

House passes \$1.9 trillion Covid relief bill, sends it to Biden to sign

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KEY POINTS

- House Democrats passed a \$1.9 trillion coronavirus relief package on Wednesday, and President Joe Biden hopes to sign the bill Friday.
- The plan includes unemployment aid, direct payments, tax credit expansions, vaccine distribution funds and state and local government relief, among a range of other provisions.
- Democrats say households need the relief to get through the coming months, while Republicans opposed it while contending it is too large for the moment.

House Democrats passed a \$1.9 trillion coronavirus relief bill on Wednesday, sending one of the biggest stimulus plans in U.S. history to President [Joe Biden](#)'s desk.

The president hopes to sign the bill Friday after Congress formally sends it to the White House, which can take days for large bills. Biden will check off his first major legislative item as the U.S. tries to ramp up Covid-19 vaccinations and jolt the economy.

Here are the proposal's major pieces:

- It extends a \$300 per week jobless aid supplement and programs making millions more people eligible for unemployment insurance until Sept. 6. The plan also makes an individual's first \$10,200 in jobless benefits tax-free.
- The bill sends \$1,400 direct payments to most Americans and their dependents. The checks start to phase out at \$75,000 in income for individuals and are capped at people who make \$80,000. The thresholds for joint filers are double those limits. The government will base eligibility on Americans' most recent filed tax return.

- It expands the child tax credit for one year. It will increase to \$3,600 for children under 6 and to \$3,000 for kids between 6 and 17.
- The plan puts about \$20 billion into Covid-19 vaccine manufacturing and distribution, along with roughly \$50 billion into testing and contact tracing.
- It adds \$25 billion in rental and utility assistance and about \$10 billion for mortgage aid.
- The plan offers \$350 billion in relief to state, local and tribal governments.
- The proposal directs more than \$120 billion to K-12 schools.
- It increases the Supplemental Nutrition Assistance Program benefit by 15% through September.
- The bill includes an expansion of subsidies and other provisions to help Americans afford health insurance.
- It offers nearly \$30 billion in aid to restaurants.
- The legislation expands an employee retention tax credit designed to allow companies to keep workers on payroll.

The bill passed the House by a 220-211 margin without a Republican vote, as the GOP argues the job market has recovered enough to warrant little or no new stimulus spending. One Democrat, Rep. Jared Golden of Maine, opposed it. Democrats also approved the plan on their own in the Senate through the special budget reconciliation process.

Biden in a statement Wednesday celebrated the bill's passage and said he planned to sign it into law Friday.

"This legislation is about giving the backbone of this nation – the essential workers, the working people who built this country, the people who keep this country going – a fighting chance," he said.

The party contends Congress needs to inject more money into the economy both to alleviate suffering from a year of economic restrictions and to prevent future pain as normal activity slowly restarts. House Speaker Nancy Pelosi, D-Calif., touted it after its passage as "consequential and transformative legislation."

Democrats passed the bill as an improving economy nonetheless shows cracks. The U.S. [added a better than expected 379,000 jobs in February](#) as the unemployment rate dipped to 6.2%.

Still, 8.5 million fewer Americans held jobs during the month than did a year before. Black and Hispanic or Latino women have regained a smaller share of pre-pandemic employment than any other groups, according to government data.

More than 18 million people were receiving some form of unemployment benefits as of mid-February.

“Help is on the way,” Senate Majority Leader Chuck Schumer, D-N.Y., said repeatedly Wednesday at an event where he and Pelosi formally signed the legislation.

Republicans have argued [the increasing pace of vaccinations of the most vulnerable Americans](#), combined with the gradual or even total reopening of many states, makes more stimulus spending unnecessary. They have accused Democrats of pushing priorities unrelated to the health crisis into the bill.

Some economists and GOP lawmakers have warned about the potential for massive spending to increase inflation.

“There is a real risk here, of this kind of massive stimulus overheating the economy. ... I just think it’s sad because we could’ve done, I think something much more targeted and focused on Covid-19,” GOP Sen. Rob Portman of Ohio told CNBC on Wednesday morning.

After the February jobs report, Biden said passage of the stimulus plan would ensure the recovery would not falter.