



WASHINGTON STATE DEMOCRATS

The Effect of the American Rescue Plan on Washington: An Overview

President Biden’s American Rescue Plan will provide Washington with:

- \$4.5 billion in state fiscal relief;
• \$2.7 billion in local fiscal relief;
• More than \$1.8 billion in relief for K-12 schools;
• Economic impact payments of up to \$1,400 per person...
• Additional relief to the families of 1.4 million children...
• Additional relief of up to nearly \$1,000 through the Earned Income Tax Credit...
• Marketplace health insurance premiums that are \$1,117 lower per month...

Money to Washington cities

Under the American Rescue Plan that gained final approval Wednesday in the U.S. Congress, Washington’s local governments are set to get dollars to help them through the COVID-19 pandemic. Here’s a look at what selected cities will receive.

Table with 4 columns: CITY, COUNTY, POPULATION, ALLOCATION IN MILLIONS. Lists cities like Seattle, Spokane, Tacoma, Vancouver, Kent, Yakima, Everett, Bellingham, Bellevue, Pasco, Federal Way, Kennewick, Auburn, Lakewood, Bremerton, Olympia, Walla Walla, Marysville, Mount Vernon, Longview, Richland, Wenatchee, East Wenatchee, Anacortes with their respective county, population, and funding allocation.

Sources: Office of U.S. Rep. Suzan DelBene, D-Medina, Washington Office of Financial Management (2020 population estimates) EMILY M. ENG / THE SEATTLE TIMES

## [The Effect of the American Rescue Plan on Washington: The Details](#)

### **Agriculture and Nutrition**

#### **Food Assistance**

To address the hunger crisis, ARP includes an extension of the 15% increase in **Supplemental Nutrition Assistance Program (SNAP)** benefits for all participants through September 2021. That's about \$27 per month per person.

#### **Provide transformative debt relief to Black, Indigenous, Hispanic, and other farmers of color**

ARP will provide \$4 billion dollars toward debt relief for socially disadvantaged farmers to pay off burdensome debts that have prevented many farmers of color from making a living or taking advantage of opportunities to grow or explore value-added strategies.

### **Health Care and Labor**

#### **Accelerated, Equitable Vaccine Distribution**

ARP invests in a national vaccine plan that will set up community vaccination sites nationwide. \$20 billion will strengthen a federal vaccination program that works in partnership with states, localities, Tribes, and territories. Importantly, ARP ensures that the vaccine is accessible, free-of-charge, with no cost-sharing to those that receive it.

#### **Testing**

The bill provides \$48.3 billion for testing in order to contain the virus and mitigate its effects, hire staff for contact tracing, provide PPE for frontline health workers, and take other steps to combat the virus, such as enabling isolation and quarantine.

#### **Mental Health**

The need for accessible mental health and substance use disorder treatment has skyrocketed during the pandemic, with cash-strapped states and localities struggling to meet the need. ARP includes \$3.88 billion to expand on the investments made in the year-end 2020 package to increase availability of mental health and substance use disorder treatment

#### **Coverage**

ARP preserves and expands health care coverage by reducing premiums for more than 212,000 Washingtonians and reduces the ranks of 6.6%+ who are uninsured.

### **Labor**

#### **Paid Leave**

The bill provides emergency paid leave to 106 million more Americans to reduce the spread of the virus.

#### **Department of Labor (DOL)**

ARP provides additional funding of \$200 million for DOL worker protection enforcement activities. This includes increases to the Wage and Hour Division, the Office of Workers' Compensation Programs, the Office of the Solicitor, the Mine Safety and Health Administration, the Occupational Safety and Health Administration, and the Office of Inspector General.

## **Direct Economic Impact Payments**

Americans with income below a certain threshold will receive \$1,400 per person as a direct deposit or mailed check. Threshold levels are:

- \$75,000 for individuals
- \$112,500 for heads of household
- \$150,000 for couples filing jointly

More than 4.4 million adults and 1.6 million children fall within ARP's direct economic impact threshold levels. Households will receive an additional \$1,400 for each dependent claimed on their most recent tax filings. This is 80% of all adults in the state and 77% of all children in the state.

## **Extension of Federal Unemployment Benefits**

ARP extends the federal jobless benefit supplement that is currently \$300 per week through September 2021. The first \$10,200 in unemployment payments will be nontaxable for households with incomes under \$150,000. Extending the pandemic unemployment insurance programs is estimated to create or save 100,000 jobs in Washington through September 2021.

## **Child Tax Credit**

ARP makes the full Child Tax Credit available to children in families with low earnings or who lack earnings. These changes increase the credit's maximum amount to \$3,000 per child and \$3,600 for children under age six. A single parent of two toddlers could likely get \$600 per month from July to December, plus \$3,600 when they file their 2021 taxes, for a total Child Tax Credit of \$7,200. That's \$3,200 more compared to what a single parent of two toddlers would normally receive from the Child Tax Credit. ARP's expansion of the Child Tax Credit is estimated to impact more than half of Black and Latino children across the nation. In Washington, expanding the Child Tax Credit could reach more than 1.9 million children.

## **Education**

### **Child Care**

ARP includes \$39 billion for child care, including nearly \$24 billion for Child Care Stabilization grants and nearly \$15 billion for the Child Care and Development Block Grant (CCDBG) program. States will be able to use these funds to award subgrants to qualified child care providers that are either open or temporarily closed to help support their operations during the pandemic. Washington state should expect to see \$635 million for child care assistance.

### **K-12**

ARP provides \$1.9 billion to help K-12 schools to reopen safely. 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 additional costs needed to support safely reopening and support students. A portion of the funding will be reserved for a COVID-19 Educational Equity Challenge Grant, which will support state, local, and Tribal governments to respond to COVID-related educational challenges.

## **Broadband for Remote Learning**

At least 12 million K-12 public school students live in households without either an internet connection or a device adequate for distance learning at home. A disproportionate number of the children that lack internet connectivity come from communities of color, low-income households, Tribal lands, and/or rural areas. This bill will provide \$7.172 billion to the Federal Communications Commission to help schools and libraries ensure that our nation's school children have the tools they need to learn safely in their communities.

## **Higher Ed**

ARP provides almost \$655 million for higher education. The president's plan will ensure colleges have critical resources to implement public health protocols, execute distance learning plans, and provide emergency grants to students in need. This funding will provide millions of students up to \$1,700 in additional financial assistance from their colleges. ARP makes any student loan forgiveness passed between Dec 31, 2020, and Jan 1, 2026 tax-free.

## **Local Aid**

### **State, Local, Tribal, and Territorial Government Aid**

ARP will provide \$350 billion to states, territories, Tribes, and local governments to be used for responding to the COVID-19 public health emergency, to offset revenue losses, bolster economic recovery, and to provide premium pay for essential workers. Washington will receive about \$7.1 billion in aid for local, county, and state governments.

## **Housing**

### **Rental and Landlord assistance**

ARP will help renters, small landlords, and hard-hit individuals and families make ends meet. \$25 billion will provide additional funding in rental, critical energy, water, and emergency rental assistance. The state expects to get about \$404 million in emergency rental assistance.

### **Mortgage and Utility Assistance**

An estimated 3.3 million homeowners are behind on their payments or in foreclosure, and even more homeowners are likely behind on utility payments and property taxes. The American Rescue Plan provides \$9.961 billion in funding through the Department of Treasury to states, territories, Tribes, and Tribally-designated housing entities to provide direct assistance to homeowners.

## **Small Business and Entrepreneurship**

### **Restaurants**

The bill will provide \$28.6 billion in direct relief for the restaurant industry through the creation of a grant program as envisioned in the RESTAURANTS Act. The restaurant industry has been among the hardest hit during the pandemic. Over 110,000 restaurants and bars – more than one in six across the country – have closed permanently or long-term, causing the loss of over 2.4 million jobs. It is estimated that independent restaurants – small, mom-and-pop restaurants – lost over \$135 billion in sales last year, while the broader industry lost \$240 billion. While PPP has offered some vital assistance to the nation's restaurants, a significant need still exists, especially for smaller restaurants.

### **Paycheck Protection Program**

ARP provides an additional \$7.25 billion for the small-business loan program known as Paycheck Protection Program (PPP). This money will allow more nonprofits to apply, including groups that engage in advocacy and some limited lobbying. It also makes larger nonprofits eligible.

## **Commerce, Science, and Transportation**

### **Public Transportation**

Public transportation agencies estimate they face more than tens of billions of additional costs and revenue losses related to the COVID-19 crisis. ARP will give roughly \$800 million to Puget Sound's transit agencies.

### **Airline Jobs**

Aviation drives 5% of U.S. gross domestic product (GDP) and supports over 10 million U.S. jobs. U.S. airline passenger volumes are at 42% compared to pre-pandemic levels. Extension of the airline payroll support program will help airlines and contractors avert mass layoffs and furloughs due to the unprecedented drop in business.

### **Airports**

Airports have been especially hard hit by the pandemic, and without billions in additional aid they will be forced to cut the jobs of thousands of employees, reduce or discontinue operations, and be unable to make payments on capital projects. The workforce retention requirements associated with federal relief protect workers at commercial airports across the United States. ARP's airport relief is also designed to help small airport concessionaires, many of which are disadvantaged business owners.

### **Aviation Manufacturing Workforce**

The U.S. aerospace industry represents nearly 2% of total U.S. Gross Domestic Product and provides America's leading export by value. However, the drop off in commercial air travel has resulted in a decline in orders for new planes, which in turn has disrupted the entire aviation manufacturing supply chain. Over 100,000 aerospace manufacturing jobs have been lost and even more jobs are at risk. This program is the first federal relief designed to protect these highly-skilled workers, who are the bedrock of American innovation and global leadership in advanced technology.