American Recovery and Reinvestment Act of 2009
Summary of

H.R. 1, the American Recovery and Reinvestment Act of 2009 was signed into law by President Obama on February 17, 2009


A. Extension Of Renewable Electricity Production Credit

Internal Revenue Code Section 45 provides a tax credit for electricity produced from qualified energy resources at qualified facilities that is sold to unrelated persons. In 2008, the credit was either 2.1 or 1.0 cents per kilowatt hour depending on the qualified energy resource. The credit is generally claimed during the 10-year period beginning when the facility is placed in service. The credit is phased out as market prices of electricity exceed threshold levels and is reduced by up to 50% for governmental grants, proceeds of tax-exempt financing, subsidized energy financing and other credits allowable with respect to the project. This credit is a component of the general business credit and is generally subject to the limitations and carryback (1 year) and carryforward (20 years) periods generally applicable to business credits.


B. Modification of Energy Investment Credit

Internal Revenue Code Section 48 provides an energy credit equal to either 10% or 30% of the basis of qualifying energy property placed in service. Qualifying energy property includes property producing electricity, heating or cooling, or light, as relevant, from solar energy, fuel cells, small wind energy property, geothermal deposits, microturbines, heat and power systems and ground water. A proportional share of the tax credit basis of otherwise qualifying energy property was reduced if the project received subsidized energy financing or proceeds from private activity bonds. In addition, the credit was capped at $4,000 for small wind energy property placed in service during a taxable year. The energy credit is a component of the investment credit, which is a general business credit and is generally subject to the limitations and carryback (1 year) and carryforward (20 years) periods generally applicable to business credits.

The Act eliminates the $4,000 cap on the credit for small wind energy property. The Act also eliminates the tax credit basis reduction rule for subsidized energy financing and private activity bond proceeds. Both of these changes are effective for taxable years beginning after December 31, 2008.
C. Election Of Investment Credit In Lieu Of Production Credit

The Act provides an irrevocable election to claim a 30% investment credit for facilities otherwise eligible for the Code Section 45 production tax credit if they are placed in service after December 31, 2008 and before the extended dates for the production tax credit. For this purpose, eligible facilities are limited to tangible personal property and other tangible property (but not buildings or structural components) that is depreciable and used as an integral part of a qualified facility.

D. Grants For Specified Property In Lieu Of Tax Credits

The Act creates a new grant program to be administered by the Treasury Department that will award cash grants to qualifying facilities in lieu of the production tax credit (Code Section 45) and the energy investment credit (Code Section 48). Facilities will be eligible for grants if they are otherwise eligible for the production tax credit or energy credit if construction begins in either 2009 or 2010 and they are placed in service by January 1, 2013 (wind), January 1, 2014 (other renewable energy facilities eligible for the production tax credit), or January 1, 2017 (facilities eligible for the energy credit). Grants will be equal to 30% (10% in the case of microturbine, combined heat and power system and geothermal property) of the basis of eligible facilities. Grants will be paid within 60 days of the placed-in-service date or, if later, the date the grant application is received, and will not be includible in the recipient’s gross income. The basis of facilities receiving grants will be reduced by 50% of the amount of the grant. Grants will not be awarded to any Federal, State or local government (or any political subdivision, agency or instrumentality thereof), any entity exempt from federal income tax under Internal Revenue Code Section 501(c) or any cooperative electric company.

E. Additional New Clean Renewable Energy Bonds

Clean renewable energy bonds, a type of qualified tax credit bond, may be issued by public power providers, governmental bodies and electric cooperatives to finance facilities that qualify for the Code Section 45 production tax credit (without regard to the placed-in-service date requirement). Bond proceeds must be used within 3 years of issuance (extensions may be granted in certain circumstances). A taxpayer holding a bond on a credit allowance date is entitled to a tax credit, which accrues quarterly, at a rate set by the Treasury Department. The credit is includable in the holder’s gross income (as if it were interest) and can be claimed against regular income tax or AMT and carried forward to succeeding taxable years.

The Act authorizes an additional $1.6 billion of new clean renewable energy bonds with no more than one-third of the additional $1.6 billion being allocated to projects of public power providers, governmental bodies or electric cooperatives.
F. Expansion of Qualified Energy Conservation Bonds

Qualified energy conservation bonds, another type of qualified tax credit bond, may be issued by State or local governments to finance qualified conservation purposes. Qualified conservation purposes include capital expenditures for: reducing energy consumption in publicly owned buildings by at least 20%, implementing green community programs, rural development involving production of electricity from renewable energy resources, or any facility eligible for the Code Section 45 production tax credit. The Act clarifies that capital expenditures to implement green community programs includes grants, loans and other repayment mechanisms to implement such programs, which will enable States to issue these bonds to finance retrofits of existing private buildings through loans or grants to individual homeowners or businesses without such bonds being treated as private activity bonds. The Act also authorizes the issuance of an additional $2.4 billion of qualified energy conservation bonds.

G. Extension And Modification Of Credit For Nonbusiness Energy Property

Prior law provided a personal 10% credit for the purchase of qualified energy efficiency improvements for existing homes and a specified dollar amount credit for purchases of specific energy efficiency equipment (e.g., qualifying heat pumps, air conditioners, furnaces and water heaters). Qualifying improvements include insulation, windows, doors and roofs that meet or exceed specified criteria and are installed in or on a dwelling unit in the United States owned and used by the taxpayer as a principal residence and reasonably expected to remain in use for at least 5 years. Qualifying expenditures do not include amounts spent from subsidized energy financing. Prior law imposed a lifetime credit cap of $500 per dwelling unit with no more than $200 of that credit being attributable to windows.

The Act replaces the 10% credit and the specified dollar amount credits with a 30% credit of the amount paid for qualifying improvements and equipment and changes the energy efficiency criteria for these improvements. The Act replaces the lifetime credit cap with an aggregate cap of $1,500 in the case of property placed in service after December 31, 2008 and before January 1, 2011 and generally imposes the new efficiency standards only to property placed in service after February 17, 2009. The Act also eliminates the rule that disallows the credit for expenditures from subsidized energy financing.

H. Extension And Modification Of Credit For Residential Energy Efficient Property

Prior law provided a personal tax credit for the purchase of qualified solar electric property and qualified solar water heating property used exclusively for purposes other than heating swimming pools and hot tubs and also provided a 30% credit for the purchase of qualified geothermal heat pump property, qualified small wind energy property and qualified fuel cell property, all for use in dwelling units located in the United States. Qualifying expenditures did not include amounts spent from subsidized energy financing and the credit for each purchase was capped at a fixed dollar amount.

The Act eliminates the dollar caps for purchases of qualified property and eliminates the rule that disallows the credit for expenditures from subsidized energy financing.
I. Temporary Increase In Credit For Alternative Fuel Vehicle Refueling Property

Prior law provided a 30% credit for the cost of installing qualified clean-fuel vehicle refueling property to be used in a trade or business of the taxpayer or installed at the principal residence of the taxpayer. The credit was capped at $30,000 per taxable year per location for a trade or business and at $1,000 per taxable year per location for property installed at a principal residence. Qualifying refueling property is property used for the storage or dispensing of a clean-burning fuel or electricity into the fuel tank or battery of a motor vehicle, but only at the point of delivery of the fuel tank or battery. No credit is allowed for property used outside the United States or for which Code Section 179 expensing is elected.

The Act increases the credit to 50% of the cost of installing qualified property and increases the credit caps for property placed in service in 2009 or 2010 at a business to $50,000 ($200,000 for qualified hydrogen refueling property) and at a residence to $2,000. These changes are effective for taxable years beginning after December 31, 2008.

J. Modification Of Credit For Carbon Dioxide Sequestration

Prior law provided a credit of $20 per metric ton of qualified carbon dioxide captured by a taxpayer at a qualified facility and disposed of by the taxpayer in secure geological storage, and a credit of $10 per metric ton for qualified carbon dioxide captured by a taxpayer at a qualified facility and used by the taxpayer as a tertiary injectant in a qualified enhanced oil or natural gas recovery project. Qualified carbon dioxide is carbon dioxide captured from an industrial source that would otherwise be released into the atmosphere and which is measured at the source of capture and verified at the point(s) of disposal or injection. A qualified facility is any industrial facility in the United States that is owned by the taxpayer and at which carbon capture equipment is placed in service and captures not less than 500,000 metric tons of carbon dioxide during the taxable year. These credits are part of the general business credit and sunset at the end of the calendar year in which the Treasury Secretary, in consultation with the Administrator of the EPA, certifies that 75 million metric tons of qualified carbon dioxide have been captured and disposed of or used as a tertiary injectant.

The Act requires carbon dioxide eligible for the $10 credit to be sequestered by the taxpayer in secure geological storage (includes oil and gas reservoirs, unminable coal seams and deep saline formations) in order to qualify for the credit. The Act also requires the Treasury Secretary to consult with the Secretaries of Energy and the Interior in addition to the EPA Administrator in promulgating regulations relating to permanent geological storage of carbon dioxide.
K. Modification Of Plug-In Electric Drive Motor Vehicle Credit And Creation Of New Credits For Plug-In Electric Vehicles And Conversions

Prior law provided a plug-in electric drive motor vehicle credit for each qualified plug-in electric drive motor vehicle placed in service. Eligible vehicles had to have at least 4 wheels, be produced for use on public roads, meet emission standards, draw propulsion using a traction battery with at least 4 kilowatt hours of capacity and be capable of being recharged from an external source of electricity. Once a total of 250,000 credit-eligible vehicles have been sold for use in the United States, the credit phases out over 4 calendar quarters and no credit is available for vehicles purchased after 2014.

The Act significantly modifies the plug-in electric drive motor vehicle credit and imposes a credit limit of $7,500 regardless of vehicle weight class. The Act also eliminates the credit for vehicles weighing 14,000 pounds or more and begins to phase out once a total of 200,000 credit-eligible vehicles have been sold by a manufacturer. The Act also creates a new 10% credit (maximum of $2,500) for low-speed vehicles, motorcycles and 3-wheeled vehicles sold before January 1, 2012, and a new 10% credit (maximum of $4,000) for converting vehicles into plug-in electric drive motor vehicles with a plug-in traction battery module capacity of at least 4 kilowatt hours for conversions made before January 1, 2012.

L. Parity For Qualified Transportation Fringe Benefits

Qualified transportation fringe benefits provided by an employer are excluded from an employee’s gross income for income tax purposes and from wages for payroll tax purposes. Such benefits include parking, transit passes, vanpool benefits and qualified bicycle commuting reimbursements. Up to $230 (2009) per month of parking is excludable. Up to $120 (2009) per month of transit and vanpool benefits are excludable. These amounts are indexed for inflation.

The Act increases the monthly exclusion for employer-provided transit pass and vanpool benefits to the same level as the exclusion for parking, effective for months beginning on or after February 17, 2009 and before January 1, 2011.

II. Selected Business Provisions

A. Bonus Depreciation Extended Through 2009

Prior law provided an additional depreciation deduction equal to 50% of the adjusted tax basis of qualified property placed in service in 2008 (or in 2009 for certain longer-lived and transportation property) in addition to the generally applicable depreciation deductions. Corporate taxpayers were provided with an election to increase their general business credit (including R&D credit) or AMT credit limitation by the bonus depreciation amount in lieu of claiming the additional bonus depreciation.

The Act extended the placed-in-service date for property eligible for 50% bonus depreciation to 2009 (2010 for certain longer-lived and transportation property). In
addition, the Act extended the election to increase the general business credit or AMT credit limitation in lieu of claiming bonus depreciation to apply to property placed in service in 2009 (or 2010 for certain longer-lived and transportation property).

B. Extension of Increased Limitations on Section 179 Expensing of Certain Depreciable Business Property
Prior law allowed a deduction for up to $250,000 of qualifying property placed in service in 2008, which deduction was reduced as the cost of qualifying property placed in service during the year exceeded $800,000. The Act extends this deduction for qualifying property placed in service in 2009, subject to the same reduction for costs of qualifying property exceeding $800,000. The $250,000 and $800,000 limits are reduced significantly in 2010 and 2011.

C. Five-Year Net Operating Loss Carryback Election for Small Businesses
In general, net operating losses can be carried back two years and carried forward 20 years. The Act allows a business with gross receipts of $15 million or less to elect to carryback for up to 5 years the net operating loss for any taxable year ending in 2008 (or, if elected, any taxable year beginning in 2008). This provision applies to net operating losses arising in taxable years ending after December 31, 2007.

D. Two New Groups for Work Opportunity Tax Credit
The work opportunity tax credit is available to employers hiring individuals from one of several targeted groups. It is equal to a percentage of qualified wages paid to such individuals. The Act adds two targeted groups, unemployed veterans and disconnected youth, who if hired during 2009 or 2010, will entitle the employer to a credit.

E. Built-In Losses of Banks Subject to Limitation
In 2008, the Internal Revenue Service released a notice (IRS Notice 2008-83) exempting certain bank losses with respect to loans or bad debts from limitations that would otherwise apply to the losses upon a change of ownership of a bank and which continued to apply to corporations in other industries. The Act prospectively (as of January 17, 2009) rescinds IRS Notice 2008-83.

F. Losses of Certain Taxpayers Undergoing Restructuring Not Subject to Limitation
The Act provides an exception from the limitations that would otherwise apply to preexisting losses of corporations that undergo ownership changes if the ownership change occurs pursuant to a restructuring plan that is required under a loan agreement or commitment for a line of credit entered into with the Department of the Treasury under the Emergency Economic Stabilization Act of 2008.

G. Deferral Of Income From Discharge Of Indebtedness
Gross income generally includes income from the discharge of indebtedness. A taxable discharge can occur as a result of the taxpayer issuing new debt instruments in satisfaction of outstanding debt instruments, a related person acquiring the debt instruments, the exchange of the taxpayer’s stock for outstanding debt instruments, or a
modification of outstanding debt instruments. Discharges that occur in bankruptcy or other specified circumstances do not generate taxable income, but result in the reduction of other tax attributes, such as net operating losses, tax credits and tax basis.

The Act allows a taxpayer to elect to defer income from the discharge of indebtedness incurred as a result of the reacquisition of applicable debt instruments by the taxpayer (or by a person related to the taxpayer) after December 31, 2008 and before January 1, 2011. A reacquisition includes an acquisition of a debt instrument for cash, the exchange of a debt instrument for another debt instrument, the exchange of stock or partnership interests for a debt instrument, the contribution of a debt instrument to the capital of the issuer and the complete forgiveness of a debt instrument. Income deferred must be included in gross income ratably in the 5-year period beginning with the fifth taxable year following a reacquisition that occurs in 2009 and with the fourth taxable year for a reacquisition that occurs in 2010. If this election is made, the exception for discharges occurring in bankruptcy and other specified circumstances does not apply.

**H. Disallowance of Original Issue Discount on Certain Applicable High Yield Discount Obligations Suspended**

The deduction of a portion of the original issue discount on an applicable high yield discount obligation is generally disallowed. The Act suspends this disallowance for certain obligations issued in debt-for-debt exchanges (including significant modifications of outstanding debt) after August 31, 2008 and before January 1, 2010.

**I. Increased Exclusion For Gain From Sale Of Qualified Small Business Stock**

For noncorporate taxpayers, 50% of the gain from the sale of qualified small business stock that has been held for 5 years is excluded from gross income. Such gain would otherwise be taxed at a rate of 28%. Qualified small business stock is stock acquired at original issuance from a corporation with gross assets of $50 million or less that is engaged in an active trade or business. The Act increases the exclusion to 75% for qualifying stock issued after February 17, 2009 and before January 1, 2011. Thus, gains from the sale of qualifying stock will be subject to an effective regular tax rate of 7% and AMT rate of 12.88%.

**J. Reduction in Built-in-Gain Period for Certain S Corporations**

An S corporation that converted from C corporation status, or that acquired property from a C corporation in a carryover basis transaction, is subject to tax at regular corporate rates on built-in gains existing on the date of conversion, or property acquisition, if the prior C corporation assets are sold within the 10-year built-in-gain recognition period beginning on the date of the conversion or acquisition. The Act reduces this 10-year period to 7 years for sales of property in 2009 or 2010 if the built-in-gain recognition period began no later than 2003.
American Recovery & Reinvestment Act of 2009


The American Recovery & Reinvestment Act of 2009 provides substantial appropriations for energy programs. These appropriations provisions are summarized below. The full text of the Act is available at http://appropriations.house.gov/.

Appropriations for Energy Department Programs

Appropriations provisions which merely provide funding according to existing statutory authorization will not be codified in the U.S. Code, and therefore do not have section numbers. Bolded section numbers refer to provisions of the Act that make substantive changes to the law in support of these appropriations, and that will be codified. Page number citations to the bill text, linked above, are provided for convenience.

- $3.4 billion for fossil energy R&D.
- $4.5 billion for grants for the modernization and improvement of the electrical grid and renewable energy deployment, including expansion of the Smart Grid matching funds program and funding of Smart Grid demonstration projects. These activities were authorized by title XIII of Energy Independence & Security Act of 2007 (EISA), 42 U.S.C. § 17381 et seq. Pgs. 11-12. EISA currently caps demonstration programs at six and authorizes reimbursable funding; Sec. 405 removes this cap and replaces the reimbursable funding with grants.
- Supports $3.2 billion in grants to local, state and tribal governments for energy efficiency, conservation, and GHG reduction activities and investment. This grant program was created by EISA, 42 U.S.C. §§ 17151. Pgs. 9-10. Sec. 410 amends EISA to allow the Secretary of Energy to condition these grants on the adoption of policies, regulations, and codes facilitating energy conservation.
- $2 billion in facility funding awards for advanced battery systems (including vehicle batteries) manufactured in the United States. Pg. 10.
- $6 billion in loan guarantees for the rapid deployment of renewable energy systems and transmission systems that begin construction by September 30, 2011. This program was created by the Energy Policy Act of 2005, 42 U.S.C. §§ 16511-16515. Pg. 14. Sec. 406 amends the Energy Policy Act of 2005 to limit the guarantee program to renewable, biofuels, and transmission projects only.
- Secs. 401-402 authorizes an additional $3.25 billion in borrowing authority for each of the Bonneville Power Administration and the Western Area Power Administration.
American Recovery and Reinvestment Act
Preliminary Overview

Seven Key Stimulus Areas

☐ Clean, Efficient, American Energy
☐ Transformation of our Economy with Science and Technology
☐ Lowering Health Care Costs and Ensuring Broader Coverage
☐ Investing in Education for the 21st Century
☐ Modernizing Roads, Bridges, Transit and Waterways
☐ Tax Cuts for Middle-Class Families and American Businesses
☐ Helping Workers Hurt by the Recession

Clean, Efficient, American Energy
*Please refer to previous document for details on the energy portion of the Act

Transform our Economy with Science and Technology

Provides $3 billion for the National Science Foundation, for basic research in fundamental science and engineering

Provides $1.6 billion for the Department of Energy’s Office of Science, which funds research in such areas as climate science, biofuels, high-energy physics, nuclear physics and fusion energy sciences

Provides $400 million for the Advanced Research Project Agency-Energy (ARPA-E) to support high-risk, high-payoff research into energy sources and energy efficiency in collaboration with industry

Provides $580 million for the National Institute of Standards and Technology, including the Technology Innovation Program and the Manufacturing Extension Partnership

Provides $8.5 billion for NIH, including expanding good jobs in biomedical research to study diseases such as Alzheimer’s, Parkinson’s, cancer, and heart disease

Provides $1 billion for NASA, including $400 million to put more scientists to work doing climate change research

Provides $1.5 billion for NIH to renovate university research facilities and help them compete for biomedical research grants

Provides $7 billion for extending broadband services to underserved communities across the country
Lower Health Care Costs and Ensure Broader Coverage

Provides $19 billion to accelerate adoption of Health Information Technology (HIT) systems by doctors and hospitals

Provides an estimated $87 billion over the next two years in additional federal matching funds to help states maintain their Medicaid programs

Provides a 60% subsidy for COBRA premiums for up to 9 months

Provides $1 billion for a new Prevention and Wellness Fund

Provides $1.1 billion for comparative effectiveness research, to help patients and doctors determine the effectiveness of different treatments

Education for the 21st Century

Prevents teacher layoffs and other cutbacks in education and other key services, by establishing a $53.6 billion State Fiscal Stabilization Fund, including $40.6 billion to local school districts using existing funding formulas, which can be used for preventing cutbacks, preventing layoffs, school modernization, or other purposes

Provides $5 billion to states as bonus grants for meeting key performance measures in education and $8 billion to states for other high priority needs such as public safety and other critical services, which may include education

Increases the higher education tax credit to a maximum of $2,500. Also makes it available to nearly 4 million low-income students who had not had any access to the higher education tax credit in the past – by making it partially refundable

Increases the maximum Pell Grant by $500, for a maximum of $5,350 in 2009 and $5,550 in 2010

Adds $200 million to the College Work-Study program

Provides $1.1 billion for Early Head Start and $1 billion for Head Start

Provides $2 billion for the Child Care Development Block Grant to provide child care services to an additional 300,000 children in low-income families while their parents go to work

Provides $13 billion for Title I grants to help disadvantaged kids reach high academic standards

Provides $12.2 billion for grants for IDEA (Special Education)
Modernize Roads, Bridges, Transit and Waterways

Provides $29 billion for modernizing roads and bridges

Requires states to obligate at least half of the highway/bridge funding within 120 days; states have over 6,100 projects totaling over $64 billion that could be under contract within 180 days

Provides $8.4 billion for investments in transit and $8 billion for investment in high-speed rail; states have 787 ready-to-go transit projects totaling about $16 billion

Provides $18 billion for clean water, flood control, and environmental restoration investments; experts note that $16 billion in water projects could be quickly obligated

Provides about $5 billion to make improvements in DOD facilities, including housing for our troops and about $4.5 billion to make federal office buildings more energy-efficient

Tax Cuts to Make Work Pay and Create Jobs

Provides immediate and sustained tax relief to 95 percent of American workers through the Making Work Pay Tax Cut, a refundable tax credit of up to $400 per worker ($800 per couple filing jointly), phasing out completely at $200,000 for couples filing jointly and $100,000 for single filers

Cuts taxes for the families of millions of children through an expansion of the child tax credit (allowing families to begin qualifying for the child tax credit with every dollar earned over $3,000)

Expands the Earned Income Tax Credit by providing tax relief to families with three or more children and increasing marriage penalty relief

Helps more than 4 million additional students attend college with a new, partially refundable $2,500 tax credit for families

Protects 26 million middle-class families from being affected by the AMT

Helps first-time homebuyers and strengthens the housing market by enhancing the current credit for first-time home purchases with the removal of the repayment requirement

Provides incentives to buy new cars, including light trucks and SUVs, with a tax deduction for state and local sales taxes paid on the purchase

Temporarily suspends the taxation of some unemployment benefits
Helps businesses quickly recover costs of new capital investments by extending the bonus depreciation and increased small business expensing for businesses making investments in plants and equipment in 2009

Includes a variety of provisions to help small business, including small business expensing for investment in new plants and equipment, loss carry back for small businesses, a delay of the 3% withholding tax on payments to businesses that sell goods or services to governments, and a cut in the capital gains tax cut for investors in small businesses who hold stock for more than five years

Provides assistance to companies looking to reduce their debt burdens by delaying the tax on businesses that have discharged indebtedness

Provides incentives to create new jobs with tax credits for hiring recently discharged unemployed veterans and youth that have been out of work and out of school for the 6 months prior to hire

Provides $20 billion in tax incentives for renewable energy and energy efficiency over the next 10 years.

Includes a three-year extension of the production tax credit (PTC) for electricity derived from wind (through 2012) and for electricity derived from biomass, geothermal, hydropower, landfill gas, waste-to-energy, and marine facilities (through 2013)

Provides grants of up to 30 percent of the cost of building a new renewable energy facility to address current renewable energy credit market concerns

Promotes energy-efficient investments in homes by extending and expanding tax credits through 2010 for purchases such as new furnaces, energy-efficient windows and doors, or insulation

Includes provisions to enhance the marketability for state and local government bonds, which will reduce the costs they incur in financing state and local infrastructure projects

Includes a new bond-financing program for school construction, rehabilitation, and repair

Help Workers Hurt by the Recession

Continues through December 2009 the extended unemployment benefits program (which provides up to 33 weeks of extended benefits) that is otherwise scheduled to begin to phase out at the end of March 2009

Increases unemployment benefits for 20 million jobless workers by $25 per week, and encourages states to modernize their UI systems to keep up with the changing workforce with expanded coverage
Temporarily suspends the taxation of some unemployment benefits

Increases food stamp benefits by over 13% to help offset rising food costs

Provides other food assistance, including $100 million for Emergency Food and Shelter to help local community organizations provide food and shelter; $100 million for formula grants to states for elderly nutrition services including Meals on Wheels; and $150 million for the Emergency Food Assistance Program to purchase commodities for food banks to refill emptying shelves

Provides funding to help workers find jobs, including $4 billion for job training including formula grants for adult job training, dislocated worker job training, and youth services (including funding for summer jobs for young people); $500 million for Vocational Rehabilitation State Grants to help persons with disabilities prepare for gainful employment; $500 million to match unemployed individuals to job openings through state employment agencies; and $120 million to provide community service jobs

Increases support for several critical housing programs, including providing $2 billion for the Neighborhood Stabilization Program to help communities purchase and rehabilitate foreclosed, vacant properties and $1.5 billion for the Emergency Shelter Grant program to provide short-term rental assistance and other aid for families

Provides a payment of $250 to Social Security beneficiaries, SSI recipients, and veterans receiving disability compensation and pension benefits from the VA

Extends Trade Adjustment Assistance benefits for at least 160,000 new workers over the next two years who lose their jobs because of increased imports or factory shifts to certain foreign countries