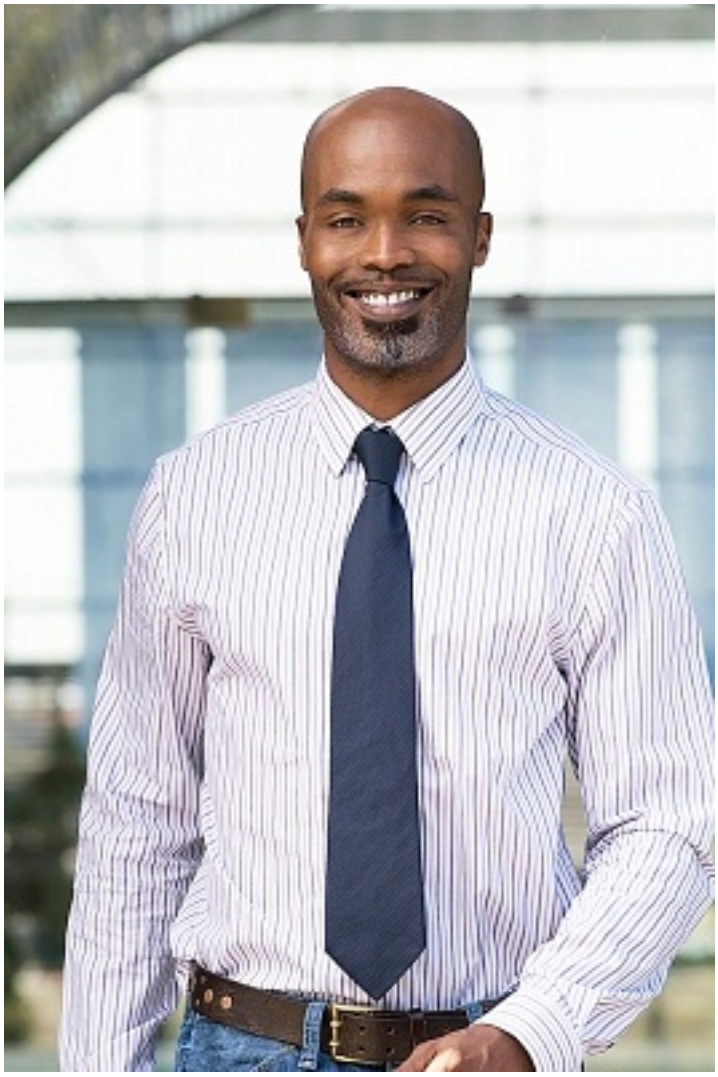

New CEA Analysis Finds Recovery Act Already Responsible for 108,000 Jobs in Ohio
Part of CEA Report Showing Recovery Act Has Created or Saved about 2.5 Million Jobs Nationwide

WASHINGTON, DC – The Council of Economic Advisers (CEA) today released a new analysis that finds that the Recovery Act was responsible for 108,000 jobs in Ohio through the first quarter of 2010. The analysis follows a report released earlier in the week by the CEA that showed that the Recovery Act was responsible for about 2.5 million jobs nationwide in that same period - half of which were as a result of the over $200 billion in Recovery Act tax relief and financial assistance that has gone directly to mostly lower and middle-income families.

“From tax cuts to construction projects, the Recovery Act is now firing on all cylinders when it comes to creating jobs and putting Americans back to work,” said Vice President Biden. “We’re

not only providing needed relief and spurring job creation now, but laying a new foundation for economic growth that will create jobs for a long time to come."

More than $12.1 billion in Recovery Act funds are already being put to work in Ohio so far creating jobs and driving economic growth. In addition to helping fill state budget gaps and jump-starting job-creating construction projects, the funds are also being used to provide tax cuts and other financial assistance like unemployment benefits to help hard-hit lower and middle-income families get back on firm financial footing.

CEA's report found that over $200 billion in tax relief and financial assistance has had an important impact on real disposable personal income in the last year and was responsible for 1.1 to 1.4 million of the approximately 2.5 million jobs created or saved by the Recovery Act so far. More than $110 billion in tax relief and $90 billion in other income supports was provided directly to individuals and families through March of 2010. According to the report, without these provisions, household real disposable (or after-tax) income would have fallen substantially in 2009 and consumer spending would not have rebounded as it did. Instead, income in each of the last three quarters of 2009 actually surpassed its level in the fourth quarter of 2008 and the surge in Recovery Act tax relief this tax season is expected to yield the largest Recovery Act impact on household disposable income yet in the first quarter of 2010.

The Recovery Act was signed into law by President Obama on February 17, 2009. The program is a combination of tax relief, financial assistance and infrastructure projects designed to cushion the impact of the downturn and lay a foundation for economic recovery. Since the Recovery Act began a little over a year ago, the economy has posted its largest quarterly GDP growth in six years and largest monthly job gains in three years. So far, $525 billion in Recovery Act funds have been obligated, or committed to specific projects, and, of that, $370 billion has been paid out.