



FACT SHEET: The American Rescue Plan

The American Rescue Plan is a historic package that takes big steps to confront the big challenges of this pandemic and the economic fallout resulting from it. Senator Van Hollen played a key role in shepherding this stimulus through Congress and fought for many of the provisions within it, including vital [Maryland priorities](#) that will lend a hand to those struggling in our state.

This legislation will help us beat this virus by investing in crucial resources to deploy vaccines more quickly and equitably, support those hit hardest by the downturn in our economy, get kids back to school safely, and put us squarely on the road to recovery. The plan also includes critical provisions that Senator Van Hollen has championed to help close the digital divide and lift more than 52,000 Maryland children out of poverty. And this law will help provide funding directly to state and local governments so Maryland has the tools it needs to weather this storm. Put simply: the American Rescue Plan keeps our communities afloat and paves the way to build back better.

Highlights are detailed below to help Marylanders stay informed and access assistance. This fact sheet and <https://www.vanhollen.senate.gov/coronavirus> will be updated with new information on how to access assistance as it is made available.

Beating the Virus

Deploying the COVID-19 vaccines quickly and equitably must be our top priority. The American Rescue Plan takes action at the federal level to bolster vaccine supply, promote equitable access, and strengthen testing so we can beat this virus once and for all.

- **Vaccines:** This package includes \$7.5 billion for vaccine distribution and administration; \$6.05 billion for research, development, manufacturing, production, and purchase of vaccines, therapeutics, and other medical products and supplies; \$10 billion for the Defense Production Act so we can procure essential PPE and other medical equipment; \$500 million for the FDA to continue evaluating the performance, safety, and effectiveness of COVID-19 vaccines and therapeutics; and \$1 billion for education and outreach campaigns to address vaccine hesitancy. [Click here](#) to find a vaccination clinic.
- **COVID-19 Testing:** The American Rescue Plan provides \$47.8 billion for COVID-19 testing, tracing, and mitigation and \$1.75 billion for research that helps monitor and identify new strains of the coronavirus. [Click here](#) to find a testing site.

Putting Money in the Pockets of Those Struggling

The economic consequences of this crisis have been dire for our working families, who are now up against financial hardship through no fault of their own. This package delivers the resources to get Marylanders back on their feet.

- **Individual Payments:** The American Rescue Plan authorizes a new round of stimulus checks of \$1,400 per person, increasing the total payments to \$2,000 when combined with the earlier \$600 payment secured in December's stimulus. Both adult dependents and mixed status households are eligible for payments. The amount of each payment phases out as a single person's income rises from \$75,000 to \$80,000 and as a married couple's income rises from \$150,000 to \$160,000. In Maryland, over 2.5 million households will receive a check, totaling over \$6.2 billion in direct payments.
- **Unemployment Insurance:** This legislation extends the current expansions of unemployment insurance through September 6. This provision provides an extra \$300 per week for all unemployment benefits and expanded eligibility for people like gig workers who are not normally eligible. The American Rescue Plan also adds 29 additional weeks of benefits for long-term unemployed workers. Workers who made less than \$150,000 in 2020 won't have to pay taxes on up to \$10,200 of their unemployment benefits. Taken together, these expansions benefit the more than 300,000 Maryland workers currently relying on unemployment benefits. [Click here](#) to learn more about filing a UI claim.
- **Earned Income Tax Credit (EITC):** For 2021, the maximum EITC is nearly tripled from \$543 to \$1,502 for workers without qualifying children. 255,000 Maryland workers will get a tax cut from this extension.

Supporting Frontline Heroes Through State and Local Relief

Ongoing economic challenges have impacted our state and local governments on the front lines. Our plan brings millions in relief directly to Maryland's city, municipal, and county governments, allowing them to target money where it's needed most within our communities.

- **State Relief:** The American Rescue Plan will distribute a total of \$195.3 billion to all 50 states and the District of Columbia. \$25.5 billion will be divided equally among each state and D.C., and the other \$169.045 billion will be distributed based on each state's average rate of unemployment between October and December of 2020. States must certify that they will use this money to carry out eligible activities, such as responding to the COVID-19 emergency or its economic impacts, keeping essential workers paid and on the job, and investing in water, sewer, or broadband infrastructure. Under this framework, Maryland will receive \$3.87 billion in direct funding and an additional \$169 million for capital projects directly enabling work, education, and health monitoring.

- **Local Relief:** Local relief will go to every small town, municipality, county, and city in the country based on money from a \$130.2 billion local relief fund. \$45.57 billion will go to cities, \$19.53 billion will go to local governments with fewer than 50,000 people, and \$65.1 billion will go to counties. In total, Maryland will receive \$1.173 billion in direct funding for county governments and \$1.14 billion for our city and municipal governments.

Getting Students Back in the Classroom Quickly and Safely

The American Rescue Plan helps our educators and students mount the unique hurdles thrown in front of them by this pandemic. It delivers funding to our nation's schools so they have the resources they need to get class back in session, in person.

- **K-12 Schools:** This legislation will put \$122.7 billion toward the Elementary and Secondary School Emergency Relief Fund (ESSER), which will be allocated to states based on the funding breakdown determined by Part A of Title I. A portion of funds received by state education agencies must be used to address learning loss and to provide comprehensive afterschool and summer enrichment programs. School districts must also dedicate a portion of their grants to address learning loss and can use funds to implement full-service community schools. \$800 million has been set aside to identify and provide education services for children and youth experiencing homelessness, including wraparound services and other assistance to attend school and fully participate in school activities. An additional \$3.03 billion will be directed to activities under IDEA. Finally, \$2.75 billion will go toward K-12 private schools that enroll a significant percentage of low-income students and have been heavily impacted by the pandemic. It is estimated that Maryland schools will receive over \$2 billion based on this breakdown of funds.
- **Higher Education:** The Higher Education Emergency Relief Fund will receive an additional \$39.6 billion from this plan. At least 50 percent of funds must be used to provide emergency financial aid grants to students for expenses related to the disruption of campus operations. It is estimated that Maryland will receive around \$549.5 million in higher education relief based on this model. In addition, \$35 million will go to Howard University, \$19.25 million to Gallaudet University, and \$19.25 million to the National Technical Institute for the Deaf.
- **Digital Divide:** The American Rescue Plan provides over \$7 billion for the Federal Communications Commission's E-Rate program, which will now allow elementary and secondary schools and libraries to purchase and supply students, staff, and patrons with internet capable devices such as Wi-Fi hotspots, modems, routers, and internet-enabled devices.

Uplifting our Children

This package reaffirms our commitment to America's children with a historic push to end childhood poverty. Provisions within this law help blunt the economic effects of this pandemic on our families and set us on a course to ensure children grow up with the resources they need to thrive.

- **Child Tax Credit:** For 2021, the Child Tax Credit (CTC) is increased from \$2,000 to \$3,000, or \$3,600 for children under six years old. The CTC expansion will reduce child poverty by more than 40 percent this year. 1,125,000 children in Maryland will benefit from the expansion, which will lift 52,000 Maryland children out of poverty.
- **Child and Dependent Care Tax Credit:** This legislation includes an increase in the Child and Dependent Care Tax Credit to up to \$4,000 for one child or \$8,000 for two or more children, and makes the credit fully refundable. This would significantly ease the burden of child care costs for many Maryland families, who pay on average \$15,335 annually for infant care and \$10,254 for the care of 4-year-olds.
- **Child Care:** The American Rescue Plan invests \$40 billion in child care through two groups of funds. \$23.98 billion will go to the Child Care Stabilization Fund, which will be distributed to states to create grants for qualified child care providers. The funds may be used for personnel expenses, rent and mortgage payments, cleaning supplies and personal protective equipment, and other necessary expenses. \$14.99 billion will go to the Child Care Development Block Grant (CCDBG), which can be used flexibly by states, including for child care subsidies. It's estimated that Maryland will receive \$504 million for child care. Finally, \$1 billion will go to Head Start, of which Maryland will receive approximately \$11 million.

Battling Food Insecurity and Securing the Food Supply Chain

Marylanders are struggling to put food on the table and our farmers have also taken a serious economic blow. The American Rescue Plan addresses both sides of the food supply chain equation with assistance for consumers and producers.

- **Supplemental Nutrition Assistance Program (SNAP):** The 15 percent benefit increase to SNAP has been extended through the end of September, bolstering our nation's first line of defense against hunger. The legislation also provides administrative funding for states to process increased SNAP caseloads due to the pandemic – so more of our fellow Americans can benefit from this vital program. Finally, the American Rescue Plan makes a \$25 million investment in technological improvements to expand access for families to use their SNAP benefits online. [Click here](#) to apply for SNAP.

- **Other food assistance:** The American Rescue Plan also invests in a number of other food assistance programs, including \$37 million for senior nutrition through the Commodity Supplemental Food Program; an increase in the value of Supplemental Assistance for Women, Infants, and Children (WIC) vouchers for fruits and vegetables to \$35 per month for four months; expanded eligibility for meals for young adults at homeless shelters for the rest of the pandemic; and extended benefits from the Pandemic-Electronic Benefit Transfer (P-EBT) 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.
- **Food Supply Chain:** The American Rescue Plan provides \$4 billion to support the food supply chain through the purchase and distribution of food, the purchase of PPE for farmworkers and other frontline food workers, and financial support for farmers, small and medium-sized food processing companies, farmers markets, and others to create more resilient and competitive food supply chains. In addition, this legislation provides debt relief and assistance to socially disadvantaged farmers and ranchers who have faced disproportionate impacts from the pandemic as a result of longstanding discrimination.

Tackling the Pandemic Housing Crisis

The American Rescue Plan nearly doubles the amount of rental assistance available to Americans at risk of eviction and delivers real relief to millions more contending with housing challenges spurred by this pandemic.

- **Rental Assistance:** The plan includes \$21.6 billion for emergency rental assistance, which can be used for rent, rental arrears, utilities and home energy costs and costs arrears, and other expenses related to housing. Maryland will receive approximately \$318 million for rental assistance.
- **Mortgage Assistance:** The legislation creates a \$9.9 billion fund to help those struggling cover mortgage, utility, and other housing costs. This money can be used by states and housing agencies to assist homeowners with a series of challenges, including mortgage payment assistance, financial assistance to pay costs related to forbearance, delinquency, or default, and payment assistance for utilities including electric, gas, home energy, water, and internet service.
- **Americans Experiencing Homelessness:** The American Rescue Plan puts \$5 billion toward housing and services for the homeless, which can be used for tenant-based rental assistance, development and support of affordable housing, supportive services, and acquisition and development of non-congregate shelter units. In addition, \$5 billion has been put toward Emergency Housing Vouchers. Funds can be used for emergency tenant-based vouchers, voucher renewals, and fees for the cost of administering vouchers. To qualify, families must be homeless, at risk of homelessness, fleeing domestic violence or human trafficking, or recently homeless.

Getting Main Street Open for Business

The bipartisan CARES Act created the landmark Paycheck Protection Program to deliver low-interest loans to struggling small businesses. In the year since CARES, Congress has refined its approach to delivering targeted business relief so we can get our economy moving again.

- **Paycheck Protection Program (PPP):** An additional \$7.25 billion will go toward the Paycheck Protection Program so we can provide more low-interest loans to our community's hard-hit small businesses. Eligibility for PPP loans has expanded to include digital news outlets. [Click here](#) for more information on the program.
- **State Small Business Credit Initiative:** The law puts \$10 billion toward the State Small Business Credit Initiative, which was created to support [Minority Depository Institutions](#) (MDIs) and [Community Development Financial Institutions](#) (CDFIs). The Initiative supports small businesses dealing with the economic effects of COVID-19, ensures socially and economically disadvantaged small businesses have access to credit and investments, and provides technical assistance to help small businesses applying for support programs.
- **Restaurant Revitalization:** The American Rescue Plan includes a new \$28.6 billion Restaurant Revitalization Fund to extend a lifeline to the struggling restaurant industry. Restaurants can apply for funding through this program directly through the Small Business Administration and nearly every kind of restaurant is eligible to apply – including food trucks, tasting rooms, breweries that serve samples or food, bars, and food stands. Funds can be used for payroll, payments of principal or interest on a mortgage, rent payments, utilities, maintenance expenses, supplies, food and beverage expenses, supplier costs, operational expenses, paid sick leave, and anything else necessary to remain in business.

Advancing Other Maryland Priorities

The American Rescue Plan is a sweeping package that includes additional provisions that will directly help Marylanders struggling to make it through this challenging moment in our nation's history.

- **Health Coverage:** This legislation ensures that no enrollee spends more than 8.5 percent of their income on premiums, irrespective of income. People with income below 150 percent of the Federal Poverty Line (about \$19,000 for a single person and \$39,000 for a family of four) would pay no premiums for a benchmark plan, after accounting for a boost in their premium tax credits.
- **Student Loans:** The American Rescue Plan will exempt student loan forgiveness from taxation through January 1, 2026.

- **Federal workers:** The American Rescue Plan will create a presumption of eligibility for workers' compensation for federal and postal employees who contract COVID-19 and come into contact with patients, the public, or co-workers in the course of their work. It will also provide up to fifteen weeks of emergency paid leave to federal and postal workers who either (1) are forced to quarantine because of the coronavirus or become ill with COVID-19 (2) are at home caring for a child whose school or place of care has been closed or is conducting virtual learning or (3) are caring for a family member incapable of self-care whose care provider is unavailable due to COVID-19.
- **Transit:** The American Rescue Plan includes several key investments in transit so our frontline workers can travel to and from work and our transit systems are able to weather this storm to serve commuters. The Purple Line light rail project connecting Montgomery and Prince George's Counties is expected to receive \$106,163,373 through the law's Capital Investment Grants program. In addition, the American Rescue Plan includes: \$1.4 billion for transit systems in the DC metro region including WMATA; \$353.6 million for transit systems in Baltimore City; \$1.02 million for transit systems in and around Aberdeen, Md.; \$1.47 million for transit systems in and around Salisbury, Md.; \$1.44 million for transit systems in Frederick, Md.; \$1.27 million for transit systems in Waldorf, Md.; \$1.13 million for transit systems in and around Hagerstown, Md.; \$441,234 for transit systems in and around Cumberland, Md.; \$408,639 for transit systems in Westminster-Eldersburg, Md.; and an additional \$4.62 million for rural transit systems throughout Maryland.