



Summary of the HEROES Act

On May 12, Democratic leadership in the U.S. House of Representatives unveiled the 1,815-page HEROES Act (H.R. 6800) to address the coronavirus pandemic. The \$3-trillion package would provide additional education funding, state and local aid, a second round of stimulus checks, meals assistance, and Medicaid funding, and addresses multiple NEA requests.

The hallmark of the bill is **\$915 billion** in relief for states, localities, territories, and tribes to pay vital workers such as first responders, health workers, **and educators** who are at risk of losing jobs from massive budget shortfalls, with \$540 billion for the State Fiscal Relief Fund and \$375 billion for the Local Fiscal Relief Fund over the next two fiscal years to respond to, mitigate, cover costs, or replace forgone revenues that were not projected on Jan. 31, 2020 stemming from the public health emergency or its negative economic impacts.

The HEROES Act also provides another \$100.15 billion in direct funding for the Department of Education for K-12 education and higher education.

Education Funding

A total of \$100.15 billion for the Department of Education's Education Stabilization Fund to states:

\$90 billion available until Sept. 30, **2022**, to prevent, prepare for, and respond to the virus. Approximately \$58 billion would be distributed for K-12 education based on the Title I formula, and approximately \$27 billion would be used for **public** postsecondary education, with 75 percent of the higher education funding based on the number of Pell grant recipients not previously enrolled solely in distance education. (The remainder, approximately \$5 billion, would be set aside for other related purposes.)

- **K-12** - State grants are to be used "to maintain or restore State and local fiscal support for elementary, secondary and postsecondary education" and for a variety of public health and education purposes
- **Higher education** - Public institutions of higher education can use the funds to defray lost revenue, payroll costs, pay students' costs associated with the pandemic, among other purposes, with a priority for under-resourced institutions and those with a high burden due to the pandemic. Funds cannot be used to increase an institution's endowment or for capital costs of facilities for athletics or religious worship.
- **Maintenance of effort** – States that apply for and receive this funding have to maintain their fiscal year 2019 percent of total spending on elementary, secondary, and

postsecondary education for fiscal years 2020, 2021, and 2022 (page 93). States have to maintain K-12 spending at least at the average of the three previous years, with the same proviso for higher education, excluding capital projects, R&D, and student-paid tuition and fees.

K-12 education funds for:

- Costs associated with making up instructional time, including teacher, school leader, and classified school employee personnel costs
- Providing school-based supports for impacted students, families, and staff, including counseling, mental health services, family engagement efforts, and the coordination of medical services
- Costs associated with sanitation and cleaning for schools and school transportation
- Professional development for school-based staff on trauma-informed care to restore the learning environment
- Purchasing educational technology, including assistive technology, that aids in regular and substantive interactions between students and classroom instructors
- Coordination efforts between state educational agencies and public health departments for emergency planning, response, and recovery
- Authorized activities under education statutes including ESEA, IDEA, the McKinney Vento Homelessness Assistance Act, the Adult Education and Family Literacy Act, and the Perkins Act

Provisions related to DeVos and Vouchers:

- Prohibits using Education Stabilization funding for providing financial assistance to students who attend private schools
- Strikes the 1-percent set-side from the CARES Act used by Education Department to implement Secretary DeVos' "microgrant" voucher scheme and other items on her privatization agenda
- Clarifies the intent by Congress that local educational agencies receiving funds under the CARES Act shall provide equitable services in the same manner as provided under Section 1117 of the ESEA Act of 1965, and not based on Secretary DeVos' guidance to expand the amount LEAs would have to provide to private schools
- Includes a blanket provision prohibiting Secretary DeVos from creating additional voucher programs or giving private schools specific priorities or preferences that are not included in the bill

Higher education funds for:

- Education and general expenditures including defraying expenses due to lost revenue, reimbursement for expenses already incurred, and payroll

- Grants to students for expenses directly related to coronavirus and the disruption of campus operations, which may include emergency financial aid to students for food, housing, technology, health care, and child care costs that students are not required to repay
- Acquisition of technology and services directly related to the need for distance education and training and professional of faculty and staff
- Prohibits Department of Education from imposing restrictions on specific populations of students (individuals with immigration status) that would prevent them from receiving Higher Education Emergency Relief funds
- Excludes emergency financial aid granted by the Higher Education Emergency Relief fund from students' taxable income

\$10.15 billion designated for specific institutions of higher education:

- \$1.7 billion for historically black colleges and universities (HBCUs) and minority-serving institutions (MSIs)
- \$20 million for Howard University
- \$11 million for Gallaudet University
- \$11 million for the National Technical Institute for the Deaf
- \$8.4 billion for other institutions of higher education

Early Education

- Includes \$7 billion in payments to states for the Child Care and Development Block Grant
- Includes a provision encouraging states, territories, and tribes to place conditions on payments to child care providers that ensure that the providers use a portion of funds received to continue to pay the salaries and wages of staff

Homework Gap / Digital Divide:

- \$1.5 billion to provide Wi-fi hotspots, other equipment, connected devices, and advanced telecommunications and information services to schools and libraries (authorizes \$5 billion)

Student Loans:

- Extends the CARES Act's suspension of student loan payments and interest to Sept. 30, 2021
- Extends the CARES Act's provisions regarding suspension of student loan payments and interests to individuals who have commercially held FFEL loans and institutionally held Perkins Loans

- Provides interest reimbursements to borrowers of such loans who made payments between enactment of the two bills
- Provides student debt cancellation to borrowers in “economic distress,” defined as individuals who, as of March 12, 2020:
 - Qualified for a \$0 payment under an income-driven repayment plan;
 - Were in default of their student loans;
 - Had payments due on such loans that were at least 90 days past due;
 - Had been granted deferment due to economic hardship, unemployment, or cancer treatment; or
 - Had been granted a forbearance under the Higher Education Act (not benefits under the CARES Act)

Borrowers in economic distress would receive:

- \$10,000 in up-front student debt cancellation for the highest-need borrowers of U.S. Department of Education loans; applies first toward the loan with the highest interest rate
- Monthly payments, made on behalf of the U.S. Department of Treasury, for borrowers on their private student loans until Sept. 30, 2021; maximum cancellation amount from aggregate monthly payments is \$10,000
- Treasury will make monthly payments for borrowers on their private student loans until Sept. 30, 2021; maximum cancellation amount from aggregate monthly payments is \$10,000
- Allows borrowers to consolidate their federal student loans between enactment of the HEROES Act and Sept. 30, 2021, without losing prior eligible payments for Public Service Loan Forgiveness (PSLF)
- Removes the requirement that a borrower must be employed in public service at the time of forgiveness under PSLF (after completing 120 qualifying payments)
- Provides emergency relief for defrauded student borrowers

IDEA:

- No waivers or flexibility under IDEA considered, including those recommended by the Department of Education

Perkins Career and Technical Education Act:

- Includes flexibility that allows programs to retain unspent funds at the local level for an additional year
- Allows Perkins recipients to pool funds to support transition from secondary to post-secondary or employment opportunities for CTE students
- Includes waiver requirements that would make it easier for educators to receive professional development opportunities during the pandemic

Economic Support for Households:

Unemployment Insurance

- Extends the \$600 per week Federal Pandemic Unemployment Compensation (FPUC) supplement (paid in addition to regular state and federal unemployment compensation benefits) through Jan. 31, 2021; provides a “soft” cut-off, which would end by March 31, 2021, to allow those already receiving regular unemployment benefits to continue receiving the FPUC supplement
- Extends through Jan. 31, 2021 Pandemic Unemployment Assistance benefits (PUA) to workers who do not qualify for regular unemployment compensation, and enables workers to apply for PUA through Jan. 31, 2021
- Extends through Jan. 31, 2021 Pandemic Extended Unemployment Compensation (PEUC), which provides 13 additional weeks of unemployment benefits to individuals who have exhausted other benefits
- Waives the “waiting week” for applying for Unemployment Insurance benefits
- Provides full federal funding of extended unemployment compensation and increases federal reimbursement for extended unemployment compensation from 50 percent to 100 percent
- Extends 100-percent federal reimbursement to cover benefits paid through June 30, 2021

Stimulus Funds:

- Provides a refundable tax credit, paid in advance, for each family member, similar to the Economic Impact Payments in the CARES Act; credit is \$1,200 for a single taxpayer and \$2,400 for joint filers, in addition to \$1,200 per dependent
- As with CARES Act, stimulus funds phase out starting at \$75,000 of modified adjusted gross income (\$112,500 for head of household filers and \$150,000 for joint filers), at a rate of \$5 per every \$100 of income

COVID Heroes Fund:

- Provides premium pay for essential workers, including educators in pre-K through higher education, and child care providers, whose jobs involve regular contact with the public during the pandemic
- This “hazard pay” would be capped at \$10,000; employers would receive grants from the COVID-19 Heroes Fund to provide it for work performed between Jan. 27, 2020 and 60 days after the end of the pandemic

Educator Tax Deduction:

- Doubles the educator tax deduction for out-of-pocket expenses for classroom materials from \$250 to \$500; this amount is adjusted for inflation

Relief for Multi-Employer Pension Plans:

- Includes the Butch Lewis Act, allowing for low interest rates to troubled multi-employer pension plans;
- Delays “endangered” designation
- Repeals benefit suspension for troubled plans

Relief for Single-Employer Pension Plans:

- Amortizes shortfalls over 15, rather than seven, years

State And Local Tax (SALT) Deduction:

- Eliminates the limitation on the deduction for state and local taxes for taxable years beginning on or after Jan. 1, 2020, and on or before Dec. 31, 2021

Immigration:

- Automatically extends work permits for DACA recipients and TPS holders for at least the original time period granted to the individuals
- Automatically extends temporary immigration status or work authorization that is set to expire during the emergency for a temporary period
- Extends cash payments to families to include those with ITIN numbers
- Permits testing, treatment, vaccines and other health care, regardless of immigration status, for individuals who may have contracted coronavirus
- Does not consider such treatments, testing, or care as “public charge” expenditures
- Requires ICE to prioritize immigrants in detention for release or alternatives to detention if they are not considered subject to mandatory detention and also requires free access to telephones

Nutrition/Food Assistance:

Child Nutrition/School meals support

- \$3 billion in additional funding to provide emergency financial relief to school meal providers and child and adult care food program providers to help with the costs of operating these programs

Pandemic EBT

- Extends this benefit for students eligible for free and reduced-price meals through the summer and until schools reopen

Supplemental Nutrition Assistance Program (SNAP)

- \$10 billion to support anticipated caseload increases and to implement flexibilities provided by the Families First Act, as well as an additional \$300 million to states over two years to administer the program
- Increases the SNAP benefit by 15 percent and the minimum benefit to \$30 per month
- Waives all work requirements for two years
- Prevents any funding to implement the Administration's harsh rule changes, including the Able Bodied Adult Without Dependents (ABAWD) work requirement and the categorical eligibility rule

SNAP Education Funding Flexibility

- Allows SNAP Education-funded employees (public employees such as dietitians) to assist in school meal distribution (only until the end of the public health emergency; these funds are not intended to be used to replace existing staff)

Voting Rights:

- \$3.6 billion for states to protect voters' access to the polls
- Eliminates the 20-percent match required by the CARES Act for states' portion of the funds appropriated for pandemic-related election security grants and requires 50 percent of funding go to localities
- Requires 15 days of early voting; must be available at least 10 hours each day, include periods of time before 9 AM and after 5 PM, and be within walking distance of a public transport stop, and rural options must be provided
- Allows voting with a sworn written statement rather than an ID
- Absentee Vote by Mail must be available to all voters; ballots must be postmarked by Election Day, with postage paid by the government. Application to vote absentee must be assumed to be a request for absentee voting for every election going forward
- Requires ballots to be mailed to every voter during the period of the national emergency, to include the 2020 general election
- Prohibits signature verification for absentee ballots unless a state meets due process requirements; two trained election officials must agree that there is a mismatch, and a good faith effort must be undertaken to allow a voter to rectify the issue
- Absentee ballots can be returned to drop boxes, polling places, tribally designated buildings, or election offices; someone can return a sealed ballot on someone else's behalf, as long as they have not been paid, and there is no limit to the number of ballots a person can return on behalf of others
- Protects private individuals' right to seek judicial relief to enforce voting requirements
- Requires online and same-day voter registration in all states
- Allows tribal lands to designate a building as a ballot pick-up location at no cost to the tribal lands; states cannot require a residential address for mail-in ballots, and the pick-up location may serve as an address

2020 Census:

- \$410 million for expenses related to delays in the 2020 Census caused by the coronavirus pandemic
- Modifies 2020 Census deadlines and tabulation of population to allow a 120-day delay in publication of apportionment and state redistricting days

Health Care:

- **Health Resources and Services Administration**--\$7.6 billion to support expanded health care services for underserved populations
- **Centers for Disease Control and Prevention**--\$2.1 billion to support federal, state, and local public health agencies to prevent, prepare for, and respond to coronavirus
- **National Institutes of Health** – \$4.745 billion to expand COVID19-related research on the NIH campus and at academic institutions across the country and to support the shutdown and startup costs of biomedical research laboratories nationwide.
- **Public Health and Social Services Emergency Fund** – \$175 billion to reimburse for health care related expenses or lost revenue attributable to the coronavirus, as well as to support testing and contact tracing to effectively monitor and suppress COVID-19
- **Substance Abuse and Mental Health Services Administration** – \$3 billion to increase mental health support during this challenging time, to support substance abuse treatment, and to offer increased outreach

Emergency Family and Medical Leave Expansion Act, Paid Sick Days and Paid Leave:

- Suspends until Dec. 31, 2022 the current 1,250-hour eligibility requirement for FMLA and reduces the tenure eligibility requirement from 12 months to 90 days under nonemergency FMLA and clarifies that public agencies are covered under FMLA
- Extends the availability of Emergency Family and Medical Leave benefits from Dec. 31, 2020 to Dec. 31, 2021 (including the employer tax credits)
- Provides private sector and public sector employees who have been on the job for at least 30 calendar days with the right to take up to 12 weeks of job-protected paid leave under FMLA, **regardless of the size of their employers**, to care for themselves or others
- Ensures that workers are provided with a full 12 weeks of paid emergency FMLA leave and that such leave does not count toward an employee's 12 weeks of nonemergency unpaid FMLA leave
- Expands emergency paid leave to cover the same purposes as emergency paid sick leave
- Expands caregiving and medical reasons for taking leave, including allowing leave in the event of a public order for self-isolation
- Expands the family care definitions to cover any adult disabled family member, in addition to children, and expands the overall family definition
- Ensures that emergency FMLA leave does not count against your regular FMLA entitlement
- Clarifies that employees receive 10 days of paid sick days per year

- Adds job protection to paid sick days
- Clarifies the documentation required for employees to certify leave, eliminating much of the employer discretion in the Department of Labor regulations
- Clarifies that an employer cannot make the employee substitute any of their existing paid time off
- Eliminates the requirement that an employee receive the employer's permission to take intermittent leave
- Clarifies that nonprofits are covered

COBRA:

- Provides approximately nine months of full premium subsidies to allow workers to maintain their employer-sponsored coverage if they are eligible for COBRA due to a layoff or reduction in hours, and for workers who have been furloughed but are still active in their employer-sponsored plan

Protecting Renters and Homeowners from Evictions and Foreclosures:

- Authorizes \$100 billion for an Emergency Rental Assistance program for states, territories, counties, and cities to help renters pay their rent and utility bills during the COVID-19 pandemic, and help rental property owners of all sizes continue to cover their costs
- Provides \$75 billion to states, territories, and tribes for a Homeowner Assistance Fund for help with mortgage payments, property taxes, etc. for those who are struggling to afford their housing due directly or indirectly to the impacts of the COVID19 pandemic
- Extends and expands the eviction moratorium and foreclosure moratorium in the CARES Act to include all renters and homeowners, improves the forbearance provided under the CARES Act, and specifies the loan modifications and loss mitigation that should be available to homeowners