

PLATFORM II: THE ECONOMIC KEYS TO SUCCESS
MONEY MOMENT
MARCH 2009

How Does the Stimulus Bill Affect You?

We hear about it just about every time we turn on the TV or read the news. It's something we can't escape no matter how hard we try. It's news about the Stimulus Bill. Do you ever wonder what it is and better yet, how does it affect you? Well, wonder no further. This article will provide you with a brief description and summation of the Stimulus Bill.

The Stimulus Bill or the American Recovery and Reinvestment Act of 2009 is a combination of tax cuts and spending incentives totaling nearly \$790 billion. The purpose is to put money back in the pockets of consumers and businesses while creating millions of jobs. It also looks to accomplish some long-term goals, such as making the country more energy efficient and improving the nation's crumbling roads and bridges.

The bill aims to assist many different aspect of today's troubling economy. Below is a list of the targeted areas. Please note this is not a complete list.

Aid to Individuals

- Provides \$20 billion to increase benefits for the Supplemental Nutrition Assistance Program (formerly the Food Stamp Program) by 13 percent. Also includes \$500 million for a special nutrition program for women, infants and children (WIC), \$100 million for senior nutrition programs, \$100 million for school lunch program and \$150 million for food banks.
- Give a one-time payment of \$250 to recipients of Social Security, Supplemental Security Income, railroad retirement benefits and veterans disability compensation or pension benefits.
- Provide child care for children in low-income families.
- Help low-income families make their homes more energy efficient, through projects like adding insulation.
- Give state grants to provide meals and transportation for homeless children.

Education and Job Training

- Includes nearly \$40 billion for local school districts and public colleges and universities
- Provide additional money to Title I schools, which serve poor children; the money (\$13 billion over two years) would increase annual spending by more than 40 percent.
- Focuses on jobs related to health care and the environment. Includes \$1.2 billion to create summer jobs for teenagers.

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- Allow more children to participate in childhood education programs

Energy

- Provide grants to cities, counties and states to increase energy efficiency
- Repair and modernize public housing units

Health

- \$15 billion from the stimulus package will be distributed to states on Wednesday to help cover the costs of Medicaid programs
- Subsidize 65 percent of the cost of premiums for jobless workers to keep group health coverage for nine months. Such workers would otherwise have to pay 102 percent of premiums, including the employer's share. To be eligible, workers need to have been forced out of their jobs between Sept. 1, 2008, and Dec. 31, 2009. A provision in the House bill would have made Cobra health benefits available to workers on the job for more than 10 years and those over age 55 until they are eligible for Medicare, but it was not included in the final draft.
- Construct and repair veterans' hospitals and cemeteries

Housing

- Provide first-time home buyers with a refundable tax credit of up to \$8,000, up \$500 from the original credit enacted last year, for purchases made this year (before Dec. 1). The credit phases out for single taxpayers with adjusted gross incomes that exceed \$75,000 (or \$150,000 for married couples filing jointly). The buyer will forfeit the credit if he or she sells the house within three years.
- Make full-year payments to owners receiving Section 8 housing vouchers
- Includes \$100 million for competitive grants to local governments and nonprofit organizations to remove lead-based paint hazards.
- Redevelop abandoned and foreclosed homes
- Provide short-term or medium-term housing assistance or relocation assistance for the homeless

Source: NY Times

For the exact language within the bill, please visit
http://www.whitehouse.gov/the_press_office/arra_public_review/

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