



Continued Relief for American Workers and Families

American workers and families deserve the support of their government during these unprecedented times. Although not perfect, this legislation will serve as a significant step forward in ensuring that we as a nation take further action to finally end the pandemic and care for those who have been hardest hit by the crisis. The Ways and Means Committee once again secured the inclusion of critical lifelines of support for American workers and families, laying the foundation for an economic recovery in the new year.

Ways and Means Committee contributions to the package include:

Additional unemployment assistance:

- Provides 11 weeks of \$300 per-week emergency unemployment benefits.
- Extends expiring pandemic-related unemployment assistance, ensuring that beneficiaries of the programs who are unable to return safely to work will not exhaust the benefits before March 14, 2021.
- Protects individuals who received pandemic-related unemployment benefit overpayments through no fault of their own and are now unable to repay the funds.

A second round of economic impact payments, with improvements:

- Delivers a new round of direct cash assistance to provide relief to Americans who are struggling, with family members each receiving \$600.
- Expands eligibility to mixed-status families where one spouse has a Social Security Number (SSN). These families are eligible for the economic impact payment amount for each family member with an SSN, and can claim the corresponding amount for the first round of economic impact payments when they file their 2020 taxes.

Relief for families and workers:

- Allows families who are eligible for the Earned Income Tax Credit (EITC) and the Additional Child Tax Credit (ACTC) and who experienced an income loss to use their 2019 income to determine these credits, putting more money in the pockets of working families.
- Reduces the income threshold for medical expense deductions from 10 percent to 7.5 percent, ensuring that more medical expenses are properly deductible.
- Provides relief for employees with unused amounts in their health and dependent care flexible spending accounts by allowing for more expansive carryover and grace period policies.

- Extends for three months credits reimbursing employers for paid sick and family leave paid to employees due to COVID-19.
- Helps more students take advantage of the Lifetime Learning Credit by increasing the income threshold at which the credit phases out.
- Provides more time for employees and employers to pay back deferred employee payroll tax amounts from the President's August memorandum.

Incentives for hiring and retaining workers:

- Extends, expands, and significantly improves the Employee Retention Tax Credit, offering a 70 percent credit on up to \$10,000 of wages per employee per quarter to help keep employees on payroll and connected with their jobs.
- Improves the coordination between the Employee Retention Tax Credit and the Paycheck Protection Program by allowing access to both programs while preventing a double dip.
- Clarifies that expenses paid with the proceeds of a forgiven PPP loan are deductible.
- Extends the Work Opportunity Tax Credit for five years, helping employers continue to hire disadvantaged individuals.

New patient protections and meaningful improvements to Medicare and the broader health care system:

- Protects patients from surprise medical bills and the establishment of a fair framework to resolve payment disputes between health care providers and health insurance companies.
- Expands health care workforce training opportunities and creates 1,000 new Medicare medical residency positions directed for hospitals with the greatest need, and makes improvements in the rural training track and graduate medical education rotator programs to expand rural medical training opportunities.
- Provides critical support for providers during the continued COVID crisis, including a three-month delay of the Medicare sequester and a one-time payment to help physicians adjust to Medicare fee schedule changes.
- Makes important, overdue investments to simplify the Medicare enrollment process, lower beneficiary costs, and improve beneficiaries' access to affordable, comprehensive health care, including mental health telehealth treatment.
- Changes to Medicare specifically designed to support rural communities and ensure patients in those areas have access to health care services they need.
- Increases and extends for three years funding for State Health Insurance Assistance Programs, which provide free insurance counseling and assistance for Medicare for beneficiaries.

Crucial investments in green energy and energy efficiency:

- Provides a lifeline to green energy investments by extending the investment tax credit for two years and the production tax credit for one year.
- Expands tax incentives for offshore wind, waste heat to power property, and efficient biomass stoves.
- Incentivizes energy efficient commercial buildings by making permanent the deduction for certain energy efficient property.
- Extends several other initiatives, including credits for energy efficient and renewable energy property for homeowners, new energy efficient homes, EV charging and fuel cell refueling stations, and certain zero-emissions vehicles.

Support for older Americans:

- Makes a down payment on funding the *Elder Justice Act*, legislation that includes key protections for American seniors, a population that has faced particular devastation during the COVID-19 pandemic, including a dedicated investment in state Adult Protective Services agencies.
- Improves quality and safety in skilled nursing facilities and hospices to better protect Medicare beneficiaries and other vulnerable populations.

Help for vulnerable young people:

- Includes the *Supporting Foster Youth and Families through the Pandemic Act* to help families stay together, keep young people safe, and provide additional support for vulnerable youth affected by the COVID-19 crisis.

Support for affordable housing and community development:

- Jumpstarts and guarantees a pipeline of affordable housing projects by establishing a four percent minimum credit rate for the low-income housing tax credit.
- Drives investment to economically disadvantaged areas by providing a five-year extension of the New Markets Tax Credit at \$5 billion per year.

Disaster relief:

- Provides a broad suite of disaster relief supports to individuals and employers affected by natural disasters.
- Helps counties rebuild by providing additional allocations of the low-income housing tax credit to states hit by natural disasters.

Tax certainty at a time when certainty is crucial:

- Makes the Craft Beverage Modernization Act permanent, supporting hard-hit beer, wine, and distilled spirits producers across the country.
- Responsibly extends various tax provisions before they expire.

USMCA fixes:

- Makes technical corrections to the United States-Mexico-Canada Agreement to ensure the trade deal reflects the intentions of Congress and the three signatory nations.