

# AMERICAN RESCUE PLAN

## **The American Rescue Plan: Impacts on Arkansas**

### **The Need for Action in Arkansas**

*The pandemic and the associated economic crisis have had a severe impact on Arkansas. The need for action is clear:*

- Since the pandemic began, more than 320,000 people have been infected with COVID-19 and more than 5,000 people have died.
- The unemployment rate is 4.9%, up from 3.8% before the pandemic.
- Since February 2020, more than 7,000 fewer people are employed.
- 235,000 adults – 12% of all adults in the state – report not having enough food to eat. This includes 106,000 adults living with children, or 14% of all adults living with children, who report that the children in their household do not have enough to eat.
- An estimated 82,000 renters or 13% of renters are not caught up on rent.
- An estimated 776,000 adults or 37% of all adults statewide report having difficulty covering normal household expenses.

### **The Effect of the American Rescue Plan on Arkansas**

*President Biden's American Rescue Plan will provide Arkansas with:*

- \$1.7 billion in state fiscal relief
- \$1 billion in local fiscal relief
- More than \$1.2 billion in relief for K-12 schools
- Economic impact payments of up to \$1,400 per person (above the \$600 per person provided in December) for more than 1.9 million adults and 833,000 children. This is 93% of all adults in the state and 94% of all children in the state.
- Additional relief of up to \$1,600 per child through the Child Tax Credit to the families of 661,000 children, lifting 48,000 children out of poverty
- Additional relief of up to nearly \$1,000 through the Earned Income Tax Credit to 184,000 childless workers, including many in frontline jobs
- Marketplace health insurance premiums that are \$1,140 lower per month for a 60-year old couple earning \$75,000 per year