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Post Office Box 2910
Austin, Texas 78768-2910
(512) 463-0240

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SELECT COMMITTEE ON FEDERAL ECONOMIC STABILIZATION FUNDING

MEMORANDUM

OK FOR DISTRIBUTION

TO: Texas House of Representatives

FROM: Chairman Jim Dunnam

DATE: March 5, 2010

SUBJECT: National Unemployment Rate: Energy Efficient Appliance Rebate Program: Jobs for Main Street 2010: Jobless Benefits Extended: Upcoming Hearings

A handwritten signature in black ink, appearing to read "Jim Dunnam".

National Unemployment Rate Stays at 9.7% in February

The national unemployment rate held at 9.7% in February as employers shed 36,000 jobs, fewer than expected. The U.S. Labor Department said hiring for the 2010 Census accounted for 15,000 jobs. The government expects to hire 1 million temporary census workers this year. The construction industry lost 64,000 jobs, compared with an average of about 40,000 in the previous three months. Retail unemployment was flat and the leisure and hospitality industry posted a net gain of 7,000 jobs, the first increase since September. The unemployment rate, which hasn't risen since October, could be bottoming out. The Labor Department said severe snowstorms that hammered the East Coast last month may have affected job losses. Some economists suggested storms could inflate job losses over 100,000. This would mean the national economy actually **GAINED** jobs last month if you exclude the storm's impact; a gain seen only one other time since the recession began in 2007. Still, 14.9 million Americans are unemployed, nearly double the total when the recession began; the economy has shed 8.4 million jobs during that time.

Energy Efficient Appliance Rebate Program

Mark your calendars for the April 16-25, 2010 Energy Efficient Appliance Rebate program - where Texans can get money back on new appliance purchases.

Congress appropriated \$300 million nationwide to support state rebate programs for residential ENERGY STAR appliance products (those that represent improvements in efficiency compared to the majority of products on the market).

Federal Amount Available : \$300 million, nationally
Texas State Energy Conservation Office (SECO) Estimated Amount Allocation: \$ 23,341,000

Program Summary: Texas will use approximately \$23 million in federal stimulus funds for a mail-in rebate program for consumers who purchase certain energy-efficient household appliances.

Who Qualifies: The U.S. Department of Energy approved the rebates for consumers who buy eligible ENERGY STAR appliances to replace the same type of functioning old appliance. The Texas program will also offer an additional incentive to recycle old inoperative appliances. Consumers can qualify for rebates for up to two appliances from the approved rebate appliance list.

Timing: The mail-in rebates will apply to eligible appliances purchased between April 16 and April 25, 2010. The 10-day period will coincide with Earth Day. Consumers will have 45 days from date of reservation to install appliance(s) and submit the paperwork for their rebate. The rebate program **will not** be retroactive. It will only apply to purchases made once the program officially begins in April 2010.

Rebate Process: Consumers will have an opportunity to reserve an appliance by calling a toll-free number or registering online approximately two weeks prior to April 16, 2010. After the reserved mail-in rebates are awarded, any remaining funds will be rebated to consumers on a first-come, first-serve basis. Shoppers will be limited to two appliances rebates and two recycling rebates per household.

To view a list of the rebate amounts and to find out more about the program please visit the Comptroller's Energy Efficient Appliance Rebate Program website below:

<http://www.seco.cpa.state.tx.us/arra/rebate/index.php>

"Jobs for Main Street Act 2010" Passes in the U.S. Senate

On February 24, 2010 the U.S. Senate approved H.R. 2847, also referred to as the "Jobs for Main Street Act of 2010," a \$15 billion plan to spur job creation.

The Jobs for Main Street Act 2010 contains both emergency and non-emergency funding that is partly covered by savings from the Troubled Asset Relief Program (TARP). Included within H.R. 2847 is an enhanced Medicaid match through June 2010, an extension of the Surface Transportation Authorization, continuance by the Small Business Administration for temporary loan guarantee authorities through fiscal year 2010, and a variety of components previously targeted in the American Reinvestment and Recovery Act (ARRA) to counteract unemployment and state revenue losses. The Act expressly notes that all funds must be obligated by September 30, 2010, and will be subject to all requirements of "Buy American" within ARRA. The measure will now go to the U.S. House.

Jobless Benefits Extended:

This week, President Obama signed a bill passed by the Senate temporarily reinstating unemployment benefits. Benefits expired Feb. 28 for many; this action extends benefits for one month, giving Congress additional time to debate the issue. The Labor Department suggested 400,000 could lose benefits within two weeks without this Congressional action.

The action extends access to health care benefits for the unemployed and assists small business in obtaining loans. The extension includes subsidies to help the unemployed buy health insurance. In addition - highway money was released; the delay of which forced the Transportation Department to furlough 2,000 employees. It also postpones cuts in Medicare reimbursements to doctors and extends flood insurance programs.

Upcoming Hearing:

The Committee is looking forward to a joint hearing with the House Committee on Urban Affairs March 30, 2010 in Dallas. We will review the joint legislative charge regarding the Texas Department of Housing and Community Affairs' Weatherization Assistance Program and increased funding from ARRA. Committee staff are ironing out the details currently and will post an agenda when available. The Committee's previously scheduled April 7th meeting has been cancelled in light of this joint session.