Federal Legislation

Emergency COVID-19 Spending Package
On Friday, March 6, President Trump signed an emergency spending package into law, providing approximately $8 billion in funding to fight COVID-19. The legislation includes funding for immediate priorities, including:

- Medicare telemedicine services for seniors;
- Coronavirus vaccine development and therapeutics;
- Increased funding for the Centers for Disease Control and Prevention to address state and local preparedness;
- Medical supplies;
- Funding for state and local agencies for COVID-19 testing, tracking, and mitigation; and
- Low-interest loans for small businesses affected by COVID-19 mitigation efforts.

Families First Coronavirus Response Act
On Wednesday, March 18, President Trump signed the Families First Coronavirus Response Act into law. This legislation includes important provisions related to COVID-19 testing, paid family and medical leave, and expanded unemployment benefits. Rules are being proposed by the US Department of Labor to implement the paid leave and unemployment provisions. You can find updated information here.

- **Free COVID-19 Testing**
  - The legislation provides for COVID-19 testing to be covered by either private health insurance or government programs. This includes a special waiver for state children’s health insurance programs, such as Dr. Dynasaur, to temporarily cover diagnostic tests. Families First also provides funding for Medicaid, the Department of Veteran’s Affairs, Indian Health Services, and the National Disaster Medical System to help cover testing-related expenses.

- **Paid Family and Medical Leave**
  - The legislation creates a temporary federal emergency paid leave program to provide paid leave for employees of certain public and private employers with fewer than 500 employees.
    - Employees of covered employers are eligible for:
      - Up to two weeks of expanded family and medical leave at an employee’s regular rate of pay if an employee is unable to work because they are quarantined (based on federal, state, or local government order or the advice of a health care provider), and/or experiencing COVID-19 symptoms and seeking a medical diagnosis.
• Up to two weeks of expanded family and medical leave at two-thirds of an employee’s regular rate of pay if the employee is unable to work because:
  o They are caring for someone who is quarantined; and/or
  o They are caring for a child (under 18 years of age) because school or child care is closed or unavailable for reasons related to COVID-19; and/or
  o The employee is experiencing a substantially similar condition.
• Up to 10 additional weeks of expanded family and medical leave at two-thirds of an employee’s regular rate of pay if an employee has been employed for at least 30 calendar days and if the employee is unable to work due to a need to care for a child (under 18 years of age) whose school or child care program is closed or unavailable for reasons related to COVID-19.
  ▪ Employers with fewer than 50 employees may request an exemption from the requirement to provide leave due to school or child care closings.
  ▪ Employers cannot require employees to find a replacement worker for themselves or require and employee to use other paid time off if they need leave for one of the reasons noted above.
  ▪ Employers will receive tax credits to offset the cost of providing paid leave.
    o For those who are self-employed, there will be a tax credit equivalent to the sick leave available for employees of qualifying employers.
• Unemployment Aid
  o The legislation provides almost $1 billion in grants to states to help states provide increased unemployment insurance.
• Nutrition Assistance
  o The legislation allocates nearly $1 billion to provide food insecure individuals with meals, half of which will go to WIC (Special Supplemental Nutrition Program for Women, Infants, and Children).
  o Households with children may be eligible for food assistance if a child’s school has been closed for at least 5 consecutive days because of COVID-19.
  o The legislation also expands eligibility for SNAP (known in Vermont as Three Squares) and suspends the program’s work requirements.

Coronavirus Aid, Relief and Economic Security Act (CARES Act)
The CARES Act includes more than $2 trillion in supports to state, local, and tribal governments and individuals to address the effects of the COVID-19 pandemic. It was signed into law by President Trump on March 27, 2020. There are many components of the legislation. The National Council of State Legislatures has a very helpful summary on their website. Some highlights include:

• Coronavirus Relief Fund
  o The bill creates a $150 billion fund for state, local, and tribal governments to use for expenditures incurred due to the public health emergency.
  o Funding will be available to states based on their population, but no state will receive a payment that is less than $1.25 billion. This means that Vermont will receive significantly more support given our size.
• **Increased Funding for Human Services**
  o The bill includes $6.3 billion for the federal Administration for Children and Families (ACF). This funding will go to a number of human services programs including $3.5 billion for the Child Care and Development Block Grant to provide immediate assistance to child care providers. Vermont is estimated to receive about $4.3 million of these funds.

• **Education Funding**
  o The bill includes $30 billion for an Education Stabilization Fund for states, school districts, and institutions of higher education to help them cover costs related to the coronavirus.

• **Disaster Relief Funding**
  o The bill includes $45 billion for the Disaster Relief Fund. This fund is available to help governments protect citizens and help them recover from the overwhelming effects of COVID-19.

• **Public Health Response Support**
  o An additional $4.3 billion, through the Centers for Disease Control and Prevention, to support federal, state, and local public health agencies to prevent, prepare for, and respond to the coronavirus.

• **Increases Unemployment Insurance Coverage**
  o The bill expands unemployment insurance from three to four months, and provides temporary unemployment compensation of $600 per week, which is in addition to and the same time as regular state and federal unemployment insurance benefits.

• **National Guard Support**
  o The bill includes $1.4 billion for deployments of the National Guard. This level of funding will sustain up to 20,000 members of the National Guard, under the direction of the governors of each state, for the next six months in order to support state and local response efforts.

• **Provides Loans for States**
  o The bill creates a $500 billion lending fund for businesses, cities, and states.

• **Direct Payments to Individuals**
  o The bill provides funding for the IRS to make direct payments to many Americans. Payment amounts will depend on your most recent tax filing status (single or married).
    - Individuals who earn $75,000 or less will receive $1,200. Individuals who earn up to $99,000 will receive a payment, but payments will decrease as income rises.
    - Married couples who last filed their taxes as married filing jointly with a combined income of $150,000 or less will receive $2,400.
    - Any individual or family eligible for one of the above payments who claimed a dependent child on their latest tax return will receive an additional payment of up to $500 per eligible child.
  o More information on these economic impact payments is available from the IRS.
Vermont Legislation

H. 742 - An Act Relating to Grants for Emergency Medical Personnel Training
This legislation was signed by Governor Scott on March 30. The bill includes an important provision that removes a cap that currently limits the Child Development Division’s (CDD) ability to spend Child Care Financial Assistance Program funds on emergency child care. The removal of this cap will allow CDD to continue payments to child care programs during the closure period. It also makes temporary changes to the state’s unemployment insurance statutes in response to COVID-19, including a provision that employers’ experience rating record will not be charged for unemployment benefits paid to employees who leave employment due to specific impacts of the pandemic. Click here to read the text of the bill.

General Update
Over the weekend, Vermont received $1.25 billion in federal Coronavirus Relief Fund money from the CARES Act ($4.4 million of this funding will be dedicated to child care, which is important, but also not sufficient to meet the child care needs of Vermont). Now, the Legislature and Administration are working to determine how and when this money will be spent. The Joint Fiscal Committee met this week to begin this discussion—it is likely that much of this money will be subject to the legislative appropriations process, but that the Administration will be authorized to spend a smaller portion of funds without immediate legislative approval to deal with health and safety and other emergency needs (in these cases, the Legislature does not want to slow down the infusion of money). We expect more information in the coming days and weeks, and the state is hoping for further guidance from the federal government about uses for these funds. Future federal legislation is likely, and may include additional funding for child care, as well as additional flexibility in how states can use recovery funds.

Meanwhile, the Legislature has been working on a number of other measures related to COVID response, including a bill that would allow for additional pay for essential workers at risk of contracting the virus. Under the current plan, workers making $25 per hour or less in essential industries could receive monthly grant payments during the governor’s State of Emergency declaration—child care providers are included in this list.

Finally, last Friday, Let's Grow Kids testified to the House Education Committee about recent guidance issued from the Agency of Education (AOE) regarding pre-K in Vermont. The guidance clarifies that Act 166 payments will continue to private providers, and also details Continuity of Learning (COL) plans for pre-K students. The guidance charges public schools with providing this COL; however, many public schools contract with private programs to offer pre-K, which means these private providers have the necessary family connections required to offer resources and support to families and children. We have joined together with organizations representing school boards, superintendents, principals, and special education administrators to ask AOE to reconsider this guidance and allow public schools to continue to partner with private programs to provide COL to students enrolled in pre-K.