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## Parrott: President-Elect Biden's Relief Plan Meets Urgency of Health and Economic Crisis

*CBPP today released a statement from Sharon Parrott, president, on President-elect Biden's new emergency relief proposal:*

President-elect Biden's emergency relief proposal is a substantial, responsible plan that would significantly reduce the hardship that millions of people across the country are now facing and will continue to face for some time, given the still-surging virus and stalled economic recovery. With key unemployment provisions in the year-end relief package ending in mid-March, less than eight weeks after the presidential inauguration, Congress and the incoming Administration should work quickly to enact legislation based on this proposal.

The President-elect's proposal would extend a series of important relief measures that are slated to expire prematurely. First, it would extend expanded unemployment benefits for millions of people through at least September and indicates that provisions should remain in place as long as they are needed. The year-end relief package extended these benefits only through March 14, when the economy is expected to remain weak and millions of people will remain unemployed. Extending these benefits is particularly important for workers of color, who have been hard hit by the pandemic and recession and who historically have waited longest to see the gains from a rebounding job market.

In addition, the proposal includes substantial resources to help people pay rent and keep a roof overhead, as well as funding to help people experiencing homelessness. It would extend through September the federal moratorium on evictions, slated to expire at the end of January, and it calls on Congress to fund legal assistance programs to help those facing eviction. Late in December, nearly 14 million renters reported that they were behind on rent, one-third of whom said they had lost employment income and expected to be evicted in the next two months, according to recent Census data. Together with the relief already provided in the year-end package, the President-elect's proposal would help millions of these families keep their housing and avoid eviction in coming months. The proposal's additional funding for the Low Income Home Energy Assistance Program would also help struggling households afford their heating and cooling bills.

The proposal also includes key investments to address the nation's alarming rates of hunger. It would extend the recently enacted increase in SNAP benefits through at least September, helping millions of families, including millions of children, have enough to eat. Here, too, the plan indicates that this help should remain in place as long as needed, based on economic conditions. Twenty-nine million adults reported in late December that their household sometimes or often didn't get enough to eat in the last seven days, up by 7 million just since August, when food hardship was already high due to the pandemic and recession. Rates of food hardship are particularly high among children, raising serious concerns about the long-term consequences of the crisis on their health and development. The current SNAP benefit increase will otherwise end in June, before the economy has recovered and while food insecurity is likely to remain

high. The President-elect's package also includes investments to address rising food needs in the territories and to ensure that the WIC program reaches more eligible low-income women, infants, and children with its high-impact nutrition benefits. Unfortunately, the package appears to have left out an extension of the P-EBT program, which could help guard against food hardship this summer and provide a critical tool for the future to ensure schoolchildren do not miss out on meals during prolonged school closures.

The proposal includes much-needed state and local government fiscal relief, including funds specifically to support schools and public colleges, funding to hire more local public health workers, and aid to help states and localities avoid laying off more people. Already, 1.4 million state and local workers have lost their jobs since February. In addition, the proposal includes critical support for tribal governments, which have been hit especially hard by the pandemic. It also includes additional TANF funds to help states cover the costs of increased TANF caseloads and to provide additional cash assistance to families with very low incomes, who are finding it harder to meet increased costs resulting from the pandemic.

President-elect Biden's plan also temporarily expands the Child Tax Credit and Earned Income Tax Credit (EITC), which would help millions of low-income families with children and workers without minor children at home make ends meet in the wake of the health and economic crisis. The proposal would increase the amount of the Child Tax Credit and make the full credit available to the 27 million children who currently don't get the full credit (or in some cases, any credit at all) because their incomes are too low. The EITC expansion is key for helping workers in low-paid jobs get back on their feet financially — especially low-income Black and Latino workers, many of whom serve in “essential” jobs and others who have seen reduced earnings as a result of the crisis. The temporary expansions provide a foundation that policymakers can build upon to support a more equitable economic recovery in the longer run.

The expansion of these credits complements the proposal's increased Economic Impact Payments, which would cushion the financial blow from the crisis for a broad swath of the country and boost the economy. The President-elect's plan extends eligibility for the payments to roughly 15 million adult dependents, who were ineligible for previous payments. The plan indicates that the payments would be extended to more households that include immigrants, which is key to helping a group that has seen significant job and earnings losses.

The proposal would expand premium tax credits to help people afford comprehensive health coverage in the Affordable Care Act marketplaces. This would reduce or eliminate premiums for millions of current marketplace consumers while expanding access to many others who are uninsured — a crucial step during the pandemic that will help people get needed health care. The plan also includes vital funding to address the nation's public health needs, such as funding for vaccine distribution.

The plan calls for substantial additional child care funding, to supplement the funds provided in the year-end relief package. This funding could help child care providers cope with reduced enrollment due to the pandemic and with increased costs to keep children and staff safe. It also could provide needed help to families to afford child care as more people are able to return to work.

The proposal would extend paid sick days and family/medical leave for workers affected by COVID through September and expand these benefits to cover more than 100 million additional people — including many front-line workers — who were left out of the paid leave provisions in the March 2020 Families First Act. Paid leave is a critical public health and economic security tool during the pandemic. Without paid time off, more workers go to work when sick or after exposure to the virus, and others face serious challenges balancing caregiving responsibilities that have expanded as schools and child care

programs have closed for in-person class and care. The plan also recognizes the need to raise the minimum wage, which has been frozen since 2009.

The robust set of measures in President-elect Biden's proposal would meet critical needs and is appropriate to the scale of the crisis we face. Given the current economic environment, the risk of providing too little economic stimulus and hardship relief far outweighs the risk of providing too much. Policymakers should not repeat the mistakes of the Great Recession, when they inflicted substantial human and economic harm on the nation by shifting to a posture of austerity that weakened the recovery, particularly for those groups that faced high unemployment for particularly prolonged periods.

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