



# NATIONAL COUNCIL OF THE UNITED STATES SOCIETY OF ST. VINCENT DE PAUL<sup>®</sup>, INC.

## The American Rescue Plan Act

In March 2021 Congress passed, and President Biden signed, a nearly \$1.9 trillion aid package to help people, communities, and organizations affected by the coronavirus pandemic. The bill represents one of the largest infusions of assistance to neighbors in need and communities in the history of the country, and also included support for the business operations of Conferences and Councils. This summary focuses on the provisions of the bill most important to the Society and provides access to further information and resources.

State or local agencies will administer many of these programs, so final eligibility rules, limitations, and timelines may differ from location to location. Whenever possible, check with the appropriate entity in your state or city.

Final details of some provisions are subject to regulation and can change, so this summary should not be construed as legal or financial advice. It is highly encouraged to follow links when available for further information, and consult auditors, tax professionals, or legal counsel with technical questions about a specific circumstance.

Additional information and resources will be posted as they become available on our [COVID-19 response page](#). This summary will be updated.

*Revised April 29, 2021*

## Direct and Cash Aid to Individuals and Families

### *Economic Impact Payments (EIP, Cash Assistance)*

All adults with adjusted gross incomes (AGI) of up to \$75,000 (\$150,000 for married couples filing jointly) will receive **one-time, direct payments of up to \$1,400, as well as \$1,400 for each dependent child**. These benefits will be distributed just as the assistance from earlier relief packages in 2020. Unlike previous impact payments, the bill did **not** protect this round from creditors or garnishment. As a result, consumer protections vary by state. *\*Eligible individuals who have not filed taxes in previous years must file 2020 taxes to receive this payment, even if they do not have income. Individuals have until May 17 to file taxes this year. Consult the resources below for more information.\**

### **Mixed-Status Households**

In 2020, the Coronavirus Aid, Relief, and Economic Security (CARES) Act barred households in which one parent and a child have Social Security numbers, although the other parent may not, from receiving EIPs. This policy was changed in the Emergency Coronavirus Relief Act (ECRA) at the end of 2020, making these households eligible for EIPs and permitting them to claim a CARES Act benefit retroactively. The ARPA continues this eligibility. **Only individuals with Social Security numbers are eligible to receive payments**. For example, a mixed status household under the income threshold with one citizen parent, one noncitizen parent, and one citizen child would receive a payment of \$2,800.

### *Child Tax Credit*

Families with children will receive enhanced Child Tax Credits of \$3,000 for children 6-16 and \$3,600 for children under six. The earning threshold has been eliminated, meaning even the lowest earners can claim the credit, and it is fully refundable.

For the last half of the year, families with children will have the option to receive their Child Tax Credit in advance payments on a monthly basis (July-December). For low-income families who must wait to file their taxes to claim this benefit, receiving support monthly can help them budget and avoid financial emergencies. More information on this benefit is expected from the IRS.

### *Earned Income Tax Credit (EITC)*

Low-income, especially young, workers without children only receive a modest EITC of \$500 limiting the support they get and, in some cases, actually taxing them into poverty. The bill increases this maximum benefit to about \$1,500, expands eligibility to 19-year-olds, and eliminates upper age limit.

### **Resources**

- [IRS Economic Impact Payments Information Center](#), including a comprehensive FAQ covering all circumstances.
- Use the IRS [‘Get My Payment’ tool to check status of a payment & method](#).
- The [National Consumer Law Center](#) and [Consumer Financial Protection Bureau](#) have information about consumer protections, avoiding scams, and links to state information.
- Help people find [free tax prep help](#).
- Consult the [Consumer Financial Protection Bureau's complete guide](#) to COVID financial relief.
- [Download a guide specifically for people experiencing homelessness](#)

### ***Pandemic Emergency Assistance Fund (PEA)***

The bill creates a temporary Pandemic Emergency Assistance Fund and funds it with over \$900 million. PEA funds will support families with the lowest incomes by providing “non-recurrent, short-term benefits” of up to four months in duration to address a specific crisis or emergency.

#### **Resources**

- A [fact sheet](#) and [state allotment amounts](#) are available from the Department of Health and Human Services. For more information about a specific state, contact the appropriate state agency.

## **Unemployment Insurance**

Most of the additional pandemic-related unemployment assistance enacted in 2020 was reimplemented or continued through September 6, 2021, including:

- Extended the \$300/week supplement that is provided in addition to regular unemployment benefits; and
- Extended the maximum duration of unemployment benefits to 79 weeks.

#### **Resources**

- Find information for your [state unemployment program here](#).
- More information on unemployment support is available from the [National Employment Law Project](#).

## **Health Care**

### ***Affordable Care Act***

For 2021-22, the bill provided health insurance subsidies to individuals who do not currently qualify to purchase health insurance on an Affordable Care Act exchange because their income is too high, and it increases subsidies for many individuals who already qualify. The Centers for Medicare & Medicaid Services (CMS) extended to August 15 the Special Enrollment Period (SEP) to enroll in coverage and verify eligibility for subsidies.

The bill also committed the federal government to covering the costs of COBRA health insurance coverage for people who have recently lost employment, through September 30, 2021.

#### **Resources**

- Find your state’s health insurance exchange, or access the federal exchange, at [healthcare.gov](#) or [CuidadoDeSalud.gov](#). Consumers can also call the Marketplace Call Center at 800-318-2596 (TTY users: 855-889-4325) or [find local help in a community here](#).
- Consult the [Department of Labor for more information on COBRA coverage](#) and guidance with applying.

## Housing and Homelessness

The bill includes **\$21.6 billion in emergency rental assistance**, which comes on top of the \$25 billion in the Emergency Coronavirus Relief Act last year. Assistance will be available to households meeting certain income requirements, at risk of homelessness, or with at least one member on unemployment, and could be for up to 12 months of rent (including future payments as well as arrears).

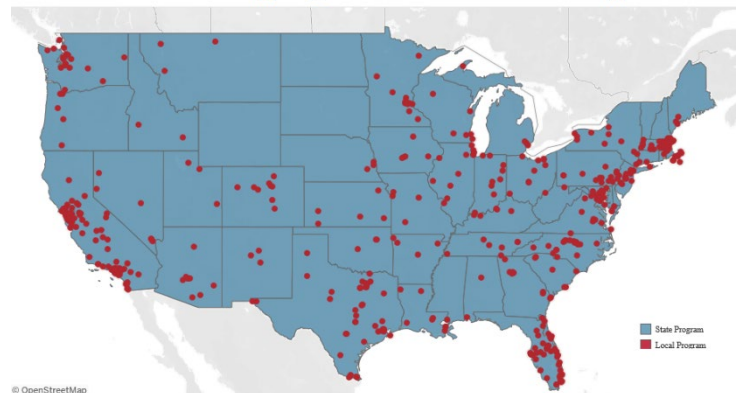
The bill also includes:

- \$5 billion for Emergency Housing Vouchers for people experiencing homelessness or at risk of becoming homeless.
- \$5 billion in flexible funding for the HOME Investment Partnerships Programs
- \$750 million for Native Americans and Native Hawaiians
- \$100 million for rural housing

### Resources

- The National Low-Income Housing Coalition maintains and updates a comprehensive listing of all state and local agencies operating the Emergency Rental Assistance program. Click on the map above or [here](#), to access information for your area. You can also view [this database](#) with additional sources of help.
- More information is available, including a technical, detailed FAQ, [from the Treasury Department](#).
- The Urban Institute maintains an interactive [Rent Assistance Prioritization Map](#) that illustrates which neighborhoods have the greatest need.

### COVID-19 Emergency Rental Assistance Programs



### Utilities

The bill provides **\$4.5 billion for the Low-Income Home Energy Assistance Program (LIHEAP)** to help households with utility assistance, as well as **\$500 million** specifically for low-income households with excessive water and wastewater bills/arrearages. Water assistance will be administered through the income-based programs at local water departments.

### Resources

- [Find your local LIHEAP program here](#)

## ***Eviction and Foreclosure Moratoria***

### **Centers for Disease Control and Prevention (CDC)**

In 2020, the CDC issued a temporary, national moratorium on all evictions. The moratorium has been extended multiple times and is currently in effect through **June 30, 2021**.

It is not a blanket moratorium. The CDC order makes clear that evictions can still take place in light of activity that damages property, threatens the health or safety of others, or violates laws or regulations. Moreover, an affected household must provide a signed declaration to their landlord attesting that they:

- Have made a 'best effort' to obtain assistance;
- Expect to earn less than \$99,000 in 2021 (or \$198,000 married filing jointly) or did not need to report income to the IRS last year;
- Have lost a substantial amount of income OR have very high out-of-pocket medical expenses;
- Are making an effort to make partial payments as feasible;
- Would become homeless or have to double up if evicted; and
- Understand that rent payment in full may be required at the end of the year.

### **Federally Insured or Financed Properties**

The Departments of Housing and Urban Development (HUD), Agriculture (USDA), and Veterans Affairs (VA) recently updated their protections for homeowners by extending the foreclosure moratorium and mortgage payment forbearance until June 30, 2021.

### **Resources**

- The [National Low Income Housing Coalition](#) has an FAQ with a sample landlord declaration that tenants must submit, as well as a [database of properties with federally-backed mortgages](#).
- The [Consumer Financial Protection Bureau](#) has additional help for homeowners and renters.
- Many Legal Aid and other community agencies offer legal assistance and/or referral to other agencies. Find your [local Legal Aid office here](#) and other [community resources here](#).

## ***Emergency Shelter (Non-Congregate Sheltering)***

The Federal Emergency Management Administration (FEMA) recently announced that its Public Assistance program will continue providing reimbursement for non-congregate sheltering for the duration of the pandemic. NCS is a temporary shelter solution such as hotel or motel room provided to meet a specific need (i.e., need for isolation, family cohesion, etc.). *(This is not a provision of the recently-passed bill; however, it is included here because it is relevant.)*

### **Resources**

- FEMA provides [detailed, technical guidance](#).
- The [Disaster Housing Recovery Coalition](#) has further information.
- Find your [State Emergency Management Agency](#) to see if your state/community participates in this program.

## Nutrition Assistance

The bill extended the **15 percent increase in the value of the Supplemental Nutrition Assistance Program** (SNAP, formerly food stamps) benefit per household through September 30, 2021. This increases SNAP recipients' benefit approximately \$28/month. The bill also **provided \$490 million to increase Women, Infants, and Children (WIC)** program participant access to fresh fruits and vegetables, as well as **\$1 billion for food assistance to Puerto Rico** and other territories.

The bill expanded the Pandemic Electronic Benefit Transfer (P-EBT) program to provide direct benefits to households with children that have been unable to access free school lunches.

### Resources

- [USDA "Meals for Kids" Food Finder](#)
- [Feeding America](#)

## Funeral Expenses

The bill created a funeral assistance program for family members that have lost loved ones to COVID-19, which will be administered by the Federal Emergency Management Administration (FEMA). This program will reimburse eligible funeral costs incurred after January 20, 2020. Certain documentation will be required.

Scams have been reported where people will be contacted to sign up for the benefit. FEMA will never proactively contact anyone until an application for assistance is made.

### Resources

- Apply for assistance by contacting FEMA toll-free at 844-684-6333. See FEMA's [Funeral Assistance FAQs](#) for more information about eligibility.
- People who believe they are victims of a scam should report it to FEMA at 800-621-3362 or the [Federal Trade Commission](#).

## Broadband Internet Access

At the end of 2020, the Emergency Coronavirus Relief Act included \$3.2 billion in broadband internet access for underserved communities through the Emergency Broadband Benefit. Low-income households meeting certain criteria can qualify for a \$50/month rebate (\$75/month for households on tribal lands) and a one-time discount toward the purchase of a computer.

The American Rescue Plan created an Emergency Connectivity Fund to reimburse schools and libraries for purchasing and distributing Wi-Fi hotspots, modems, routers, etc. for teachers and students. This program is under development.

### Resources

- Get more information and check household eligibility for the [Emergency Broadband Benefit here](#). (The program has not yet launched).

## Nonprofit Business Operations

### ***Paycheck Protection Program***

The Small Business Administration's (SBA) Paycheck Protection Program (PPP) has authorized over \$650 billion in forgivable loans to small businesses and nonprofit organizations for payroll, rent, and utility expenses. The bill provided an additional \$7.5 billion in funding and expanded eligibility, but it did not create a third 'draw' of loans, i.e., there is no new source of funding for organizations that have received loans already. The deadline for submitting a loan application has been extended to May 31, 2021.

### ***Resources***

- [Small Business Administration PPP Page](#)
- [SBA Lender Matching Program](#)

### ***Employee Retention Tax Credit***

The CARES Act established a tax credit against employer-paid Social Security payroll taxes for retaining employees. The new bill extended the credit through December 31, 2021.

### ***Paid Sick and Family Leave Payroll Tax Credit***

The Families First Coronavirus Response Act created temporary and refundable payroll tax credits for paid sick and family leave voluntarily provided by employers. The bill extended the credit through September 30, 2021.

### ***Unemployment Insurance Reimbursement***

The bill continued federal coverage for the cost of unemployment benefits for "reimbursable" organizations (self-insured), extending the 50 percent coverage rate until March 31 and expanding it to 75 percent from April 1 through September 6.

### ***Resources***

- The IRS maintains a [comprehensive resource for COVID-19 related business and nonprofit tax questions](#).
- [National Council of Nonprofits](#)
- ["Nonprofits, Don't Overlook Your Potential Refund Under the Employee Retention Tax Credit"](#) (Article)

### ***AmeriCorps Volunteers***

The bill awarded \$620 million to support AmeriCorps volunteers serving communities disproportionately impacted by the pandemic.

### ***Resources***

- Get more information about AmeriCorps volunteers in a specific community by contacting the [appropriate State Service Commission](#).