The American Recovery and Reinvestment Act of 2009

Broad Provisions of the Bill

1. Unemployment Insurance
   - Unemployment compensation benefits were extended twice in 2008.
   - H.R. 1 proposed $250 million to be distributed by the states with no state match required. These benefits would be temporary.

2. Medicaid and COBRA
   - Medicaid provisions would increase Federal reimbursement of states through FY 2010.
   - Some portion of the monies would be designated for coverage of individuals and families involuntarily unemployed. There would be an income cap.
   - The NCSL estimate for Tennessee would be $338 million in FY ’09 and $363 million in FY 2010.
   - COBRA benefits would be extended beyond the current 18 months for those unemployed workers 55 years-of-age or older and those who worked for an employer for 10 years or more.

3. Infrastructure
   - The total proposed in H.R. 1 is $85 billion for highways, transit, rail, aviation, environmental projects, inland waterways, public buildings, health information technology, broadband development, and maritime infrastructure.
   - The estimates for Tennessee would include $244 million for K-12 construction, $613 million for highways, $120 million for weatherization, and $64 million for state energy programs.
   - The bill calls for funds to be distributed to states, cities, and public transit authorities within 7 days of enactment of the bill.

4. Food Stamps
   - The combination of increases in food prices and the number of people receiving food stamps encouraged a provision for a $20 billion increase in food stamp benefits.

5. Tax Relief
   - There are provisions for businesses that included increased depreciation expensing, recovery of prior year tax payments, as well as other provisions.
   - In the case of individuals the President had already proposed a tax credit of up to $500 for individual taxpayers and $1,000 for couples earning less than $200,000.
   - That provision may be effected through federal tax withholdings.
   - An expansion of the Earned Income Tax Credit and an increase in the child tax credit.

6. Education
   - A number of different provisions are under discussion for both K-12 and post-secondary education.
   - Some possibilities are Title 1 grants, educational technology, increased Pell grants, and teacher incentives.
• Estimated funds for Tennessee include $226 million for Title 1 and $17 million of educational technology.

7. Law and Justice
• Some provisions are included for assistance to state and local law enforcement.

8. Human Services Programs
• A variety of different programs are under discussion child support, home energy assistance, Head Start, and community block grants.

9. General Assistance To States
• The billion contains $79 billion for a state fiscal stabilization plan. Some portions would be reserved for specific purposes such as education.

Source: National Conference of State Legislature Web site.
(http://www.ncsl.org/statefed/2009economicstimulus.htm)
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<tr>
<th>State</th>
<th>Fiscal Year</th>
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<th>Harmless</th>
<th>Clean Water</th>
<th>Drinking Water</th>
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**This constitutes a partial evaluation of the impacts of the federal medical assistance percentage (FMAP) Medicaid. Additional allocations would flow from the funding based on increased state unemployment rates, as shown in Issue Brief 09-02.**

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