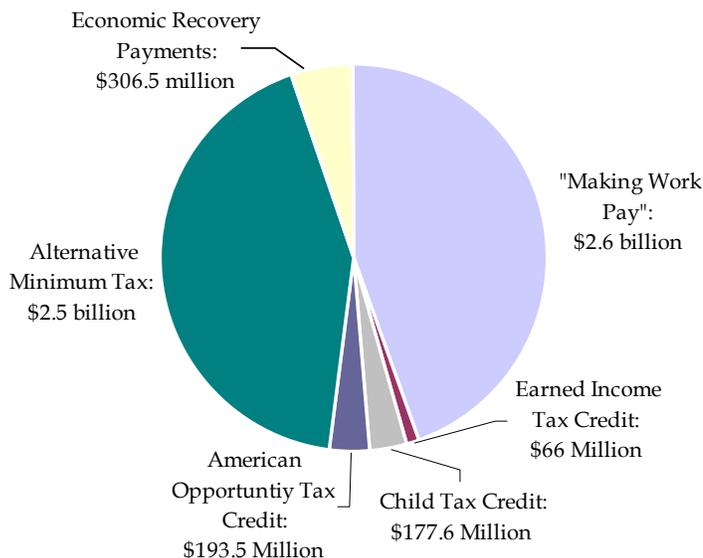


## American Recovery and Reinvestment Act – Direct Benefits

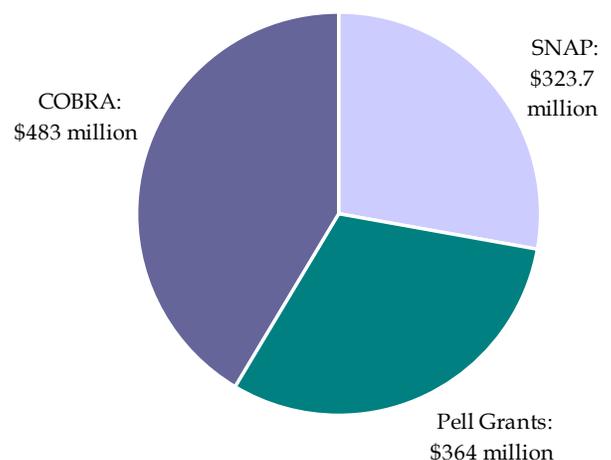
ARRA includes a number of provisions that provide direct aid to individuals and families to weather the hardships brought about by the recession. Of these programs, Unemployment Insurance and nutrition assistance programs have already distributed \$891 million in aid to Massachusetts residents as of Sept. 30, 2009. In addition, increases to Pell Grants and COBRA benefits have also already benefited residents, although exact amounts for these programs are not yet known. Overall, it is estimated that Pell Grants, COBRA, and nutrition assistance provisions will provide more than \$1.2 billion to Massachusetts residents. The total amount of non-tax direct benefits will be much higher because estimates for the total amount of Unemployment Insurance funding for the state is unknown, although more than \$800 million has already been distributed. ARRA tax and related provisions, which include tax credit programs and one-time Economic Recovery Payments, have already provided almost \$1.6 billion in benefits to Massachusetts taxpayers, and are estimated to provide \$5.8 billion in benefits to Massachusetts taxpayers in 2010 and 2011.

**ARRA Provides \$5.8 Billion in Tax & Related Benefits**



**ARRA Provides \$1.2 Billion in Direct Benefits**

*(Excluding Unemployment Insurance Benefits)*



### INCREASE IN PELL GRANTS

ARRA uses \$17.1 billion to increase the dollar amount of Pell Grants received by eligible students. Through ARRA, the maximum Pell Grant is increased from \$4,850 to \$5,350. Pell Grants are awarded to students with financial need who are attending one of the more than 5,400 approved postsecondary institutions. While it is not yet known how much of this increase will go to Massachusetts residents, the state estimates the total at more than \$364 million.

### INCREASE IN UNEMPLOYMENT BENEFITS

ARRA allocates funds both for increasing unemployment benefits by \$25 per week, extending unemployment benefits for a longer period of time, and for modernizing state unemployment programs. The total allocation

