

**Committee on Domestic Justice and Human Development** United States Conference of Catholic Bishops

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> > February 11, 2009

House and Senate Conferees Washington, DC 20510

Dear {Conferee}:

On behalf of the United States Conference of Catholic Bishops, I urge you to make the lives and dignity of poor families and vulnerable workers central priorities as Congress adopts an economic recovery package. Low-income families and individuals are experiencing the greatest hardship and have the least capacity to cope in this time of economic crisis. Low income people are also likely to use these new resources quickly to purchase the essentials of life and to help move our economy forward. Economic policies that assist and protect "the least among us" are the right thing to do morally. I believe they are also very effective economically.

In this crucial moment, Congress should resist pressure to advance ideological or partisan agendas. Attention to those most affected by the crisis with priority for the poor and vulnerable can restore economic growth by rebuilding hope and opportunity for those who are losing their jobs, their homes, and their chance at a decent life for their families.

As you seek to resolve the differences between the two versions of the *American Recovery and Reinvestment Act of 2009*, the Catholic Bishops' conference urges you to insist that the final bill reflect a priority for poor and vulnerable people by taking the following actions to target recovery resources to those in greatest need:

- **support** tax provisions that offer help to those most in need by accepting the <u>refundable</u> <u>child tax credit</u> provisions in the House bill over the Senate provisions. The House bill expands the tax credit to millions more poor and working families by removing the minimum earning criterion. The Senate provisions, on the other hand, retain the wage floor. For example, a family with two children earning \$14,500 a year (full-time, minimum-wage) would qualify for the full credit of \$2,000 (\$1,000 per child), because the credit would begin to phase in with the first dollar of earnings. In the Senate version, that same family would qualify for a credit of only \$960. This proven vehicle can get resources to those who need them the most and are almost certain to use this help to purchase the essentials of a decent life. It is essential that tax provisions be structured to include those with the fewest resources and the greatest needs.
- **support** a temporary increase in funding for <u>nutrition assistance</u> programs that provide food to families in need, the unemployed, the disabled, and the elderly. Accordingly, we support funding levels in the House bill and the distribution formula in the Senate bill for the Supplemental Nutrition Assistance Program (food stamps) and emergency food assistance programs. We support the funding provisions in the House bill for the Child and Adult Care Food Program (CACFP) and Emergency Food and Shelter Program

(EFSP). And we support the Senate provisions that fund the Special Supplemental Program for Women, Infants and Children (WIC). Our experience at the local level, in our parishes, in our school cafeterias, and in our food pantries, convinces us that additional funding is essential.

- **oppose** a provision in the House bill that would mandate the use of <u>the E-verify</u> <u>employee verification system</u> for organizations which receive funds from the legislation. Such a mandate would slow down implementation of the bill, as organizations, such as Catholic Charities, would have to learn and implement the new program. Moreover, the system is based upon a Social Security database which contains numerous errors, and which could lead to the erroneous dismissal of U.S. citizens and legal permanent residents at a time of economic crisis.
- **support** efforts to protect low-income families from losing <u>Medicaid and social service</u> <u>assistance</u>. Temporarily increasing federal Medicaid matching payments (FMAP) and providing grants to state and local governments for social service programs (e.g., Emergency TANF funding, Social Services Block Grant, and the Low-Income Housing Energy Assistance Program) will help ensure that the safety net remains strong.
- **support** the inclusion of <u>independent and religious schools</u> in the part of the stimulus package which designates funding for "shovel ready" projects which promote energy efficiency. The economic effect of a particular expenditure is not dependent on what type of institution receives a grant. Federal grants to independent and religious schools from the 1978 *National Energy Conservation Policy Act*, the 1984 *Asbestos School Hazard Abatement Act*, and the 2005 *Hurricane Education Recovery Act* have provided ample precedent for both public and private schools being included in such programs. As a matter of justice, benefits from such programs should not be restricted only to those students and educators who are in public schools.
- **support** the House's provisions reforming <u>Unemployment Insurance benefits</u> (UI) that provide for 12 months of subsidy for jobless workers who qualify for COBRA continuation coverage, rather than that offered by the Senate. In addition, the House makes Medicaid available to the large numbers of workers who did not have a COBRA option or can't afford COBRA even with the new subsidy.
- **<u>support</u>** capitalizing the new Housing Trust Fund, which will employ workers in the construction or rehabilitation of homes for families facing dire situations. This will assist families through what may be a lengthy recession. Likewise, additional funding for <u>additional housing vouchers</u> would offer access to stable, affordable housing for vulnerable families. Finally, renters not only need to get adequate notice about vacating properties in foreclosure, but voucher holders who lose their homes due to foreclosure need to retain their federal housing assistance.
- **support** efforts to create jobs for unemployed and underemployed people in private, nonprofit, and public sectors that advance important national priorities, reflect good stewardship of resources, and meet urgent and emerging needs (e.g., alternative energy,

environment, and infrastructure). By helping vulnerable and underserved populations, we not only help rebuild our economy, but we can help veterans, at-risk youth, low-income people, and those trying to start a new life for themselves through a reentry or career training program, become sustainable and productive members of that economy. These populations have been most affected by the downturn in the economy—too many have lost their homes in the housing crisis, or have been laid off.

We urge Congress to act quickly and wisely with a constant attention to addressing the human impact and moral dimensions of this recession. As Pope Benedict XVI, in his recent address to members of the diplomatic corps, reminds us, "Bolstering the economy demands rebuilding confidence. This goal will only be reached by implementing an ethics based on the innate dignity of the human person." This is no time to seek economic or partisan advantage. This is a time to pursue the common good, beginning with help for the families and communities most hurt by this crisis.

I pray that working together you can find the courage, wisdom, and skill to build a prosperous economy with greater justice for all.

Sincerely,

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Most Rev. William F. Murphy Bishop of Rockville Centre Chairman, Committee on Domestic Justice and Human Development