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January 28, 2009

Washington, DC - Congressman Travis Childers (D-MS) today voted to create thousands of jobs for hard working Mississippians and help restore both the national and state economy. The American Economic Recovery and Reinvestment Act (H.R. 1) will provide billions of dollars in stimulus funding for Mississippi to save and create jobs, and to uplift the economy through investments in education, infrastructure, and health care, as well as significant tax relief. The legislation passed in the House by a vote of 244 to 188.

"Jobs are the number one issue in North Mississippi," said Congressman Childers. "In the last year, a staggering 2.6 million American jobs were lost. This week, our national economy lost more than 70,000 jobs, further verifying that our country is in desperate need of immediate action. Mississippi's unemployment rate has risen 1.7 percent, and the First District's jobless rate is now on par with unemployment in the Delta region. It's time to get our economy back on track.

"With the onslaught of closures and layoffs in furniture, manufacturing, and other industries important to North Mississippi, hard working families are struggling more and more to make ends meet. The recovery package provides billions of dollars in funding for education, health care, and infrastructure in Mississippi - all areas where our state faces potential shortfalls and budget cuts. Additionally, the package offers much needed tax relief for individuals, businesses, and state and local governments.

"Yesterday, the Congressional Budget Office warned of severe economic consequences if today's legislation was not passed. On three different occasions, I have voted against authorizing vast sums of money to bailout Wall Street from its own recklessness. However, I felt compelled to support legislation that will uplift Main Street and help get the hard working people of Mississippi back on their feet.

"The recovery package has unprecedented levels of accountability, oversight, and transparency, and does not include a single earmark. In addition, the House voted yesterday on a rule to designate the money included in the package as emergency funding, which is technically exempt from PAYGO rules. That being said, I understand that this legislation calls for the authorization of a huge sum of money and, if the Senate returns the bill to the House with excessive additions, I will be inclined to vote against it.

"If this legislation passes, regardless of how I ultimately vote on the Senate's version, I will continue working hard to

make sure North Mississippi gets its fair share of these funds."

The American Economic Recovery and Reinvestment Act will create jobs and offer unemployment relief, invest in education, infrastructure, and health care, and provide tax relief through the following measures:

Job Creation and Unemployment Relief

- The American Economic Recovery and Reinvestment Act will create and save 3 to 4 million jobs. A recent Congressional Budget Office (CBO) report estimated that passage of the House's stimulus package will lead to job increases of somewhere between 800,000 to 2.1 million this year, 1.2 million and 3.6 million in 2010, and 700,000 and 2.1 million in 2011.
- Economist Mark Zandi estimates that the recovery act will reduce unemployment in Mississippi by 1.6 percent.
- The recovery package would extend unemployment insurance benefits through the end of 2009 and increase the benefit by \$25 per week. The Extension would provide critical assistance to approximately 3 million people through 2009, while the benefit increase will help nearly 20 million unemployed workers.
- According to the Joint Committee on Taxation and CBO, the bill will provide health insurance coverage to more than eight million people by:

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Providing a 65 percent subsidy for COBRA premiums for up to 12 months for people who were involuntarily separated from their jobs between September 1, 2008 and December 31, 2009.

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Providing states the temporary option of offering coverage to unemployed workers through their Medicaid programs, with the federal government matching 100 percent of the costs of benefits and administration.

- The recovery act will also provide \$46.2 million in Employment and Training funding for the State of Mississippi for the next two years.

Education

- The recovery package will provide an estimated \$91 million in funds for schools in all 24 counties of the First District, and an estimated total of \$507.2 million for schools throughout Mississippi, over the next two years. These funds will be given directly to individual school districts.
- The legislation will provide the following education fund totals for the State of Mississippi for the next two years:

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State Fiscal Stabilization Fund to prevent teacher layoffs and other cutbacks in education and other key services - \$637 million

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No Child Left Behind - \$172.1 million

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Individuals with Disabilities Education Act (IDEA) - \$139.3 million

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Educational Technology State Grants used to integrate technology into curricula in order to improve teaching and learning - \$12.9 million

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Education Modernization, Renovation, and Repair funds to renovate and modernize classrooms and buildings at both K-12 schools and higher education institutions- \$248.7 million

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Pell Grant Increase of \$500 (for a maximum of \$5,350 in 2009 and \$5,550 in 2010) - \$392.1 million to benefit an estimated 96,824 students

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Head Start - \$15.7 million

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Child Care & Development Block Grant to provide child care services to additional children in low-income families while their parents go to work - \$31 million

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Economist Mark Zandi estimates that that this package will save or create more than 250,000 jobs in the health care and education sectors.

Infrastructure

- Modernizing roads, bridges, transit, and waterways under the recovery package will create an estimated 1.5 million American jobs.

- The Mississippi Department of Transportation (MDOT) will receive \$425.8 million in infrastructure investments from the recovery act. This money will be used to fund projects in the following areas:

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Highways and Bridges (there are currently 75 Highways and Bridges projects that are ready-to-go in Mississippi) - \$353 million

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Transit Capital - \$20.4 million

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Clean Water State Revolving Fund (SRF) - \$52.3 million

Health Care

- The American Economic Recovery and Reinvestment Act will provide Mississippi with \$697.5 million in Medicaid funding over the next nine fiscal quarters (2.25 years), helping reduce potential funding shortfalls in the coming fiscal years.

- The package provides \$20 billion to accelerate adoption of Health Information Technology (HIT) systems by doctors and hospitals, in order to modernize the health care system, save billions of dollars, reduce medical errors, and improve quality.

- The recovery act makes the single largest investment in prevention in history - by providing \$3 billion for a new Prevention and Wellness Fund. This includes funding for the Preventive Health and Health Services Block Grant, which provides needed resources to state and local public health departments to address prevention and wellness at the local level. Mississippi's share of this grant is \$4.7 million.

Tax Relief

- The "Making Work Pay" Tax Credit will cut taxes for more than 95 percent of working families in the United States. The recovery plan will provide an immediate, direct refund to families through a reduction in the amount of income tax that is withheld from their paychecks, or through claiming the credit on tax returns. The tax credit will benefit an estimated 935,000 Mississippi taxpayers.

- The package will provide critical tax relief to hardworking families by expanding the Earned Income Tax Credit (EITC) for working families with three or more children and increasing the EITC marriage penalty relief, allowing these families to take home a little more from their paycheck each month.

- The package will temporarily increase the eligibility for the refundable child tax credit, allowing millions of additional families to get tax relief. This child tax credit provision will benefit an estimated 210,000 children in Mississippi.
- The recovery act will also provide important tax relief for state and local governments, as well as businesses to spur investment and job creation.

Accountability

- The package contains no earmarks.
- The recovery legislation has unprecedented levels of accountability, oversight, and transparency. It includes a dedicated website, recovery.gov, which will allow citizens to track every penny and hold federal, state, and local officials accountable for performance.

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