

The Budgetary Effects of Major Laws Enacted in Response to the 2020–2021 Coronavirus Pandemic, December 2020 and March 2021



Congressional Budget Office
Nonpartisan Analysis for the U.S. Congress

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In December 2020 and March 2021, two major laws were enacted in response to the 2020–2021 coronavirus pandemic. In the table below, the Congressional Budget Office summarizes their estimated effects on federal spending, revenues, and budget deficits. Subsequent tables provide more detail about discretionary outlays from appropriations in the laws and how the laws affect mandatory spending, revenues, and mandates imposed on the private sector. The information is drawn from CBO’s cost estimates for the two laws.

This publication is a companion to Congressional Budget Office, *The Budgetary Effects of Laws Enacted in Response to the 2020 Coronavirus Pandemic, March and April 2020* (June 2020), www.cbo.gov/publication/56403.^a

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ESTIMATED EFFECTS ON THE BUDGET, 2021–2030 (IN BILLIONS OF DOLLARS)		
	Consolidated Appropriations Act, 2021, Divisions M and N ^b	American Rescue Plan Act of 2021 ^c
	P.L. 116-260 Enacted December 27, 2020	P.L. 117-2 Enacted March 11, 2021
Increase in Discretionary Outlays	185	0
Increase in Mandatory Outlays	677	1,803
Decrease in Revenues	5	53
Increase in the Deficit	868	1,856

DISCRETIONARY OUTLAYS FROM APPROPRIATIONS IN THE LAW, 2021–2030

Consolidated Appropriations Act, 2021, Divisions M and N^b

P.L. 116-260
Enacted December 27, 2020

American Rescue Plan Act of 2021^c

P.L. 117-2
Enacted March 11, 2021

**Medical Care and Research
Related to the Pandemic**

Public Health and Social Services Emergency Fund: \$47 billion to prepare for and respond to the pandemic

Centers for Disease Control and Prevention: \$8 billion to prepare for and respond to the pandemic

Substance Abuse and Mental Health Services Administration: \$4 billion for health surveillance and program support

National Institutes of Health: \$1 billion to prepare for and respond to the pandemic

Food and Drug Administration: \$0.1 billion to prepare for and respond to the pandemic

Assistance to Individuals

Administration for Children and Families: \$10 billion for the Child Care and Development Block Grant and \$0.3 billion for Head Start programs

Federal Emergency Management Agency: \$2 billion for funeral expenses

Administration for Community Living: \$0.1 billion for aging and disability services

**Assistance to Businesses; State,
Local, and Tribal Governments;
Other Countries; and
Institutions**

Department of Education: \$82 billion for the Education Stabilization Fund (including \$54 billion for the Elementary and Secondary School Emergency Relief Fund and \$23 billion for the Higher Education Emergency Relief Fund)

Federal Transit Administration: \$14 billion for transit infrastructure grants

Federal Highway Administration: \$10 billion for highway infrastructure programs

Department of Housing and Urban Development: \$2 billion for Community Development Block Grants

Federal Aviation Administration: \$2 billion for grants to airports

National Railroad Passenger Corporation: \$1 billion for pandemic response

National Oceanic and Atmospheric Administration: \$0.3 billion to respond to the pandemic domestically and internationally

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

Consolidated Appropriations Act, 2021, Divisions M and N^b

P.L. 116-260
Enacted December 27, 2020

American Rescue Plan Act of 2021^c

P.L. 117-2
Enacted March 11, 2021

Unemployment Benefits

Extends PUA through March 14, 2021, and allows people to claim an additional 11 weeks of benefits, for a total of 50 weeks. (PUA, which was established by the CARES Act, consists of unemployment benefits for people who are unemployed, partially unemployed, or otherwise unable to work because of the pandemic but who would not otherwise have been eligible for unemployment benefits. Those people include self-employed workers, independent contractors, and people without enough work history to qualify for ordinary unemployment benefits.)

Extends PEUC through March 14, 2021, and allows people to claim an additional 11 weeks of benefits, for a total of 24 weeks. (The PEUC program provides additional weeks of benefits to people who have exhausted regular state unemployment benefits.)

Allows people receiving PUA and PEUC before March 14, 2021, to continue to claim weeks of benefits through April 10, 2021

Reestablishes Federal Pandemic Unemployment Compensation by providing a weekly supplement of \$300, for up to 11 weeks, to people in all unemployment benefit programs from December 27, 2020, through March 14, 2021

Provides an additional \$100 each week from December 27, 2020, through March 14, 2021, to people who received at least \$5,000 in self-employment income in the most recent tax year and who receive an unemployment benefit other than PUA

Extends the full federal financing of extended unemployment benefits through March 14, 2021

Extends increased federal funding for short-time compensation programs through March 14, 2021

Temporarily waives the accrual of interest on federal loans to state unemployment trust funds

Extends PUA from March 15, 2021, to September 6, 2021, and increases the total number of available weeks of benefits from 50 to 74

Extends PEUC from March 15, 2021, to September 6, 2021, and increases the total number of available weeks of benefits from 24 to 49

Extends Federal Pandemic Unemployment Compensation at an additional \$300 per week from March 15, 2021, until September 6, 2021

Provides an additional \$100 each week from March 15, 2021, through September 6, 2021, to people who received at least \$5,000 in self-employment income in the most recent tax year and who receive an unemployment benefit other than PUA

Extends the full federal financing of extended unemployment benefits through September 6, 2021

Extends increased federal funding for short-time compensation programs through September 6, 2021

Temporarily waives the accrual of interest on federal loans to state unemployment trust funds

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

Consolidated Appropriations Act, 2021, Divisions M and N^b

P.L. 116-260
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P.L. 117-2
Enacted March 11, 2021

Assistance to Individuals

Provides funding resulting in outlays of:

- \$25 billion for rental assistance to low-income households that are at risk of housing instability and that have members who are unemployed or have experienced financial hardship
- \$0.6 billion for the Nutrition Assistance Program in Puerto Rico, the Commonwealth of the Northern Mariana Islands, and American Samoa
- \$0.2 billion for meals offered through aging and disability services programs

Provides a refundable tax credit of \$600 per qualifying adult and \$600 per dependent for taxpayers with income below specified limits

Makes certain modifications to the tax credits provided by the CARES Act

Increases SNAP benefits through June 2021

Expands eligibility for SNAP

Pays schools a portion of the reimbursements from the Child Nutrition Program that they lost between March 2020 and June 2020 because of the pandemic

Simplifies determination of eligibility for the P-EBT program for children in qualifying day care facilities

Excludes emergency financial aid from gross income for tax purposes and prevents such aid from reducing tax credits for education

Provides funding resulting in outlays of:

- \$42 billion for rental and mortgage assistance, homeless services, and housing counseling
- \$1 billion for the Nutrition Assistance Program in Puerto Rico, the Commonwealth of the Northern Mariana Islands, and American Samoa
- \$1 billion for a newly established Pandemic Emergency Fund, which makes grants to states and Indian tribes for nonrecurring short-term benefits, such as cash and vouchers, for eligible low-income families
- \$0.7 billion for housing assistance, infrastructure, economic development, and other services for Native Americans
- \$0.5 billion to fund an increase in certain benefits under the Special Supplemental Nutrition Program for Women, Infants, and Children and \$0.4 billion for activities to increase participation in that program
- \$0.5 billion for grants to help low-income households with the costs of drinking-water and wastewater services
- \$0.4 billion for the Emergency Food and Shelter Program
- \$0.3 billion for Assistance to Firefighters Grants and the Staffing for Adequate Fire and Emergency Response program
- \$0.1 billion for continued assistance to railroad workers
- \$0.1 billion for humanitarian relief
- \$0.04 billion for the Commodity Supplemental Food Program

Provides a refundable tax credit of \$1,400 per qualifying adult and \$1,400 per dependent for taxpayers with income below specified limits

Expands the child tax credit for 2021 and allows taxpayers to receive it before filing tax returns

Provides payments to U.S. territories for the cost of the child tax credit, beginning in 2021

Increases the amount of the EITC for taxpayers with no qualifying children, and expands eligibility for the credit to higher-income taxpayers and to certain childless taxpayers who are younger than 25 or older than 65, for tax year 2021

Allows people to use earnings from tax year 2019 instead of from tax year 2021 to qualify for the EITC

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

Consolidated Appropriations Act, 2021, Divisions M and N^b

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**Assistance to Individuals
(Continued)**

Allows taxpayers whose children fail to meet certain identification requirements to claim the EITC for taxpayers with no qualifying children, allows separated spouses to claim the EITC, and increases the amount of investment income that disqualifies a taxpayer from receiving the EITC, starting in tax year 2021

Makes payments to certain U.S. territories related to the cost of each territory’s EITC

Expands the child and dependent care tax credit available to taxpayers for tax year 2021

Increases SNAP benefits through September 2021

Expands eligibility for the Child and Adult Care Food Program at emergency homeless shelters to people younger than 25 for the duration of the public health emergency

Expands the P-EBT program by providing benefits in the summer once schools have been closed for at least five consecutive days

Extends P-EBT for the duration of the public health emergency

Expands eligibility to children younger than 6 in households that receive Nutrition Assistance Program benefits in Puerto Rico, the Commonwealth of the Northern Mariana Islands, and American Samoa

Expands through 2030 the number of federal employees with COVID-19 who are eligible for medical, wage replacement, and death benefits under the Federal Employees’ Compensation Act

Extends enhanced benefits to unemployed railroad workers through August 29, 2021

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

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Assistance to Businesses

Provides funding resulting in outlays of:

- \$261 billion for PPP loans
- \$20 billion for the Economic Injury Disaster Loan program to provide cash advances to small businesses in low-income communities
- \$16 billion for passenger air carriers and related contractors
- \$15 billion for operators of live performance venues
- \$12 billion to support community development financial institutions and minority depository institutions
- \$4 billion to pay borrowers’ principal and interest on SBA loans
- \$2 billion for fee reductions and other modifications to SBA loans
- \$2 billion for certain transportation businesses, such as those that operate passenger vessels or motor coaches
- \$1 billion to expand access to broadband Internet
- \$0.3 billion for telehealth services

Extends the refundable credits against payroll taxes established under FFCRA to compensate employers for mandated paid sick leave and family and medical leave through March 31, 2021

Extends the period in which the SBA may guarantee PPP loans

Cancels \$147 billion in budget authority that was previously provided in the CARES Act for the SBA’s PPP and debt relief programs

Provides funding resulting in outlays of:

- \$29 billion for grants to restaurants and bars that lost revenue because of the pandemic
- \$15 billion for passenger air carriers and related contractors
- \$15 billion for the Economic Injury Disaster Loan program to provide cash advances to small businesses in low-income communities
- \$9 billion for states, territories, and municipalities to fund financing programs for small businesses
- \$8 billion for grants to airports for operations, debt service, and other costs
- \$4 billion to expand eligibility for financial assistance through the PPP to certain nonprofit organizations and digital media companies
- \$3 billion for payroll support to eligible aviation manufacturers and maintenance firms
- \$2 billion for the National Railroad Passenger Corporation
- \$1 billion for grants to operators of live performance venues and to other entities
- \$0.2 billion for the Community Navigator Program to assist small businesses
- \$0.2 billion for states and other entities to help small businesses take advantage of government resources available during the pandemic, among other purposes

Extends and modifies the refundable credits against payroll taxes established under FFCRA to compensate employers for mandated paid sick leave and family and medical leave through September 30, 2021

Extends a refundable tax credit against payroll taxes to employers that shut down because of coronavirus-related mandates, or that saw a significant decline in revenue, through December 31, 2021

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

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Assistance to State, Local, and Tribal Governments

Provides funding resulting in outlays of \$0.1 billion to states for the administration of SNAP

Provides funding resulting in outlays of:

- \$362 billion for the Coronavirus State and Local Fiscal Recovery Funds
- \$28 billion for Federal Transit Administration grants to transit agencies
- \$8 billion for state, local, and territorial public health workforces
- \$3 billion for Economic Development Administration grants to economically distressed communities
- \$1 billion for states for the administration of SNAP
- \$0.9 billion by the Bureau of Indian Affairs for tribal housing improvements and government services
- \$0.1 billion for the Medical Reserve Corps
- \$0.03 billion for improvements in online purchasing and technology for SNAP

Medicare

Increases payment rates for physicians in 2021
Eliminates cuts that sequestration would otherwise have required through March 2021

Modifies the floor on the geographic wage index for states designated all-urban
Modifies certain payments to ambulance providers for the duration of the public health emergency

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

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Medicaid and CHIP

Increases the federal matching rate for Medicaid by 5 percentage points for two years for states that newly expand coverage to adults made eligible by the Affordable Care Act

Eliminates a statutory cap on the rebates that manufacturers must pay Medicaid on covered outpatient drugs, beginning in 2024

Increases the federal matching rate by 10 percentage points from April 1, 2021, through March 31, 2022, for Medicaid spending on home- and community-based services

Allows states, for a five-year period, to extend coverage to women enrolled in Medicaid and CHIP for 12 months after the birth of a child

Increases the federal matching rate to 100 percent in Medicaid and CHIP for coronavirus vaccinations until one year after the end of the public health emergency; over the same period, requires states to provide coverage, without cost sharing, for vaccinations and for related prevention and treatment

Increases the federal matching rate to 85 percent in Medicaid, for 12 fiscal quarters, for mobile and community-based crisis intervention services

Increases the annual allotment that states receive for Disproportionate Share Hospital payments in Medicaid for any fiscal year in which the public health emergency is in effect

Premium Tax Credits and Other Health Insurance

Provides funding resulting in outlays of \$0.02 billion for states to modernize the health insurance marketplaces established under the Affordable Care Act

For coverage through the health insurance marketplaces established under the Affordable Care Act, increases premium tax credits for most currently eligible people, and expands eligibility to include people with income above 400 percent of the federal poverty level, through 2022

Increases premium tax credits for people receiving unemployment compensation in 2021

Provides premium assistance to some COBRA enrollees through September 30, 2021

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

Consolidated Appropriations Act, 2021, Divisions M and N^b

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Other Health and Human Services

Provides funding resulting in outlays of:

- \$47 billion by HHS to test for, monitor, and trace infections
- \$39 billion for the Child Care and Development Block Grant program, including \$24 billion for the new Child Care Stabilization Fund for assistance to providers
- \$15 billion for vaccine activities of HHS
- \$10 billion for the purchase, production, and distribution of medical supplies to respond to the pandemic and future health emergencies
- \$9 billion for health care providers’ expenses and revenues lost because of the pandemic
- \$8 billion for community health centers
- \$6 billion by the Indian Health Service for pandemic-related activities and care
- \$5 billion for the Low Income Home Energy Assistance Program
- \$4 billion for community mental health services, youth suicide prevention, and certified community behavioral health clinics
- \$3 billion by the Centers for Disease Control for genomic sequencing, global activities, and data modernization
- \$1 billion for programs authorized by the Older Americans Act
- \$1 billion for Head Start
- \$1 billion by the Corporation for National and Community Service, mainly to make new grants to community service programs and to increase the living allowances of AmeriCorps volunteers
- \$0.8 billion by the National Health Service Corps
- \$0.7 billion to support coronavirus infection control and residents’ and employees’ safety in skilled nursing facilities
- \$0.5 billion for programs authorized by the Family Violence Prevention and Services Act and for other programs to support survivors of sexual assault and domestic violence
- \$0.5 billion for rural hospitals and clinics to offer testing and vaccination, increase health care capacity, and engage in other pandemic-related efforts
- \$0.4 billion for programs authorized by the Child Abuse Prevention and Treatment Act
- \$0.3 billion for programs authorized by the Elder Justice Act

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

Consolidated Appropriations Act, 2021, Divisions M and N^b

P.L. 116-260
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Other Health and Human Services (Continued)

- \$0.3 billion for graduate medical education at health centers
- \$0.2 billion by the Nurse Corps
- \$0.1 billion for the Maternal, Infant, and Early Childhood Home Visiting program
- \$0.05 billion for family planning
- \$0.01 billion by HHS’s Office of Inspector General
- \$0.01 billion to establish a National Technical Assistance Center for Grandfamilies and Kinship Families

Permanently increases funding for the Child Care Entitlement to States from \$2.9 billion to \$3.6 billion annually

Provides, for two years, a 100 percent federal matching rate for services to Medicaid enrollees who get care in the Urban Indian Health Programs or the Native Hawaiian Health Care System

Education

Provides funding resulting in outlays of:

- \$170 billion for education, including \$123 billion for the Elementary and Secondary School Emergency Relief Fund and \$40 billion for the Higher Education Emergency Relief Fund
- \$7 billion to support emergency educational connections and devices

Agriculture

Provides funding resulting in outlays of:

- \$11 billion for support payments to producers of commodity crops, specialty crops, dairy, livestock, poultry, renewable fuels, and timber and for supplemental funding for existing farm support programs
- \$0.5 billion for dairy margin payments
- \$0.4 billion for a dairy donation program
- \$0.2 billion for nutrition research
- \$0.1 billion for specialty crops
- \$0.1 billion for local agricultural markets
- \$0.08 billion for the Farming Opportunities Training and Outreach program
- \$0.08 billion for a nutrition incentive program
- \$0.06 billion for improvements to meat and poultry facilities
- \$0.03 billion for farm stress programs

Provides funding resulting in outlays of:

- \$4 billion to purchase and distribute food and agricultural commodities and to maintain and improve the food supply chain
- \$4 billion to pay off certain loans taken out by farmers and ranchers who are members of socially disadvantaged groups and to provide an additional cash payment equal to 20 percent of the outstanding indebtedness of those producers
- \$1 billion to develop programs to assist socially disadvantaged farmers, ranchers, and owners and operators of forest land and to help institutions of higher education support socially disadvantaged groups
- \$0.8 billion for U.S. food assistance to meet global food needs
- \$0.05 billion for Department of Agriculture administrative expenses and oversight of pandemic-related programs

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

Consolidated Appropriations Act, 2021, Divisions M and N^b

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Funding for Federal Agencies to Respond to the Pandemic

Provides funding resulting in outlays of:

- \$47 billion by the Federal Emergency Management Agency to respond to major disasters and to cover funeral expenses related to COVID-19
- \$10 billion for global response to the pandemic, Department of State operations, and operations of the United States Agency for International Development
- \$2 billion by the Department of Labor for administrative and program integrity activities associated with unemployment compensation programs
- \$1 billion by the IRS for activities related to tax credits and taxpayer assistance and for modernizing and securing systems
- \$1 billion by the SBA to administer programs and by the SBA's Office of Inspector General
- \$0.4 billion by the IRS to facilitate advance payments of child tax credits to taxpayers
- \$0.4 billion by the Emergency Federal Employee Leave Fund to reimburse agencies for pandemic-related leave taken by employees
- \$0.2 billion by the Department of Labor for worker protection
- \$0.1 billion by the Environmental Protection Agency for countering pollution and environmental harm to minority and low-income populations
- \$0.08 billion by the Government Accountability Office to prevent, prepare for, and oversee the federal response to COVID-19
- \$0.07 billion for SBA disaster loans
- \$0.05 billion for ensuring the safety of consumer products, including those related to COVID-19
- \$0.04 billion by the Pandemic Response Accountability Committee for oversight of pandemic-related spending
- \$0.03 billion by the Federal Trade Commission
- \$0.02 billion for the Federal Aviation Administration's and the Transportation Security Administration's emergency leave funds
- \$0.01 billion by the White House to respond to COVID-19

Veterans

Provides funding resulting in outlays of \$17 billion by the Department of Veterans Affairs for health care, job training, and administration

HOW THE LAW AFFECTS MANDATORY OUTLAYS, 2021–2030

Consolidated Appropriations Act, 2021, Divisions M and N^b

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Enacted March 11, 2021

Miscellaneous

Provides funding resulting in outlays of \$2 billion by the FCC to reimburse communications providers for the cost of removing and replacing equipment or services made or provided by entities that are deemed to pose a national security risk

Rescinds certain amounts appropriated by the CARES Act for loans, loan guarantees, and grants, including assistance provided through the Federal Reserve

Provides funding resulting in outlays of:

- \$3 billion for the Economic Adjustment Assistance program
- \$1 billion by the Technology Modernization Service
- \$0.6 billion by the National Science Foundation
- \$0.6 billion by the Cybersecurity and Infrastructure Security Agency
- \$0.5 billion for grants to fund arts and humanities, libraries and museums, and the preservation and maintenance of Native American languages
- \$0.2 billion by the National Institute of Standards and Technology
- \$0.2 billion by the Corporation for Public Broadcasting
- \$0.2 billion by the United States Digital Service
- \$0.2 billion for the Federal Citizen Services Fund
- \$0.1 billion by the Fish and Wildlife Service
- \$0.1 billion for Emergency Management Performance Grants
- \$0.03 billion by the Railroad Retirement Board for technology improvements and staff

Provides assistance to certain multiemployer defined benefit pension plans and reduces funding requirements for single-employer pension plans

Extends certain customs fees

HOW THE LAW AFFECTS REVENUES		
	Consolidated Appropriations Act, 2021, Divisions M and N ^b	American Rescue Plan Act of 2021 ^c
	P.L. 116-260 Enacted December 27, 2020	P.L. 117-2 Enacted March 11, 2021
Unemployment Benefits	<p>Decreases revenues by partially reimbursing states that waive the one-week waiting period for the first week of regular unemployment benefits through March 14, 2021</p> <p>Decreases revenues by shifting funding from the states to the federal government for a portion of the regular unemployment compensation benefits paid between December 27, 2020, and March 14, 2021, to people who worked for public-sector entities and nonprofit organizations</p> <p>Increases revenues because states respond to smaller balances in their unemployment trust fund accounts by increasing their future collections of unemployment taxes (which are recorded as federal revenues)</p>	<p>Decreases revenues by fully reimbursing states that waive the one-week waiting period for the first week of regular unemployment benefits through September 6, 2021</p> <p>Decreases revenues by shifting funding from the states to the federal government for a portion of the regular unemployment compensation benefits paid between March 15, 2021, and August 29, 2021, to people who worked for public-sector entities and nonprofit organizations</p> <p>Excludes from taxable income up to \$10,200 of unemployment compensation per recipient in 2020 for taxpayers with income below a certain threshold</p> <p>Increases revenues because states respond to smaller balances in their unemployment trust fund accounts by increasing their future collections of unemployment taxes (which are recorded as federal revenues)</p>
Assistance to Individuals	<p>Provides a refundable tax credit of \$600 per qualifying adult and \$600 per dependent for taxpayers with income below specified limits</p> <p>Makes certain modifications to the tax credits provided by the CARES Act</p> <p>Clarifies that personal protective equipment and supplies can be claimed as part of the tax deduction for educators' expenses</p> <p>Excludes emergency financial aid from gross income for tax purposes and prevents such aid from reducing tax credits for education</p> <p>Expands a waiver of early distribution penalties in certain pension plans that was specified in the CARES Act</p>	<p>Provides a refundable tax credit of \$1,400 per qualifying adult and \$1,400 per dependent for taxpayers with income below specified limits</p> <p>Expands the child tax credit for 2021 and allows taxpayers to receive it before filing tax returns</p> <p>Increases the amount of the EITC for taxpayers with no qualifying children, and expands eligibility for the credit to higher-income taxpayers and to certain childless taxpayers who are younger than 25 or older than 65, for tax year 2021</p> <p>Allows people to use earnings from tax year 2019 instead of from tax year 2021 to qualify for the EITC</p> <p>Allows taxpayers whose children fail to meet certain identification requirements to claim the EITC for taxpayers with no qualifying children, allows separated spouses to claim the EITC, and increases the amount of investment income that disqualifies a taxpayer from receiving the EITC, starting in tax year 2021; expands the child and dependent care tax credit available to taxpayers for tax year 2021</p>

HOW THE LAW AFFECTS REVENUES		
	Consolidated Appropriations Act, 2021, Divisions M and N ^b	American Rescue Plan Act of 2021 ^c
	P.L. 116-260 Enacted December 27, 2020	P.L. 117-2 Enacted March 11, 2021
Assistance to Businesses	<p>Extends the refundable credits against payroll taxes established under FFCRA to compensate employers for mandated paid sick leave and family and medical leave through March 31, 2021</p> <p>Extends repayment deadlines for certain deferred payroll taxes</p>	<p>Extends and modifies the refundable credits against payroll taxes established under FFCRA to compensate employers for mandated paid sick leave and family and medical leave through September 30, 2021</p> <p>Extends a refundable tax credit against payroll taxes to employers that shut down because of coronavirus-related mandates, or that saw a significant decline in revenue, through December 31, 2021</p>
Medicaid, CHIP, and Other Health Care Programs		<p>Provides premium assistance to some COBRA enrollees through September 30, 2021</p> <p>For coverage through the health insurance marketplaces established under the Affordable Care Act, increases premium tax credits for most currently eligible people, and expands eligibility to include people with income above 400 percent of the federal poverty level, through the end of 2022</p> <p>Increases premium tax credits for people receiving unemployment compensation in 2021</p> <p>Eliminates the requirement that people repay any overpayments of premium tax credits received for plan year 2020</p>
Miscellaneous	<p>Provides assistance to certain pension plans</p>	<p>Eliminates the ability of corporations based in the United States to elect worldwide allocation of their interest expenses in calculating their income from foreign sources to determine their allowable foreign tax credits</p> <p>Provides assistance to certain multiemployer defined benefit pension plans and reduces funding requirements for single-employer pension plans</p> <p>Increases the number of employees for whom the limitation on the deductibility of compensation of highly paid employees applies, starting in tax years beginning after December 31, 2026</p> <p>Modifies exceptions for reporting third-party network transactions described in section 6050W of the Internal Revenue Code</p> <p>Extends the limitation on how much noncorporate taxpayers may reduce their income, for tax purposes, as a result of excess business losses</p>

HOW THE LAW IMPOSES PRIVATE-SECTOR MANDATES^d		
	Consolidated Appropriations Act, 2021, Divisions M and N^b	American Rescue Plan Act of 2021^c
	P.L. 116-260 Enacted December 27, 2020	P.L. 117-2 Enacted March 11, 2021
Mandate Costs	CBO estimates that the mandates’ aggregate cost exceeds the UMRA threshold. ^e	CBO and the staff of the Joint Committee on Taxation estimate that the mandates’ aggregate cost exceeds the UMRA threshold. ^e
Defense Production Act		Section 4 of UMRA excludes from the application of that act any legislative provisions that are necessary for national security, and CBO has determined that the provisions of the American Rescue Plan Act that amend the Defense Production Act of 1950 fall under that exclusion.
Agriculture	Requires livestock dealers to hold revenues and proceeds from cash sales in a trust for the sellers’ benefit until full payment has been disbursed	
Group Health Insurance Plans		Requires group health insurance plans to provide additional information about COBRA eligibility and assistance
Businesses	Increases the cost of an existing mandate on commercial entities to pay fees if the FCC increases annual fee collections	Eliminates the ability of corporations based in the United States to elect worldwide allocation of their interest expenses in calculating their income from foreign sources to determine their allowable foreign tax credits Modifies exceptions for reporting third-party network transactions described in section 6050W of the Internal Revenue Code Increases the cost of an existing mandate on commercial entities required to pay fees if the FCC increases annual fee collections to offset the costs of implementing provisions in the act
Landlords	Extends an existing executive order prohibiting landlords and owners of residential properties from evicting residents	

Notes

Data sources: Congressional Budget Office; staff of the Joint Committee on Taxation.

Both laws shown provide mandatory spending for programs that typically are funded through the appropriation process. Those provisions and projected outlays are included in the section dealing with mandatory outlays.

These estimates do not include the costs of implementing provisions that would be subject to subsequent appropriations.

Numbers may not add up to totals because of rounding.

In general, the increases in discretionary spending stemming from division M of the Consolidated Appropriations Act, 2021, are designated as emergency requirements in accordance with section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985. The Office of Management and Budget has adjusted the limits on discretionary budget authority for 2021, which were established by the Budget Control Act of 2011 (as amended), to accommodate that funding.

- a. The laws analyzed in that publication were the Coronavirus Preparedness and Response Supplemental Appropriations Act, 2020, P.L. 116-123 (which will increase the deficit by \$8 billion over the 2020–2030 period, CBO estimates); the Families First Coronavirus Response Act, P.L. 116-127 (\$192 billion); the Coronavirus Aid, Relief, and Economic Security Act, P.L. 116-136 (\$1,721 billion); and the Paycheck Protection Program and Health Care Enhancement Act, P.L. 116-139 (\$483 billion).
- b. Includes all spending and revenue provisions in division M (the Coronavirus Response and Relief Supplemental Appropriations Act, 2021) and division N (Additional Coronavirus Response and Relief) of the Consolidated Appropriations Act, 2021. Other divisions of the law may also contain pandemic-related spending and revenue provisions; those are not included here. CBO’s cost estimates for divisions M and N are available at www.cbo.gov/publication/56916 and www.cbo.gov/publication/56961.
- c. Includes all spending and revenue provisions in the bill passed by the Senate on March 6, 2021. CBO’s cost estimate for the bill is available at www.cbo.gov/publication/57056.
- d. There are no intergovernmental mandates in either law. Also, this publication does not include analysis by the Joint Committee on Taxation of mandates in the Consolidated Appropriations Act, 2021.
- e. CBO is required to estimate whether the annual cost of intergovernmental and private-sector mandates in legislation would exceed thresholds established in UMRA. In 2020, those thresholds were \$84 million for intergovernmental mandates and \$168 million for private-sector mandates. The thresholds are adjusted annually for inflation.

Abbreviations

CARES Act = Coronavirus Aid, Relief, and Economic Security Act
 CHIP = Children’s Health Insurance Program
 COBRA = Consolidated Omnibus Budget Reconciliation Act
 EITC = earned income tax credit
 FCC = Federal Communications Commission

FFCRA = Families First Coronavirus Response Act
 HHS = Department of Health and Human Services
 IRS = Internal Revenue Service
 P-EBT = Pandemic Electronic Benefit Transfer
 PEUC = Pandemic Emergency Unemployment Compensation
 PPP = Paycheck Protection Program

PUA = Pandemic Unemployment Assistance
 SBA = Small Business Administration
 SNAP = Supplemental Nutrition Assistance Program
 UMRA = Unfunded Mandates Reform Act

This publication is available on CBO’s website at www.cbo.gov/publication/57343. CBO continually seeks feedback to make its work as useful as possible. Please send any comments to communications@cbo.gov.