

WHAT'S IN THE HEROES ACT FOR BABIES?

May 15, 2020



ZERO TO THREE
Early connections last a lifetime

On May 12th, House Democrats introduced the Health and Economic Recovery Omnibus Emergency Solutions Act (HEROES Act) that included many important provisions for families with young children. The HEROES Act is a far-reaching bill that would provide over \$3 trillion in much-needed relief for Americans struggling amid the coronavirus pandemic. However, it does not go far enough to meet some needs of today's families. ZERO TO THREE [continues to hear directly from families](#) with infants and toddlers, as well as the [child care providers](#) that often care for them, about their experiences coping with financial worries and family stress, which often outstrip health concerns related to the virus itself. Further, we know from the science of child development that babies' experiences during the current crisis will not only profoundly shape their early development but will bring with it lifelong effects.

This analysis highlights components of the HEROES Act that will ultimately affect the nation's ability to [sustain the child care system](#), [boost families' economic security](#), [support strong families](#) and [strong social-emotional health](#), and [meet families' basic needs](#) during the pandemic and beyond, on the nation's road to recovery.

The HEROES Act includes the following additional support for families in response to COVID-19:

CRITICAL AREA 1: Sustaining Early Learning and Child Care

Child care:

- \$7 billion for the Child Care and Development Block Grant
- \$850 million for family care for essential workers through the Social Services Block Grant, but allows states to waive key health and safety protections

CRITICAL AREA 2: Boosting Economic Security

Direct Payments: A second round of economic impact payments of \$1,200 per family member, up to \$6,000 per household

Tax Credits:

- A temporary expansion of both the Child Tax Credit (CTC) and Earned Income Tax Credit (EITC), making the CTC fully refundable and increasing its value to \$3,000 and \$3,600 for qualifying children under 6
- The EITC phase-in is increased to 15.3 percent (from 7.65 percent) and the amount and phaseout amounts are raised, increasing the benefit of the EITC for low-income individuals
- The Child and Dependent Care Tax Credit (CDCTC) is also made fully refundable and the maximum credit is increased to \$6,000 per qualifying individual

Paid Family and Medical Leave and Paid Sick Days: Improves provisions in emergency paid leave

- Eliminates the 500+ employee exemption, health care provider and emergency responder exclusions, and the small business self-exemption;
- Expands emergency paid leave to cover the same purposes as emergency paid sick days, caregiving and medical reasons for taking leave (including to allow leave in the event of a public order for self-isolation), and the family care definitions to cover any adult disabled family member, in addition to children, and expands the overall family definition;

- Expands the Ability To Use Paid Sick Days & Paid Leave by extending the sunset date from December 31, 2020 to December 31, 2021 (including the employer tax credits), ensuring that emergency FMLA leave does not count against your regular FMLA entitlement, clarifying that employees receive 10 days of paid sick days per year, adding job protection to paid sick days, clarifying the documentation required for employees to certify leave, eliminating much of the employer discretion in the DOL regs as well as that an employer can't make the employee substitute any of their existing PTO, and eliminating the requirement requiring that an employee receive the employer's permission to take intermittent leave;
- Increases wage replacement maximum for family care purposes, clarifies that the emergency paid leave benefit cannot be less than minimum wage, changes the paid leave aggregate limit from \$10,000 to \$12,000, eliminates the \$200/day limit on employer tax credits, and allows self-employed people to use prior year earnings to calculate their self-employment income for the credit; and
- Expands access to public & nonprofit employees and provides fiscal aid to state and local governments, allows federal, state, and local governments to claim tax credits for paid sick days and paid family and medical leave, includes TSA and VA employees in the paid sick days provisions, and clarifies that nonprofits are covered.

CRITICAL AREA 3: Supporting Strong Families

- \$9.6 billion for the Social Services Block Grant
- More than \$7.5 billion to support broadband connectivity, including for students and healthcare providers
- \$100 million for home visiting through Maternal Infant and Early Childhood Home Visiting (MIECHV)
- \$100 million for the Violence Against Women Act (VAWA)
- \$50 million for the Family Violence Prevention Services Act (FVPSA)
- \$50 million for Chafee Foster Care Independence Program (CFCIP)
- \$20 million Child Abuse Prevention and Treatment Act (CAPTA) Title I Grants to States
- \$20 million for necessary expenses for the prevention of child abuse and neglect in Child Abuse Prevention and Treatment Act (CAPTA) Title II – Community Based Child Abuse Prevention Grants
- Emergency flexibility for child welfare providers by providing state child welfare programs to provide services, including caseworker visits, virtually when necessary to comply with public health directives
- Temporary Federal Medical Assistance Parentages (FMAP) increase by 14 percentage points

CRITICAL AREA 4: Supporting Strong Social-Emotional Health

- \$10 million for the National Child Traumatic Stress Network (NCTSN)
- \$1 billion for the Community Mental Health Services Block Grant

CRITICAL AREA 5: Meeting Basic Needs

Housing

- \$100 billion for Emergency Rental Assistance
- \$75 billion Homeowner Assistance Fund
- \$11.5 billion in Emergency Solutions Grants
- \$5 billion for CDBG to cities and states
- \$4 billion for tenant-based rental assistance
- \$2 billion for the public housing operating fund

- \$1 billion for the first year funding of 100,000 new emergency housing vouchers targeted to people who are homeless, at-risk of homelessness, or fleeing or attempting to flee domestic violence, dating violence, sexual assault, or stalking
- \$750 million for Project Based Rental Assistance
- A national, uniform moratorium on evictions and foreclosures
- \$100 million through the Bureau of Indian Affairs for tribes to address housing improvements

Nutrition

- \$10 billion for Supplemental Nutrition Assistance Program (SNAP)
- Boost SNAP maximum benefits by 15 percent temporarily
- Increase minimum monthly SNAP benefit from \$16 to \$30 temporarily
- Suspend the following proposed rules as related to SNAP
 - Supplemental Nutrition Assistance Program: Requirements for Able Bodied Adults Without Dependents
 - Revision of Categorical Eligibility in the Supplemental Nutrition Assistance Program
 - Supplemental Nutrition Assistance Program: Standardization of State Heating and Cooling Standard Utility Allowances
- \$150 million to supplement SNAP state administrative funding for FY20 and FY21
- Temporarily allows SNAP benefits to be used to purchase hot foods from authorized SNAP retailers until the end of the public health emergency
- P-EBT (electronic payments for meals usually provided at school or child care) extended through the summer “until school reopens” in the 2020-2021 school year and extends benefits to children in childcare settings through CACFP
- Waives the non-federal cost share requirement for funds provided in the CARES Act for Food Distribution Program on Indian Reservations (FDPIR)
- Allows participation for Tribal member households already participating in SNAP who cannot access approved SNAP retailer stores to access FDPIR
- \$3 billion for Child Nutrition Programs
- \$1.1 billion for The Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
- Short term flexibilities for states to increase the value of WIC’s Cash Value Benefit for fruit and vegetable purchases, permitting state WIC agencies to increase the benefit up to \$35/month through the end of September 2020

In addition, the HEROES Act provided the following provisions for immigrant families that were largely left out of the previous stimulus packages:

This bill provides for access to free COVID-19 testing and care as well as any eventual vaccines, and it provides that immigrant taxpayers previously left out in relief bills — including millions of spouses and parents of U.S. citizens — will receive stimulus checks. The bill also provides that millions of immigrants, including those with Deferred Action for Childhood Arrivals (DACA) and temporary protected status (TPS), continue to have protection from deportation and the ability to go to work, provide for their families, and help keep our communities running. Further, it would protect immigrant lives by seeking to release at least some of the tens of thousands of immigrants in detention custody.

The HEROES Act also provided the following funds to be distributed to states and localities:

\$540 billion for a State Fiscal Relief Fund and \$375 billion for a Local Fiscal Relief Fund to help state, local, territorial, and tribal governments mitigate lost revenues and other fiscal constraints resulting from the public health crisis.