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## **BRIEF19**

*A daily review of covid-19 research and policy*

### **BREAKING POLICY BRIEFING**

#### **An in-depth analysis of Biden's proposed stimulus package.**

The covid-19 pandemic has caused human suffering and economic consequences. The notion that one should be prioritized over the other is fundamentally flawed logic. There cannot be economic security (or a recovery) as long as covid-19 is spreading through the country as it is today.

Called "The American Rescue Plan," President-Elect Biden has announced a two-step plan to "build a bridge to economic recovery and invest in racial justice." Coming in at a whopping \$1.9 trillion, it addresses issues caused by and exacerbated by the pandemic. In many cases, money spent today will save money down the road. For example, money spent on testing and vaccination rollout could mean gaining control of the pandemic sooner, and therefore a return to life and business as we once took for granted. Another is a stay on evictions. As covered in *Brief19* in the past, this matters because when evictions occur, people tend to either become homeless or they move into more compact dwellings with extended members of their family. More compact living situations mean more disease spread. That in turn means more suffering, higher healthcare costs, and further strains on our hospitals. The proposal also has funding for tribal relief, which the present administration has often failed to connect on.

This is a sweeping proposal and it has an eye-popping price tag. But last spring, the non-partisan Congressional Budget Office estimated that the US economy would take a \$15.7 trillion hit resulting from the pandemic during this decade. Unfortunately, things have gone so poorly that that number is probably such a low estimate so as to be quaint by now. While this package is expensive, the cost of inaction is likely to be far higher.

The covid-19 pandemic is one of two acute major threats to our way of life in the United States—the other is domestic terrorism. That the incoming administration has proposed a relief program of this magnitude, depth, and breadth sends one overarching message: they get it.

The proposal contains three main areas of focus. We review them here:

#### **1. Mount a national vaccination program, contain the pandemic, safely reopen schools:**

- \$20 billion will be invested to develop a national vaccination program, in coordination with state, local, and tribal officials, including community and mobile vaccine centers to encompass remote and hard-to-reach populations. These vaccines will be free-of-charge to the recipients.
- \$50 billion to purchase additional rapid tests, expand lab capacity, and implement testing protocols to support at-risk locations like corrections systems and long-term care facilities.
- Funding for 100,000 public health workers to triple our ability to conduct vaccine education, contact tracing, with eventual transition into sustainable community efforts to improve quality of care and reduce hospitalizations in underserved areas.
- Increased health services for the underserved, including tribal lands.
- Support for strike teams to long-term care facilities experiencing outbreaks to assist with infection control and vaccination efforts as well as mitigation strategies for the corrections system via supplies and physical distancing, improved re-entry into society mechanisms, and vaccination of detainees and staff.
- Improved sequencing, surveillance, and outbreak analytics of new and emerging strains.

- \$30 billion to refill the Disaster Relief Fund for critical supplies and 100% reimbursement for critical emergency response resources.
- \$10 billion for expanding domestic manufacturing of protective equipment under the Defense Production Act.
- Further investment in novel therapies.
- Development of a covid-19 Protection Standard by the Occupational Safety and Health Administration (OSHA) to protect workers from unsafe working conditions and retaliation as well as additional OSHA grant funding to keep vulnerable workers healthy and safe.
- Support for an international and humanitarian response.
- \$170 billion from Congress, in addition to state and local support, in funding relief for K-12 schools and institutions of higher learning.
- \$130 billion for schools to be able to provide the equipment or physical restructuring necessary to safely reopen.
- \$35 billion to expand the Higher Education Emergency Relief Fund to provide millions of students with up to \$1700 in financial assistance for college.
- \$5 billion for governors to support the educational needs of students significantly impacted by the pandemic.
- Expansion of paid emergency leave. This would require employers to provide leave, remove the exemption for employers with more than 500 employees or fewer than 50, provide over 14 weeks of paid sick, family, and medical leave, include federal workers, provide a maximal benefit of \$1,400 per week for eligible individuals, reimburse employers with fewer than 500 employees, as well as state and local governments, for the cost of this leave, and extend this plan through September 30, 2021.

2. **Deliver immediate relief to working families bearing the brunt of this crisis:**

- \$1,400 per person in direct stimulus with increased support to the Treasury Department to reach every eligible individual.
- Extension and expansion of unemployment benefits.
- Extension of eviction and foreclosure moratoriums until September 30, 2021.
- \$25 billion in rental assistance and \$5 billion in critical utility assistance for low- and moderate-income households.
- \$5 billion in emergency assistance for people experiencing or at-risk for homelessness.
- Extension of the 15% Supplemental Nutrition Assistance Program (SNAP) increase through September 30, 2021.
- \$3 billion to support the Women, Infants, and Children (WIC) program.
- Partnership with the Federal Emergency Management Agency (FEMA) Empowering Emergency Deliveries (FEED) Act to provide food for families who need it.
- Further support of SNAP by temporarily halting the state match.
- \$1 billion in assistance for territories to support their nutrition programs.
- \$15 per hour minimum wage.
- Support for pandemic hazard pay from employers.
- \$25 billion emergency fund to provide financial support for childcare providers.
- \$15 billion added to the Child Care and Development Block Grant Program.
- Childcare tax credits for 50% of expenses related to child care for children under the age of 13, with up to \$4,000 for one child or \$8,000 for two or more children. Families making less than \$125,000 can receive the full benefit, and families making under \$400,000 can receive partial reimbursement.

- One year of refunds for the Child Tax Credit, with an increase in the dollar amount as well as including children aged 17.
- Expansion of the Earned Income Tax Credit.
- \$1 billion for states to support the Temporary Assistance to Needy Families program.
- Congressional subsidies for continuation health coverage (COBRA) through September 30, 2021.
- \$4 billion to expand the Substance Abuse and Mental Health Services Administration and the Health Resources and Services Administration to expand their programs.
- \$20 billion for veterans' care.
- At least \$800 million in supplemental support for federal programs that support domestic violence and sexual assault survivors.

3. **Support communities that are struggling in the wake of covid-19:**

- \$15 billion in grants for small businesses affected by the pandemic.
- \$35 billion invested into small business financing programs to generate \$175 billion in loans and investments.
- \$350 billion in emergency funding for state, local, and territorial governments to support front line public workers. \$3 billion of this is dedicated to Economic Development Administration (EDA) grants to support bottom up economic development.
- \$20 billion for public transportation agency relief.
- \$20 billion to support tribal government response to the pandemic
- \$9 billion to expand the Cyber Security and Information Security Agency (CISA) and the General Services Administration (GSA).
- \$200 million for new hiring of experts to support the Chief Information Security Officer and U.S. Digital Service.
- \$300 million to the General Services Administration to develop and complete transformational IT projects across multiple agencies.
- \$690 million for increased security of federal civilian networks.

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