

Economic Stimulus Bill Signed Into Law Provides Much-Needed Financial Relief for Sacramento Families

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WASHINGTON, D.C. — Today, Rep. Doris Matsui (CA-05) announced that the bipartisan economic stimulus plan developed by Congress has been signed into law. The stimulus package will put money in the hands of hard-working American families and takes critical steps to address the escalating mortgage crisis. “The families of Sacramento have been particularly hard-hit by the mortgage crisis. The legislation that we worked quickly to enact in Congress will provide much-needed and targeted relief to help people weather these uncertain financial times,” said Rep. Matsui.

Importantly, the bipartisan plan also includes provisions to help families avoid losing their homes to foreclosure. The bill expands affordable mortgage loan opportunities for families at risk of foreclosure through the Federal Housing Administration. To enhance credit availability in the mortgage market, the measure also includes a one-year increase in the loan limits for single family homes from Fannie Mae and Freddie Mac.

For 2008, the bill increases the FHA loan limits up to \$729,750, to expand affordable mortgage loan opportunities for families at risk of foreclosure through the Federal Housing Administration. To enhance credit availability in the mortgage market, the measure includes an increase in the loan limits for single family homes from Fannie Mae and Freddie Mac from \$417,000 up to \$729,750 that covers loans made between July 31, 2007, and December 31, 2008.

“Congress worked in a bipartisan way to deliver real relief to the American people. The measures we have taken will give our economy the boost it needs, and help the people of the Sacramento region to continue to provide for their families,” said Rep. Matsui. “However, this can only be the first step. We must work in Washington to find long-term solutions to shore up our economic future,” said Rep. Matsui.

The economic stimulus bill, the Recovery Rebates and Economic Stimulus for the American People Act, will put money in the wallets of Californians. Nearly 15 million families in the state alone will receive tax rebates of up to \$1,200 per couple, plus \$300 per child as early as mid-May. By getting money into the hands of America’s families and small businesses, the plan is expected to add 500,000 jobs to the economy.

The plan will also provide a tax rebate for the low and middle-income families who are being hit hardest by the economic downturn. More than 130 million families, including 35 million families across the country who work but make too little to pay income taxes will receive a tax rebate. The plan will also provide recovery rebate checks to 28 million households of senior citizens and disabled veterans.

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