



Press Release

The American Rescue Plan's Labor Provisions

ALLISON EDWARDS | FEBRUARY 12, 2021

As part of the American Rescue Plan, House Democrats have proposed myriad labor-related provisions — a federal minimum wage increase, unemployment extensions, paid leave, and worker protections — aimed to provide support for workers and families. AAF's Director of Labor Market Policy Isabel Soto outlines these provisions and examines their potential impact on the labor market.

Her central points:

- The House Committee on Education and Labor has reviewed several labor-related provisions including increasing the federal minimum wage to \$15 by 2025, allocating \$150 million toward worker protection, and providing COVID-19 related workers' compensation to federal and postal employees as well as maritime workers; and
- The House Committee on Ways and Means is also considering a labor-related provisions that would extend existing emergency unemployment benefits, which could mean nearly 50 percent of workers could make more on unemployment than at work, and extend COVID-19 related paid leave, which would cost between \$132 and \$154.6 billion.

[Read the analysis.](#)