



The American Recovery and Reinvestment Act Helping Individuals and Families Congressman Solomon P. Ortiz

On February 13, 2009, Congressman Solomon P. Ortiz (TX-27) joined the majority of the House of Representatives in passing H.R.1, the *American Recovery and Reinvestment Act*. This historic piece of legislation will save and create approximately 3.5 million jobs, stimulate the nation's economy, and transform the economy to promote long-term growth and stability. In Texas, approximately 269,000 jobs will be saved or created as a result of this legislation.

Assistance for Individuals and Families Affected by the Economic Crisis

The American Recovery and Reinvestment Act is about stimulating the economy and helping Americans families get back on their feet. Included in this legislation is \$19.9 billion for additional Supplemental Nutrition Assistance Program for families and individuals sustenance needs. Additionally, enough funding for 300,000 children has been provided through the Child Care Development Block grants to assist families who are not able to afford child care. \$2.1 billion appropriated for Head Start will allow 124,000 children to participate in the program which provides development, educational, health, nutritional, social and other activities that prepare children to succeed in school.

Housing assistance for individuals and families facing financial distress has been provided through the Public Housing Capital Fund. This fund provides public-housing agencies assistance in modernizing, developing and financing public housing. Of the \$4 billion appropriated for this fund, \$3 billion will be administered through an existing grant program while the other \$1 billion will be made available to housing authorities via competitive grants.

For those without a home and seeking shelter, \$1.5 billion has been provided to the Emergency Shelter Grants Program. This program provides those without a home assistance with basic shelter needs, legal services, credit repair and utilities assistance. Additionally, the Federal Emergency Management Agency has been provided \$100 million for grants (to be distributed based on poverty levels and unemployment rates) to local community organizations to assist those in need with shelter, food and financial assistance.

Assistance for Current and Future Homeowners

As part of the American Recovery and Reinvestment Act states and local governments whose jurisdiction has a high rate of foreclosure will be provided \$4 billion under the Neighborhood Stabilization Plan. This plan creates homeownership and housing opportunities by allowing local governments and states to purchase and rejuvenate foreclosed property which will then be made available to the public at an affordable cost.

To further promote homeownership, H.R. 1 provides \$2 billion for the Housing and Urban Development's HOME program. This program is a federal block grant to states and local governments designed explicitly for use to create affordable housing for low-income residents.

Military service men and women have been disproportionately affected by the faltering housing market. As bases close per the Base Realignment and Closure (BRAC) Act of 2005, military service men and women homeowners are unable to rent or sell their current properties. Thus, the American Recovery and Reinvestment Act not only provides the Department of Defense funding for improvements at military installations, but also provides \$555 million to expand the Homeowners Assistance Program (HAP). HAP provides financial assistance to eligible service men and women unable to sell or rent properties as a result of BRAC 2005 and the economy.

Assistance for Workers Affected by the Economic Crisis

Recognizing the continuing challenges facing displaced workers during this time of economic crisis, H.R. 1 extends current unemployment benefits, set to expire in March 2009, through December 2009 and increases the current monthly payment by \$25. For workers involuntarily terminated, this legislation provides for 65% health subsidies for health insurance premiums under COBRA for a total of nine months to ensure adequate health care.

To promote a qualified workforce, the American Recovery and Reinvestment Act provides a total of \$3.75 billion for job training. This includes job training programs for youths and adults; and includes grants to states for re-employment services and the Job Corps. Funding has also been included for community service grants.

Accountability and Transparency of Taxpayer Investment

Funds appropriated in the American Recovery and Reinvestment Act will be distributed via existing formulas and programs with proven track records when possible. Through various measures, the legislation promotes swift obligation of funds to immediately stimulate the economy, while still ensuring transparency and accountability. Measures are in place so that taxpayers will be able to see exactly how their investment in our nation's economy is being spent at <http://www.recovery.gov/>. Any obligation of funds by a federal, state or local entity and all competitive grants must be posted for the public on this website. There are no earmarks in this bill.

To find out more information concerning infrastructure and science investment in the American Recovery and Reinvestment Act, please visit <http://ortiz.house.gov/> and <http://www.recovery.gov/>.

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