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K. Lisa Yang and Hock E. Tang
Institute on Employment and Disability

Coronavirus Response and Relief Supplemental Appropriations Act of 2021 and Related Executive Orders

By Raymond A. Cebula, III, JD and Edwin J. Lopez-Soto, JD

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Checking for Updates

February 10, 2021—This document may be updated frequently. To check for the most recent version, visit COVID-19 Resources from YTI at www.yti.cornell.edu/coronavirus#covid-benefits.

Introduction

The **Consolidated Appropriations Act (CAA) of 2021**, informally known as the most recent stimulus package, creates additional programs for our clients. As with the **CARES Act**, it also impacts our consumers' Social Security Administration (SSA) benefits based on disability.

The CAA became public law No. 116-260 on December 27, 2020. The 5,993-page act deals with a myriad of national and international issues. The **Coronavirus Response and Relief Supplemental Appropriations Act of 2021** (Divisions M and N of the larger act) makes up 581 of those pages and contains the items of interest to our consumers. What follows is a summary of the new law and some expectations and action steps that can be taken to assist your consumers through the act's implementation. We will provide what we know about some states as an example of both the good and the bad coming from this new law. We ask you all to review the 581 pages and let us know what is happening in your states. We also discuss recent Executive Orders signed by President Biden that relate to concerns of our clients.

Extension of the CARES Act Eviction Moratorium

The **CARES Act** eviction moratorium was extended to January 31, 2021; however, on January 20, President Biden issued an Executive Order that will continue the eviction moratorium through March 31, 2021, rather than the year-long extension that was expected during the weeks before Inauguration Day. The CARES Act eviction moratorium now includes the first-ever **Federal Rental Assistance Program** that will aid individuals and families who have fallen behind on their rent and may be facing eviction.

These rental assistance funds are expected to be administered by the states. Communication with your state housing administering agency will provide you with the "what's and where's" of this program. The funds are intended to assist those whose rent could not be paid due to COVID-19–related issues, e.g., layoffs, cuts in working hours, or business/restaurant closures. Funds should be available by January 31. The new moratorium end-date will require faster action to access funds under the Federal Rental Assistance Program.

Extension of the CARES Act Medicaid Termination Moratorium (revised 2/10)

The **CARES Act** Medicaid termination moratorium has been extended by the Department of Health and Human Services (HHS) through March 31, 2021. The extension could continue beyond March at the discretion of the Secretary of HHS, and the status of Public Emergency provisions, and can be expected to follow the course of the Secretary's national emergency declaration.

In late January, 2021, Norris Cochran, Acting Secretary of HHS, issued a letter to the governors. This letter indicated that the Public Health Emergency "will likely remain in place for the entirety of 2021, and when a decision is made to terminate the declaration or let it expire, HHS will provide the states with 60 days' notice prior to the termination."

Check your state's moratorium provisions and how these may provide extra benefits to your consumers. For example, New York has a long-term moratorium currently in place that has not been rescinded by the governor.

Pandemic Unemployment (UI) Benefits

The CAA provides Pandemic Unemployment (UI) Benefits in the form of a federal "bump" of $300 per week. This bump will be available through the reporting week of March 14 and the payment week of April 5, 2021. The CAA provides special pandemic benefits to gig workers and extends the maximum time for state-paid benefits to 50 weeks. The 50-week total includes benefits received prior to the **CAA** extension.

$100 weekly will be added to special pandemic benefits for self-employed individuals.

Congress believes that the total UI paid to workers will equal roughly 100% of the wages earned by the now-jobless workers.

These benefits will be considered **"unearned income"** for **SSI** recipients. SSI recipients must report this income, and it will likely lead to suspensions of cash benefits due to excess unearned income and the **GIE**'s limited exclusion of $20 per month. Remember that suspensions can last for up to 12 months before a termination will occur. There is not yet any indication that these suspensions will last more than 12 months, given that the total weeks of UI payments will stop at 50 weeks.

A significant issue arises given the timing of the CAA's signing. The **CARES Act UI extension** ended on December 26, 2020. The **CAA** was signed on December 27. This 12-hour gap in the UI extension created a brief period of ineligibility that may or may not interrupt the payment to those jobless workers who were depending upon the continuation of payments under the **CAA**.

State reactions have differed dramatically. For example, the UI week in New York ends on a Sunday rather than a Saturday, meaning that all New York recipients were covered by the **CAA extension**. Both Washington and Ohio have issued instructions to maintain eligibility under **CAA** if the worker has complied with reporting responsibilities to the state agency during the week impacted by this glitch. Oregon appears to have terminated eligibility for extended benefits to those with pre-CAA extensions and will not allow continued payments. Please check your state's instruction or policy on this issue.

Direct Stimulus Payments (Economic Impact Payments) (revised 2/10)

Direct stimulus payments (Economic Impact Payments or EIPs) will be provided in the amount of $600 to an individual making up to an Adjusted Gross Income (AGI) of $75,000 based on a 2019 tax return filed in 2020. The payment will then taper off until AGI reaches $87,000. Married couples will receive $1,200 if their AGI is up to $150,000. Payments will taper off until income reaches $175,000.

A $600 payment will also be provided to each dependent child in the household of a married couple or individual. For example, a married couple with two children, with an AGI of $74,000, will receive $2,400.

2019 tax filers, SSA beneficiaries of both SSDI and SSI, SSA retirees, RR retirees, and VA beneficiaries will automatically receive payments and may have already. Those who were not 2019 tax filers cannot receive payment until they file a 2020 tax return or a non-filer return. This time around, there will be no option to use a "non-filer" button on the IRS.gov website. Folks who don't take any of these steps will be required to wait until the tax filing season in 2021.

These one-time payments will not be considered income in the month received and will be exempt from resource counting for 12 months from receipt. This exclusion will apply to all needs-based benefits and can be commingled into a regular checking or savings account with other household funds.

The Internal Revenue Service (IRS) has a Get My Payment webpage that lets consumers know when their payment will be made, when it will come, and what needs to be done if no payment is yet scheduled (Recovery Rebate Credit option).

Student Loan Payments

Student loan payments will be suspended until September 30, 2021. As with the **CARES Act** suspension, this will be an interest-free suspension and all payments made during this time will be principal only.

This will allow those able to continue payments to save thousands of dollars in interest, much like making that extra mortgage payment on your home mortgage. This is a good financial literacy tip for our consumers who are able to pay during the suspension!

Child Care Development Block Grant

A new Child Care Development Block Grant will provide funds to the states to help families with child care costs and help providers cover increased costs of operations required by COVID-19 protocols. This grant is expected to provide relief for working parents when a child's online classes occur during parent work hours.

Suspension of 2020 Payroll Taxes

The suspension of 2020 payroll taxes is the final issue of immediate importance to our working consumers. Last year's "tax vacation" deferred payment of Social Security taxes. Those taxes, unfortunately, are now due. In accordance with the **CARES Act** requirements, the IRS expects these suspended taxes to be paid by April 30, 2021. Beginning on May 1, 2021, penalties and interest will begin to accrue on tax debt balances remaining unpaid.

There appears to be a lack of comprehensive instructions from the IRS on the collection of this tax debt. As a result, the actions of two of the largest payroll companies in the nation differ: Whether voluntarily or not, any employees who took advantage of the "tax vacation" may see a double deduction for these taxes beginning with payroll issue as of January 1—this double deduction will last for 24 pay periods or 26 payment periods, depending upon the reporting payroll company, in order to repay the taxes not paid during suspension. However, there appears to be no expectation that this payroll practice will result in the worker incurring penalties and interest. This is another wait-and-see for our consumers.

Executive Orders from President Biden

President Biden has now signed 30 Executive Orders. Several have reversed policies of the prior administration. Others apply directly to the COVID-19 crisis and can be expected to provide relief to many of our consumers.

The **Executive Order on Economic Relief Related to the COVID-19 Pandemic** will provide relief via "an all-of-government effort" that will:

- **Address the growing hunger crisis facing 29 million Americans and as many as 12 million children** by asking the U.S. Department of Agriculture to consider expanding and extending federal nutrition assistance programs.
- **Ensure equitable and effective delivery of direct payments** by asking the Treasury Department to consider changing its delivery structure and focus on getting relief to the 8 million Americans who still have not received the financial assistance to which they are entitled.
- **Help approximately 2 million veterans maintain their financial footing** by asking the U.S. Department of Veterans Affairs to consider pausing federal collections on overpayments and debts.
- Help ensure that unemployed Americans no longer have to choose between paying their bills and keeping themselves and their families safe from COVID-19 by asking the U.S. Department of Labor to consider clarifying that workers who refuse unsafe working conditions can still receive Unemployment Insurance.
- Enable effective and equitable distribution of government assistance by establishing an interagency benefit coordination structure.

Another Executive Order of importance to many of our consumers **increases SNAP allowances by 15%** for all households with children, and those that qualify for free breakfast and lunch 5 days a week at school. Currently, many of these children are not receiving breakfast and lunch due to school closures.

Work Incentive Practitioner Credential Program

Learn to guide individuals with disabilities to return to work as you earn a WIP-C™ credential!

Cornell University's Yang-Tan Institute (YTI) offers the Work Incentive Practitioner Credential webinar series 3 times per year. You'll join instructors Raymond Cebula and Edwin Lopez for 17 sessions to earn your WIP-C™ credential. Or, you can join for just one session or just one of the three parts.

Part 1: Social Security Disability Insurance and Supplemental Security Income and Work
Explore the principal benefits provided by the Social Security Administration (SSA), as well as related work incentives.

Part 2: The Effect of Work on Other Federal Programs
Review federal programs providing benefits to individuals with disabilities, including TANF, Workers Compensation, and Veterans Benefits. Plus learn how each relates to the others and is impacted by earned income.

Part 3: The Ins and Outs of Being a Benefits Practitioner
Gain insight into how this complex mix of work incentives, critically needed benefits, and earnings can be explained to an individual with a disability to encourage both work and financial independence.

For more information or to sign up:
visit www.ytionline.org/courses or send email to ams834@cornell.edu

Benefits Planning for Transition-Aged Youth

Learn to counsel youth with disabilities to use work incentives as a tool for establishing careers, as you earn Cornell's Youth-C credential!

Cornell University's Yang-Tan Institute (YTI) offers the Benefits Planning for Youth webinar series three times per year. You'll join instructors Raymond Cebula and Edwin Lopez for five sessions to earn your Youth-C credential. The credentialing process also includes an exam and a case study project. You'll learn about:

- Work incentives that can specifically benefit youths
- Calculating and tracking the use of these work incentives, and planning for periods of time when each may not apply
- Using and understanding the BPQY to ensure a youth receives applicable work incentives
- Counseling youths and parents about the benefits of work—and the benefits of work incentives
- Financial tools to assist the youth and family as the youth begins work
- Assisting with developing good money habits immediately when a job begins

Prerequisite: Either an up-to-date WIP-C™ credential from Cornell University or CWIC certification from Virginia Commonwealth University.

For more information, contact Ray Cebula at rac79@cornell.edu
To register, contact Michelle Alvord at msa224@cornell.edu