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## Murphy Helps to Pass Economic Recovery Bill to Boost Jobs, Cut Taxes in Connecticut

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WASHINGTON, D.C. - After weeks of negotiation, today the House of Representatives passed economic recovery legislation to create or save an estimated 41,000 jobs in Connecticut and to get our economy moving again. Congressman Chris Murphy (CT-5) supported the bill, calling it "a bold plan for tough times, with tax cuts for working people and desperately needed funding for Connecticut job creation and to fill the gaps in the state budget."

As Connecticut has seen unemployment jump from 4.8% in December of 2007 to 7.1% in December of 2008, Murphy supported the American Recovery and Reinvestment Act because it will create and save 3.5 million jobs nationwide, including approximately 41,000 in Connecticut, by investing quickly in badly needed infrastructure projects, making us more energy independent, updating our health care system, and transforming our economy for long-term growth. The bill also includes \$282 billion in tax cuts over two years.

"This is an opportunity to jumpstart our economy with a mix of targeted tax cuts, historic job creation, and investments in our future. Connecticut is crying out for help. We had to act quickly to help stem the bleeding in our economy, and to provide Governor Rell and the state legislature some help to fill budget gaps in these tough times," said Murphy.

Murphy touted certain provisions in the bill that will help Connecticut families, including:

- The creation or saving of approximately 41,000 jobs in Connecticut. With 7.1% unemployment, Connecticut needs an infusion of funds to create jobs in the fields of health care, construction, energy, and more.
- A tax cut for 1.35 million Connecticut residents. The Make Work Pay tax cut is a refundable tax credit of up to \$400 per worker (\$800 per couple filing jointly), phasing out at \$150,000 for couples filing jointly and \$75,000 for single filers that will be distributed by reducing tax withholding from workers' paychecks, putting more money in the pocket each pay period.
- Approximately \$1.3 billion over two years for Connecticut for Medicaid. The funding is aimed to allow states the ability to maintain services and to help those who will newly qualify in this economic downturn.
- \$545.8 million for Governor Rell and the state legislature to use to fill budget gaps, of which 81.8 percent will be used to boost state support to local school systems and 18.2 percent will be used to support other critical needs such as public safety and job creation through school modernization.

- \$238.7 million for additional education assistance in 2009, including \$136.4 million for IDEA special education, \$72.4 million for Title I grants to local education systems, \$24.7 million for Title I school improvement grants, \$202,000 to help homeless students and \$4.8 million for education technology improvements. For more information, <http://edlabor.house.gov/blog/2009/01/school-districts-will-benefit.shtml>.
- A \$2,500 partially refundable tax credit for college, for which 30,000 families in Connecticut will be eligible. For the first time, textbook expenses will count in this credit. And Pell Grants will be expanded by \$500.
- \$300 million for highway projects, and \$137 million for transit in Connecticut. 50% of highway funds must be obligated by the state within 120 days, and they can be used for up to 100% of a project's cost. 50% of transit funds must be obligated by the state within 180 days, and they can be used for up to 100% of a project's cost.
- An estimated \$65.8 million for Connecticut for weatherization upgrades to make homes more energy efficient. Families are now eligible up to 200% of the federal poverty line for a maximum of \$6,500 per dwelling.
- An additional \$100 a month in unemployment insurance benefits for Connecticut workers who have lost their jobs in this recession.

Murphy also pushed for a \$19 billion nationwide investment in health information technology (health IT). The health IT funding aims to make our health care system work better for patients and to make health care providers more efficient. Next week, Murphy will visit three hospitals in Connecticut to see firsthand health information technology projects that could be eligible for funding once this bill is signed into law.

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