The Economic Recovery and Assistance for American Workers Act of 2001

As passed by the Senate Finance Committee on November 8, 2001

	Cost (billions)*	
	2002	2002 - 2011
Tax Provisions	**$37**	**$31**
Individual Relief		
1 - Stimulus Checks - provide a rebate of $300 per individual, $500 per head of household, and $600 per couple for taxpayers not receiving checks in summer of 2001 (excluding dependents). Provide partial checks for 17 million taxpayers who received less than $300 this summer.	$14	$14
Business Relief		
2 - 10% Bonus Depreciation - allow 10% immediate expensing for investments in capital, leasehold improvements, software, and property subject to the income forecast method of accounting placed in service by 12/31/2002. Other 90% depreciated under current rules. Make wireless communication equipment eligible for 5-year accelerated cost recovery.	$14	$2
3 - Expensing - increase from $25,000 to $35,000 the amount that small businesses may expense under Section 179 for purchases made in 2002.	$1	$0
4 - 5-Year Net Operating Loss (NOL) Carrybacks - extend from 2 to 5 years the carryback period for losses incurred in taxable years ending in 2001.	$5	$1
5 - New York Stimulus and Distressed Area Package - provide tax relief for victims of the September 11, 2001 and Oklahoma City terrorist attacks; and allow an employer wage credit of up to $4,800 per employee per taxable year in the New York Recovery Zone; authorize tax-exempt private activity bonds for rebuilding in the area; provide incentives for reinvestment in New York City; extend authority for Indian Tribes to issue tax-exempt private activity bonds; treat citrus canker tree payments as gain received over ten-year period and expand period for reinvestment in trees; expand exemption from fuel excise taxes for certain aircraft used in agriculture and timber.	$2	$6
6 - Broadband Tax Credit - provide a broadband internet access tax credit for one year.	$0	$1
7 - Amtrak - allow $9 billion of Amtrak tax credit bonds for one year.	$0	$4
Extenders		
8 - Extenders - extend expiring tax and trade provisions by one year.	$1	$3
Non-Tax Provisions	**$30**	**$22**
Unemployment Insurance		
9 - Temporarily Extend and Expand Unemployment Insurance - provide 13 weeks of extended benefits to workers whose regular Unemployment Compensation has expired; require states to use most recent earnings data to determine UI eligibility and provide benefits to certain part-time workers; and supplement the amount of benefits paid to UC recipients.	$14	$1
Health Coverage		
10 - COBRA Subsidy - provide a 75% subsidy for purchase of COBRA continuation coverage.	$6	$9
11 - Medicaid - give states the option to cover displaced workers and their families through Medicaid. Fund at the enhanced CHIP match rate. Give states the option to use Medicaid funds at the CHIP match rate to subsidize the remainder of the COBRA premium for low-income individuals.	$1	$3
12 - Breast and Cervical Cancer Act Modification - allow American Indian and Alaska Native women to receive treatment for breast and cervical cancer under Medicaid.	$0	$0
State Stimulus Package		
13 - Federal Medical Assistance Percentage ("FMAP") - Increase the rate at which the federal government matches state spending on Medicaid by 1.5% for all states and 3% for high-unemployment states.	$5	$5
Agriculture Relief		
14 - Emergency Assistance Programs - re-establish the Natural Disasters, Quality Loss, and Livestock Assistance Programs for fiscal 2002; provide that not more than $12 million of the amounts made available under the program are for the American Indian Livestock Feed Program; provide approximately $220 million for commodity purchases ($55 million of which going to School Lunch Program).	$2	$3
15 - Rural Development - provide $3 billion to clear the backlog of pending rural development loan and grant applications.	$1	$3
TOTAL	**$67**	**$53**

* Note: Details may not sum to totals due to rounding.