

Highlights of President Biden's American Rescue Plan Act

On March 11, 2021, President Biden signed into law the \$1.9 trillion American Rescue Plan Act of 2021 (ARPA), a package of changes in the law designed to stimulate the economy and provide economic relief to individuals and businesses hurt by the pandemic. Because the changes are extensive and no one summary can do justice to all the changes, we have collected here links to a series of articles from our partner law firms that summarize the changes.

Broad Overview of ARPA

- [*The Next Round of COVID-19 Relief – The American Rescue Plan*](#) (Duane Morris)
- [*Initial Key Takeaways from the American Rescue Plan Act of 2021*](#) (Morgan Lewis)

Broad Overview of the Employment Law Provisions of ARPA

- [*What Employers Need to Know About Biden's American Rescue Plan*](#) (Fisher Phillips)
- [*American Rescue Plan Act Signed: Details on the Latest COVID-19 Relief Package*](#) (Ogletree Deakins)

Families First Coronavirus Response Act (FFCRA) Paid Leave Provisions of ARPA

In addition to the Fisher Phillips, Morgan Lewis, and Ogletree Deakins articles noted above, the following articles focus on the tax credit provisions of ARPA that relate to the FFCRA and are effective from April 1, 2021 to September 30, 2021:

- [*American Rescue Plan Act Extensions, Changes to Select Tax Credit, Compensation Deduction Provisions*](#) (Jackson Lewis)
- [*The American Rescue Plan Extends FFCRA Tax Credit, But Not the Mandate*](#) (Jackson Lewis)
- [*Congress Passes American Rescue Plan: What Employers Need to Know*](#) (Proskauer)
- [*What Does The \\$1.9 Trillion American Rescue Plan Mean For Employers?*](#) (Troutman Pepper)

Because ARPA amended the already complicated text of the FFCRA, some of the revised provisions of the FFCRA are open to different interpretations. It will be up to the federal Department of Labor and the IRS to provide clarity with the updates they post on their websites: [DOL FFCRA homepage](#) and [IRS FFCRA homepage](#). It is anticipated that both agencies will issue guidance on or before April 1.

Employee Retention Credit Provisions of ARPA

The following article addresses the employee retention credit (ERC) provisions of ARPA, which will be in effect until December 31, 2021:

- [*American Rescue Plan Act Extensions, Changes to Select Tax Credit, Compensation Deduction Provisions*](#) (Jackson Lewis)

COBRA Premium Subsidy Provisions of ARPA

In addition to the Fisher Phillips and Morgan Lewis articles noted above, the following articles focus on the COBRA premium subsidy provisions of ARPA, which will be in effect from April 1, 2021 to September 30, 2021:

- [*Freedom Ain't Free. COBRA, On the Other Hand...American Rescue Plan Act Provides 100% COBRA Subsidy*](#) (Seyfarth Shaw)
- [*New COBRA Subsidies—What Employers Need to Know Now*](#) (Venable)

Employers with questions about the subsidy should contact their group health insurance carrier and/or outsourced COBRA administrator. Also look for the federal Department of Labor to post updates on the subsidy on its [COBRA homepage](#) and/or [Coronavirus Resources homepage](#).

Unemployment Compensation Benefits Provisions of ARPA

In addition to the Fisher Phillips, Morgan Lewis, and Ogletree Deakins articles noted above, the following articles focus on the unemployment compensation benefits provisions of ARPA, which have been extended to September 6, 2021:

- [*Congress Passes American Rescue Plan: What Employers Need to Know*](#) (Proskauer)
- [*What Does The \\$1.9 Trillion American Rescue Plan Mean For Employers?*](#) (Troutman Pepper)

Employers with questions about unemployment comp benefits should review the unemployment comp section of the applicable state department of labor's website ([Connecticut](#), [New Jersey](#), and [New York](#)).

Dependent Care FSA Provisions of ARPA

As the following article explains, ARPA increased the amount that may be excluded from taxable income in 2021 for dependent care flexible spending accounts (FSAs):

- [*ARP: Employee Benefits and Executive Compensation*](#) (Ballard Spahr)

Pension and Executive Compensation Provisions of ARPA

In addition to the Fisher Phillips and Morgan Lewis articles noted above, the following articles focus on the pension and executive compensation provisions of ARPA:

- [New COVID-19 Stimulus Bill Includes Significant Pension Reforms and Expands Scope of 162\(m\) Compensation Deduction Limit](#) (Proskauer)
- [Pension and Executive Compensation Provisions in the American Rescue Plan Act](#) (Seyfarth Shaw)

Small Business Assistance and Paycheck Protection Program Provisions of ARPA

The following articles focus on the small business assistance and Paycheck Protection Program provisions of ARPA:

- [American Rescue Plan Becomes Law, with Additional Small Business Assistance and Changes to the Paycheck Protection Program](#) (Duane Morris)
- [Paycheck Protection Program: FAQs for Nonprofits](#) (Lowenstein Sandler)
- [Paycheck Protection Program – Where Are We Now? An Up-To-Date Guide to the Paycheck Protection Program](#) (Proskauer)

Questions?

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