

How will the federal economic stimulus package impact Alabama's children and families?

Over the next couple of years, Alabama is expected to receive over \$3 billion toward boosting our economy and creating jobs throughout the state. The following chart analyzes selected recovery package provisions and how they could potentially impact Alabama's children and families.

Selected Recovery Package Provisions	Impact on Alabama
Child Care \$2 billion to working parents for child care assistance	\$38.4 million ¹
Child Tax Credit Temporarily expands the tax credit allowing families to qualify beginning with every dollar earned over \$3,000	Alabama families of 224,000 children will qualify for the tax credit ²
Food Stamps (or Supplemental Nutrition Assistance) Program (SNAP) \$20 billion to provide a 13.6 percent increase in benefits	\$389 million in increased benefits (FY2009-FY2013) ³
Making Work Pay Credit New credit of up to \$400 per worker, \$800 per couple filing jointly	1.7 million Alabama taxpayers will be eligible for payroll credit ⁴
Unemployment Insurance Benefits Increases of \$25 per week and continues up to 33 weeks of extended benefits through December 2009	247,021 Alabamians will be eligible for the increased benefit and 36,508 eligible for extended benefits ⁵
K-12 Education \$13 billion for Title I grants and \$12.2 billion for IDEA (special education)	\$198.4 million for Title I and \$189.7 million for IDEA (FY2009-FY2010) ⁶
Medicaid \$87 billion to help states maintain their Medicaid program	\$850 million (FY2009-FY2011) ⁷
State Fiscal Stabilization Fund \$53 billion to prevent cutbacks in education and other key services	\$596.4 million for education and \$132.7 million for other state needs (FY2009-FY2011) ⁸

Sources and Notes

- 1 – Center for Law and Social Policy, "Impact of American Recovery and Reinvestment Act (ARRA) of 2009 on Child Care and Development block Grant (CCDBG) funding: Estimated State Allocations," February 13, 2009 (http://clasp.org/publications/aara_childcarestatealloc.pdf)
- 2 – Arloc Sherman, "Recovery Agreement Temporarily Expands Child Tax Credit For Large Numbers Of Children In Every State," Center on Budget and Policy Priorities, February 12, 2009 (<http://www.cbpp.org/2-12-09tax.htm>)
- 3 – Center on Budget and Policy Priorities, "American Recovery And Reinvestment Act Of 2009: State-by-State Estimates of Key Provisions Affecting Low- and Moderate-Income Individuals," February 13, 2009 (updated) (<http://www.cbpp.org/1-22-09bud.htm>)
- 4 – Arloc Sherman, "Tax Aid in Recovery Package Would Reach Large Numbers of Workers in Every State," Center on Budget and Policy Priorities, February 13, 2009 (updated) (<http://www.cbpp.org/1-21-09tax3.htm>)
- 5 – National Employment Law Project, "American Recovery and Reinvestment Act of 2009: Estimates of Jobless Workers Benefiting from Selected Unemployment Insurance Provisions," January 13, 2009 (<http://www.nelp.org/page/-/UI/RecoveryPlanEstimates.pdf>)
- 6 – (<http://www.staterecovery.org/Websites/staterecovery/Images/1-22-09bud-ed.pdf>)
- 7 – Center on Budget and Policy Priorities, American Recovery and Reinvestment Act Of 2009
- 8 – (<http://www.staterecovery.org/Websites/staterecovery/Images/1-22-09bud-sfsf.pdf>)

* Funding amounts listed above are the maximum dollars a state can receive.

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