

**House and Senate Economic Recovery Bills:  
Provisions that Promote Shared Recovery  
Senate Should Enact its Version Swiftly,  
So a Final Bill Can Adopt the Most Effective Provisions of Each**

<b>PROGRAM</b>	<b>HOUSE</b> (H.R. 1, enacted)	<b>SENATE</b> (Sections approved in Committees)
<b>Nutrition Assistance</b>		
<b>SNAP (food stamps)</b> Because households will spend the benefits very quickly, a SNAP increase has been judged to be the most effective boost to the economy (between \$1.73 - \$1.84 in economic growth for each \$1 spent).	\$20 billion, FYs 2009 – 2013. 13.6% increase in SNAP benefits probably starting in April, FY09, followed by smaller increases in subsequent years until funding phases out. More than 30 million people would benefit. Also provides \$296m in admin. funds to states to handle rising caseload.	\$16.6 billion, most for SNAP increase in FYs 2009 – 2011, benefiting more than 30 million people. In first month (probably April), households receive one-time increase worth 85% of maximum benefits; for the rest of 2009, receive 12% increase. Smaller increases in remaining years. Also includes \$296m in admin. funds to states to handle rising caseload.
<b>Senior Nutrition Programs</b> (home-delivered and congregate meals)	\$200 million, FYs 2009 – 2010, for 50 million additional meals; 10% increase each year.	\$100 million: \$67 million for congregate meals; \$33 million for home-delivered meals.
<b>Emergency Food and Shelter</b> (funds homeless shelter and feeding programs; also 1-month utility or rent/mortgage payments to prevent shut-offs or evictions).	\$200 million. Doubles size of program.	\$100 million.
<b>Women, Infants and Children nutrition (WIC)</b>	\$100 million to upgrade management information system.	\$380 million for contingency fund to meet rising caseload. Also includes \$120 million for management information system.
<b>Child and Adult Care Food Program</b>	\$726 million to make suppers available in afterschool programs in all states (now only in 8 states).	Not in Senate bill.
<b>The Emergency Food Assistance Program (TEFAP)</b>	\$150 million for two years	\$150 million for two years, of which up to \$50 million for administrative funding.
<b>Unemployment Insurance</b>		
1.9 million jobs lost in the last four months alone; 2.6 million out of work for 27 weeks or more. Very effective in boosting the economy: \$1.64 for every dollar spent, according to Mark Zandi of Moody's Economy.Com	\$27 billion to continue through December 31, 2009 UI benefits for workers who exhaust state UI. \$9 billion to raise benefits by \$25/week. \$7 billion to states if they opt to cover jobless workers seeking part-time work, those with more recent wages, or those who had to leave jobs for compelling family reasons. \$500 million for increased administrative costs due to rising caseload.	\$27 billion to continue through December 31, 2009 UI benefits for workers who exhaust state UI. \$9.3 billion to raise benefits by \$25/week. \$7 billion to states if they opt to cover more jobless workers: 1/3 of funds to states counting more recent wages; 2/3 if states provide two of four options: seeking part-time work, leaving job for compelling family reasons, dislocated workers in training programs, or payments for dependent assistance. \$500 million for increased administrative costs due to rising caseload. One-year suspension of federal income tax on first \$2,400 of UI benefits.
<b>Aid to States</b>		
<b>Increased federal share of Medicaid spending (FMAP)</b> Also seen as a very effective spur to the economy, increased federal Medicaid spending prevents severe cuts in services and saves jobs.	\$87 billion, covering period from 10/1/08 – 12/31/10). Each state will receive 4.9 percentage point increase in their federal Medicaid funding rate; states with large increases in unemployment would receive larger increase. About half the federal funding would be targeted to states with the greatest economic problems. To qualify for increased funding, state must not make	\$87 billion, covering period from 10/1/08 – 12/31/10). All states receive 7.6 percentage point increase in their federal Medicaid funding rate. States with large increases in unemployment will receive more, but not as much as in the House bill. To receive the increase, states must not have more restrictive eligibility than on July 1, 2008.

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	Medicaid eligibility more restrictive than it was July 1, 2008.	
<b>State Fiscal Stabilization Fund</b>	\$79 billion to states and localities to prevent cuts in education and other services. \$64 billion out of total distributed through 2 block grants: (1) \$38.8 billion for education, based on state's population of ages 5-24; (2) \$24.8 billion over 2 years, proportionate to state's population, for services other than education. To receive a share of either block grant, states must fund education at no less than FY 2006 level in both FYs 2009 and 2010. Block grants distributed in 2 equal installments, 7/09 and 7/10. Also, \$15 billion for State Incentive Grants related to education improvements.	Same as House, except that priorities for spending education block grant differ (see Center on Budget and Policy Priorities, <a href="http://www.cbpp.org/1-22-09bud.pdf">http://www.cbpp.org/1-22-09bud.pdf</a> ) Funds from both block grants distributed in one installment and available through 9/30/10. Also, \$15 billion for State Incentive Grants related to education improvements.
<b>Tax Credits for Low-Income Families/Individuals</b> (credits targeted at low-income families seen as effective economic boost – refundable credits worth about \$1.22 in economic growth for every dollar spent.)		
<b>Child Tax Credit</b> (under current law, Credit is calculated starting at \$8,500 in earnings).	\$18.3 billion over 2 years. In 2009 and 2010, Credit calculated starting with first dollar of earnings; received as a refund even if family earns too little to have federal income tax liability (“refundable”). Parent working full-time at minimum wage (\$14,500) with 2 children would receive maximum \$1,000 credit per child (total, \$2,000). Helps 14 million children by counting earnings starting with first dollar compared with current \$8,500. Compared with Senate version, would help 12.2 million more children (2.2m would become newly eligible; others would see their CTC increase.)	\$10.5 billion over 2 years. For 2009 and 2010, Credit calculated starting at \$6,000 in earnings (families with lower earnings are denied the Credit). Credit received as a refund even if family earns too little to have federal income tax liability. Parent working full-time at minimum wage (\$14,500) with 2 children would receive \$1,275. Helps 11.8 million children by counting earnings starting at \$6,000 instead of current \$8,500.
<b>Making Work Pay Credit</b> (new)	Provides up to \$500 for an individual and \$1,000 for a couple; phases out for individuals starting at \$75,000 in earnings; phases out for couples starting at \$150,000.	Same as House.
<b>Earned Income Tax Credit</b>	EITC increased for families with 3 or more children; marriage penalty reduced.	Same as House.
<b>American Opportunity Tax Credit</b>	Replaces Hope Scholarship Credit, for higher education, partly refundable credit paying up to \$2,500 a year for four years.	Replaces Hope Scholarship Credit, for higher education; 40% refundable, worth up to \$2,500 a year for four years.
<b>Income Assistance</b>		
<b>Aid to elderly and people with disabilities</b>	\$4.2 billion for one-time Supplemental Security Income (SSI) payment in 2009 equal to one-month average benefit (\$450 for individual; \$630 for married couple): SSI recipients are poor elderly or people with disabilities.	\$17 billion for a one-time payment of \$300 to recipients of Social Security, SSI, Railroad Retirement, and veteran's disability compensation or pension benefits. (Not limited to poor recipients.)
<b>Home Energy Aid</b>	\$1 billion increase in Low Income Home Energy Assistance (LIHEAP).	Not in Senate bill.

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<b>Child Support:</b> help in collecting support owed to 17 million children	\$1 billion over 2 years to restore funds for child support enforcement services to prevent loss of about \$1 billion a year to families owed support.	Same as House.
<b>Emergency Shelter Grants</b>	\$1.5 billion for homelessness prevention, including short- or medium-term rental assistance, housing stabilization services, and relocation assistance (such as security deposits and moving expenses). Estimated to assist nearly 300,000 households.	Same as House.
<b>Temporary Assistance for Needy Families (TANF)</b>	\$2.5 billion over 2 years for a new emergency fund to assist states with rising TANF caseload (providing monthly cash assistance, short-term help, or subsidized employment).	\$3 billion to the existing TANF Emergency Contingency Fund to serve increasing number of poor families. \$319 million to extend existing supplemental funding for states with high population growth or rise in poverty; same amount provided to qualifying states in FY10 as in FY09.
<b>Child Care/Early Childhood</b>		
<b>Child Care and Development Block Grant</b>	\$2 billion; \$1 billion in FY 2009; \$1 billion in FY 2010. Will provide subsidized child care for 300,000 children in low/moderate income families.	\$2 billion: funds provided in FY 2009, available for two years. As in House, will serve 300,000 children.
<b>Head Start</b>	\$2.1 billion over two years, to serve 110,000 additional children (910,000 children now served); will create about 50,000 jobs for Head Start teachers and staff.	\$2.1 billion over two years, of which \$1.1 billion is to expand Early Head Start.
<b>Aid to Communities</b>		
<b>Community Services Block Grant</b> (aid to Community Action agencies to administer such programs as Head Start, LIHEAP, housing, emergency food, etc.)	\$1 billion over 2 years, to serve additional 11 million low-income individuals.	\$200,000 over 2 years.
<b>Community Development Block Grant</b>	\$1 billion over 2 years, distributed through existing formula, to support community agencies, provide infrastructure funds for local governments, and prevent foreclosures.	Not in Senate bill.
<b>Public Housing Capital Fund</b> (rehabilitation of public housing for low-income residents estimated to produce \$2.12 in economic return for every dollar invested)	\$5 billion, towards addressing \$18-\$20 billion backlog in public housing repairs, maintenance. \$4 billion of this total distributed through existing formula to Public Housing Authorities; \$1 billion in competitive awards for improving energy efficiency.	\$5 billion, of which \$3 billion distributed through existing formula to Public Housing Authorities; \$2 billion through competitive awards. One percent of funds for staffing, training, technical assistance, technology, administrative expenses.
<b>Retrofit Low-Income Housing</b> (energy efficiency)	\$2.5 billion to renovate and retrofit Housing for the Elderly, Housing for Persons with Disabilities, Project-based Section 8 housing.	\$3.5 billion for project-based Section 8 housing, Housing for the Elderly, and Housing for Persons with Disabilities, to stabilize housing and for energy efficiency improvements. \$1.368 billion included for retrofitting HUD housing, to improve nearly 90,000 units; \$2.132 billion for 12 months of payments to owners of project-based Section 8 units.
<b>Neighborhood Stabilization Program</b> (to cope with foreclosure crisis: 2.3 million properties in foreclosure in	\$4.19 billion for local governments and states to purchase and rehabilitate foreclosed properties (added to \$4 billion provided for this purpose in 2008).	\$2.25 billion for local governments, nonprofits, and states, competitively awarded. Up to 10 percent for capacity building and support for local

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2008, up more than 80 percent over 2007)		communities. Funding can be used to construct early childhood development centers. 75 percent of funding must be expended within 2 years; 100% within three years.
<b>HOME program</b> (to rehab and construct low-income housing)	\$1.5 billion, distributed by formula. HOME funds fill financing gaps caused by the credit freeze. Utilize green technologies.	\$2.25 billion. Funds must be obligated within a year and expended within 2 or 3 years.
<b>Social Services Block Grant</b>	Not in House bill	\$400 million to help states and nonprofits provide services to low-income families hit hard by the recession. Should be distributed to states with highest unemployment levels.
<b>Education and Job Training</b>		
<b>Workforce Investment Act</b> (job training and employment services)	\$4 billion, including \$500 million to serve an additional 175,000 low-income adults; \$1.2 billion for youth services, to stimulate creation of 1 million summer jobs for youth; \$1 billion to serve 270,000 dislocated workers; additional \$500 million for dislocated workers national reserve (national emergency grants); \$50 million for YouthBuild, to allow additional 3,200 young people to be trained in construction skills and basic education; \$750 million for competitive grants for worker training in emerging industry sectors, including energy efficiency and renewable energy.	\$3.25 billion, including \$2.75 billion for state grants for job training, of which \$1.2 billion is for State Grants for Youth (covering summer jobs); \$450 million for dislocated worker national reserve; \$200 million for National Emergency Grants; \$250 million for competitive grants in emerging industries training. \$100 million for YouthBuild.
<b>Community Service Employment for Older Americans</b>	\$120 million: allows nonprofits to add 24,000 participants.	\$120 million: same as House.
<b>State Employment Service and Reemployment Services Grants</b>	\$500 million, to help staff cope with tremendous increase in the jobless. 50 percent of funds for Reemployment Service Grants to help UI beneficiaries return to employment.	\$400 million, of which \$250 million for reemployment services to connect UI beneficiaries with employment and training opportunities.
<b>Job Corps</b>	\$300 million to rehab or construct Job Corps centers	\$160 million to renovate, repair Job Corps centers.
<b>Title I</b> (K-12 education for the disadvantaged, serving 50,000 schools and 20 million students)	\$13 billion: \$11 billion by Title I-A formula grants; \$2 billion by school improvement formula grants.	\$13 billion: \$11 billion, split between targeted formula and education finance incentive grant formula. \$2 billion in school improvement grants.
<b>IDEA</b> (Indiv. With Disabilities Education Act)	\$13 billion for State Grants, to increase federal share to 27 percent (a record, but still below unrealized federal commitment of 40 percent of special education costs). Also, \$600 million for State Grants for Infants and Families (with disabilities, birth through age 2).	\$13 billion for State grants for special education, as in House. Also, \$500 million for State Grants for Infants and Families (with disabilities, birth through age 2).
<b>Education for Homeless Children and Youth</b>	\$66 million for formula grants to states to assist school districts serving homeless children and youth, including meals, transportation and support services. These funds will allow 205,000 more homeless students to receive services.	\$70 million for same purpose as House bill.
<b>Pell Grants</b> for low-income college students	\$15.636 billion, to increase the maximum Pell grant by \$500, from \$4,360 to \$4,860 in 2009-2010.	\$13.869 billion, to increase maximum Pell grant by \$281 in 2009-2010, and by \$400 in 2010-2011.

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<b>College Work-Study</b>	\$490 million, which, when the required 25 percent match of non-federal funds is added, will provide \$613 million to 200,000 new students in FYs 2009 and 2010.	Not in Senate bill.
<b>Health Care</b>		
<b>COBRA Health Insurance</b>	\$36.8 billion in FYs 2009 and 2010, to provide a 1-year 65 percent subsidy to jobless people to continue the health coverage they previously held through work; also allows laid-off workers 55 or older to continue to purchase COBRA insurance on their own until they qualify for Medicare.	\$25 billion to provide a 9-month 65 percent subsidy to jobless people to continue the health coverage they previously held through work.
<b>Medicaid for Uninsured</b>	\$8.6 billion for full costs of covering low-income jobless people and their dependents.	Not in Senate bill.
<b>Transitional Medical Assistance</b>	\$1.5 billion to extend continuing Medicaid coverage for families leaving TANF for work through 12/31/10.	\$1.3 billion estimated by Senate Finance Committee; same extension as in House bill.
<b>Community Health Centers</b>	\$500 million to provide care to uninsured and underserved rural and urban areas. Can be used to respond to some of 400 new applications to build or expand CHCs, all of which committed to providing care within 90 days. Also \$1 billion to modernize centers	Not in Senate bill.
<b>Prevention (Health Care)</b>	Includes \$600 million to train health care professionals (comparable to Senate bill provision).	\$5.8 billion to prevent illness and other health conditions. Includes \$400 million for Healthy Communities; \$400 million for HIV and STD testing and prevention; \$750 million for immunizations; \$15 million for newborn screening; \$75 million for smoking cessation; \$600 million to address health care workforce shortages
<b>Qualified Individual Program (QI)</b> , which pays for Medicare Part B premiums for low-income people aged and/or with disabilities	Not in House bill.	\$562 million to extend QI program for another year, to 12/31/10.
<b>Indian Health Care</b>	Eliminates Medicaid co-payments by American Indians and Alaska Natives, exempt certain property from inclusion in determination of resources or estate recovery and other provisions.	\$25 million to eliminate Medicaid co-payments by American Indians and Alaska Natives, exempt certain property from inclusion in determination of resources or estate recovery and other provisions.

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