

## Federal Issues Action Alert

November 8, 2008

### Missouri Budget Project: Action Alert

**Take Action Now! Call Senators Bond and McCaskill today to urge the passage of an economic stimulus package that will help low and middle income individuals and families, and will effectively stimulate the economy.**

*Call your Senators TODAY tell them:*

**1. Please support the economic recovery package passed by the House that helps low-income and middle income people. This includes :**

- Extension of unemployment benefits. 18,309 Missourians are estimated to exhaust their unemployment benefits between October and December 2008.
- Aid to states for rising Medicaid costs
- Increased food stamp benefits
- More funds for jobs through infrastructure repair

**2. At a minimum, support extension of unemployment benefits**

**Call Senator Bond at 202.224.5721  
Call Senator McCaskill at 202.224.6154**

**Background:** The House passed an economic stimulus package that includes the 4 bullet points above. It also passed a free-standing provision to extend unemployment benefits. The Senate could take up either of these bills following the election. Our Senators need to hear from constituents who demand that urgent needs are met - both because it's the right thing to do and because economists tell us these investments will boost the economy and build a shared recovery. It won't be easy to pass a recovery bill, but if the Senate hears a sense of urgency from callers, they'll understand they cannot walk away until January without having acted.

**Extended unemployment benefits:** The National Employment Law Project estimates that 18,309 Missourians will lose their unemployment benefits between October and December 2008. Extending benefits to families who are unable to find employment in the depressed economy is critically important for them, and will pump money directly into the economy.

**Aid to states for rising Medicaid costs:** In 2003 Congress passed a federal relief measure that increased the match that the federal government provides for Medicaid. This allowed states to continue to provide medical care to its citizens at a lower cost to the state. Under the House-passed fiscal relief measure, it is estimated that Missouri could receive \$376 million to assist in Medicaid payments. This would help protect from Medicaid cuts as Missouri's economy is shrinking and state revenues decrease, and again, would pump money directly into the economy.

**Increased Food Stamp Benefits:** The U. S. Department of Agriculture Economic Research Services estimates that the proposed 5 percent increase in Food Stamp benefits would help an estimated 899,000

Missourians. The \$76 million in benefits would leverage an impact of \$140 million in the economy. As food prices continue to rise, this would greatly benefit low income families.

**Infrastructure Repair:** In addition to higher matching for Medicaid, the federal government could provide funds for infrastructure repair to states. The repair of bridges and roads is a need that Missouri shares with many other states. Overall, 39 states face budget shortfalls in FY2009. Missouri has a projected deficit for FY 2010, but with slower revenue coming in than forecast, may face challenges in FY2009 as well. Funding for infrastructure needs would offer welcome relief as states struggle to fund other competing needs.

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