

Summary of Key Provisions in H.R. 1319, the American Rescue Plan Act of 2021

The House and Senate have approved H.R. 1319, the American Rescue Plan Act, in party line votes using a process called budget reconciliation, which requires a simple majority to approve measures that are restricted to spending items. The \$1.9 trillion package is designed to provide aid to individuals, families, businesses and states trying to recover from the adverse impacts of COVID. The original introduced version of this package in the House contained a cost-of-living adjustment freeze for overall contributions to defined contribution plans and capped the maximum annual benefit for defined benefit plans beginning in 2031. This language was supposed to be a so called “pay-for,” but was stripped from the package in the Senate. A brief summary of key provisions is listed below and more comprehensive summaries from Senate Democratic Leader Schumer can be found here: [ARP Title by Title Summary.pdf \(senate.gov\)](#) & [ARP Summary of Modifications in the Senate Bill.pdf](#)

Key Provisions:

- **Stimulus Checks**- Provides \$1,400 to single person with adjusted gross income of \$75,000 or below, heads of household adjusted gross income of \$112,500 or below, and for married couples filing jointly \$150,000 or below. Eligible recipients also receive equal payments for children. Partial payments below \$1,400 phase out for individuals at \$80,000, heads of household at \$120,000 and joint filers at \$160,000.
- **Unemployment Benefits**- Provides for a weekly supplemental benefit (federal pandemic unemployment compensation) of \$300 on top of regular unemployment coverage, which runs through September 6, 2021.
- **Paycheck Protection Program**- Expands eligibility for nonprofits and includes \$15 billion in emergency grants.
- **EIDL Grants**- Adds \$15 billion for targeted Economic Injury Disaster Loans for underserved and minority owned businesses.
- **Pensions**- Provides \$86 billion to underwater pension funds in selected states.
- **Tax credits**- Expands earned income tax credits for 2021, increases child tax credits, and expands child care and dependent care tax credits.
- **Housing**- Includes \$10 billion for homeowners facing foreclosure and \$27.4 billion in rental assistance, and \$5 billion to help families cover utility expenses.
- **Transportation**-Includes \$30 billion for subway and bus systems, \$8 billion for airports, \$1.5 billion for Amtrak workers, and \$3 billion for aerospace company employee wages.
- **ObamaCare Subsidies**-Increases funding through 2022 and provides tax credits for families to cover insurance costs.

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