

Biden American Rescue Plan – Notes

- Quick summary of the 19 page "Fact Sheet" released by the Biden Administration
- Would provide additional stimulus checks of \$1,400 per eligible person
 - This would couple with [[Consolidated Appropriations Act of 2021]] which offered the \$600 per eligible person just last month
 - This would total to \$2,000 (\$1,400 + \$600)
 - The Biden plan also calls for expanding who is eligible for stimulus and would include adult dependents (mainly assuming to include college students and elderly parents)
- Unemployment benefits would get a large boost
 - Would jump the additional subsidized unemployment per week from \$300 to \$400, adding an additional \$100 per week
 - This is still less than the \$600 per week offered in mid-2020 through the [[CARES Act]] but getting closer to that amount
 - As of now the additional \$300 would end in March, however this would extend the \$400 per week through September 2021
 - Individuals who run out of "regular" state unemployment would be eligible to receive the federal benefit through September as well
 - Pandemic unemployment assistance would still apply, meaning those "typically" ineligible for the benefits (self-employed), would be extended through September as well
- The moratorium on evictions and foreclosures would be extended through September 2021 as well
 - It is important to note that the federal government only has the ability to "control" this when property is subject to a Federal loan, e.g. Fannie, Freddie, etc.
 - This would mean that owners renting their property without mortgages, or with mortgages that are not subject to a federal loan would not have the ability to enter forbearance, and would have to allow renters to continue to live in their property even without paying rent
- The plan also includes \$25 billion in rent assistance, as well as \$5 billion for low-to-moderate income households to pay for utility bills
- The plan would also double the [[Child Care Tax Credit]] to \$4,000 per child, and up to \$8,000 for two or more children
 - However, the credit would cease to be available to families at current tax brackets, and would be available in full for "families" making less than \$125,000/year, and would be completely phased out above \$400,000
 - It is worth noting, that families in this fact sheet are not defined, not sure if that is joint filers, single filers, or both
 - This further emphasizes that Biden has decided that the \$400,000 of income is the line in the sand
- Biden also plans to expand the [[Child Tax Credit]] to \$3,600 for each child six and under and \$3K for each child between six and seventeen
 - The adjustment would also call for the credit to become fully refundable

- Likely the phase-out's would stay the same regarding income, but it is still a little unclear
 - For now this would only be effective in 2021
- The plan calls to increase [[Earning Income Tax Credit]] for childless adults by roughly 3X
- The plan would look to aid struggling families with maintaining healthcare coverage by subsidizing COBRA through September and also increase [[Premium Assistance Tax Credits]] so that families will not pay more than 8.5% of their income to maintain coverage
- There is lots on paid leave and a lot of money focused on vaccination programs, state help, and other administration priorities
 - Provide paid sick leave of \$1,400 per week for up to 106 million eligible Americans
 - Capped at \$73,000 annually
 - Reimburse employers with less than 500 employees for 100% of sick leave taken by employees through a refundable tax credit
 - \$20 billion for nation vaccination
 - \$50 billion for testing facilities and tests
 - Unknown amount to “scale up” by adding 100,000 new healthcare worker jobs paid by the Federal government to help with vaccination, tracing, and testing
 - Unknown amount for assistance at long term care facilities and prisons
 - Additional \$30 billion into the disaster relief fund
 - \$11 billion for global health assistance with Covid-aid to other countries
 - \$130 billion for schools to safely reopen
 - \$35 billion in aid for colleges
- \$5 billion to governors to address learning needs impacted by Covid
- **The total price tag is likely to be ~\$1.9 trillion**
 - Given the extremely narrow margin in the senate, and given the high price tag of this round, there is a chance that this proposal would be altered and diluted
- Full document can be accessed here: https://buildbackbetter.gov/wp-content/uploads/2021/01/COVID_Relief-Package-Fact-Sheet.pdf