

JANUARY 6, 2003

**HOUSE DEMOCRATS PROPOSE PLAN
TO CREATE JOBS AND
TO STIMULATE THE ECONOMY**

WASHINGTON, D.C. - U.S. Representative Jan Schakowsky (D-IL) today joined House Democrats in proposing a plan that will provide an immediate boost to the economy. The \$136 billion plan will put money in the hands of millions of hard working families, create one millions jobs, help unemployed workers by extending federal assistance benefits, and provide states with \$31 billion for homeland security, transportation and Medicaid funding.

President Bush is scheduled to announce his Administration's stimulus proposal tomorrow in Chicago, which is likely to include a key provision to eliminate taxes on dividends paid to individuals. Under this provision, taxpayers making more than \$1 million will receive on average a \$27,097 tax cut in 2003. While 82% of taxpayers, or those making less than \$75,000, will see an average tax cut of \$42.

"In the Bush economy, two million private sector workers have lost their jobs and economic growth has been the weakest in 50 years. The Democratic proposal will set the course to reverse the Bush economic slide, help create one million jobs, and put money in the hands of millions of struggling families," Schakowsky said.

"The economy is driven from the bottom up, but Republicans see it only way - top down. The Republicans' latest proposal is going to be more of the same trickle down economics that will continue to damage rather than stimulate the economy," Schakowsky added.

The proposal includes:

- . Putting money in the hands of consumers who drive the economy by giving a \$300 tax rebate to every working American (\$600 for couples).**
- . Immediate tax relief for small businesses to generate investment and jobs.**
- . \$31 billion assistance to localities and states for transportation, homeland security and health care.**
- . 26-week extension of unemployment benefits for workers whose insurance has run out and who have still been unable to find jobs in the stagnant economy.**