

HEROS Act vs. HEALS Act | Agriculture/Nutrition Provisions

Differences between the two packages:

House-passed HEROS Act has an estimated total spending of \$3.45 trillion and includes \$33 billion to assist agricultural producers as well as \$34.5 billion for various nutrition provisions, which includes a temporary 15% increase in SNAP benefits for a four month period (June through September) and a permanent increase in the minimum benefit from \$16 to \$30. Regarding the \$33 billion in producer assistance, the HEROS Act provides some structure as to how USDA is expected to distribute the funds, namely through specific time periods and the percentage of losses that can be offset. A rough estimate for how the \$33 billion will be distributed is as follows:

- \$1 billion for livestock
- \$2 billion for dairy
- \$19 billion for specialty crops and other commodities
- \$10 billion for the Commodity Credit Corporation
- \$1 billion for conservation

Additional information regarding how the funds will be allocated within each of these sectors can be [found here](#).

The Senate (GOP) introduced package (HEALS Act) has an estimated total spending of approximately \$1 trillion and includes \$20.457 billion in direct funding to the USDA and related agencies. The USDA funds are appropriated as follows:

- **USDA/Office of The Secretary - \$20 billion.** The proposal provides additional funding to support agricultural producers, growers, and processors impacted by COVID-19. NOTE: The Senate version does not provide any structure or guidance as to how the \$20 billion should be spent.
- **Farm Service Agency – \$76.4 million.** The proposal provides additional funding to support temporary staff and overtime costs resulting from increased volume of applications in response to COVID-19.
- **Rural Development – \$133.4 million**
 - Salaries And Expenses – \$20 million. The proposal provides for administrative expenses such as overtime and information technology needs.
 - Rental Assistance Program – \$113.4 million. The proposal provides Rental Assistance (RA) to all currently assisted wage earning residents if they lost all wages and were unable to pay rent.
- **Food and Nutrition Service (FNS) – \$250 thousand.** The proposal provides additional funding to cover the cost of staff overtime for FNS employees.
- **Foreign Agricultural Service (FAS) – \$2 million.** The proposal provides additional funding to cover the cost of repatriating FAS employees stationed abroad.
- **Agriculture Quarantine and Inspection – \$245 million.** The proposal provides additional funding to cover salary expenses to offset the decrease in user fee revenue caused by business disruptions.
- The Senate package does not provide an increase to SNAP/food stamp benefits.

Both bills essentially include funds to replenish dwindling USDA funds but the amount and structures vary between the two packages. Democrats have consistently called for a 15% *permanent* increase in SNAP funding (a.k.a. “food stamps”) dating back to previous packages but a permanent increase is not included in either package at present. As previously noted, the House-passed version does however include a 15% increase from June 1, 2020 through September 2021.

Moving Forward:

As negotiations progress there are fundamental differences in approach and amounts that must be overcome. Specific to the agriculture provisions, look for the negotiations to center around a permanent increase of SNAP funding, the overall amount of funds provided to USDA via the CCC and related USDA expenditures, and the amount of direction provided to USDA in how and when the funds shall be disbursed. The last of these items has become an increasingly bipartisan issue with the first two items regarding SNAP increases and the amount of CCC funds typically falling more along party lines.

The Senate Republican Conference already has several public detractors and in a private meeting yesterday, one prominent Senate Republican stated that they believe many in their conference are utilizing the package to jump start a 2024 Presidential run. This means that in order to advance a package in the Senate Democratic support is essential to advancement of a package prior to final agreement with both House Democrats and the Trump Administration. Look for this process to take much longer than the one to two-week timeframe that is being reported in most mainstream media outlets.

Below is a list of other notable provisions in the Senate bill and how they compare to those in the House-passed version. At the end of this section, we have also provided links to the full text of each bill as well as section-by-section summaries of each.

Funding for State and Local Governments

- **Senate HEALS Act:** Allows state and local governments to tap into a \$150 billion fund established under the CARES Act
- **House HEROES Act:** Provides roughly \$1 trillion in aid state and local governments

Stimulus Checks

- **Senate HEALS Act:** Authorizes \$1,200 for individuals, \$2,400 for married couples and \$500 for dependents. Income limits remain the same as first round of stimulus checks.
- **House HEROES Act:** Would provide \$1,200 for individuals, \$2,400 for married couples and \$1,200 for each dependent, up to three. Would also provide checks to household where some individuals don't have SSN. Income limits remain the same as first round of stimulus checks.

Unemployment

- **Senate HEALS Act:** Reduces weekly federal payment to \$200 after the first week of September, and then sets it at 70% of wages when combined with state benefits
- **House HEROES Act:** Extends the current payments already in place (\$600 per week) until January 2021.

Aid for Schools

- **Senate HEALS Act:** Provides \$105 billion for schools--\$70 billion for primary and secondary schools, \$30 billion for colleges and universities, and \$5 billion for governors to use at their discretion.
- **House HEROES Act:** Provides roughly \$90 billion for schools, and \$58 billion of that would be distributed through state and local school districts.

Employee-Retention Tax Credits

- **Senate HEALS Act:** Would expand the wage subsidy to cover up to 65% of \$30,000 in annual wages.
- **House HEROES Act:** Provides \$194 billion to expand the wage subsidy to cover up to 80% of wages and benefits through the end of the year, up to \$45,000.

SBA Paycheck Protection Program (PPP)

- **Senate HEALS Act:** Provides \$190 billion for a second round of loans from PPP, which is restricted to businesses with fewer than 300 employees that have experienced at least a 50% reduction in gross revenues.
- **House HEROES Act:** Provides more leeway to PPP by giving businesses until December 31 to exhaust their loan and rehire employees and still be eligible for full debt forgiveness.