

THE AMERICAN JOBS ACT: IMPACT FOR EL PASO

The American people understand that the economic crisis and the deep recession weren't created overnight and won't be solved overnight. The economic security of the middle class has been under attack for decades. That's why President Obama believes we need to do more than just recover from this economic crisis – we need to rebuild the economy the American way, based on balance, fairness, and the same set of rules for everyone from Wall Street to Main Street. We can work together to create the jobs of the future by helping small business entrepreneurs, by investing in education, and by making things the world buys. The President understands that to restore an American economy that's built to last we cannot afford to outsource American jobs and encourage reckless financial deals that put middle class security at risk.

To create jobs, the President unveiled the American Jobs Act – nearly all of which is made up of ideas that have been supported by both Democrats and Republicans, and that Congress should pass right away to get the economy moving now. The purpose of the American Jobs Act is simple: put more people back to work and put more money in the pockets of working Americans. And it would do so without adding a dime to the deficit.

1. Tax Cuts to Help America's Small Businesses Hire and Grow

- The President's plan will cut the payroll tax in half to 3.1% for employers on the first \$5 million in wages, providing broad tax relief to all businesses but targeting it to the 98 percent of firms with wages below this level. In the El Paso metro area, 9,500 small businesses will receive a payroll tax cut under the American Jobs Act. The employee-side payroll tax cut could also benefit virtually all of the city's 290,000 workers.

2. Putting Workers Back on the Job While Rebuilding and Modernizing America

- The President's plan includes \$50 billion in immediate investments for highways, transit, rail and aviation, helping to modernize an infrastructure that now receives a grade of "D" from the American Society of Civil Engineers and putting hundreds of thousands of construction workers back on the job. Of the investments for highway and transit modernization projects, the President's plan will make immediate investments of at least \$34,200,000 in the El Paso area.
- The President is proposing to invest \$35 billion to prevent layoffs of up to 280,000 teachers, while supporting the hiring of tens of thousands more and keeping cops and firefighters on the job. In El Paso, the President's plan calls for an investment of \$45,690,000 in teacher stabilization funding for the El Paso Independent School District. The President is also proposing a \$25 billion investment in school infrastructure that will modernize at least 35,000 public schools – investments that will create jobs, while improving classrooms and upgrading our schools to meet 21st century needs. The district will receive \$66,250,000 in school modernization funding.

3. Tax Relief for Every American Worker and Family

- The President's plan will expand the payroll tax cut passed last December by cutting workers payroll taxes in half next year. A typical household in the El Paso metro area, with a median income of around \$41,100, will receive a tax cut of around \$1,300.

4. Fully Paid for as Part of the President's Long-Term Deficit Reduction Plan.

- To ensure that the American Jobs Act is fully paid for, the President called on the Joint Committee to come up with additional deficit reduction necessary to pay for the Act and still meet its deficit target. The President released a detailed plan that outlined how we can do that while achieving the additional deficit reduction necessary to meet the President's broader goal of stabilizing our debt as a share of the economy and pay for his plan to put Americans back to work.

*Because information and funding estimates on city economies come from a variety of sources, the exact definition of city areas differs slightly between the figures reported here. Information on the median incomes, the number of employed people, and the number of small businesses for a city refer to its Metropolitan or Micropolitan Statistical Area or Division, as reported by the Department of Housing and Urban Development, the Bureau of Labor Statistics, and the Census Bureau respectively. Information on transportation funding for a city refer to its Urbanized Zone Area, as reported by the Department of Transportation.