disaster declaration under section 401 of such Act (42 U.S.C. 5170) that supersedes such emergency declaration, the President shall provide financial assistance to an individual or household to meet disaster-related funeral expenses under section 408(e)(1) of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. 5174(e)(1)), for which the Federal cost share shall be 100 percent.

(b) USE OF FUNDS.—Funds appropriated under section 7001 may be used to carry out subsection (a) of this section.

#### **SEC. 7003. ECONOMIC ADJUSTMENT ASSISTANCE.**

(a) ECONOMIC DEVELOPMENT ADMINISTRATION APPROPRIATION.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$3,000,000,000, to remain available until September 30, 2022, to the Department of Commerce for economic adjustment assistance as authorized by sections 209 and 703 of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3149 and 3233) to prevent, prepare for, and respond to coronavirus

and for necessary expenses for responding to economic injury as a result of coronavirus.

(b) Of the funds provided by this section, up to 2 percent shall be used for Federal costs to administer such assistance utilizing temporary Federal personnel as may be necessary consistent with the requirements applicable to such administrative funding in fiscal year 2020 to prevent, prepare for, and respond to coronavirus and which shall remain available until September 30, 2027.

(c) Of the funds provided by this section, 15 percent shall be for assistance to communities that have suffered economic injury as a result of job losses in the travel, tourism, or outdoor recreation sectors.

(d) The total amount provided by this section shall be allocated to eligible recipients in the States and Territories according to the total level of economic injury of such States and Territories as a result of coronavirus beginning on March 1, 2020, as measured by the change in economic activity, demonstrated by current Federal economic data sources such as unemployment claims and gross domestic product, before and after such date.

**SEC. 7004. GREAT LAKES ST. LAWRENCE SEAWAY DEVELOPMENT CORPORATION OPERATIONS AND MAINTENANCE.**

In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of amounts not otherwise appropriated from the Harbor Maintenance Trust Fund pursuant to section 210 of the Water Resources Development Act of 1986 (33 U.S.C. 2238), \$1,500,000, to remain available until expended, to prevent, prepare for, and respond to coronavirus by conducting the operations, maintenance, and capital infrastructure activities of the Seaway International Bridge.

**SEC. 7005. GRANTS TO THE NATIONAL RAILROAD PASSENGER CORPORATION.**

(a) **NORTHEAST CORRIDOR APPROPRIATION.**—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$820,388,160, to remain available until September 30, 2024, for grants as authorized under section 11101(a) of the FAST Act (Public Law 114–94) to prevent, prepare for, and respond to coronavirus.

(b) **NATIONAL NETWORK APPROPRIATION.**—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$679,611,840, to remain available until September 30, 2024, for grants as authorized under section 11101(b) of the FAST Act (Public Law 114–94) to prevent, prepare for, and respond to coronavirus.

(c) **LONG-DISTANCE SERVICE RESTORATION AND EMPLOYEE RECALLS.**—Not less than \$165,926,000 of the aggregate amounts made available under subsections (a) and (b) shall be for use by the National Railroad Passenger Corporation to—

(1) restore, not later than 90 days after the date of enactment of this Act, the frequency of rail service on long-distance routes (as defined in section 24102 of title 49, United States Code) that the National Railroad Passenger Corporation reduced the frequency of on or after July 1, 2020, and continue to operate such service at such frequency; and

(2) recall and manage employees furloughed on or after October 1, 2020, as a result of efforts to prevent, prepare for, and respond to coronavirus.

(d) USE OF FUNDS IN LIEU OF CAPITAL PAYMENTS.—Not less than \$109,805,000 of the aggregate amounts made available under subsections (a) and (b)—

(1) shall be for use by the National Railroad Passenger Corporation in lieu of capital payments from States and commuter rail passenger transportation providers that are subject to the cost allocation policy under section 24905(c) of title 49, United States Code; and

(2) notwithstanding sections 24319(g) and 24905(c)(1)(A)(i) of title 49, United States Code, such amounts do not constitute cross-subsidization of commuter rail passenger transportation.

(e) USE OF FUNDS FOR STATE PAYMENTS FOR STATE-SUPPORTED ROUTES.—

(1) IN GENERAL.—Of the amounts made available under subsection (b), \$174,850,000 shall be for use by the National Railroad Passenger Corporation to offset amounts required to be paid by States for covered State-supported routes.

(2) FUNDING SHARE.—The share of funding provided under paragraph (1) with respect to a covered State-supported route shall be distributed as follows:

(A) Each covered State-supported route shall receive 7 percent of the costs allocated to the route in fiscal year 2019 under the cost allocation methodology adopted pursuant to section 209 of the Passenger Rail Investment and Improvement Act of 2008 (Public Law 110–432).

(B) Any remaining amounts after the distribution described in subparagraph (A) shall be apportioned to each covered State-supported route in proportion to the passenger revenue of such route and other revenue allocated to such route in fiscal year 2019 divided by the total passenger revenue and other revenue allocated to all covered State-supported routes in fiscal year 2019.

(3) COVERED STATE-SUPPORTED ROUTE DEFINED.—In this subsection, the term “covered State-supported route” means a State-supported route, as such term is defined in section 24102 of title 49, United States Code, but does not include a State-supported route for which service was terminated on or before February 1, 2020.

(f) USE OF FUNDS FOR DEBT REPAYMENT OR PREPAYMENT.—Not more than \$100,885,000 of the aggregate amounts made available under subsections (a) and (b) shall be—

(1) for the repayment or prepayment of debt incurred by the National Railroad Passenger Corporation under financing arrangements entered into prior to the date of enactment of this Act; and

(2) to pay required reserves, costs, and fees related to such debt, including for loans from the Department of Transportation and loans that would otherwise have been paid from National Railroad Passenger Corporation revenues.

(g) PROJECT MANAGEMENT OVERSIGHT.—Not more than \$2,000,000 of the aggregate amounts made available under sub-

sections (a) and (b) shall be for activities authorized under section 11101(c) of the FAST Act (Public Law 114–94).

**SEC. 7006. FEDERAL TRANSIT ADMINISTRATION GRANTS.**

(a) **FEDERAL TRANSIT ADMINISTRATION APPROPRIATION.—**

(1) **IN GENERAL.—**In addition to amounts otherwise made available, there are appropriated for fiscal year 2021, out of any funds in the Treasury not otherwise appropriated, \$30,000,000,000, to remain available until September 30, 2024, that shall—

(A) be for grants under chapter 53 of title 49, United States Code, to eligible recipients to prevent, prepare for, and respond to coronavirus; and

(B) not be subject to any prior restriction on the total amount of funds available for implementation or execution of programs authorized under sections 5307, 5310, or 5311 of such title.

(2) **AVAILABILITY OF FUNDS FOR OPERATING EXPENSES.—**

(A) **IN GENERAL.—**Notwithstanding subsection (a)(1) or (b) of section 5307 of title 49, United States Code, section 5310(b)(2)(A), or any other provision of chapter 53 of such title, funds provided under this section, other than subsection (b)(4), shall be available for the operating expenses of transit agencies to prevent, prepare for, and respond to the coronavirus public health emergency, including, beginning on January 20, 2020—

(i) reimbursement for payroll of public transportation (including payroll and expenses of private providers of public transportation);

(ii) operating costs to maintain service due to lost revenue due as a result of the coronavirus public health emergency, including the purchase of personal protective equipment; and

(iii) paying the administrative leave of operations or contractor personnel due to reductions in service.

(B) **USE OF FUNDS.—**Funds described in subparagraph (A) shall be—

(i) available for immediate obligation, notwithstanding the requirement for such expenses to be included in a transportation improvement program, long-range transportation plan, statewide transportation plan, or statewide transportation improvement program under sections 5303 and 5304 of title 49, United States Code;

(ii) directed to payroll and operations of public transportation (including payroll and expenses of private providers of public transportation), unless the recipient certifies to the Secretary that the recipient has not furloughed any employees;

(iii) subject to the requirements of section 5333 of such title, notwithstanding any waiver authority under section 5324 of such title; and

(iv) used to provide a Federal share of the costs for any grant made under this section of 100 percent, notwithstanding any provision of chapter 53 of such title.

(b) **ALLOCATION OF FUNDS.—**

## (1) URBANIZED AREA FORMULA GRANTS.—

(A) IN GENERAL.—Of the amounts made available under subsection (a), \$26,086,580,227 shall be for grants to recipients and subrecipients under section 5307 of title 49, United States Code, and shall be administered as if such funds were provided under section 5307 of such title.

(B) ALLOCATION.—Amounts made available under subparagraph (A) shall be apportioned to urbanized areas based on data contained in the National Transit Database such that—

(i) each urbanized area shall receive an apportionment of an amount that, when combined with amounts that were otherwise made available to such urbanized area for similar activities to prevent, prepare for, and respond to coronavirus, is equal to 132 percent of the urbanized area's 2018 operating costs; and

(ii) for funds remaining after the apportionment described in clause (i), such funds shall be apportioned such that—

(I) each urbanized area that did not receive an apportionment under clause (i) shall receive an apportionment equal to 25 percent of the urbanized area's 2018 operating costs; and

(II) each urbanized area under clause (i), when the amounts that were otherwise made available, prior to clause (i) to that urbanized area for similar activities to prevent, prepare for, and respond to coronavirus are equal to or greater than 130 percent of the urbanized area's 2018 operating costs but do not exceed 132 percent of such costs, such urbanized area shall receive an apportionment equal to 10 percent of the urbanized area's 2018 operating costs, in addition to amounts apportioned to the urbanized area under clause (i).

## (2) FORMULA GRANTS FOR THE ENHANCED MOBILITY OF SENIORS AND INDIVIDUALS WITH DISABILITIES.—

(A) IN GENERAL.—Of the amounts made available under subsection (a), \$50,000,000 shall be for grants to recipients or subrecipients eligible under section 5310 of title 49, United States Code, and shall be apportioned in accordance with such section.

(B) ALLOCATION RATIO.—Amounts made available under subparagraph (A) shall be allocated in the same ratio as funds were provided under section 5310 of title 49, United States Code, for fiscal year 2020.

## (3) FORMULA GRANTS FOR RURAL AREAS.—

(A) IN GENERAL.—Of the amounts made available under subsection (a), \$280,858,479 shall be for grants to recipients or subrecipients eligible under section 5311 of title 49, United States Code, other than subsections (b)(3) and (c)(1)(B) of such section and shall be administered as if the funds were provided under section 5311 of such title.

(B) ALLOCATION RATIO.—Amounts made available under subparagraph (A) shall be allocated to States, as defined

in section 5302 of title 49, United States Code, based on data contained in the National Transit Database, such that—

(i) any State that received an amount for similar activities to prevent, prepare for, and respond to coronavirus that is equal to or greater than 150 percent of the combined 2018 rural operating costs of the recipients and subrecipients in such State shall receive an amount equal to 5 percent of such State's 2018 rural operating costs;

(ii) any State that does not receive an allocation under clause (i) that received an amount for similar activities to prevent, prepare for, and respond to coronavirus that is equal to or greater than 140 percent of the combined 2018 rural operating costs of the recipients and subrecipients in that State shall receive an amount equal to 10 percent of such State's 2018 rural operating costs; and

(iii) any State that does not receive an allocation under clauses (i) or (ii) shall receive an amount equal to 20 percent of such State's 2018 rural operating costs.

(4) CAPITAL INVESTMENTS.—

(A) IN GENERAL.—Of the amounts made available under subsection (a)—

(i) \$1,000,000,000 shall be for grants administered under subsections (d) and (e) of section 5309 of title 49, United States Code, and section 3005(b) of the FAST Act (Public Law 114–94); and

(ii) \$250,000,000 shall be for grants administered under subsection (h) of section 5309 of title 49, United States Code.

(B) FUNDING DISTRIBUTION.—

(i) Amounts made available in subparagraph (A)(i) shall be proportionally provided to each recipient to all projects with existing full funding grant agreements and all projects under section 3005(b) of Public Law 114–94 that received allocations for fiscal year 2019 or 2020, except that recipients with projects open for revenue service are not eligible to receive a grant under this paragraph.

(ii) For amounts made available in subparagraph (A)(ii), eligible recipients shall be any recipient of an allocation under subsection (h) of section 5309 of title 49, United States Code, or an applicant in the project development phase described in paragraph (2) of such subsection.

(iii) Amounts distributed under clauses (i) and (ii) of subparagraph (A) shall be provided notwithstanding the limitation of any calculation of the maximum amount of Federal financial assistance for the project under subsection (k)(2)(C)(ii) or (h)(7) of section 5309 of title 49, United States Code, or section 3005(b)(9) of the FAST Act (Public Law 114–94).

(5) SECTION 5311(F) SERVICES.—

(A) IN GENERAL.—Of the amounts made available under subsection (a) and in addition to the amounts made available under paragraph (3), \$100,000,000 shall be available for grants to recipients for bus operators that partner with recipients or subrecipients of funds under section 5311(f) of title 49, United States Code.

(B) ALLOCATION RATIO.—Notwithstanding paragraph (3), the Secretary shall allocate amounts under subparagraph (A) in the same ratio as funds were provided under section 5311 of title 49, United States Code, for fiscal year 2020.

(C) EXCEPTION.—If a State or territory does not have bus providers eligible under section 5311(f) of title 49, United States Code, funds under this paragraph may be used by such State or territory for any expense eligible under section 5311 of title 49, United States Code.

(6) PLANNING.—

(A) IN GENERAL.—Of the amounts made available under subsection (a), \$25,000,000 shall be for grants to recipients eligible under section 5307 of title 49, United States Code, for the planning of public transportation associated with the restoration of services as the coronavirus public health emergency concludes and shall be available in accordance with such section.

(B) AVAILABILITY OF FUNDS FOR ROUTE PLANNING.—Amounts made available under subparagraph (A) shall be available for route planning designed to—

(i) increase ridership and reduce travel times, while maintaining or expanding the total level of vehicle revenue miles of service provided in the planning period; or

(ii) make service adjustments to increase the quality or frequency of service provided to low-income riders and disadvantaged neighborhoods or communities.

(C) LIMITATION.—Amounts made available under subparagraph (A) shall not be used for route planning related to transitioning public transportation service provided as of the date of receipt of funds to a transportation network company or other third-party contract provider, unless the existing provider of public transportation service is a third-party contract provider.

(7) RECIPIENTS AND SUBRECIPIENTS REQUIRING ADDITIONAL ASSISTANCE.—

(A) IN GENERAL.—Of the amounts made available under subsection (a), \$2,207,561,294 shall be for grants to eligible recipients or subrecipients of funds under chapter 53 of title 49, United States Code, that, as a result of COVID-19, require additional assistance to maintain operations.

(B) ADMINISTRATION.—Funds made available under subparagraph (A) shall, after allocation, be administered as if provided under subsections (b)(1) or (b)(3), as applicable.

(C) APPLICATION REQUIREMENTS.—

(i) IN GENERAL.—The Secretary may not allocate funds to an eligible recipient or subrecipient of funds under chapter 53 of title 49, United States Code, unless the recipient provides to the Secretary—

- (I) estimates of financial need;
- (II) data on reductions in farebox or other sources of local revenue for sustained operations; and
- (III) a spending plan for such funds.

(ii) EVALUATION.—

(I) IN GENERAL.—Applications for assistance under this paragraph shall be evaluated by the Secretary based on the level of financial need demonstrated by an eligible recipient or subrecipient, including projections of future financial need to maintain service as a percentage of the 2018 operating costs that has not been replaced by the funds made available to the eligible recipient or subrecipient under paragraphs (1) through (5) of this subsection when combined with the amounts allocated to such eligible recipient or subrecipient from funds previously made available for the operating expenses of transit agencies related to the response to the COVID-19 public health emergency.

(II) RESTRICTION.—Amounts made available under this paragraph shall only be available for operating expenses.

(iv) STATE APPLICANTS.—A State may apply for assistance under this paragraph on behalf of an eligible recipient or subrecipient, or a group of eligible recipients or subrecipients.

(D) UNOBLIGATED FUNDS.—If amounts made available under this paragraph remain unobligated on September 30, 2023, such amounts shall be available for any purpose eligible under section 5324 of title 49, United States Code.

**SEC. 7007. RELIEF FOR AIRPORTS.**

(a) IN GENERAL.—

(1) IN GENERAL.—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any funds in the Treasury not otherwise appropriated, \$8,000,000,000, to remain available until September 30, 2024, for assistance to airports under sections 47101 through 47144 of title 49, United States Code, to be made available to prevent, prepare for, and respond to coronavirus.

(2) REQUIREMENTS AND LIMITATIONS.—Amounts made available under this section—

(A) shall not be subject to the requirements of chapter 471 of title 49, United States Code, except the requirements of chapter 471 (other than eligibility requirements) shall apply to any contract awarded after the date of enactment of this Act for airport development;

(B) may not be used for any purpose not directly related to the airport; and

(C) may not be provided to any airport that was allocated in excess of 4 years of operating funds to prevent, prepare for, and respond to coronavirus in fiscal year 2020.

(b) ALLOCATIONS.—The following terms shall apply to the amounts made available under this section:

## (1) OPERATING EXPENSES AND DEBT SERVICE PAYMENTS.—

(A) IN GENERAL.—Not more than \$6,492,000,000 shall be made available for primary airports, as such term is defined in section 47102 of title 49, United States Code, and certain cargo airports, for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments.

(B) DISTRIBUTION.—Amounts made available under this paragraph—

(i) shall not be subject to the reduced apportionments under section 47114(f) of title 49, United States Code;

(ii) shall first be apportioned as set forth in sections 47114(c)(1)(A), 47114(c)(1)(C)(i), 47114(c)(1)(C)(ii), 47114(c)(2)(A), 47114(c)(2)(B), and 47114(c)(2)(E) of title 49, United States Code; and

(iii) shall not be subject to a maximum apportionment limit set forth in section 47114(c)(1)(B) of title 49, United States Code.

(C) REMAINING AMOUNTS.—Any amount remaining after distribution under subparagraph (B) shall be distributed to the sponsor of each primary airport (as such term is defined in section 47102 of title 49, United States Code) based on each such primary airport's passenger enplanements compared to the total passenger enplanements of all such primary airports in calendar year 2019.

## (2) FEDERAL SHARE FOR DEVELOPMENT PROJECTS.—

(A) IN GENERAL.—Not more than \$608,000,000 allocated under subsection (a)(1) shall be available to pay a Federal share of 100 percent of the costs for any grant awarded in fiscal year 2021, or in fiscal year 2020 with less than a 100-percent Federal share, for an airport development project (as such term is defined in section 47102 of title 49).

(B) REMAINING AMOUNTS.—Any amount remaining under this paragraph shall be distributed as described in paragraph (1)(C).

## (3) NONPRIMARY AIRPORTS.—

(A) IN GENERAL.—Not more than \$100,000,000 shall be made available for general aviation and commercial service airports that are not primary airports (as such terms are defined in section 47102 of title 49, United States Code) for costs related to operations, personnel, cleaning, sanitization, janitorial services, combating the spread of pathogens at the airport, and debt service payments.

(B) DISTRIBUTION.—Amounts made available under this paragraph shall be apportioned to each non-primary airport based on the categories published in the most current National Plan of Integrated Airport Systems, reflecting the percentage of the aggregate published eligible development costs for each such category, and then dividing the allocated funds evenly among the eligible airports in each category, rounding up to the nearest thousand dollars.

(C) REMAINING AMOUNTS.—Any amount remaining under this paragraph shall be distributed as described in paragraph (1)(C).

(4) AIRPORT CONCESSIONS.—

(A) IN GENERAL.—Not more than \$800,000,000 shall be made available for sponsors of primary airports to provide relief from rent and minimum annual guarantees to airport concessions, of which at least \$640,000,000 shall be available to provide relief to eligible small airport concessions and of which at least \$160,000,000 shall be available to provide relief to eligible large airport concessions located at primary airports.

(B) DISTRIBUTION.—The amounts made available for each set-aside in this paragraph shall be distributed to the sponsor of each primary airport (as such term is defined in section 47102 of title 49, United States Code) based on each such primary airport's passenger enplanements compared to the total passenger enplanements of all such primary airports in calendar year 2019.

(C) CONDITIONS.—As a condition of approving a grant under this paragraph—

(i) the sponsor shall provide such relief from the date of enactment of this Act until the sponsor has provided relief equaling the total grant amount, to the extent practicable and to the extent permissible under State laws, local laws, and applicable trust indentures; and

(ii) for each set-aside, the sponsor shall provide relief from rent and minimum annual guarantee obligations to each eligible airport concession in an amount that reflects each eligible airport concession's proportional share of the total amount of the rent and minimum annual guarantees of those eligible airport concessions at such airport.

(c) ADMINISTRATION.—

(1) ADMINISTRATIVE EXPENSES.—The Administrator of the Federal Aviation Administration may retain up to 0.1 percent of the funds provided under this section to fund the award of, and oversight by the Administrator of, grants made under this section.

(2) WORKFORCE RETENTION REQUIREMENTS.—

(A) REQUIRED RETENTION.—All airports receiving funds under this section shall continue to employ, through September 30, 2021, at least 90 percent of the number of individuals employed (after making adjustments for retirements or voluntary employee separations) by the airport as of March 27, 2020.

(B) WAIVER OF RETENTION REQUIREMENT.—The Secretary shall waive the workforce retention requirement if the Secretary determines that—

(i) the airport is experiencing economic hardship as a direct result of the requirement; or

(ii) the requirement reduces aviation safety or security.

(C) EXCEPTION.—The workforce retention requirement shall not apply to nonhub airports or nonprimary airports receiving funds under this section.

(d) DEFINITIONS.—In this section:

(1) ELIGIBLE LARGE AIRPORT CONCESSION.—The term “eligible large airport concession” means a concession (as defined in section 23.3 of title 49, Code of Federal Regulations), that is interterminal and has maximum gross receipts, averaged over the previous three fiscal years, of more than \$56,420,000.

(2) ELIGIBLE SMALL AIRPORT CONCESSION.—The term “eligible small airport concession” means a concession (as defined in section 23.3 of title 49, Code of Federal Regulations), that is interterminal and—

(A) a small business with maximum gross receipts, averaged over the previous 3 fiscal years, of less than \$56,420,000; or

(B) is a joint venture (as defined in section 23.3 of title 49, Code of Federal Regulations).

## **Subtitle B—Aviation Manufacturing Jobs Protection**

### **SEC. 7101. DEFINITIONS.**

In this subtitle:

(1) ELIGIBLE EMPLOYEE GROUP.—The term “eligible employee group” means the portion of an employer’s United States workforce that—

(A) does not exceed 25 percent of the employer’s total United States workforce as of April 1, 2020; and

(B) contains only employees with a total compensation level of \$200,000 or less per year; and

(C) is engaged in aviation manufacturing activities and services, or maintenance, repair, and overhaul activities and services.

(2) AVIATION MANUFACTURING COMPANY.—The term “aviation manufacturing company” means a corporation, firm, or other business entity—

(A) that—

(i) actively manufactures an aircraft, aircraft engine, propeller, or a component, part, or systems of an aircraft or aircraft engine under a Federal Aviation Administration production approval; or

(ii) holds a certificate issued under part 145 of title 14, Code of Federal Regulations, for maintenance, repair, and overhaul of aircraft, aircraft engines, components, or propellers.

(B) which, as supported by demonstrable evidence—

(i) is established, created, or organized in the United States or under the laws of the United States; and

(ii) has significant operations in, and a majority of its employees engaged in aviation manufacturing activities and services, or maintenance, repair, and overhaul activities and services based in the United States;

(C) which, as supported by demonstrable evidence, has involuntarily furloughed or laid off at least 10 percent of its workforce in 2020 as compared to 2019 or has experienced at least a 15 percent decline in 2020 revenues as compared to 2019;

(D) that, as supported by sworn financial statements or other appropriate data, has identified the eligible employee group and the amount of total compensation level for the eligible employee group;

(E) that agrees to provide private contributions and maintain the total compensation level for the eligible employee group for the duration of an agreement under this subtitle;

(F) that agrees to provide immediate notice and justification to the Secretary of involuntary furloughs or layoffs exceeding 10 percent of the workforce that is not included in an eligible employee group for the duration of an agreement and receipt of public contributions under this subtitle;

(G) that has not conducted involuntary furloughs or reduced pay rates or benefits for the eligible employee group, subject to the employer's right to discipline or terminate an employee in accordance with employer policy, between the date of application and the date on which such a corporation, firm, or other business entity enters into an agreement with the Secretary under this subtitle; and

(H) that—

(i) in the case of a corporation, firm, or other business entity including any parent company or subsidiary of such a corporation, firm, or other business entity, that holds any type or production certificate or similar authorization issued under section 44704 of title 49, United States Code, with respect to a transport-category airplane covered under part 25 of title 14, Code of Federal Regulations, certificated with a passenger seating capacity of 50 or more, agrees to refrain from conducting involuntary layoffs or furloughs, or reducing pay rates and benefits, for the eligible employee group, subject to the employer's right to discipline or terminate an employee in accordance with employer policy from the date of agreement until September 30, 2021, or the duration of the agreement and receipt of public contributions under this subtitle, whichever period ends later; or

(ii) in the case of corporation, firm, or other business entity not specified under subparagraph (i), agrees to refrain from conducting involuntary layoffs or furloughs, or reducing pay rates and benefits, for the eligible employee group, subject to the employer's right to discipline or terminate an employee in accordance with employer policy for the duration of the agreement and receipt of public contributions under this subtitle.

(3) COVID-19 PUBLIC HEALTH EMERGENCY.—The term “COVID-19 public health emergency” means the public health emergency first declared on January 31, 2020, by the Secretary

of Health and Human Services under section 319 of the Public Health Service Act (42 U.S.C. 247d) with respect to the 2019 Novel Coronavirus (COVID-19) and includes any renewal of such declaration pursuant to such section 319.

(4) **EMPLOYEE.**—The term “employee” has the meaning given that term in section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203).

(5) **EMPLOYER.**—The term “employer” means an aviation manufacturing company that is an employer (as defined in section 3 of the Fair Labor Standards Act of 1938 (29 U.S.C. 203)).

(6) **PRIVATE CONTRIBUTION.**—The term “private contribution” means the contribution funded by the employer under this subtitle to maintain 50 percent of the eligible employee group’s total compensation level, and combined with the public contribution, is sufficient to maintain the total compensation level for the eligible employee group as of April 1, 2020.

(7) **PUBLIC CONTRIBUTION.**—The term “public contribution” means the contribution funded by the Federal Government under this title to provide 50 percent of the eligible employees group’s total compensation level, and combined with the private contribution, is sufficient to maintain the total compensation level for those in the eligible employee group as of April 1, 2020.

(8) **SECRETARY.**—The term “Secretary” means the Secretary of Transportation.

(9) **TOTAL COMPENSATION LEVEL.**—The term “total compensation level” means the level of total base compensation and benefits being provided to an eligible employee group employee, excluding overtime and premium pay, and excluding any Federal, State, or local payroll taxes paid, as of April 1, 2020.

**SEC. 7102. PAYROLL SUPPORT PROGRAM.**

(a) **IN GENERAL.**—The Secretary shall establish a payroll support program and enter into agreements with employers who meet the eligibility criteria specified in subsection (b) and are not ineligible under subsection (c), to provide public contributions to supplement compensation of an eligible employee group. There is appropriated for fiscal year 2021, out of amounts in the Treasury not otherwise appropriated, \$3,000,000,000, to remain available until September 30, 2023, for the Secretary to carry out the payroll support program authorized under the preceding sentence for which 1 percent of the funds may be used for implementation costs and administrative expenses.

(b) **ELIGIBILITY.**—The Secretary shall enter into an agreement and provide public contributions, for a term no longer than 6 months, solely with an employer that—

(1) agrees to use the funds received under an agreement exclusively for the continuation of employee wages, salaries, and benefits, to maintain the total compensation level for the eligible employee group as of April 1, 2020 for the duration of the agreement, and to facilitate the retention, rehire, or recall of employees of the employer, except that such funds may not be used for back pay of returning rehired or recalled employees; and

(2) agrees that any false, fictitious, misleading, or fraudulent information made or submitted by the employer, or the omission of any material fact by the employer, may subject the employer to criminal, civil, or administrative penalties for fraud, false statements, false claims, or otherwise pursuant to applicable Federal law.

(c) **INELIGIBILITY.**—The Secretary may not enter into any agreement under this section with an employer who was allowed a credit under section 2301 of the CARES Act (26 U.S.C. 3111 note) for any calendar quarter ending before such agreement is entered into, who received financial assistance under section 4113 of the CARES Act (15 U.S.C. 9073), or who is currently expending financial assistance under the paycheck protection program established under section 7(a)(36) of the Small Business Act (15 U.S.C. 636(a)(36)), as of the date the employer submits an application under the payroll support program established under subsection (a).

(d) **REDUCTIONS.**—To address any shortfall in assistance that would otherwise be provided under this subtitle, the Secretary shall reduce, on a pro rata basis, the financial assistance provided under this subtitle.

(e) **AGREEMENT DEADLINE.**—No agreement may be entered into by the Secretary under the payroll support program established under subsection (a) after the last day of the 6 month period that begins on the effective date of the first agreement entered into under such program.

## **Subtitle C—Continued Assistance to Rail Workers**

### **SEC. 7201. ADDITIONAL ENHANCED BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.**

(a) **IN GENERAL.**—Section 2(a)(5)(A) of the Railroad Unemployment Insurance Act (45 U.S.C. 352(a)(5)(A)) is amended—

(1) in the first sentence—

(A) by striking “March 14, 2021” and inserting “August 29, 2021”;

(B) by striking “or July 1, 2020” and inserting “July 1, 2020, or July 1, 2021”; and

(2) by adding at the end the following: “For registration periods beginning after March 14, 2021, but on or before August 29, 2021, the recovery benefit payable under this subparagraph shall be in the amount of \$800.”.

(b) **CLARIFICATION ON AUTHORITY TO USE FUNDS.**—Funds appropriated under subparagraph (B) of section 2(a)(5) of the Railroad Unemployment Insurance Act (45 U.S.C. 352(a)(5)) shall be available to cover the cost of recovery benefits provided under such section 2(a)(5) by reason of the amendments made by subsection (a) as well as to cover the cost of such benefits provided under such section 2(a)(5) as in effect on the day before the date of enactment of this Act.

### **SEC. 7202. EXTENDED UNEMPLOYMENT BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.**

(a) **IN GENERAL.**—Section 2(c)(2)(D) of the Railroad Unemployment Insurance Act (45 U.S.C. 352(c)(2)(D)) is amended—

- (1) in clause (i)—
  - (A) in subclause (I), by striking “185 days” and inserting “305 days”;
  - (B) in subclause (II),
    - (i) by striking “19 consecutive 14-day periods” and inserting “31 consecutive 14-day periods”; and
    - (ii) by striking “6 consecutive 14-day periods” and inserting “18 consecutive 14-day periods”;
- (2) in clause (ii)—
  - (A) by striking “120 days of unemployment” and inserting “240 days of unemployment”;
  - (B) by striking “12 consecutive 14-day periods” and inserting “24 consecutive 14-day periods”; and
  - (C) by striking “6 consecutive 14-day periods” and inserting “18 consecutive 14-day periods”; and
- (3) in clause (iii)—
  - (A) by striking “June 30, 2021” and inserting “June 30, 2022”; and
  - (B) by striking “the provisions of clauses (i) and (ii) shall not apply to any employee whose extended benefit period under subparagraph (B) begins after March 14, 2021, and shall not apply to any employee with respect to any registration period beginning after April 5, 2021.” and inserting “the provisions of clauses (i) and (ii) shall not apply to any employee with respect to any registration period beginning after August 29, 2021.”

(b) **CLARIFICATION ON AUTHORITY TO USE FUNDS.**—Funds appropriated under either the first or second sentence of clause (v) of section 2(c)(2)(D) of the Railroad Unemployment Insurance Act shall be available to cover the cost of additional extended unemployment benefits provided under such section 2(c)(2)(D) by reason of the amendments made by subsection (a) as well as to cover the cost of such benefits provided under such section 2(c)(2)(D) as in effect on the day before the date of enactment of this Act.

**SEC. 7203. EXTENSION OF WAIVER OF THE 7-DAY WAITING PERIOD FOR BENEFITS UNDER THE RAILROAD UNEMPLOYMENT INSURANCE ACT.**

(a) **IN GENERAL.**—Section 2112(a) of the CARES Act (15 U.S.C. 9030(a)) is amended by striking “March 14, 2021” and inserting “August 29, 2021”.

(b) **CLARIFICATION ON AUTHORITY TO USE FUNDS.**—Funds appropriated under section 2112(c) of the CARES Act (15 U.S.C. 9030(c)) shall be available to cover the cost of additional benefits payable due to section 2112(a) of such Act by reason of the amendments made by subsection (a) as well as to cover the cost of such benefits payable due to such section 2112(a) as in effect on the day before the date of enactment of this Act.

**SEC. 7204. RAILROAD RETIREMENT BOARD AND OFFICE OF THE INSPECTOR GENERAL FUNDING.**

In addition to amounts otherwise made available, there are appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated—

- (1) \$27,975,000, to remain available until expended, for the Railroad Retirement Board, to prevent, prepare for, and respond to coronavirus, of which—

(A) \$6,800,000 shall be for additional hiring and over-time bonuses as needed to administer the Railroad Unemployment Insurance Act; and

(B) \$21,175,000 shall be to supplement, not supplant, existing resources devoted to operations and improvements for the Information Technology Investment Initiatives of the Railroad Retirement Board; and

(2) \$500,000, to remain available until expended, for the Railroad Retirement Board Office of Inspector General for audit, investigatory and review activities, as authorized by the Inspector General Act of 1978.

## **TITLE VIII—COMMITTEE ON VETERANS' AFFAIRS**

### **SEC. 8001. FUNDING FOR CLAIMS AND APPEALS PROCESSING.**

In addition to amounts otherwise made available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$272,000,000, to remain available until September 30, 2023, pursuant to sections 308, 310, 7101 through 7113, 7701, and 7703 of title 38, United States Code.

### **SEC. 8002. FUNDING AVAILABILITY FOR MEDICAL CARE AND HEALTH NEEDS.**

In addition to amounts otherwise made available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$13,482,000,000, to remain available until September 30, 2023, for allocation under chapters 17, 20, 73, and 81 of title 38, United States Code, of which not more than \$4,000,000,000 shall be available pursuant to section 1703 of title 38, United States Code for health care furnished through the Veterans Community Care program.

### **SEC. 8003. FUNDING FOR SUPPLY CHAIN MODERNIZATION.**

In addition to amounts otherwise made available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$100,000,000, to remain available until September 30, 2022, for the supply chain modernization initiative under sections 308, 310, and 7301(b) of title 38, United States Code.

### **SEC. 8004. FUNDING FOR STATE HOMES.**

In addition to amounts otherwise made available, there are appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated—

(1) \$500,000,000, to remain available until expended, for allocation under sections 8131 through 8137 of title 38, United States Code; and

(2) \$250,000,000, to remain available until September 30, 2022, for a one-time only obligation and expenditure to existing State extended care facilities for veterans in proportion to each State's share of the total resident capacity in such facilities as of the date of enactment of this Act where such capacity includes only veterans on whose behalf the Department pays a per diem payment pursuant to section 1741 or 1745 of title 38, United States Code.

**SEC. 8005. FUNDING FOR THE DEPARTMENT OF VETERANS AFFAIRS  
OFFICE OF INSPECTOR GENERAL.**

In addition to amounts otherwise made available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$10,000,000, to remain available until expended, to carry out audits, investigations, and other oversight activities authorized under the Inspector General Act of 1978 (5 U.S.C. App.) of projects and activities carried out pursuant to this title.

**SEC. 8006. COVID-19 VETERAN RAPID RETRAINING ASSISTANCE PROGRAM.**

(a) **IN GENERAL.**—The Secretary of Veterans Affairs shall carry out a program under which the Secretary shall provide up to 12 months of retraining assistance to an eligible veteran for the pursuit of a covered program of education. Such retraining assistance shall be in addition to any other entitlement to educational assistance or benefits for which a veteran is, or has been, eligible.

(b) **ELIGIBLE VETERANS.**—

(1) **IN GENERAL.**—In this section, the term “eligible veteran” means a veteran who—

(A) as of the date of the receipt by the Department of Veterans Affairs of an application for assistance under this section, is at least 22 years of age but not more than 66 years of age;

(B) as of such date, is unemployed by reason of the covered public health emergency, as certified by the veteran;

(C) as of such date, is not eligible to receive educational assistance under chapter 30, 31, 32, 33, or 35 of title 38, United States Code, or chapter 1606 of title 10, United States Code;

(D) is not enrolled in any Federal or State jobs program;

(E) is not in receipt of compensation for a service-connected disability rated totally disabling by reason of unemployability; and

(F) will not be in receipt of unemployment compensation (as defined in section 85(b) of the Internal Revenue Code of 1986), including any cash benefit received pursuant to subtitle A of title II of division A of the CARES Act (Public Law 116–136), as of the first day on which the veteran would receive a housing stipend payment under this section.

(2) **TREATMENT OF VETERANS WHO TRANSFER ENTITLEMENT.**—For purposes of paragraph (1)(C), a veteran who has transferred all of the veteran’s entitlement to educational assistance under section 3319 of title 38, United States Code, shall be considered to be a veteran who is not eligible to receive educational assistance under chapter 33 of such title.

(3) **FAILURE TO COMPLETE.**—A veteran who receives retraining assistance under this section to pursue a program of education and who fails to complete the program of education shall not be eligible to receive additional assistance under this section.

(c) **COVERED PROGRAMS OF EDUCATION.**—

(1) **IN GENERAL.**—For purposes of this section, a covered program of education is a program of education (as such term is

defined in section 3452(b) of title 38, United States Code) for training, pursued on a full-time or part-time basis—

(A) that—

- (i) is approved under chapter 36 of such title;
- (ii) does not lead to a bachelors or graduate degree;
- and
- (iii) is designed to provide training for a high-demand occupation, as determined under paragraph (3);

or

(B) that is a high technology program of education offered by a qualified provider, under the meaning given such terms in section 116 of the Harry W. Colmery Veterans Educational Assistance Act of 2017 (Public Law 115–48; 38 U.S.C. 3001 note).

(2) ACCREDITED PROGRAMS.—In the case of an accredited program of education, the program of education shall not be considered a covered program of education under this section if the program has received a show cause order from the accreditor of the program during the five-year period preceding the date of the enactment of this Act.

(3) DETERMINATION OF HIGH-DEMAND OCCUPATIONS.—

(A) INITIAL IMPLEMENTATION.—In carrying out this section, the Secretary shall use the list of high-demand occupations compiled by the Commissioner of Labor Statistics until the final list under subparagraph (C) is complete.

(B) STUDY REQUIRED.—The Secretary of Veterans Affairs shall enter into an agreement with a federally funded research and development corporation or another appropriate non-Department entity for the conduct of a study to determine which occupations are high-demand occupations. Such study shall be completed not later than 90 days after the date of the enactment of this Act.

(C) FINAL LIST.—The Secretary—

(i) may add or remove occupation from the list in use pursuant to subparagraph (A) during the 90-day period following the completion of the study required by subparagraph (B);

(ii) shall issue a final list of high-demand occupations for use under this section by not later than 90 days after the date of the completion of the study; and

(iii) shall make such final list publicly available on a website of the Department.

(D) USE OF LIST.—The Secretary shall use the list developed under this paragraph in order to apply the requirement that retraining assistance under this section is used for training for a high-demand occupation, but the Secretary may remove occupations from the list as the Secretary determines appropriate.

(4) FULL-TIME DEFINED.—For purposes of this subsection, the term “full-time” has the meaning given such term under section 3688 of title 38, United States Code.

(d) AMOUNT OF ASSISTANCE.—

(1) RETRAINING ASSISTANCE.—The Secretary of Veterans Affairs shall provide to an eligible veteran pursuing a covered program of education under the retraining assistance program

under this section an amount equal to the amount of educational assistance payable under section 3313(c)(1)(A) of title 38, United States Code, for each month the veteran pursues the covered program of education. Such amount shall be payable directly to the educational institution offering the covered program of education pursued by the veteran as follows:

(A) 50 percent of the total amount payable shall be paid when the eligible veteran begins the program of education.

(B) 25 percent of the total amount payable shall be paid when the eligible veteran completes the program of education.

(C) 25 percent of the total amount payable shall be paid when the eligible veteran finds employment in a field related to the program of education.

(2) FAILURE TO COMPLETE.—

(A) PRO-RATED PAYMENTS.—In the case of a veteran who pursues a covered program of education under the retraining assistance program under this section, but who does not complete the program of education, the Secretary shall pay to the educational institution offering such program of education a pro-rated amount based on the number of months the veteran pursued the program of education in accordance with this paragraph.

(B) PAYMENT OTHERWISE DUE UPON COMPLETION OF PROGRAM.—The Secretary shall pay to the educational institution a pro-rated amount under paragraph (1)(B) when the veteran provides notice to the educational institution that the veteran no longer intends to pursue the program of education.

(C) NONRECOVERY FROM VETERAN.—In the case of a veteran referred to in subparagraph (A), the educational institution may not seek payment from the veteran for any amount that would have been payable under paragraph (1)(B) had the veteran completed the program of education.

(D) PAYMENT DUE UPON EMPLOYMENT.—

(i) VETERANS WHO FIND EMPLOYMENT.—In the case of a veteran referred to in subparagraph (A) who finds employment in a field related to the program of education during the 180-day period beginning on the date on which the veteran withdraws from the program of education, the Secretary shall pay to the educational institution a pro-rated amount under paragraph (1)(C) when the veteran finds such employment.

(ii) VETERANS WHO DO NOT FIND EMPLOYMENT.—In the case of a veteran referred to in subparagraph (A) who does not find employment in a field related to the program of education during the 180-day period beginning on the date on which the veteran withdraws from the program of education—

(I) the Secretary shall not make a payment to the educational institution under paragraph (1)(C); and

(II) the educational institution may not seek payment from the veteran for any amount that would have been payable under paragraph (1)(C)

had the veteran found employment during such 180-day period.

(3) HOUSING STIPEND.—For each month that an eligible veteran pursues a covered program of education under the retraining assistance program under this section, the Secretary shall pay to the veteran a monthly housing stipend in an amount equal to—

(A) in the case of a covered program of education leading to a degree, or a covered program of education not leading to a degree, at an institution of higher learning (as that term is defined in section 3452(f) of title 38, United States Code) pursued on more than a half-time basis, the amount specified under subsection (c)(1)(B) of section 3313 of title 38, United States Code;

(B) in the case of a covered program of education other than a program of education leading to a degree at an institution other than an institution of higher learning pursued on more than a half-time basis, the amount specified under subsection (g)(3)(A)(ii) of such section; or

(C) in the case of a covered program of education pursued on less than a half-time basis, or a covered program of education pursued solely through distance learning on more than a half-time basis, the amount specified under subsection (c)(1)(B)(iii) of such section.

(4) FAILURE TO FIND EMPLOYMENT.—The Secretary shall not make a payment under paragraph (1)(C) with respect to an eligible veteran who completes or fails to complete a program of education under the retraining assistance program under this section if the veteran fails to find employment in a field related to the program of education within the 180-period beginning on the date on which the veteran withdraws from or completes the program.

(e) NO TRANSFERABILITY.—Retraining assistance provided under this section may not be transferred to another individual.

(f) EMPLOYEE ASSISTANCE.—The Secretary of Veterans Affairs, in consultation with the Secretary of Labor, shall contact each veteran who pursues a covered program of education under this section—

(1) not later than 30 days after the date on which the veteran begins the program of education to notify the veteran of the availability of employment placement services upon completion of the program; and

(2) not later than 14 days after the date on which the veteran completes, or terminates participation in, such program to facilitate the provision of employment placement services to such veteran.

(g) NONPROFIT ORGANIZATION.—

(1) IN GENERAL.—The Secretary of Veterans Affairs shall seek to enter into a memorandum of understanding with one or more qualified nonprofit organizations for the purpose of facilitating the employment of veterans who participate in the retraining assistance program under this section.

(2) QUALIFIED NONPROFIT ORGANIZATION.—For purposes of this subsection, a qualified nonprofit organization is a nonprofit organization that—

(A) is an association of businesses; and

(B) has at least two years of experience providing job placement services for veterans.

(h) FOLLOW UP OUTREACH.—The Secretary of Veterans Affairs, in coordination with the Secretary of Labor, shall contact each veteran who completes a covered program of education under the retraining assistance program under this section 30, 60, 90, and 180 days after the veteran completes such program of education to ask the veteran about the experience of the veteran in the retraining assistance program and the veteran's employment status.

(i) QUARTERLY REPORTS.—Not later than the date that is one year after the date of the enactment of this Act, and quarterly thereafter, the Secretary of Labor shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report containing the following information about veterans who participate in the retraining assistance program under this section:

(1) The percentage of such veterans who found employment before the end of the second calendar quarter after exiting the program.

(2) The percentage of such veterans who found employment before the end of the fourth calendar quarter after exiting the program.

(3) The median earnings of all such veterans for the second quarter after exiting the program.

(4) The percentage of such veterans who attain a recognized postsecondary credential during the 12-month period after exiting the program.

(j) LIMITATION.—Not more than 17,250 eligible veterans may receive retraining assistance under this section.

(k) TERMINATION.—No retraining assistance may be paid under this section after the date that is 21 months after the date of the enactment of this Act.

(l) COMPTROLLER GENERAL REPORT.—Not later than 180 days after the termination of the retraining assistance program under subsection (k), the Comptroller General shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives a report on the outcomes and effectiveness of the program.

(m) DEFINITIONS.—In this section:

(1) The term "covered public health emergency" means the declaration—

(A) of a public health emergency, based on an outbreak of COVID-19 by the Secretary of Health and Human Services under section 319 of the Public Health Service Act (42 U.S.C. 247d); or

(B) of a domestic emergency, based on an outbreak of COVID-19 by the President, the Secretary of Homeland Security, or State, or local authority.

(2) The term "veteran" means—

(A) a person who served in the active military, naval, or air service, and who was discharged or released therefrom under conditions other than dishonorable; or

(B) a member of a reserve component of the Armed Forces who performs active service for a period of 30 days or longer by reason of the covered public health emergency.

(3) The term “active service” has the meaning given such term in section 101 of title 10, United States Code.

(n) FUNDING.—In addition to amounts otherwise available there is appropriated to the Department of Veterans Affairs for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$386,000,000, to remain available until expended, to carry out this section.

**SEC. 8007. PROHIBITION ON COPAYMENTS AND COST SHARING FOR VETERANS DURING EMERGENCY RELATING TO COVID-19.**

(a) IN GENERAL.—The Secretary of Veterans Affairs—

(1) shall not require a veteran to pay a copayment or other cost sharing with respect to health care under the laws administered by the Secretary received by the veteran during the period specified in subsection (b); and

(2) shall reimburse any veteran who paid a copayment or other cost sharing for health care under the laws administered by the Secretary received by the veteran during such period the amount paid by the veteran.

(b) PERIOD SPECIFIED.—The period specified in this subsection is the period beginning on April 6, 2020, and ending on September 30, 2021.

(c) FUNDING.—In addition to amounts otherwise available, there is appropriated to the Secretary of Veterans Affairs for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$2,000,000,000, to remain available until expended, to carry out this section.

## **TITLE IX—COMMITTEE ON WAYS AND MEANS**

### **Subtitle A—Crisis Support for Unemployed Workers**

**SEC. 9001. SHORT TITLE.**

This subtitle may be cited as the “Crisis Support for Unemployed Workers Act”.

### **PART 1—EXTENSION OF CARES ACT UNEMPLOYMENT PROVISIONS**

**SEC. 9011. EXTENSION OF PANDEMIC UNEMPLOYMENT ASSISTANCE.**

(a) IN GENERAL.—Section 2102(c) of the CARES Act (15 U.S.C. 9021(c)) is amended—

(1) in paragraph (1)—

(A) by striking “paragraphs (2) and (3)” and inserting “paragraph (2)”; and

(B) in subparagraph (A)(ii), by striking “March 14, 2021” and inserting “August 29, 2021”; and

(2) by striking paragraph (3) and redesignating paragraph (4) as paragraph (3).

(b) INCREASE IN NUMBER OF WEEKS.—Section 2102(c)(2) of such Act (15 U.S.C. 9021(c)(2)) is amended—

- (1) by striking “50 weeks” and inserting “74 weeks”; and
- (2) by striking “50-week period” and inserting “74-week period”.

(c) **HOLD HARMLESS FOR PROPER ADMINISTRATION.**—In the case of an individual who is eligible to receive pandemic unemployment assistance under section 2102 of the CARES Act (15 U.S.C. 9021) as of the day before the date of enactment of this Act and on the date of enactment of this Act becomes eligible for pandemic emergency unemployment compensation under section 2107 of the CARES Act (15 U.S.C. 9025) by reason of the amendments made by section 9016(b) of this title, any payment of pandemic unemployment assistance under such section 2102 made after the date of enactment of this Act to such individual during an appropriate period of time, as determined by the Secretary of Labor, that should have been made under such section 2107 shall not be considered to be an overpayment of assistance under such section 2102, except that an individual may not receive payment for assistance under section 2102 and a payment for assistance under section 2107 for the same week of unemployment.

(d) **EFFECTIVE DATE.**—The amendments made by subsections (a) and (b) shall apply as if included in the enactment of the CARES Act (Public Law 116–136), except that no amount shall be payable by virtue of such amendments with respect to any week of unemployment commencing before the date of the enactment of this Act.

**SEC. 9012. EXTENSION OF EMERGENCY UNEMPLOYMENT RELIEF FOR GOVERNMENTAL ENTITIES AND NONPROFIT ORGANIZATIONS.**

(a) **IN GENERAL.**—Section 903(i)(1)(D) of the Social Security Act (42 U.S.C. 1103(i)(1)(D)) is amended by striking “March 14, 2021” and inserting “August 29, 2021”.

(b) **INCREASE IN REIMBURSEMENT RATE.**—Section 903(i)(1)(B) of such Act (42 U.S.C. 1103(i)(1)(B)) is amended—

- (1) in the first sentence, by inserting “and except as otherwise provided in this subparagraph” after “as determined by the Secretary of Labor”; and
- (2) by inserting after the first sentence the following: “With respect to the amounts of such compensation paid for weeks of unemployment beginning after March 31, 2021, and ending on or before August 29, 2021, the preceding sentence shall be applied by substituting ‘75 percent’ for ‘one-half.’”.

**SEC. 9013. EXTENSION OF FEDERAL PANDEMIC UNEMPLOYMENT COMPENSATION.**

(a) **IN GENERAL.**—Section 2104(e)(2) of the CARES Act (15 U.S.C. 9023(e)(2)) is amended by striking “March 14, 2021” and inserting “August 29, 2021”.

(b) **AMOUNT.**—Section 2104(b)(3)(A) of such Act (15 U.S.C. 9023(b)(3)(A)) is amended by adding at the end the following:

- “(iii) For weeks of unemployment ending after March 14, 2021, and ending on or before August 29, 2021, \$400.”.

(c) **DISREGARD OF CERTAIN ADDITIONAL COMPENSATION FOR PURPOSES OF MEDICAID AND CHIP.**—Section 2104(h) of the CARES Act (15 U.S.C. 9023(h)) is amended by striking “Federal pandemic unemployment compensation” and inserting “Federal Pandemic Un-

employment Compensation or Mixed Earner Unemployment Compensation”.

**SEC. 9014. EXTENSION OF FULL FEDERAL FUNDING OF THE FIRST WEEK OF COMPENSABLE REGULAR UNEMPLOYMENT FOR STATES WITH NO WAITING WEEK.**

(a) **IN GENERAL.**—Section 2105(e)(2) of the CARES Act (15 U.S.C. 9024(e)(2)) is amended by striking “March 14, 2021” and inserting “August 29, 2021”.

(b) **FULL REIMBURSEMENT.**—Paragraph (3) of section 2105(c) of such Act (15 U.S.C. 9024(c)) is repealed and such section shall be applied to weeks of unemployment to which an agreement under section 2105 of such Act applies as if such paragraph had not been enacted.

**SEC. 9015. EXTENSION OF EMERGENCY STATE STAFFING FLEXIBILITY.**

Section 4102(b) of the Families First Coronavirus Response Act (26 U.S.C. 3304 note), in the second sentence, is amended by striking “March 14, 2021” and inserting “August 29, 2021”.

**SEC. 9016. EXTENSION OF PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION.**

(a) **IN GENERAL.**—Section 2107(g) of the CARES Act (15 U.S.C. 9025(g)) is amended to read as follows:

“(g) **APPLICABILITY.**—An agreement entered into under this section shall apply to weeks of unemployment—

“(1) beginning after the date on which such agreement is entered into; and

“(2) ending on or before August 29, 2021.”.

(b) **INCREASE IN NUMBER OF WEEKS.**—Section 2107(b)(2) of such Act (15 U.S.C. 9025(b)(2)) is amended by striking “24” and inserting “48”.

(c) **COORDINATION RULES.**—

(1) **COORDINATION OF PANDEMIC EMERGENCY UNEMPLOYMENT COMPENSATION WITH EXTENDED COMPENSATION.**—

(A) **INDIVIDUALS RECEIVING EXTENDED COMPENSATION AS OF THE DATE OF ENACTMENT.**—Section 2107(a)(5) of such Act (15 U.S.C. 9025(a)(5)) is amended—

(i) by striking “RULE.—An agreement” and inserting the following: “RULES.—

“(A) **IN GENERAL.**—Subject to subparagraph (B), an agreement”; and

(ii) by adding at the end the following:

“(B) **SPECIAL RULE.**—In the case of an individual who is receiving extended compensation under the State law for the week that includes the date of enactment of this subparagraph (without regard to the amendments made by subsections (a) and (b) of section 9016 of the Crisis Support for Unemployed Workers Act), such individual shall not be eligible to receive pandemic emergency unemployment compensation by reason of such amendments until such individual has exhausted all rights to such extended benefits.”.

(B) **ELIGIBILITY FOR EXTENDED COMPENSATION.**—Section 2107(a) of such Act (15 U.S.C. 9025(a)) is amended by adding at the end the following:

“(8) SPECIAL RULE FOR EXTENDED COMPENSATION.—At the option of a State, for any weeks of unemployment beginning after the date of the enactment of this paragraph and ending on or before August 29, 2021, an individual’s eligibility period (as described in section 203(c) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note)) shall, for purposes of any determination of eligibility for extended compensation under the State law of such State, be considered to include any week which begins—

“(A) after the date as of which such individual exhausts all rights to pandemic emergency unemployment compensation; and

“(B) during an extended benefit period that began on or before the date described in subparagraph (A).”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply as if included in the enactment of the CARES Act (Public Law 116–136), except that no amount shall be payable by virtue of such amendments with respect to any week of unemployment commencing before the date of the enactment of this Act.

**SEC. 9017. EXTENSION OF TEMPORARY FINANCING OF SHORT-TIME COMPENSATION PAYMENTS IN STATES WITH PROGRAMS IN LAW.**

Section 2108(b)(2) of the CARES Act (15 U.S.C. 9026(b)(2)) is amended by striking “March 14, 2021” and inserting “August 29, 2021”.

**SEC. 9018. EXTENSION OF TEMPORARY FINANCING OF SHORT-TIME COMPENSATION AGREEMENTS FOR STATES WITHOUT PROGRAMS IN LAW.**

Section 2109(d)(2) of the CARES Act (15 U.S.C. 9027(d)(2)) is amended by striking “March 14, 2021” and inserting “August 29, 2021”.

## **PART 2—EXTENSION OF FFCRA UNEMPLOYMENT PROVISIONS**

**SEC. 9021. EXTENSION OF TEMPORARY ASSISTANCE FOR STATES WITH ADVANCES.**

Section 1202(b)(10)(A) of the Social Security Act (42 U.S.C. 1322(b)(10)(A)) is amended by striking “March 14, 2021” and inserting “August 29, 2021”.

**SEC. 9022. EXTENSION OF FULL FEDERAL FUNDING OF EXTENDED UNEMPLOYMENT COMPENSATION.**

Section 4105 of the Families First Coronavirus Response Act (26 U.S.C. 3304 note) is amended by striking “March 14, 2021” each place it appears and inserting “August 29, 2021”.

## **PART 3—DEPARTMENT OF LABOR FUNDING FOR TIMELY, ACCURATE, AND EQUITABLE PAYMENT**

**SEC. 9031. FUNDING FOR ADMINISTRATION.**

In addition to amounts otherwise available, there is appropriated to the Employment and Training Administration of the Department of Labor for fiscal year 2021, out of any money in the Treas-

ury not otherwise appropriated, \$8,000,000, to remain available until expended, for necessary expenses to carry out Federal activities relating to the administration of unemployment compensation programs.

**SEC. 9032. FUNDING FOR FRAUD PREVENTION, EQUITABLE ACCESS, AND TIMELY PAYMENT TO ELIGIBLE WORKERS.**

(a) **IN GENERAL.**—In addition to amounts otherwise available, there is appropriated to the Secretary of Labor for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$2,000,000,000, to remain available until expended, to detect and prevent fraud, promote equitable access, and ensure the timely payment of benefits with respect to unemployment insurance programs, including programs extended under this subtitle.

(b) **USE OF FUNDS.**—Amounts made available under subsection (a) may be used—

(1) for Federal administrative costs related to the purposes described in subsection (a);

(2) for systemwide infrastructure investment and development related to such purposes;

(3) to make grants to States or territories administering unemployment insurance programs described in subsection (a) for such purposes, including the establishment of procedures or the building of infrastructure to verify or validate identity, implement Federal guidance regarding fraud detection and prevention, and accelerate claims processing or process claims backlogs due to the pandemic; and

(4) for transfer to the Inspector General of the Department of Labor, to the Attorney General, to the Commissioner of Internal Revenue, or to other Federal agencies investigating identity theft crime affecting Federal unemployment benefits, as determined appropriate by the Secretary, for the development of State tools for fraud detection or prevention or for the investigation or prosecution of fraud.

(c) **RESTRICTIONS ON GRANTS TO STATES AND TERRITORIES.**—As a condition of receiving a grant under subsection (b)(3), the Secretary may require that a State or territory receiving such a grant shall—

(1) use such program integrity tools as the Secretary may specify; and

(2) as directed by the Secretary, conduct user accessibility testing on any new system developed by the Secretary pursuant to subsection (b)(2).

## **Subtitle B—Emergency Assistance to Families Through Home Visiting Programs**

**SEC. 9101. EMERGENCY ASSISTANCE TO FAMILIES THROUGH HOME VISITING PROGRAMS.**

Title V of the Social Security Act (42 U.S.C. 701-713) is amended by inserting after section 511 the following:

**“SEC. 511A. EMERGENCY ASSISTANCE TO FAMILIES THROUGH HOME VISITING PROGRAMS.**

“(a) **SUPPLEMENTAL APPROPRIATION.**—In addition to amounts otherwise appropriated, out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated

to the Secretary \$150,000,000, to remain available through September 30, 2022, to enable eligible entities to conduct programs in accordance with section 511 and subsection (c) of this section.

“(b) ELIGIBILITY FOR FUNDS.—To be eligible to receive funds made available by subsection (a) of this section, an entity shall—

“(1) as of the date of the enactment of this section, be conducting a program under section 511;

“(2) ensure the modification of grants, contracts, and other agreements, as applicable, executed under section 511 under which the program is conducted as are necessary to provide that, during the period that begins with the date of the enactment of this section and ends with the end of the 2nd succeeding fiscal year after the funds are awarded, the entity shall—

“(A) not reduce funding for, or staffing levels of, the program on account of reduced enrollment in the program; and

“(B) when using funds to provide emergency supplies to eligible families receiving grant services under section 511, ensure coordination with local diaper banks to the extent practicable; and

“(3) reaffirm that, in conducting the program, the entity will focus on priority populations (as defined in section 511(d)(4)).

“(c) USES OF FUNDS.—An entity to which funds are provided under this section may use the funds—

“(1) to serve families with home visits or with virtual visits, that may be conducted by the use of electronic information and telecommunications technologies, in a service delivery model described in section 511(d)(3)(A);

“(2) to pay hazard pay or other additional staff costs associated with providing home visits or administration for programs funded under section 511;

“(3) to train home visitors employed by the entity in conducting a virtual home visit and in emergency preparedness and response planning for families served, and may include training on how to safely conduct intimate partner violence screenings, and training on safety and planning for families served to support the family outcome improvements listed in section 511(d)(2)(B);

“(4) for the acquisition by families served by programs under section 511 of such technological means as are needed to conduct and support a virtual home visit;

“(5) to provide emergency supplies (such as diapers and diapering supplies including diaper wipes and diaper cream, necessary to ensure that a child using a diaper is properly cleaned and protected from diaper rash, formula, food, water, hand soap and hand sanitizer) to an eligible family (as defined in section 511(k)(2));

“(6) to coordinate with and provide reimbursement for supplies to diaper banks when using such entities to provide emergency supplies specified in paragraph (5); and

“(7) to provide prepaid grocery cards to an eligible family (as defined in section 511(k)(2)) participating in the maternal, infant, and early childhood home visiting program under section

511 for the purpose of enabling the family to meet the emergency needs of the family.”.

## **Subtitle C—Emergency Assistance to Children and Families**

### **SEC. 9201. PANDEMIC EMERGENCY ASSISTANCE FUND.**

Section 403 of the Social Security Act (42 U.S.C. 603) is amended by adding at the end the following:

“(c) PANDEMIC EMERGENCY ASSISTANCE FUND.—

“(1) ESTABLISHMENT.—There is established in the Treasury of the United States a fund which shall be known as the ‘Pandemic Emergency Assistance Fund’ (in this section referred to as the ‘Fund’) for the duration of the applicable period.

“(2) DEPOSITS INTO FUND.—Out of any money in the Treasury of the United States not otherwise appropriated, there are appropriated for payment to the Fund \$1,000,000,000, to remain available until expended.

“(3) RESERVATION OF FUNDS FOR TECHNICAL ASSISTANCE.—Of the amount specified in paragraph (2), the Secretary shall reserve \$2,000,000 for administrative expenses and the provision of technical assistance to States and Indian tribes with respect to the use of funds provided under this subsection.

“(4) ALLOTMENTS.—

“(A) 50 STATES AND THE DISTRICT OF COLUMBIA.—

“(i) TOTAL AMOUNT TO BE ALLOTTED.—The Secretary shall allot a total of 92.5 percent of the amount specified in paragraph (2) that is not reserved under paragraph (3) among the States that are not a territory and that are operating a program funded under this part, in accordance with clause (ii) of this subparagraph.

“(ii) ALLOTMENT FORMULA.—The Secretary shall allot to each such State the sum of the following percentages of the total amount described in clause (i):

“(I) 50 percent, multiplied by—

“(aa) the population of children in the State, determined on the basis of the most recent population estimates as determined by the Bureau of the Census; divided by

“(bb) the total population of children in the States that are not territories, as so determined; plus

“(II) 50 percent, multiplied by—

“(aa) the total amount expended by the State for basic assistance, non-recurrent short term benefits, and emergency assistance in fiscal year 2019, as reported by the State under section 411; divided by

“(bb) the total amount expended by the States that are not territories for basic assistance, non-recurrent short term benefits, and emergency assistance in fiscal year 2019, as so reported by the States.

“(B) TERRITORIES AND INDIAN TRIBES.—The Secretary shall allot among the territories and Indian tribes otherwise eligible for a grant under this part such portions of 7.5 percent of the amount specified in paragraph (2) that are not reserved under paragraph (3) as the Secretary deems appropriate based on the needs of the territory or tribe involved.

“(C) EXPENDITURE COMMITMENT REQUIREMENT.—To receive the full amount of funding payable under this subsection, a State or Indian tribe shall inform the Secretary as to whether it intends to use all of its allotment under this paragraph and provide that information—

“(i) in the case of a State that is not a territory, within 45 days after the date of the enactment of this subsection; or

“(ii) in the case of a territory or an Indian tribe, within 90 days after such date of enactment.

“(5) GRANTS.—

“(A) IN GENERAL.—The Secretary shall provide funds to each State and Indian tribe to which an amount is allotted under paragraph (4), from the amount so allotted.

“(B) TREATMENT OF UNUSED FUNDS.—

“(i) REALLOTMENT.—The Secretary shall reallocate in accordance with paragraph (4) all funds provided to any State or Indian tribe under this subsection that are unused, among the other States and Indian tribes eligible for funds under this subsection. For purposes of paragraph (4), the Secretary shall treat the funds as if included in the amount specified in paragraph (2).

“(ii) PROVISION.—The Secretary shall provide funds to each such other State or Indian tribe in an amount equal to the amount so reallocated.

“(6) RECIPIENT OF FUNDS PROVIDED FOR TERRITORIES.—In the case of a territory not operating a program funded under this part, the Secretary shall provide the funds required to be provided to the territory under this subsection, to the agency that administers the bulk of local human services programs in the territory.

“(7) USE OF FUNDS.—

“(A) IN GENERAL.—A State or Indian tribe to which funds are provided under this subsection may use the funds only for non-recurrent short term benefits, whether in the form of cash or in other forms.

“(B) LIMITATION ON USE FOR ADMINISTRATIVE EXPENSES.—A State to which funds are provided under this subsection shall not expend more than 15 percent of the funds for administrative purposes.

“(C) NONSUPPLANTATION.—Funds provided under this subsection shall be used to supplement and not supplant other Federal, State, or tribal funds for services and activities that promote the purposes of this part.

“(D) EXPENDITURE DEADLINE.—

“(i) IN GENERAL.—Except as provided in clause (ii), a State or Indian tribe to which funds are provided

under this subsection shall expend the funds not later than the end of fiscal year 2022.

“(ii) EXCEPTION FOR REALLOTTED FUNDS.—A State or Indian tribe to which funds are provided under paragraph (5)(B) shall expend the funds within 12 months after receipt.

“(8) EXPENDITURE REPORTS.—

“(A) IN GENERAL.—On expending all funds provided to a State or Indian tribe under this subsection, the entity shall submit to the Secretary a written report that describes how the funds were expended, which report shall be so submitted—

“(i) if the entity is a State that is not a territory, within 90 days after expenditure; or

“(ii) if the entity is a territory or is operating a tribal program funded under this part, within 120 days after expenditure.

“(B) AUTHORITY TO COLLECT AND ADJUST EXPENDITURE DATA.—For the purpose of determining whether a State has expended the funds provided to the State under this subsection, the Secretary may—

“(i) develop a mechanism for collecting the expenditure data;

“(ii) make appropriate adjustments to the data, on a State-by-State basis, to ensure that the data are comparable with respect to the groups of families served and the types of aid provided; and

“(iii) set deadlines for making revisions to the data.

“(9) SUSPENSION OF TERRITORY SPENDING CAP.—Section 1108 shall not apply with respect to any funds provided under this subsection.

“(10) IMPLEMENTATION.—The Secretary shall implement this subsection as soon as is practicable, pursuant to appropriate guidance to States.

“(11) DEFINITIONS.—In this subsection:

“(A) APPLICABLE PERIOD.—The term ‘applicable period’ means the period that begins with April 1, 2021, and ends with September 30, 2022.

“(B) NON-RECURRENT SHORT TERM BENEFITS.—The term ‘non-recurrent short term benefits’ has the meaning given the term in OMB approved Form ACF-196R, published on July 31, 2014.

“(C) STATE.—The term ‘State’ means the 50 States of the United States, the District of Columbia, and the territories.

“(D) TERRITORY.—The term ‘territory’ means the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.”.

## **Subtitle D—Elder Justice and Support Guarantee**

### **SEC. 9301. ADDITIONAL FUNDING FOR AGING AND DISABILITY SERVICES PROGRAMS.**

Subtitle A of title XX of the Social Security Act (42 U.S.C. 1397-1397h) is amended by adding at the end the following:

#### **“SEC. 2010. ADDITIONAL FUNDING FOR AGING AND DISABILITY SERVICES PROGRAMS.**

“(a) **APPROPRIATION.**—In addition to amounts otherwise available, there is appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated, \$276,000,000, to remain available until expended, to carry out the programs described in subtitle B.

“(b) **USE OF FUNDS.**—

“(1) **IN GENERAL.**—Of the amounts made available by subsection (a)—

“(A) \$88,000,000 shall be made available to carry out the programs described in subtitle B in fiscal year 2021, of which not less than an amount equal to \$100,000,000 minus the amount previously provided in fiscal year 2021 to carry out section 2042(b) shall be made available to carry out such section; and

“(B) \$188,000,000 shall be made available to carry out the programs described in subtitle B in fiscal year 2022, of which not less than \$100,000,000 shall be for activities described in section 2042(b).

“(2) **SERVICES FOR ALL ADULTS.**—The amounts made available by subsection (a) of this section to carry out section 2042(b) may be used to provide services under programs described in section 2042(b) for all adults.”.

## **Subtitle E—Support to Skilled Nursing Facilities in Response to COVID-19**

### **SEC. 9401. PROVIDING FOR INFECTION CONTROL SUPPORT TO SKILLED NURSING FACILITIES THROUGH CONTRACTS WITH QUALITY IMPROVEMENT ORGANIZATIONS.**

Section 1862(g) of the Social Security Act (42 U.S.C. 1395y(g)) is amended—

(1) by striking “The Secretary” and inserting “(1) The Secretary”; and

(2) by adding at the end the following new paragraph:

“(2) In addition to any amounts otherwise available, there is appropriated to the Secretary, out of any monies in the Treasury not otherwise appropriated, \$200,000,000, to remain available until expended, for purposes of carrying out infection control support (as determined appropriate by the Secretary) through the development and dissemination of protocols relating to the prevention or mitigation of COVID-19 in skilled nursing facilities (as defined in section 1819(a)).”.

**SEC. 9402. FUNDING FOR STRIKE TEAMS FOR RESIDENT AND EMPLOYEE SAFETY IN SKILLED NURSING FACILITIES.**

Section 1819 of the Social Security Act (42 U.S.C. 1395i-3) is amended by adding at the end the following new subsection:

“(k) FUNDING FOR STRIKE TEAMS.—In addition to amounts otherwise available, there is appropriated to the Secretary, out of any monies in the Treasury not otherwise appropriated, \$250,000,000, to remain available until expended, for purposes of allocating such amount among the States (including the District of Columbia and each territory of the United States) to increase the capacity of such a State to respond to COVID-19 by allowing such a State to establish and implement a strike team that will be deployed to a skilled nursing facility in the State with diagnosed or suspected cases of COVID-19 among residents or staff for the purposes of assisting with clinical care, infection control, or staffing during the emergency period described in section 1135(g)(1)(B).”.

## **Subtitle F—Preserving Health Benefits for Workers**

**SEC. 9500. SHORT TITLE.**

This subtitle may be cited as the “Worker Health Coverage Protection Act”.

**SEC. 9501. PRESERVING HEALTH BENEFITS FOR WORKERS.**

(a) PREMIUM ASSISTANCE FOR COBRA CONTINUATION COVERAGE FOR INDIVIDUALS AND THEIR FAMILIES.—

(1) PROVISION OF PREMIUM ASSISTANCE.—

(A) REDUCTION OF PREMIUMS PAYABLE.—In the case of any premium for a period of coverage during the period beginning on the first day of the first month beginning after the date of the enactment of this Act, and ending on September 30, 2021, for COBRA continuation coverage with respect to any assistance eligible individual described in paragraph (3), such individual shall be treated for purposes of any COBRA continuation provision as having paid the amount of such premium if such individual pays (or any person other than such individual’s employer pays on behalf of such individual) 15 percent of the amount of such premium.

(B) PLAN ENROLLMENT OPTION.—

(i) IN GENERAL.—Notwithstanding the COBRA continuation provisions, any assistance eligible individual who is enrolled in a group health plan offered by a plan sponsor may, not later than 90 days after the date of notice of the plan enrollment option described in this subparagraph, elect to enroll in coverage under a plan offered by such plan sponsor that is different than coverage under the plan in which such individual was enrolled at the time, in the case of any assistance eligible individual described in paragraph (3), the qualifying event specified in section 603(2) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(3)(B) of the Internal Revenue Code of 1986, or section 2203(2) of the Public Health Service

Act, except for the voluntary termination of such individual's employment by such individual, occurred, and such coverage shall be treated as COBRA continuation coverage for purposes of the applicable COBRA continuation coverage provision.

(ii) REQUIREMENTS.—Any assistance eligible individual may elect to enroll in different coverage as described in clause (i) only if—

(I) the employer involved has made a determination that such employer will permit such assistance eligible individual to enroll in different coverage as provided under this subparagraph;

(II) the premium for such different coverage does not exceed the premium for coverage in which such individual was enrolled at the time such qualifying event occurred;

(III) the different coverage in which the individual elects to enroll is coverage that is also offered to similarly situated active employees of the employer at the time at which such election is made; and

(IV) the different coverage in which the individual elects to enroll is not—

(aa) coverage that provides only excepted benefits as defined in section 9832(c) of the Internal Revenue Code of 1986, section 733(c) of the Employee Retirement Income Security Act of 1974, and section 2791(c) of the Public Health Service Act;

(bb) a qualified small employer health reimbursement arrangement (as defined in section 9831(d)(2) of the Internal Revenue Code of 1986); or

(cc) a flexible spending arrangement (as defined in section 106(c)(2) of the Internal Revenue Code of 1986).

(2) LIMITATION OF PERIOD OF PREMIUM ASSISTANCE.—

(A) ELIGIBILITY FOR ADDITIONAL COVERAGE.—Paragraph (1)(A) shall not apply with respect to any assistance eligible individual described in paragraph (3) for months of coverage beginning on or after the earlier of—

(i) the first date that such individual is eligible for coverage under any other group health plan (other than coverage consisting of only excepted benefits (as defined in section 9832(c) of the Internal Revenue Code of 1986, section 733(c) of the Employee Retirement Income Security Act of 1974, and section 2791(c) of the Public Health Service Act), coverage under a flexible spending arrangement (as defined in section 106(c)(2) of the Internal Revenue Code of 1986), coverage under a qualified small employer health reimbursement arrangement (as defined in section 9831(d)(2) of the Internal Revenue Code of 1986)), or eligible for benefits under the Medicare program under title XVIII of the Social Security Act; or

(ii) the earlier of—

(I) the date following the expiration of the maximum period of continuation coverage required under the applicable COBRA continuation coverage provision; or

(II) the date following the expiration of the period of continuation coverage allowed under paragraph (4)(B)(ii).

(B) NOTIFICATION REQUIREMENT.—Any assistance eligible individual shall notify the group health plan with respect to which paragraph (1)(A) applies if such paragraph ceases to apply by reason of clause (i) of subparagraph (A) (as applicable). Such notice shall be provided to the group health plan in such time and manner as may be specified by the Secretary of Labor.

(3) ASSISTANCE ELIGIBLE INDIVIDUAL.—For purposes of this section, the term “assistance eligible individual” means, with respect to a period of coverage during the period beginning on the first day of the first month beginning after the date of the enactment of this Act, and ending on September 30, 2021, any individual that is a qualified beneficiary who—

(A) is eligible for COBRA continuation coverage by reason of a qualifying event specified in section 603(2) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(3)(B) of the Internal Revenue Code of 1986, or section 2203(2) of the Public Health Service Act, except for the voluntary termination of such individual’s employment by such individual; and

(B) elects such coverage.

(4) EXTENSION OF ELECTION PERIOD AND EFFECT ON COVERAGE.—

(A) IN GENERAL.—For purposes of applying section 605(a) of the Employee Retirement Income Security Act of 1974, section 4980B(f)(5)(A) of the Internal Revenue Code of 1986, and section 2205(a) of the Public Health Service Act, in the case of—

(i) an individual who does not have an election of COBRA continuation coverage in effect on the first day of the first month beginning after the date of the enactment of this Act but who would be an assistance eligible individual described in paragraph (3) if such election were so in effect; or

(ii) an individual who elected COBRA continuation coverage and discontinued from such coverage before the first day of the first month beginning after the date of the enactment of this Act,

such individual may elect the COBRA continuation coverage under the COBRA continuation coverage provisions containing such provisions during the period beginning on the first day of the first month beginning after the date of the enactment of this Act and ending 60 days after the date on which the notification required under paragraph (6)(C) is provided to such individual.

(B) COMMENCEMENT OF COBRA CONTINUATION COVERAGE.—Any COBRA continuation coverage elected by a

qualified beneficiary during an extended election period under subparagraph (A)—

(i) shall commence (including for purposes of applying the treatment of premium payments under paragraph (1)(A) and any cost-sharing requirements for items and services under a group health plan) with the first period of coverage beginning on or after the first day of the first month beginning after the date of the enactment of this Act, and

(ii) shall not extend beyond the period of COBRA continuation coverage that would have been required under the applicable COBRA continuation coverage provision if the coverage had been elected as required under such provision.

(5) EXPEDITED REVIEW OF DENIALS OF PREMIUM ASSISTANCE.—In any case in which an individual requests treatment as an assistance eligible individual described in paragraph (3) and is denied such treatment by the group health plan, the Secretary of Labor (or the Secretary of Health and Human Services in connection with COBRA continuation coverage which is provided other than pursuant to part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974), in consultation with the Secretary of the Treasury, shall provide for expedited review of such denial. An individual shall be entitled to such review upon application to such Secretary in such form and manner as shall be provided by such Secretary, in consultation with the Secretary of the Treasury. Such Secretary shall make a determination regarding such individual's eligibility within 15 business days after receipt of such individual's application for review under this paragraph. Such Secretary's determination upon review of the denial shall be de novo and shall be the final determination of such Secretary. A reviewing court shall grant deference to such Secretary's determination. The provisions of this paragraph, paragraphs (1) through (4), and paragraphs (6) through (7) shall be treated as provisions of title I of the Employee Retirement Income Security Act of 1974 for purposes of part 5 of subtitle B of such title.

(6) NOTICES TO INDIVIDUALS.—

(A) GENERAL NOTICE.—

(i) IN GENERAL.—In the case of notices provided under section 606(a)(4) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1166(4)), section 4980B(f)(6)(D) of the Internal Revenue Code of 1986, or section 2206(4) of the Public Health Service Act (42 U.S.C. 300bb-6(4)), with respect to individuals who, during the period described in paragraph (3), become entitled to elect COBRA continuation coverage, the requirements of such provisions shall not be treated as met unless such notices include an additional written notification to the recipient in clear and understandable language of—

(I) the availability of premium assistance with respect to such coverage under this subsection; and

(II) the option to enroll in different coverage if the employer permits assistance eligible individuals described in paragraph (3) to elect enrollment in different coverage (as described in paragraph (1)(B)).

(ii) ALTERNATIVE NOTICE.—In the case of COBRA continuation coverage to which the notice provision under such sections does not apply, the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall, in consultation with administrators of the group health plans (or other entities) that provide or administer the COBRA continuation coverage involved, provide rules requiring the provision of such notice.

(iii) FORM.—The requirement of the additional notification under this subparagraph may be met by amendment of existing notice forms or by inclusion of a separate document with the notice otherwise required.

(B) SPECIFIC REQUIREMENTS.—Each additional notification under subparagraph (A) shall include—

(i) the forms necessary for establishing eligibility for premium assistance under this subsection;

(ii) the name, address, and telephone number necessary to contact the plan administrator and any other person maintaining relevant information in connection with such premium assistance;

(iii) a description of the extended election period provided for in paragraph (4)(A);

(iv) a description of the obligation of the qualified beneficiary under paragraph (2)(B) and the penalty provided under section 6720C of the Internal Revenue Code of 1986 for failure to carry out the obligation;

(v) a description, displayed in a prominent manner, of the qualified beneficiary's right to a reduced premium and any conditions on entitlement to the reduced premium; and

(vi) a description of the option of the qualified beneficiary to enroll in different coverage if the employer permits such beneficiary to elect to enroll in such different coverage under paragraph (1)(B).

(C) NOTICE IN CONNECTION WITH EXTENDED ELECTION PERIODS.—In the case of any assistance eligible individual described in paragraph (3) (or any individual described in paragraph (4)(A)) who became entitled to elect COBRA continuation coverage before the first day of the first month beginning after the date of the enactment of this Act, the administrator of the applicable group health plan (or other entity) shall provide (within 60 days after such first day of such first month) for the additional notification required to be provided under subparagraph (A) and failure to provide such notice shall be treated as a failure to meet the notice requirements under the applicable COBRA continuation provision.

(D) MODEL NOTICES.—Not later than 30 days after the date of enactment of this Act, with respect to any assistance eligible individual described in paragraph (3), the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall prescribe models for the additional notification required under this paragraph.

(7) NOTICE OF EXPIRATION OF PERIOD OF PREMIUM ASSISTANCE.—

(A) IN GENERAL.—With respect to any assistance eligible individual, subject to subparagraph (B), the requirements of section 606(a)(4) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1166(4)), section 4980B(f)(6)(D) of the Internal Revenue Code of 1986, or section 2206(4) of the Public Health Service Act (42 U.S.C. 300bb-6(4)), shall not be treated as met unless the plan administrator of the individual, during the period specified under subparagraph (C), provides to such individual a written notice in clear and understandable language—

(i) that the premium assistance for such individual will expire soon and the prominent identification of the date of such expiration; and

(ii) that such individual may be eligible for coverage without any premium assistance through—

(I) COBRA continuation coverage; or

(II) coverage under a group health plan.

(B) EXCEPTION.—The requirement for the group health plan administrator to provide the written notice under subparagraph (A) shall be waived if the premium assistance for such individual expires pursuant to clause (i) of paragraph (2)(A).

(C) PERIOD SPECIFIED.—For purposes of subparagraph (A), the period specified in this subparagraph is, with respect to the date of expiration of premium assistance for any assistance eligible individual pursuant to a limitation requiring a notice under this paragraph, the period beginning on the day that is 45 days before the date of such expiration and ending on the day that is 15 days before the date of such expiration.

(D) MODEL NOTICES.—Not later than 45 days after the date of enactment of this Act, with respect to any assistance eligible individual, the Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall prescribe models for the notification required under this paragraph.

(8) REGULATIONS.—The Secretary of the Treasury and the Secretary of Labor may jointly prescribe such regulations or other guidance as may be necessary or appropriate to carry out the provisions of this subsection, including the prevention of fraud and abuse under this subsection, except that the Secretary of Labor and the Secretary of Health and Human Services may prescribe such regulations (including interim final regulations) or other guidance as may be necessary or appropriate to carry out the provisions of paragraphs (5), (6), (7), and (9).

## (9) OUTREACH.—

(A) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary of the Treasury and the Secretary of Health and Human Services, shall provide outreach consisting of public education and enrollment assistance relating to premium assistance provided under this subsection. Such outreach shall target employers, group health plan administrators, public assistance programs, States, insurers, and other entities as determined appropriate by such Secretaries. Such outreach shall include an initial focus on those individuals electing continuation coverage who are referred to in paragraph (6)(C). Information on such premium assistance, including enrollment, shall also be made available on websites of the Departments of Labor, Treasury, and Health and Human Services.

(B) ENROLLMENT UNDER MEDICARE.—The Secretary of Health and Human Services shall provide outreach consisting of public education. Such outreach shall target individuals who lose health insurance coverage. Such outreach shall include information regarding enrollment for benefits under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) for purposes of preventing mistaken delays of such enrollment by such individuals, including lifetime penalties for failure of timely enrollment.

## (10) DEFINITIONS.—For purposes of this section:

(A) ADMINISTRATOR.—The term “administrator” has the meaning given such term in section 3(16)(A) of the Employee Retirement Income Security Act of 1974.

(B) COBRA CONTINUATION COVERAGE.—The term “COBRA continuation coverage” means continuation coverage provided pursuant to part 6 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (other than under section 609), title XXII of the Public Health Service Act, or section 4980B of the Internal Revenue Code of 1986 (other than subsection (f)(1) of such section insofar as it relates to pediatric vaccines), or under a State program that provides comparable continuation coverage. Such term does not include coverage under a health flexible spending arrangement under a cafeteria plan within the meaning of section 125 of the Internal Revenue Code of 1986.

(C) COBRA CONTINUATION PROVISION.—The term “COBRA continuation provision” means the provisions of law described in subparagraph (B).

(D) COVERED EMPLOYEE.—The term “covered employee” has the meaning given such term in section 607(2) of the Employee Retirement Income Security Act of 1974.

(E) QUALIFIED BENEFICIARY.—The term “qualified beneficiary” has the meaning given such term in section 607(3) of the Employee Retirement Income Security Act of 1974.

(F) GROUP HEALTH PLAN.—The term “group health plan” has the meaning given such term in section 607(1) of the Employee Retirement Income Security Act of 1974.

(G) STATE.—The term “State” includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Is-

lands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(H) PERIOD OF COVERAGE.—Any reference in this subsection to a period of coverage shall be treated as a reference to a monthly or shorter period of coverage with respect to which premiums are charged with respect to such coverage.

(I) PLAN SPONSOR.—The term “plan sponsor” has the meaning given such term in section 3(16)(B) of the Employee Retirement Income Security Act of 1974.

(J) PREMIUM.—The term “premium” includes, with respect to COBRA continuation coverage, any administrative fee.

(11) IMPLEMENTATION FUNDING.—In addition to amounts otherwise made available, out of any funds in the Treasury not otherwise appropriated, there are appropriated to the Secretary of Labor for fiscal year 2021, \$10,000,000, to remain available until expended, for the Employee Benefits Security Administration to carry out the provisions of this subtitle.

(b) COBRA PREMIUM ASSISTANCE.—

(1) ALLOWANCE OF CREDIT.—

(A) IN GENERAL.—Subchapter B of chapter 65 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 6432. CONTINUATION COVERAGE PREMIUM ASSISTANCE.**

“(a) IN GENERAL.—The person to whom premiums are payable for continuation coverage under section 9501(a)(1) of the Worker Health Coverage Protection Act shall be allowed as a credit against the tax imposed by section 3111(b), or so much of the taxes imposed under section 3221(a) as are attributable to the rate in effect under section 3111(b), for each calendar quarter an amount equal to the premiums not paid by assistance eligible individuals for such coverage by reason of such section 9501(a)(1) with respect to such calendar quarter.

“(b) PERSON TO WHOM PREMIUMS ARE PAYABLE.—For purposes of subsection (a), except as otherwise provided by the Secretary, the person to whom premiums are payable under such continuation coverage shall be treated as being—

“(1) in the case of any group health plan which is a multiemployer plan (as defined in section 3(37) of the Employee Retirement Income Security Act of 1974), the plan,

“(2) in the case of any group health plan not described in paragraph (1), and under which some or all of the coverage is not provided by insurance, the employer maintaining the plan, and

“(3) in the case of any group health plan not described in paragraph (1) or (2), the insurer providing the coverage under the group health plan.

“(c) LIMITATIONS AND REFUNDABILITY.—

“(1) CREDIT LIMITED TO CERTAIN EMPLOYMENT TAXES.—The credit allowed by subsection (a) with respect to any calendar quarter shall not exceed the tax imposed by section 3111(b), or so much of the taxes imposed under section 3221(a) as are attributable to the rate in effect under section 3111(b), for such calendar quarter (reduced by any credits allowed against such

taxes under sections 7001 and 7003 of the Families First Coronavirus Response Act and section 2301 of the CARES Act) on the wages paid with respect to the employment of all employees of the employer.

“(2) REFUNDABILITY OF EXCESS CREDIT.—

“(A) CREDIT IS REFUNDABLE.—If the amount of the credit under subsection (a) exceeds the limitation of paragraph (1) for any calendar quarter, such excess shall be treated as an overpayment that shall be refunded under sections 6402(a) and 6413(b).

“(B) CREDIT MAY BE ADVANCED.—In anticipation of the credit, including the refundable portion under subparagraph (A), the credit may be advanced, according to forms and instructions provided by the Secretary, up to an amount calculated under subsection (a) through the end of the most recent payroll period in the quarter.

“(C) TREATMENT OF DEPOSITS.—The Secretary shall waive any penalty under section 6656 for any failure to make a deposit of the tax imposed by section 3111(b), or so much of the taxes imposed under section 3221(a) as are attributable to the rate in effect under section 3111(b), if the Secretary determines that such failure was due to the anticipation of the credit allowed under this section.

“(D) TREATMENT OF PAYMENTS.—For purposes of section 1324 of title 31, United States Code, any amounts due to an employer under this paragraph shall be treated in the same manner as a refund due from a credit provision referred to in subsection (b)(2) of such section.

“(3) OVERSTATEMENTS.—Any overstatement of the credit to which a person is entitled under this section (and any amount paid by the Secretary as a result of such overstatement) shall be treated as an underpayment by such person of the taxes described in paragraph (1) and may be assessed and collected by the Secretary in the same manner as such taxes.

“(d) GOVERNMENTAL ENTITIES.—For purposes of this section, the term ‘person’ includes the government of any State or political subdivision thereof, any Indian tribal government (as defined in section 139E(c)(1)), any agency or instrumentality of any of the foregoing, and any agency or instrumentality of the Government of the United States that is described in section 501(c)(1) and exempt from taxation under section 501(a).

“(e) DENIAL OF DOUBLE BENEFIT.—For purposes of chapter 1, the gross income of any person allowed a credit under this section shall be increased for the taxable year which includes the last day of any calendar quarter with respect to which such credit is allowed by the amount of such credit. No amount for which a credit is allowed under this section shall be taken into account as qualified wages under section 2301 of the CARES Act or as qualified health plan expenses under section 7001(d) or 7003(d) of the Families First Coronavirus Response Act.

“(f) REGULATIONS.—The Secretary shall issue such regulations, or other guidance, forms, instructions, and publications, as may be necessary or appropriate to carry out this section, including—

“(1) the requirement to report information or the establishment of other methods for verifying the correct amounts of reimbursements under this section,

“(2) the application of this section to group health plans that are multiemployer plans (as defined in section 3(37) of the Employee Retirement Income Security Act of 1974),

“(3) to allow the advance payment of the credit determined under subsection (a), subject to the limitations provided in this section, based on such information as the Secretary shall require,

“(4) to provide for the reconciliation of such advance payment with the amount of the credit at the time of filing the return of tax for the applicable quarter or taxable year, and

“(5) allowing the credit to third party payors (including professional employer organizations, certified professional employer organizations, or agents under section 3504).”.

(B) CLERICAL AMENDMENT.—The table of sections for subchapter B of chapter 65 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Sec. 6432. Continuation coverage premium assistance.”.

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to premiums to which subsection (a)(1)(A) applies and wages paid on or after April 1, 2021.

(D) SPECIAL RULE IN CASE OF EMPLOYEE PAYMENT THAT IS NOT REQUIRED UNDER THIS SECTION.—

(i) IN GENERAL.—In the case of an assistance eligible individual who pays, with respect any period of coverage to which subsection (a)(1)(A) applies, the amount of the premium for such coverage that the individual would have (but for this Act) been required to pay, the person to whom such payment is payable shall reimburse such individual for the amount of such premium paid in excess of the amount required to be paid under subsection (a)(1)(A).

(ii) CREDIT OF REIMBURSEMENT.—A person to which clause (i) applies shall be allowed a credit in the manner provided under section 6432 of the Internal Revenue Code of 1986 for any payment made to the employee under such clause.

(iii) PAYMENT OF CREDITS.—Any person to which clause (i) applies shall make the payment required under such clause to the individual not later than 60 days after the date on which such individual elects continuation coverage under subsection (a)(1).

(2) PENALTY FOR FAILURE TO NOTIFY HEALTH PLAN OF CESSATION OF ELIGIBILITY FOR PREMIUM ASSISTANCE.—

(A) IN GENERAL.—Part I of subchapter B of chapter 68 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 6720C. PENALTY FOR FAILURE TO NOTIFY HEALTH PLAN OF CESSATION OF ELIGIBILITY FOR CONTINUATION COVERAGE PREMIUM ASSISTANCE.**

“(a) IN GENERAL.—Except in the case of a failure described in subsection (b) or (c), any person required to notify a group health

plan under section 9501(a)(2)(B) of the Worker Health Coverage Protection Act who fails to make such a notification at such time and in such manner as the Secretary of Labor may require shall pay a penalty of \$250 for each such failure.

“(b) INTENTIONAL FAILURE.—In the case of any such failure that is fraudulent, such person shall pay a penalty equal to the greater of—

“(1) \$250, or

“(2) 110 percent of the premium assistance provided under section 9501(a)(1)(A) of the Worker Health Coverage Protection Act after termination of eligibility under such section.

“(c) REASONABLE CAUSE EXCEPTION.—No penalty shall be imposed under this section with respect to any failure if it is shown that such failure is due to reasonable cause and not to willful neglect.”.

(B) CLERICAL AMENDMENT.—The table of sections of part I of subchapter B of chapter 68 of such Code is amended by adding at the end the following new item:

“Sec. 6720C. Penalty for failure to notify health plan of cessation of eligibility for continuation coverage premium assistance.”.

(3) COORDINATION WITH HCTC.—

(A) IN GENERAL.—Section 35(g)(9) of the Internal Revenue Code of 1986 is amended to read as follows:

“(9) CONTINUATION COVERAGE PREMIUM ASSISTANCE.—In the case of an assistance eligible individual who receives premium assistance for continuation coverage under section 9501(a)(1) of the Worker Health Coverage Protection Act for any month during the taxable year, such individual shall not be treated as an eligible individual, a certified individual, or a qualifying family member for purposes of this section or section 7527 with respect to such month.”.

(B) EFFECTIVE DATE.—The amendment made by subparagraph (A) shall apply to taxable years ending after the date of the enactment of this Act.

(4) EXCLUSION OF CONTINUATION COVERAGE PREMIUM ASSISTANCE FROM GROSS INCOME.—

(A) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after section 139H the following new section:

**“SEC. 139I. CONTINUATION COVERAGE PREMIUM ASSISTANCE.**

“In the case of an assistance eligible individual (as defined in subsection (a)(3) of section 9501 of the Worker Health Coverage Protection Act), gross income does not include any premium assistance provided under subsection (a)(1) of such section.”.

(B) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by inserting after the item relating to section 139H the following new item:

“Sec. 139I. Continuation coverage premium assistance.”.

(C) EFFECTIVE DATE.—The amendments made by this paragraph shall apply to taxable years ending after the date of the enactment of this Act.

## Subtitle G—Promoting Economic Security

### PART 1—2021 RECOVERY REBATES TO INDIVIDUALS

#### SEC. 9601. 2021 RECOVERY REBATES TO INDIVIDUALS.

(a) IN GENERAL.—Subchapter B of chapter 65 of the Internal Revenue Code of 1986 is amended by inserting after section 6428A the following new section:

#### “SEC. 6428B. 2021 RECOVERY REBATES TO INDIVIDUALS.

“(a) IN GENERAL.—In the case of an eligible individual, there shall be allowed as a credit against the tax imposed by subtitle A for the first taxable year beginning in 2021 an amount equal to the 2021 rebate amount determined for such taxable year.

“(b) 2021 REBATE AMOUNT.—For purposes of this section, the term ‘2021 rebate amount’ means, with respect to any taxpayer for any taxable year, the sum of—

“(1) \$1,400 (\$2,800 in the case of a joint return), plus

“(2) \$1,400 multiplied by the number of dependents of the taxpayer for such taxable year.

“(c) ELIGIBLE INDIVIDUAL.—For purposes of this section, the term ‘eligible individual’ means any individual other than—

“(1) any nonresident alien individual,

“(2) any individual who is a dependent of another taxpayer for a taxable year beginning in the calendar year in which the individual’s taxable year begins, and

“(3) an estate or trust.

“(d) LIMITATION BASED ON ADJUSTED GROSS INCOME.—

“(1) IN GENERAL.—The amount of the credit allowed by subsection (a) (determined without regard to this subsection and subsection (f)) shall be reduced (but not below zero) by the amount which bears the same ratio to such credit (as so determined) as—

“(A) the excess of—

“(i) the taxpayer’s adjusted gross income for such taxable year, over

“(ii) \$75,000, bears to

“(B) \$25,000.

“(2) SPECIAL RULES.—

“(A) JOINT RETURN OR SURVIVING SPOUSE.—In the case of a joint return or a surviving spouse (as defined in section 2(a)), paragraph (1) shall be applied by substituting ‘\$150,000’ for ‘\$75,000’ and ‘\$50,000’ for ‘\$25,000’.

“(B) HEAD OF HOUSEHOLD.—In the case of a head of household (as defined in section 2(b)), paragraph (1) shall be applied by substituting ‘\$112,500’ for ‘\$75,000’ and ‘\$37,500’ for ‘\$25,000’.

“(e) DEFINITIONS AND SPECIAL RULES.—

“(1) DEPENDENT DEFINED.—For purposes of this section, the term ‘dependent’ has the meaning given such term by section 152.

“(2) IDENTIFICATION NUMBER REQUIREMENT.—

“(A) IN GENERAL.—In the case of a return other than a joint return, the \$1,400 amount in subsection (b)(1) shall

be treated as being zero unless the taxpayer includes the valid identification number of the taxpayer on the return of tax for the taxable year.

“(B) JOINT RETURNS.—In the case of a joint return, the \$2,800 amount in subsection (b)(1) shall be treated as being—

“(i) \$1,400 if the valid identification number of only 1 spouse is included on the return of tax for the taxable year, and

“(ii) zero if the valid identification number of neither spouse is so included.

“(C) DEPENDENTS.—A dependent shall not be taken into account under subsection (b)(2) unless the valid identification number of such dependent is included on the return of tax for the taxable year.

“(D) VALID IDENTIFICATION NUMBER.—

“(i) IN GENERAL.—For purposes of this paragraph, the term ‘valid identification number’ means a social security number issued to an individual by the Social Security Administration on or before the due date for filing the return for the taxable year.

“(ii) ADOPTION TAXPAYER IDENTIFICATION NUMBER.—For purposes of subparagraph (C), in the case of a dependent who is adopted or placed for adoption, the term ‘valid identification number’ shall include the adoption taxpayer identification number of such dependent.

“(E) SPECIAL RULE FOR MEMBERS OF THE ARMED FORCES.—Subparagraph (B) shall not apply in the case where at least 1 spouse was a member of the Armed Forces of the United States at any time during the taxable year and the valid identification number of at least 1 spouse is included on the return of tax for the taxable year.

“(F) COORDINATION WITH CERTAIN ADVANCE PAYMENTS.—In the case of any payment determined pursuant to subsection (g)(6), a valid identification number shall be treated for purposes of this paragraph as included on the taxpayer’s return of tax if such valid identification number is available to the Secretary as described in such subsection.

“(G) MATHEMATICAL OR CLERICAL ERROR AUTHORITY.—Any omission of a correct valid identification number required under this paragraph shall be treated as a mathematical or clerical error for purposes of applying section 6213(g)(2) to such omission.

“(3) CREDIT TREATED AS REFUNDABLE.—The credit allowed by subsection (a) shall be treated as allowed by subpart C of part IV of subchapter A of chapter 1.

“(f) COORDINATION WITH ADVANCE REFUNDS OF CREDIT.—

“(1) REDUCTION OF REFUNDABLE CREDIT.—The amount of the credit which would (but for this paragraph) be allowable under subsection (a) shall be reduced (but not below zero) by the aggregate refunds and credits made or allowed to the taxpayer (or, except as otherwise provided by the Secretary, any dependent of the taxpayer) under subsection (g). Any failure to so re-

duce the credit shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

“(2) JOINT RETURNS.—Except as otherwise provided by the Secretary, in the case of a refund or credit made or allowed under subsection (g) with respect to a joint return, half of such refund or credit shall be treated as having been made or allowed to each individual filing such return.

“(g) ADVANCE REFUNDS AND CREDITS.—

“(1) IN GENERAL.—Subject to paragraphs (5) and (6), each individual who was an eligible individual for such individual’s first taxable year beginning in 2019 shall be treated as having made a payment against the tax imposed by chapter 1 for such taxable year in an amount equal to the advance refund amount for such taxable year.

“(2) ADVANCE REFUND AMOUNT.—

“(A) IN GENERAL.—For purposes of paragraph (1), the advance refund amount is the amount that would have been allowed as a credit under this section for such taxable year if this section (other than subsection (f) and this subsection) had applied to such taxable year.

“(B) TREATMENT OF DECEASED INDIVIDUALS.—For purposes of determining the advance refund amount with respect to such taxable year—

“(i) any individual who was deceased before January 1, 2021, shall be treated for purposes of applying subsection (e)(2) in the same manner as if the valid identification number of such person was not included on the return of tax for such taxable year (except that subparagraph (E) thereof shall not apply),

“(ii) notwithstanding clause (i), in the case of a joint return with respect to which only 1 spouse is deceased before January 1, 2021, such deceased spouse was a member of the Armed Forces of the United States at any time during the taxable year, and the valid identification number of such deceased spouse is included on the return of tax for the taxable year, the valid identification number of 1 (and only 1) spouse shall be treated as included on the return of tax for the taxable year for purposes of applying subsection (e)(2)(B) with respect to such joint return, and

“(iii) no amount shall be determined under subsection (e)(2) with respect to any dependent of the taxpayer if the taxpayer (both spouses in the case of a joint return) was deceased before January 1, 2021.

“(3) TIMING AND MANNER OF PAYMENTS.—

“(A) TIMING.—The Secretary shall, subject to the provisions of this title, refund or credit any overpayment attributable to this subsection as rapidly as possible, consistent with a rapid effort to make payments attributable to such overpayments electronically if appropriate. No refund or credit shall be made or allowed under this subsection after December 31, 2021.

“(B) DELIVERY OF PAYMENTS.—Notwithstanding any other provision of law, the Secretary may certify and dis-

burse refunds payable under this subsection electronically to—

“(i) any account to which the payee received or authorized, on or after January 1, 2019, a refund of taxes under this title or of a Federal payment (as defined in section 3332 of title 31, United States Code),

“(ii) any account belonging to a payee from which that individual, on or after January 1, 2019, made a payment of taxes under this title, or

“(iii) any Treasury-sponsored account (as defined in section 208.2 of title 31, Code of Federal Regulations).

“(C) WAIVER OF CERTAIN RULES.—Notwithstanding section 3325 of title 31, United States Code, or any other provision of law, with respect to any payment of a refund under this subsection, a disbursing official in the executive branch of the United States Government may modify payment information received from an officer or employee described in section 3325(a)(1)(B) of such title for the purpose of facilitating the accurate and efficient delivery of such payment. Except in cases of fraud or reckless neglect, no liability under section 3325, 3527, 3528, or 3529 of title 31, United States Code, shall be imposed with respect to payments made under this subparagraph.

“(4) NO INTEREST.—No interest shall be allowed on any overpayment attributable to this subsection.

“(5) APPLICATION TO INDIVIDUALS WHO HAVE FILED A RETURN OF TAX FOR 2020.—

“(A) APPLICATION TO 2020 RETURNS FILED AT TIME OF INITIAL DETERMINATION.—If, at the time of any determination made pursuant to paragraph (3), the individual referred to in paragraph (1) has filed a return of tax for the individual’s first taxable year beginning in 2020, paragraph (1) shall be applied with respect to such individual by substituting ‘2020’ for ‘2019’.

“(B) ADDITIONAL PAYMENT.—

“(i) IN GENERAL.—In the case of any individual who files, before the additional payment determination date, a return of tax for such individual’s first taxable year beginning in 2020, the Secretary shall make a payment (in addition to any payment made under paragraph (1)) to such individual equal to the excess (if any) of—

“(I) the amount which would be determined under paragraph (1) (after the application of subparagraph (A)) by applying paragraph (1) as of the additional payment determination date, over

“(II) the amount of any payment made with respect to such individual under paragraph (1).

“(ii) ADDITIONAL PAYMENT DETERMINATION DATE.—The term ‘additional payment determination date’ means the earlier of—

“(I) the date which is 90 days after the 2020 calendar year filing deadline, or

“(II) September 1, 2021.

“(iii) 2020 CALENDAR YEAR FILING DEADLINE.—The term ‘2020 calendar year filing deadline’ means the date specified in section 6072(a) with respect to returns for calendar year 2020. Such date shall be determined after taking into account any period disregarded under section 7508A if such disregard applies to substantially all returns for calendar year 2020 to which section 6072(a) applies.

“(6) APPLICATION TO CERTAIN INDIVIDUALS WHO HAVE NOT FILED A RETURN OF TAX FOR 2019 OR 2020 AT TIME OF DETERMINATION.—

“(A) IN GENERAL.—In the case of any individual who, at the time of any determination made pursuant to paragraph (3), has filed a tax return for neither the year described in paragraph (1) nor for the year described in paragraph (5)(A), the Secretary may apply paragraph (1) on the basis of information available to the Secretary and, on the basis of such information, may determine the advance refund amount with respect to such individual without regard to subsection (d).

“(B) PAYMENT TO REPRESENTATIVE PAYEES AND FIDUCIARIES.—In the case of any payment determined pursuant to subparagraph (A), such payment may be made to an individual or organization serving as the eligible individual’s representative payee or fiduciary for a federal benefit program and the entire amount of such payment so made shall be used only for the benefit of the individual who is entitled to the payment.

“(7) SPECIAL RULE RELATED TO TIME OF FILING RETURN.—Solely for purposes of this subsection, a return of tax shall not be treated as filed until such return has been processed by the Internal Revenue Service.

“(8) NOTICE TO TAXPAYER.—As soon as practicable after the date on which the Secretary distributed any payment to an eligible taxpayer pursuant to this subsection, notice shall be sent by mail to such taxpayer’s last known address. Such notice shall indicate the method by which such payment was made, the amount of such payment, a phone number for an appropriate point of contact at the Internal Revenue Service to report any error with respect to such payment, and such other information as the Secretary determines appropriate.

“(9) RESTRICTION ON USE OF CERTAIN PREVIOUSLY ISSUED PREPAID DEBIT CARDS.—Payments made by the Secretary to individuals under this section shall not be in the form of an increase in the balance of any previously issued prepaid debit card if, as of the time of the issuance of such card, such card was issued solely for purposes of making payments under section 6428 or 6428A.

“(h) REGULATIONS.—The Secretary shall prescribe such regulations or other guidance as may be necessary or appropriate to carry out the purposes of this section, including—

“(1) regulations or other guidance providing taxpayers the opportunity to provide the Secretary information sufficient to allow the Secretary to make payments to such taxpayers under subsection (g) (including the determination of the amount of

such payment) if such information is not otherwise available to the Secretary, and

“(2) regulations or other guidance to ensure to the maximum extent administratively practicable that, in determining the amount of any credit under subsection (a) and any credit or refund under subsection (g), an individual is not taken into account more than once, including by different taxpayers and including by reason of a change in joint return status or dependent status between the taxable year for which an advance refund amount is determined and the taxable year for which a credit under subsection (a) is determined.

“(i) OUTREACH.—The Secretary shall carry out a robust and comprehensive outreach program to ensure that all taxpayers described in subsection (h)(1) learn of their eligibility for the advance refunds and credits under subsection (g); are advised of the opportunity to receive such advance refunds and credits as provided under subsection (h)(1); and are provided assistance in applying for such advance refunds and credits. In conducting such outreach program, the Secretary shall coordinate with other government, State, and local agencies; federal partners; and community-based nonprofit organizations that regularly interface with such taxpayers.”.

(b) TREATMENT OF CERTAIN POSSESSIONS.—

(1) PAYMENTS TO POSSESSIONS WITH MIRROR CODE TAX SYSTEMS.—The Secretary of the Treasury shall pay to each possession of the United States which has a mirror code tax system amounts equal to the loss (if any) to that possession by reason of the amendments made by this section. Such amounts shall be determined by the Secretary of the Treasury based on information provided by the government of the respective possession.

(2) PAYMENTS TO OTHER POSSESSIONS.—The Secretary of the Treasury shall pay to each possession of the United States which does not have a mirror code tax system amounts estimated by the Secretary of the Treasury as being equal to the aggregate benefits (if any) that would have been provided to residents of such possession by reason of the amendments made by this section if a mirror code tax system had been in effect in such possession. The preceding sentence shall not apply unless the respective possession has a plan, which has been approved by the Secretary of the Treasury, under which such possession will promptly distribute such payments to its residents.

(3) INCLUSION OF ADMINISTRATIVE EXPENSES.—The Secretary of the Treasury shall pay to each possession of the United States to which the Secretary makes a payment under paragraph (1) or (2) an amount equal to the lesser of—

(A) the increase (if any) of the administrative expenses of such possession—

(i) in the case of a possession described in paragraph (1), by reason of the amendments made by this section, and

(ii) in the case of a possession described in paragraph (2), by reason of carrying out the plan described in such paragraph, or

(B) \$500,000 (\$10,000,000 in the case of Puerto Rico).

The amount described in subparagraph (A) shall be determined by the Secretary of the Treasury based on information provided by the government of the respective possession.

(4) COORDINATION WITH CREDIT ALLOWED AGAINST UNITED STATES INCOME TAXES.—No credit shall be allowed against United States income taxes under section 6428B of the Internal Revenue Code of 1986 (as added by this section), nor shall any credit or refund be made or allowed under subsection (g) of such section, to any person—

(A) to whom a credit is allowed against taxes imposed by the possession by reason of the amendments made by this section, or

(B) who is eligible for a payment under a plan described in paragraph (2).

(5) MIRROR CODE TAX SYSTEM.—For purposes of this subsection, the term “mirror code tax system” means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

(6) TREATMENT OF PAYMENTS.—For purposes of section 1324 of title 31, United States Code, the payments under this subsection shall be treated in the same manner as a refund due from a credit provision referred to in subsection (b)(2) of such section.

(c) ADMINISTRATIVE PROVISIONS.—

(1) DEFINITION OF DEFICIENCY.—Section 6211(b)(4)(A) of the Internal Revenue Code of 1986 is amended by striking “6428, and 6428A” and inserting “6428, 6428A, and 6428B”.

(2) EXCEPTION FROM REDUCTION OR OFFSET.—Any refund payable by reason of section 6428B(g) of the Internal Revenue Code of 1986 (as added by this section), or any such refund payable by reason of subsection (b) of this section, shall not be

(A) subject to reduction or offset pursuant to section 3716 or 3720A of title 31, United States Code,

(B) subject to reduction or offset pursuant to subsection (c), (d), (e), or (f) of section 6402 of the Internal Revenue Code of 1986, or

(C) reduced or offset by other assessed Federal taxes that would otherwise be subject to levy or collection.

(3) CONFORMING AMENDMENTS.—

(A) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended by inserting “6428B,” after “6428A,”.

(B) The table of sections for subchapter B of chapter 65 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 6428A the following new item:

“Sec. 6428B. 2021 recovery rebates to individuals.”.

(d) APPROPRIATIONS.—Immediately upon the enactment of this Act, in addition to amounts otherwise available, there are appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated:

(1) \$1,464,500,000 to remain available until September 30, 2023 for necessary expenses for the Internal Revenue Service for the administration of the advance payments, the provision of taxpayer assistance, and the furtherance of integrated, modernized, and secure Internal Revenue Service systems, which shall supplement and not supplant any other appropriations that may be available for this purpose.

(2) \$7,000,000 to remain available until September 30, 2022, for necessary expenses for the Bureau of the Fiscal Service to carry out this section (and the amendments made by this section), which shall supplement and not supplant any other appropriations that may be available for this purpose, and

(3) \$8,000,000 to remain available until September 30, 2023, for the Treasury Inspector General for Tax Administration for the purposes of overseeing activities related to the administration of this section (and the amendments made by this section), which shall supplement and not supplant any other appropriations that may be available for this purpose.

(e) **FLEXIBILITY WITH RESPECT TO IRS INFORMATION TECHNOLOGY EMPLOYEES.—**

(1) If services performed by an employee of the Internal Revenue Service during the period beginning on January 1, 2020, and ending on December 31, 2022, are determined by the Commissioner of Internal Revenue to be primarily related to information technology, any premium pay for such services shall be disregarded in calculating the aggregate of such employee's basic pay and premium pay for purposes of a limitation under section 5547(a) of title 5, United States Code, or under any other provision of law, whether such employee's pay is paid on a biweekly or calendar year basis.

(2) Any overtime pay for such services shall be disregarded in calculating any annual limit on the amount of overtime pay payable in a calendar or fiscal year.

(3) With regard to such services, any pay that is disregarded under either paragraph (1) or (2) shall be disregarded in calculating such employees aggregate pay for purposes of the limitations in sections 5307 and 9502 of such title 5.

(4) If application of this subsection results in the payment of additional premium pay to a covered employee of a type that is normally creditable as basic pay for retirement or any other purpose, that additional pay shall not—

(A) be considered to be basic pay of the covered employee for any purpose; or

(B) be used in computing a lump-sum payment to the covered employee for accumulated and accrued annual leave under section 5551 or section 5552 of such title 5.

## **PART 2—CHILD TAX CREDIT**

### **SEC. 9611. CHILD TAX CREDIT IMPROVEMENTS FOR 2021.**

(a) **IN GENERAL.**—Section 24 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(i) **SPECIAL RULES FOR 2021.**—In the case of any taxable year beginning after December 31, 2020, and before January 1, 2022—

“(1) REFUNDABLE CREDIT.—If the taxpayer (in the case of a joint return, either spouse) has a principal place of abode in the United States (determined as provided in section 32) for more than one-half of the taxable year or is a bona fide resident of Puerto Rico (within the meaning of section 937(a)) for such taxable year—

“(A) subsection (d) shall not apply, and

“(B) so much of the credit determined under subsection (a) (after application of subparagraph (A)) as does not exceed the amount of such credit which would be so determined without regard to subsection (h)(4) shall be allowed under subpart C (and not allowed under this subpart).

“(2) 17-YEAR-OLDS ELIGIBLE FOR TREATMENT AS QUALIFYING CHILDREN.—This section shall be applied—

“(A) by substituting ‘age 18’ for ‘age 17’ in subsection (c)(1), and

“(B) by substituting ‘described in subsection (c) (determined after the application of subsection (i)(2)(A))’ for ‘described in subsection (c)’ in subsection (h)(4)(A).

“(3) CREDIT AMOUNT.—Subsection (h)(2) shall not apply and subsection (a) shall be applied by substituting ‘\$3,000 (\$3,600 in the case of a qualifying child who has not attained age 6 as of the close of the calendar year in which the taxable year of the taxpayer begins)’ for ‘\$1,000’.

“(4) REDUCTION OF INCREASED CREDIT AMOUNT BASED ON MODIFIED ADJUSTED GROSS INCOME.—

“(A) IN GENERAL.—The amount of the credit allowable under subsection (a) (determined without regard to subsection (b)) shall be reduced by \$50 for each \$1,000 (or fraction thereof) by which the taxpayer’s modified adjusted gross income (as defined in subsection (b)) exceeds the applicable threshold amount.

“(B) APPLICABLE THRESHOLD AMOUNT.—For purposes of this paragraph, the term ‘applicable threshold amount’ means—

“(i) \$150,000, in the case of a joint return or surviving spouse (as defined in section 2(a)),

“(ii) \$112,500, in the case of a head of household (as defined in section 2(b)), and

“(iii) \$75,000, in any other case.

“(C) LIMITATION ON REDUCTION.—

“(i) IN GENERAL.—The amount of the reduction under subparagraph (A) shall not exceed the lesser of—

“(I) the applicable credit increase amount, or

“(II) 5 percent of the applicable phaseout threshold range.

“(ii) APPLICABLE CREDIT INCREASE AMOUNT.—For purposes of this subparagraph, the term ‘applicable credit increase amount’ means the excess (if any) of—

“(I) the amount of the credit allowable under this section for the taxable year determined without regard to this paragraph and subsection (b), over

“(II) the amount of such credit as so determined and without regard to paragraph (3).

“(iii) APPLICABLE PHASEOUT THRESHOLD RANGE.—For purposes of this subparagraph, the term ‘applicable phaseout threshold range’ means the excess of—

“(I) the threshold amount applicable to the taxpayer under subsection (b) (determined after the application of subsection (h)(3)), over

“(II) the applicable threshold amount applicable to the taxpayer under this paragraph.

“(D) COORDINATION WITH LIMITATION ON OVERALL CREDIT.—Subsection (b) shall be applied by substituting ‘the credit allowable under subsection (a) (determined after the application of subsection (i)(4)(A))’ for ‘the credit allowable under subsection (a)’.”

(b) ADVANCE PAYMENT OF CREDIT.—

(1) IN GENERAL.—Chapter 77 of such Code is amended by inserting after section 7527 the following new section:

**“SEC. 7527A. ADVANCE PAYMENT OF CHILD TAX CREDIT.**

“(a) IN GENERAL.—The Secretary shall establish a program for making monthly payments to taxpayers each of which is equal to  $\frac{1}{12}$  of the annual advance amount determined with respect to such taxpayer for the calendar year.

“(b) ANNUAL ADVANCE AMOUNT.—For purposes of this section—

“(1) IN GENERAL.—Except as otherwise provided in this subsection, the term ‘annual advance amount’ means, with respect to any taxpayer for any calendar year, the amount (if any) which is estimated by the Secretary as being equal to the amount which would be treated as allowed under subpart C of part IV of subchapter A of chapter 1 by reason of section 24(i)(1) for the taxpayer’s taxable year beginning in such calendar year if—

“(A) the status of the taxpayer as a taxpayer described in section 24(i)(1) is determined with respect to the reference taxable year,

“(B) the taxpayer’s modified adjusted gross income for such taxable year is equal to the taxpayer’s modified adjusted gross income for the reference taxable year,

“(C) the only children of such taxpayer for such taxable year are qualifying children properly claimed on the taxpayer’s return of tax for the reference taxable year, and

“(D) the ages of such children (and the status of such children as qualifying children) are determined for such taxable year by taking into account the passage of time since the reference taxable year.

“(2) REFERENCE TAXABLE YEAR.—Except as provided in paragraph (3)(A), the term ‘reference taxable year’ means, with respect to any taxpayer for any calendar year, the taxpayer’s taxable year beginning in the preceding calendar year or, in the case of taxpayer who did not file a return of tax for such taxable year, the taxpayer’s taxable year beginning in the second preceding calendar year.

“(3) MODIFICATIONS DURING CALENDAR YEAR.—

“(A) IN GENERAL.—The Secretary may modify, during any calendar year, the annual advance amount with re-

spect to any taxpayer for such calendar year to take into account—

“(i) a return of tax filed by such taxpayer during such calendar year (and the taxable year to which such return relates may be taken into account as the reference taxable year), and

“(ii) any other information provided by the taxpayer to the Secretary which allows the Secretary to determine payments under subsection (a) which, in the aggregate during any taxable year of the taxpayer, more closely total the Secretary’s estimate of the amount treated as allowed under subpart C of part IV of subchapter A of chapter 1 by reason of section 24(i)(1) for such taxable year of such taxpayer.

“(B) ADJUSTMENT TO REFLECT EXCESS OR DEFICIT IN PRIOR PAYMENTS.—In the case of any modification of the annual advance amount under subparagraph (A), the Secretary may adjust the amount of any monthly payment made after the date of such modification to properly take into account the amount by which any monthly payment made before such date was greater than or less than the amount that such payment would have been on the basis of the annual advance amount as so modified.

“(4) DETERMINATION OF STATUS.—If information contained in the taxpayer’s return of tax for the reference taxable year does not establish the status of the taxpayer as being described in section 24(i)(1), the Secretary may, for purposes of paragraph (1)(A), infer such status (or the lack thereof) from such information as is so contained or from other sources.

“(5) TREATMENT OF CERTAIN DEATHS.—A child shall not be taken into account in determining the annual advance amount under paragraph (1) if the death of such child is known to the Secretary as of the beginning of the calendar year for which the estimate under such paragraph is made.

“(c) ON-LINE INFORMATION PORTAL.—The Secretary shall establish an on-line portal which allows taxpayers to—

“(1) elect not to receive payments under this section, and

“(2) provide information to the Secretary which would be relevant to a modification under subsection (b)(3)(B) of the annual advance amount, including information regarding—

“(A) a change in the number of the taxpayer’s qualifying children, including by reason of the birth of a child,

“(B) a change in the taxpayer’s marital status,

“(C) a significant change in the taxpayer’s income, and

“(D) any other factor which the Secretary may provide.

“(d) NOTICE OF PAYMENTS.—Not later than January 31 of the calendar year following any calendar year during which the Secretary makes one or more payments to any taxpayer under this section, the Secretary shall provide such taxpayer with a written notice which includes the taxpayer’s taxpayer identity (as defined in section 6103(b)(6)), the aggregate amount of such payments made to such taxpayer during such calendar year, and such other information as the Secretary determines appropriate.

“(e) **AUTHORITY TO ADJUST INTERVAL OF PAYMENTS.**—If the Secretary determines that it is not administratively feasible to make monthly payments under this section—

“(1) such payments shall be made on the basis of the shortest interval which the Secretary determines is administratively feasible, and

“(2) the amount of such payments shall be determined by substituting the ratio of the length of such interval to the length of the calendar year for ‘ $\frac{1}{12}$ ’ in subsection (a).

“(f) **ADMINISTRATIVE PROVISIONS.**—

“(1) **APPLICATION OF DIRECT DEPOSIT REQUIREMENT.**—Solely for purposes of section 3332 of title 31, United States Code (and notwithstanding the last sentence of subsection (j)(3) thereof), the payments made by the Secretary under subsection (a) shall be treated as Federal payments.

“(2) **DELIVERY OF PAYMENTS.**—Notwithstanding any other provision of law, the Secretary may certify and disburse refunds payable under this section electronically to—

“(A) any account to which the payee received or authorized, on or after January 1, 2019, a refund of taxes under this title or a Federal payment (as defined in section 3332 of title 31, United States Code),

“(B) any account belonging to a payee from which that individual, on or after January 1, 2019, made a payment of taxes under this title, or

“(C) any Treasury-sponsored account (as defined in section 208.2 of title 31, Code of Federal Regulations).

“(3) **WAIVER OF CERTAIN RULES.**—Notwithstanding section 3325 of title 31, United States Code, or any other provision of law, with respect to any payment of a refund under this section, a disbursing official in the executive branch of the United States Government may modify payment information received from an officer or employee described in section 3325(a)(1)(B) of such title for the purpose of facilitating the accurate and efficient delivery of such payment. Except in cases of fraud or reckless neglect, no liability under section 3325, 3527, 3528, or 3529 of title 31, United States Code, shall be imposed with respect to payments made under this paragraph.

“(4) **EXCEPTION FROM REDUCTION OR OFFSET.**—Any payment made to any individual under this section shall not be—

“(A) subject to reduction or offset pursuant to section 3716 or 3720A of title 31, United States Code,

“(B) subject to reduction or offset pursuant to subsection (c), (d), (e), or (f) of section 6402, or

“(C) reduced or offset by other assessed Federal taxes that would otherwise be subject to levy or collection.

“(5) **ADVANCE PAYMENTS NOT APPLICABLE TO POSSESSIONS OF THE UNITED STATES.**—

“(A) **IN GENERAL.**—The advance payment amount determined under this section shall be determined—

“(i) by applying section 24(i)(1) without regard to the phrase ‘or is a bona fide resident of Puerto Rico (within the meaning of section 937(a))’, and

“(ii) without regard to section 24(k)(3)(C)(ii)(I).

“(B) MIRROR CODE POSSESSIONS.—In the case of any possession of the United States with a mirror code tax system (as defined in section 24(k)), this section shall not be treated as part of the income tax laws of the United States for purposes of determining the income tax law of such possession.

“(g) APPLICATION.—No payments shall be made under the program established under subsection (a) with respect to—

“(1) any month beginning before July 1, 2021, or

“(2) any month beginning after December 31, 2021.

“(h) REGULATIONS.—The Secretary shall issue such regulations or other guidance as the Secretary determines necessary or appropriate to carry out the purposes of this section and subsections (i)(1) and (j) of section 24, including regulations or other guidance which provides for the application of such provisions where the filing status of the taxpayer for a taxable year is different from the status used for determining the annual advance amount.”.

(2) RECONCILIATION OF CREDIT AND ADVANCE CREDIT.—Section 24 of such Code, as amended by the preceding provision of this Act, is amended by adding at the end the following new subsection:

“(j) RECONCILIATION OF CREDIT AND ADVANCE CREDIT.—

“(1) IN GENERAL.—The amount of the credit allowed under this section to any taxpayer for any taxable year shall be reduced (but not below zero) by the aggregate amount of payments made under section 7527A to such taxpayer during such taxable year. Any failure to so reduce the credit shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

“(2) EXCESS ADVANCE PAYMENTS.—

“(A) IN GENERAL.—If the aggregate amount of payments under section 7527A to the taxpayer during the taxable year exceeds the amount of the credit allowed under this section to such taxpayer for such taxable year (determined without regard to paragraph (1)), the tax imposed by this chapter for such taxable year shall be increased by the amount of such excess. Any failure to so increase the tax shall be treated as arising out of a mathematical or clerical error and assessed according to section 6213(b)(1).

“(B) SAFE HARBOR BASED ON MODIFIED ADJUSTED GROSS INCOME.—

“(i) IN GENERAL.—In the case of a taxpayer whose modified adjusted gross income (as defined in subsection (b)) for the taxable year does not exceed 200 percent of the applicable income threshold, the amount of the increase determined under subparagraph (A) with respect to such taxpayer for such taxable year shall be reduced (but not below zero) by the safe harbor amount.

“(ii) PHASE OUT OF SAFE HARBOR AMOUNT.—In the case of a taxpayer whose modified adjusted gross income (as defined in subsection (b)) for the taxable year exceeds the applicable income threshold, the safe harbor amount otherwise in effect under clause (i) shall be reduced by the amount which bears the same ratio

to such amount as such excess bears to the applicable income threshold.

“(iii) APPLICABLE INCOME THRESHOLD.—For purposes of this subparagraph, the term ‘applicable income threshold’ means—

“(I) \$60,000 in the case of a joint return or surviving spouse (as defined in section 2(a)),

“(II) \$50,000 in the case of a head of household, and

“(III) \$40,000 in any other case.

“(iv) SAFE HARBOR AMOUNT.—For purposes of this subparagraph, the term ‘safe harbor amount’ means, with respect to any taxable year, the product of—

“(I) \$2,000, multiplied by

“(II) the excess (if any) of the number of qualified children taken into account in determining the annual advance amount with respect to the taxpayer under section 7527A with respect to months beginning in such taxable year, over the number of qualified children taken into account in determining the credit allowed under this section for such taxable year.”.

(3) COORDINATION WITH WAGE WITHHOLDING.—Section 3402(f)(1)(C) of such Code is amended by striking “section 24(a)” and inserting “section 24 (determined after application of subsection (j) thereof)”.

(4) CONFORMING AMENDMENTS.—

(A) Section 26(b)(2) of such Code is amended by striking “and” at the end of subparagraph (X), by striking the period at the end of subparagraph (Y) and inserting “, and”, and by adding at the end the following new subparagraph: “(Z) section 24(j)(2) (relating to excess advance payments).”.

(B) Section 6211(b)(4)(A) of such Code, as amended by the preceding provisions of this subtitle, is amended—

(i) by striking “24(d)” and inserting “24 by reason of subsections (d) and (i)(1) thereof”, and

(ii) by striking “and 6428B” and inserting “6428B, and 7527A”.

(C) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended—

(i) by inserting “24,” before “25A”, and

(ii) by striking “ or 6431” and inserting “6431, or 7527A”.

(D) The table of sections for chapter 77 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 7527 the following new item:

“Sec. 7527A. Advance payment of child tax credit.”.

(5) APPROPRIATIONS TO CARRY OUT ADVANCE PAYMENTS.—Immediately upon the enactment of this Act, in addition to amounts otherwise available, there are appropriated for fiscal year 2021, out of any money in the Treasury not otherwise appropriated:

(A) \$397,200,000 to remain available until September 30, 2022, for necessary expenses for the Internal Revenue

Service to carry out this section (and the amendments made by this section), which shall supplement and not supplant any other appropriations that may be available for this purpose, and

(B) \$16,200,000 to remain available until September 30, 2022, for necessary expenses for the Bureau of the Fiscal Service to carry out this section (and the amendments made by this section), which shall supplement and not supplant any other appropriations that may be available for this purpose.

(c) **EFFECTIVE DATE.**—

(1) **IN GENERAL.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2020.

(2) **ESTABLISHMENT OF ADVANCE PAYMENT PROGRAM.**—The Secretary of the Treasury (or the Secretary’s designee) shall establish the program described in section 7527A of the Internal Revenue Code of 1986 as soon as practicable after the date of the enactment of this Act, except that the Secretary shall ensure that the timing of the establishment of such program does not interfere with carrying out section 6428B(g) as rapidly as possible.

**SEC. 9612. APPLICATION OF CHILD TAX CREDIT IN POSSESSIONS.**

(a) **IN GENERAL.**—Section 24 of the Internal Revenue Code of 1986, as amended by the preceding provisions of this Act, is amended by adding at the end the following new subsection:

“(k) **APPLICATION OF CREDIT IN POSSESSIONS.**—

“(1) **MIRROR CODE POSSESSIONS.**—

“(A) **IN GENERAL.**—The Secretary shall pay to each possession of the United States with a mirror code tax system amounts equal to the loss (if any) to that possession by reason of the application of this section (determined without regard to this subsection) with respect to taxable years beginning after 2020. Such amounts shall be determined by the Secretary based on information provided by the government of the respective possession.

“(B) **COORDINATION WITH CREDIT ALLOWED AGAINST UNITED STATES INCOME TAXES.**—No credit shall be allowed under this section for any taxable year to any individual to whom a credit is allowable against taxes imposed by a possession of the United States with a mirror code tax system by reason of the application of this section in such possession for such taxable year.

“(C) **MIRROR CODE TAX SYSTEM.**—For purposes of this paragraph, the term ‘mirror code tax system’ means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

“(2) **PUERTO RICO.**—

“(A) **APPLICATION TO TAXABLE YEARS IN 2021.**—

“(i) For application of refundable credit to residents of Puerto Rico, see subsection (i)(1).

“(ii) For nonapplication of advance payment to residents of Puerto Rico, see section 7527A(f)(5)(A).

“(B) APPLICATION TO TAXABLE YEARS AFTER 2021.—In the case of any bona fide resident of Puerto Rico (within the meaning of section 937(a)) for any taxable year beginning after December 31, 2021—

“(i) the credit determined under this section shall be allowable to such resident, and

“(ii) subsection (d)(1)(B)(ii) shall be applied without regard to the phrase ‘in the case of a taxpayer with 3 or more qualifying children’.

“(3) AMERICAN SAMOA.—

“(A) IN GENERAL.—The Secretary shall pay to American Samoa amounts estimated by the Secretary as being equal to the aggregate benefits that would have been provided to residents of American Samoa by reason of the application of this section for taxable years beginning after 2020 if the provisions of this section had been in effect in American Samoa (applied as if American Samoa were the United States and without regard to the application of this section to bona fide residents of Puerto Rico under subsection (i)(1)).

“(B) DISTRIBUTION REQUIREMENT.—Subparagraph (A) shall not apply unless American Samoa has a plan, which has been approved by the Secretary, under which American Samoa will promptly distribute such payments to its residents.

“(C) COORDINATION WITH CREDIT ALLOWED AGAINST UNITED STATES INCOME TAXES.—

“(i) IN GENERAL.—In the case of a taxable year with respect to which a plan is approved under subparagraph (B), this section (other than this subsection) shall not apply to any individual eligible for a distribution under such plan.

“(ii) APPLICATION OF SECTION IN EVENT OF ABSENCE OF APPROVED PLAN.—In the case of a taxable year with respect to which a plan is not approved under subparagraph (B)—

“(I) if such taxable year begins in 2021, subsection (i)(1) shall be applied by substituting ‘bona fide resident of Puerto Rico or American Samoa’ for ‘bona fide resident of Puerto Rico’, and

“(II) if such taxable year begins after December 31, 2021, rules similar to the rules of paragraph (2)(B) shall apply with respect to bona fide residents of American Samoa (within the meaning of section 937(a)).

“(4) TREATMENT OF PAYMENTS.—For purposes of section 1324 of title 31, United States Code, the payments under this subsection shall be treated in the same manner as a refund due from a credit provision referred to in subsection (b)(2) of such section.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2020.

### PART 3—EARNED INCOME TAX CREDIT

#### SEC. 9621. STRENGTHENING THE EARNED INCOME TAX CREDIT FOR INDIVIDUALS WITH NO QUALIFYING CHILDREN.

(a) SPECIAL RULES FOR 2021.—Section 32 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(n) SPECIAL RULES FOR INDIVIDUALS WITHOUT QUALIFYING CHILDREN.—In the case of any taxable year beginning after December 31, 2020, and before January 1, 2022—

“(1) DECREASE IN MINIMUM AGE FOR CREDIT.—

“(A) IN GENERAL.—Subsection (c)(1)(A)(ii)(II) shall be applied by substituting ‘the applicable minimum age’ for ‘age 25’.

“(B) APPLICABLE MINIMUM AGE.—For purposes of this paragraph, the term ‘applicable minimum age’ means—

“(i) except as otherwise provided in this subparagraph, age 19,

“(ii) in the case of a specified student (other than a qualified former foster youth or a qualified homeless youth), age 24, and

“(iii) in the case of a qualified former foster youth or a qualified homeless youth, age 18.

“(C) SPECIFIED STUDENT.—For purposes of this paragraph, the term ‘specified student’ means, with respect to any taxable year, an individual who is an eligible student (as defined in section 25A(b)(3)) during at least 5 calendar months during the taxable year.

“(D) QUALIFIED FORMER FOSTER YOUTH.—For purposes of this paragraph, the term ‘qualified former foster youth’ means an individual who—

“(i) on or after the date that such individual attained age 14, was in foster care provided under the supervision or administration of an entity administering (or eligible to administer) a plan under part B or part E of title IV of the Social Security Act (without regard to whether Federal assistance was provided with respect to such child under such part E), and

“(ii) provides (in such manner as the Secretary may provide) consent for entities which administer a plan under part B or part E of title IV of the Social Security Act to disclose to the Secretary information related to the status of such individual as a qualified former foster youth.

“(E) QUALIFIED HOMELESS YOUTH.—For purposes of this paragraph, the term ‘qualified homeless youth’ means, with respect to any taxable year, an individual who—

“(i) is certified by a local educational agency or a financial aid administrator during such taxable year as being either an unaccompanied youth who is a homeless child or youth, or as unaccompanied, at risk of homelessness, and self-supporting, and

“(ii) provides (in such manner as the Secretary may provide) consent for local educational agencies and financial aid administrators to disclose to the Secretary

information related to the status of such individual as a qualified homeless youth.

Terms used in this subparagraph which are also used in section 480(d)(1) of the Higher Education Act of 1965 shall have the same meaning as when used in such section.

“(2) ELIMINATION OF MAXIMUM AGE FOR CREDIT.—Subsection (c)(1)(A)(ii)(II) shall be applied without regard to the phrase ‘but not attained age 65’.

“(3) INCREASE IN CREDIT AND PHASEOUT PERCENTAGES.—The table contained in subsection (b)(1) shall be applied by substituting ‘15.3’ for ‘7.65’ each place it appears therein.

“(4) INCREASE IN EARNED INCOME AND PHASEOUT AMOUNTS.—

“(A) IN GENERAL.—The table contained in subsection (b)(2)(A) shall be applied—

“(i) by substituting ‘\$9,820’ for ‘\$4,220’, and

“(ii) by substituting ‘\$11,610’ for ‘\$5,280’.

“(B) COORDINATION WITH INFLATION ADJUSTMENT.—Subsection (j) shall not apply to any dollar amount specified in this paragraph.”.

(b) INFORMATION RETURN MATCHING.—As soon as practicable, the Secretary of the Treasury (or the Secretary’s delegate) shall develop and implement procedures to use information returns under section 6050S (relating to returns relating to higher education tuition and related expenses) to check the status of individuals as specified students for purposes of section 32(n)(1)(B)(ii) of the Internal Revenue Code of 1986 (as added by this section).

(c) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2020.

**SEC. 9622. TAXPAYER ELIGIBLE FOR CHILDLESS EARNED INCOME CREDIT IN CASE OF QUALIFYING CHILDREN WHO FAIL TO MEET CERTAIN IDENTIFICATION REQUIREMENTS.**

(a) IN GENERAL.—Section 32(c)(1) of the Internal Revenue Code of 1986 is amended by striking subparagraph (F).

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31 2020.

**SEC. 9623. CREDIT ALLOWED IN CASE OF CERTAIN SEPARATED SPOUSES.**

(a) IN GENERAL.—Section 32(d) of the Internal Revenue Code of 1986 is amended—

(1) by striking “MARRIED INDIVIDUALS.—In the case of” and inserting the following: “MARRIED INDIVIDUALS.—

“(1) IN GENERAL.—In the case of”, and

(2) by adding at the end the following new paragraph:

“(2) DETERMINATION OF MARITAL STATUS.—For purposes of this section—

“(A) IN GENERAL.—Except as provided in subparagraph (B), marital status shall be determined under section 7703(a).

“(B) SPECIAL RULE FOR SEPARATED SPOUSE.—An individual shall not be treated as married if such individual—

“(i) is married (as determined under section 7703(a)) and does not file a joint return for the taxable year,

“(ii) resides with a qualifying child of the individual for more than one-half of such taxable year, and

“(iii)(I) during the last 6 months of such taxable year, does not have the same principal place of abode as the individual’s spouse, or

“(II) has a decree, instrument, or agreement (other than a decree of divorce) described in section 121(d)(3)(C) with respect to the individual’s spouse and is not a member of the same household with the individual’s spouse by the end of the taxable year.”.

(b) **CONFORMING AMENDMENTS.**—

(1) Section 32(c)(1)(A) of such Code is amended by striking the last sentence.

(2) Section 32(c)(1)(E)(ii) of such Code is amended by striking “(within the meaning of section 7703)”.

(3) Section 32(d)(1) of such Code, as amended by subsection (a), is amended by striking “(within the meaning of section 7703)”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2020.

**SEC. 9624. MODIFICATION OF DISQUALIFIED INVESTMENT INCOME TEST.**

(a) **IN GENERAL.**—Section 32(i) of the Internal Revenue Code of 1986 is amended by striking “\$2,200” and inserting “\$10,000”.

(b) **INFLATION ADJUSTMENT.**—Section 32(j)(1) of such Code is amended—

(1) in the matter preceding subparagraph (A), by inserting “(2021 in the case of the dollar amount in subsection (i)(1))” after “2015”,

(2) in subparagraph (B)(i)—

(A) by striking “subsections (b)(2)(A) and (i)(1)” and inserting “subsection (b)(2)(A)”, and

(B) by striking “and” at the end,

(3) by striking the period at the end of subparagraph (B)(ii) and inserting “, and”, and

(4) by inserting after subparagraph (B)(ii) the following new clause:

“(iii) in the case of the \$10,000 amount in subsection (i)(1), ‘calendar year 2020’ for ‘calendar year 2016’.”.

(c) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2020.

**SEC. 9625. APPLICATION OF EARNED INCOME TAX CREDIT IN POSSESSIONS OF THE UNITED STATES.**

(a) **IN GENERAL.**—Chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new section:

**“SEC. 7530. APPLICATION OF EARNED INCOME TAX CREDIT TO POSSESSIONS OF THE UNITED STATES.**

“(a) **PUERTO RICO.**—

“(1) **IN GENERAL.**—With respect to calendar year 2021 and each calendar year thereafter, the Secretary shall, except as otherwise provided in this subsection, make payments to Puerto Rico equal to—

“(A) the specified matching amount for such calendar year, plus

“(B) in the case of calendar years 2021 through 2025, the lesser of—

“(i) the expenditures made by Puerto Rico during such calendar year for education efforts with respect to individual taxpayers and tax return preparers relating to the earned income tax credit, or

“(ii) \$1,000,000.

“(2) REQUIREMENT TO REFORM EARNED INCOME TAX CREDIT.—The Secretary shall not make any payments under paragraph (1) with respect to any calendar year unless Puerto Rico has in effect an earned income tax credit for taxable years beginning in or with such calendar year which (relative to the earned income tax credit which was in effect for taxable years beginning in or with calendar year 2019) increases the percentage of earned income which is allowed as a credit for each group of individuals with respect to which such percentage is separately stated or determined in a manner designed to substantially increase workforce participation.

“(3) SPECIFIED MATCHING AMOUNT.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘specified matching amount’ means, with respect to any calendar year, the lesser of—

“(i) the excess (if any) of—

“(I) the cost to Puerto Rico of the earned income tax credit for taxable years beginning in or with such calendar year, over

“(II) the base amount for such calendar year, or

“(ii) the product of 3, multiplied by the base amount for such calendar year.

“(B) BASE AMOUNT.—

“(i) BASE AMOUNT FOR 2021.—In the case of calendar year 2021, the term ‘base amount’ means the greater of—

“(I) the cost to Puerto Rico of the earned income tax credit for taxable years beginning in or with calendar year 2019 (rounded to the nearest multiple of \$1,000,000), or

“(II) \$200,000,000.

“(ii) INFLATION ADJUSTMENT.—In the case of any calendar year after 2021, the term ‘base amount’ means the dollar amount determined under clause (i) increased by an amount equal to—

“(I) such dollar amount, multiplied by—

“(II) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting ‘calendar year 2020’ for ‘calendar year 2016’ in subparagraph (A)(ii) thereof.

Any amount determined under this clause shall be rounded to the nearest multiple of \$1,000,000.

“(4) RULES RELATED TO PAYMENTS AND REPORTS.—

“(A) TIMING OF PAYMENTS.—The Secretary shall make payments under paragraph (1) for any calendar year—

“(i) after receipt of the report described in subparagraph (B) for such calendar year, and

“(ii) except as provided in clause (i), within a reasonable period of time before the due date for individual income tax returns (as determined under the laws of

Puerto Rico) for taxable years which began on the first day of such calendar year.

“(B) ANNUAL REPORTS.—With respect to calendar year 2021 and each calendar year thereafter, Puerto Rico shall provide to the Secretary a report which shall include—

“(i) an estimate of the costs described in paragraphs (1)(B)(i) and (3)(A)(i)(I) with respect to such calendar year, and

“(ii) a statement of such costs with respect to the preceding calendar year.

“(C) ADJUSTMENTS.—

“(i) IN GENERAL.—In the event that any estimate of an amount is more or less than the actual amount as later determined and any payment under paragraph (1) was determined on the basis of such estimate, proper payment shall be made by, or to, the Secretary (as the case may be) as soon as practicable after the determination that such estimate was inaccurate. Proper adjustment shall be made in the amount of any subsequent payments made under paragraph (1) to the extent that proper payment is not made under the preceding sentence before such subsequent payments.

“(ii) ADDITIONAL REPORTS.—The Secretary may require such additional periodic reports of the information described in subparagraph (B) as the Secretary determines appropriate to facilitate timely adjustments under clause (i).

“(D) DETERMINATION OF COST OF EARNED INCOME TAX CREDIT.—For purposes of this subsection, the cost to Puerto Rico of the earned income tax credit shall be determined by the Secretary on the basis of the laws of Puerto Rico and shall include reductions in revenues received by Puerto Rico by reason of such credit and refunds attributable to such credit, but shall not include any administrative costs with respect to such credit.

“(b) POSSESSIONS WITH MIRROR CODE TAX SYSTEMS.—

“(1) IN GENERAL.—With respect to calendar year 2021 and each calendar year thereafter, the Secretary shall, except as otherwise provided in this subsection, make payments to the Virgin Islands, Guam, and the Commonwealth of the Northern Mariana Islands equal to—

“(A) the cost to such possession of the earned income tax credit for taxable years beginning in or with such calendar year, plus

“(B) in the case of calendar years 2021 through 2025, the lesser of—

“(i) the expenditures made by such possession during such calendar year for education efforts with respect to individual taxpayers and tax return preparers relating to such earned income tax credit, or

“(ii) \$50,000.

“(2) APPLICATION OF CERTAIN RULES.—Rules similar to the rules of subparagraphs (A), (B), (C), and (D) of subsection (a)(4) shall apply for purposes of this subsection.

“(c) AMERICAN SAMOA.—

“(1) IN GENERAL.—With respect to calendar year 2021 and each calendar year thereafter, the Secretary shall, except as otherwise provided in this subsection, make payments to American Samoa equal to—

“(A) the lesser of—

“(i) the cost to American Samoa of the earned income tax credit for taxable years beginning in or with such calendar year, or

“(ii) \$16,000,000, plus

“(B) in the case of calendar years 2021 through 2025, the lesser of—

“(i) the expenditures made by American Samoa during such calendar year for education efforts with respect to individual taxpayers and tax return preparers relating to such earned income tax credit, or

“(ii) \$50,000.

“(2) REQUIREMENT TO ENACT AND MAINTAIN AN EARNED INCOME TAX CREDIT.—The Secretary shall not make any payments under paragraph (1) with respect to any calendar year unless American Samoa has in effect an earned income tax credit for taxable years beginning in or with such calendar year which allows a refundable tax credit to individuals on the basis of the taxpayer’s earned income which is designed to substantially increase workforce participation.

“(3) INFLATION ADJUSTMENT.—In the case of any calendar year after 2021, the \$16,000,000 amount in paragraph (1)(A)(ii) shall be increased by an amount equal to—

“(A) such dollar amount, multiplied by—

“(B) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year, determined by substituting ‘calendar year 2020’ for ‘calendar year 2016’ in subparagraph (A)(ii) thereof.

Any increase determined under this clause shall be rounded to the nearest multiple of \$100,000.

“(4) APPLICATION OF CERTAIN RULES.—Rules similar to the rules of subparagraphs (A), (B), (C), and (D) of subsection (a)(4) shall apply for purposes of this subsection.

“(d) TREATMENT OF PAYMENTS.—For purposes of section 1324 of title 31, United States Code, the payments under this section shall be treated in the same manner as a refund due from a credit provision referred to in subsection (b)(2) of such section.”.

(b) CLERICAL AMENDMENT.—The table of sections for chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“Sec. 7530. Application of earned income tax credit to possessions of the United States.”.

**SEC. 9626. TEMPORARY SPECIAL RULE FOR DETERMINING EARNED INCOME FOR PURPOSES OF EARNED INCOME TAX CREDIT.**

(a) IN GENERAL.—If the earned income of the taxpayer for the taxpayer’s first taxable year beginning in 2021 is less than the earned income of the taxpayer for the taxpayer’s first taxable year beginning in 2019, the credit allowed under section 32 of the Internal Revenue Code of 1986 may, at the election of the taxpayer, be determined by substituting—

(1) such earned income for the taxpayer's first taxable year beginning in 2019, for

(2) such earned income for the taxpayer's first taxable year beginning in 2021.

(b) EARNED INCOME.—

(1) IN GENERAL.—For purposes of this section, the term “earned income” has the meaning given such term under section 32(c) of the Internal Revenue Code of 1986.

(2) APPLICATION TO JOINT RETURNS.—For purposes of subsection (a), in the case of a joint return, the earned income of the taxpayer for the first taxable year beginning in 2019 shall be the sum of the earned income of each spouse for such taxable year.

(c) SPECIAL RULES.—

(1) ERRORS TREATED AS MATHEMATICAL ERRORS.—For purposes of section 6213 of the Internal Revenue Code of 1986, an incorrect use on a return of earned income pursuant to subsection (a) shall be treated as a mathematical or clerical error.

(2) NO EFFECT ON DETERMINATION OF GROSS INCOME, ETC.—Except as otherwise provided in this subsection, the Internal Revenue Code of 1986 shall be applied without regard to any substitution under subsection (a).

(d) TREATMENT OF CERTAIN POSSESSIONS.—

(1) PAYMENTS TO POSSESSIONS WITH MIRROR CODE TAX SYSTEMS.—The Secretary of the Treasury shall pay to each possession of the United States which has a mirror code tax system amounts equal to the loss (if any) to that possession by reason of the application of the provisions of this section (other than this subsection) with respect to section 32 of the Internal Revenue Code of 1986. Such amounts shall be determined by the Secretary of the Treasury based on information provided by the government of the respective possession.

(2) PAYMENTS TO OTHER POSSESSIONS.—The Secretary of the Treasury shall pay to each possession of the United States which does not have a mirror code tax system amounts estimated by the Secretary of the Treasury as being equal to the aggregate benefits (if any) that would have been provided to residents of such possession by reason of the provisions of this section (other than this subsection) with respect to section 32 of the Internal Revenue Code of 1986 if a mirror code tax system had been in effect in such possession. The preceding sentence shall not apply unless the respective possession has a plan, which has been approved by the Secretary of the Treasury, under which such possession will promptly distribute such payments to its residents.

(3) MIRROR CODE TAX SYSTEM.—For purposes of this section, the term “mirror code tax system” means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

(4) TREATMENT OF PAYMENTS.—For purposes of section 1324 of title 31, United States Code, the payments under this section shall be treated in the same manner as a refund due from

a credit provision referred to in subsection (b)(2) of such section.

## PART 4—DEPENDENT CARE ASSISTANCE

### SEC. 9631. REFUNDABILITY AND ENHANCEMENT OF CHILD AND DEPENDENT CARE TAX CREDIT.

(a) IN GENERAL.—Section 21 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

“(g) SPECIAL RULES FOR 2021.—In the case of any taxable year beginning after December 31, 2020, and before January 1, 2022—

“(1) CREDIT MADE REFUNDABLE.—If the taxpayer (in the case of a joint return, either spouse) has a principal place of abode in the United States (determined as provided in section 32) for more than one-half of the taxable year, the credit allowed under subsection (a) shall be treated as a credit allowed under subpart C (and not allowed under this subpart).

“(2) INCREASE IN DOLLAR LIMIT ON AMOUNT CREDITABLE.—Subsection (c) shall be applied—

“(A) by substituting ‘\$8,000’ for ‘\$3,000’ in paragraph (1) thereof, and

“(B) by substituting ‘\$16,000’ for ‘\$6,000’ in paragraph (2) thereof.

“(3) INCREASE IN APPLICABLE PERCENTAGE.—Subsection (a)(2) shall be applied—

“(A) by substituting ‘50 percent’ for ‘35 percent’, and

“(B) by substituting ‘\$125,000’ for ‘\$15,000’.

“(4) APPLICATION OF PHASEOUT TO HIGH INCOME INDIVIDUALS.—

“(A) IN GENERAL.—Subsection (a)(2) shall be applied by substituting ‘the phaseout percentage’ for ‘20 percent’.

“(B) PHASEOUT PERCENTAGE.—The term ‘phaseout percentage’ means 20 percent reduced (but not below zero) by 1 percentage point for each \$2,000 (or fraction thereof) by which the taxpayer’s adjusted gross income for the taxable year exceeds \$400,000.”

(b) APPLICATION OF CREDIT IN POSSESSIONS.—Section 21 of such Code, as amended by subsection (a), is amended by adding at the end the following new subsection:

“(h) APPLICATION OF CREDIT IN POSSESSIONS.—

“(1) PAYMENT TO POSSESSIONS WITH MIRROR CODE TAX SYSTEMS.—The Secretary shall pay to each possession of the United States with a mirror code tax system amounts equal to the loss (if any) to that possession by reason of the application of this section (determined without regard to this subsection) with respect to taxable years beginning in or with 2021. Such amounts shall be determined by the Secretary based on information provided by the government of the respective possession.

“(2) PAYMENTS TO OTHER POSSESSIONS.—The Secretary shall pay to each possession of the United States which does not have a mirror code tax system amounts estimated by the Secretary as being equal to the aggregate benefits that would have been provided to residents of such possession by reason of this

section with respect to taxable years beginning in or with 2021 if a mirror code tax system had been in effect in such possession. The preceding sentence shall not apply unless the respective possession has a plan, which has been approved by the Secretary, under which such possession will promptly distribute such payments to its residents.

“(3) COORDINATION WITH CREDIT ALLOWED AGAINST UNITED STATES INCOME TAXES.—In the case of any taxable year beginning in or with 2021, no credit shall be allowed under this section to any individual—

“(A) to whom a credit is allowable against taxes imposed by a possession with a mirror code tax system by reason of this section, or

“(B) who is eligible for a payment under a plan described in paragraph (2).

“(4) MIRROR CODE TAX SYSTEM.—For purposes of this subsection, the term ‘mirror code tax system’ means, with respect to any possession of the United States, the income tax system of such possession if the income tax liability of the residents of such possession under such system is determined by reference to the income tax laws of the United States as if such possession were the United States.

“(5) TREATMENT OF PAYMENTS.—For purposes of section 1324 of title 31, United States Code, the payments under this subsection shall be treated in the same manner as a refund due from a credit provision referred to in subsection (b)(2) of such section.”

(c) CONFORMING AMENDMENTS.—

(1) Section 6211(b)(4)(A) of such Code, as amended by the preceding provisions of this Act, is amended by inserting “21 by reason of subsection (g) thereof,” before “24”.

(2) Section 1324(b)(2) of title 31, United States Code (as amended by the preceding provisions of this title), is amended by inserting “21,” before “24”.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2020.

**SEC. 9632. INCREASE IN EXCLUSION FOR EMPLOYER-PROVIDED DEPENDENT CARE ASSISTANCE.**

(a) IN GENERAL.—Section 129(a)(2) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(D) SPECIAL RULE FOR 2021.—In the case of any taxable year beginning after December 31, 2020, and before January 1, 2022, subparagraph (A) shall be applied be substituting ‘\$10,500 (half such dollar amount)’ for ‘\$5,000 (\$2,500)’.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2020.

(c) RETROACTIVE PLAN AMENDMENTS.—A plan that otherwise satisfies all applicable requirements of sections 125 and 129 of the Internal Revenue Code of 1986 (including any rules or regulations thereunder) shall not fail to be treated as a cafeteria plan or dependent care assistance program merely because such plan is amended pursuant to a provision under this section and such amendment is retroactive, if—

(1) such amendment is adopted no later than the last day of the plan year in which the amendment is effective, and

(2) the plan is operated consistent with the terms of such amendment during the period beginning on the effective date of the amendment and ending on the date the amendment is adopted.

## **PART 5—CREDITS FOR PAID SICK AND FAMILY LEAVE**

### **SEC. 9641. EXTENSION OF CREDITS.**

(a) **IN GENERAL.**—The following provisions of the Families First Coronavirus Response Act are each amended by striking “March 31, 2021” and inserting “September 30, 2021”:

- (1) Section 7001(c)(2)(A).
- (2) Section 7001(g).
- (3) Section 7002(b)(2)(B)(i).
- (4) Section 7002(e).
- (5) Section 7003(c)(2)(A).
- (6) Section 7003(g).
- (7) Section 7004(b)(2)(B)(i).
- (8) Section 7004(e).

(b) **CONFORMING AMENDMENT.**—Section 7005(a) of such Act is amended by striking “April 1, 2021” and inserting “October 1, 2021”.

### **SEC. 9642. INCREASE IN LIMITATIONS ON CREDITS FOR PAID FAMILY LEAVE.**

(a) **INCREASE IN OVERALL LIMITATION ON QUALIFIED FAMILY LEAVE WAGES.**—

(1) **IN GENERAL.**—Section 7003(b)(1)(B) of the Families First Coronavirus Response Act is amended by striking “\$10,000” and inserting “\$12,000”.

(2) **CONFORMING AMENDMENT.**—Section 7004(d)(3) of such Act is amended by striking “\$10,000” and inserting “\$12,000”.

(b) **INCREASE IN QUALIFIED FAMILY LEAVE EQUIVALENT AMOUNT FOR SELF-EMPLOYED INDIVIDUALS.**—Section 7004(c)(1)(A) of such Act is amended by striking “50” and inserting “60”.

(c) **COORDINATION WITH DEFINITION OF QUALIFIED FAMILY LEAVE WAGES.**—Section 7003(c)(2)(A) of such Act, as amended by the preceding provisions of this part, is amended to read as follows:

“(A) which would be so required to be paid if—

“(i) section 102(a)(1)(F) of the Family and Medical Leave Act of 1993 were applied by substituting ‘September 30, 2021’ for ‘December 31, 2020’, and

“(ii) section 110(b)(2)(B)(ii) of such Act were applied by substituting ‘\$12,000’ for ‘\$10,000’, and”.

### **SEC. 9643. EXPANSION OF LEAVE TO WHICH PAID FAMILY LEAVE CREDITS APPLIES.**

(a) **IN GENERAL.**—Section 7003(c)(2)(A) of the Families First Coronavirus Response Act, as amended by the preceding provisions of this part, is amended by striking “and” at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

“(ii) section 110(a)(2)(A) of such Act were applied by inserting ‘or any reason for leave described in section 5102(a) of the Families First Coronavirus Response Act’ after ‘public health emergency’, and”.

(b) APPLICATION TO CREDIT FOR PAID FAMILY LEAVE FOR SELF-EMPLOYED INDIVIDUALS.—Section 7004(b)(2)(B) of such Act is amended by striking “and” at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

“(ii) section 110(a)(2)(A) of such Act were applied by inserting ‘or any reason for leave described in section 5102(a) of the Families First Coronavirus Response Act’ after ‘public health emergency’, and”.

**SEC. 9644. PAID LEAVE CREDITS ALLOWED FOR LEAVE FOR COVID-VACCINATION.**

(a) PAID SICK LEAVE CREDIT.—Section 7001(c)(2)(A) of the Families First Coronavirus Response Act is amended by striking “and” at the end of clause (i), by redesignating clause (ii) as clause (iii), and by inserting after clause (i) the following new clause:

“(ii) by inserting ‘or the employee is obtaining immunization related to COVID–19 or recovering from any injury, disability, illness, or condition related to such immunization’ after ‘medical diagnosis’ in section 5102(a)(3), and”.

(b) PAID SICK LEAVE CREDIT FOR SELF-EMPLOYED INDIVIDUALS.—Section 7002(b)(2)(B)(i) of such Act, as amended by the preceding provisions of this part, is amended to read as follows:

“(i) such Act were applied—

“(I) by substituting ‘September 30, 2021’ for ‘December 31, 2020’ in section 5109 thereof, and

“(II) by inserting ‘or the employee is obtaining immunization related to COVID–19 or recovering from any injury, disability, illness, or condition related to such immunization’ after ‘medical diagnosis’ in section 5102(a)(3), and”.

(c) PAID FAMILY LEAVE CREDIT.—Section 7003(c)(2)(A)(ii) of such Act, as amended by the preceding provisions of this part, is amended by inserting “or to obtain immunization related to COVID–19 or to recover from any injury, disability, illness, or condition related to such immunization” after “section 5102(a) of the Families First Coronavirus Response Act”.

(d) PAID FAMILY LEAVE CREDIT FOR SELF-EMPLOYED INDIVIDUALS.—Section 7004(b)(2)(B)(ii) of such Act, as amended by the preceding provisions of this part, is amended by inserting “or to obtain immunization related to COVID–19 or to recover from any injury, disability, illness, or condition related to such immunization” after “section 5102(a) of the Families First Coronavirus Response Act”.

**SEC. 9645. APPLICATION OF NON-DISCRIMINATION RULES.**

(a) PAID SICK LEAVE CREDIT.—Section 7001 of the Families First and Coronavirus Response Act is amended by adding at the end the following new subsection:

“(j) NON-DISCRIMINATION REQUIREMENT.—No credit shall be allowed under this section to any employer for any calendar quarter if such employer, with respect to the availability of the provision

of qualified sick leave wages to which this section otherwise applies for such calendar quarter, discriminates in favor of highly compensated employees (within the meaning of section 414(q) of the Internal Revenue Code of 1986), full-time employees, or employees on the basis of employment tenure with such employer.”.

(b) PAID FAMILY LEAVE CREDIT.—Section 7003 of such Act is amended by adding at the end the following new subsection:

“(j) NON-DISCRIMINATION REQUIREMENT.—No credit shall be allowed under this section to any employer for any calendar quarter if such employer, with respect to the availability of the provision of qualified family leave wages to which this section otherwise applies for such calendar quarter, discriminates in favor of highly compensated employees (within the meaning of section 414(q) of the Internal Revenue Code of 1986), full-time employees, or employees on the basis of employment tenure with such employer.”.

**SEC. 9646. RESET OF LIMITATION ON PAID SICK LEAVE.**

(a) IN GENERAL.—Section 7001(b)(2) of the Families First Coronavirus Response Act is amended to read as follows:

“(2) OVERALL LIMITATION ON NUMBER OF DAYS TAKEN INTO ACCOUNT.—

“(A) LIMITATION APPLICABLE AFTER THE FIRST QUARTER OF 2021.—In the case of calendar quarters beginning after March 31, 2021, in any calendar year, the aggregate number of days taken into account under paragraph (1) shall not exceed the excess (if any) of—

“(i) 10, over

“(ii) the aggregate number of days so taken into account during preceding calendar quarters in such calendar year (other than the first quarter of calendar year 2021).

“(B) LIMITATION APPLICABLE BEFORE THE SECOND QUARTER OF 2021.—In the case of calendar quarters beginning before April 1, 2021, the aggregate number of days taken into account under paragraph (1) for any calendar quarter shall not exceed the excess (if any) of—

“(i) 10, over

“(ii) the aggregate number of days so taken into account for all preceding calendar quarters.”.

(b) COORDINATION WITH MANDATE PROVISIONS.—Section 7001(c)(2)(A) of such Act, as amended by the preceding provisions of this part, is amended by striking “and” at the end of clause (ii), by redesignating clause (iii) as clause (iv), and by inserting after clause (ii) the following new clause:

“(iii) by applying section 5102(b)(1) of such Act separately with respect to the period before April 1, 2021, and to each calendar year after 2020 (and, in the case of calendar year 2021, without regard to the first quarter thereof), and”.

(c) APPLICATION TO SICK LEAVE CREDIT FOR THE SELF-EMPLOYED.—

(1) IN GENERAL.—Section 7002(c) of such Act is amended—

(A) by striking “(but not more than the applicable number of days)” in paragraph (1)(A) and inserting “(but not more than 10)”, and

(B) by striking paragraph (3) and redesignating paragraph (4) as paragraph (3).

(2) COORDINATION WITH MANDATE PROVISIONS.—Section 7002(b)(2)(B)(i) of such Act, as amended by the preceding provisions of this part, is amended by striking “and” at the end of subclause (I), by striking “and” at the end of subclause (II), and by adding at the end the following new subclauses:

“(III) by applying section 5102(b)(1) of such Act separately with respect to each taxable year, and  
“(IV) without regard to section 5102(b)(3) thereof, and”.

**SEC. 9647. CREDITS ALLOWED AGAINST EMPLOYER HOSPITAL INSURANCE TAX.**

(a) IN GENERAL.—The following provisions of the Families First Coronavirus Response Act are each amended by striking “section 3111(a)” and inserting “section 3111(b)”:

(1) Section 7001(a).

(2) Section 7001(b)(3).

(3) The section 7001(e)(4) which relates to references to railroad retirement tax.

(4) Section 7001(i).

(5) Section 7003(a).

(6) Section 7003(b)(2).

(7) The section 7003(e)(4) which relates to references to railroad retirement tax.

(8) Section 7003(i).

(b) CONFORMING AMENDMENTS.—

(1) Section 7001(b)(3) of such Act is amended by striking “(reduced by any credits allowed under subsections (e) and (f) of section 3111 of such Code, and section 303(d) of the Taxpayer Certainty and Disaster Tax Relief Act of 2020, for such quarter)”.

(2) Section 7001 of such Act is amended by striking subsection (h).

(3) Section 7003(b)(2) of such Act is amended by striking “(reduced by any credits allowed under subsections (e) and (f) of section 3111 of such Code, section 7001 of this Act, and section 303(d) of the Taxpayer Certainty and Disaster Tax Relief Act of 2020, for such quarter)” and inserting “(reduced by any credits allowed under section 7001 of this Act)”.

(4) Section 7003 of such Act is amended by striking subsection (h).

(5) Section 7005(a) of such Act is amended by striking “section 3111(a)” both places it appears and inserting “section 3111(b)”.

(6) Section 7005 of such Act is amended by striking subsection (c).

**SEC. 9648. APPLICATION OF CREDITS TO CERTAIN GOVERNMENTAL EMPLOYERS.**

(a) CREDIT FOR PAID SICK LEAVE.—Section 7001(e) of the Families First Coronavirus Response Act is amended—

(1) by striking the paragraph (4) which relates to certain governmental employers, and

(2) by adding at the end the following new paragraph:

“(5) CERTAIN GOVERNMENTAL EMPLOYERS.—No credit shall be allowed under this section to the Government of the United States or to any agency or instrumentality thereof. The preceding sentence shall not apply to any organization described in section 501(c)(1) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

(b) CREDIT FOR PAID FAMILY LEAVE.—Section 7003(e) of such Act is amended—

(1) by striking the paragraph (4) which relates to certain governmental employers, and

(2) by adding at the end the following new paragraph:

“(5) CERTAIN GOVERNMENTAL EMPLOYERS.—No credit shall be allowed under this section to the Government of the United States or to any agency or instrumentality thereof. The preceding sentence shall not apply to any organization described in section 501(c)(1) of the Internal Revenue Code of 1986 and exempt from tax under section 501(a) of such Code.”.

**SEC. 9649. GROSS UP OF CREDIT IN LIEU OF EXCLUSION FROM TAX.**

(a) IN GENERAL.—Section 7005 of the Families First Coronavirus Response Act (as amended by the preceding provisions of this part) is amended—

(1) by amending subsection (a) to read as follows:

“(a) IN GENERAL.—The credit allowed by section 7001 and the credit allowed by section 7003 shall each be increased by the amount of the taxes imposed by subsections (a) and (b) of section 3111 and section 3221(a) of the Internal Revenue Code of 1986 on qualified sick leave wages, or qualified family leave wages, for which credit is allowed under such section 7001 or 7003 (respectively).”.

(2) by striking so much of subsection (b) as precedes paragraph (2) thereof,

(3) by redesignating such paragraph (2) as subsection (b) and adjusting the indentation thereof accordingly, and

(4) by striking “paragraph (1)” in such subsection (b) (as so redesignated) and inserting “subsection (a)”.

(b) COORDINATION WITH DEFINITION OF QUALIFIED WAGES.—

(1) Section 7001(c) of such Act is amended—

(A) by striking “and section 7005(a) of this Act,”, and

(B) by striking “and without regard to section 7005(a) of this Act”.

(2) Section 7003(c) of such Act is amended by striking “wages (as defined” and all that follows through “paid by an employer” and inserting “wages (as defined in section 3121(a) of the Internal Revenue Code of 1986, determined without regard to paragraphs (1) through (22) of section 3121(b) of such Code) and compensation (as defined in section 3231(e) of the Internal Revenue Code, determined without regard to the sentence in paragraph (1) thereof which begins ‘Such term does not include remuneration’) paid by an employer”.

**SEC. 9650. EFFECTIVE DATE.**

(a) IN GENERAL.—Except as otherwise provided in this section, the amendments made by this part shall apply to amounts paid with respect to calendar quarters beginning after March 31, 2021.

(b) APPLICATION TO SELF-EMPLOYMENT TAX CREDITS.—The amendments made by this part to any provision of section 7002 or 7004 of the Families First Coronavirus Response Act shall apply to taxable years beginning after December 31, 2020.

**PART 6—EMPLOYEE RETENTION CREDIT**

**SEC. 9651. EXTENSION OF EMPLOYEE RETENTION CREDIT.**

(a) IN GENERAL.—Section 2301(m) of the CARES Act is amended by striking “July 1, 2021” and inserting “January 1, 2022”.

(b) CREDIT ALLOWED AGAINST EMPLOYER HOSPITAL INSURANCE TAX.—

(1) IN GENERAL.—Subparagraphs (A) and (B) of section 2301(c)(1) of such Act are each amended by striking “section 3111(a)” and inserting “section 3111(b)”.

(2) CONFORMING AMENDMENTS.—Section 2301(b)(2) of such Act is amended—

(A) by striking “subsections (e) and (f) of section 3111 of the Internal Revenue Code of 1986,” and

(B) by striking “, and section 303(d) of the Taxpayer Certainty and Disaster Tax Relief Act of 2020”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to calendar quarters beginning after June 30, 2021.

**PART 7—PREMIUM TAX CREDIT**

**SEC. 9661. IMPROVING AFFORDABILITY BY EXPANDING PREMIUM ASSISTANCE FOR CONSUMERS.**

(a) IN GENERAL.—Section 36B(b)(3)(A) of the Internal Revenue Code of 1986 is amended by adding at the end the following new clause:

“(iii) TEMPORARY PERCENTAGES FOR 2021 AND 2022.—In the case of a taxable year beginning in 2021 or 2022—

“(I) clause (ii) shall not apply for purposes of adjusting premium percentages under this subparagraph, and

“(II) the following table shall be applied in lieu of the table contained in clause (i):

“In the case of household income (expressed as a percent of poverty line) within the following income tier:	The initial premium percentage is—	The final premium percentage is—
Up to 150.0 percent .....	0.0	0.0
150.0 percent up to 200.0 percent .....	0.0	2.0
200.0 percent up to 250.0 percent .....	2.0	4.0
250.0 percent up to 300.0 percent .....	4.0	6.0
300.0 percent up to 400.0 percent .....	6.0	8.5
400.0 percent and higher .....	8.5	8.5”.

(b) CONFORMING AMENDMENT.—Section 36B(c)(1) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(E) TEMPORARY RULE FOR 2021 AND 2022.—In the case of a taxable year beginning in 2021 or 2022, subparagraph (A) shall be applied without regard to ‘but does not exceed 400 percent’.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2020.

**SEC. 9662. TEMPORARY MODIFICATION OF LIMITATIONS ON RECONCILIATION OF TAX CREDITS FOR COVERAGE UNDER A QUALIFIED HEALTH PLAN WITH ADVANCE PAYMENTS OF SUCH CREDIT.**

(a) IN GENERAL.—Section 36B(f)(2)(B) of the Internal Revenue Code of 1986 is amended by adding at the end the following new clause:

“(iii) TEMPORARY MODIFICATION OF LIMITATION ON INCREASE.—In the case of any taxable year beginning in 2020, for any taxpayer who files for such taxable year an income tax return reconciling any advance payment of the credit under this section, the Secretary shall treat subparagraph (A) as not applying.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2019.

**SEC. 9663. APPLICATION OF PREMIUM TAX CREDIT IN CASE OF INDIVIDUALS RECEIVING UNEMPLOYMENT COMPENSATION DURING 2021.**

(a) IN GENERAL.—Section 36B of the Internal Revenue Code of 1986 is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

“(g) SPECIAL RULE FOR INDIVIDUALS WHO RECEIVE UNEMPLOYMENT COMPENSATION DURING 2021.—

“(1) IN GENERAL.—For purposes of this section, in the case of a taxpayer who has received, or has been approved to receive, unemployment compensation for any week beginning during 2021, for the taxable year in which such week begins—

“(A) such taxpayer shall be treated as an applicable taxpayer, and

“(B) there shall not be taken into account any household income of the taxpayer in excess of 133 percent of the poverty line for a family of the size involved.

“(2) UNEMPLOYMENT COMPENSATION.—For purposes of this subsection, the term ‘unemployment compensation’ has the meaning given such term in section 85(b).

“(3) EVIDENCE OF UNEMPLOYMENT COMPENSATION.—For purposes of this subsection, a taxpayer shall not be treated as having received (or been approved to receive) unemployment compensation for any week unless such taxpayer provides self-attestation of, and such documentation as the Secretary shall prescribe which demonstrates, such receipt or approval.

“(4) CLARIFICATION OF RULES REMAINING APPLICABLE.—

“(A) JOINT RETURN REQUIREMENT.—Paragraph (1)(A) shall not affect the application of subsection (c)(1)(C).

“(B) HOUSEHOLD INCOME AND AFFORDABILITY.—Paragraph (1)(B) shall not apply to any determination of house-

hold income for purposes of paragraph (2)(C)(i)(II) or (4)(C)(ii) of subsection (c)".

(b) **EFFECTIVE DATE.**—The amendments made by this section shall apply to taxable years beginning after December 31, 2020.

## **PART 8—MISCELLANEOUS PROVISIONS**

### **SEC. 9671. REPEAL OF ELECTION TO ALLOCATE INTEREST, ETC. ON WORLDWIDE BASIS.**

(a) **IN GENERAL.**—Section 864 of the Internal Revenue Code of 1986 is amended by striking subsection (f).

(b) **EFFECTIVE DATE.**—The amendment made by this section shall apply to taxable years beginning after December 31, 2020.

### **SEC. 9672. TAX TREATMENT OF TARGETED EIDL ADVANCES.**

For purposes of the Internal Revenue Code of 1986—

(1) amounts received from the Administrator of the Small Business Administration in the form of a Targeted EIDL Advance shall not be included in the gross income of the person that receives such amounts,

(2) no deduction shall be denied, no tax attribute shall be reduced, and no basis increase shall be denied, by reason of the exclusion from gross income provided by paragraph (1), and

(3) in the case of a partnership or S corporation that receives such amounts—

(A) any amount excluded from income by reason of paragraph (1) shall be treated as tax exempt income for purposes of sections 705 and 1366 of the Internal Revenue Code of 1986, and

(B) the Secretary of the Treasury (or the Secretary's delegate) shall prescribe rules for determining a partner's distributive share of any amount described in subparagraph (A) for purposes of section 705 of the Internal Revenue Code of 1986.

### **SEC. 9673. TAX TREATMENT OF RESTAURANT REVITALIZATION GRANTS.**

For purposes of the Internal Revenue Code of 1986—

(1) amounts received from the Administrator of the Small Business Administration in the form of a Restaurant Revitalization Grant shall not be included in the gross income of the person that receives such amounts,

(2) no deduction shall be denied, no tax attribute shall be reduced, and no basis increase shall be denied, by reason of the exclusion from gross income provided by paragraph (1), and

(3) in the case of a partnership or S corporation that receives such amounts—

(A) except as otherwise provided by the Secretary of the Treasury (or the Secretary's delegate), any amount excluded from income by reason of paragraph (1) shall be treated as tax exempt income for purposes of sections 705 and 1366 of the Internal Revenue Code of 1986, and

(B) the Secretary of the Treasury (or the Secretary's delegate) shall prescribe rules for determining a partner's distributive share of any amount described in subparagraph

(A) for purposes of section 705 of the Internal Revenue Code of 1986.

## Subtitle H—Pensions

### SEC. 9700. SHORT TITLE.

This subtitle may be cited as the “Butch Lewis Emergency Pension Plan Relief Act of 2021”.

### SEC. 9701. TEMPORARY DELAY OF DESIGNATION OF MULTIEMPLOYER PLANS AS IN ENDANGERED, CRITICAL, OR CRITICAL AND DECLINING STATUS.

(a) **IN GENERAL.**—Notwithstanding the actuarial certification under section 305(b)(3) of the Employee Retirement Income Security Act of 1974 and section 432(b)(3) of the Internal Revenue Code of 1986, if a plan sponsor of a multiemployer plan elects the application of this section, then, for purposes of section 305 of such Act and section 432 of such Code—

(1) the status of the plan for its first plan year beginning during the period beginning on March 1, 2020, and ending on February 28, 2021, or the next succeeding plan year (as designated by the plan sponsor in such election), shall be the same as the status of such plan under such sections for the plan year preceding such designated plan year, and

(2) in the case of a plan which was in endangered or critical status for the plan year preceding the designated plan year described in paragraph (1), the plan shall not be required to update its plan or schedules under section 305(c)(6) of such Act and section 432(c)(6) of such Code, or section 305(e)(3)(B) of such Act and section 432(e)(3)(B) of such Code, whichever is applicable, until the plan year following the designated plan year described in paragraph (1).

(b) **EXCEPTION FOR PLANS BECOMING CRITICAL DURING ELECTION.**—If—

(1) an election was made under subsection (a) with respect to a multiemployer plan, and

(2) such plan has, without regard to such election, been certified by the plan actuary under section 305(b)(3) of the Employee Retirement Income Security Act of 1974 and section 432(b)(3) of the Internal Revenue Code of 1986 to be in critical status for the designated plan year described in subsection (a)(1), then such plan shall be treated as a plan in critical status for such plan year for purposes of applying section 4971(g)(1)(A) of such Code, section 302(b)(3) of such Act (without regard to the second sentence thereof), and section 412(b)(3) of such Code (without regard to the second sentence thereof).

(c) **ELECTION AND NOTICE.**—

(1) **ELECTION.**—An election under subsection (a)—

(A) shall be made at such time and in such manner as the Secretary of the Treasury or the Secretary’s delegate may prescribe and, once made, may be revoked only with the consent of the Secretary, and

(B) if made—

(i) before the date the annual certification is submitted to the Secretary or the Secretary's delegate under section 305(b)(3) of such Act and section 432(b)(3) of such Code, shall be included with such annual certification, and

(ii) after such date, shall be submitted to the Secretary or the Secretary's delegate not later than 30 days after the date of the election.

(2) NOTICE TO PARTICIPANTS.—

(A) IN GENERAL.—Notwithstanding section 305(b)(3)(D) of the Employee Retirement Income Security Act of 1974 and section 432(b)(3)(D) of the Internal Revenue Code of 1986, if, by reason of an election made under subsection (a), the plan is in neither endangered nor critical status—

(i) the plan sponsor of a multiemployer plan shall not be required to provide notice under such sections, and

(ii) the plan sponsor shall provide to the participants and beneficiaries, the bargaining parties, the Pension Benefit Guaranty Corporation, and the Secretary of Labor a notice of the election under subsection (a) and such other information as the Secretary of the Treasury (in consultation with the Secretary of Labor) may require—

(I) if the election is made before the date the annual certification is submitted to the Secretary or the Secretary's delegate under section 305(b)(3) of such Act and section 432(b)(3) of such Code, not later than 30 days after the date of the certification, and

(II) if the election is made after such date, not later than 30 days after the date of the election.

(B) NOTICE OF ENDANGERED STATUS.—Notwithstanding section 305(b)(3)(D) of such Act and section 432(b)(3)(D) of such Code, if the plan is certified to be in critical status for any plan year but is in endangered status by reason of an election made under subsection (a), the notice provided under such sections shall be the notice which would have been provided if the plan had been certified to be in endangered status.

**SEC. 9702. TEMPORARY EXTENSION OF THE FUNDING IMPROVEMENT AND REHABILITATION PERIODS FOR MULTIEMPLOYER PENSION PLANS IN CRITICAL AND ENDANGERED STATUS FOR 2020 OR 2021.**

(a) IN GENERAL.—If the plan sponsor of a multiemployer plan which is in endangered or critical status for a plan year beginning in 2020 or 2021 (determined after application of section 9701) elects the application of this section, then, for purposes of section 305 of the Employee Retirement Income Security Act of 1974 and section 432 of the Internal Revenue Code of 1986—

(1) except as provided in paragraph (2), the plan's funding improvement period or rehabilitation period, whichever is applicable, shall be 15 years rather than 10 years, and

(2) in the case of a plan in seriously endangered status, the plan's funding improvement period shall be 20 years rather than 15 years.

(b) DEFINITIONS AND SPECIAL RULES.—For purposes of this section—

(1) ELECTION.—An election under this section shall be made at such time, and in such manner and form, as (in consultation with the Secretary of Labor) the Secretary of the Treasury or the Secretary's delegate may prescribe.

(2) DEFINITIONS.—Any term which is used in this section which is also used in section 305 of the Employee Retirement Income Security Act of 1974 and section 432 of the Internal Revenue Code of 1986 shall have the same meaning as when used in such sections.

(c) EFFECTIVE DATE.—This section shall apply to plan years beginning after December 31, 2019.

**SEC. 9703. ADJUSTMENTS TO FUNDING STANDARD ACCOUNT RULES.**

(a) ADJUSTMENTS.—

(1) AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 304(b)(8) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1084(b)) is amended by adding at the end the following new subparagraph:

“(F) RELIEF FOR 2020 AND 2021.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met as of February 29, 2020, may elect to apply this paragraph (without regard to whether such plan previously elected the application of this paragraph)—

“(i) by substituting ‘February 29, 2020’ for ‘August 31, 2008’ each place it appears in subparagraphs (A)(i), (B)(i)(I), and (B)(i)(II),

“(ii) by inserting ‘and other losses related to the virus SARS-CoV-2 or coronavirus disease 2019 (COVID-19) (including experience losses related to reductions in contributions, reductions in employment, and deviations from anticipated retirement rates, as determined by the plan sponsor)’ after ‘net investment losses’ in subparagraph (A)(i), and

“(iii) by substituting ‘this subparagraph or subparagraph (A)’ for ‘this subparagraph and subparagraph (A) both’ in subparagraph (B)(iii).

The preceding sentence shall not apply to a plan to which special financial assistance is granted under section 4262. For purposes of the application of this subparagraph, the Secretary of the Treasury shall rely on the plan sponsor's calculations of plan losses unless such calculations are clearly erroneous.”.

(2) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Section 431(b)(8) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(F) RELIEF FOR 2020 AND 2021.—A multiemployer plan with respect to which the solvency test under subparagraph (C) is met as of February 29, 2020, may elect to apply this paragraph (without regard to whether such plan previously elected the application of this paragraph)—

“(i) by substituting ‘February 29, 2020’ for ‘August 31, 2008’ each place it appears in subparagraphs (A)(i), (B)(i)(I), and (B)(i)(II),

“(ii) by inserting ‘and other losses related to the virus SARS-CoV-2 or coronavirus disease 2019 (COVID-19) (including experience losses related to reductions in contributions, reductions in employment, and deviations from anticipated retirement rates, as determined by the plan sponsor)’ after ‘net investment losses’ in subparagraph (A)(i), and

“(iii) by substituting ‘this subparagraph or subparagraph (A)’ for ‘this subparagraph and subparagraph (A) both’ in subparagraph (B)(iii).

The preceding sentence shall not apply to a plan to which special financial assistance is granted under section 4262 of the Employee Retirement Income Security Act of 1974. For purposes of the application of this subparagraph, the Secretary shall rely on the plan sponsor’s calculations of plan losses unless such calculations are clearly erroneous.”

**(b) EFFECTIVE DATES.—**

(1) **IN GENERAL.**—The amendments made by this section shall take effect as of the first day of the first plan year ending on or after February 29, 2020, except that any election a plan makes pursuant to this section that affects the plan’s funding standard account for the first plan year beginning after February 29, 2020, shall be disregarded for purposes of applying the provisions of section 305 of the Employee Retirement Income Security Act of 1974 and section 432 of the Internal Revenue Code of 1986 to such plan year.

(2) **RESTRICTIONS ON BENEFIT INCREASES.**—Notwithstanding paragraph (1), the restrictions on plan amendments increasing benefits in sections 304(b)(8)(D) of such Act and 431(b)(8)(D) of such Code, as applied by the amendments made by this section, shall take effect on the date of enactment of this Act.

**SEC. 9704. SPECIAL FINANCIAL ASSISTANCE PROGRAM FOR FINANCIALLY TROUBLED MULTIEMPLOYER PLANS.**

(a) **APPROPRIATION.**—Section 4005 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1305) is amended by adding at the end the following:

“(i)(1) An eighth fund shall be established for special financial assistance to multiemployer pension plans, as provided under section 4262, and to pay for necessary administrative and operating expenses of the corporation relating to such assistance.

“(2) There is appropriated from the general fund such amounts as are necessary for the costs of providing financial assistance under section 4262 and necessary administrative and operating expenses of the corporation. The eighth fund established under this subsection shall be credited with amounts from time to time as the Secretary of the Treasury, in conjunction with the Director of the Pension Benefit Guaranty Corporation, determines appropriate, from the general fund of the Treasury, but in no case shall such transfers occur after September 30, 2030.”

(b) FINANCIAL ASSISTANCE AUTHORITY.—The Employee Retirement Income Security Act of 1974 is amended by inserting after section 4261 of such Act (29 U.S.C. 1431) the following:

**“SEC. 4262. SPECIAL FINANCIAL ASSISTANCE BY THE CORPORATION.**

**“(a) SPECIAL FINANCIAL ASSISTANCE.—**

**“(1) IN GENERAL.—**The corporation shall provide special financial assistance to an eligible multiemployer plan under this section, upon the application of a plan sponsor of such a plan for such assistance.

**“(2) INAPPLICABILITY OF CERTAIN REPAYMENT OBLIGATION.—**A plan receiving financial assistance pursuant to this section shall not be subject to repayment obligations.

**“(b) ELIGIBLE MULTIEMPLOYER PLANS.—**

**“(1) IN GENERAL.—**For purposes of this section, a multiemployer plan is an eligible multiemployer plan if—

**“(A)** the plan is in critical and declining status (within the meaning of section 305(b)(6)) in any plan year beginning in 2020 through 2022;

**“(B)** a suspension of benefits has been approved with respect to the plan under section 305(e)(9) as of the date of the enactment of this section;

**“(C)** in any plan year beginning in 2020 through 2022, the plan is certified by the plan actuary to be in critical status (within the meaning of section 305(b)(2)), has a modified funded percentage of less than 40 percent, and has a ratio of active to inactive participants which is less than 2 to 3; or

**“(D)** the plan became insolvent for purposes of section 418E of the Internal Revenue Code of 1986 after December 16, 2014, and has remained so insolvent and has not been terminated as of the date of enactment of this section.

**“(2) MODIFIED FUNDED PERCENTAGE.—**For purposes of paragraph (1)(C), the term ‘modified funded percentage’ means the percentage equal to a fraction the numerator of which is current value of plan assets (as defined in section 3(26) of such Act) and the denominator of which is current liabilities (as defined in section 431(c)(6)(D) of such Code and section 304(c)(6)(D) of such Act).

**“(c) APPLICATIONS FOR SPECIAL FINANCIAL ASSISTANCE.—**Within 120 days of the date of enactment of this section, the corporation shall issue regulations or guidance setting forth requirements for special financial assistance applications under this section. In such regulations or guidance, the corporation shall—

**“(1)** limit the materials required for a special financial assistance application to the minimum necessary to make a determination on the application;

**“(2)** specify effective dates for transfers of special financial assistance following approval of an application, based on the effective date of the supporting actuarial analysis and the date on which the application is submitted; and

**“(3)** provide for an alternate application for special financial assistance under this section, which may be used by a plan that has been approved for a partition under section 4233 before the date of enactment of this section.

**“(d) TEMPORARY PRIORITY CONSIDERATION OF APPLICATIONS.—**

“(1) IN GENERAL.—The corporation may specify in regulations or guidance under subsection (c) that, during a period no longer than the first 2 years following the date of enactment of this section, applications may not be filed by an eligible multiemployer plan unless—

“(A) the eligible multiemployer plan is insolvent or is likely to become insolvent within 5 years of the date of enactment of this section;

“(B) the corporation projects the eligible multiemployer plan to have a present value of financial assistance payments under section 4261 that exceeds \$1,000,000,000 if the special financial assistance is not ordered;

“(C) the eligible multiemployer plan has implemented benefit suspensions under section 305(e)(9) as of the date of the enactment of this section; or

“(D) the corporation determines it appropriate based on other similar circumstances.

“(e) ACTUARIAL ASSUMPTIONS.—

“(1) ELIGIBILITY.—For purposes of determining eligibility for special financial assistance, the corporation shall accept assumptions incorporated in a multiemployer plan’s determination that it is in critical status or critical and declining status (within the meaning of section 305(b)) for certifications of plan status completed before January 1, 2021, unless such assumptions are clearly erroneous. For certifications of plan status completed after December 31, 2020, a plan shall determine whether it is in critical or critical and declining status for purposes of eligibility for special financial assistance by using the assumptions that the plan used in its most recently completed certification of plan status before January 1, 2021, unless such assumptions (excluding the plan’s interest rate) are unreasonable.

“(2) AMOUNT OF FINANCIAL ASSISTANCE.—In determining the amount of special financial assistance in its application, an eligible multiemployer plan shall—

“(A) use the interest rate used by the plan in its most recently completed certification of plan status before January 1, 2021, provided that such interest rate may not exceed the interest rate limit; and

“(B) for other assumptions, use the assumptions that the plan used in its most recently completed certification of plan status before January 1, 2021, unless such assumptions are unreasonable.

“(3) INTEREST RATE.—The interest rate limit for purposes of this subsection is the rate specified in section 303(h)(2)(C)(iii) (disregarding modifications made under clause (iv) of such section) for the month in which the application for special financial assistance is filed by the eligible multiemployer plan or the 3 preceding months, with such specified rate increased by 200 basis points.

“(4) CHANGES IN ASSUMPTIONS.—If a plan determines that use of one or more prior assumptions is unreasonable, the plan may propose in its application to change such assumptions, provided that the plan discloses such changes in its application and describes why such assumptions are no longer reasonable.

The corporation shall accept such changed assumptions unless it determines the changes are unreasonable, individually or in the aggregate. The plan may not propose a change to the interest rate otherwise required under this subsection for eligibility or financial assistance amount.

“(f) APPLICATION DEADLINE.—Any application by a plan for special financial assistance under this section shall be submitted no later than December 31, 2025, and any revised application for special financial assistance shall be submitted no later than December 31, 2026.

“(g) DETERMINATIONS ON APPLICATIONS.—A plan’s application for special financial assistance under this section that is timely filed in accordance with the regulations or guidance issued under subsection (c) shall be deemed approved unless the corporation notifies the plan within 120 days of the filing of the application that the application is incomplete, any proposed change or assumption is unreasonable, or the plan is not eligible under this section. Such notice shall specify the reasons the plan is ineligible for special financial assistance, any proposed change or assumption is unreasonable, or information is needed to complete the application. If a plan is denied assistance under this subsection, the plan may submit a revised application under this section. Any revised application for special financial assistance submitted by a plan shall be deemed approved unless the corporation notifies the plan within 120 days of the filing of the revised application that the application is incomplete, any proposed change or assumption is unreasonable, or the plan is not eligible under this section. Special financial assistance issued by the corporation shall be effective on a date determined by the corporation, but no later than 1 year after a plan’s special financial assistance application is approved by the corporation or deemed approved. The corporation shall not pay any special financial assistance after September 30, 2030.

“(h) MANNER OF PAYMENT.—The payment made by the corporation to an eligible multiemployer plan under this section shall be made as a single, lump sum payment.

“(i) AMOUNT AND MANNER OF SPECIAL FINANCIAL ASSISTANCE.—

“(1) IN GENERAL.—Special financial assistance under this section shall be a transfer of funds in the amount necessary as demonstrated by the plan sponsor on the application for such special financial assistance, in accordance with the requirements described in subsection (j). Special financial assistance shall be paid to such plan as soon as practicable upon approval of the application by the corporation.

“(2) NO CAP.—Special financial assistance granted by the corporation under this section shall not be capped by the guarantee under 4022A.

“(j) DETERMINATION OF AMOUNT OF SPECIAL FINANCIAL ASSISTANCE.—

“(1) IN GENERAL.—The amount of financial assistance provided to a multiemployer plan eligible for financial assistance under this section shall be such amount required for the plan to pay all benefits due during the period beginning on the date of payment of the special financial assistance payment under this section and ending on the last day of the plan year ending in 2051, with no reduction in a participant’s or beneficiary’s ac-

crued benefit as of the date of enactment of this section, except to the extent of a reduction in accordance with section 305(e)(8) adopted prior to the plan's application for special financial assistance under this section, and taking into account the reinstatement of benefits required under subsection (k).

“(2) PROJECTIONS.—The funding projections for purposes of this section shall be performed on a deterministic basis.

“(k) REINSTATEMENT OF BENEFIT SUSPENSIONS.—An eligible multiemployer plan that receives special financial assistance under this section shall—

“(1) reinstate any benefits that were suspended under section 305(e)(9) or section 4245(a), effective as of the first month in which the effective date for the special financial assistance occurs, for participants and beneficiaries as of such month; and

“(2) provide payments equal to the amount of benefits previously suspended under section 305(e)(9) or 4245(a) to any participants or beneficiaries in pay status as of the effective date of the special financial assistance, payable, as determined by the eligible multiemployer plan—

“(A) as a lump sum within 3 months of such effective date; or

“(B) in equal monthly installments over a period of 5 years, commencing within 3 months of such effective date, with no adjustment for interest.

“(l) WITHDRAWAL LIABILITY.—An employer's withdrawal liability for purposes of this title shall be calculated without taking into account special financial assistance received under this section until the plan year beginning 15 calendar years after the effective date of the special financial assistance.

“(m) REQUIRED DISCLOSURE.—An eligible plan that receives special financial assistance under this section shall provide each employer that has an obligation to contribute to such plan, and each labor organization representing participants employed by such employer, with an estimate of the employer's share of the plan's unfunded vested benefits as of the end of each plan year ending after the date of enactment of this section, as determined after taking into account any special financial assistance received under this section. Such disclosure shall include a statement that, due to the special financial assistance provided under this section, the plan will have sufficient resources to pay 100 percent of the plan's benefit obligations until the last day of the plan year ending in 2051.

“(n) RESTRICTIONS ON THE USE OF SPECIAL FINANCIAL ASSISTANCE.—Special financial assistance received under this section may be used by an eligible multiemployer plan to make benefit payments and pay plan expenses. Special financial assistance and any earnings on such assistance shall be segregated from other plan assets. Special financial assistance shall be invested by plans in investment-grade bonds or other investments as permitted by the corporation.

“(o) CONDITIONS ON PLANS RECEIVING SPECIAL FINANCIAL ASSISTANCE.—

“(1) IN GENERAL.—The corporation may impose, by regulation, reasonable conditions on an eligible multiemployer plan that receives special financial assistance relating to increases in future accrual rates and any retroactive benefit improve-

ments, allocation of plan assets, reductions in employer contribution rates, diversion of contributions to, and allocation of expenses to, other benefit plans, and withdrawal liability.

“(2) LIMITATION.—The corporation shall not impose conditions on an eligible multiemployer plan as a condition of, or following receipt of, special financial assistance under this section relating to—

“(A) any prospective reduction in plan benefits (including benefits that may be adjusted pursuant to section 305(e)(8));

“(B) plan governance, including selection of, removal of, and terms of contracts with, trustees, actuaries, investment managers, and other service providers; or

“(C) any funding rules relating to the plan receiving special financial assistance under this section.

“(3) PAYMENT OF PREMIUMS.—An eligible multiemployer plan receiving special financial assistance under this section shall continue to pay all premiums due under section 4007 for participants and beneficiaries in the plan.

“(4) ASSISTANCE NOT CONSIDERED FOR CERTAIN PURPOSES.—An eligible multiemployer plan that receives special financial assistance shall be deemed to be in critical status within the meaning of section 305(b)(2) until the last plan year ending in 2051.

“(5) INSOLVENT PLANS.—An eligible multiemployer plan receiving special financial assistance under this section that subsequently becomes insolvent will be subject to the current rules and guarantee for insolvent plans.

“(6) INELIGIBILITY FOR OTHER ASSISTANCE.—An eligible multiemployer plan that receives special financial assistance under this section is not eligible to apply for a new suspension of benefits under section 305(e)(9)(G).”.

(c) PREMIUM RATE INCREASE.—Section 4006(a)(3) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1306(a)(3)) is amended—

(1) in subparagraph (A)—

(A) in clause (vi)—

(i) by inserting “, and before January 1, 2031” after “December 31, 2014,”; and

(ii) by striking “or” at the end;

(B) in clause (vii)—

(i) by moving the margin 2 ems to the left; and

(ii) in subclause (II), by striking the period and inserting “, or”; and

(C) by adding at the end the following:

“(viii) in the case of a multiemployer plan, for plan years beginning after December 31, 2030, \$52 for each individual who is a participant in such plan during the applicable plan year.”; and

(2) by adding at the end the following:

“(N) For each plan year beginning in a calendar year after 2031, there shall be substituted for the dollar amount specified in clause (viii) of subparagraph (A) an amount equal to the greater of—

“(i) the product derived by multiplying such dollar amount by the ratio of—

“(I) the national average wage index (as defined in section 209(k)(1) of the Social Security Act) for the first of the 2 calendar years preceding the calendar year in which such plan year begins, to

“(II) the national average wage index (as so defined) for 2029; and

“(ii) such dollar amount for plan years beginning in the preceding calendar year.

If the amount determined under this subparagraph is not a multiple of \$1, such product shall be rounded to the nearest multiple of \$1.”.

**SEC. 9705. EXTENDED AMORTIZATION FOR SINGLE EMPLOYER PLANS.**

(a) 15-YEAR AMORTIZATION UNDER THE INTERNAL REVENUE CODE OF 1986.—Section 430(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(8) 15-YEAR AMORTIZATION.—With respect to plan years beginning after December 31, 2019 (or, at the election of the plan sponsor, after December 31, 2018)—

“(A) the shortfall amortization bases for all plan years preceding the first plan year beginning after December 31, 2019 (or after December 31, 2018, whichever is elected), and all shortfall amortization installments determined with respect to such bases, shall be reduced to zero, and

“(B) subparagraphs (A) and (B) of paragraph (2) shall each be applied by substituting ‘15-plan-year period’ for ‘7-plan-year period’.”.

(b) 15-YEAR AMORTIZATION UNDER THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Section 303(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(c)) is amended by adding at the end the following new paragraph:

“(8) 15-YEAR AMORTIZATION.—With respect to plan years beginning after December 31, 2019 (or, at the election of the plan sponsor, after December 31, 2018)—

“(A) the shortfall amortization bases for all plan years preceding the first plan year beginning after December 31, 2019 (or after December 31, 2018, whichever is elected), and all shortfall amortization installments determined with respect to such bases, shall be reduced to zero, and

“(B) subparagraphs (A) and (B) of paragraph (2) shall each be applied by substituting ‘15-plan-year period’ for ‘7-plan-year period’.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years beginning after December 31, 2018.

**SEC. 9706. EXTENSION OF PENSION FUNDING STABILIZATION PERCENTAGES FOR SINGLE EMPLOYER PLANS.**

(a) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—

(1) IN GENERAL.—The table contained in subclause (II) of section 430(h)(2)(C)(iv) of the Internal Revenue Code of 1986 is amended to read as follows:

“If the calendar year is:	The appli- cable min- imum per- centage is:	The appli- cable max- imum per- centage is:
Any year in the period starting in 2012 and ending in 2019 .....	90%	110%
Any year in the period starting in 2020 and ending in 2025 .....	95%	105%
2026 .....	90%	110%
2027 .....	85%	115%
2028 .....	80%	120%
2029 .....	75%	125%
After 2029 .....	70%	130%.”.

(2) FLOOR ON 25-YEAR AVERAGES.—Subclause (I) of section 430(h)(2)(C)(iv) of such Code is amended by adding at the end the following: “Notwithstanding anything in this subclause, if the average of the first, second, or third segment rate for any 25-year period is less than 5 percent, such average shall be deemed to be 5 percent.”.

(b) AMENDMENTS TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—

(1) IN GENERAL.—The table contained in subclause (II) of section 303(h)(2)(C)(iv) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(h)(2)(C)(iv)(II)) is amended to read as follows:

“If the calendar year is:	The appli- cable min- imum per- centage is:	The appli- cable max- imum per- centage is:
Any year in the period starting in 2012 and ending in 2019 .....	90%	110%
Any year in the period starting in 2020 and ending in 2025 .....	95%	105%
2026 .....	90%	110%
2027 .....	85%	115%
2028 .....	80%	120%
2029 .....	75%	125%
After 2029 .....	70%	130%.”.

(2) FLOOR ON 25-YEAR AVERAGES.—Subclause (I) of section 303(h)(2)(C)(iv) of such Act (29 U.S.C. 1083(h)(2)(C)(iv)(I)) is amended by adding at the end the following: “Notwithstanding anything in this subclause, if the average of the first, second, or third segment rate for any 25-year period is less than 5 percent, such average shall be deemed to be 5 percent.”.

(3) CONFORMING AMENDMENTS.—

(A) IN GENERAL.—Section 101(f)(2)(D) of such Act (29 U.S.C. 1021(f)(2)(D)) is amended—

(i) in clause (i) by striking “and the Bipartisan Budget Act of 2015” both places it appears and inserting “, the Bipartisan Budget Act of 2015, and the Butch Lewis Emergency Pension Plan Relief Act of 2021”, and

(ii) in clause (ii) by striking “2023” and inserting “2029”.

(B) STATEMENTS.—The Secretary of Labor shall modify the statements required under subclauses (I) and (II) of section 101(f)(2)(D)(i) of such Act to conform to the amendments made by this section.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to plan years beginning after December 31, 2019.

**SEC. 9707. MODIFICATION OF SPECIAL RULES FOR MINIMUM FUNDING STANDARDS FOR COMMUNITY NEWSPAPER PLANS.**

(a) AMENDMENT TO INTERNAL REVENUE CODE OF 1986.—Subsection (m) of section 430 of the Internal Revenue Code of 1986 is amended to read as follows:

“(m) SPECIAL RULES FOR COMMUNITY NEWSPAPER PLANS.—

“(1) IN GENERAL.—An eligible newspaper plan sponsor of a plan under which no participant has had the participant’s accrued benefit increased (whether because of service or compensation) after April 2, 2019, may elect to have the alternative standards described in paragraph (4) apply to such plan.

“(2) ELIGIBLE NEWSPAPER PLAN SPONSOR.—The term ‘eligible newspaper plan sponsor’ means the plan sponsor of—

“(A) any community newspaper plan, or

“(B) any other plan sponsored, as of April 2, 2019, by a member of the same controlled group of a plan sponsor of a community newspaper plan if such member is in the trade or business of publishing 1 or more newspapers.

“(3) ELECTION.—An election under paragraph (1) shall be made at such time and in such manner as prescribed by the Secretary. Such election, once made with respect to a plan year, shall apply to all subsequent plan years unless revoked with the consent of the Secretary.

“(4) ALTERNATIVE MINIMUM FUNDING STANDARDS.—The alternative standards described in this paragraph are the following:

“(A) INTEREST RATES.—

“(i) IN GENERAL.—Notwithstanding subsection (h)(2)(C) and except as provided in clause (ii), the first, second, and third segment rates in effect for any month for purposes of this section shall be 8 percent.

“(ii) NEW BENEFIT ACCRUALS.—Notwithstanding subsection (h)(2), for purposes of determining the funding target and normal cost of a plan for any plan year, the present value of any benefits accrued or earned under the plan for a plan year with respect to which an election under paragraph (1) is in effect shall be determined on the basis of the United States Treasury obligation yield curve for the day that is the valuation date of such plan for such plan year.

“(iii) UNITED STATES TREASURY OBLIGATION YIELD CURVE.—For purposes of this subsection, the term ‘United States Treasury obligation yield curve’ means, with respect to any day, a yield curve which shall be prescribed by the Secretary for such day on interest-bearing obligations of the United States.

“(B) SHORTFALL AMORTIZATION BASE.—

“(i) PREVIOUS SHORTFALL AMORTIZATION BASES.—The shortfall amortization bases determined under subsection (c)(3) for all plan years preceding the first plan year to which the election under paragraph (1) applies (and all shortfall amortization installments determined with respect to such bases) shall be reduced to zero under rules similar to the rules of subsection (c)(6).

“(ii) NEW SHORTFALL AMORTIZATION BASE.—Notwithstanding subsection (c)(3), the shortfall amortization base for the first plan year to which the election under paragraph (1) applies shall be the funding shortfall of such plan for such plan year (determined using the interest rates as modified under subparagraph (A)).

“(C) DETERMINATION OF SHORTFALL AMORTIZATION INSTALLMENTS.—

“(i) 30-YEAR PERIOD.—Subparagraphs (A) and (B) of subsection (c)(2) shall be applied by substituting ‘30-plan-year’ for ‘7-plan-year’ each place it appears.

“(ii) NO SPECIAL ELECTION.—The election under subparagraph (D) of subsection (c)(2) shall not apply to any plan year to which the election under paragraph (1) applies.

“(D) EXEMPTION FROM AT-RISK TREATMENT.—Subsection (i) shall not apply.

“(5) COMMUNITY NEWSPAPER PLAN.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘community newspaper plan’ means any plan to which this section applies maintained as of December 31, 2018, by an employer which—

“(i) maintains the plan on behalf of participants and beneficiaries with respect to employment in the trade or business of publishing 1 or more newspapers which were published by the employer at any time during the 11-year period ending on the date of the enactment of this subsection,

“(ii)(I) is not a company the stock of which is publicly traded (on a stock exchange or in an over-the-counter market), and is not controlled, directly or indirectly, by such a company, or

“(II) is controlled, directly or indirectly, during the entire 30-year period ending on the date of the enactment of this subsection by individuals who are members of the same family, and does not publish or distribute a daily newspaper that is carrier-distributed in printed form in more than 5 States, and

“(iii) is controlled, directly or indirectly—

“(I) by 1 or more persons residing primarily in a State in which the community newspaper has been published on newsprint or carrier-distributed,

“(II) during the entire 30-year period ending on the date of the enactment of this subsection by individuals who are members of the same family,

“(III) by 1 or more trusts, the sole trustees of which are persons described in subclause (I) or (II), or

“(IV) by a combination of persons described in subclause (I), (II), or (III).

“(B) NEWSPAPER.—The term ‘newspaper’ does not include any newspaper (determined without regard to this subparagraph) to which any of the following apply:

“(i) Is not in general circulation.

“(ii) Is published (on newsprint or electronically) less frequently than 3 times per week.

“(iii) Has not ever been regularly published on newsprint.

“(iv) Does not have a bona fide list of paid subscribers.

“(C) CONTROL.—A person shall be treated as controlled by another person if such other person possesses, directly or indirectly, the power to direct or cause the direction and management of such person (including the power to elect a majority of the members of the board of directors of such person) through the ownership of voting securities.

“(6) CONTROLLED GROUP.—For purposes of this subsection, the term ‘controlled group’ means all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 as of the date of the enactment of this subsection.”.

(b) AMENDMENT TO EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.—Subsection (m) of section 303 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1083(m)) is amended to read as follows:

“(m) SPECIAL RULES FOR COMMUNITY NEWSPAPER PLANS.—

“(1) IN GENERAL.—An eligible newspaper plan sponsor of a plan under which no participant has had the participant’s accrued benefit increased (whether because of service or compensation) after April 2, 2019, may elect to have the alternative standards described in paragraph (4) apply to such plan.

“(2) ELIGIBLE NEWSPAPER PLAN SPONSOR.—The term ‘eligible newspaper plan sponsor’ means the plan sponsor of—

“(A) any community newspaper plan, or

“(B) any other plan sponsored, as of April 2, 2019, by a member of the same controlled group of a plan sponsor of a community newspaper plan if such member is in the trade or business of publishing 1 or more newspapers.

“(3) ELECTION.—An election under paragraph (1) shall be made at such time and in such manner as prescribed by the Secretary of the Treasury. Such election, once made with respect to a plan year, shall apply to all subsequent plan years unless revoked with the consent of the Secretary of the Treasury.

“(4) ALTERNATIVE MINIMUM FUNDING STANDARDS.—The alternative standards described in this paragraph are the following:

“(A) INTEREST RATES.—

“(i) IN GENERAL.—Notwithstanding subsection (h)(2)(C) and except as provided in clause (ii), the first, second, and third segment rates in effect for any month for purposes of this section shall be 8 percent.

“(ii) NEW BENEFIT ACCRUALS.—Notwithstanding subsection (h)(2), for purposes of determining the funding target and normal cost of a plan for any plan year, the present value of any benefits accrued or earned under the plan for a plan year with respect to which an election under paragraph (1) is in effect shall be determined on the basis of the United States Treasury obligation yield curve for the day that is the valuation date of such plan for such plan year.

“(iii) UNITED STATES TREASURY OBLIGATION YIELD CURVE.—For purposes of this subsection, the term ‘United States Treasury obligation yield curve’ means, with respect to any day, a yield curve which shall be prescribed by the Secretary of the Treasury for such day on interest-bearing obligations of the United States.

“(B) SHORTFALL AMORTIZATION BASE.—

“(i) PREVIOUS SHORTFALL AMORTIZATION BASES.—The shortfall amortization bases determined under subsection (c)(3) for all plan years preceding the first plan year to which the election under paragraph (1) applies (and all shortfall amortization installments determined with respect to such bases) shall be reduced to zero under rules similar to the rules of subsection (c)(6).

“(ii) NEW SHORTFALL AMORTIZATION BASE.—Notwithstanding subsection (c)(3), the shortfall amortization base for the first plan year to which the election under paragraph (1) applies shall be the funding shortfall of such plan for such plan year (determined using the interest rates as modified under subparagraph (A)).

“(C) DETERMINATION OF SHORTFALL AMORTIZATION INSTALLMENTS.—

“(i) 30-YEAR PERIOD.—Subparagraphs (A) and (B) of subsection (c)(2) shall be applied by substituting ‘30-plan-year’ for ‘7-plan-year’ each place it appears.

“(ii) NO SPECIAL ELECTION.—The election under subparagraph (D) of subsection (c)(2) shall not apply to any plan year to which the election under paragraph (1) applies.

“(D) EXEMPTION FROM AT-RISK TREATMENT.—Subsection (i) shall not apply.

“(5) COMMUNITY NEWSPAPER PLAN.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘community newspaper plan’ means a plan to which this section applies maintained as of December 31, 2018, by an employer which—

“(i) maintains the plan on behalf of participants and beneficiaries with respect to employment in the trade or business of publishing 1 or more newspapers which were published by the employer at any time during the 11-year period ending on the date of the enactment of this subsection,

“(ii)(I) is not a company the stock of which is publicly traded (on a stock exchange or in an over-the-counter market), and is not controlled, directly or indirectly, by such a company, or

“(II) is controlled, directly, or indirectly, during the entire 30-year period ending on the date of the enactment of this subsection by individuals who are members of the same family, and does not publish or distribute a daily newspaper that is carrier-distributed in printed form in more than 5 States, and

“(iii) is controlled, directly, or indirectly—

“(I) by 1 or more persons residing primarily in a State in which the community newspaper has been published on newsprint or carrier-distributed,

“(II) during the entire 30-year period ending on the date of the enactment of this subsection by individuals who are members of the same family,

“(III) by 1 or more trusts, the sole trustees of which are persons described in subclause (I) or (II), or

“(IV) by a combination of persons described in subclause (I), (II), or (III).

“(B) NEWSPAPER.—The term ‘newspaper’ does not include any newspaper (determined without regard to this subparagraph) to which any of the following apply:

“(i) Is not in general circulation.

“(ii) Is published (on newsprint or electronically) less frequently than 3 times per week.

“(iii) Has not ever been regularly published on newsprint.

“(iv) Does not have a bona fide list of paid subscribers.

“(C) CONTROL.—A person shall be treated as controlled by another person if such other person possesses, directly or indirectly, the power to direct or cause the direction and management of such person (including the power to elect a majority of the members of the board of directors of such person) through the ownership of voting securities.

“(6) CONTROLLED GROUP.—For purposes of this subsection, the term ‘controlled group’ means all persons treated as a single employer under subsection (b), (c), (m), or (o) of section 414 of the Internal Revenue Code of 1986 as of the date of the enactment of this subsection.

“(7) EFFECT ON PREMIUM RATE CALCULATION.—Notwithstanding any other provision of law or any regulation issued by the Pension Benefit Guaranty Corporation, in the case of a plan for which an election is made to apply the alternative standards described in paragraph (3), the additional premium

under section 4006(a)(3)(E) shall be determined as if such election had not been made.”.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to plan years ending after December 31, 2017.

**SEC. 9708. COST OF LIVING ADJUSTMENT FREEZE.**

(a) IN GENERAL.—Subsection (d) of section 415 of the Internal Revenue Code of 1986 is amended by adding at the end the following new paragraph:

“(5) FREEZE ON COST OF LIVING ADJUSTMENTS.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), in the case of calendar years beginning after December 31, 2030—

“(i) no adjustment shall be made under paragraph (1), and

“(ii) the dollar amounts as adjusted under such paragraph for calendar year 2030 shall apply.

“(B) EXCEPTION.—Subparagraph (A) shall not apply in the case of a plan maintained pursuant to 1 or more collective bargaining agreements.”.

(b) COMPENSATION LIMIT.—Paragraph (17) of section 401(a) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

“(C) FREEZE ON COST OF LIVING ADJUSTMENTS.—

“(i) IN GENERAL.—Except as provided in clause (ii), in the case of calendar years beginning after December 31, 2030—

“(I) no adjustment shall be made under subparagraph (B), and

“(II) the dollar amount as adjusted under such subparagraph for calendar year 2030 shall apply.

“(ii) EXCEPTION.—Clause (i) shall not apply in the case of a plan maintained pursuant to 1 or more collective bargaining agreements.”.

(c) CONFORMING AMENDMENTS.—

(1) Section 45A(c)(3) of the Internal Revenue Code of 1986 is amended by striking “415(d)” and inserting “415(d) (without regard to paragraph (5) thereof)”.

(2) Section 402(g)(4) of such Code is amended by striking “415(d)” and inserting “415(d) (without regard to paragraph (5) thereof)”.

(3) Section 404(l) of such Code is amended by striking “401(a)(17)(B)” and inserting “401(a)(17)(B) (without regard to section 401(a)(17)(C))”.

(4) Section 408(k)(8) of such Code is amended—

(A) by striking “415(d)” and inserting “415(d) (without regard to paragraph (5) thereof)”, and

(B) by striking “401(a)(17)(B)” and inserting “401(a)(17)(B) (without regard to section 401(a)(17)(C))”.

(5) Section 408(p)(2)(E)(ii) of such Code is amended by striking “415(d)” and inserting “415(d) (without regard to paragraph (5) thereof)”.

(6) Section 409(o)(2) of such Code is amended by striking “415(d)” and inserting “415(d) (without regard to paragraph (5) thereof)”.

(7) Section 416(i)(1)(A) of such Code is amended by striking “415(d)” and inserting “415(d) (without regard to paragraph (5) thereof)”.

(8) Section 457(e)(11)(B)(iii) of such Code is amended by striking “415(d)” and inserting “415(d) (without regard to paragraph (5) thereof)”.

(9) Section 457(e)(15)(B) of such Code is amended by striking “415(d)” and inserting “415(d) (without regard to paragraph (5) thereof)”.

(10) Section 505(b)(7) of such Code is amended by striking “401(a)(17)(B)” and inserting “401(a)(17)(B) (without regard to section 401(a)(17)(C))”.

(11) Section 664(g)(7)(B) of such Code is amended by striking “415(d)” and inserting “415(d) (without regard to paragraph (5) thereof)”.

## Subtitle I—Child Care for Workers

### SEC. 9801. CHILD CARE ASSISTANCE.

#### (a) APPROPRIATION.—

(1) IN GENERAL.—Section 418(a)(3) of the Social Security Act (42 U.S.C. 618(a)(3)) is amended to read as follows:

“(3) APPROPRIATION.—For grants under this section, there are appropriated \$3,550,000,000 for each fiscal year, of which—

“(A) \$3,375,000,000 shall be available for grants to States;

“(B) \$100,000,000 shall be available for grants to Indian tribes and tribal organizations; and

“(C) \$75,000,000 shall be available for grants to territories.”.

(2) CONFORMING AMENDMENT.—Section 418(a)(2)(A) of such Act (42 U.S.C. 618(a)(2)(A)) is amended by striking “paragraph (3), and remaining after the reservation described in paragraph (4) and” and inserting “paragraph (3)(A),”.

(b) SUSPENSION OF STATE MATCH REQUIREMENT IN FISCAL YEARS 2021 AND 2022.—With respect to the amounts made available by section 418(a)(3)(A) of the Social Security Act for each of fiscal years 2021 and 2022, section 418(a)(2)(C) of such Act shall be applied and administered with respect to any State that is entitled to receive the entire amount that would be allotted to the State under section 418(a)(2)(B) of such Act for the fiscal year in the absence of this section, as if the Federal medical assistance percentage for the State for the fiscal year were 100 percent.

(c) FUNDING FOR THE TERRITORIES.—Section 418(a)(4) of such Act (42 U.S.C. 618(a)(4)) is amended to read as follows:

#### “(4) TERRITORIES.—

“(A) GRANTS.—The Secretary shall use the amounts made available by paragraph (3)(C) to make grants to the territories under this paragraph.

“(B) ALLOTMENTS.—The amount described in subparagraph (A) shall be allotted among the territories in proportion to the share of each territory of the total of the amounts payable to the territories under the Child Care

and Development Block Grant Act of 1990 for the then most recent fiscal year.

“(C) REDISTRIBUTION.—The 1st sentence of clause (i) and clause (ii) of paragraph (2)(D) shall apply with respect to the amounts allotted to the territories under this paragraph, except that the 2nd sentence of paragraph (2)(D) shall not apply and the amounts allotted to the territories that are available for redistribution for a fiscal year shall be redistributed to each territory that applies for the additional amounts, to the extent that the Secretary determines that the territory will be able to use the additional amounts to provide child care assistance, in an amount that bears the same ratio to the amount so available for redistribution as the amount allotted to the territory for the fiscal year bears to the total amount allotted to all the territories receiving redistributed funds under this paragraph for the fiscal year.

“(D) INAPPLICABILITY OF PAYMENT LIMITATION.— Section 1108(a) shall not apply with respect to any amount paid under this paragraph.

“(E) APPLICATION OF CHILD CARE AND DEVELOPMENT BLOCK GRANT ACT OF 1990.—Subsection (c) shall apply with respect to any amount paid under this paragraph.

“(F) TERRITORY.—In this paragraph, the term ‘territory’ means the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.”.