



COMMITTEE ON APPROPRIATIONS

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SUMMARY: JOBS FOR MAIN STREET ACT OF 2010

The country is struggling to overcome the longest and deepest economic downturn since the Great Depression. With eight million jobs lost and 15 million people still out of work, the number of unemployed has more than doubled in the last two years. Main Street has been hit especially hard. Many families cannot pay their bills or mortgage payments, and trillions of dollars of wealth have been stripped from retirement accounts. The recession has led to job cuts and reductions in vital services, including education and health, which help some of the most vulnerable among us.

At the start of the year, the nation's economy was in disastrous freefall, losing nearly one million full time jobs a month. Nothing could prevent additional job losses, but Congress had an obligation to act to limit job loss as much as possible. That is why the Recovery Act was passed, and it is doing what it was intended to do. It has supported over a million jobs – including teachers, police officers, and construction workers – and limited cutbacks in critical services that would have otherwise been necessary for states to keep a balanced budget this year. And the rate of job loss has declined, with only 11,000 jobs lost last month.

Unfortunately, families and small businesses are still struggling to make ends meet in these tough economic times. Continued high unemployment takes a toll – both on those unemployed and their families who experience the frustration of not finding work and on their community which must support them. Additional government action is required to help. That is why the Jobs for Main Street Act of 2010 redirects \$75 billion in Troubled Asset Relief Program (TARP) savings from Wall Street to Main Street to fund infrastructure and job investments to further stabilize jobs and provides additional emergency funding to help families who are suffering.

KEY INVESTMENTS MADE BY REDIRECTING FUNDS FROM WALL STREET TO MAIN STREET:

STABILIZING JOBS THROUGH INFRASTRUCTURE INVESTMENTS

The bill redirects \$48.3 billion from Wall Street to help put people to work rebuilding our crumbling roads and bridges, modernizing public buildings, and cleaning our air and water, including:

- **Highway Infrastructure:** \$27.5 billion to make additional highway infrastructure investments. These projects support jobs in the short term while saving commuters time and money in the long term.
- **Transit:** \$8.4 billion for public transportation investments including \$6.15 billion for urban and rural formula grants; \$500 million for capital investment grants for new or expanded fixed guideway projects; and \$1.75 billion in formula funds to address repair needs of existing subway, light rail and commuter rail systems. Public transportation saves Americans time and money, saving as much as 4.2 billion gallons of gasoline and reducing carbon emissions by 37 million metric tons each year.
- **Amtrak:** \$800 million for capital grants to Amtrak for the acquisition and rehabilitation of rolling stock and passenger equipment to improve the speed and capacity of intercity passenger rail service. This investment will increase the fuel efficiency of Amtrak's locomotives and support domestic production of passenger rail equipment.

- **Airport Improvement Grants:** \$500 million for airport improvement projects that will support putting people to work to improve safety and reduce congestion at our nation's airports. An estimated \$49.7 billion is needed between 2009 and 2013 to fully fund eligible airport infrastructure projects.
- **Maritime Administration:** \$100 million for the Maritime Guaranteed Loan (Title XI) program to allow vessel and shipyard owners to obtain long-term financing for growth and modernization projects.
- **Clean Water:** \$2 billion to help communities provide clean and safe water for both their citizens and the environment, including \$1 billion for the Clean Water State Revolving Fund and \$1 billion for the Safe Drinking Water State Revolving Fund. This funding will assist more than 670 communities address the ever growing backlog of sewer and water repairs and rehabilitation. Half of the funds will include additional subsidies, such as principal forgiveness and grants, to make it easier for more communities to access the programs.
- **Bureau of Reclamation:** \$100 million to provide clean, reliable drinking water to rural areas and to ensure adequate water supply to areas impacted by drought.
- **Corps of Engineers:** \$715 million for environmental restoration, flood protection, hydropower, and navigation infrastructure projects by the Corps of Engineers. The Corps has a construction backlog of \$61 billion.
- **Energy Innovation Loans:** \$2 billion for the Department of Energy Innovative Technology Loan Guarantee Program, to promote the rapid deployment of renewable energy and electric transmission projects.
- **School Renovation Grants:** \$4.1 billion to allow State, local, or tribal governments to receive a federal grant equal to the cost of tax credits that would otherwise be payable on bonds issued to finance school construction, rehabilitation or repair.
- **Housing Trust Fund:** \$1 billion for the National Housing Trust Fund to provide communities with funds to build, preserve, and rehabilitate rental homes that are affordable for extremely and very low-income households; and \$65 million for project-based vouchers to support units built by the Trust Fund. Nationwide, for every 100 extremely low-income renter households, there are only 37 homes they can afford. Additionally, capital expenditures for housing will support jobs in the construction industry.
- **Public Housing Capital Fund:** \$1 billion for the Public Housing Capital Fund for additional repairs and rehabilitation of public housing. Every dollar of Capital Fund expenditures produces \$2.12 in economic return. In fiscal year 2009, HUD received applications totaling \$3.7 billion for Capital Fund projects, but was only able to fund \$1 billion in awards. This funding will spur construction quickly, as HUD has ready-to-go applications for projects on hand.

STABILIZING PUBLIC SERVICE JOBS

The bill redirects \$26.7 billion from Wall Street to stabilize public service jobs such as teachers, firefighters, and police officers, including:

- **Education Jobs Fund:** \$23 billion for an Education Jobs Fund to help States support an estimated 250,000 education jobs over the next two years. 95% of the funds will be allocated by States to school districts and public institutions of higher education to retain or create jobs to provide educational services and to modernize, renovate, and repair public education facilities. The remaining 5% of funds is reserved for State education-related jobs and administration of the Education Jobs Fund.
- **Law Enforcement Jobs:** \$1.18 billion to support putting over 5,500 law enforcement officers on the beat throughout the United States.

- **Firefighter Jobs:** \$500 million to retain, rehire, and hire firefighters across the United States. According to the International Association of Firefighters, nearly 6,000 firefighters have been laid off or are subject to layoffs. An additional 6,000 positions have been lost through attrition. Any unused funds may be transferred to firefighter assistance equipment grants.
- **AmeriCorps:** \$200 million for AmeriCorps programs and the National Service Trust, to support an additional 25,000 AmeriCorps Members. This funding will enable those individuals to serve their communities while earning an education award to further their education or pay off student loans. AmeriCorps members conduct vital services for nonprofits and communities including financial counseling, disaster response, housing support, and after school programs. Between November 2008 and April 2009, AmeriCorps received 76,404 online applications, up 230% compared to the same period in the year before.
- **Summer Youth Employment:** \$500 million for a summer employment program for youth. According to the Bureau of Labor Statistics (BLS), the unemployment rate for teenagers (age 16 to 19) reached 26.7% in November 2009 – the highest level recorded since BLS began collecting data. These funds will support summer youth employment for approximately 250,000 disadvantaged youth.
- **College Work Study:** \$300 million to support the College Work Study program, which supports low- and moderate-income undergraduate and graduate students who work while attending college. Together with institutional matching funds, this appropriation will help approximately 250,000 students stay in school.
- **Parks and Forestry Workers:** \$270 million to support putting people to work improving and protecting federal, state, and local public lands. These funds will support approximately 14,000 short-term jobs, improving service to visitors, reducing the large backlog in facilities and habitat restoration needs, and reducing hazardous fuels that lead to damaging and expensive wildfires.
- **Job Training for High Growth Fields:** \$750 million for competitive grants to support job training for approximately 150,000 individuals in high growth and emerging industry sectors, particularly in the health care and green industries that are adding jobs despite difficult economic conditions. Grants for job training in green industries will focus on programs that train workers living in areas of high poverty.

CONTINUING EMERGENCY FUNDING:

EMERGENCY RELIEF FOR FAMILIES HURT BY THE ECONOMY

High unemployment and rising costs have outpaced Americans' paychecks. The bill continues emergency help to working families to make ends meet at a cost of \$79 billion, including:

- **Unemployment Insurance:** \$41 billion to extend, for six months, expanded unemployment benefits, including increased payouts and longer duration of benefits.
- **Help with Health Insurance for Unemployed Workers (COBRA):** \$12.3 billion to extend from nine to 15 months the 65% COBRA health insurance subsidy for individuals who have lost their jobs. The job lost eligibility date is extended in the provision to June 30, 2010. Approximately seven million people benefited from the premium subsidy provided in the Recovery Act.
- **Small Business Loans:** \$354 million, fully offset, to allow the Small Business Administration (SBA) to continue two temporary loan guarantee authorities through the end of fiscal year 2010 to make loans more attractive to borrowers and lenders and to free up capital. Small businesses represent a major engine for the U.S. economy, but many small business owners have had a difficult time securing needed loans in these tight economic times.

- **FMAP Extension:** \$23.5 billion to extend the higher federal match for payments to doctors providing services to low-income families under Medicaid through June 2011. The higher federal match provides an incentive for states to commit resources to their Medicaid programs and helps ensure services for Medicaid beneficiaries.
- **Child Care Tax Credit:** \$2.3 billion to increase eligibility for the refundable portion of the child tax credit by removing the \$3,000 floor for 2010. That will cut taxes for 16 million families, by making the Child Tax Credit available to all low-income working families with children in 2010.
- **Assistance Eligibility:** \$305 million to freeze Department of Health and Human Services (HHS) poverty guidelines at 2009 levels in order to prevent a reduction in eligibility for certain means-tested programs, including Medicaid, Supplemental Nutrition Assistance Program (SNAP), and child nutrition.
- **Income Tax Refund Disregard:** Provides that individuals may exclude counting tax refunds as income for the purpose of assessing eligibility for means-tested programs supported by Federal funds for one year.
- **Social Security Legal Assistance:** The bill permanently authorizes a provision to help Social Security and Supplemental Security Income disability claimants retain legal representation. The provision limits attorney fees to 25% of the claimant's past-due benefits, only paid if the claimant wins and subject to a \$6,000 cap.

OTHER ITEMS

- **Surface Transportation Authorization Extension:** Extends the authorization for the highway, transit, highway safety and motor carrier safety programs of the Department of Transportation until September 30, 2010. In addition, the bill includes language that provides 100% federal share for the transportation programs authorized in the title, repeals the provision that prohibits Highway Trust Fund balances from earning interest, and restores \$20 billion to the Highway Trust Fund.
- **USDA Civil Rights Claims:** Corrects an administrative injustice by extending the statute of limitations for claims of discrimination in USDA's credit programs that have been pending for years at USDA, and provides funding for remedies which is fully offset.