WHAT'S IN THE UPDATED HEROES ACT FOR BABIES?

September, 2020



On September 28th, the House Democrats released an updated version of the Health and Economic Recovery Omnibus Emergency Solutions (HEROES) Act which includes many critical supports for families. The latest iteration of the HEROES Act would provide \$2.2 trillion in funding focused on meeting the needs of families facing hardship around the nation. Eight months have now passed since the first case of COVID-19 in the United States and, to date, more than 200,000 people have died during this pandemic. As a country, there is a palpable yearning for normalcy but also a newly tangible understanding of the gaps in the national safety net. More than 40% of families have reported difficulty paying for basic needs in August alone and many more are feeling the pain of COVID—whether by diagnosis, loss, or circumstance—the worst of which are babies and families, particularly those of color. There is dire need for additional COVID support resources, particularly for the most over-burdened and under resourced among us.

ZERO TO THREE examined the updated HEROES Act from the standpoint of critical needs identified for babies and families and found it includes key provisions needed to support families with young children through this crisis. The bill includes: comprehensive support for the child care system that meets the need economists estimate to be at least \$50 billion; expansion of paid family and medical leave and paid sick days during and after the pandemic; additional support for families with young children who are both physically and socially isolated; emergency rental assistance to support families in remaining housed as well as an extension to the federal eviction moratorium; and boosts to the minimum and maximum SNAP benefits. Each of these provisions would help families get back to work and meet their basic needs during this unprecedented time.

The science of child development tells us that babies' experiences during this crisis will profoundly shape their lives. Since the passage of Families First Coronavirus Response Act (FFCRA) and the Coronavirus Aid, Relief and Economic Security (CARES) Act, ZERO TO THREE has continued to hear directly from families with infants and toddlers, as well as child care providers, about their experiences coping with financial worries and family stress. We also have been drawing on the Rapid Early Childhood Survey, which provides an invaluable window to the experiences of families with young children during this crisis.

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

CRITICAL AREA 1: Sustaining Child Care and Early Learning

Early care and learning programs are essential to our economy reopening and to babies' strong development. To address the growing needs of the child care system, the bill includes:

• \$57 billion for child care, including \$7 billion for CCDBG and \$50 billion for child care stabilization.

• \$1.7 billion for Head Start

CRITICAL AREA 2: Boosting Economic Security

The pandemic has caused economic devastation that has disproportionately affected families with low income and families of color, magnifying many existing challenges. This bill restores economic supports that research shows helped stave off poverty for many families with infants and toddlers:

- Extends \$600 weekly Federal Pandemic Unemployment Compensation supplement to state unemployment insurance programs through January 31, 2021.
- Extends Pandemic Emergency Unemployment Compensation, which provides 13 weeks of additional federal unemployment benefits for workers who exhaust state unemployment insurance benefits through January 31, 2021.
- Provides an additional round of economic impact payments of \$1,200 per individual and \$500 per dependent.
- Enhances and expands eligibility for the childless worker Earned Income Tax Credit for 2020, increasing the maximum value of the credit from \$538 to \$1,487.
- Makes the Child Tax Credit fully refundable for 2020.
- Extends the refundable payroll tax credits for paid sick and family leave enacted in the Families First Coronavirus Response Act through February 2021.
- Expands 12 weeks of job-protected paid leave for all workers under the Family and Medical Leave act, regardless of the size of the employer.

CRITICAL AREA 3: Supporting Strong Families

Many families with young children—including grandparents caring for babies, parents with older children with special needs, or adults caring for an aging parent—are isolated at home and are often under increased emotional and/or economic strain. This bill takes a critically holistic approach to addressing and fundamentally understanding this issue:

- \$225 million for the Community-Based Child Abuse Prevention program (Title II of the Child Abuse Prevention and Treatment Act)
- \$500 million for the Maternal and Child Health Block Grant for Special Programs of Regional and National Significance
- \$100 million for child protection services through CAPTA state grants (Title I)
- \$75 million for child welfare services under Title IV-B, Part I, of the Social Security Act
- \$100 million for home visiting
- \$85 million for Title IV-B, Part II, of the Social Security Act (MaryLee Allen Promoting Safe and Stable Families Program
- \$9.6 billion for the Social Services Block Grant
- Reauthorizes CAPTA for 5 years
- \$375 million for the Violence Against Women Act
- \$100 million for Family Violence Prevention
- \$50 million for the Victims of Child Abuse Act

CRITICAL AREA 4: Supporting Strong Social-Emotional Health

As family stressors mount with widespread economic and material hardship on the rise, children and families need more mental health support if they are to weather the COVID storm. To that end, this bill includes:

- \$10 million for the National Child Traumatic Stress Network
- \$4 billion for the Mental Health Services Block Grant

CRITICAL AREA 5: Meeting Basic Needs

For babies, consistent access to nutritious foods and a place to call home are essentials for healthy development, but the economic fallout brought on by the COVID-19 pandemic has hit families – particularly those with young children – hard. The bill provides much-needed support for meeting families' basic needs:

- \$50 billion for Emergency Rental Assistance.
- Implements a 12-month eviction and foreclosure moratorium.
- \$6 billion for public housing agencies including \$1 billion for new, temporary, vouchers.
- \$5 billion for Emergency Solutions Grants.
- \$750 million for Project-Based Rental Assistance.
- \$4.5 billion for the Low-Income Home Energy Assistance Program (LIHEAP)
- \$21 billion to states, territories, and tribes to provide direct assistance with mortgage payments, property taxes, property insurance, utilities, and other housing related costs.
- 15% increase in the maximum Supplemental Nutrition Assistance Program (SNAP) benefit level through September 30, 2021.
- Increase in the minimum SNAP benefit level from \$16 to \$30 through September 30, 2021.
- \$10 billion to support anticipated increases in SNAP participation and associated cost increases related to SNAP flexibilities
- Lifts mandatory work requirements for SNAP for one year.
- Excludes the Pandemic Unemployment Compensation as countable income for the SNAP benefit.
- \$400 million for WIC.
- Allows the Secretary of Agriculture to temporarily boost the value of the WIC Cash Value Voucher up to \$35 per month for a four-month period.
- Requires the Department of Agriculture to establish a taskforce on streamlining food delivery and remote food purchasing in WIC.

In addition, the bill includes an important extension to the data collection period for the Decennial Census allowing for data to be collected through October 31st while delaying the publication of apportionment and state redistricting data by 120 days due to the postponement of major operations caused by COVID-19.

The updated HEROES Act would also temporarily increase the Federal Medical Assistance Percentage (FMAP) payments to state Medicaid programs by a total of 14 percentage points.