

## What's in Congress's \$1.9 trillion covid bill: Checks, unemployment insurance and more

The House approved the American Rescue Plan on Wednesday, sending the sprawling package to President Biden's desk

By **Rachel Siegel**

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The House passed a \$1.9 trillion stimulus plan Wednesday, marking a major Democratic legislative victory aimed at boosting the economy and ending the pandemic.

The vast relief package, known as the American Rescue Plan, was approved on a 220-to-211 vote almost entirely along party lines. President Biden is expected to sign the legislation Friday.

The legislation will send \$1,400 checks to most Americans, extend unemployment insurance and allocate billions of dollars for coronavirus testing. It is among the largest economic stimulus packages in U.S. history.

**Here's a rundown of the American Rescue Plan:**

### Major buckets

#### Unemployment benefits:

- The package extends the existing \$300 weekly unemployment benefit through Sept. 6, as well as provides a tax break on \$10,000 in unemployment benefits.
- Earlier proposals would have increased the weekly benefit from \$300 to \$400 per week. But that amount was lowered to \$300 after a lengthy standoff in the Senate.
- The \$900 billion stimulus package passed in December provided the unemployed an extra \$300 per week in benefits. That program expires in mid-March.

#### Stimulus checks:

- The bill would send \$1,400 stimulus checks on top of the \$600 payments issued through the stimulus bill passed in December. Roughly \$400 billion of the package would go toward another round of checks

compared with the formula in Biden's initial proposal and the House bill.

- Individuals earning \$75,000 per year and couples earning \$150,000 would still receive the full \$1,400-per-person benefit. However, the benefit would disappear for individuals earning more than \$80,000 annually and couples earning more than \$160,000.
- For example, that means singles making between \$80,000 and \$100,000 and couples earning between \$160,000 and \$200,000 would be newly excluded from seeing any benefit under the revised structure.

### **Child tax credit:**

- Under the legislation, most Americans would receive \$3,000 a year for each child ages 6 to 17, and \$3,600 for each child under 6.
- The provision in the bill would last one year and be sent via direct deposit on a "periodic" basis. It is a major expansion of the existing child tax credit, which provides \$2,000 a year for children from birth through age 16.
- The more regular payments are intended to help offset costs families face day-to-day, instead of sending families one annual payment.

### **Aid to state and local governments:**

- The package designates \$350 billion for states, cities, tribal governments and U.S. territories.
- Local government funding emerged as one of the top flash points in stimulus negotiations. Moderate Senate Democrats have pushed to redirect some of those funds to invest in infrastructure and to expand the broadband network. Others on the left have grown concerned that some states would use federal aid to cut local taxes instead of spending money on coronavirus relief.
- Facing deep budget shortfalls, state and local governments have shed 1.3 million jobs since the pandemic began last year — a loss of more than 1 in 20 government jobs, according to a Washington Post analysis of government data. While tax revenue grew in some states last year, the majority — at least 26 states — were hit with declines.

### **Pandemic response**

- Tens of billions of dollars will fund coronavirus testing and contact tracing; increasing the size of the public health workforce and funding vaccine distribution and supply chains.
- This week, Biden said there will be enough coronavirus vaccine doses for "every adult in America" by the end of May — a two-month acceleration of his previous projection of July.

### **Housing assistance**

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## School support

- The bill sets aside almost \$130 billion to help K-12 schools reopen. That money would go to improving ventilation systems, reducing class sizes, buying personal protective equipment and implementing social distancing.
- Colleges and other higher-education institutions would receive almost \$40 billion. That money could help support financial aid grants to prevent hunger, homelessness or other challenges for students during the pandemic.
- Additional funds would go to child-care providers through the Child Care and Development Block Grant program. The bill also sets aside \$1 billion for the Head Start program, which provides early-childhood education, health and nutrition services to low-income children and families.

## Aid for multi-employer pension plans

- The bill includes an \$86 billion bailout for failing pensions.
- Democrats say the provision gives struggling pension plans enough money to pay hundreds of thousands of retirees their full pensions for the next few decades.
- But the bailout has been criticized for having little to do with the current health crisis, especially since many pension plans were on the verge of collapse well before the pandemic hit.

## New provisions

- The bill provides \$510 million for the FEMA Emergency Food and Shelter Program. That money would support homeless services providers for overnight shelter, meals, one month's rent and mortgage assistance, and one month's utility payments.
- It expands the Employee Retention Tax Credit for start-up companies and other businesses hit by the pandemic.
- The bill also increases the value of the federal COBRA health insurance program from 85 percent to 100 percent.
- The bill adds a \$10 billion infrastructure program to help local governments continue crucial capital projects.
- The bill makes all coronavirus-related student loan relief tax-free.
- The bill increases the total amount of Amtrak relief funding by \$200 million.

- The Senate bill also adds \$8.5 billion in funds for the Provider Relief Program to assist rural health care providers.

## Not in the bill

### Minimum wage:

- An amendment offered by Sen. Bernie Sanders (I-Vt.) to increase the minimum wage to \$15 did not win over enough Democratic support.
- In a statement Friday, Sanders said: “If any Senator believes this is the last time they will cast a vote on whether or not to give a raise to 32 million Americans, they are sorely mistaken. We’re going to keep bringing it up, and we’re going to get it done because it is what the American people demand and need.”
- Last month, the Senate parliamentarian ruled that the minimum-wage hike was not permissible within the rules of budget reconciliation, the procedure Democrats are using to pass the relief bill with a simple majority instead of the 60 votes normally required. The House bill included the minimum raise increase from \$7.25 to \$15.

*Jeff Stein, Erica Werner and Tony Romm contributed to this report.*

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