



Wider Opportunities for Women

Highlights of the 2011 Obama Budget Affecting Lifetime Economic Security

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As promised, President Obama's [budget proposal for 2011 freezes](#) non-security discretionary funding for three years. However, it would help individuals and families move toward economic security by creating jobs and increasing funding for selected programs. It also calls for policy changes that do not require additional spending. To begin to restore fiscal balance, among other things, the budget would:

- Allow **Bush era tax cuts** for families with incomes over \$250,000 expire.
- Lower the itemized deduction for **charitable contributions** for families with incomes over \$250,000 to the same 15% as families with lower incomes.
- Create a **bipartisan fiscal commission** to recommend measures to balance the budget excluding interest payments on the debt by 2015 and stabilize the debt-to-GDP ratio at an acceptable level once the economy recovers.

[Restoring Responsibility 2011](#)

In general, the budget asks Congress to extend many of the American Recovery and Reinvestment Act provisions set to expire this year. It also emphasizes funds for competitive grants directed at specific priorities as opposed to automatic formula distribution of funds.

Family Budget Adequacy and Poverty

- \$5 million for the Census Bureau to research and coordinate with the Bureau of Labor Statistics to supplement the official poverty measures with **annual, alternative measures of poverty** from the Current Population Survey.
- The Bureau of Economic Analysis proposes a new suite of measures of household income, expenses, debt and savings.

Creating Jobs and Growing the Economy

- Extend the **Making Work Pay Tax Cut**, a refundable tax credit to offset the payroll tax up to the first \$6,450 of earnings for 95% of taxpayers.
- Create a **National Infrastructure Innovation and Finance Fund** to invest \$4 billion for competitive grants to states and localities. The fund will provide planning, feasibility and analytical capacity to identify and implement worthwhile infrastructure programs such as broad band, electric grid, clean water transit safety and high-speed rail.
- Establish **tax credits for small businesses and nonprofits** that increase net payroll through by hiring new employees and increasing hours and wages.
http://www.whitehouse.gov/sites/default/files/FACT_SHEET_Small_Business%20_jobs_and_Wages_Tax_Cut.pdf
- Increase federal Medicaid funding through June 2011 (FMAP) by \$25.5 billion, **preserving state and local jobs while ensuring health services** for low-income individuals.

Preparing workers for 21st century jobs <http://www.dol.gov/dol/budget/2011/PDF/CBJ-2011-V1-03.pdf>

- \$85 million for the second year of the Green Jobs Innovation Fund, building on successful strategies funded during the first year of competitive grants under ARRA.
- Reauthorize and **reform the Workforce Investment Act** to focus on those most in need of services, provide high-quality, personalized services and improve performance measures among programs throughout the workforce system to promote better outcomes for individuals of all skill levels.
- Set aside \$261 million from DOL adult and dislocated worker resources and \$60 million from the Department of Education for a **Workforce Innovation Partnership** to test and validate strategies across programs including apprenticeships and on-the-job training and regional and sectoral collaboration.
- Provide a \$101 million increase in youth funds for a **Youth Innovation Fund** to pilot models for delivering summer and year-round work experiences and comprehensive services to disconnected youth.
- With the expiration of a \$225 million increase for the Community Service Employment for Older Americans Program, the Secretary of Labor has said the department will help participants find unsubsidized jobs and others to transfer to the one0stop system and other supportive services.
- Extend ARRA's increase of **Pell Grants** to \$5,500 in 2010 and provide for annual increases over inflation without need for yearly appropriations.
- Reform student loans to make them more efficient, reduce monthly payments and shorten the repayment period so that borrowers will pay only 10% of their discretionary income and have their remaining debt forgiven after 20 years.

Protecting workers

- Provide a \$50 million **State Paid Leave Fund** within DOL for competitive grants to help states cover the expenses of launching paid leave programs.
- Allow work-related benefits and protections to workers by **eliminating incentives for employers to misclassify employees as independent contractors**. This is a joint proposal by the Departments of Labor and Treasury.
- Return Department of Labor worker protection staffing to 2001 levels.

Boosting personal savings and retirement resources

- Modify and expand the **Saver's Credit** to provide a 50%, fully refundable match of up to \$1,000 for families that earn less than \$85,000.
- Establish **automatic workplace pensions** to reach the 78 million working Americans who have no employer-based retirement plan. All but the smallest employers will be required to enroll employees in a direct-deposit IRA account compatible with existing payroll systems. Workers would be allowed to opt-out.
- Double the current employer **pension plan startup credit** to \$1,000 to encourage small employers to offer pensions in connection with the automatic IRA proposal.
- Increase **transparency of 401(k) plans**, fees and target dates and reduce conflicts of interest between advisers and fiduciaries.
- Streamline the process for smaller businesses to adopt automatic enrollment in 401(k) plans and allow enrollment in SIMPLE-IRAs.

Helping seniors age in place

- Increases Administration on Aging funds by \$108 million primarily to support the Caregiver Initiative to support services and temporary respite care as well as community-based supportive services such as activities of daily living, transportation, adult day programs and nutrition.
http://www.aoa.gov/AoAroot/About/Budget/DOCS/FY_2011_AoA_Budget_Statement.pdf

Strengthening the safety net

- Extend early childhood programs to an additional 64,000 children through **Head Start and Early Head Start** 235,000 children through a reauthorized **Child Care Development** Fund that would improve health and safety outcomes for children.
<http://www.acf.hhs.gov/programs/olab/budget/2011/cj2011.html>
- Establish a new trigger to automatically increase the **Low Income Home Energy Assistance Program** in response to sudden spikes in energy prices. The Administration estimates an additional \$2 billion would be available in 2011.
- Continue the \$2.5 billion **TANF Emergency Fund** that expires in 2010 and orients it toward encouraging states to create or expand subsidized employment, which will now be eligible for 100 percent reimbursement. Work-related and support services will be eligible for 80 percent reimbursement, in addition to the 80 percent reimbursement currently provided for non-recurrent short-term benefits and cash assistance. Increased expenditures for subsidized employment will now be eligible for 100 percent reimbursement and work-related and support services will be eligible for 80 percent reimbursement.
- Continue for an additional year of ARRA's enhanced **Supplemental Nutrition Assistance Program (SNAP)** benefits at an average value of about \$20 per person per month and the elimination of time limits for certain working-age, low-income adults without dependents.
- Expand community health centers to include 25 new sites and provide services to an additional 2 million patients, including through a place-based initiative to revitalize neighborhoods.
- Provide \$19.6 billion for the Section 8 Housing Choice Voucher program to help more extremely low- to low-income families with rental assistance and continues mainstream voucher funding while aiming to increase flexibility for new vouchers.
- Provides \$350 million to fund the first phase of a multi-year initiative to regionalize the Housing Choice Voucher program and to convert public housing to project-based vouchers.
- Provide an increase of \$117 million to support women victims of violence, including domestic abuse and sexual assault victims.

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