



U.S. SENATOR
GARY PETERS

The American Rescue Plan Act: Support for Families

The COVID-19 pandemic has taken an immense toll on our nation, our state, and our families. A little over a year after the virus first spread to the United States, it has now claimed the lives of over half a million Americans. The resulting economic fallout has been similarly severe, but federal support is on the way through the American Rescue Plan Act enacted by Congress and signed by the President on March 12, 2021.

Stimulus Checks: The American Rescue Plan Act delivers immediate, direct relief to struggling families and individuals in the form of \$1,400 per-person payments – plus an additional \$1,400 payment per dependent – to help low- and moderate-income households cover daily living expenses. Importantly, adult dependents are included. This means that a family of four could receive up to \$5,600 in direct economic assistance. It also ensures that U.S.-citizen children will be eligible for a \$1,400 dependent payment, regardless of their parents' immigration status. For more information visit: <https://www.irs.gov/coronavirus/get-my-payment>

Enhanced Unemployment Insurance Extension: The American Rescue Plan extends the critical financial lifeline of enhanced unemployment insurance through September 6, 2021. Claimants will continue to receive an additional \$300 in their weekly benefits on top of the amount that would otherwise be provided by the state. As of March [1,859,313 Michigan residents](#) were receiving weekly jobless benefits. Michigan's current \$362 per week maximum payment hasn't been raised in state for about two decades.

The Pandemic Unemployment Assistance (PUA) — which Senator Peters led the charge to establish last year through the CARES Act — is extended during this same time period, which expands eligibility for the self-employed, gig workers, freelancers and others in non-traditional employment who do not qualify for regular unemployment insurance. In addition, the bill creates a \$10,200 tax exclusion for unemployment compensation income for tax year 2020 for households with incomes under \$150,000. Applicants should visit Michigan.gov/uia for more information or call (866)-500-0017.



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UNEMPLOYMENT INSURANCE File or Check Your Claim Status

Michigan.gov/uia

Login or create your account
Michigan Web Account Manager (MiWAM)

Online 24/7

Call Center – 8 am - 5 pm, Mon - Fri, 1-866-500-0017

Mondays are busiest

Call in the afternoons and later in the week for shorter wait times

Expanded Child and Earned Income Tax Credits: The American Rescue Plan Act expands the Child Tax Credit (CTC) to \$3,600 for children under 6 years old, \$3,000 for children ages 6 to 17, and makes the full amount of the credit refundable and not subject to an income-based phase-in. Additionally, it expands the Earned Income Tax Credit (EITC) in 2021 for adults without children from \$530 to about \$1,500 and raises the income limit for the credit from \$16,000 to almost \$21,000. This expansion will provide additional relief of up to \$1,600 per child to the families of 1,970,000 Michigan children, lifting 117,000 children out of poverty, and up to nearly \$1,000 to 603,000 Michigan workers, including many in frontline jobs. Additional information on the tax credits can be found through the [IRS](#).

Paid Leave Credit: The American Rescue Plan will extend the paid sick and FMLA leave tax credits created in March 2020 through the Families First Coronavirus Response Act of 2020. Employers who voluntarily provide paid leave will be able to receive payroll tax credits through the end of September 2021. These tax credits would have otherwise expired at the end of March. The availability of the tax credits is expanded to include paid sick leave and paid family leave provided for obtaining a COVID-19 vaccination. Additional information on the tax credits can be found through the [IRS](#).

Housing Assistance: Currently 1 in 5 renters are behind on rent, and 1 in 10 homeowners report that they are behind on their mortgage payments. More than 2.1 million homeowners are more than 90 days behind on mortgage payments but not yet in foreclosure – five times the number before the pandemic. This is in addition to the hundreds of thousands of Americans experiencing homelessness.



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The American Rescue Plan Act contains billions in funding to help ensure that families and individuals have a roof over their heads, including:

- \$21.6 billion in emergency rental assistance to help renters and small landlords make ends meet.
- \$5 billion for emergency housing vouchers to help renters with the greatest needs secure housing.
- \$9.9 billion to aid homeowners struggling to afford their mortgage payments, utility bills, and other housing costs.
- \$5 billion to secure safe, socially distant housing and supportive services for people experiencing homelessness.
- \$100 million for housing counseling.
- \$139 million for USDA rural rental and rural homeowner assistance through USDA.

Housing Counseling can help households address their financial situation and avoid deepening financial losses and debts due to the COVID-19 crisis. The Michigan State Housing Development Authority (MSHDA) offers Housing counseling to help households address their financial situation and avoid deepening financial losses and debts due to the COVID-19 crises. To find a Housing Counselor in your area visit michigan.gov/housingeducationlocator. MSHDA will administer the COVID Emergency Rental Assistance (CERA) Program through its network of local nonprofit agencies starting March 15, 2021. CERA can provide rental and utility assistance for eligible renter households so that they retain their housing stability. For more information please contact [MSHDA](#).

Health Insurance: The American Rescue Plan will help make health insurance more affordable, including for workers who have lost their job. This bill will build on President Biden's decision to create an extended open enrollment period, during which individuals can enroll in ACA plans through May 15. All Michiganders who currently do not have health insurance can go to www.healthcare.gov or call 1-800-318-2596 to look at ACA plan options or see if they qualify for Medicaid.



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- **ACA Premium Assistance:** The relief package increases the generosity of ACA premium assistance, removing the 400% federal poverty level limit on subsidy eligibility and capping the out-of-pocket cost for coverage at 8.5 percent of a person's modified adjusted gross income. Individuals who are unemployed would receive maximum ACA subsidies that would bring their premiums down to \$0. The enhanced premium assistance will be in place through 2022.
- **COBRA Continuation Coverage:** The relief package will also provide a 100% federal subsidy for COBRA insurance plans, which allow newly unemployed individuals the option to continue on the group private insurance offered by their employer. The provisions in the bill provide a tax credit to employers to cover the full private insurance premium for workers who lost their jobs because of the pandemic, and for their covered relatives, through September 30, 2021.

Child Care: The American Rescue Plan will provide \$39 billion to support child care, including \$24 billion for Child Care Stabilization grants and nearly \$15 billion for the Child Care and Development Block Grant (CCDBG) program. Michigan is expected to receive over \$1.1 billion of this funding. For more information on Michigan Child Development and Care programs, you can visit Michigan.gov/MDE.

- **Child Care Stabilization Grants** to states will be awarded as subgrants to child care providers to help cover expenses such as personnel expenses, rent and mortgage payments, cleaning supplies and personal protective equipment, mental health services for children and staff, and other goods and services necessary to maintain or resume operations of the child care provider. Michigan is expected to receive over \$700 million in Child Care Stabilization funding. Nationally, this funding will help sustain an estimated 449,000 child care providers, serving a total of 7.3 million children, for 6 months.
- **CCDBG funding** can be used flexibly by states, including for child care subsidies. States have the authority to expand eligibility for child care assistance to essential workers, regardless of their income. Michigan is expected to receive \$439 million in funding to supplement its CCDBG programs. Nationally, the CCDBG funds will expand child care assistance to an estimated 875,000 children.



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Head Start: The American Rescue Plan will provide \$1 billion for Head Start, to ensure Head Start programs have the resources they need to continue safely providing services to children and families throughout the pandemic. These funds will be distributed on the basis of enrollment. Michigan is expected to receive over \$34 million in additional funding for Head Start. For more information on the Head Start program or to see if your family qualifies, you can visit this [Michigan Head Start](#) page or call (866)-763-6481.

Safely Reopening Schools for In-Person Learning: Students need to return to their classrooms safely. We can't get our economy moving again if parents can't return to work – and parents can't return to work if they aren't confident that their children will be safe in their schools. The American Rescue Plan will provide \$170 billion to help K-12 schools and institutions of higher education reopen safely for in-person learning and address students' needs. It will also make significant public health investments that will slow the spread of COVID-19 and make communities safer for students and their families

- **K-12 school safe reopening:** The American Rescue Plan Act would provide \$130 billion - \$3.8 billion of which will go to Michigan - for K-12 schools to respond to students' needs and implement necessary public health protocols for the safe reopening of schools. Funding can be used to support activities such as implementing recommendations from the Centers for Disease Control and Prevention and state, Tribal, and local public officials, repairing ventilation systems, reducing class sizes for social distancing, purchasing PPE, and hiring additional staff to support students. It also recognizes that students have lost significant ground in the wake of the pandemic and requires states and school districts to dedicate a significant portion of their funds to address learning loss and help students get back on track.
- **Support Institutions of Higher Education & Their Students** Since the pandemic began, more than 650,000 jobs have been lost at colleges and universities, often disproportionately impacting people of color and low-wage workers. The American Rescue Plan Act provides \$40 billion in funding to help colleges and universities and their students make it through the pandemic.

Food and Nutrition Assistance: In Michigan, one in seven people are struggling with hunger, and one in seven children are struggling to obtain the nutrition needed to grow and thrive.

The American Rescue Plan Act:



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- Extends the 15% benefit increase in the Supplemental Nutrition Assistance Program (SNAP) through the end of September.
- Increases the value of Supplemental Assistance for Women, Infants, and Children (WIC) vouchers for fruits and vegetables to \$35 per month for 4 months and includes \$390 million in funding for modernization.
- Broadens eligibility for meals for young adults at homeless shelters by increasing the age limit from 18 to 25 for the rest of the pandemic.
- Extends the Pandemic-Electronic Benefit Transfer (P-EBT) program benefits through the duration of the health emergency, including the summer months, to allow families with children receiving school meals to more easily purchase healthy food during the pandemic. This program fills a critical gap for children who would normally receive free or reduced-price school lunch and breakfast but are no longer able to do so due to remote learning.
- Provides \$37 million for senior nutrition through the Commodity Supplemental Food Program.
- Provides \$25 million to invest in technological improvements to expand access for families to use their SNAP benefits online.
- Provides administrative funding for states to enroll increased SNAP case-loads due to the pandemic.