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Representative Matsui Votes to Save Teacher Jobs and Protect Medicaid Programs

WASHINGTON, DC— Today, Congresswoman Matsui voted in favor of H.R. 1586, the Education Jobs and Medicaid Assistance Act, which was approved by the House of Representatives by a vote of 247-161. H.R. 1586 provides \$10 billion in grants to state and local governments to save an estimated 161,000 education jobs. This legislation also extends, for six months, increased federal funding to states for Medicaid programs, originally included in the American Recovery and Reinvestment Act.

“I was happy to return to Washington to support this much-needed legislation,” said Congresswoman Matsui. “The Education Jobs and Medicaid Assistance Act will relieve California’s strained state budget, save jobs, protect public health and safety, and ensure our nation’s youth receive the educations they deserve.”

Under the Recovery Act, the federal Medicaid matching rate was increased by 6.2 percentage points for all states, and by additional percentage points for states, like California, with high unemployment. These temporary provisions were enacted in response to the state fiscal crisis—which resulted from increased Medicaid caseloads and decreased state revenues—and are set to expire by the end of this year. The action taken today not only extends for six months this federal assistance, but also gradually reduces the level of aid over this time period so states have the opportunity to balance their budgets accordingly.

Additionally, H.R. 1586 is expected to save and create more than 319,000 jobs, including at least 161,000 education jobs. Sacramento area school districts have reported a cumulative 1,300 layoffs for the 2010-2011 school year. H.R. 1586 will prevent a number of these layoffs from occurring and put many teachers who have already lost their jobs back to work. Furthermore, the supplementary Medicaid funding will avert numerous state job layoffs, saving the jobs of thousands of police officers and firefighters. And, at least 70,000 jobs are expected to be created in the private sector as a result of these funds.

“In Sacramento, we have suffered a great number of teacher and law enforcement layoffs because of the stress applied to our state budget. This legislation will put these people back to work in time for the school year to begin, while also ensuring that critical programs, such as Medi-CAL, can continue to function,” added Rep. Matsui. “Without the passage of this bill today, we would see more layoffs, more job losses, and more budget cuts. Some say we couldn’t

afford to return to session today for this vote; I say, we couldn't afford not to do so."

The Education Jobs and Medicaid Assistance Act is completely paid for, in part by closing a tax loophole that encourages corporations to send jobs overseas, and by cutting domestic spending. In fact, the Congressional Budget Office has estimated that H.R. 1586 will reduce the deficit by \$1.4 billion over the next ten years.

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