

## **Economic Security** **in the American Recovery and Reinvestment Act**

The American Recovery and Reinvestment Act (ARRA) includes significant resources to address the needs of children and families in the area of *economic security*, including:

- \$20 billion for the **Food Stamp Program** (recently renamed the Supplemental Nutrition Assistance Program). Most of this amount will fund a 13.6% increase in the maximum food stamp benefit, which will go into effect in April 2009. **This increase will mean that an estimated 91,000 Rhode Islanders will receive a total of \$52 million in increased benefits.** Rhode Island will also receive about \$1 million in new funds to implement administrative changes and help manage rising caseloads. (<http://www.cbpp.org/1-22-09bud-fs.pdf>)
- Additional resources to states that serve more families in their **TANF (Temporary Assistance for Needy Families)** programs, expand subsidized employment, or expand short-term, non-recurrent aid to families by, for example, by helping families pay security deposits or avoid utility shut-offs. The federal government will cover 80% of the increased cost, but states will have to pay the remaining 20%, either by increasing state spending or by cutting TANF-related funding in other areas. (<http://www.cbpp.org/2-17-09tanf.pdf>)
- **\$4.6 million in child support enforcement funds restored in Rhode Island**, allowing families to continue receiving child support payments and preventing cutbacks in the child support program. (<http://www.clasp.org/publications/statebystatemark021309.pdf>)
- A temporary decrease in the income needed to take advantage of the **Child Tax Credit**. The economic recovery bill temporarily **lowers the eligibility level to families** with at least \$3,000 in earnings. **As a result, about 39,000 more Rhode Island children will benefit from this tax credit this year and about 46,000 more next year than would have under the previous income limit.** (<http://www.cbpp.org/1-22-09bud-ctc.pdf>)
- A \$25 per week increase in **unemployment benefits**, an extension of the deadline to qualify for extended benefits, new funding to help states meet the increased demand for unemployment benefits, and financial incentives to states that modernize their programs to make them accessible to more low-wage and part-time workers. An estimated **86,110 Rhode Islanders will receive increases in unemployment benefits and 17,442 will receive continuation of benefits** as a result of these provisions. Rhode Island may also receive a share of \$7 billion in incentive funds if it takes recommended steps to modernize its unemployment insurance system. (<http://www.cbpp.org/1-22-09bud-ui.pdf> and <http://www.nelp.org/page/-/UI/RecoveryPlanEstimates.pdf> and <http://www.nelp.org/page/-/UI/ARRAConcise.pdf?nocdn=1>)
- Additional funds for **homelessness prevention activities** such as rental assistance, housing relocation assistance, and security deposits. **Rhode Island will receive about \$7 million in funds, allowing the state to help an estimated 1,100 households avoid homelessness.** (<http://www.cbpp.org/1-22-09bud-es.pdf>)