

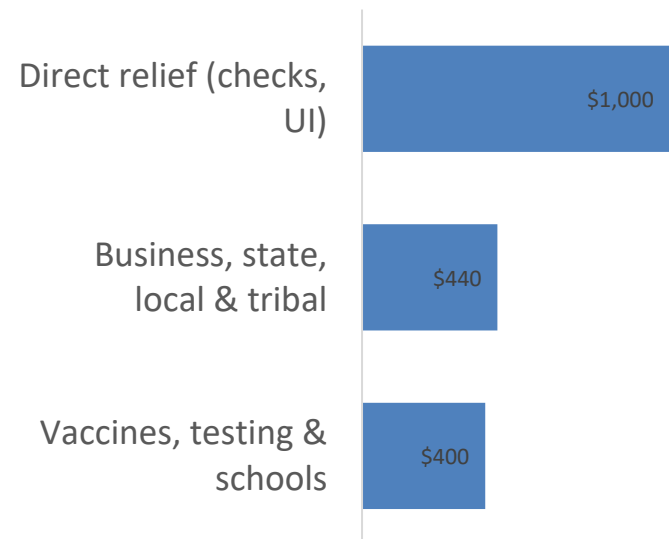
# American Rescue Plan Overview & Higher Ed Details

# Biden's American Rescue Plan overview

## Key Provisions

- **\$1.9T** overall investment
- **\$20B** for a national vaccine program
- **\$50B** to expand testing
- **\$170B** to schools (K-12 and higher ed)
- **\$100%** COBRA subsidy
- **\$1,400** stimulus checks, including for adults claimed as dependents (e.g., college students or the elderly)
- **Eviction and foreclosure** moratorium through Sept. 2021
- **Federal unemployment benefits** increase to \$300/week through September 6 2021 with automatic stabilizers
- **Child tax credit increases**
  - **\$3,600/year** for children under 6
  - **\$3,000/year** for children between ages 6 and 17
- **Earned Income Tax Credit** increase from \$530 to **\$1,500**
- Grants to over 1 million small businesses and **\$35B** for low-interest loans, esp. clean-energy investments

## Topline breakdown (in billions)



# Who does the American Rescue Plan help?

## American families

**\$1,400 checks**

**\$424 billion**

**State and local aid  
(prevent layoffs and service cuts)**

**\$350 billion**

**Unemployment insurance**

**\$246 billion**

**Veterans**  
**\$17 billion**

**Restaurant and bars**  
**\$25 billion**

**Renters and homeowners**  
**\$40 billion**

**Other**  
**\$45 billion**

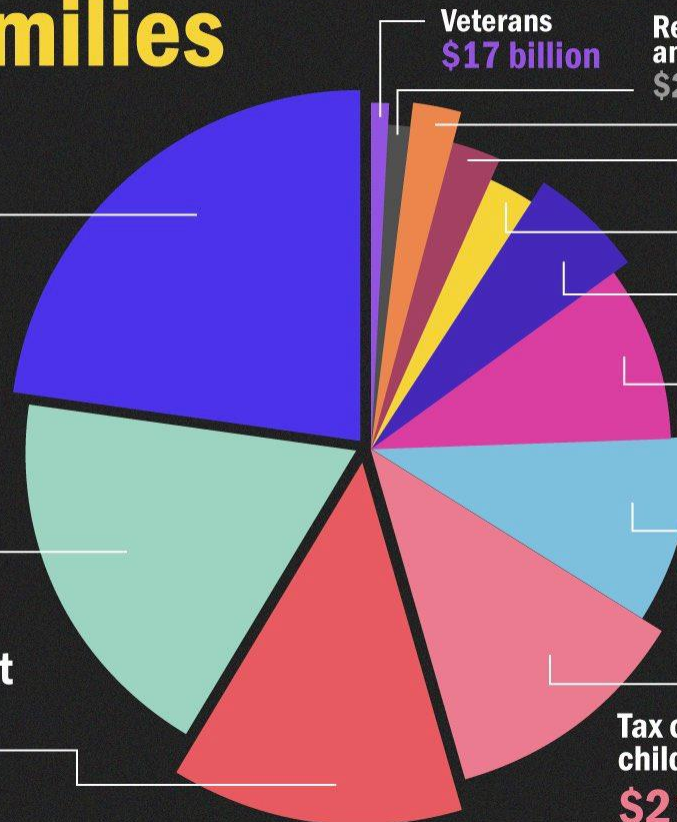
**FEMA disaster relief**  
**\$47 billion**

**Farmers, small businesses, and other vital industries**  
**\$109 billion**

**Vaccinations and health care**  
**\$176 billion**

**Reopen schools and higher education**  
**\$178 billion**

**Tax credits, aid, and child care for families**  
**\$219 billion**



Source: Congressional Budget Office, "Estimated Budget Effects of the American Rescue Plan Act of 2021" (2021).

# The Fine Print: Higher Education

\$40 billion, available through Sept. 30, 2023

- The American Rescue Plan provides \$40 billion through existing Higher Education Emergency Relief (HEER) Fund, including funding for:
  - Public and private non-profit institutions *\$36 billion*
  - Historically Black colleges and universities, tribal colleges and minority-serving institutions *\$3 billion*
  - For-profit colleges to provide financial aid grants to students *\$400 million*
  - Institutions with the greatest unmet need related to the pandemic or those not served by the HEER formula *\$200 million*
- Institutions must spend at least 50 percent on emergency financial aid grants provided directly to students.
- Institutions can use remaining funds to replace lost revenue, reimburse for emergency expenses, and more.
- Maintenance of Effort requirements apply through FY 2023.
- ACE estimates by institution: <https://www.acenet.edu/Policy-Advocacy/Pages/HEA-ED/ARP-Higher-Education-Relief-Fund.aspx>
- Closes the 90/10 loophole.
- Makes student loan forgiveness tax-free for next 5 years.

# The Fine Print: Education Funding

## **Maintenance of Effort.**

### Maintenance of Effort (MOE):

- States must maintain spending on both K-12 and higher education in FY 2022 and FY 2023 at least at the proportional levels relative to a state's overall spending. The MOE can be waived by the Secretary of Education.
- (note that states now have 3 overlapping but distinct MOE requirements for education funding from CARES, December relief bill, and American Rescue Plan)

State and local governments *cannot* use American Recovery Plan funds to offset revenue resulting from a tax cut enacted since March 3, 2021.

- Dept of Treasury must implement, intended to stop states from gaming MOE/repeating what happened a decade ago

# The Fine Print: State & Local Aid

\$350 billion, available through Dec. 31, 2024

- Provides \$350 billion to help states, cities, towns and tribal governments cover increased expenditures, replenish lost revenue and mitigate economic harm from the COVID-19 pandemic. Funds may be used to:
  - Respond to the COVID-19 emergency and address its economic effects, including through aid to households, small businesses, nonprofits, and industries such as tourism and hospitality.
  - Provide government services affected by a revenue reduction resulting from COVID-19.
  - Make investments in water, sewer and broadband infrastructure.
  - Provide "premium pay" to essential workers of up to \$13 per hour, capped at a maximum \$25,000.
- **State and local governments *cannot* use the funds towards pensions or to offset revenue resulting from a tax cut enacted since March 3, 2021.**
- State and local governments *can* transfer funds to private nonprofit groups, public benefit corporations involved in passenger or cargo transportation, and special-purpose units of state or local governments.

# AFT Engagement: new platform

- **Description:** The Political Leads Community on the e-learning platform is designed to support the work of AFT affiliates engaging members in electing candidates that share our values. This online community is a space for our AFT political leads to access resources, templates, toolkits, important dates and updates. Participation in Political Leads Community will connect you to the AFT Political Department and to other leads from across the country doing the work to win elections.
- **Link to sign up & join community:**  
<https://aftelearning.org/group/128/information>
- **any questions?:** contact Maeve Kline, [mkline@aft.org](mailto:mkline@aft.org) or Darrell Capwell, [dcapwell@aft.org](mailto:dcapwell@aft.org)



## AFT POLITICAL LEADS COMMUNITY

[About](#)[Information](#)[Discussions](#)[Calendar](#)[Files](#)[Add event](#)

### We care. We fight. We show up. We VOTE!

Welcome to the Political Leads Community to support the work of AFT affiliates engaging members in electing candidates that share our values. This online community is a space for our AFT political leads to access resources, templates, toolkits, important dates and updates. Participation in Political Leads Community will connect you to the AFT Political Department and to other leads from across the country doing the work to win elections.

[AFT Political and GR Department Contact List](#)

#### The AFT Political Leads Community provides an opportunity to:

- Engage in conversation with the AFT political community to can share strategies that work and get recommendations from others for their program.
- Consolidate resources that directly relate to AFT political programs.
- Work together to run a more engaging, targeted campaign that reaches more members and with the right message.
- Ensure that everyone has information on and access to the available tools for member contact (LAN, P3, Hustle, etc.).
- Access the upcoming events calendar, including monthly calls, upcoming election dates from across the country, and upcoming AFT trainings and meetings.

## TOPICS

Political Leads  
Community Overview

COPE

AFT Candidates on the  
Issues

Voter Contact Resources  
& Trainings

Running for Office

Campaign Templates

Issues and Actions

## Issues and Actions

### State Specific Relief Fact Sheets on the American Rescue Plan

- [Alabama](#)
- [Alaska](#)
- [Arizona](#)
- [Arkansas](#)
- [California](#)
- [Colorado](#)
- [Connecticut](#)
- [Delaware](#)
- [Florida](#)
- [Georgia](#)
- [Hawaii](#)
- [Idaho](#)
- [Illinois](#)
- [Indiana](#)
- [Iowa](#)
- [Kansas](#)

# The Fine Print: **Additional Resources**

The White House:

[The American Rescue Plan](#) (Homepage)

[The American Rescue Plan Has Passed. Now What?](#) (Blog)

Senate Democrats:

[American Rescue Plan Resources & Materials](#) (Homepage)

[Title-by-Title Summary of the American Rescue Plan](#) (White Paper)

Center for American Progress:

[American Rescue Plan Could Help Prevent State Public Higher Education Cuts](#) (Report)

Center for Budget and Policy Priorities:

[American Rescue Plan Act Will Help Millions and Bolster the Economy](#) (Report)



*Please remember to thank your Representatives and Senators for voting YES*

# Questions?



## OUR MISSION

The **American Federation of Teachers** is a union of professionals that champions fairness; democracy; economic opportunity; and high-quality public education, healthcare and public services for our students, their families and our communities. We are committed to advancing these principles through community engagement, organizing, collective bargaining and political activism, and especially through the work our members do.

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