

## **SUMMARY: Families First Coronavirus Response Act:**

This bill, which originated in the House, was signed into law March 18. It provides guidance on response efforts, loosens regulatory hurdles, and allocates another \$104 billion to response and preparedness. This bill contains a compromise over tax credits for employers. Some legislators argued that many emergency benefits would have had to be paid by the employer up front - forcing them to shell out money months before they could have it reimbursed through quarterly federal tax credits. Some were of the opinion that those up-front costs could sink many small businesses. The compromise allows for businesses that employ less than 50 people to have the option to apply for hardship waivers so they do not have to pay for sick and family leave out of pocket. Treasury Secretary Steve Mnuchin made it clear that some businesses will be eligible for an advance to help with cash flow. The bill contains a number of other appropriations and regulatory changes, and provides for:

- Paid sick leave - the compromise capped it at up to \$511 per day for up to two weeks.
- Paid family leave - gives workers 2/3 of their pay for up to ten weeks if their children's schools are closed. The compromise capped that pay at \$200 per day.
- Free coronavirus testing.
- Expanded food assistance.
- Expanded unemployment benefits and grants to states for processing and paying claims.
- Required protections for healthcare workers.
- Supplemental appropriations to USDA for nutrition and food assistance programs.
- Appropriations to DHHS for elderly nutrition assistance programs.
- Waivers for school meal programs.
- Suspension of work requirements for the Supplemental Nutrition Assistance Program (SNAP).
- Protection of healthcare workers by requiring the Occupational Safety and Health Administration to develop and implement an infectious disease control plan.
- Establishment and funding of a paid leave benefits program for employees taking unpaid leave.
- Temporary increases to the Medicaid federal medical assistance percentage (FMAP).

Here is a more in-depth breakdown of the bill:

- **Division A: Supplemental Appropriations Act**
  - \$500 million for the Special Supplemental Nutrition Program for Women, Infants, and Children.
  - \$400 million for the Commodity Assistance Program for the emergency food assistance program.
  - \$100 million for nutrition assistance grants for American territories.
  - \$82 million for Department of Defense Health Program.
  - \$15 million to the Internal Revenue Service for taxpayer services.
  - \$64 million to the Department of Health and Human Services (DHS) for Indian health services.
  - \$250 million to DHS for the Aging and Disability Services Program, for nutritional and other needs.
  - \$1 billion to the Public Health and Social Services Emergency Fund to pay provider claims for reimbursement for health services related to SARS-CoV-2 or COVID-19.
  - \$30 million to the Veterans Health Administration for medical services.
  - Additional \$30 million for "medical community care."
  - Includes reporting requirements for federal agency heads; requires state and local governments to report real-time data on testing and results to their state emergency operations center per CDC guidelines, and that data must then be reported to the CDC.
  
- **Division B: Nutrition Waivers "Maintaining Essential Access to Lunch for Students Act" or the MEALS Act**
  - Temporarily waives a number of regulatory hurdles to allow students continued access to meals while schools are shut down.
  - Provides waivers and increased flexibility for SNAP benefits for low-income and jobless workers.
  
- **Division C: Emergency Family and Medical Leave Expansion Act**
  - Amends to the Family and Medical Leave Act of 1993 to accommodate needs surrounding a public health emergency and define public health emergency leave/
  
- **Division D: Emergency Unemployment Insurance Stabilization and Access Act**
  - Allocates \$1 billion to allow the Secretary of Labor to make emergency administration grants to states in the Unemployment Trust Fund/

- (Side note: NC Gov. Roy Cooper (D) has waived many filing requirements, allowing the state to be eligible for the federal relief funds. Filings have jumped dramatically, flooding NC's Division of Employment Security, locking up the phone lines and crashing the website. NC's current unemployment trust fund has a nearly \$4B nest egg in it right now.)
- **Division E: Emergency Paid Sick Leave Act**
  - Allows for paid sick leave for people who, in relation to COVID-19, are ill, are caring for someone who is ill, are caring for children whose schools have been closed due to the virus, or some other similar situation.
  - Covers full- and part-time employees, and provides protections against unpaid leave and termination for employees who have to take leave time.
- **Division F: Health Provisions**
  - Requires health insurance providers to provide and cover the cost of in vitro diagnostics and associated expenses.
  - Covers COVID-19 testing under Medicare, Medicaid, and the Children's Health Insurance Program.
  - Provides a state option to provide coverage for uninsured individuals.
  - Treats personal respiratory protective devices as covered countermeasures.
  - Increases the FMAP for each state and territory by 6.2 percentage points each quarter.
  - Clarifies secretarial authority regarding Medicare telehealth visits.
- **Division G: Tax Credits for Paid Sick Leave and Paid Family and Medical Leave**
  - Establishes guidelines for tax credits for employers who had staff take qualified sick leave, as well as certain health plan expenses.
  - Establishes criteria for some self-employed individuals to receive a tax credit for qualified sick leave as well.
  - Provides guidelines around a payroll credit for employers whose staff took paid family leave and for self-employed individuals who did the same.