



## Reflecting on One Year of the American Rescue Plan

Updated March 11, 2022

On March 11, 2021, President Joe Biden signed the [American Rescue Plan \(ARP\)](#), legislation to tackle COVID-19, help communities recover from the pandemic's fallout, and pull families back from the brink of economic catastrophe. Below are just a few of the lasting effects this legislation has had on working families and the U.S. economy over the past year.<sup>1</sup>

- **The American Rescue Plan Lowered Costs for Families.** The American Rescue Plan provided nearly 40 million families with an expanded Expanded Child Tax Credit that, experts estimate, helped bring child poverty to record lows in 2021. Thanks to the law, households also received more than 170 million Economic Impact Payments, direct assistance that helped 85 percent of Americans pay for groceries, rent, car payments, and much more.
- **The American Rescue Plan Created Jobs.** [Moody's estimates](#) that 4 million of the 6.7 million jobs added in 2021 would not have been created without the ARP. The law's State and Local Fiscal Recovery Funds alone have helped states and local governments add 374,000 jobs since ARP passed. The ARP also made the recovery more equitable: 2021 saw the fastest calendar year decline on record in the number of unemployed Black workers, and Hispanic unemployment saw the largest calendar year drop on record.
- **The American Rescue Plan Made Health Care More Affordable.** The American Rescue Plan cut premiums for 14.5 million Americans purchasing insurance coverage in the marketplace created by the Affordable Care Act. On average, consumers nationwide saved \$67 per month on premiums thanks to the ARP, while a family of four saved an average of \$2,400 on their annual premiums. The ARP also canceled health care copays for 2.5 million veterans during the pandemic. Finally, the law allowed states to invest \$3 billion in mental health and substance use services—the largest one-time investment in history for such programs.
- **The American Rescue Plan is Revitalizing Communities.** Funding provided by the American Rescue Plan is allowing states to make long-overdue investments in critical infrastructure. For example, states and territories have announced approximately \$9 billion in investments to expand high-speed Internet access. In addition, 21 states have committed ARP funds to improving water and sewer infrastructure, including removing lead pipes.
- **The American Rescue Plan is Putting Children's Needs First.** The ARP created the first nationwide summer supplemental nutrition program, feeding an estimated 30 million children. In addition, ARP funds are being used to address children's mental health needs, including through hiring school social workers and counselors. Thanks to these resources, schools have seen a 65 percent increase in numbers of social workers, and a 17 percent increase for counselors.

In the midst of the pandemic, the American Rescue Plan brought child poverty to an all-time low, extended health coverage to millions, and saved the U.S. economy from collapse. One year in, funding from this historic relief package continues to help communities across the country invest in a healthier future for our children. The American Rescue Plan is both a lifeline for families and a reminder of the transformative progress that bold federal legislation can shepherd.

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<sup>1</sup> All figures and estimates cited in this document were provided by the White House.