

February 18, 2009

An Investment in America:

A Summary of the American Recovery and Reinvestment Act

President Obama just signed the American Recovery and Reinvestment Act into law. In addition to the Buy America provisions we alerted you to last week, there are many other highlights for Steelworkers and our laid-off sisters and brothers.

This Act:

- **Modernizes Roads, Bridges, Transit and Waterways** – Billions for modernizing public infrastructure will help us create good jobs while investing in the needs for the future.
- **Creates Green Jobs** – Green jobs are quality jobs that help improve our environment. The bill includes money to update the electricity grid, make government buildings more efficient, retrofit housing, conduct research for renewable energy, clean up waterways and hazardous environmental sites, and train workers for these types of jobs.
- **Extends and Increases Unemployment Compensation (UC) and Temporarily Suspends Federal Taxes on UC** – The Act extends Emergency Unemployment Compensation, which is 33 weeks of extended coverage beyond state benefits, through the end of 2009. It also increases unemployment weekly benefits by an additional \$25 through 2009 and temporarily suspends federal income tax on the first \$2,400 of unemployment benefits per recipient on a temporary basis.
- **Provides Assistance with COBRA** – When faced with a layoff and the end of employer-provided healthcare, employees have the option to continue their healthcare if they pay the full cost, which is cost-prohibitive for most unemployed people. The Act provides a 65 percent subsidy for COBRA for up to 9 months for employees laid off between Sept. 1, 2008 and Dec. 31, 2009. It is estimated that this will help 7 million people maintain their healthcare.
- **Expands Trade Adjustment Assistance (TAA) Programs** – TAA will now extend to service sector workers and workers affected by offshoring or outsourcing to all countries. It increases training funds, creates a TAA program for affected communities, gives automatic TAA eligibility for workers suffering from import surges and unfair trade, and allows for easier access and more flexibility with TAA healthcare, training and reemployment benefits.
- **Helps Pay for Education** – Rising education costs coupled with stagnating wages, the credit crisis and job losses mean fewer of us can afford higher education for ourselves or our children. The Act provides money for Pell Grants and college work-study programs. It also contains money to improve head start programs, programs for disadvantaged kids, special education programs, and child-care for low-income families with working parents.
- **Provides Tax Cuts for 95% of Working Families** – For 2009 and 2010, the Act gives a refundable tax credit of up to \$400 for working individuals and \$800 for working families.