

PATTY MURRAY'S WASHINGTON VIEW

U.S. Senator Patty Murray's Weekly Report to the People of Washington – February 20, 2009

Economic Recovery Bill Includes Billions to Help Get our State Working Again

On Friday, I voted to help pass an Economic Recovery Package that includes over \$6.7 billion in funding for Washington state priorities, billions in tax cuts for Washington workers and families, and additional funding for our state through federal grant funding. The funding in this bill will help give our economy the jolt it needs, create jobs, and put money back into the pockets of workers in our state.

The bill passed on Friday will not turn things around overnight nor is it the only step needed to fix our badly broken economy. However, it does invest in proven ways to get workers back on the job and our economy back on track. It will take steps to help fix our crumbling roads, rebuild our aging energy grid, relieve state budget woes, and give working families more of their paycheck. It will also make some of the long-term investments we need to help our state and country compete in a global economy.

For many families in our state there are still very tough times ahead. We have not seen the last of layoffs and many families will continue to struggle to make ends meet. However, this bill ensures that there is help on the way.

[Listen](#) to a speech I delivered on the Senate Floor urging the Senate to pass the Economic Recovery and Reinvestment Act.

["Sen. Patty Murray lauds passage of recovery bill"](#) – Associated Press

The following is a list of some of the investments, tax cuts and grant programs that will benefit Washington state in the bill: (All figures are for Washington state unless otherwise noted.)

TAX CUTS

INCOME TAX CUT: Includes income tax cut of up to \$800 for Washington workers and their families. This means that shortly after this bill is enacted over 2.4 million Washington state workers will begin to see a tax cut in their paychecks. Workers would begin to see this tax cut in their paychecks roughly 90 days after enactment of the bill. Workers would receive the full value of the cut after a full year.

AMT: Includes protection for working families across the state from the Alternative Minimum Tax, representing thousands of dollars in additional income taxes. According to the Congressional Research Service, 348,000 Washingtonians would be protected from the Alternative Minimum Tax in 2009.

FIRST-TIME HOME BUYER TAX CREDIT: This bill includes an \$8,000 tax credit for first-time homebuyers who purchase their homes between January 1st and December 1st, 2009. Under the provision, first-time buyers would not be required to pay the government back for this

credit. The credit is available for buyers with an adjusted gross income of up to \$75,000 (\$150,000 in the case of a joint return).

SALES TAX DEDUCTION FOR VEHICLE PURCHASES: The bill provides most taxpayers with a deduction for State and local sales and excise taxes paid on the purchase of new cars, light truck, recreational vehicles, and motorcycles through 2009.

TRANSPORTATION

HIGHWAYS: Includes nearly \$500 million to improve Washington state roads, highways, and bridges and create jobs. Also includes \$1.5 billion for nationwide competitive grant program for projects of major national or regional importance.

TRANSIT: Includes nearly \$180 million in new transit funding for Washington state to keep residents moving and create jobs.

FERRIES: Includes a \$60 million nationwide grant program to fund ferry and ferry terminal upgrades.

SMALL SHIPYARDS: Includes a \$100 million nationwide grant program to improve small shipyards, create jobs and ensure that our shipyards have the tools to compete in the global economy.

HELPING THOSE HURT BY RECESSION

UNEMPLOYMENT INSURANCE: Will give an additional \$100 per month in unemployment insurance benefits for unemployed workers in Washington. Will provide extended unemployment benefits to many more laid-off workers. Unemployment will be extended for a total of 33 weeks.

WORKER TRAINING: Includes more than \$66 million to train unemployed Washington state workers and get them the skills needed to embark on new careers.

ONE-TIME PAYMENT: This bill will provide a one-time payment of \$250 to Washington state Social Security beneficiaries, veterans receiving pensions, and low-income people receiving Supplemental Security Income payments.

AFFORDABLE HOUSING: The bill includes over \$100 million to prevent homelessness, and create and preserve affordable housing for Washington's most vulnerable families.

FOODSTAMPS: Will provide \$380 million in additional support for struggling Washington state families to afford food. This is an immediate stimulus for our economy and moral obligation in these difficult times.

COBRA: The bill includes \$21 billion nationwide to help many laid-off workers keep their health insurance under the COBRA program. The funding would allow laid off workers to continue to receive health insurance from their previous employer but would make that care affordable by providing a 60% subsidy for COBRA premiums for up to 9 months.

WASHINGTON STATE VICTORIES

HANFORD: Includes \$6 billion for Environmental Management (EM) nationwide. Historically, Hanford Nuclear Reservation receives a significant portion of EM funding. This funding would help save or create jobs at Hanford, would accelerate cleanup efforts, and would save taxpayers millions in future cleanup costs. Estimates are that Hanford would receive nearly \$2 billion in funding.

BPA: Includes \$3.25 billion in additional borrowing authority so that the Bonneville Power Administration (BPA) can modernize the region's power grid and bring alternative energy sources online. BPA is the largest marketer of wholesale electricity in the Pacific Northwest. This funding will mean that BPA can improve their aging transmission lines so that new sources of energy can be made available to customers and new green jobs can be created throughout the state.

MEDICAID: The bill includes \$2.06 billion for Washington state to ease the burden of rising Medicaid costs. This payment will help Washington state sustain Medicaid help to families—at a time when they need it most – and it will help the state during a time of strained budgets and decreased revenue.

EDUCATION

STATE STABILIZATION FUND: This bill includes \$812 million for Washington state from the State Stabilization Fund. Most of this funding will go directly to the state to be used for education priorities. These funds will help the state avoid cutbacks and protect against job cuts. Gov. Gregoire has also discussed using these funds for reducing class sizes and ensuring that districts with low property values get their fair share of education funding. Portions of this funding will be used by the state for bonus grants to districts that meet key performance measures. An additional portion will be allotted to the state to be used at their discretion for any public service needs.

EDUCATION TECHNOLOGY: The bill includes over \$13.1 million for Washington state in the Education Technology funding to purchase up-to-date classroom computers and software, and to provide professional development to ensure the technology is used effectively in the classroom.

SPECIAL EDUCATION: The bill includes over \$220 million in special education grant funding to Washington to help local school districts fund educational services for those with disabilities. This funding will help prevent these rising mandatory state costs from forcing the state to cut other areas of education.

HELPING DISADVANTAGED CHILDREN: The bill includes over \$176 million to help disadvantaged students in Washington state reach high academic standards and to ensure that in this period of tight state and local budgets we continue to serve these children.

MAKING COLLEGE AFFORDABLE: This bill increases the higher education tax credit for Washington state students to a maximum of \$2,500 a year and will allow more low-income students in our state to qualify. This bill will also increase Pell Grants by \$500 for eligible students in our state.

HEAD START AND EARLY CHILDHOOD GRANTS: This bill contains over \$33 million in child care funding and \$10.5 million for Head Start and Early Head Start for Washington state. These funds will help more Washingtonians access critical child care, pre-school, and family support services, allowing parents to work and provide their children with the tools needed to succeed.

ENERGY/ENVIRONMENT/WATER PROGRAMS

STATE ENERGY PROGRAM: This bill includes over \$60 million for Washington state to address their energy priorities, including the expansion of emerging renewable energy and energy efficiency technologies.

WEATHERIZATION: Includes \$60.7 million to help weatherize homes and businesses throughout our state, creating jobs, lowering energy bills, and reducing our dependence on foreign oil.

WATER RESOURCE NEEDS: Washington state will receive \$42.1 million through Drinking Water State Revolving Fund to address the backlog of drinking water infrastructure needs and \$69.2 million through the Clean Water State Revolving Fund to address the backlog of clean water infrastructure needs

HEALTH CARE

HEALTH/IT: Will provide \$19 billion nationwide to accelerate adoption of Health Information Technology systems by doctors and hospitals in order to save money, reduce medical errors and improve overall health care quality. Health IT systems will save billions through cutting waste and eliminating the need to repeat medical tests.

NIH: This bill includes \$10 billion nationwide for NIH-funded research at research facilities through the country as well as construction of new facilities. This will mean more high-paying research jobs. The money will enhance U. S. competitiveness in science and technology and provide funding for the training and hiring of new scientists. Investments in research will yield new drugs and technologies that will stimulate the U.S. economy. Every dollar invested in medical research can save money in health care costs and economic productivity.

LAW ENFORCEMENT/FIREFIGHTERS

LAW ENFORCEMENT: Will provide Washington state with over \$36 million for Byrne Justice Assistance Grants to support state and local law enforcement crime-fighting efforts. Will also include \$1 billion nationwide for COPS grants that will help communities avoid laying off police officers throughout our state.

FIREFIGHTERS: Includes language that will allow Washington communities to take advantage of SAFER firefighter hiring grants without having to provide a local match. This will allow more communities to be able to afford to create stable, family-wage firefighting positions. It will also ensure that that firefighters and the safety of our communities don't fall victim to state and local budget cuts. The bill also includes \$210 million nationwide for competitive grants to modify, upgrade or construct fire stations.

VETERANS

VA MEDICAL FACILITIES: Includes \$1 billion for upgrades and renovations to VA medical facilities nationwide to ensure the VA can continue to provide quality medical care. This funding will be distributed to regions throughout the country and will then be given to facilities based on need. It will also create construction jobs. Washington state facilities are expected to receive a portion of the funding.

Additional funding in the bill:

- \$150 million to VA extended care facilities
- \$150 million for hiring additional benefit claims processors to reduce wait times

ADDITIONAL INFO/ACCOUNTABILITY

- There are no earmarks in this bill
- Much of the formula funding in this bill is distributed to existing programs with proven track records of success and promoting financial stability.
- President Obama will be establishing a website – recovery.gov – that will track how recovery funding is spent.

The programs and funding above include some of the highlights of the American Recovery and Reinvestment Act. It is not a complete listing of all the programs included in the legislation.

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