

Extension of Unemployment Insurance Programs in Jobs Package –

The three primary Unemployment Insurance (UI) provisions established or continued by the American Recovery and Reinvestment Act phase-out at the end of the year. (At the end of December, no new entrants are allowed to claim EUC benefits and existing recipients may only conclude their current tier of benefits.)

The three expiring provisions are:

(1) Emergency Unemployment Compensation (EUC) program, which provides up to 53 weeks of extended benefits, depending on a State's unemployment rate;

(2) 100% federal funding for the Extended Benefits (EB) program, which provides up to an additional 13 to 20 weeks of benefits in certain States (13 weeks for States at or above 6.5% unemployment and another 7 weeks for States at or above 8% unemployment); and

(3) Federal Additional Compensation (FAC), which increases all UI benefits by \$25 a week.

The legislation would fully continue these three programs for the first six months of 2010.

Poverty Line Hold Harmless in Jobs Package –

Every year, HHS updates the federal poverty line according to changes in the Consumer Price Index (CPI). The decline in CPI since the end of 2008 will therefore have the effect of slightly lowering the official poverty guidelines in 2010. This in turn could reduce access for programs such as Medicaid and SNAP (food stamps) that use a percentage of the poverty line to determine eligibility. The bill prevents this from occurring by stipulating that the poverty guidelines in 2010 can be no lower than the poverty guidelines in 2009.

Uniform Tax Disregard for Federally-Funded Programs –

The jobs legislation would exclude federal tax refunds from income in the month received and from resources for 12 months for the purpose of determining eligibility for federal or federally-assisted programs in 2010. This single standard would replace the various disregards that now apply to certain tax credits.