Teacher Answer Key

Case Study

1. Immediate support: tax credits & expanded safety-net benefits; long-term investment: infrastructure, state budget relief, clean-energy & broadband grants

2. Used existing grant formulas & agency channels to avoid creating new programs, speeding disbursement

Multiple Choice

1. A

2. C

3. A

Matching

1-D, 2-C, 3-A, 4-E, 5-B

Fill-in-the-Blank

1) right, 2) disposable (or: take-home), 3) slack

Short Answer (Sample Responses)

Q1: Depends on slack, confidence & interest rates

Q2: Tax cuts can reach households faster through existing withholding systems than new spending programs that require contracts and procurement.

Q3: Because households may save a portion of the tax cut or use it to pay down debt rather than spend it immediately.