Department of Justice, Peace, and Human Development



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September 18, 2008

The Honorable Nancy Pelosi Speaker of the House of Representatives Washington, DC 20515

The Honorable Steny Hoyer Majority Leader The House of Representatives Washington, DC 20515

The Honorable John Boehner Minority Leader The House of Representatives Washington, DC 20515

Dear Speaker Pelosi, Leader Hoyer, and Leader Boehner:

As Catholic organizations united by our common faith and committed to the principles of Catholic social teaching, we urge Congress to enact policies that will stimulate our struggling economy and assist low-income families and individuals facing added financial hardship as this economic downturn continues. Economic policies that assist and protect the least among us are also effective forms of economic stimulus. Congress must act quickly and effectively to assist the millions of vulnerable people facing economic and social dislocation.

Specifically, we support and call on Congress to include provisions to:

- <u>Temporarily increase Food Stamp benefits</u>: Increasing food stamp benefits is acknowledged to be one of the best, if not the best, way to stimulate the economy. An increase in benefits is dispersed quickly though additions to the Supplemental Nutrition Assistance Program (SNAP) electronic debit cards. Recipients by spending the additional benefits immediately on food for their family also help prevent childhood illness and developmental delays associated with inadequate nutrition. This policy also reaches the most economically vulnerable population (87 percent of recipients are below the poverty line).
- <u>Protect low-income families from losing Medicaid and social service assistance.</u> During economic downturns, states are often forced to choose between cutting social services or Medicaid benefits and eligibility at a time when the people who rely on these programs need them the most. Temporarily increasing Federal Medicaid matching payments (FMAP) and providing grants to state and local governments for social service programs will help ensure that the safety net remains strong.

- <u>Increase home energy assistance</u>: The huge increases in home energy costs are felt most acutely by low-income families. Yet, the Low Income Home Energy Assistance Program (LIHEAP) served less than 16 percent of eligible households in FY 2007 due to limited funding. Even though Congress modestly increased LIHEAP funding for FY 2008, the unmet need is still great. Increased LIHEAP funding could be distributed quickly and would help poor families cope with costly heating oil and gas.
- <u>Extend Unemployment Insurance</u>: long-term unemployment continues to rise; Congress again should extend benefits for people in states with disproportionately high unemployment rates. Extending unemployment benefits is a quick and efficient way to increases consumer spending.
- <u>Increase funding for the Emergency Food and Shelter (EFS) Program.</u> With mortgage foreclosures and skyrocketing energy and food prices, more and more people are forced to rely on emergency assistance. The network of community-based providers—nearly 12,000 in 2,500 counties and cities nationally, including many Catholic institutions and agencies—rely on the EFS Program to help deliver mortgage, rental, and hunger relief to people forced to the edge of society. They need additional assistance to meet surging demands.

As the United States Catholic bishops stated in their pastoral letter *Economic Justice for All*: "The impact of national economic policies on the poor and the vulnerable is the primary criterion for judging their moral value. National economic policies that contribute to building a true commonwealth should reflect this by standing firmly for the rights of those who fall through the cracks of our economy: the poor, the unemployed, the homeless, and the displaced. [#319]"

We urge Congress to work quickly to craft another stimulus plan; it is urgently needed. Our hope is that your action will not only benefit the economy, but will also serve to reduce hardship for low- and middle-income families.

Sincerely,

(Fr. Harry Dayder fiter Carac Kechan + Www

Rev. Larry Snyder President Catholic Charities USA

Sr. Carol Keehan, DC President and CEO Catholic Health Association of the United States

Most Rev. William F. Murphy Bishop of Rockville Centre Chairman, Committee on Domestic Justice and Human Development, United States Conference of Catholic Bishops