



# What the \$1.9 Trillion Stimulus Package Means for Working Moms

It's a big deal.

By AUDREY GOODSON KINGO AND QUINN FISH Updated: MAY 17, 2021

President Joe Biden signed into law the American Rescue Plan, a \$1.9 trillion package for coronavirus relief, on Thursday, March 11. Here's everything working families need to know about the stimulus, including an expanded child tax credit, daycare relief, money to help schools reopen, and more.

## How much money will my family get?

A family of four could get thousands in checks and tax credits, but it depends on your income, as well as the age and number of dependents in your home.

Individuals making under \$75,000 and married couples making under \$150,000 will receive direct payments of \$1,400 per person. The bill also provides \$1,400 per dependent. For individuals and families making more than that, the payments decrease until it stops entirely for single people making \$80,000 or married couples earning \$160,000 altogether, *The New York Times* reports.

## Will I get the child tax credit too?

President Biden announced on May 17 that the first child tax credit payments will go out to approximately 39 million families on July 15, *The Washington Post* reports. Eighty-eight percent of children in the US are slated to receive the monthly payments of \$300/month for children 5 and under and \$250/month for children ages 6 to 17 for those who qualify. No action is required by parents.

The child tax credit is an anti-poverty measure that's been around since 1997, but for years, it's left out one-third of US children from accessing the maximum benefit. The Biden administration proposed a one-year expansion of the credit from a current maximum of \$2,000 per child to \$3,600 for the youngest children, *19th* reports. The credit is refundable, meaning families who don't owe taxes can still receive the cash. The temporary expansion allows low-income families to receive the full credit—they have previously been ineligible or receive only a portion, *The New York Times* reports. (This measure will cut child poverty *in half*.)

Everyone in the family must have a valid Social Security number, with an exception for members of the military. Your adjusted gross income is on line 8b of your 2019 1040 federal tax return. For specifics on how much you will receive, check out Kiplinger's Child Tax Credit Calculator.

Working families who pay for care will get an additional tax break too! Separate from the child tax credit is the child and dependent care tax credit. For one year, this credit would also be expanded to serve more families. The credit currently covers 20 to 35 percent of child care expenses for qualifying families, but it's been expanded to cover 50 percent of the value of eligible expenses, dependent on income, *The New York Times* reports. The bill makes the credit worth up to \$4,000 for one qualifying child or \$8,000 for two or more. (The full value of the credit is available to households making up to \$125,000, and it phases down for households who make more.)

## What if I'm unemployed?

The bill extends the existing \$300 weekly unemployment benefit through Sept. 6, as well as provides a tax break on \$10,200 in unemployment benefits, *The Washington Post* reports (for people with incomes of less than \$150,000 in 2020).

## What will happen to my kid's daycare?

Working moms are well aware that the child care industry has struggled to weather the pandemic—costs are up and enrollment is down at many centers. Some have permanently shuttered. The good news is the bill contains a \$24 billion stabilization fund for providers. The money would help them pay for costs including rent, utilities, and payroll. That means more moms will be able to find a daycare spot when they need it—a critical component of helping women return to work.

The bill also includes an additional \$15 billion for the Child Care and Development Block Grant program (CCDBG), which helps improve access to child care for working families. States can use the money to offer child care subsidies for more families, or they can increase the wages and benefits of child care providers, “many of whom have been asked to work through a pandemic without health insurance, and while making less than \$11 an hour,” Vox reports.

The package also includes \$1 billion for Head Start programs and other measures directed at families with young children. Read more about the specifics here.

“American families and businesses, including child care providers, are one step closer to receiving the relief they desperately need,” says First Five Years Fund (FFYF) Executive Director Sarah Rittling. “This relief can't come soon enough for the thousands of early learning facilities across the country that have been hanging on by a thread, hoping Congress would deliver enough support to effectively stabilize the child care industry.”

## Do I get paid leave in case of emergencies?

Depending on your employer, yes.

Under the bill, federal employees would gain access to up to 600 hours (or 15 weeks) of emergency paid family and medical leave for COVID-related purposes through September 30. For federal contract employers, the bill extends the federal government's willingness to reimburse contractors who choose to provide paid leave for COVID-related issues, illness and a lack of child care, the *Washington Post* reports.

Private sector businesses with less than 500 workers nationwide as well as state and local governments can receive tax credits under the proposed plan if they choose to provide emergency COVID-related paid leave (10 days for quarantine, isolation, illness, diagnosis all related to COVID, plus to get a vaccine or deal with vaccine side effects) and up to 12 weeks for longer-term COVID-related personal issues, caring for a loved one whose place of care is closed or caregiver is unavailable due to COVID, or for a child whose school is closed or whose child care is unavailable due to COVID. However, there is no guarantee that any worker be provided paid leave for any of these purposes, notes Vicki Shabo, the senior fellow for paid leave policy and strategy for the Better Life Lab at New America.

“The Plan’s investments are significant—and yet working people, families and their employers need longer-term, permanent new care infrastructure if the country is able to build back stronger and equitably, especially for the women who have been hit the hardest over the past year,” Shabo says. “If there’s anything the pandemic has underscored, it’s that everyone needs time to care for themselves and their loved ones—to be there for a baby’s first smile or to hold a dying parent’s hand.”

## Will this help my child’s school reopen?

It should. The American Rescue Plan dedicates \$170 billion to K-12 schools, higher education, state education agencies, governors and private schools to help with reopening, *FutureEd* reports.

The funds will be used to address learning loss, kids’ social and academic needs, after school programs, coordination with public health departments, school facility repairs, educational technology, and other reopening-related purposes. The Alliance for Excellent Education created a helpful fact sheet that summarizes the funding allocation here.

## I’ve heard the bill supports domestic violence victims. Is that true?

Yes. It includes \$450 million for domestic violence services, USA Today reports. This money is crucial because violence against women has surged during the pandemic.

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