

Key elements of the Act^[edit]

Key elements of the Act include:

- [Extending expanded unemployment benefits](#) with a \$300 weekly supplement through [Labor Day](#) (September 6, 2021), preventing benefits from expiring on March 31, 2021^{[69][3]}
 - Most Democrats favored a higher amount (with the bill initially passed by the House providing for \$400 weekly supplement) and some favored a longer duration (through early October); however, the final bill contained a scaled-back provision, at the insistence of Senator [Joe Manchin](#) of [West Virginia](#), and other moderate Senate Democrats.^{[69][70][71]}
 - The act makes the first \$10,200 in unemployment benefits for 2020 not taxable for households with incomes below \$150,000, thus avoiding the risk of many workers incurring surprise federal tax liability.^[72]
- \$1,400 direct payments to individuals.^{[3][70]}
 - Under pressure from Manchin, Biden agreed to have the direct payment start to phase out for high-income taxpayers, including some who received stimulus checks in previous stimulus rounds.^{[73][72]} The stimulus benefit begins to phase out for taxpayers making \$75,000 for individuals, \$112,500 for single parents, and \$150,000 for [couples](#); taxpayers making more than \$80,000 for individuals, \$120,000 for single parents, and \$160,000 for households will not receive any payment.^[69] (House Democrats and Biden had favored less stringent caps; the bill initially passed by the House set income caps \$100,000 for individuals and \$200,000 for couples).^[71]
 - Unlike in past rounds of stimulus payments, otherwise eligible adult dependents will receive payments,^[72] including college students,^[72] [SSI](#) recipients, and [SSDI](#) recipients.^[74]
- Emergency paid leave for over 100 million Americans^[3]
 - The Act provides a [tax credit](#), through October 1, 2021, to employers who choose to offer paid sick leave and paid family leave benefits. However, the Act did not require employers to provide the benefit, as Biden initially proposed.^[71]
- Extends a 15% increase in [food stamp](#) benefits (the increase, passed in previous rounds of stimulus; was set to expire at the end of June 2021; the bill extends it through September 2021).^[71]
- Tax provisions
 - Expands the [child tax credit](#)^[72] by allowing qualifying families to offset, for the 2021 tax year, \$3,000 per child up to age 17 and \$3,600 per child under age 6.^{[72][71]} The size of the benefit will gradually diminish for single filers earning more than \$75,000 per year, or married couples making more than \$150,000 a year.^[75] Additionally, this credit is now fully refundable, and half of the benefit can be sent out to eligible households in 2021. The proposal was backed by [Senator Mitt Romney](#) of [Utah](#), who introduced a similar bill four days earlier.^[76]
 - Expands the [child and dependent care credit](#) by making the credit fully refundable and increasing the maximum benefit to \$4,000 for one eligible individual and \$8,000 for two or more eligible individuals.^[75] Additionally, the value of this credit will now be based on 50% of the value of eligible expenses. The income limit for receiving this credit is also increased to \$125,000 for households. These changes are also for 2021 only.
 - Expands the [earned income tax credit](#) by removing the upper age limit and lowering the lower age limit to 19. The maximum benefit for adults not claiming a qualifying child will also be increased to \$1,502. These provisions are for 2021 only. A permanent change was made to raise the limit on investment income from \$3,650 to \$10,000, indexed by inflation; and to allow adults with children who do not qualify to claim the credit to claim it only for themselves.^[75]
 - Forgiven [student loan debt](#) is made tax-free, should Biden or Congress decide to cancel any debt.^{[77][78]}
 - Reduction of reporting requirement threshold ([1099-K](#)) for third party settlement organizations (e.g. PayPal) from over \$20,000 and 200 transactions to over \$600 and no minimum number of transaction. This is expected to impact [gig workers](#), [independent](#)

[contractors](#), casual [eBay](#) sellers, among others. This amendment is projected to generate \$8.4 billion over the next decade.^[79]

- Three tax increases on large corporations and wealthy individuals, collectively raising \$60 billion in revenue.^[80] These are:
 - Limits publicly traded companies' ability to deduct [executive compensation](#) (for employees more than \$1 million) from their corporate taxes (will generate \$6 billion in tax revenue).^[80]
 - Repeals an obscure provisions in the tax code that gave multinational corporations additional discretion in accounting for interest expenses (will generate \$22 billion in tax revenue).^[80]
 - Extends "loss limitation" restrictions on unincorporated businesses (will generate \$31 billion in tax revenue).^[80]
- Grants to small businesses,^[3] specifically:
 - \$28.6 billion for a new grant program for restaurants and bars to meet payroll and other expenses. Individual businesses will be eligible for \$5 million each.^{[81][71]}
 - \$15 billion for Emergency Injury Disaster Loans (a long-term, low-interest loan program of the [Small Business Administration](#)); priority for some funds would go to "severely impacted small businesses with fewer than 10 workers".^[71]
 - An additional \$7 billion for the [Paycheck Protection Program](#), and an expansion of the eligibility criteria to some non-profit organizations previously excluded from the program.^[71]
 - \$3 billion for a payroll support program for aviation manufacturers. The industry itself will be responsible for funding half of the program, and the program will last six months.^[81]
 - \$1.25 billion in funding for the Shuttered Venue Operators Grant for music halls and other concert venues^{[81][82]}
 - \$175 million for a Community Navigator Program to reach out to eligible businesses.^[71]
- \$350 billion to help state, local, and tribal governments bridge budget shortfalls and mitigate the [fiscal shock](#).^{[70][69][83]}
 - A total of \$195 billion would be allocated among the states and the [District of Columbia](#), and the tribes and territories would be allocated about \$25 billion.^[83]
 - The Act also allocates \$60 billion to counties and \$10 billion for a Coronavirus Capital Projects Fund.^[83] (The bill initially passed by the House would have instead allocated \$65 billion to counties and \$65 billion to municipalities, but the Senate formula was adopted instead).^[83]
- Education funding:
 - \$130 billion for [K-12](#) schools,^{[70][84]} to safely reopen most schools within 100 days.^[3]
 - The money for K-12 schools may be used to improve [ventilation](#) in school buildings, [reduce class sizes](#) to make [social distancing](#) possible, purchase [personal protective equipment](#), and hire support staff.^{[84][72]}
 - 20% of the school money must be directed to programs to help counteract "learning loss" from students who missed school during the pandemic.^[72]
 - Almost \$40 billion for colleges and universities.^[84]
 - At least half of the money to colleges and universities must go to emergency grants to students.^[77]
- Funding for housing:
 - \$21.6 billion for rental assistance programs. This fund will provide money to states and local governments, which will then provide grants to eligible households. These grants can be used to pay for rental assistance as well as utility fees.^[85]
 - \$10 billion for the Homeowner Assistance Fund. This fund will allocate money to states and local governments, which will then give grants to homeowners to prevent them from defaulting on their mortgage or foreclosing on their home. These grants can also be used

to pay for flood insurance premiums, [HOA](#) fees, utility bills, and any other necessary payments to prevent the homeowner from losing their home.^[85]

- \$5 billion for the [Section 8 Housing Choice Voucher Program](#). These funds must go to those who are or were recently homeless, as well as individuals who are escaping from domestic violence, sexual assault, or human trafficking.^[85]
- \$5 billion to support state and local programs for the homeless and at-risk individuals. These funds can be used for rental assistance, housing counseling, and homelessness prevention services.^[85] Additionally, these grants can be used by state and local governments to buy and convert commercial properties into permanent shelters or affordable housing.^[86]
- \$4.5 billion for the [Low-Income Home Energy Assistance Program](#), which will assist homeowners with the costs of heating and cooling.^[85]
- \$750 million for housing assistance for tribes and Native Hawaiians. These grants can be used by tribal nations or Native Hawaiians to pay rent or stay housed.^[86]
- \$500 million in grants for low-income homes to help with water services.^[85]
- \$139 million for rural housing assistance programs.^[86]
- \$120 million for housing counseling services.^[86]
- The bill contains the following [COVID-19](#) funding (including for [COVID-19 vaccines](#), [testing](#), and [contact tracing](#)) and other healthcare-related funding:
 - \$50 billion to the [Federal Emergency Management Agency](#) for vaccine distribution and assistance.^[69]
 - \$47.8 billion on [COVID-19 testing](#), mitigation, and transmission prevention, including diagnosis, tracing, and monitoring.^[87]
 - \$13.48 billion for [Department of Veterans Affairs](#) healthcare programs through September 30, 2023.^[87]
 - \$10 billion under the [Defense Production Act](#) for [personal protective equipment](#) and other medical gear, and for response to [pathogens](#) that could become future [public health emergencies](#).^[87]
 - \$7.66 billion for workforce programs for state, local, and territorial public health departments and certain nonprofits, including funds to hire and train "case investigators, contact tracers, social support specialists, community health workers, public health nurses, disease intervention specialists, epidemiologists, program managers, laboratory personnel, [informaticians](#), communication and policy experts, and any other positions as may be required to prevent, prepare for, and respond to COVID-19."^[87]
 - \$7.6 billion to [community health centers](#) and [Federally Qualified Health Centers](#) to combat COVID-19, including promotion, distribution, and administration of the COVID-19 vaccine; COVID-19 tracing and mitigation; COVID-19-related equipment; and COVID-19 outreach and education.^[87]
 - \$7.5 billion to the [Centers for Disease Control and Prevention](#) (CDC) for [COVID-19 vaccine](#) distribution, administration, and tracking,^[87] including preparation of community vaccination centers and mobile vaccine units and acceleration of vaccine deployment.^{[3][87]} The bill funds 100,000 public health workers for vaccination outreach and contact tracing.^[3]
 - \$6.05 billion for "expenses related to research, development, manufacturing, production and purchase of vaccines".^[87]
 - \$5.4 billion to the [Indian Health Services](#).^[87]
 - \$3.5 billion in [block grants](#) to states, evenly split between the Community Mental Health Services Block Grant program and the Substance Abuse Prevention Treatment Block Grant program.^[87]
 - \$1.75 billion for [genomic sequencing](#), analytics, and [disease surveillance](#).^[87]

- \$1 billion to the [U.S. Department of Health and Human Services](#) for vaccine confidence programs to increase vaccination rates.^[87]
- Approximately \$750 million on global [health security](#) to fight COVID-19 and other emerging infectious diseases.^[87]
- \$500 million to the [Food and Drug Administration](#) to evaluate vaccine performance and facilitate vaccine oversight and manufacturing.^[87]
- \$330 million for teaching health centers with [graduate medical education](#) programs.^[87]
- \$500 million to the CDC for [public health surveillance](#) and analytics, including a modernization of the U.S. disease warning system to predict COVID-19 "hot spots" and emerging public health threats.^[87]
- \$200 million for nursing loan repayment programs.^[87]
- \$100 million for the [Medical Reserve Corps](#).^[87]
- \$100 million for a Behavioral Health Workforce Education and Training Program.^[87]
- \$80 million for [mental](#) and [behavioral health](#) training.^[87]
- \$86 billion for a rescue package/bailout for approximately 185 multiemployer [pension funds](#) (usually pension plans set up by a union and industry) that are close to insolvency. The pension funds collectively cover 10.7 million workers.^{[88][89]}
- Transportation provisions
 - \$30.5 billion in grants to public transit and [commuter rail](#) agencies across the country to mitigate major decreases in ridership and fare revenue due to the COVID-19 pandemic. This includes \$6 billion to the [MTA](#) (the U.S.'s largest public transit agency) and \$1.4 billion to the [WMATA](#), [VRE](#) and [MARC](#).^[90]
 - \$15 billion for airlines and airline contractors for a third extension of Payroll Support Program (which would otherwise have expired at the end of March 2021). The extension will prevent the furlough of more than 27,000 aviation employees.^[90]
 - \$8 billion for U.S. airports.^[90]
 - \$2 billion for [Amtrak](#).^[90]
- \$10.4 billion for agriculture and [USDA](#), of which:^{[91][92]}
 - \$4 billion (39% of total agricultural expenditures) and \$1 billion (9.7% of total agricultural expenditures) goes to [debt forgiveness](#) and outreach/support, respectively, for socially disadvantaged farmers.^[91] Experts identified the relief bill as the most important legislation for African-American farmers since the [Civil Rights Act of 1964](#), benefiting many who were not fully compensated by the [Pigford](#) settlements.^[92]
 - \$3.6 billion (35% of total agricultural expenditures) for COVID-19 response (e.g., for agricultural and supply chain workers) and for the purchase and distribution of food.^[91]
 - \$800 million (7.7% of total agricultural expenditures) for [Food for Peace](#).^[91]
 - \$500 million (4.8% of total agricultural expenditures) for USDA-administered Emergency Rural Development Grants for Rural Healthcare.^{[87][91]}
- \$1.85 billion for [cybersecurity](#) funding as a response to the [SolarWinds hack](#).^[93]
 - \$1 billion will go to the [General Services Administration's](#) Technology Modernization Fund which will help the federal government launch new cyber and information technology programs.
 - \$650 million will go to the [Cybersecurity and Infrastructure Security Agency](#) to improve its risk mitigation services.
 - \$200 million will go to the [U.S. Digital Service](#).
- Changes to healthcare:
 - Subsidizes 100% of premiums for [COBRA](#) recipients.^[94] Due to these subsidies, at least 2.2 million additional people will enroll in COBRA in 2021.

- Temporary changes to [ACA](#):
 - Removing the [welfare cliff](#) by removing the income limit on premium subsidies. Instead, anyone can be eligible for premium subsidies if the cost of their premiums is more than 8.5% of their income. These subsidies will not affect rich households.^{[94][95]}
 - Increasing subsidies that are already available to low-income households. An estimated 2.5 million uninsured people will get covered due to these changes. Additionally, about 3.4 million of the lowest income enrollees will see their premiums fall by 100%.^[95]
 - Create a special rule whereby anyone who qualifies for unemployment automatically qualifies for the maximum amount of subsidies.^[94]
 - Protect any ACA subsidy recipient from [clawbacks](#) due to income fluctuations in 2020.^[94]
- [Medicaid](#) and [CHIP](#) changes:
 - Requires coverage of COVID-19 vaccines and treatment. Expands state options for COVID-19 testing for the uninsured.^[94]
 - Allows states to give 12 months of [post-partum](#) coverage for new mothers.^[94]
 - Introduce new incentives for states to expand Medicaid coverage.^[94]