



COALITION ON HUMAN NEEDS

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January 21, 2009

The Honorable David Obey
Chair, House Committee on Appropriations
House of Representatives
Washington, DC 20515

Dear Chairman Obey:

The Coalition on Human Needs wishes to express heartfelt support for the American Recovery and Reinvestment Act of 2009 approved by the House Committee on Appropriations today. The provisions of your Committee's legislation, consistent with proposals put forward by the Obama Administration, heed the advice of economists across the political spectrum in emphasizing the forms of federal spending most likely to spur economic growth. Their advice is to target assistance to low- and moderate-income people and to provide aid to states and localities, to prevent service and job cuts that will deepen the recession. People whose incomes are low will spend their increased income rapidly on food, clothing, energy, and other basic needs that they might not otherwise be able to afford. State and local governments will buy goods and services and continue to offer assistance especially needed now. Purchases by families and governments alike will boost the income of supermarkets, gas stations, service providers, construction crews, and retail stores. More sales mean fewer lay-offs or even more hours of work or new hires, just what is needed to reverse the recession. In combination with legislation emerging from the House Committees on Ways and Means and Energy and Commerce, the American Recovery and Reinvestment Act will create and save jobs and spur renewed economic activity.

The Coalition on Human Needs' members – service providers, faith-based groups, labor, policy experts, civil rights organizations and other advocates serving millions nationwide – see the hardship caused by the deepening recession and believe strongly that the remedies in the House legislation are urgently needed.

Your Committee's economic recovery legislation is a balanced package that is more effective *because* it meets human needs, not despite those provisions. It includes urgently needed help for some of those most hurt by the ravages of the recession, and least powerful or well-connected to seek aid to counteract it. That the bill provides help to these vulnerable people – those unable to pay to heat their homes or unable to afford enough food, who need work and better skills to compete for the jobs available and child care so they can stay at work – is testament to the fact that this legislation has been designed both to alleviate hardship *and in so doing*, to foster economic growth.

There are so many excellent provisions in this legislation that we fear praising only a sampling will wrongly imply we do not greatly value others not listed here. But we will risk it. A substantial increase in Supplemental Food Assistance Program benefits (SNAP; formerly food

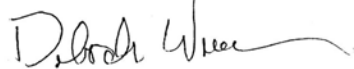
stamps) will allow many millions of distressed families to purchase more of the food they need. The bill also expands the availability of suppers for low-income children in afterschool programs to all states (now only 8 are authorized to provide suppers through the Child and Adult Care Food Program. Aid is increased to states to prevent cuts in education and many other programs – forestalling loss of services, layoffs, and shrinking income to service providers. The education aid will provide more funds for school systems serving poor or homeless children and those with special needs, as well as increasing Pell Grants for low-income college students. Home energy assistance is increased, as are funds for child care and Head Start. Investments are made in communities – through repair and maintenance of public housing stock, weatherization of public buildings and low-income residences, and rebuilding schools. Long-needed investments are made in people too, through increases in job training for adults (including seniors), youth, and dislocated workers.

The American Recovery and Reinvestment Act in concert with the rest of plan will produce three to four million jobs. Funding jobs in areas including renewable energy, weatherization, health care, infrastructure repair, and other ways to invest in and rebuild communities will get people back to work. Their paychecks will fuel the economy in the short term; their work will provide resources from roads and bridges to trained workers that will help businesses to start up and grow. The jobs created or saved will come not just from construction and related projects, but most importantly also from the assistance extended to enable hard-pressed individuals and families to buy what they need.

We especially appreciate the Appropriations Committee's approval of an amendment by Rep. DeLauro increasing funding for the Emergency Food Assistance Program (TEFAP), another example of the Committee's responsiveness to information about growing need. We hope there will be opportunities before final enactment to respond to important needs as yet imperfectly addressed in the legislation. A small increase in the Commodity Supplemental Food Program would go a long way to helping poor seniors. Because investment in affordable rental housing is necessary, it is a missed opportunity that the legislation does not include funds for the National Housing Trust Fund. Further, more language could be included to give preference to projects that hire low-income people – those who need help the most.

The many provisions of the American Recovery and Reinvestment Act and associated legislation will help to reverse the recession. We thank you for your leadership in providing the help most needed, and will look forward to working with you to encourage its speedy enactment.

Most sincerely,



Deborah Weinstein
Executive Director