



House passes Biden's \$1.9 trillion American Rescue Plan, including \$25 billion in restaurant relief

The COVID-19 relief package — including the \$15 minimum wage and restaurant relief — is one step closer to passing but faces a hurdle in the Senate. The Senate is likely to strip out the \$15 minimum wage from the bill, and then it will have to go back to the House for another vote.

Joanna Fantozzi | Feb 27, 2021

The U.S. House of Representatives voted to pass President Biden's \$1.9 trillion American Rescue Plan largely on party lines — including \$25 billion in relief for small restaurants and the \$15 minimum wage hike — in the middle of the night Friday into early Saturday morning.

“With their vote, we're one step closer to vaccinating the nation, one step closer to putting money in pockets of Americans [...] one step closer to millions of Americans feeding their families [...] one step closer to getting state and local governments what they need to prevent massive layoffs of frontline workers,” President Biden said in a press conference Saturday morning. “Now the bill moves to the US Senate where I hope we receive quick action.”

The bill, which includes \$1,400 relief checks for Americans making under \$75,000 and funds for vaccine distribution, among other relief, now faces a significant hurdle as it heads to the Senate, where the Senate parliamentarian ruled Thursday that the

controversial \$15 minimum wage cannot be included in the relief package because it violates budget reconciliation process rules.

Progressive Democrats expressed dismay over the parliamentarian's ruling, with Nancy Pelosi saying calling the decision "disappointing" and Sen. Bernie Sanders (I-Vt.) said that he would introduce an amendment to the package on the Senate floor that would "take tax deductions away from large, profitable corporations that don't pay workers at least \$15 an hour and provide small businesses with the incentives they need to raise wages," according to CBS News.

The business community has expressed concern over the prospect of more-than doubling the federal minimum wage, which currently stands at \$7.25 per hour, while advocacy groups like the "Fight for \$15" applauded the "historic vote" on the relief package bill, which "brings the country one step closer to a \$15 minimum wage."

The \$1.9 trillion American Rescue Plan also includes the Restaurants Revitalization Fund , which would provide \$25 billion in relief for small and mid-sized restaurants and based on the original \$109 billion RESTAURANTS Act passed by the House last year. The plan would provide up to \$5 million in grants for individual restaurants, bars, caterers, breweries and tasting rooms or up to \$10 million for restaurant groups. To qualify, restaurants must not be part of an affiliated restaurant group with more than 20 locations. The first three weeks of the grant period would prioritize restaurants owned and operated by women, people of color and veterans. Additionally, one-fifth of the funding is set aside for businesses that grossed less than \$500,000 in receipts in 2019.

"With today's vote, we have finally set the table for a first course of urgently needed aid," Rep Earl Blumenauer (D-Or.), who penned the original restaurant relief proposal said in a statement Saturday. "As we hopefully return to normal later this year, this legislative lifeline could spell the difference between survival of some of our most cherished local restaurants and losing them forever."

The American Rescue Plan also includes:

- An extension of federal unemployment benefits from \$300 to \$400 per week through the end of September
- A new \$15 billion grant program for struggling small business owners, separate from the existing Paycheck Protection Program, along with a \$35 billion investment in local financing programs that provide businesses with low-interest loans.
- An extension of eviction and foreclosure moratoriums until the end of September, with \$5 billion set aside to help tenants struggling to pay rent.
- Restoration of emergency paid sick leave through the end of September
- \$350 billion in aid for state and local governments
- \$170 billion in aid for K-12 schools and higher education
- \$50 billion for Covid-19 testing
- 15% increase in SNAP benefits through September
- \$20 billion toward a national vaccine program, in partnership with state and local governments
- Increasing the Child Tax Credit to \$3,000 per child (\$3,600 for children under 6) and making it refundable for the year

The Senate is expected to strip out the \$15 minimum wage increase from the American Rescue Plan, and then a revised version would have to go back to the House to be voted upon.

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