

# American Recovery and Reinvestment Act of 2009

## *Overview from a Local Government Perspective*

May 2009

### Community Development, Economic Development and Housing

<b>Program</b>	<b>Funding</b>	<b>Distribution</b>	<b>Special Factors</b>	<b>Application Deadline/ Timing</b>	<b>Federal Website</b>
Community Development Block Grant	\$1.0 billion	- Formula to local governments	-Priority based on projects that can award contracts in 120 days -Supplement, not supplant	- Due 6/5/09 - All funds spent by 9/30/2012	<a href="http://www.hud.gov/recovery/cdblock.cfm">http://www.hud.gov/recovery/cdblock.cfm</a>
Neighborhood Stabilization Program	\$2.0 billion (redevelopment of abandoned or foreclosed homes)	- Competitive among states, localities, nonprofits	- Secretary will ensure grants are in areas of greatest number and percentages of foreclosures - Minimum grant size \$5 million	- Application 7/17/09 - Secretary obligates all funding in a year	<a href="http://www.hud.gov/recovery/nspg.cfm">http://www.hud.gov/recovery/nspg.cfm</a>
HOME Investment Partnerships	\$2.25 billion	- Formula to State Housing Credit Agencies based on % of HOME funds apportioned; - State agencies then distribute competitively to project owners	-Capital investments in low-income housing tax credit projects	-75% of funding distributed in one year, 75% spent in two years, 100% spent in 3 years -Funds recaptured if timelines not met	<a href="http://www.hud.gov/offices/cpd/affordablehousing/programs/home/">http://www.hud.gov/offices/cpd/affordablehousing/programs/home/</a>
Public Housing Capitalization Fund	\$4.0 billion	- \$3.0 billion- Formula to Public Housing Authorities; - \$1.0 billion- Competitive to Public Housing Authorities	-Competitive portion takes leveraging private sector funding or financing for renovations and energy conservation retrofit as priority - PHA's to give priority to vacant rental units -Priority based on projects that can award contracts in 120 days -Supplement, not supplant	- Due 3/9/09 -Obligate in 1 year -Spend 60% in 2 years -Spend 100% in 3 years -Secretary can recapture if timelines above not met	<a href="http://www.hud.gov/recovery/phcfund.cfm">http://www.hud.gov/recovery/phcfund.cfm</a>

Homelessness Prevention	\$1.5 billion	- Formula to grantees under McKinney-Vento Homeless Assistance Act	-Short term or medium term rental assistance, housing relocation, and stabilization services for homelessness prevention or rehousing to recently homeless	- Funds available through Sept 1, 2012 - 60% of funds must be spent within 2 years	<a href="http://www.hud.gov/recovery/homeless-prevention.cfm">http://www.hud.gov/recovery/homeless-prevention.cfm</a>
Elderly (Sec 202) and Disabled (Sec 811) – Section 8 Housing Assistance program	\$2.25 billion	- Owners of Properties receiving Based Section 8 assistance	- \$2.0 billion general assistance - \$250 million for energy retrofit and green investments in Properties Receiving Based Section 8 assistance	- Spend funding within two years	<a href="http://portal.hud.gov/portal/page?_pageid=153.1&amp;_dad=portal&amp;_schema=PORTAL">http://portal.hud.gov/portal/page?_pageid=153.1&amp;_dad=portal&amp;_schema=PORTAL</a>
Economic Development Administration	\$150 million	Application to EDA	-\$50 million for Economic Adjustment Assistance –Priority to sudden severe dislocation and job loss due to corporate restructuring - \$100 million for public works and economic adjustment assistance allocation to be determined by Region office	- Applications accepted on rolling basis; - Closing date is 6/30/2009 - Funds must be obligated by 9/30/2010	<a href="http://www.eda.gov/">http://www.eda.gov/</a>
Lead Paint Removal	\$100 million	- Competitive grants to local governments and non-profits - Discretionary by HUD	-Preference to those qualified applicants who applied in 2008 but were not granted funds	-Spend 50% of funds in two years -100% of funds in three years -Secretary recaptures if deadlines missed	<a href="http://www.hud.gov/recovery/healthy-homes.cfm">http://www.hud.gov/recovery/healthy-homes.cfm</a>
Corporation for National and Community Service	\$200 million	To State Community Service Boards	- \$89 million to existing Americorps grantees - Non-federal share waiver discretionary -\$40 million for the National Service Trust		<a href="http://www.nationalservice.gov/">http://www.nationalservice.gov/</a>

## Employment and Training

Program	Funding	Distribution	Special Factors	Application Deadline/ Timing	Federal Website
Adult Employment and Training	\$500 million	Formula to States for distribution to local workforce boards		Apportioned to state	<a href="http://www.doleta.gov/">http://www.doleta.gov/</a>
Youth Activities <i>(including summer youth employment)</i>	\$1.2 billion	Formula to States for distribution to local workforce boards		Apportioned to state	<a href="http://www.doleta.gov/">http://www.doleta.gov/</a>
Dislocated Workers	\$1.25 billion (an additional \$200 million for the national reserve)	Formula to States for distribution to local workforce boards		Apportioned to state	<a href="http://www.doleta.gov/">http://www.doleta.gov/</a>
YouthBuild	\$50 million	Discretionary by Department of Labor			<a href="http://www.doleta.gov/">http://www.doleta.gov/</a>
Worker Training in High Growth and Emerging industry	\$750 million	- Competitive grants - Discretionary by Department of Labor	- \$500 million –Energy Efficiency and Renewable “Green Jobs”	Guidance expected mid-June with applications due in fall.	<a href="http://www.doleta.gov/">http://www.doleta.gov/</a>
			- \$250 million – health care		<a href="http://www.doleta.gov/">http://www.doleta.gov/</a>
Community Service Employment for Older Americans	\$120 million	Formula allocation to current grantees			<a href="http://www.dol.gov/recovery">www.dol.gov/recovery</a>
State Unemployment Insurance	\$400 million	Grants to states for extension of unemployment benefits	- \$250 million to be used for reemployment services		
Job Corps	\$250 million	Discretionary by the Secretary of Labor	- For construction of Job Corps facilities with up to 15% available for operations		<a href="http://www.doleta.gov/">http://www.doleta.gov/</a>

## Energy

Program	Funding	Distribution	Special Factors	Application Deadline/ Timing	Federal Website
Energy Efficiency and Conservation Bock Grant	\$3.2 billion	- \$2.8 billion - Formula to cities	-Broad eligibility for energy efficiency and conservation projects - Secretary to use most recent population data available	- Apps due for state 5/25/09 - Apps due for cities 6/25/09	<a href="http://www.eecbg.energy.gov/">http://www.eecbg.energy.gov/</a>
		- \$400 million - Competitive		TBD	
Weatherization Assistance	\$5.0 billion	Formula to states			<a href="http://www.energy.gov/">http://www.energy.gov/</a>
Electricity Delivery and Energy Reliability “Smart Grid”	\$4.5 billion	- Discretionary by DOE - \$100 million for worker training	- To modernize the electric grid, enhance security and reliability of the energy infrastructure		<a href="http://www.energy.gov/">http://www.energy.gov/</a>
Alternative Fueled Vehicles Pilot Program	\$300 million	Discretionary by DOE		5/29/09	<a href="http://www.afdc.energy.gov/cleancities/programs/solicitations.php">http://www.afdc.energy.gov/cleancities/programs/solicitations.php</a>

## Environment

Program	Funding	Distribution	Special Factors	Application Deadline/ Timing	Federal Website
Clean Water Grants and Loans (\$4.0) Drinking Water Grants and Loans (\$2.0)	\$6.0 billion	Grants to States, which then make grants or loans to cities	- 100% federal - At least 50% of funds for of forgiveness of principal or interest converting loans to grants - Funds reclaimed if not under contract or construction in 12 months -Priority to projects that can proceed	3/13/09	<a href="http://www.epa.gov/recovery">www.epa.gov/recovery</a>

			to construction in 12 months -20% for green infrastructure, water or energy efficiency or other innovations, if there are projects - No land purchase		
Brownfields	\$100 million	Competitive grants	- 100% federal	4/20/09	<a href="http://www.epa.gov/recovery">www.epa.gov/recovery</a>
Diesel Emissions Reduction	\$300 million	Discretionary by EPA		4/28/09	<a href="http://www.epa.gov/recovery">www.epa.gov/recovery</a>
Superfund	\$600 million	Discretionary by EPA			<a href="http://www.epa.gov/recovery">www.epa.gov/recovery</a>
Army Corps of Engineers Construction	\$2.0 billion	Discretionary by COE to existing projects	- \$200 million for water-related environmental infrastructure assistance for existing projects	Completed in a year	<a href="http://www.usace.army.mil/recovery/">http://www.usace.army.mil/recovery/</a>
Army Corps of Engineers Operations and Maintenance	\$2.1 billion	Discretionary by COE to existing projects	- For existing projects	Completed in a year	<a href="http://www.usace.army.mil/recovery/">http://www.usace.army.mil/recovery/</a>
Army Corps of Engineers Studies	\$25 million – Studies	Discretionary by COE			<a href="http://www.usace.army.mil/recovery/">http://www.usace.army.mil/recovery/</a>

## Health

Program	Funding	Distribution	Special Factors	Application Deadline/ Timing	Federal Website
Health Centers	\$500 million	State Distribution	For services provided at community health centers to support new sites and service areas, increase services at existing sites and to provide supplemental payments for spikes in uninsured populations		<a href="http://healthit.hhs.gov/">http://healthit.hhs.gov/</a>

Health Technology	\$1.5 billion	HHS Discretionary Grants	Construction, renovation, and equipment for health information technology systems		<a href="http://healthit.hhs.gov/">http://healthit.hhs.gov/</a>
“Health Information Technology for Clinical Health Act (“HITECH Act”)	\$19.0 billion	-HHS Discretionary -Funds passed through a variety of federal agencies for architecture, training and development of electronic health records.	To carry out the health technology initiatives of the act such as: - Grants and Loan Funding to invest in infrastructure to allow for and promote electronic exchange and use of health information for each American including: (1) - <u>regional centers</u> to provide technical assistance and disseminate best practices – nonprofits institution or organization - 4 years and 50% of costs (2) <u>state grants</u> – planning and implementation grants for health technology to states or state designated entities	-90 days after enactment Secretary establishes criteria for Regional Centers	<a href="http://healthit.hhs.gov/">http://healthit.hhs.gov/</a>
Health Professionals	\$500 million	HHS Discretionary Grants	- To address health professionals workforce shortages - \$5 million to National Health Service Corps	4/6/09	<a href="http://www.hhs.gov/recovery">www.hhs.gov/recovery</a>
National Center for Research Resources <i>(National Institutes of Health)</i>	\$1.3 billion	NIH Discretionary	- Funds available to construct, renovate or repair existing <u>non-federal</u> research facilities		<a href="http://www.nih.gov/recovery/">http://www.nih.gov/recovery/</a>
Prevention and Wellness Funds	\$1.0 billion	HHS Discretionary	- \$300 million to the CDC for immunization - \$650 million for clinical and community-based prevention		<a href="http://www.hhs.gov/recovery">www.hhs.gov/recovery</a>

## Homeland Security

Program	Funding	Distribution	Special Factors	Application Deadline/ Timing	Federal Website
Fire Station Grants FEMA	\$210 million	Discretionary by DHS	-Modifying, upgrading, or constructing fire stations - Grant maximum of \$15 million - 100% federal share -Extensive “Buy America” provisions can we waived by the Secretary. Regulations will clarify.		<a href="http://www.dhs.gov/">http://www.dhs.gov/</a>
Public Transportation Security Assistance	\$150 million	Discretionary by DHS	Extensive “Buy America” provisions can we waived by the Secretary. Regulations will clarify.		<a href="http://www.dhs.gov/">http://www.dhs.gov/</a>
Aviation Security TSA	\$1.0 billion	Discretionary by DHS for checked baggage explosive detection systems equipment	- To airports with completed design plans - Extensive “Buy America” provisions can we waived by the Secretary. Regulations will clarify.		<a href="http://www.dhs.gov/">http://www.dhs.gov/</a>
Port Security Grants	\$150 million	Discretionary by DHS	Extensive “Buy America” provisions can we waived by the Secretary. Regulations will clarify.		<a href="http://www.dhs.gov/">http://www.dhs.gov/</a>
Emergency Food and Shelter	\$100 million	Discretionary by DHS	Extensive “Buy America” provisions can we waived by the Secretary. Regulations will clarify.		<a href="http://www.dhs.gov/">http://www.dhs.gov/</a>

## Public Safety

Program	Funding	Distribution	Special Factors	Application Deadline/ Timing	Federal Website
COPS Hiring	\$1.0 billion	Direct Application by cities	For hiring and rehiring career law enforcement officers  100% federal share. Actual cost of officer for 3 years	4/14/09	<a href="http://www.usdoj.gov/recovery">www.usdoj.gov/recovery</a>
Byrne Justice Assistance Formula Grants	\$2.0 billion	Formula To States Pass Through to Locals	Broad uses for support of law enforcement activities	5/18/09	<a href="http://www.ojp.usdoj.gov/BJA/recoveryJAG/JAGrecoveryLocal.pdf">http://www.ojp.usdoj.gov/BJA/recoveryJAG/JAGrecoveryLocal.pdf</a>
Byrne Justice Assistance Competitive Grants	\$225 million	Competitive Grants to improve functioning of the criminal justice system, assist victims of crime and youth mentoring.		4/9/09	<a href="http://www.usdoj.gov/recovery">www.usdoj.gov/recovery</a>
Victims of Crime	\$100 million	Competitive Grants by the Office of Victims of Crime		3/20/09	<a href="http://www.usdoj.gov/recovery">www.usdoj.gov/recovery</a>
Internet Crimes Against Children	\$50 million	Competitive Grants for Internet Crimes Against Children		4/8/09	<a href="http://www.usdoj.gov/recovery">www.usdoj.gov/recovery</a>
Violence Against Women	\$225 million	\$50 million for transitional housing for victims of domestic violence		3/24/09	<a href="http://www.usdoj.gov/recovery">www.usdoj.gov/recovery</a>

## Social Services

Program	Funding	Distribution	Special Factors	Application Deadline/ Timing	Federal Website
Women, Infant and Children Supplemental Nutrition	\$500 million	- State Formula - \$100 million - Secretary's Discretion - \$400 million			www.usda.gov
School Lunch Program	\$100 million	- Formula to states - Application by School Systems	- For Equipment - Priority to schools where 50% or more kids are eligible		<a href="http://www.usda.gov">www.usda.gov</a>
Childcare and Development Block Grant	\$2.0 billion	State Formula	To supplement, not supplant, state general revenue funds for child care assistance for low income families		<a href="http://www.clasp.org/publications/aara_childcarestate_alloc.pdf">www.clasp.org/publications/aara_childcarestate_alloc.pdf</a>
Head Start	\$1.0 billion	State Formula			www.ed.gov
Early Head Start	\$1.1 billion	State Formula			www.ed.gov
Community Services Block Grant	\$1.0 billion	State Formula			<a href="http://www.acf.hhs.gov/programs/ocs/csbg/">http://www.acf.hhs.gov/programs/ocs/csbg/</a>
Aging Services Programs	\$100 million	State Formula	- \$65 million for Congregate Nutrition - \$32 million for Home Delivered nutrition		<a href="http://www.aoa.gov/">http://www.aoa.gov/</a>

## State Fiscal Relief

Program	Funding	Distribution	Special Factors	Timing	Federal Website
State Fiscal Stabilization Fund	\$53.6 billion	- 61 % based on state population ages 5-24 - 39% based on state total population	- 81.8 % to support elementary, secondary, and post-secondary education and early childhood. Distribution to local educational agencies - 18.2 % for public safety and other governmental services		

			including school modernization and repair including those consistent with green building principles		
Temporary Federal Medical Assistance Percentage (FMAP)	\$86.6 billion	6.2% increase to states for the Medicaid state share			

## Telecommunications

Program	Funding	Distribution	Special Factors	Application Deadline/ Timing	Federal Website
Broadband Technology Opportunities Program	\$4.7 billion	- \$200 million - competitive grants to expand public computer center capacity community colleges and public libraries - \$250 million – Competitive Grants to encourage adoption of broadband	- NTIA is going to look for Public Private partnerships.	- Three grant rounds: April to June 2009, October to December 2009, and April to June 2010; - All grants must be awarded by September 30, 2010. Projects must be substantially complete within two year.	<a href="http://www.ntia.doc.gov/broadbandgrants/">http://www.ntia.doc.gov/broadbandgrants/</a>
Digital-to-Analog Conversion	\$650 million	For additional coupons	- \$90 million for grants to educate vulnerable populations	7/31/09	<a href="http://www.ntia.doc.gov/dtvcoupon/">http://www.ntia.doc.gov/dtvcoupon/</a>

## Transportation

Program	Funding	Distribution	Special Factors	Application Deadline/ Timing	Federal Website
Transit Capital Assistance	\$6.9 billion	Formula to existing transit recipients	<ul style="list-style-type: none"> <li>- Federal share 100%</li> <li>- Unused funds up to 50% redistributed 180 days after enactment and again at 1 year</li> <li>- \$100 million discretionary for reducing energy consumption or greenhouse gases emissions of transit systems</li> <li>-Periodic reports to agency on spending and job creation</li> <li>-Within 30 days after enactment each state must certify that it has maintained existing funding</li> <li>- Failure to maintain effort will mean loss of funds</li> </ul>	Due 3/5/09	<a href="http://www.fta.dot.gov">www.fta.dot.gov</a>
News Starts, Small Starts	\$750 million	Secretary's Discretion	<ul style="list-style-type: none"> <li>-Priority to projects currently in construction or able to obligate in 150 days of enactment</li> <li>-Periodic reports to agency on spending and job creation</li> <li>-Within 30 days after enactment each state must certify that it has maintained existing funding</li> <li>- Failure to maintain effort will mean loss of funds</li> </ul>	- Funds available until 9/30/2010	<a href="http://www.fta.dot.gov">www.fta.dot.gov</a>
Rail Modernization	\$750 million	Formula to existing rail systems	<ul style="list-style-type: none"> <li>-Federal share 100%</li> <li>- Unused funds up to 50% redistributed 180 days after enactment and again at 1 year</li> <li>-Periodic reports to agency on</li> </ul>	<ul style="list-style-type: none"> <li>- Funds apportioned 3/5/09</li> <li>- Funds available until 9/30/2010</li> </ul>	<a href="http://www.fta.dot.gov">www.fta.dot.gov</a>

			<ul style="list-style-type: none"> <li>spending and job creation</li> <li>- Within 30 days after enactment each state must certify that it has maintained existing funding</li> <li>- Failure to maintain effort will mean loss of funds</li> </ul>		
Highway Infrastructure	\$27.5 billion	<ul style="list-style-type: none"> <li>- State formula - 3% for enhancements;</li> <li>- 30% STP allocation to metro areas</li> </ul>	<ul style="list-style-type: none"> <li>- Projects to be completed in three years</li> <li>- Priority to economically distressed areas</li> <li>- Unused funds up to 50% redistributed 120 days after enactment (excludes suballocation) and again at 1 year;</li> <li>- 100% federal share</li> <li>- Periodic reports to agency on spending and job creation</li> <li>- Within 30 days after enactment each state must certify that it has maintained existing funding</li> <li>- Failure to maintain effort will mean loss of funds</li> </ul>	<ul style="list-style-type: none"> <li>- Funds apportioned directly to states on 3/2/09</li> </ul>	<a href="http://www.dot.gov/recovery">www.dot.gov/recovery</a>
Competitive Surface Transportation Program	\$1.5 billion	Secretary's Discretion to states, localities or transit authorities	<ul style="list-style-type: none"> <li>- Significant impact on the nation, a metropolitan area or region</li> <li>- Any eligible surface transportation project</li> <li>- \$20 million minimum, \$300 million maximum (could be waived for smaller cities)</li> <li>- 100% federal share</li> <li>- Priority where federal share is needed to complete</li> <li>- Periodic reports to agency on spending and job creation</li> </ul>		<a href="http://www.dot.gov/recovery">www.dot.gov/recovery</a>

Airports	\$1.1 billion	Secretary's Discretion to Airports	- Priority given to projects to be completed within 2 years of enactment - Supplement, not supplant planned expenditures; - 100% federal share - Periodic reports to agency on spending and job creation	- 50% awarded within 120 days of enactment - 50% in a year	
High Speed Rail Corridors and Intercity Rail Passenger Service	\$8.0 billion		- 100% federal share - Periodic reports to agency on spending and job creation		<a href="http://www.fta.dot.gov">www.fta.dot.gov</a>

## General Provisions

Requirement	Description
Prohibited Uses	No funds can be used for zoos, aquariums, golf courses, swimming pools or casinos.
Buy American	Buy American provisions prevail but can be waived by the federal agency heads.
Wage Rates	Federal prevailing wage policy applies.
Environmental Policy	National Environmental Policy Act compliance must occur.

## Selected Tax Provisions of Interest to Local Government

Provision	Description
Vehicle Purchases	Deduction for state and local taxes paid on the purchase of new vehicles through 2009. Phase out at higher levels of income.
Industrial Development Bonds	Expand definition of manufacturing facility for the purposes of Industrial Development Bonds.
New Markets Tax Credit	Increases New Market Tax Credits to \$5.0 billion for 2008 and 2009.
Recovery Zone Bonds	New category of tax credit bonds for investment in economic recovery zones. \$10 billion in recovery zone economic development bonds and \$15 billion in recovery zone facility bonds. Each state receives a share based on job losses, then suballocates to localities. Localities can use bonds for infrastructure, job training, education, and economic development in areas that have significant unemployment or home foreclosures.

Withholding Requirement	Delays for one year 3% withholding requirements on government payments for goods and services.
Qualified School Construction Bond	New Category of tax credit bonds for the construction, rehabilitation or repair of public school facilities.
Buy America Bonds	Provides state and local government with the option of issuing tax credits instead of tax exempt governmental obligation bonds.
Qualified Energy Conservation Bonds	New municipal bonds to finance state, municipal activities designed to reduce greenhouse gases.

## Accountability and Transparency Provisions

Requirement	Description
Certifications	- Grant recipient (Mayor, Governor, General Manager) shall certify that infrastructure investments have received the full review and vetting required by law and that the recipient accepts responsibility as an appropriate use of taxpayers dollars. - Certification posted on federal and local website.
Reports	- Quarterly reports on the infrastructure investments made the purpose, cost, rationale and contact for concerns, detailed information on subcontracts; Federal agency will post the reports to a website.
Registration	- Recipients must register with the Central Contractor Registration administered by the Office of Management and Budget.
Inspector General	- Any federal agency Inspector General can review concerns raised by the public with findings posted on a website.
Recovery Accountability and Transparency Board	- New federal agency established to coordinate and conduct oversight of covered funds to prevent fraud, waste and abuse and establish recovery website.
Recovery Independent Advisory Panel	- Established to advise the President on the implementation of the recovery.
Set-aside for state and local reporting and Record Keeping	- Federal agencies can adjust administrative costs allowed to assist state and local governments with the cost of recovery record keeping and reporting.
Whistleblower Protection	- State and local whistleblowers protected.

## Relevant Links

- [www.recovery.gov](http://www.recovery.gov)
- [www.grants.gov](http://www.grants.gov)
- [www.recovery.wa.gov](http://www.recovery.wa.gov)
- [www.usmayors.org/recovery](http://www.usmayors.org/recovery)