



Biden Stimulus Plan Summary

January 15, 2021

President-elect Biden released the details of his [stimulus plan](#) last night. The legislative details are not available. The *American Rescue Plan* totals roughly \$1.9 trillion and includes the following items:

- **Nutrition Assistance** – The proposal would extend the 15 percent SNAP benefit increase through September (the current enhanced benefit is slated to expire in June). The administrative match for SNAP would be temporarily cut, but there are no details on length nor amount. It also includes additional WIC funding of \$3 billion over the next few years.
- **Rental Assistance** – The proposal would extend the eviction and foreclosure moratorium through September and includes \$25 billion in rental assistance for low- and moderate income households. Another \$5 billion would be set aside to help low-income families pay rent and utility bills. The plan also would provide \$5 billion to states and localities for emergency housing for families facing homelessness.
- **Tax Credits, Childcare** – The proposal would expand tax credits for low- and middle- income families and make them refundable for 2021. Specifically, the plan would expand the child tax credit to \$3,000 from \$2,000 for children 17 and younger. Children under the age of six would be eligible for \$3,600. President-elect Biden also is requesting \$25 billion for a stabilization fund to help open child-care centers and \$15 billion in grants to support essential workers in meeting childcare costs.
- **TANF** – To respond to caseloads, the proposal would increase TANF by \$1 billion – the current program is funded at \$16.7 billion annually.
- **Unemployment Benefits** – The plan would extend and expand unemployment benefits that are scheduled to run out in mid-March. Specifically, the proposal calls for increasing the weekly federal benefit to \$400 (from the current \$300) and would extend it through the end of September. The plan also would extend benefits for self-employed individuals and gig workers, as well as those who have exhausted their regular jobless benefits.
- **Paid Leave** – The plan would create a requirement for employers, regardless of size, to offer paid sick leave to workers during the pandemic. Under the plan, parents and family members caring for sick relatives or out-of-school children could receive more than 14 weeks of paid sick

and family leave. The plan also would provide benefits of up to \$1,400 per week and tax credits for employers with fewer than 500 employees to reimburse them for the cost of the leave.

- **Stimulus Checks** – The plan includes \$1,400 in direct payments for most Americans (on top of the \$600 that Congress approved in December for a total of \$2,000). The plan would allow residents who are married to undocumented residents to receive stimulus payments.
- **State and Local Fiscal Aid** – \$350 billion in funding for state, local and territorial governments, plus \$20 billion for public transit systems. No details yet on the proposed funding breakdown and formula.
- **Vaccinations and Testing** – \$20 billion to create a national vaccine distribution program that would offer free shots to all U.S. residents regardless of immigration status. The plan calls for creating community vaccination centers and deploying mobile units in hard-to-reach areas. The proposal also includes \$50 billion to ramp up testing efforts, including purchasing rapid-result tests, expanding lab capacity, and helping local jurisdictions implement testing regimens.
- **Schools** – The plan calls for \$170 billion to help schools reopen, with roughly \$130 billion going to K-12 schools to help them hire additional staff to reduce class size, modify spaces, and purchase resources to help meet students' academic and mental health needs. The plan would direct \$35 billion to colleges and universities and create a \$5 billion fund for governors to help schools most hard-hit by the virus.
- **Minimum Wage** – The president-elect is proposing to more than double the federal minimum wage to \$15 an hour from \$7.25 and is seeking to end the tipped minimum wage used widely by restaurants and the hospitality industry.