



Illinois Hunger Coalition

Working to End Hunger in Illinois since 1988

American Recovery and Reinvestment Act of 2009: Illinois Impacts of Selected Provisions¹

Food Stamps/Supplemental Nutrition Assistance Program: Food stamp benefit levels will increase 13.6% starting in April 2009 for a total nationwide increase of \$19.9 billion. States will also get administrative funds to help provide caseworkers for growing caseloads.

Illinois Impact – Benefits: \$890 million for 1,371,000 persons over FY 2009-2013

Illinois Impact – Administrative: \$11.9 million over FY 2009-2013

Temporary Increase in Federal Medicaid Assistance Percentage (FMAP): This increase in federal matching for state Medicaid payments will enable the state to pay bills for low-income Medicaid recipients on a more timely basis than the current 120-day cycle. This provision is retroactive to 10/1/2008 and expires 12/31/2010.

Illinois impact: \$2.9 billion over FY 2009-2011

State Fiscal Stabilization Fund: This provision authorizes two block grants for each state to prevent harmful cuts in the economic downturn that may result in lost jobs and state contracts. The Education Block Grant will go to both states and local school districts and will support both K-12 and higher ed. The Flexible Block Grant can be used to prevent other cuts states might make to balance their budgets. Funds must be spent within two years.

Illinois Impact - Education Block Grant: \$1.6811 billion over FY 2009-2010

Illinois Impact – Flexible Block Grant: \$374 million over FY 2009-2010

Additional Funding for Education: There are also provisions authorizing additional funds for Title I programs to supplement spending in areas with large numbers of low-income households and for Individuals with Disabilities Act (IDEA) funding.

Illinois Impact – Title I: \$526.3 million over FY 2009-2010

Illinois Impact – IDEA (Part B Grants): \$515.2 million over FY 2009-2010

Homelessness Prevention Funding: States will be given an increase in their Emergency Shelter Grant to be used exclusively for homelessness prevention, including rental assistance, housing stabilization or relocation services.

Illinois Impact: \$71.5 million to assist 14,000 households in FY 2009

¹Unless otherwise noted, estimates are from “American Recovery and Reinvestment Act of 2009: State-by-State Estimates of Key Provisions Affecting Low- and Moderate-Income Individuals” by the Center on Budget and Policy Priorities available online at <http://www.cbpp.org/1-22-09bud.htm>.



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Child Care and Development Block Grant²: Increase to meet demand for child care, which is likely to increase during recession as parents with lower earning cannot afford to pay cost of child care.

Illinois Impact: \$73.77 million over FY 2009-2010

Unemployment Insurance Provisions³: The Unemployment Insurance Modernization Act, included in the recovery package will allow states to fill gaps in their unemployment insurance programs, by better serving more workers. Examples are counting more recent pay periods and part-time workers. There is also an additional \$25/week benefit increase and an continuation of the current extension to regular unemployment benefits. Additional administrative funds were also authorized.

Illinois Impact: \$316 million potential if program is modernized

Illinois Impact: 823,096 workers will get additional \$25/week benefits

Illinois Impact: 144, 638 workers will get continued benefit

Worker Training and Employment Services: Increases for the Workforce Investment Act (WIA), providing funds to localities for job training and employment services for dislocated workers, youth, and adults.

Illinois Impact – Youth Services: \$62.8 million in FY 2009

Illinois Impact – Dislocated Workers: \$65.3 million in FY 2009

Illinois Impact – Adult Activities: \$26.1 million in FY 2009

Child Tax Credit Expansion: The refundable portion of the Child Tax Credit, available to families with children under the age of 17, will have a lower eligibility threshold of \$3,000 in tax year 2009, allowing more children to receive the credit for the first time or be eligible for a larger credit.

Illinois Impact: 534,000 children will be eligible for increased tax credit for 2009

Making Work Pay Tax Credit: This new credit of up to \$400 per worker is available for all workers making up to \$100,000 and not claimed as a dependent. Married couples have a \$200,000 income limit.

Illinois Impact: 4,428,000 workers

²These estimates were developed by the Center for Law and Social Policy and can be found online at http://clasp.org/publications/aara_childcarestatealloc.pdf

³ These estimates were developed by the National Employment Law Project and are available online at <http://www.nelp.org/page/-/UI/RecoveryPlanEstimates.pdf> and <http://www.nelp.org/page/-/UI/UIMAFactSheet2008.pdf?nocdn=1>.