
Parrott: Senate's American Rescue Plan Would Dramatically Reduce Hardship, Begin to Set Stage for Stronger Recovery

CBPP today released a statement from Sharon Parrott, President, on the new recovery package before the Senate:

The Senate's just-released American Rescue Plan would help tens of millions of struggling people pay their rent and put food on the table, help school districts address student learning loss, boost vaccine distribution, and bolster the economy.

This historic crisis has caused enormous hardship, with the pain heavily concentrated among low-paid workers, who have suffered the greatest job losses, and low-income households with children. And given the nation's long history of racism and unequal opportunity, people of color have faced a disproportionate share of the harm.

The American Rescue Plan comes at a time when our job losses still exceed those at the worst point of the Great Recession, reflecting a job market that remains far weaker than the headline numbers suggest. The bill not only has critical public health funding to address the pandemic (essential for a full economic recovery), but it also has the power to dramatically reduce hardship and to begin to set the stage for a stronger and more equitable recovery.

The Senate should pass the bill as quickly as possible so that these critical relief measures can begin — or in some cases continue — to reach those who need it.

These measures include expanded and extended unemployment benefits; child care investments to shore up providers and help families afford care; expansions in the Child Tax Credit and Earned Income Tax Credit to boost incomes and cut child poverty; a new round of stimulus payments; continuation of key food assistance provisions and increased housing assistance to help struggling families afford enough food and pay the rent; health coverage expansions; and pandemic emergency funds states can use to help families facing hardship.

The bill also includes fiscal aid for states, territories, tribes, and localities and critical funding for K-12 schools to help them educate children safely and address large-scale learning loss, particularly among low-income children, who are disproportionately children of color. Children have shouldered a tremendous burden during this crisis and these funds represent a landmark opportunity to invest in our children so that the damage to their educations is not permanent.

This bill will help millions of people, but the nation would need fewer stopgap measures during hard times if we had permanent policies in place that ensured universal health coverage, adequate jobless benefits, and supports for households struggling to make ends meet. Charting a course for an equitable recovery will require turning to these long-term, underlying investment deficits and policy gaps.

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