

EXCERPTS FROM AMERICAN RESCUE PLAN

SPECIFIC TO CHILDREN AND FAMILIES

January 20, 2021

(source: <https://www.whitehouse.gov/briefing-room/legislation/2021/01/20/president-biden-announces-american-rescue-plan/>)

Overview

The American Rescue Plan, the \$1.9 trillion plan set out as the next response to the COVID-19 pandemic, also sets in motion many of the President’s campaign plans to “build back better,” including major new commitments to addressing the health, safety, and education of the next generation. In fact, while much of the attention is on the direct relief to individuals through additional stimulus checks, extension of unemployment benefits, and responding to the medical threats of COVID-19, a large share is designed to build a stronger infrastructure for children and the country.

If enacted, effectively implemented, and extended beyond the immediate COVID-19 threat as many of its provisions are intended, it will build back better for the next generation. It will help address the short-term impact COVID-19 has had in adding to children’s and their families’ stress and disrupting their lives and learning, both in and out of school. It will also create the foundation to address those same needs into the future. In fact, the American Rescue Plan initiates a historic re-emphasis upon the federal role in equipping families to nurture and raise and invest in their children and for society to provide the health, safety, and education they need to succeed. The following are excerpts from the American Rescue Plan as it appears on the White House.gov website.

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Education

Provide schools the resources they need to reopen safely. A critical plank of President Biden’s COVID-19 plan is to safely reopen schools as soon as possible – so kids and educators can get back in class and parents can go back to work.

The president’s plan will provide \$130 billion to support schools in safely reopening. These funds can be used to reduce class sizes and modify spaces so students and teachers can socially distance; improve ventilation; hire more janitors and implement mitigation measures; provide personal protective equipment; ensure every school has access to a nurse; increase

transportation capacity to facilitate social distancing on the bus; hire counselors to support students as they transition back to the classroom; close the digital divide that is exacerbating inequities during the pandemic; provide summer school or other support for students that will help make up lost learning time this year; create and expand community schools; and cover other costs needed to support safely reopening and support students. These funds will also include provisions to ensure states adequately fund education and protect students in low-income communities that have been hardest hit by COVID-19. Districts must ensure that funds are used to not only reopen schools, but also to meet students' academic, mental health and social, and emotional needs in response to COVID-19, (e.g. through extended learning time, tutoring, and counselors), wherever they are learning. Funding can be used to prevent cuts to state pre-k programs. A portion of funding will be reserved for a COVID-19 Educational Equity Challenge Grant, which will support state, local and tribal governments in partnering with teachers, parents, and other stakeholders to advance equity- and evidence-based policies to respond to COVID-related educational challenges and give all students the support they need to succeed.

Hit Education Fund. Provide \$5 billion in funds for governors to use to support educational programs and the learning needs of students significantly impacted by COVID-19, whether K-12, higher education, or early childhood education programs.

Note: The emphasis upon community schools, the addition of health and counseling personnel in schools, and a focus upon low-income communities are consistent with the Biden Education plans set forth in the campaign that tripled funding for Title I and fully funded IDEA. In additional detail provided by "the 74" (million children), the plan includes \$10 billion for counselors and school psychologists, and \$29 billion for tutoring, summer school, and other extended time/learning supports.

Family Leave

Provide emergency paid leave to 106 million more Americans to reduce the spread of the virus. ... Congress did the right thing last year when it created an emergency paid leave program through the Families First Coronavirus Response Act. ... While the December down payment extended the Families First employer tax credits through March 2021, it did not renew the requirement that employers provide leave.

Put the requirement back in place and eliminate exemptions for employers with more than 500 and less than 50 employees. He will also make it clear that healthcare workers and first responders get these benefits, too. Closing these loopholes in the Families First Coronavirus Response Act will extend emergency paid leave to up to 106 million additional workers.

Provide expanded paid sick and family and medical leave. The president will provide over 14 weeks of paid sick and family and medical leave to help parents with additional caregiving responsibilities when a child or loved one's school or care center is closed; for people who have or are caring for people with COVID-19 symptoms, or who are quarantining due to exposure; and for people needing to take time to get the vaccine.

Expand emergency paid leave to include federal workers. This measure will provide paid leave protections to approximately 2 million Americans who work for the federal government. Provide a maximum paid leave benefit of \$1,400 per-week for eligible workers. This will provide full wage replacement to workers earning up to \$73,000 annually, more than three-quarters of all workers.

Reimburse employers with less than 500 employees for the cost of this leave. Extending the refundable tax credit will reimburse employers for 100 percent of the cost of this leave. Reimburse state and local government for the cost of this leave.

Extend emergency paid leave measures until September 30, 2021. With so much uncertainty surrounding the pandemic, extending paid leave until the end of September will help to limit the spread of COVID-19 and provide economic security to millions of working families.

Note: These provisions also are consistent with the Biden plans put forward in the campaign around paid family leave, relieving family economic stress and providing families with a greater opportunity to ensure children have a nurturing start in life.

Nutrition and Hunger

Address the growing hunger crisis in America. About 1 in 7 households nationwide, including more than 1 in 5 Black and Latino households and many Asian American and Pacific Islander households, are struggling to secure the food they need. While the December down payment provided \$13 billion to strengthen and expand federal nutrition programs, it will not solve the hunger crisis in America. President Biden is calling on Congress to ensure all Americans, regardless of background, have access to healthy, affordable groceries. The president's plan will:

Extend the 15 percent Supplemental Nutrition Assistance Program (SNAP) benefit increase. Maintaining the increase through the summer – when childhood hunger spikes due to a lack of school meals – is a critical backstop against rising food insecurity. This change will help keep hunger at bay for around 40 million Americans. The president is calling for this to be extended through September 2021. He is also committed to providing this boost for as long as the COVID-19 crisis continues, and will work with Congress on ways to automatically adjust the length and amount of relief depending on health and economic conditions so future legislative delay doesn't undermine the recovery and families' access to benefits they need.

Invest \$3 billion to help women, infants and children get the food they need. This multi-year investment in the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) is needed to account for increased enrollment due to growing hunger and to increase outreach to ensure that low-income families have access to high-quality nutritious food and nutrition education.

Note: Approximately 43 percent of SNAP benefits go to children, and 100 percent of WIC benefits go to young children or their mothers. The language specifically references the challenges of childhood hunger.

Child Care

Expand access to high-quality, affordable child care. We are facing an acute, immediate child care crisis in America, which is exacerbating our economic crisis. Due to increased costs and lower enrollment, a recent survey of child care providers showed that most child care providers expect that they will close within a few months without relief or are uncertain how long they can stay open. If left unaddressed, many child care providers will close — some permanently — and millions of children could go without necessary care, and millions of parents could be left to make devastating choices this winter between caring for their children and working to put food on the table. Early childcare providers are almost entirely women, among whom 40 percent are people of color, and so these closures could devastate engines of opportunity for minority- and women-owned businesses. President Biden is calling on Congress to take immediate actions to address this crisis by helping child care centers reopen and remain open safely, and by making that care affordable to families who need it.

In addition, too many families are unable to afford child care, while early educators earn wages so low that they can't support their own families. This challenge existed before COVID-19, and the pandemic has exacerbated it. President Biden is calling on Congress to ease the financial burden of care for families, expand financial support for child care providers so that this critical sector can stay afloat during the pandemic and beyond, and make critical investments to improve wages and benefits for the essential child care sector. President Biden's plan will:

Help hard-hit child care providers, including family child care homes, cover their costs and operate safely by creating a \$25 billion emergency stabilization fund. This Emergency Stabilization Fund will help hard-hit child care providers that are in danger of closing and provide support to nearly half of all child care providers. It will also assist those that have had to shut down meet their financial obligations during the pandemic, so that they can reopen. It will help providers pay for rent, utilities, and payroll, as well as increased costs associated with the pandemic including personal protective equipment, ventilation supplies, smaller group sizes, and modifications to make the physical environment safer for children and workers.

Expand child care assistance to help millions of families and help parents return to work. Millions of parents are risking their lives as essential workers, while at the same time struggling to obtain care for their children. Others have become 24/7 caregivers while simultaneously working remotely. Still more are unemployed, caring for their children full-time, and worrying about how they will make ends meet or afford child care when they do find a job. And, the limited access to child care during the pandemic has caused more women to leave the workforce. While the December down payment provides \$10 billion in funding through the Child Care and Development Block Grant program, the president's proposal expands this investment with an additional \$15 billion in funding, including for those who experienced a job interruption during the COVID-19 pandemic and are struggling to afford child care. This additional assistance with child care costs will help the disproportionate number of women who left the labor force to take on caregiving duties reenter the workforce. And, this expanded investment will also help rebuild the supply of child care providers, and encourage states to take meaningful steps towards increasing the pay and benefits of child care workers.

Increase tax credits to help cover the cost of childcare. To help address the childcare affordability crisis, President Biden is calling on Congress to expand child care tax credits on an emergency basis for one year to help working families cover the cost of childcare. Families will get back as a tax credit as much as half of their spending on child care for children under age 13, so that they can receive a total of up to \$4,000 for one child or \$8,000 for two or more children. The tax credit will be refundable, meaning that families who don't owe a lot in taxes will still benefit. The full 50 percent

reimbursement will be available to families making less than \$125,000 a year. And, all families making between \$125,000 and \$400,000 will receive a partial credit so they receive benefits at least as generous as those they can receive today.

Note: These also were part of President Biden's plans during the campaign, most notably in the "21st Century Caregivers and Education" Act. They represent a huge step in addressing child care gaps in terms of affordability, availability, quality, and the value of and support for the workforce providing that care.

Family Economic Security

Bolster financial security for families and essential workers in the midst of the pandemic. The lowest income families are particularly vulnerable in the midst of the pandemic, and President Biden is calling for one year expansions of key supports for families on an emergency basis.

The Child Tax Credit should be made fully refundable for the year. Currently, 27 million children live in families with household incomes low enough that they didn't qualify for the full value of the Child Tax Credit, and this measure would give these children and their families additional needed resources. The president is also calling to increase the credit to \$3,000 per child (\$3,600 for a child under age 6) and make 17 year-olds qualifying children for the year.

He is also calling for an expansion of the Earned Income Tax Credit for the year to ensure that the lowest income workers get critical support including millions of essential workers. He is proposing to raise the maximum Earned Income Tax Credit for childless adults from roughly \$530 to close to \$1,500, raise the income limit for the credit from about \$16,000 to about \$21,000, and expand the age range that is eligible including by eliminating the age cap for older workers and expanding eligibility for younger workers so that they can claim the credit they deserve. Expanding the Earned Income Tax Credit for childless adults would give a needed boost to the earnings of several million workers, including cashiers, home health aides, delivery people, and other people working in essential occupations. The president also is committed to making sure that Americans who see their earnings fall in 2021 due to the pandemic don't see the Earned Income Tax Credit reduced as a result.

Lastly, the president is calling for an additional \$1 billion for states to cover the additional cash assistance that Temporary Assistance to Needy Families (TANF) recipients needed as a result of the pandemic crisis. The pandemic has led to increased TANF caseloads, generated higher costs for many TANF recipients – from higher utility costs to the need for internet access for remote schooling – and longer periods of joblessness given high unemployment. These funds will provide sorely needed relief.

Note: These Child Tax Credit and Earned Income Tax Credit improvements are expected to become the basis for permanent changes and would reduce child poverty by half in the country. Currently, children are the age group most likely to live in poverty, with child poverty rates in the United States double those of most other developed nations in the world.

Health Care.

Roughly two to three million people lost employer sponsored health insurance between March and September, and even families who have maintained coverage may struggle to pay premiums and afford care. Further, going into this crisis, 30 million people were without coverage, limiting their access to the health care system in the middle of a pandemic.

To ensure access to health coverage, President Biden is calling on Congress to subsidize continuation health coverage (COBRA) through the end of September. He is also asking Congress to expand and increase the value of the Premium Tax Credit to lower or eliminate health insurance premiums and ensure enrollees – including those who never had coverage through their jobs – will not pay more than 8.5 percent of their income for coverage. Together, these policies would reduce premiums for more than ten million people and reduce the ranks of the uninsured by millions more.

Expanding access to behavioral health services. The pandemic has made access to mental health and substance use disorder services more essential than ever. The president is calling on Congress to appropriate \$4 billion to enable the Substance Abuse and Mental Health Services Administration and the Health Resources and Services Administration to expand access to these vital services.

Mobilize a public health jobs program to support COVID-19 response. The president's plan includes an historic investment in expanding the public health workforce. This proposal will fund 100,000 public health workers, nearly tripling the country's community health roles. These individuals will be hired to work in their local communities to perform vital tasks like vaccine outreach and contact tracing in the near term, and to transition into community health roles to build our long-term public health capacity that will help improve quality of care and reduce hospitalization for low-income and underserved communities.

Address health disparities and COVID-19. While COVID-19 has devastated the entire country, it has hit some groups and communities of color much harder than others. President Biden is committed to addressing the disparities evident in the pandemic at every step, from ensuring equitable distribution of vaccines and supplies to expanding health care services for underserved communities. His proposal includes funding to provide health services for underserved populations, including expanding Community Health Centers and investing in health services on tribal lands.

Note: All these provisions have the potential to address the health needs of children – although there are not specifics around how they will meet child health, as well as adult health needs. The public health jobs program is designed as a permanent new investment which will, when the specific response to COVID-19 is no longer needed, provide community health services which respond to social as well as medical needs. To be most effective, a substantial share of this workforce will need, in the long-term, to address issues of child and family health and well-being. The funding for Community Health Centers, which serve 12 percent of all children in the country and those most vulnerable to compromised health and development, could initiate investments in developmental health approaches, including the financing of at least one child development specialist in each of the more than 1400 CHCs.

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Prepared as a resource document by Charles Bruner for www.2020visionforchildren.com Contact bruner@childequity.com for more information.