



# WAYS AND MEANS

REPUBLICANS | KEVIN BRADY, REPUBLICAN LEADER

## Ways and Means Provisions in the 2020 Year-End Legislation

*Section I: Health*

*Section II: Oversight*

*Section III: Select Revenue Measures*

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### Overview of Achievements:

Ways and Means Republicans advanced a number of provisions and reforms that empower Americans:

**Ending surprise medical bills** when you visit the ER or have a scheduled medical procedure, and, for the first time, requiring that patients be given a true and honest medical bill in advance of scheduled procedures, so patients know what to expect.

**Tax Extender Reforms** that stop the end-of-year circus surrounding whether to reauthorize special tax credits by making some credits permanent, extending some for a longer period of time, and eliminating others.

**Helping local doctors survive the COVID pandemic** by increasing their pay and stopping planned Medicare cuts.

**Helping save rural hospitals** by letting them become a new Rural Emergency Hospital, which gives them the Medicare funding and flexibility to offer health care services their community needs.

**Lifting Up Hard-Hit Small Businesses** by allowing them to deduct Paycheck Protection Program loans.

**Making Health Care More Affordable** by preventing a tax hike and instead permanently allowing more families to take advantage of tax deductions for their health care costs.

**Protecting the Unemployed and Securing Taxpayers' Dollars** with new anti-fraud measures for unemployment insurance.

**Making Permanent Tax Relief to Small Business and Families**, achieving a grand total of \$425 billion in permanent tax relief in the last year, spearheaded by Ways and Means Republicans.

**Helping Americans Pay for Health and Childcare Expenses** by making flexible spending accounts and dependent care flexible savings accounts more generous and easier to use through 2021.

**Supporting Foster Youth and Families** with more resources so foster youth, families and caregivers have greater flexibility to get through the pandemic.

**Realizing the Full Benefits of USMCA:** American businesses will be in a better position, as we fix an error to allow for refunds of the Merchandise Processing Fee (MPF). The bill also reinstates the NADBank's status and provides for its capitalization and restores NAFTA treatment to Foreign Trade Zones (FTZs).

## **SECTION I: HEALTH**

### **COVID Health Policies for Health Care Providers:**

**Help for Medicare Providers Worried About COVID impacts.** To respond to the concerns of specialists and other providers practicing in the Medicare program about the effects on them of the CY 2021 physician fee schedule's budget neutrality rules, the package includes a suite of mitigation provisions that benefit both them and all providers in the Medicare program.

- First, the bill blocks a new code created by the rule for three years, which will mitigate these cuts by a projected third.
- Second, the bill injects \$3 billion into the physician fee schedule in 2021, resulting in payment increases across the board helping all Medicare providers during the ongoing COVID-19 pandemic.
- Third, the bill continues the current Alternative Payment Model (APM) thresholds for two additional years, allowing more providers to qualify for the 5 percent APM payment who would otherwise have been disqualified because of statutory increases in threshold amounts.
- Finally, the bill delays the 2 percent sequester cuts that were supposed to resume January 1, 2021, for three additional months. Together, these policies will greatly benefit all providers during the pandemic and mitigate at least two thirds of the cuts to certain providers due to Medicare budget neutrality requirements.

### **Medicare Extenders:**

**Extension of the work geographic index floor under the Medicare program (HR 3302).** This section increases payments for the work component of physician fees in areas where labor cost is determined to be lower than the national average through December 31, 2023.

**Extension of funding for quality measure endorsement, input, and selection (HR 3430).** This section provides \$66 million in funding to the Centers for Medicare & Medicaid Services (CMS) for quality measure selection and to contract with a consensus-based entity to carry out duties related to quality measurement and performance improvement through September 30, 2023. It also includes additional reporting requirements, facilitates measure removal, and prioritizes maternal morbidity and mortality measure endorsement.

**Extension of funding outreach and assistance for low-income programs (HR 3421).** This section extends funding for low-income Medicare beneficiary outreach, enrollment, and education activities provided through State Health Insurance Assistance Programs, Area Agencies on Aging, Aging and Disability Resource Centers, and the National Center for Benefits and Outreach and Enrollment through September 30, 2023. It provides \$50 million in funding for each of fiscal years 2021, 2022, and 2023.

**Extension of Medicare patient IVIG access demonstration project (based on HR 2905).** This section extends the Intravenous Immunoglobulin (IVIG) treatment demonstration that is administered in the home through December 31, 2023, allowing to up to 2500 additional Medicare patients with primary immunodeficiency diseases (PIDD) to enroll and requiring an updated evaluation of the demonstration.

**Extending the Independence at Home medical practice demonstration program under the Medicare program (HR 3644).** This section extends the Independence at Home demonstration for three additional years (through December 31, 2023) and expands the size of the demonstration from 15,000 beneficiaries to 20,000 beneficiaries.

### **Medicare Policies:**

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**Improving measurements under the skilled nursing facility value-based purchasing program under the Medicare program (based on HR 3406).** This section allows the Secretary to add up to 10 quality measures, including measures of functional status, patient safety, care coordination, or patient experience, to the skilled nursing facility value-based purchasing program for facilities with more than the required minimum number of cases.

**Providing the Medicare Payment Advisory Commission and Medicaid and CHIP Payment and Access Commission with access to certain drug payment information, including certain rebate information (HR 1781).** This section ensures the respective executive director of the Medicare Payment Advisory Commission (MedPAC) and the Medicaid and CHIP Payment and Access Commission (MACPAC) have access to certain drug pricing data for purposes of monitoring, analysis, and making program recommendations.

**Moratorium on payment under the Medicare physician fee schedule of the add on code for inherently complex evaluation and management visits.** This section prohibits the Secretary of the Department of Health and Human Services (HHS) from making payments under the Physician Fee Schedule for services described by Healthcare Common Procedure Coding System (HCPCS) code G2211 (or any successor or substantially similar code) prior to January 1, 2024.

**Temporary freeze of APM payment incentive thresholds (HR 7791).** This section freezes the current payment and patient count thresholds for physicians and other eligible clinicians participating in Advanced Alternative Payment Models (APMs) to receive a five percent incentive payment in payment years 2023 and 2024 (for performance years 2021 and 2022). It also freezes the Partial Qualifying APM participant payment threshold and the patient count threshold at current levels for performance years 2021 and 2022 (and payment years 2022 and 2023).

**Permitting occupational therapists to conduct the initial assessment visit and complete the comprehensive assessment with respect to certain rehabilitation services for home health agencies under the Medicare program (HR 3127).** This section requires the Secretary of HHS, no later than January 1, 2022, to allow occupational therapists to conduct initial assessment visits and complete comprehensive assessments for certain home health services if the referral order by the physician does not include skilled nursing care but includes occupational therapy and physical therapy or speech language pathology.

**Centers for Medicare & Medicaid Services provider outreach and reporting on cognitive assessment and care plan services (HR 1873).** This section requires the Secretary of HHS to conduct outreach to Medicare providers and practitioners regarding Medicare payment for cognitive assessment and care plan services furnished to individuals with cognitive impairment, such as Alzheimer's and related dementias.

**Continued coverage of certain temporary transitional home infusion therapy services (HR 6218).** This section ensures continued coverage of home infusion therapy services for beneficiaries taking self-administered and biological drugs that are currently included under the temporary transitional home infusion therapy benefit when the permanent home infusion therapy benefit takes effect January 1, 2021.

**Transitional coverage and retroactive Medicare Part D coverage for certain low-income beneficiaries (HR 3029).** This section permanently authorizes, beginning January 1, 2024, the Limited Income Newly Eligible Transition (LI NET) demonstration to provide immediate temporary Part D coverage for certain individuals with low-income subsidies (LIS) while their eligibility is processed.

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**Increasing the use of real-time benefit tools to lower beneficiary costs (HR 3408).** This section requires Part D plan sponsors to implement real-time benefit tools (RTBT) that are capable of integrating with provider electronic prescribing (e-prescribing) and electronic health record (EHR) systems.

**Beneficiary enrollment simplification (HR 2477).** This section eliminates coverage gaps in Medicare by requiring that Part B insurance coverage begins the first of the month following an individual's enrollment and provides for a Part A and Part B Special Enrollment Period for "exceptional circumstances," such as hurricanes and other natural disasters, to mirror authority in Medicare Advantage and Medicare Part D.

**Waiving Medicare coinsurance for certain colorectal cancer screening tests (HR 1570).**

This section gradually eliminates cost-sharing for Medicare beneficiaries with respect to colorectal cancer screening tests where a polyp is detected and removed.

**Public-private partnership for health care waste, fraud, and abuse detection (HR 525).** This section codifies an existing mechanism used within CMS as part of the agency's ongoing responsibility to combat fraud, waste, and abuse.

**Medicare GME treatment of hospitals establishing new medical residency training programs after hosting medical resident rotators for short durations (HR 3425).** This section allows hospitals to host a limited number of residents for short-term rotations without being negatively impacted by a set permanent full time equivalent (FTE) resident cap or a Per Resident Amount (PRA).

**Delay to the implementation of the radiation oncology model under the Medicare program.** Provides for a statutory six-month additional delay, in addition to the delay announced by CMS of the Medicare radiation oncology model to January 1, 2022.

**Improve access to skilled nursing facility (SNF) services for hemophilia patients (HR 5954).** This section adds blood clotting factors and items and services related to their furnishing to the categories of high-cost, low-probability services that are excluded from the skilled nursing facility (SNF) per diem prospective payment system (PPS) and are separately payable. This change will allow SNF care to be an option instead of continued inpatient care for this limited population.

**Requiring certain manufacturers to report drug pricing information with respect to drugs under the Medicare program (HR 2087).** This section requires all manufacturers of drugs covered under Medicare Part B to report average sales price (ASP) information to the Secretary of HHS beginning on January 1, 2022. Specifically, it adds a new requirement under Part B for manufacturers that do not have a rebate agreement through the Medicaid Drug Rebate Program to report ASP information.

**Extended months of coverage of immunosuppressive drugs for kidney transplant patients and other renal dialysis provisions (HR 5534).** This section establishes eligibility for immunosuppressive drug coverage through Medicare to post-kidney transplant individuals whose entitlement to benefits under part A ends (whether before, on, or after January 1, 2023) and who do not receive coverage of immunosuppressive drugs through other insurance.

**Adjusting calculation of hospice cap amount under Medicare.** This section extends the change to the annual updates to the hospice aggregate cap made in the Improving Medicare Post-Acute Care Transformation Act (IMPACT Act) of 2014 and applies the hospice payment update percentage rather than the Consumer Price Index for Urban Consumers (CPI-U) to the hospice aggregate cap for fiscal years 2026 through 2030.

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**Special rule for determination of ASP in cases of certain self-administered versions of drugs.** This section authorizes CMS, when determining payment for products covered under Medicare Part B, to review and exclude payments improperly made for self-administered version of products that are not covered under Part B when they are self-administered.

**Establishing hospice program survey and enforcement procedures under the Medicare program (HR 5821).** This section makes changes to the Medicare hospice survey and certification process to improve consistency and oversight, allowing the Secretary to use intermediate remedies to enforce compliance with hospice requirements and extending the requirement that hospices be surveyed no less frequently than once every 36 months. It also creates a new Special Focus Facility Program for poor-performing hospice providers, who will be surveyed not less frequently than once every six months. It increases the penalty for hospices not reporting quality data to the Secretary from two to four percentage points, beginning in fiscal year 2024.

### **Rural and Underserved Policies:**

**Medicare Payment for Rural Emergency Hospital Services (HR 5808).** This section creates a new, voluntary Medicare payment designation that allows either a Critical Access Hospital (CAH) or a small, rural hospital with less than 50 beds to convert to a Rural Emergency Hospital (REH) to preserve beneficiary access to emergency medical care in rural areas that can no longer support a fully operational inpatient hospital. REHs can also furnish additional medical services needed in their community such as observation care, outpatient hospital services, telehealth services, ambulance services, and skilled nursing facility services. REHs will be reimbursed under all applicable Medicare prospective payment systems plus an additional monthly facility payment and an add-on payment for hospital outpatient services.

**Promoting rural hospital GME funding opportunity (HR 8892).** This section makes changes to Medicare graduate medical education (GME) Rural Training Tracks (RTT) program in order to provide greater flexibility for rural and urban hospitals to partner and address the physician workforce needs of rural areas.

**Improving Rural Health Clinic payments (HR 2788).** This section implements a comprehensive RHC payment reform plan. It phases-in a steady increase in the RHC statutory cap over an eight-year period, subjects all new RHCs to a uniform per-visit cap, and controls the annual rate of growth for uncapped RHCs whose payments are above the upper limit. It ensures that no RHC would see a reduction in reimbursement. RHCs with an all-inclusive rate (AIR) above the upper limit would continue to experience annual growth, but the payment amount would be constrained to the facility's prior year reimbursement rate plus MEI. Specifically, the policy raises the statutory RHC cap to \$100 starting on April 1, 2021, and gradually increases the upper limit each year through 2028 until the cap reaches \$190. This brings the RHC upper limit roughly in line with the Federally Qualified Health Centers (FQHC) Medicare base rate. In each subsequent calendar year, starting in 2029, the new statutorily set RHC cap would revert back to an annual MEI inflationary adjustment.

**Medicare payment for certain Federally Qualified Health Center and Rural Health Clinic services furnished to hospice patients (HR 2594).** This section allows Rural Health Clinics (RHCs) and Federally Qualified Health Centers (FQHCs) to furnish and bill for hospice attending physician services when RHC and FQHC patients become terminally ill and elect the hospice benefit beginning January 1, 2022. As a result, Medicare beneficiaries will continue to receive hospice-related care from their known provider.

**Expanding access to mental health services furnished through telehealth (HR 1301).** This section expands access to telehealth services in Medicare to allow beneficiaries to receive mental health services via telehealth, including from the beneficiary's home. To be eligible to receive these services via telehealth, the beneficiary must have been seen in person at least once by the physician or non-physician practitioner during the six months period prior to the first telehealth service, with additional face-to-face requirements determined by the Secretary.

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**Distribution of additional residency positions.** This section supports Medicare physician workforce development by providing for the distribution of additional Medicare-funded graduate medical education (GME) residency positions. Rural hospitals, hospitals that already above their Medicare cap for residency positions, hospitals in states with new medical schools, and hospitals that serve Health Professional Shortage Areas will be eligible for these new positions.

**Five-year extension of the Rural Community Hospital Demonstration (HR 6753).** This section extends the Rural Community Hospital Demonstration (RCHD) by five years. The demonstration tests the feasibility and advisability of establishing “rural community hospitals” to furnish covered inpatient hospital services to Medicare beneficiaries in states with low population densities. Participating hospitals are mostly paid using reasonable cost-based methodology instead of the inpatient prospective payment system.

**Extension of the Frontier Community Health Integration Project demonstration (S 3399).** This section extends the Frontier Community Health Integration Project (FCHIP) demonstration by five years. The FCHIP demonstration tests new models of health care delivery for rural Critical Access Hospitals (CAHs).

**Waiving budget neutrality for oxygen under the Medicare program (HR 8158).** This section would specify that the budget neutrality requirement for establishing new payment classes of oxygen and oxygen equipment no longer applies, thereby increasing payment for certain oxygen equipment in rural areas.

**Permitting direct payment to physician assistants under Medicare (HR 1052).** This section allows direct payment under the Medicare program to physician assistants for services furnished to beneficiaries on or after January 1, 2022.

## **SECTION II: OVERSIGHT**

**CARES Act 6103 Fix for IRS and Dept. of Education Data Sharing (Title: Modification of certain protections for taxpayer return information).** Earlier in the year the Congress passed a provision in the CARES Act that we believed removed protections for taxpayer information and risked taxpayer information being compromised in the Department of Education student loan program. This year we reached a bipartisan/bicameral agreement to restore many of those safeguards and that reform is included in the Omnibus appropriation bill.

**Taxpayer First Act Private Debt Collection 6103 Amendment (Title: Disclosures to identify tax receivables not eligible for collection pursuant to qualified tax collection contracts).** The Taxpayer First Act included a provision that excludes individuals who receive most of their income from SSI or DI from the IRS private debt collection program. After passage we learned from the IRS and SSA that the agencies needed data sharing authority to carry out the Taxpayer First Act provision. We reached a bipartisan/bicameral agreement on language to accomplish this goal and that is included in the Omnibus appropriation bill.

## **SECTION III: SELECT REVENUE MEASURES**

### **TITLE I –EXTENSION OF CERTAIN PROVISIONS**

#### **Subtitle A - Certain Provisions Made Permanent**

**Sections 101 through 109.** The Act makes permanent the following provisions:

- **Sec. 101. Reduction in medical expense deduction floor.** This provision allows individuals to deduct unreimbursed medical expenses that exceed 7.5% of AGI instead of 10%.
- **Sec. 102. Energy efficient commercial buildings deduction.** This provision allows an increased deduction for buildings that meet above-industry standards of energy efficiency in the year they are placed in service. The energy efficiency standards are updated and the deduction rate is indexed to inflation.
- **Sec. 103. Benefits provided to volunteer firefighters and emergency medical responders.** This provision excludes from income certain state and local benefits for volunteer firefighters and first responders.
- **Sec. 104. Transition from deduction for qualified tuition and related expenses to increased income limitation for lifetime learning credit.** After 2020, this provision repeals the qualified tuition deduction and replaces it by increasing the phase-out limits on the Lifetime Learning credit to hold taxpayers harmless.
- **Sec. 105. Railroad track maintenance credit.** This provision provides shortline railroads a tax credit for their expenditures on rail line maintenance. The credit rate was reduced from 50 percent to 40 percent.
- **Sec. 106 through 110. Craft Beverage Modernization Act.** These provisions make the reduced excise rates for small brewers and distillers permanent. The provisions also make improvements to the administration of the lower rates and tightens anti-abuse rules.

#### **Subtitle B - Certain Provisions Extended Through 2025**

**Sections 111 through 120.** The Act provides five (5) year extensions to the following provisions:

- Sec. 111. Look-thru rule for related controlled foreign corporations.
- Sec. 112. New Markets Tax Credit.
- Sec. 113. Work Opportunity Tax Credit.
- Sec. 114. Exclusion from gross income of discharge of qualified principal residence indebtedness.
- Sec. 115. 7-year recovery period for motorsports entertainment complexes.
- Sec. 116. Expensing rules for certain productions.
- Sec. 117. Oil spill liability trust fund rate.
- Sec. 118. Empowerment zone tax incentives.
- Sec. 119. Employer tax credit for paid family and medical leave.
- Sec. 120. Exclusion for certain employer payments of student loans.

**Section 121.** The Act provides a two (2) year extension, through 2025, of the following provision:

- Sec. 121. Extension of carbon oxide sequestration credit.

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### **Subtitle C—Extension of Certain Other Provisions**

**Sections 131 through 149.** The Act provides two (2) year extensions to the following provisions:

- Secs. 132, 148. Energy investment tax credit for solar and residential energy-efficient property credit.

The Act provides one (1) year extensions to the following provisions:

- Sec. 131. Credit for electricity produced from certain renewable resources.
- Sec. 133. Mortgage insurance premiums as qualified residence interest.
- Sec. 134. Health coverage tax credit.
- Sec. 135. Indian employment credit.
- Sec. 136. Mine rescue team training credit.
- Sec. 137. Racehorse 3-year depreciation.
- Sec. 138. Indian business property depreciation.
- Sec. 139. American Samoa economic development credit.
- Sec. 140. Second generation biofuel producer credit.
- Sec. 141. Nonbusiness energy property credit.
- Sec. 142. Fuel cell motor vehicles credit.
- Sec. 143. Alternative fuel refueling property credit.
- Sec. 144. 2-wheeled electric vehicle credit.
- Sec. 145. Indian coal credit.
- Sec. 146. Energy efficient homes credit.
- Sec. 147. Alternative fuel and Alternative fuel mixture credit.
- Sec. 149. Black lung disability trust fund excise tax.

### **TITLE II - OTHER PROVISIONS**

**Sec. 201. Minimum low-income housing tax credit rate.** This provision establishes a 4 percent rate floor for calculating credits related to acquisitions and housing bond-financed developments for purposes of the low-income housing tax credit.

**Sec. 202. Depreciation of certain residential rental property over 30-year period.** This provision provides that the recovery period applicable to residential rental property placed in service before January 1, 2008 and held by an electing real property trade or business is 30 years.

**Sec. 203. Waste energy recovery property eligible for energy credit.** This provision makes waste energy recovery property eligible for the energy investment tax credit.

**Sec. 204. Extension of energy credit for offshore wind facilities.** This provision extends the investment tax credit for electing offshore wind facilities that begin construction through 2025.

**Sec. 205. Minimum rate of interest for certain determinations related to life insurance contracts.** To qualify as life insurance contracts for tax purposes, permanent life insurance policies must meet several requirements under Internal Revenue Code, including two fixed interest rates that were last adjusted in 1984. This provision updates these outdated fixed interest rate assumptions, and fixes the problem going forward by tying the rates to one of two benchmark interest rates that are periodically updated.



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**Sec. 206 & 207. Employee retention tax credit modifications.** The provision extends and expands the CARES Act employee retention tax credit (ERTC). It also contains technical corrections to the CARES Act.

Beginning on January 1, 2021 and through June 30, 2021, the provision:

- Increases the credit rate from 50 percent to 70 percent of qualified wages;
- Expands eligibility for the credit by reducing the required year-over-year gross receipts decline from 50 percent to 20 percent and provides a safe harbor allowing employers to use prior quarter gross receipts to determine eligibility;
- Increases the limit on per-employee creditable wages from \$10,000 for the year to \$10,000 for each quarter;
- Increases the 100-employee delineation for determining the relevant qualified wage base to employers with 500 or fewer employees;
- Allows certain public instrumentalities to claim the credit; and
- Provides rules to allow new employers who were not in existence for all or part of 2019 to be able to claim the credit.

Retroactive to the effective date included in section 2301 of the CARES Act, the provision:

- Provides that employers who receive Paycheck Protection Program (PPP) loans may still qualify for the ERTC with respect to wages that are not paid for with forgiven PPP proceeds;
- Clarifies the determination of gross receipts for certain tax exempt organizations; and
- Clarifies that group health plan expenses can be considered qualified wages even when no other wages are paid to the employee, consistent with IRS guidance.

**Sec. 208. Minimum age for distributions during working retirement.** This provisions allows certain construction and building trades workers age 55 or older who are receiving retirement benefits to continue to work and receive such benefits.

**Sec. 209. Temporary rule preventing partial plan termination.** Because of the high workforce turnover since March 2020, many employers who provide defined contribution retirement plans are in danger of a partial plan termination that would cause the employers to incur significant costs and administrative expenses. Usually, an IRS assessment of plan termination is triggered whenever turnover exceeds 20 percent. This provision would defer assessments until March 2021, to give companies time to restore at least 80 percent of their workforce and avoid termination.

**Sec. 210. Temporary allowance of full deduction for business meals.** The provision provides a 100-percent deduction for business meal food and beverage expenses provided by a restaurant that are paid or incurred in 2021 and 2022. Currently, the deduction is available for only 50 percent of such expenses.

**Sec. 211. Temporary special rule for determination of earned income.** The provision allows taxpayers to refer to earned income from the immediately preceding year for purposes of determining the Earned Income Tax Credit (EITC) and the Additional Child Tax Credit (ACTC) in tax year 2020.

**Sec. 212. Certain charitable contributions deductible by non-itemizers.** This provision extends and modifies the non-itemizer charitable deduction for 2021 and increases the maximum amount that may be deducted to \$600 for married couples filing a joint return (while non-married filers or married filers who file separately are limited to \$300).

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**Sec. 213. Modification of limitations on charitable contributions.** This provision extends for one year the increased limit from the CARES Act on deductible charitable contributions for corporations and taxpayers who itemize.

**Sec. 214. Temporary special rules for health and dependent care flexible spending arrangements.** This provision provides further flexibility for taxpayers to rollover unused amounts in their health and dependent care flexible spending arrangements from 2020 to 2021 and from 2021 to 2022. This provision also permits employers to allow employees to make a 2021 mid-year prospective change in contribution amounts.

### **TITLE III – DISASTER TAX RELIEF**

**Secs. 301 through 306.** These provisions provide disaster tax relief for individuals and businesses in Presidentially declared disaster areas for major disasters declared (other than COVID-19) after December 31, 2019, through 60 days after the date of enactment.

- **Use of Retirement Funds for Disaster Mitigation.** Allows residents of disaster areas to borrow or take out a loan of up to \$100,000 from a retirement plan or IRA account without penalty. Amounts withdrawn are included in income over 3 years or may be recontributed to avoid tax and restore savings. The repayment period is extended for 1 year for new and outstanding retirement plan loans.
- **Employee Retention Credit for Disaster Zones.** Provides a tax credit of 40 percent of wages (up to \$6,000 per employee) to employers in disaster zones (disaster areas where individual and public assistance is mandated). The credit applies to wages paid without regard to whether services associated with those wages were performed.
- **Expansion of Low-Income Housing Tax Credit in Disaster Zones.** Increases the low-income housing tax credit allocations in states that experienced the most serious disasters in 2020. The increase is equal to \$3.50 multiplied by the number of residents in qualified disaster zones and is capped at 65 percent of the state's 2020 credit allocation.

**Temporary changes to Flexible Savings Accounts.** This provision provides further flexibility for taxpayers to rollover unused amounts in their health and dependent care flexible spending arrangements from 2020 to 2021 and from 2021 to 2022. This provision also permits employers to allow employees to make a 2021 mid-year prospective change in contribution amounts.

### **SECTION IV: SOCIAL SECURITY**

**Access to Death Information Furnished to or Maintained by the Social Security Administration.**

Reduces improper payments by allowing the SSA to share state death records with Treasury's Do Not Pay portal. The SSA and states will be appropriately reimbursed by users of state data.

### **SECTION V: TRADE**

**USMCA Technical Corrections:** Corrects errors to allow for refunds of the Merchandise Processing Fee (MPF), restore NAFTA treatment to Foreign Trade Zones (FTZ), and reinstate the NADBank's status, as well as to provide for its capitalization.

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**Russian Uranium Restrictions:** Limits imports of Russian enriched uranium pursuant to the agreement negotiated by the Trump Administration.

## **SECTION VI: WORKER AND FAMILY SUPPORT**

**Temporary Assistance for Needy Families.** Extends Temporary Assistance for Needy Families (TANF) and the child-care entitlement through the end of FY 2021.

**Health Professionals Opportunity Grants.** Provides administrative funding for HHS (\$3.5 million) to close out evaluations of current demonstration grants, avoids starting a new 5-year demonstration cycle.

**COURTS Act.** Includes the Committee’s COURTS Act (H.R. 4514), sponsored by Rep. Brady and originally introduced in 2017. This provides \$200 million over 10-years to support annual extension of the Court Improvement Program to improve and expedite handling of child welfare cases.

**Supporting Foster Youth and Families through the Pandemic Act.** Includes the Committee’s Supporting Foster Youth and Families through the Pandemic Act (H.R. 7947). H.R. 7947 provides temporary additional funding to support older foster youth, kin caregivers, at-risk families, state courts, adoptive families, and foster care prevention services, and allows older youth to remain in foster care during the pandemic.

**Unemployment Insurance COVID Extensions and Phase Out:** Ways and Means Republicans have ensured meaningful reforms and program integrity requirements will accompany a temporary extension and phase out of unemployment programs created by the CARES Act that expire Dec. 31, 2020.

- Unemployed individuals get an additional \$300/week from Dec. 26, 2020 to March 14, 2021.
- Pandemic Unemployment Assistance (PUA): Extends and phases out PUA, a temporary federal program covering self-employed and gig workers, to March 14 (after which no new applicants) through April 5, 2021.
  - Averts another “cliff”: Allows PUA recipients as of March 14 to stay on three additional weeks before their benefits end.
  - Provides additional weeks for those who would otherwise exhaust benefits by extending PUA from 39 to 50 weeks— with all benefits ending April 5, 2021.
- Pandemic Emergency Unemployment Compensation (PEUC): Extends and phases out PEUC, which provides additional weeks when state unemployment runs out, to March 14 (after which no new applications) through April 5, 2021.
  - Averts another “cliff”: Allows PEUC recipients as of March 14 to stay on three additional weeks before their benefits end.
  - Provides additional weeks for those who would otherwise exhaust benefits by increasing weeks available from 13 to 24—with all benefits ending April 5, 2021.
- Other Unemployment Provisions: Extends provisions to March 14, 2021, including interest-free loans to states, flexible staffing, and relief for non-profits and state and local government.
- Strengthens Program Integrity. Includes requirement for applicants to provide documentation of employment (not just self-certification as is currently the case) and requires states to verify applicant identity. Lax requirements have resulted in billions being diverted from unemployed workers.

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- Includes Return-to-Work reporting requirements from Rep. Kevin Brady's (R-TX) Back to Work Bonus bill. States must have a place for employers to report when someone turns down a job and must notify claimants of the requirement to accept suitable work.