

# Obama stimulus plan may mean huge infusion of funds for jobs, schools, Medicaid

BY [David Saltonstall](#)

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The new \$790 billion stimulus package should "save or create" some 119,000 jobs in the recession-battered city over the next two years - more than double the number of jobs lost in the city in all of 2008.

"It is a real shot in the arm for [New York](#)," promised [Sen. Chuck Schumer](#), the Senate's No. 3 Democrat.

While actual copies of the package remained under wraps Thursday - as lawmakers continued to haggle over how the pots of money will be distributed - congressional leaders said the bill contained a range of goodies for the city, especially in education, transportation and [Medicaid](#) aid.

[Gov. Paterson](#) said the stimulus bill all but required him to restore a proposed \$700 million cut in state aid to city schools - a whack that [Schools Chancellor Joel Klein](#) had warned could cost thousands of teachers their jobs.

"We have no choice [but to restore the funds], and we are glad we have no choice," Paterson told reporters during a late-day conference call with Schumer.

Schumer said the state would also pick up \$1.3 billion in mass transit aid. But straphangers hoping to stave off a fare increase might be disappointed - the money can only be used on capital projects, not to balance the [MTA's](#) operating budget.

The package also includes a \$2.8 billion boost in Medicaid funding for the city - a significant bump at a time when [Mayor Bloomberg](#) is trying to close a \$4 billion gap in next year's budget.

The mayor declared himself pleased with the overall package but cautioned that nothing is certain until lawmakers produce an actual copy of the bill.

"In any piece of complex legislation, the details of the legislative language matter as much as the numbers," Bloomberg said in a statement.

But the list of new spending plans appeared long and varied: \$403 million to help weatherize New York homes; an expected \$70 million in grants that the city could use to hire new cops; \$390 million to improve city public housing; \$75 million to combat homelessness and stave off evictions.

Lawmakers said the whole program would "save or create" some 215,000 jobs across the state, including the 119,000 in the city, over the next two years.

That's more than double the 49,100 jobs the city lost in 2008, as the deepening recession sparked heavy layoffs in the financial sector and beyond.

"This is probably the most generous bill for [New York City](#) that we have had in a decade," [Rep. Anthony Weiner](#) (D-[Brooklyn/Queens](#)) said. "And while it doesn't solve every problem, it certainly solves a lot."