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Dear Friend,

It's hard to believe it's been over a year since we started our fight against the coronavirus. In that time, we have lost over half a million of our fellow Americans to COVID-19, many of whom were our neighbors here on Long Island.

As case counts fall and we ramp up vaccines nationwide, we can begin to see the light at the end of the tunnel. But millions of American families and businesses are still hurting from the public health and economic effects of the pandemic, and they need support right now.

I was proud to vote for the *American Rescue Plan Act*, which passed the House again on March 10 and was signed into law by President Biden yesterday. This \$1.9 trillion comprehensive package will provide desperately needed support to help lift up millions of Americans, reopen our schools, build back our economy, and crush this virus. Below are some of the provisions included in the bill:

### **Direct Payments**

The American Rescue Plan Act will send out another round of direct payments of up to \$1,400 for eligible individuals, and an additional \$1,400 for each dependent, regardless of age. Please note: Payments will be determined based on your most recent tax return and will rely on your 2019 income if you have not yet submitted your taxes for 2020.

### **Extended Unemployment Insurance**

This bill provides an additional \$300 per week in federal unemployment benefits through September 6, 2021 and extends Pandemic Unemployment Assistance benefits for the self-employed and other workers who aren't typically eligible for benefits. It also creates a tax exemption for the first \$10,200 of unemployment benefits income for 2020.

# **Expanded Child Tax Credit**

This bill temporarily increases Child Tax Credit benefits from \$2,000 to \$3,600 per child under 6 and \$3,000 for children older than 6. It also allows recipients to receive the money as regular monthly payments rather than one lump sum payment and makes the credit fully refundable.

### **Child and Dependent Care Tax Credit**

The Child and Dependent Care Tax Credit can be used by eligible working Americans to help with the cost of caring for a child or dependent with disabilities. The *American Rescue Plan Act* increases the expense amounts that are eligible from a maximum of \$1,050 to \$4,000 for one child and from \$2,100 to \$8,000 for two or more children. The credit is also fully refundable.

#### **Earned Income Tax Credit**

This bill nearly triples the maximum Earned Income Tax Credit and for the first time allows low-

wage childless individuals between the ages of 19 and 24 to claim this credit, many of whom have been working on the frontlines during this pandemic.

#### **Nutrition Assistance**

This bill provides \$12 billion for critical nutrition programs like the Supplemental Nutrition Assistance Program (SNAP), WIC, and Pandemic Electronic Benefit Transfer (EBT). It also extends the 15 percent increase in SNAP benefits through the end of September to help the millions of families struggling to put food on the table during the pandemic.

### **Health Care**

The American Rescue Plan Act invests nearly \$35 billion in premium subsidy increases for those who buy health care coverage on the ACA marketplaces and encourages states to expand Medicaid coverage. It also provides funding to help employers pay 100% of COBRA premiums for six months for workers who were laid off, furloughed, or had their hours reduced due to the pandemic.

## **Emergency Rental Assistance and Housing**

This bill provides over \$21 billion for state and local rental and utility assistance programs, as well as nearly \$10 billion to help homeowners who are behind on their utilities, property taxes, and mortgages. It also provides \$100 million for housing counseling and \$5 billion for the Department of Housing and Urban Development to assist those at risk of or experiencing homelessness.

### **Vaccines**

The American Rescue Plan Act allocates \$7.5 billion to the Centers for Disease Control for vaccine tracking, testing, distribution, and an additional \$1 billion to increase education and vaccine confidence and over \$5 billion for vaccine and supplies procurement. It also provides over \$48 billion for coronavirus testing contact tracing, and personal protective equipment for frontline health workers.

#### State and Local Funding

This bill provides \$360 billion funding for state and local governments, which is desperately needed in states like ours which have experienced massive revenue shortfalls. This critical funding will prevent further drastic cuts and layoffs of public sector employees, including police officers, firefighters, teachers, sanitation workers, transit workers, emergency medical services, and other essential frontline workers that keep us safe.

### **Education and Child Care**

The American Rescue Plan Act provides \$129 billion in emergency relief to K-12 schools and \$40 billion to colleges and universities so that they can safely resume in-person instruction. It also provides \$40 billion to support the child care industry to prevent provider closures and help parents as they return to work.

# **Small Businesses and Nonprofits**

This bill provides additional funding for small businesses, including \$15 billion for Targeted Economic Injury Disaster Loan grants, nearly \$29 billion in relief for restaurants, and more than \$7 billion in additional funding for the Paycheck Protection Program (PPP). It also expands PPP eligibility to include additional nonprofit organizations who have been hard-hit by the pandemic.

# **Employee Retention Tax Credit**

Established by the CARES Act last year, the ERTC is a refundable payroll tax credit that keeps workers on payroll during this crisis. The *American Rescue Plan Act* extends and expands the ERTC through December 2021 by allowing struggling businesses to claim the credit for a larger share of employee wages and expands it to cover newly formed businesses

I was proud to support this legislation to deliver relief that so many families, businesses, and

communities on Long Island have been waiting for. This pandemic has been devastating for so many, but this relief package will help us get through it. I will continue fighting in Congress to ensure Long Island has every resource it needs to fully recover from this pandemic and build back better.

For more information on COVID-19 as well as the most recent information on the vaccine rollout, please visit the <u>New York State Department of Health</u> or <u>Center for Disease Control</u> websites.

Keep wearing your masks and stay safe and healthy! We are almost there.

As always, my office is here to help. If you need assistance with a federal agency or have any questions on the information above, please don't hesitate to call my office at 516-739-3008 or email me <a href="here">here</a>.

Sincerely

Kathleen Rice