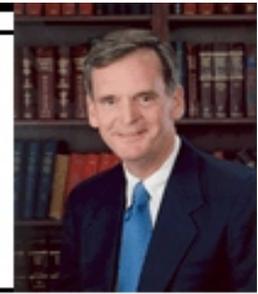

NEWS RELEASE

Judd Gregg

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SENATE PASSES ECONOMIC RECOVERY BILL

BILL INCLUDES \$82 MILLION IN AID TO NEW HAMPSHIRE

Gregg supports measure to “put more money back in the hands of American taxpayers”

WASHINGTON— U.S. Senator Judd Gregg (R-NH) joined 50 of his Senate colleagues in casting votes supporting the tax relief reconciliation bill that encompasses a number of the tax cuts proposed by President George W. Bush earlier this year. The bill, which provides \$350 billion in tax relief, passed by a vote of 51-50 with Vice President Dick Cheney breaking the tie. It also passed the House of Representatives by a vote of 231 to 200 last night. The compromise legislation is the third largest tax reduction in history.

“This economic recovery bill, passed by Congress today, will put more money back in the hands of those who need it most- the American taxpayers,” said Senator Gregg. “Individuals, families and entrepreneurs know best where they each need the most help. They do not need the federal government to dictate to them how their hard-earned dollars will be spent, they need the ability to make those decisions for themselves. This bill accomplishes that and represents a significant commitment to creating more jobs and getting the economy back in the black again.”

The tax cut legislation, includes a provision to provide direct federal aid, as well as additional Medicaid dollars, to states. New Hampshire will be the recipient of a projected \$82 million in additional federal funds over the next two years.

“This is great news for New Hampshire coming at a very tough time,” said Senator Gregg. “This money will provide some direct and immediate relief as Governor Benson and our Legislature work to draft the state budget. I am pleased that we have passed a tax cut bill that will, provide real assistance to both families and states that are experiencing financial hardship.”

New Hampshire will receive \$50 million in direct aid, split into \$25 million allotments over this year and next year. These funds can be used for improving education or job training, health care services, transportation or other infrastructure, law enforcement or public safety, and maintaining essential government services. The funds will be available 45 days after the bill is enacted into law. States will apply for the grants from the U.S. Treasury Department.

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Over the next two years, New Hampshire is also slated to receive an estimated \$32

million more for Medicaid assistance, the health insurance program funded jointly by the federal government and states. This is in addition to the annual Medicaid funds that states already receive from the federal government. Among those eligible for Medicaid are low-income children, pregnant women, parents of dependent children, the elderly and people with disabilities.

Highlights of the Jobs and Growth Tax Relief Reconciliation Act of 2003:

- Accelerates the reduction in the marriage penalty
- Accelerates the increase in the child tax credit
- Reduces tax rates on dividends and capital gains
- Increases small business expensing for new investment
- Accelerates the 10-percent tax bracket expansion
- Accelerates the reduction in income tax rates
- Increases first year bonus depreciation on investments
- Increases the alternate minimum tax exemption amount
- Provides \$20 billion over this year and next year to states for fiscal relief- \$10 billion directly to the states for their use and \$10 billion for Medicaid. Of this amount, New Hampshire will be the recipient of an estimated \$82 million.

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