

Report Card on Baucus Stimulus Package

Passes the Test for Economic Stimulus

<u>Principle</u>	<u>Baucus Package</u>	<u>Grade</u>
Temporary: Proposals should sunset within one year to the extent practicable	All tax and spending proposals are temporary	Pass
Rapid impact: A substantial portion of the fiscal impact should be felt within six months	More than 100% of the ten-year cost occurs in 2002.	Pass
Size: Approximately \$60 billion	The bill costs \$70 billion in FY 2002 and \$40 billion over ten years.	Pass
Targeting: Stimulus dollars should go to those most likely to spend them and those most vulnerable in an economic downturn	Includes \$14 billion rebate and \$33 billion in worker relief targeted to low-and middle-income Americans who are more likely to spend.	Pass
Long-term: Package should not worsen long-term economic situation and increase interest rates	Has virtually no effect on surplus after FY 2002 (\$2 billion) including interest costs.	Pass