SUMMARY: AMERICAN RECOVERY AND REINVESTMENT

The economy is in a crisis not seen since the Great Depression.

Credit is frozen, consumer purchasing power is in decline, in the last four months the country has lost 2 million jobs and we are expected to lose another 3 to 5 million in the next year.

Conservative economist Mark Zandi was blunt: "the economy is shutting down."

In the next two weeks, the Congress will be considering the American Recovery and Reinvestment Bill of 2009. This package is the first crucial step in a concerted effort to create and save 3 to 4 million jobs, jumpstart our economy, and begin the process of transforming it for the 21st century with $275 billion in economic recovery tax cuts and $550 billion in thoughtful and carefully targeted priority investments with unprecedented accountability measures built in.

The package contains targeted efforts in:

- Clean, Efficient, American Energy
    - Transforming our Economy with Science and Technology
- Modernizing Roads, Bridges, Transit and Waterways
- Education for the 21st Century
- Tax Cuts to Make Work Pay and Create Jobs
- Lowering Healthcare Costs
    - Helping Workers Hurt by the Economy
- Saving Public Sector Jobs and Protect Vital Services

The economy is in such trouble that, even with passage of this package, unemployment rates are expected to rise to between eight and nine percent this year. Without this package, we are warned that unemployment could explode to near twelve percent. With passage of this package, we will face a large deficit for years to come. Without it, those deficits will be devastating and we face the risk of economic chaos. Tough choices have been made in this legislation and fiscal discipline will demand more tough choices in years to come.

Since 2001, as worker productivity went up, 96% of the income growth in this country went to the wealthiest 10% of society. While they were benefitting from record high worker productivity, the remaining 90% of Americans were struggling to sustain their standard of living. They sustained it by borrowing… and borrowing… and borrowing, and when they couldn't borrow anymore, the bottom fell out. This plan will strengthen the middle class, not just Wall Street CEOs and special interests in Washington.

Our short term task is to try to prevent the loss of millions of jobs and get our economy moving. The long term task is to make the needed investments that restore the ability of average middle income families to increase their income and build a decent future for their children.

EXECUTIVE SUMMARY

Unprecedented Accountability: A historic level of transparency, oversight and accountability will help guarantee taxpayer dollars are spent wisely and Americans can see results for their investment.

- In many instances funds are distributed through existing formulas to programs with proven track records and accountability measures already in place.

- How funds are spent, all announcements of contract and grant competitions and awards, and formula grant allocations must be posted on a special website created by the President. Program managers will also be listed so the public knows who to hold accountable.

- Public notification of funding must include a description of the investment funded, the purpose, the total cost and why the activity should be funded with recovery dollars. Governors, mayors or others making funding decisions must personally certify that the investment has been fully vetted and is an appropriate use of taxpayer dollars. This will also be placed on the recovery website.

- A Recovery Act Accountability and Transparency Board will be created to review management of recovery dollars and provide early warning of problems. The seven member board includes Inspectors General and Deputy Cabinet secretaries.

- The Government Accountability Office and the Inspectors General are provided additional funding and access for special review of recovery funding.

- Federal and state whistleblowers who report fraud and abuse are protected.

- There are no earmarks in this package.

This plan targets investments to key areas that will create and preserve good jobs at the same time as it is strengthening the ability of this economy to become more efficient and produce more opportunities for employment.

Clean, Efficient, American Energy: To put people back to work today and reduce our dependence on foreign oil tomorrow, we will strengthen efforts directed at doubling renewable energy production and renovate public buildings to make them more energy efficient.

- $32 billion to transform the nation's energy transmission, distribution, and production systems by allowing for a smarter and better grid and focusing investment in renewable technology.

- $16 billion to repair public housing and make key energy efficiency retrofits.

- $6 billion to weatherize modest-income homes.

Transform our Economy with Science and Technology: We need to put scientists to work looking for the next great discovery, creating jobs in cutting-edge-technologies, and making smart investments that will help businesses in every community succeed in a global economy. For every dollar invested in broadband the economy sees a ten-fold return on that investment.

- $10 billion for science facilities, research, and instrumentation.

- $6 billion to expand broadband internet access so businesses in rural and other underserved areas can link up to the global economy.

Modernize Roads, Bridges, Transit and Waterways: To build a 21st century economy, we must engage contractors across the nation to create jobs rebuilding our crumbling roads, and bridges, modernize public buildings, and put people to work cleaning our air, water and land.

- $30 billion for highway construction;
- $31 billion to modernize federal and other public infrastructure with investments that lead to long term energy cost savings;
- $19 billion for clean water, flood control, and environmental restoration investments;
- $10 billion for transit and rail to reduce traffic congestion and gas consumption.

Education for the 21st Century: To enable more children to learn in 21st century classrooms, labs, and libraries to help our kids compete with any worker in the world, this package provides:

- $41 billion to local school districts through Title I ($13 billion), IDEA ($13 billion), a new School Modernization and Repair Program ($14 billion), and the Education Technology program ($1 billion).
- $79 billion in state fiscal relief to prevent cutbacks to key services, including $39 billion to local school districts and public colleges and universities distributed through existing state and federal formulas, $15 billion to states as bonus grants as a reward for meeting key performance measures, and $25 billion to states for other high priority needs such as public safety and other critical services, which may include education.
- $15.6 billion to increase the Pell grant by $500.
- $6 billion for higher education modernization.

Tax Cuts to Make Work Pay and Create Jobs: We will provide direct tax relief to 95 percent of American workers, and spur investment and job growth for American Businesses. [marked up by the Ways and Means Committee]

Lower Healthcare Costs: To save not only jobs, but money and lives, we will update and computerize our healthcare system to cut red tape, prevent medical mistakes, and help reduce healthcare costs by billions of dollars each year.

- $20 billion for health information technology to prevent medical mistakes, provide better care to patients and introduce cost-saving efficiencies.

- $4.1 billion to provide for preventative care and to evaluate the most effective healthcare treatments.

Help Workers Hurt by the Economy: High unemployment and rising costs have outpaced Americans' paychecks. We will help workers train and find jobs, and help struggling families make ends meet.

- $43 billion for increased unemployment benefits and job training.

- $39 billion to support those who lose their jobs by helping them to pay the cost of keeping their employer provided healthcare under COBRA and providing short-term options to be covered by Medicaid.

- $20 billion to increase the food stamp benefit by over 13% in order to help defray rising food costs.

Save Public Sector Jobs and Protect Vital Services: We will provide relief to states, so they can continue to employ teachers, firefighters and police officers and provide vital services without having to unnecessarily raise middle class taxes.

- $87 billion for a temporary increase in the Medicaid matching rate.

- $4 billion for state and local law enforcement funding.

DETAILED SUMMARY

CREATE JOBS WITH CLEAN, EFFICIENT, AMERICAN ENERGY

To put people back to work today and reduce our dependence on foreign oil tomorrow, we will make investments aimed at doubling renewable energy production and renovate public buildings to make them more energy efficient. America's energy shortcomings present a huge opportunity to put people to work in ways that will transform our economy.

- **Reliable, Efficient Electricity Grid:** $11 billion for research and development, pilot projects, and federal matching funds for the Smart Grid Investment Program to modernize the electricity grid making it more efficient, secure, and reliable and build new power lines to transmit clean, renewable energy from sources throughout the nation.

- **Renewable Energy Loan Guarantees:** $8 billion for loans for renewable energy power generation and transmission projects.

- **GSA Federal Buildings:** $6.7 billion for renovations and repairs to federal buildings including at least $6 billion focused on increasing energy efficiency and conservation. Projects are selected based on GSA's ready-to-go priority list.

- **Local Government Energy Efficiency Block Grants:** $6.9 billion to help state and local governments make investments that make them more energy efficient and reduce carbon emissions.

- **Energy Efficiency Housing Retrofits:** $2.5 billion for a new program to upgrade HUD sponsored low-income housing to increase energy efficiency, including new insulation, windows, and furnaces. Funds will be competitively awarded.

- **Energy Efficiency and Renewable Energy Research:** $2 billion for energy efficiency and renewable energy research, development, demonstration, and deployment activities to foster energy independence, reduce carbon emissions, and cut utility bills. Funds are awarded on a competitive basis to universities, companies, and national laboratories.

- **Advanced Battery Loans and Grants:** $2 billion for the Advanced Battery Loan Guarantee and Grants Program, to support U.S. manufacturers of advanced vehicle batteries and battery systems. America should lead the world in transforming the way automobiles are powered.

- **Energy Efficiency Grants and Loans for Institutions:** $1.5 billion for energy sustainability and efficiency grants and loans to help school districts, institutes of higher education, local governments, and municipal utilities implement projects that will make them more energy efficient.

- **Home Weatherization:** $6.2 billion to help low-income families reduce their energy costs by weatherizing their homes and make our country more energy efficient.

- **Smart Appliances:** $300 million to provide consumers with rebates for buying energy efficient Energy Star products to replace old appliances, which will lower energy bills.

- **GSA Federal Fleet:** $600 million to replace older vehicles owned by the federal government with alternative fuel automobiles that will save on fuel costs and reduce carbon emissions.

- **Electric Transportation:** $200 million for a new grant program to encourage electric vehicle technologies.

- **Cleaning Fossil Energy:** $2.4 billion for carbon capture and sequestration technology demonstration projects. This funding will provide valuable information necessary to reduce the amount of carbon dioxide emitted into the atmosphere from industrial facilities and fossil fuel power plants.

- **Departme nt of Defense Research:** $350 million for research into using renewable energy to power weapons systems and military bases.

- **Alternative Buses and Trucks:** $400 million to help state and local governments purchase efficient alternative fuel vehicles to reduce fuel costs and carbon emissions.

- **Industrial Energy Efficiency:** $500 million for energy efficient manufacturing demonstration projects.

Diesel Emissions Reduction: $300 million for grants and loans to state and local governments for projects that reduce diesel emissions, benefiting public health and reducing global warming. This includes technologies to retrofit emission exhaust systems on school buses, replace engines and vehicles, and establish anti-idling programs. 70% of the funds go to competitive grants and 30% funds grants to states with approved programs. Last year EPA was able to fund only 27% of the applications received.

TRANSFORMING OUR ECONOMY WITH SCIENCE AND TECHNOLOGY

We need to put scientists to work looking for the next great discovery, creating jobs in cutting-edge technologies and making smart investments that will help businesses in every community succeed in a global economy.

Broadband to Give Every Community Access to the Global Economy

- **Wireless and Broadband Grants:** $6 billion for broadband and wireless services in underserved areas to strengthen the economy and provide business and job opportunities in every section of America with benefits to e-commerce, education, and healthcare. For every dollar invested in broadband the economy sees a ten-fold return on that investment.

Scientific Research

- **National Science Foundation:** $3 billion, including $2 billion for expanding employment opportunities in fundamental science and engineering to meet environmental challenges and to improve global economic competitiveness, $400 million to build major research facilities that perform cutting edge science, $300 million for major research equipment shared by institutions of higher education and other scientists, $200 million to repair and modernize science and engineering research facilities at the nation's institutions of higher education and other science labs, and $100 million is also included to improve instruction in science, math and engineering.

- **National Institutes of Health Biomedical Research:** $2 billion, including $1.5 billion for expanding good jobs in biomedical research to study diseases such as Alzheimer's, Parkinson's, cancer, and heart disease - NIH is currently able to fund less than 20% of approved applications – and $500 million to implement the repair and improvement strategic plan developed by the NIH for its campuses.

- **University Research Facilities:** $1.5 billion for NIH to renovate university research facilities and help them compete for biomedical research grants. The National Science Foundation estimates a maintenance backlog of $3.9 billion in biological science research space. Funds are awarded competitively.

- **Centers for Disease Control and Prevention**: $462 million to enable CDC to complete its Buildings and Facilities Master Plan, as well as renovations and construction needs of the National Institute for Occupational Safety and Health.

- **Department of Energy:** $1.9 billion for basic research into the physical sciences including high-energy physics, nuclear physics, and fusion energy sciences and improvements to DOE laboratories and scientific facilities. $400 million is for the Advanced Research Project Agency – Energy to support high-risk, high-payoff research into energy sources and energy efficiency.

- **NASA:** $600 million, including $400 million to put more scientists to work doing climate change research, including Earth science research recommended by the National Academies, satellite sensors that measure solar radiation critical to understanding climate change, and a thermal infrared sensor to the Landsat Continuing Mapper necessary for water management, particularly in the western states; $150 million for research, development, and demonstration to improve aviation safety and Next Generation air traffic control (NextGen); and $50 million to repair NASA centers damaged by hurricanes and floods last year.

- **Biomedical Advanced Research and Development, Pandemic Flu, and Cyber Security:** $900 million to prepare for a pandemic influenza, support advanced development of medical countermeasures for chemical, biological, radiological, and nuclear threats, and for cyber security protections at HHS.

- **National Oceanic and Atmospheric Administration Satellites and Sensors:** $600 million for satellite development and acquisitions, including climate sensors and climate modeling.

- **National Institute of Standards and Technology:** $300 million for competitive construction grants for research science buildings at colleges, universities, and other research organizations and $100 million to coordinate research efforts of laboratories and national research facilities by setting interoperability standards for manufacturing.

- **Agricultural Research Service:** $209 million for agricultural research facilities across the country. ARS has a list of deferred maintenance work at facilities of roughly $315 million.

- **U.S. Geological Survey:** $200 million to repair and modernize U.S.G.S. science facilities and equipment, including improvements to laboratories, earthquake monitoring systems, and computing capacity.

Creating Small Business Opportunity

- **Small Business Credit:** $430 million for new direct lending and loan guarantee authorities to make loans more attractive to lenders and free up capital. The number of loans guaranteed under the SBA's 7(a) business loan program was down 57% in the first quarter of this year compared to last.

- **Rural Business-Cooperative Service:** $100 million for rural business grants and loans to guarantee $2 billion in loans for rural businesses at a time of unprecedented demand due to the credit crunch. Private sector lenders are increasingly turning to this program to help businesses get access to capital.

- **Industrial Technology Services:** $100 million, including $70 million for the Technology Innovation Program to accelerate research in potentially revolutionary technologies with high job growth potential, and $30 million for the Manufacturing Extension Partnerships to help small and mid-size manufacturers compete globally by providing them with access to technology.

- **Economic Development Assistance**: $250 million to address long-term economic distress in urban industrial cores and rural areas distributed based on need and ability to create jobs and attract private investment. EDA leverages $10 in private investments for $1 in federal funds.

DTV Conversion Coupons: $650 million to continue the coupon program to enable American households to convert from analog television transmission to digital transmission.

MODERNIZE ROADS, BRIDGES, TRANSIT AND WATERWAYS

To build a 21st century economy, we must engage contractors across the nation to create jobs - rebuilding our crumbling roads and bridges, modernizing public buildings, and putting people to work cleaning our air, water, and land.

Highway Infrastructure: $30 billion for highway and bridge construction projects. It is estimated that states have over 5,100 projects totaling over $64 billion that could be awarded within 180 days. These projects create jobs in the short term while saving commuters time and money in the long term. In 2006, the Department of Transportation estimated $8.5 billion was needed to maintain current systems and $61.4 billion was needed to improve highways and bridges.

Transit: Public transportation saves Americans time and money, saving as much as 4.2 billion gallons of gasoline and reducing carbon emissions by 37 million metric tons each year.

- **New Construction:** $1 billion for Capital Investment Grants for new commuter rail or other light rail systems to increase public use of mass transit and to speed projects already in construction. The Federal Transit Administration has $2.4 billion in pre-approved projects.

- **Upgrades and Repair:** $2 billion to modernize existing transit systems, including renovations to stations, security systems, computers, equipment, structures, signals, and communications. Funds will be distributed through the existing formula. The repair backlog is nearly $50 billion.

- **Transit Capital Assistance:** $6 billion to purchase buses and equipment needed to increase public transportation and improve intermodal and transit facilities. The Department of Transportation estimates a $3.2 billion maintenance backlog and $9.2 billion in needed improvements. The American Public Transportation Association identified 787 ready-to-go transit projects totaling $15.5 billion. Funds will be distributed through the existing formulas.

Amtrak and Intercity Passenger Rail Construction Grants: $1.1 billion to improve the speed and capacity of intercity passenger rail service. The Department of Transportation's Inspector General estimates the North East Corridor alone has a backlog of over $10 billion.

Airport Improvement Grants: $3 billion for airport improvement projects that will improve safety and reduce congestion. An estimated $41 billion in eligible airport infrastructure projects are needed between 2007-2011.

Transportation Security Administration Explosive Detection Systems: $500 million to install Aviation Explosive Detection Systems in the nation's airports, improving security, and making life easier on travelers by speeding security lines. Funds are competitively awarded based on security risk.

Coast Guard Bridges: $150 million for ready-to-go investments to repair or remove bridges deemed hazardous to marine navigation, thereby removing obstructions and improving the safety of marine navigation.

Technology Improvements for a More Efficient and Secure Government

- **Social Security Administration Modernization:** $400 million to replace the 30 year old Social Security Administration's National Computer Center to meet growing needs for processing retirement and disability claims and records storage.

- **Farm Service Agency:** $245 million for critical IT improvements to systems that have been unable to handle workload increases.

- **State Department Technology:** $276 million to upgrade and modernize information technology platforms for the Department to meet security requirements post-9/11.

- **Department of Agriculture:** $44 million for repairs and security improvements at USDA's headquarters.

Department of Defense Facilities

- **Medical Facilities:** $3.75 billion for new construction of hospitals and ambulatory surgical centers, and $455 million in renovations to provide state-of-the-art medical care to service members and their families.

- **Facilities Renovations:** $2.1 billion to address needed repairs to military facilities.

- **Troop Housing:** $1.2 billion for new construction and $154 million for renovations to improve housing for our troops.

- **Child Development Center:** $360 million for new child development centers.

- **Guard and Reserve:** $400 million for new construction to support Guard and Reserve units across the country with operations and training facilities and utilities infrastructure.

Veterans Administration Facilities

- **Veterans Medical Facilities:** $950 million for veterans' medical facilities. The Department has identified a $5 billion backlog in needed repairs, including energy efficiency projects, at its 153 medical facilities.

- **Veterans Cemeteries:** $50 million to put people to work making monument and memorial repairs at cemeteries for American heroes.

Border Ports of Entry: $1.15 billion to construct GSA and Customs and Border Patrol land ports of entry to improve border security, make trade and travel easier and reduce wait times, and to procure non-intrusive inspection technology at sea ports of entry, which is used to scan cargo containers to reduce the risk that containers can be used to smuggle weapons of mass destruction.

Job Corps Facilities: $300 million to upgrade job training facilities serving at-risk youth while improving energy efficiency.

Construction on Public Lands and Parks: $3.1 billion for infrastructure projects on federal lands including improvements to visitor facilities, road and trail restoration, preservation of buildings of cultural and historic importance, rehabilitation of abandoned mines and oil fields, and environmental cleanup projects. This includes $1.8 billion for the National Park Service, $325 million for the Bureau of Land Management, $300 million for the National Wildlife Refuges and National Fish Hatcheries, and $650 million for the Forest Service.

National Treasures: $400 million, including $200 million to address the deterioration of the National Mall, such as repair of the Jefferson Memorial's collapsing Tidal Basin walls; $150 million to address the repair backlog at the Smithsonian; and $50 million for the National Endowment for the Arts.

Clean Water

- **Clean Water State Revolving Fund:** $6 billion for loans to help communities upgrade wastewater treatment systems. EPA estimates a $388 billion funding gap. The Association of State and Interstate Water Pollution Control Administrators found that 26 states have $10 billion in approved water projects.

- **Drinking Water State Revolving Fund:** $2 billion for loans for drinking water infrastructure. EPA estimates there is a $274 billion funding gap. The National Governors Association reported that there are $6 billion in ready-to-go projects, which could quickly be obligated.

- **Rural Water and Waste Disposal:** $1.5 billion to support $3.8 billion in grants and loans to help communities fund drinking water and wastewater treatment systems. In 2008, there were $2.4 billion in requests for water and waste loans and $990 million for water and waste grants went unfunded.

Water Resources

- **Corps of Engineers:** $4.5 billion for environmental restoration, flood protection, hydropower, and navigation infrastructure critical to the economy. The Corps has a construction backlog of $61 billion.

- **Bureau of Reclamation:** $500 million to provide clean, reliable drinking water to rural areas and to ensure adequate water supply to western localities impacted by drought. The Bureau has backlogs of more than $1 billion in rural water projects and water reuse and recycling projects.

- **Watershed Infrastructure:** $400 million for the Natural Resources Conservation Service watershed improvement programs to design and build flood protection and water quality projects, repair aging dams, and purchase and restore conservation easements in river flood zones.

- **International Boundary and Water Commission:** $224 million to repair flood control systems along the international segment of the Rio Grande damaged by hurricane Katrina and other serious storms.

Environmental Cleanup

- **Superfund Hazardous Waste Cleanup:** $800 million to clean up hazardous and toxic waste sites that threaten health and the environment. EPA has 1,255 sites on its National Priority List, selected based on a hazard ranking system. There are many Superfund sites

ready for construction, but not funded due to budget shortfalls and over 600 sites with ongoing construction that could be accelerated.

- **Leaking Underground Storage Tanks:** $200 million for enforcement and cleanup of petroleum leaks from underground storage tanks at approximately 1,600 additional sites. There are an estimated 116,000 sites with the potential to contaminate important water supplies.

- **Nuclear Waste Cleanup:** $500 million for nuclear waste cleanup at sites contaminated as a result of the nation's past nuclear activities. Accelerating the completion of projects will reduce long-term costs.

- **Closed Military Bases:** $300 million for cleanup activities at closed military installations allowing local communities to redevelop these properties for productive use. The Department estimates that there is a $3.5 billion environmental cleanup backlog at bases closed during previous BRAC rounds.

- **NOAA Habitat Restoration:** $400 million for ready-to-go habitat restoration projects.

- **Brownfields:** $100 million for competitive grants for evaluation and cleanup of former industrial and commercial sites - turning them from problem properties to productive community use. Last year EPA was only able to fund 37% of Brownfields applications.

Reducing Wildfires Threats: $850 million for hazardous fuels removal and other efforts to prevent wildfires on public lands. Making these investments today will create jobs in the short run, but also save long term costs of fighting fires in the future.

- **State and Private Forest Service Wildfire:** $550 million for state and local volunteer programs and hazardous fuels reduction efforts which states and communities have determined are of the highest priority.

- **Federal Forest Service Wildfire:** $300 million for urgently needed hazard reduction on federal lands.

Bureau of Indian Affairs: $500 million to address maintenance backlogs at schools, dams, detention and law enforcement facilities, and over 24,000 miles of roads. BIA schools alone have an over $1 billion construction and maintenance backlog including shamefully unsafe conditions.

EDUCATION FOR THE 21st CENTURY

We will put people to work building 21st century classrooms, labs, and libraries to help our kids compete with any worker in the world.

21st Century Classrooms

- **School Construction:** $20 billion, including $14 billion for K-12 and $6 billion for higher education, for renovation and modernization, including technology upgrades and energy efficiency improvements. Also includes $100 million for school construction in communities that lack a local property tax base because they contain non-taxable federal lands such as military bases or Indian reservations, and $25 million to help charter schools build, obtain, and repair schools.

- **Education Technology:** $1 billion for 21st century classrooms, including computer and science labs and teacher technology training.

Higher Education: Tuition is up, unemployment is up, and as a result more people are choosing to go to school to upgrade their skills and more of these students need student aid. This investment addresses those short term needs while investing in our nation's future economic strength.

- **Pell Grants:** $15.6 billion to increase the maximum Pell Grant by $500, from $4,850 to $5,350.

- **College Work-Study:** $490 million to support undergraduate and graduate students who work.

- **Student Loan Limit Increase:** Increases limits on unsubsidized Stafford loans by $2,000.

- **Student Aid Administration:** $50 million to help the Department of Education administer surging student aid programs while navigating the changing student loan environment.

K-12 Education: As states begin tackling a projected $350 billion in budget shortfalls these investments will prevent cuts to critical education programs and services.

- **IDEA Special Education:** $13 billion for formula grants to increase the federal share of special education costs and prevent these mandatory costs from forcing states to cut other areas of education.

- **Title I Help for Disadvantaged Kids:** $13 billion for grants to help disadvantaged kids in nearly every school district and more than half of all public schools reach high academic standards.

- **Statewide Data Systems:** $250 million for competitive grants to states to design and develop data systems that analyze individual student data to find ways to improve student achievement, providing teachers and administrators with effective tools.

- **Education for Homeless Children and Youth:** $66 million for formula grants to states to provide services to homeless children including meals and transportation when high unemployment and home foreclosures have created an influx of homeless kids.

- **Improving Teacher Quality:** $300 million, including $200 million for competitive grants to school districts and states to provide financial incentives for teachers and principals who raise student achievement and close the achievement gaps in high-need schools and $100 million for competitive grants to states to address teacher shortages and modernize the teaching workforce.

Early Childhood Development

- **Child Care Development Block Grant:** $2 billion to provide child care services for an additional 300,000 children in low-income families while their parents go to work. Today only one out of seven eligible children receives care.

- **Head Start:** $2.1 billion to provide comprehensive development services to help 110,000 additional children succeed in school. Funds are distributed based on need. Only about half of all eligible preschoolers and less than 3 percent of eligible infants and toddlers participate in Head Start.

- **IDEA Infants and Families:** $600 million for formula grants to help states serve children with disabilities age 2 and younger.

LOWER HEALTHCARE COSTS

To save not only jobs, but money and lives, we will update and computerize our healthcare system to cut red tape, prevent medical mistakes, and help reduce healthcare costs by billions of dollars each year.

- **Health Information Technology:** $20 billion to jumpstart efforts to computerize health records to cut costs and reduce medical errors.

- **Prevention and Wellness Fund:** $3 billion to fight preventable chronic diseases, the leading cause of deaths in the U.S., and infectious diseases. Preventing disease rather than treating illnesses is the most effective way to reduce healthcare costs. This includes hospital infection prevention, Preventive Health and Health Services Block Grants for state and local public health departments, immunization programs, and evidence-based disease prevention.

- **Healthcare Effectiveness Research:** $1.1 billion for Healthcare Research and Quality programs to compare the effectiveness of different medical treatments funded by Medicare, Medicaid, and SCHIP. Finding out what works best and educating patients and doctors will improve treatment and save taxpayers money.

- **Community Health Centers:** $1.5 billion, including $500 million to increase the number of uninsured Americans who receive quality healthcare and $1 billion to renovate clinics and make health information technology improvements. More than 400 applications submitted earlier this year for new or expanded CHC sites remain unfunded.

- **Training Primary Care Providers:** $600 million to address shortages and prepare our country for universal healthcare by training primary healthcare providers including doctors, dentists, and nurses as well as helping pay medical school expenses for students who agree to practice in underserved communities through the National Health Service Corps.

- **Indian Health Service Facilities:** $550 million to modernize aging hospitals and health clinics and make healthcare technology upgrades to improve healthcare for underserved rural populations.

HELP WORKERS HURT BY THE ECONOMY

High unemployment and rising costs have outpaced Americans' paychecks. We will help workers train and find jobs, and help struggling families make ends meet.

Helping Workers Find Jobs

- **Training and Employment Services:** $4 billion for job training including formula grants for adult, dislocated worker, and youth services (including $1.2 billion to create up to one million summer jobs for youth). The needs of workers also will be met through dislocated worker national emergency grants, new competitive grants for worker training in high growth and emerging industry sectors (with priority consideration to "green" jobs and healthcare), and increased funds for the YouthBuild program. Green jobs training will include preparing workers for activities supported by other economic recovery funds, such as retrofitting of buildings, green construction, and the production of renewable electric power.

- **Vocational Rehabilitation State Grants:** $500 million for state formula grants for construction and rehabilitation of facilities to help persons with disabilities prepare for gainful employment.

- **Employment Services Grants:** $500 million to match unemployed individuals to job openings through state employment service agencies and allow states to provide customized services. Funds are targeted to states with the greatest need based on labor force, unemployment, and long-term unemployed rates.

- **Community Service Employment for Older Americans:** $120 million to provide subsidized community service jobs to an additional 24,000 low-income older Americans.

Unemployment Insurance Benefits

- **Benefits Extension:** $27 billion to continue the current extended unemployment benefits program – which provides up to 33 weeks of extended benefits - through December 31, 2009 given rising unemployment.

- **Increased Benefits:** $9 billion to increase the current average unemployment insurance benefit from roughly $300 per week, paid out of State trust funds, by $25 per week using Federal funds, through December 2009. There are currently 5.3 million workers receiving regular UI and an additional 1.9 million receiving extended benefits.

- **Unemployment Insurance Modernization:** Provides funds to states though a "Reed Act" distribution, tied to states' meeting specific reforms to increase unemployment insurance coverage for low-wage, part-time, and other jobless workers.

COBRA Healthcare for the Unemployed: $30.3 billion to extend health insurance coverage to the unemployed, extending the period of COBRA coverage for older and tenured workers beyond the 18 months provided under current law. Specifically, workers 55 and older, and workers who have worked for an employer for 10 or more years will be able to retain their COBRA coverage until they become Medicare eligible or secure coverage through a subsequent employer. In addition, subsidizing the first 12 months of COBRA coverage for eligible persons who have lost their jobs on or after September 1, 2008 at a 65 percent subsidy rate, the same rate provided under the Health Care Tax Credit for unemployed workers under the Trade Adjustment Assistance program. [Ways and Means]

Medicaid Coverage for the Unemployed: $8.6 billion to provide 100 percent Federal funding through 2010 for optional State Medicaid coverage of individuals (and their dependents) who are

involuntarily unemployed and whose family income does not exceed a State-determined level, but is no higher than 200 percent of poverty, or who are receiving food stamps.

Attacking the Housing Crisis

- **Public Housing Capital Fund:** $5 billion for building repair and modernization, including critical safety repairs. Every dollar of Capital Fund expenditures produces $2.12 in economic return. $4 billion of the funds will be distributed to public housing authorities through the existing formula and $1 billion will be awarded through a competitive process for projects that improve energy efficiency.

- **HOME Investment Partnerships:** $1.5 billion to help local communities build and rehabilitate low-income housing using green technologies. Thousands of ready-to-go housing projects have been stalled by the credit crunch. Funds are distributed by formula.

- **Native American Housing Block Grants:** $500 million to rehabilitate and improve energy efficiency at some of the over 42,000 housing units maintained by Native American housing programs. Half of the funding will be distributed by formula and half will be competitively awarded to projects that can be started quickly.

- **Neighborhood Stabilization:** $4.2 billion to help communities purchase and rehabilitate foreclosed, vacant properties in order to create more affordable housing and reduce neighborhood blight.

- **Homeless Assistance Grants:** $1.5 billion for the Emergency Shelter Grant program to provide short term rental assistance, housing relocation, and stabilization services for families during the economic crisis. Funds are distributed by formula.

- **Rural Housing Insurance Fund:** $500 million to support $22 billion in direct loans and loan guarantees to help rural families and individuals buy homes during the credit crunch. Last year these programs received $13.4 billion more in applications than they could fund.

- **Self-Help and Assisted Homeownership Program:** $10 million for rural, high-need areas to undertake projects using sustainable and energy-efficient building and rehabilitation practices. Funds will be awarded by competition to projects that can begin quickly.

- **Lead Paint:** $100 million for competitive grants to local governments and nonprofit organizations to remove lead-based paint hazards in low-income housing.

- **Rural Community Facilities:** $200 million to support $1.2 billion in grants and loans to rural areas for critical community facilities, such as for healthcare, education, fire and rescue, day care, community centers, and libraries. There are over $1.2 billion in applications pending.

Alleviating Hunger

- **Supplemental Nutrition Assistance:** $20 billion to provide nutrition assistance to modest-income families and to lift restrictions that limit the amount of time individuals can receive food stamps.

- **Senior Nutrition Programs:** $200 million for formula grants to states for elderly nutrition services including Meals on Wheels and Congregate Meals.

- **Afterschool Meals:** $726 million to increase the number of states that provide free dinners to children and to encourage participation by new institutions by increasing snack reimbursement rates.

- **Supplemental Nutrition Program Information Systems:** $100 million to improve state management information systems for the WIC program.

Payments to Disabled and Elderly: $4.2 billion to help 7.5 million low-income disabled and elderly individuals with rising costs by providing an additional SSI payment in 2009 equal to the average monthly federal payment under the program (approximately $450 for an individual and $630 for a couple). This one-time payment will serve as an immediate economic stimulus as half of SSI recipients have no other form of income and the other half average outside income of less than $450 per month.

Community Services Block Grant: $1 billion for grants to local communities to support employment, food, housing, and healthcare efforts serving those hardest hit by the recession. Community action agencies have seen dramatic increases in requests for their assistance due to rising unemployment, housing foreclosures, and high food and fuel prices.

Community Development Block Grants: $1 billion for community and economic development projects including housing and services for those hit hard by tough economic times.

Emergency Food and Shelter: $200 million to help local community organizations provide food, shelter, and support services to the nation's hungry, homeless, and people in economic crisis including one-month utility payments to prevent service cut-off and one-month rent or mortgage assistance to prevent evictions or help people leave shelters. Funds are distributed by formula based on unemployment and poverty rates.

Low-Income Home Energy Assistance: $1 billion to help low-income families pay for home heating and cooling at a time of rising energy costs.

Child Support Enforcement: $1 billion to provide federal incentive funds for states to collect support owed to families.

Social Security Administration Disability Backlog and Claims Processing: $500 million to help the Social Security Administration process a steep rise in disability and retirement claims, getting people their benefits faster, and preventing existing backlogs from getting worse. Within this total, $40 million will help SSI upgrade health information technology.

Centers for Independent Living: $200 million for state formula grants to help individuals with disabilities continue to live in their communities.

AmeriCorps Programs: $200 million to put approximately 16,000 additional AmeriCorps members to work doing national service, meeting needs of vulnerable populations and communities during the recession.

Compassion Capital Fund: $100 million for grants to faith- and community-based organizations to provide critical safety net services to needy individuals and families.

Department of Labor Worker Protection and Oversight: $80 million to ensure that worker protection laws are enforced as recovery infrastructure investments are carried out.

SAVE PUBLIC SECTOR JOBS AND PROTECT VITAL SERVICES

We will provide relief to states, so they can continue to employ teachers, firefighters, and police officers and provide vital services without having to unnecessarily raise middle class taxes.

Medicaid Aid to States (FMAP): $87 billion to states, increasing through the end of FY 2010 the share of Medicaid costs the Federal government reimburses all states by 4.8 percent, with additional relief tied to rates of unemployment. This approach has been used in previous recessions to prevent cuts to health benefits for their increased low-income patient loads at a time when state revenues are declining.

State Education and Other Budget Priorities: $120 billion to states and school districts to stabilize budgets and prevent tax increases and deep cuts to critical education programs, including:

- $41 billion to local school districts through Title I ($13 billion), IDEA ($13 billion), a new School Modernization and Repair Program ($14 billion), and the Education Technology program ($1 billion).

- $79 billion in state fiscal relief, including: $39 billion to local school districts and public colleges and universities distributed through existing state and federal formulas; $15 billion to states as bonus grants as a reward for meeting key performance measures; and $25 billion to states for other high priority needs such as public safety and other critical services, which may include education.

Temporary Assistance for Needy Families: $2.5 billion for block grants to help States deal with the surge in families needing help during the recession and to prevent them from cutting work programs and services for abused and neglected children.

State and Local Law Enforcement: $4 billion to support state and local law enforcement including $3 billion for the Byrne Justice Assistance formula grants to support local law enforcement efforts with equipment and operating costs, and $1 billion for the COPS hiring grant program, to hire about 13,000 new police officers for three years. The grantee is responsible for at least 25% in matching funds and must commit to use their own funds to keep the officer on board in the fourth year.

Periodic Census and Programs, Communications: $1 billion for work necessary to ensure a successful 2010 census, including $150 million for expanded communications and outreach programs to minimize undercounting of minority groups.

OTHER IMPORTANT POLICY PROVISION

Medicare and Medicaid Regulations: The bill extends the moratorium on Medicaid and Medicare regulations through October 1, 2009.