

Earlier this week, Congress passed a package of bills with bipartisan support. This package, which was negotiated and supported by the Administration, consists of a COVID-19 relief bill that includes direct cash payments and funding for vaccine distribution, a Fiscal 2021 omnibus appropriations bill, and numerous other policy updates in areas such as health, climate, and education. While Senator Murphy and other Democrats fought for more money to help American families, Congress ultimately did its job to fight COVID-19 and boost our economy, President Trump at the last minute has now threatened to veto this critical legislation and lifeline for millions of Americans in need. We ultimately believe this bill will still become law despite the president's threats, and wanted to let you know what this major funding package means for Connecticut. We will continue to update the coronavirus [FAQ on our website](#) with additional information on the bill. As always, if you have any questions, please feel free to reach out to me.

COVID-19 RELIEF BILL: The package includes over \$900 billion in COVID-19 relief. As Senator Murphy [stated](#), this is far from enough to meet the current demand. However, the bill does include numerous important provisions that will families across Connecticut. Notably, the bill includes:

- **Testing and Contact Tracing:** \$22.4 billion to support state and local health departments in testing, contact tracing, surveillance, containment, and mitigation.
 - **CONNECTICUT IMPACT:** Connecticut is expected to receive \$260,735,189 to support testing, tracing, and COVID mitigation.
- **Vaccine Distribution:** \$8.75 billion to support vaccine distribution, administration, planning, preparation, promotion, monitoring, and tracking, including a targeted investment of \$300 million for high-risk and underserved populations. Half of the total funding - \$4.5 billion - will go directly to states. [Senator Murphy wrote an op-ed in NBC](#) last month calling for additional resources to help states with vaccine distribution.
 - **CONNECTICUT IMPACT:** Connecticut is expected to receive \$51,278,323 in vaccine funding support.
- **Vaccine safety campaign:** Authorizes a national campaign to increase awareness and knowledge of the safety and effectiveness of vaccines, expands programs to collect vaccination coverage data, and authorizes grants to address vaccine-preventable diseases.
- **Health provider support:** Adds \$3 billion to the HHS Provider Relief Fund, relieves physicians from Medicare sequester cuts in 2021, and adds a 3.75 percent increase in Medicare physician fee schedule rates for 2021 to provide relief during the public health emergency.
- **Unemployment:** A federal unemployment insurance bump of an additional \$300 per week for eleven weeks for all workers receiving unemployment benefits, at least through March 14, 2021. This bill also extends the Pandemic Unemployment Assistance (PUA) program, with expanded coverage to the self-employed, gig workers, and others in nontraditional employment, and the Pandemic Emergency Unemployment Compensation (PEUC) program, which provides additional weeks of federally-funded unemployment benefits to individuals who exhaust their regular state benefits. Additionally, the bill increases the maximum number of weeks an individual may claim benefits through regular state unemployment plus the PEUC program, or through the PUA program, to 50 weeks. The bill also provides an extra benefit of \$100 per week for certain workers who have both wage and self-employment income but whose base UI benefit calculation doesn't take their self-employment into account.

- **CONNECTICUT IMPACT:** Unemployed workers in the state will receive an estimated additional \$695,170,738 to supplement the state unemployment benefit for 11 weeks. As a result, the average unemployed individual in Connecticut will receive \$611.34 per week for eleven weeks.
- **Direct Payments:** An additional round of Economic Impact Payments of \$600 for individuals making up to \$75,000 per year and \$1,200 for couples making up to \$150,000 per year, as well as a \$600 payment for each child dependent. This means a family of four will receive \$2,400 in direct payments. The bill also expands these direct payments to mixed-status households and makes this change retroactive to the CARES Act, importantly providing immigrant families across the country with access to this financial relief.
 - **CONNECTICUT IMPACT:** An estimated 1,632,529 in Connecticut will receive payments totaling \$1,619,442,000.
- **Mental Health:** \$4.25 billion for additional mental health and substance use disorder services and support through the Substance Abuse and Mental Health Services Administration.
- **Small Business:** \$325 billion in assistance to small business. This includes \$284 billion for first and second forgivable PPP loans, \$20 billion for new EIDL Grants for businesses in low-income communities, \$3.5 billion for continued SBA debt relief payments, and \$2 billion for enhancements to SBA lending. This deal also includes \$15 billion in dedicated funding for live venues, independent movie theaters, and cultural institutions. Notably, here are the changes to the PPP program:
 - The new round of PPP, (or “PPP2” as some are calling it), is similar in most respects to the original PPP but also has several important differences—most importantly, PPP2 allows for certain businesses to get a second PPP loan and the new bill allows businesses to deduct expenses paid with PPP loans. Just like under PPP1, under PPP2, to be eligible for full loan forgiveness, borrowers will have to spend no less than 60 percent of the funds on payroll over a covered period of either 8 or 24 weeks
 - PPP2 loans will be available to first-time qualified borrowers and, for the first time, to businesses that previously received a PPP loan. Previous PPP recipients may apply for *another* loan of up to \$2 million, provided they (1) Have 300 or fewer employees; (2) Have used or will use the full amount of their first PPP loan; (3) Can show a 25% gross revenue decline in any 2020 quarter compared with the same quarter in 2019 PPP2 will also permit *first-time borrowers* from the following groups businesses with 500 or fewer employees that are eligible for other SBA 7(a) loans, sole proprietors, independent contractors, and eligible self-employed individuals, 501(c)(6) not-for-profit organizations
 - The bill specifies that business expenses paid with forgiven PPP loans are tax-deductible—overriding previous Treasury/IRS guidance that such expenses could not be deducted.
 - PPP was also changed to help struggling bars and restaurants. Previously, the amount that a restaurant could borrow under the program was based on a formula in which its average monthly payroll costs were multiplied by 2.5, up to a maximum loan of \$10 million. The new law changes the multiplier to 3.5—but only for restaurants and hotels—up to a maximum loan of \$2 million.
- **Education:** \$81.88 billion in for K -12 schools, and institutions of higher education that have all been significantly impacted by the coronavirus pandemic. This includes \$4.05 billion for the

Governors Emergency Education Relief Fund, \$54.3 billion for the Elementary and Secondary School Emergency Relief Fund (Public K-12 schools), \$22.7 billion for the Higher Education Emergency Relief Fund (\$20 billion distributed to all public and private non-profit institutions of higher education)

- **CONNECTICUT IMPACT:** Connecticut will receive \$28,068,000 in the Governors Emergency Education Relief Fund, \$492,426,000 through the Elementary and Secondary School Emergency Relief Fund, and \$225,121,000 through the Higher Education Emergency Relief Fund.
- **Childcare:** \$10 billion in emergency funds for the child care sector through the CCDBG program
 - **CONNECTICUT IMPACT:** Connecticut will receive \$66,904,268 to support childcare providers through CCDBG.
- **Rental Assistance:** \$25 billion for rental assistance to assist families impacted by COVID that are struggling to make the rent and may have past due rent compounding on itself.
 - **CONNECTICUT IMPACT:** Connecticut renters will receive \$237,000,000 in rental assistance
- **Telehealth:** Permanently expands Medicare coverage of mental health telehealth services
- **Food Assistance:** \$13 billion to increase SNAP benefits by 15%, which Senator Murphy called for this change in [a caucus letter](#) calling for a 15% increase to SNAP benefits.
- **Transportation:** \$45 billion for transportation including \$15 billion for airline payroll support, \$14 billion for transit, \$10 billion for state highways, \$2 billion for airports and airport concessionaires, \$2 billion for the private motorcoach, school bus, and ferry industries. In addition, the bill includes \$1 billion for Amtrak. Earlier this year, [Senator Murphy led a coalition of Northeast senators to urge additional funding for Amtrak](#).
 - **CONNECTICUT IMPACT:** Connecticut will receive approximately \$124,814,969 through highway grants and \$8,965,135 through the Airport Improvement Program.

FISCAL YEAR 2021 Spending: In addition to the emergency spending authorized through COVID-19 relief, the bill included a full government budget for FY 2021. Notable provisions are listed below. ***If you don't see a program listed that's important to your town or district, shoot us an email and we're happy to get you more information on that line item.***

- **Job Corps:** \$1.7 billion, an increase of \$5 million above FY 2020.
- **Brownfields:** The bill provides \$91 million for Brownfields projects, which is a \$2 million increase from FY2020.
- **Community Development Block Grant:** \$3.45 billion for the Community Development Block Grant, \$50 million above the 2020 enacted level.
- **Grants to State and Local Law Enforcement:** \$3.385 billion is provided, an increase of \$107 million above FY 2020. This includes \$484 million for Byrne JAG and \$386 million for the Community Oriented Policing Services (COPS) Program
- **LIHEAP:** \$3.75 billion, an increase of \$10 million above the FY 2020 level
- **Weatherization Assistance Program:** \$310 million, an increase of \$5 million above the FY 2020 level
- **Drinking Water State Revolving Fund:** \$1.13 billion, level funding from FY2020

- **Clean Water State Revolving Fund:** \$1.64 billion, level funding from FY2020
- **LWCF:** Mandatory funding of \$900 million, including \$2.75 million for Silvio Conte National Wildlife Refuge
- **State and Tribal Wildlife Grants:** \$72 million, an increase of \$4.5 million above the FY 2020 level
- **IDEA State Grants:** \$13.8 billion, an increase of \$181 million above the FY 2020 level
- **Elementary and Secondary Education Act Title I:** \$16.5 billion, an increase of \$227 million above the FY 2020 level
- **Elementary and Secondary Education Act Title IV Part A:** (Student Support and Academic Enrichment): \$1.22 billion
- **Elementary and Secondary Education Act Title IV Part B:** (21st CCLC): \$1.26 billion, an increase of \$9.7 million above the FY 2020 level
- **Child Care Development Block Grant:** \$5.91 billion, an increase of \$85 million above the FY 2020 level
- **Consolidated Rail Infrastructure and Safety Improvements:** \$375 million, an increase of \$50 million above the FY 2020 level
- **Summer EBT Grants to States:** \$42 million, an increase of \$7 million above the FY 2020 level
- **Rail:** \$700 million for Amtrak Northeast Corridor grants
- **Workforce Development and Training:** The bill includes \$2.85 billion, an increase of \$26 million, for the Workforce Innovation and Opportunity Act (WIOA) Training grants to states to support education, skills training, and employment services for workers. The bill also includes \$185 million for the Registered Apprenticeship Program, an increase of \$10 million, which helps fund Connecticut's innovative job training pipeline initiatives that are taking place at community colleges and high schools throughout the state.
- **Legal Services Corporation:** The bill provides \$465 million, \$25 million above FY2020. Senator Murphy lead bipartisan letter in support of this program each year and recently introduced the [Equal Access to Justice Act](#), which creates an office for legal aid at the DOJ

OTHER RELEVANT PROVISIONS: The bill included numerous other packages of bills in areas such as health, education, and the environment. Notably, the bill included:

- **Senator Murphy's Mental Health Parity Compliance Act:** This bill will help regulators oversee health insurance plan design to ensure people receive the full behavioral benefits they're entitled to under the Mental Health Parity and Addiction Equity Act (MHPAEA).
- **Water Resources Development Act (WRDA):** The WRDA bill authorizes feasibility studies for the U.S. Army Corps of Engineers to initiate new projects in Connecticut. The legislation also de-authorizes the New London Harbor Waterfront Channel so that the State of Connecticut, the Connecticut Port Authority, and the City of New London can carry out plans to modernize the Port of New London to increase traffic and capabilities
- **Higher Education Provisions:** The bill includes a number of higher education provisions such as simplification of the FAFSA form, restoration of Pell eligibility to those who were defrauded or attended a college that closed, an expansion the number of students eligible for Pell grants by 500,000, and the creation new data linkages to connect college students with benefit programs like SNAP. Finally, the bill includes the REAL Act, which restores Pell eligibility to incarcerated students to be eligible for Pell Grants after a 26-year ban. There are numerous programs in [Connecticut](#) that were already participating in a pilot project that restored Pell eligibility to incarcerated students.
- **Environment Provisions:** The bill includes the American Innovation and Manufacturing (AIM) Act, which authorizes a 15-year phase-down of hydrofluorocarbons, or HFCs - potent

greenhouse gases that are used primarily as coolants in refrigerators and air conditioning systems. This is the most significant climate change-related legislation Congress has passed in years. Senator Murphy's bipartisan *Super Pollutants Act* also included the phase-down of HFCs.

- **Tax Extenders:** The bill also included a tax extenders package that delays the phaseout schedule for the renewable and investment tax credits, with the PTC extended for one year and the ITC extended for two. The extenders package also extends a credit for purchases of new qualified fuel cell motor vehicles through 2021. The provision allows a credit of between \$4,000 and \$40,000, depending on the weight of the vehicle.

For the latest information about keeping you or your family safe go to [cdc.gov/coronavirus](https://www.cdc.gov/coronavirus). For resources and information about Connecticut's response visit