

BEYOND THE HEADLINES

At a Glance: Jobs, Workers & the Economy

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FOCUS: WASHINGTON

AMERICAN JOBS ACT -- Washington

On September 8, 2011, President Obama presented to the nation a plan aimed at stimulating the job creation necessary to move the country's economic well-being into a better place. The plan, totaling \$447 billion dollars, is made up of these key components: tax cuts for small businesses, infrastructure projects aimed at retaining jobs and stimulating hiring, a revamping of the unemployment system and extension of benefits, and payroll tax cuts for America's working families, all paid for with no additional cost to the American people. Below is a summary of these main components, along with the potential investments and job growth they may bring to Washington State.

Tax Cuts to Help America's Small Business Hire and Grow

The President's plan proposes a variety of incentives for small businesses. This includes cutting payroll taxes in half – from 6.2% to 3.1% – on the first \$5 million in payroll, as well as creating a payroll tax holiday to encourage firms to hire additional employees or raise wages for their current employees. The Act also extends 100% business expensing through 2012, and includes administrative, regulatory and legislative measures to help small firms start and expand.

A graphic consisting of a large white arrow pointing to the right, set against a dark olive green background. To the right of the arrow, the text reads: "FOR WASHINGTON: 150,000 firms will receive a payroll tax cut." The number "150,000" is in a larger, bold font.

Putting Workers Back on the Job While Rebuilding and Modernizing America

The President is proposing investments that would prevent layoffs of as many as 280,000 teachers nationwide, provide opportunities for long-term unemployed veterans, and create jobs rebuilding roads, railways, bridges, and schools in need of repair.

\$50 billion in total to modernize transportation, including roads, railways, airports and waterways.



\$35 billion nationally to retain and hire teachers, police and firefighters.



\$25 billion to modernize at least 35,000 public schools across the nation, as well as \$5 billion for community college facilities modernization, including science labs, Internet-ready classrooms and renovations.



\$15 billion proposed for Project Rebuild, which aims to put people back to work rehabilitating homes, business and communities.



Pathways Back to Work for American Looking for Jobs

The President is proposing sweeping reforms to the unemployment insurance system to help those without jobs transition to the workplace.

Nationally, an investment of \$49 billion is proposed to extend unemployment insurance.

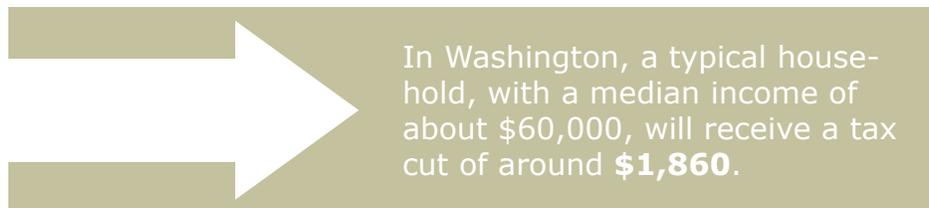


Pathways Back to Work Fund – \$5 billion to provide low-income youth and adults with opportunities to work and to achieve needed training in growth industries.



Tax Relief for Every American Worker and Family

The President’s plan will expand the payroll tax cut, cutting workers’ payroll taxes in half next year, and providing relief to 160 million workers nationwide. This extension will provide a payroll tax cut worth \$175 billion to American workers in 2012.



SOURCES

- 1 - <http://www.americanjobsact.com/>
- 2 - <http://www.whitehouse.gov/the-press-office/2011/09/08/fact-sheet-american-jobs-act>
- 3 - http://www.whitehouse.gov/sites/default/files/THE_AMERICAN_JOBS_ACT_Impact_WA.pdf

BEYOND THE HEADLINES: Policy & Labor Market Updates for Those Working to Help Low-Income and Low-Skill Individuals Advance through Education, Training & Living-Wage Jobs

About Seattle Jobs Initiative

Seattle Jobs Initiative creates opportunities for students, workers and business to succeed by helping education and job training programs meet the demands of a new economy. We find and apply solutions for people to gain the skills they need for good jobs that create prosperity for all in today’s marketplace.

Supported by the City of Seattle Office of Economic Development

Contact Information

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