NATIONAL CONFERENCE *of* STATE LEGISLATURES

The Forum for America's Ideas

Human Services Provisions of the American Recovery and Reinvestment Act of 2009

As of February 26, 2009

Background

On February 11, the House and Senate announced a conference agreement resolving differences between House and Senate versions of the American Recovery and Reinvestment Act (ARRA). The bill totals $790 billion of which about 35% is tax cuts, and 65% is spending. The House passed the bill on February 13 by a vote of 246 to 183. Senate passage followed, with a vote of 60-38. President Obama signed ARRA into law February 17, 2009 as P.L. 111-5.

There will be further guidance, program instructions, and reporting requirements by Federal agencies. NCSL will be tracking these requirements. The federal government's website, www.recovery.gov, also will contain more information about implementation of oversight provisions. Some provisions may require publication of formal regulations.

In the human services area, there are changes in programs administered by United States Department of Agriculture, U.S. Department of Heath and Human Services, U.S. Department of Energy, and Social Security Administration. There are also changes to tax policy.

Human Services Provisions

Nutrition Assistance Programs

Special Supplemental Nutrition Program for Women, Infants and Children (WIC)
The WIC program receives $500,000,000. Of this amount $400,0000,000 is placed in reserve to be allocated as the Secretary deems necessary to support program participation. The remaining $100,000,000 goes for information systems for the program.

School Lunch Program
This program receives $100,000,000 for a grant program for equipment assistance. Funds will be provided to the state based "in a manner proportional with each state's administrative expense allocation." States would provide competitive grants to school food authorities based upon need for equipment assistance for participating schools, with priority given to school in which 50% or more of the students are eligible for free lunch.

Emergency Food Assistance Program
TEFAP receives $150,000,000, of which the Secretary of Agriculture can use up to $50,000,000 for costs associated with the distribution of commodities. Half of that amount ($25,000,000) will be made available in FY 2009.

The Supplemental Nutrition Assistance Program (SNAP) (Formerly Food Stamps Program)

1. Temporary Maximum Benefit Increase-- beginning the first month that begins no less than 25 days after the date of enactment of the ARRA, the maximum benefit will be calculated as 113.6% of the Thrifty Food Plan. Note that it also applies to the consolidated block grants for Puerto Rico and Samoa. This provision is funded at $19.9 billion.
2. Benefits cannot decrease—the law says the multiplier of 13.6% ends September 30, 2009. But, benefits cannot be lower. Benefits will not increase until the total rate of food inflation is more than 13.6% as determined in June of each year. For example, if the benefit is $100 pre-increase, goes until $113 April 1, 2009. In June 2009 FNS will determine the value of the TFP - if it is 8% more than June 2008 the benefit will remain at $113 (not decrease to $108). If in June 2010 the TFP is 3% more than June 2009 for a total of 11%, the benefit will still remain at $113.
3. There are certain administrative provisions associated with the change. The Secretary will consider the benefit increases a "mass change" and require a simple process for states to notify households of the increase in benefits. In addition. There is a hold harmless in regard to errors associated with the increase, and the tolerance level for small errors is $50.
4. A very helpful part of the SNAP provisions is that $145,000,000 is made available in FY 2009 and $150,000,000 (minus $4,500,000 for oversight/evaluation of the program by the Food and Nutrition Service at USDA) for administrative expenses for the SNAP program. The FY 2009 money is made available to the states no later than 60 days after enactment of the ARRA. The money will be distributed to states as follows: 75% is allocated based on each state's share of SNAP households for the most recent 12 month period for which data are available; 25% is allocated based on the increase in the number of households participating in the SNAP as reported in the most recent 12 month period. There is no maintenance of effort for this requirement. Also, $5,000,000 is made available for costs relating to facility improvements and equipment upgrades associated with the Food Distribution Program on Indian Reservations.
5. Able-Bodied Adults Without Dependents (ABAWDs) would be under the regular requirements of the Food Stamp program and not subject to the stricter requirements of the ABAWD. These provisions would begin not less than 25 days after the date of enactment of ARRA and continue for each subsequent month through September 30, 2010. (This period of receiving assistance would be disregarded for ABAWDs).

Assisting the Elderly
Aging Services programs receive $100,000,000 for nutrition assistance, as follows: $65,000,000 is for congregate nutrition services and $32,000,000 is for home-delivered meals, and $3,000,000 is for nutrition services for Native Americans.

Temporary Assistance to Needy Families (TANF)

Carryover TANF Policy Change
States may use their carryover TANF funds to provide any benefits and services permitted under TANF, not just for cash assistance.

TANF Supplemental Grants
TANF Supplemental Grants are extended through FY 2010. In FY08, the following states were recipients of the TANF supplemental grant.

FY 08 State TANF Supplemental Grant Recipients

Alabama	Mississippi
Alaska	Montana
Arizona	Nevada
Colorado	New Mexico
Florida	North Carolina
Georgia	Tennessee
Idaho	Texas
Louisiana	Utah
Total States - 16	

TANF Emergency Contingency Fund
A new Emergency Contingency Fund is created for the TANF program in the amount of $5 billion. Funds are made available through FY 2010 and shall be used to make grants in FY 2009 and 2010 for states in three areas: cash assistance caseload increases, non-recurring short term benefits and expenditures for subsidized jobs.

The fund reimburses states for 80% of the increased expenditures on basic assistance (cash welfare), short-term nonrecurring benefits and/or subsidized employment. Federal TANF, state MOE ("state TANF") or separate state program claimed as MOE expenditures can be used as increased expenditures to receive the 80% federal reimbursement. Each state cannot receive more than 50% of their TANF Block Grant from the emergency contingency and regular contingency fund over the two year period. There is no state match or new maintenance of effort requirement for this fund. Once qualified for reimbursement, the law provides that a state can spend the emergency contingency fund payments in any way that a state can use TANF block grant funding.

In order to be reimbursed for cash welfare increases from this fund, states must demonstrate an overall cash welfare caseload increase. This does not apply to reimbursement for non-reoccurring short term benefits or subsidized employment. This caseload increase is compared to a corresponding quarter of a base year, which is either 2007 or 2008, whichever has the lowest assistance caseload.

States must demonstrate increased expenditures through a similar methodology. This means comparing expenditures under all three categories to either 2007 or 2008, whichever is more advantageous to the state. States may choose different base years for different expenditure categories. States do not have to demonstrate a caseload increase to access reimbursement for increased expenditures for short term non-reoccurring benefits or subsidized employment.

This provision is designed to provide both resources to cover additional needs and give states incentives to address barriers that might impede caseload increases. There is a two year hold harmless to the caseload reduction credit to assist states in meeting work participation rates. At state option, the immediately preceding fiscal year is the fiscal year 2008, 2009, or 2010 with respect to the average monthly assistance caseload of the state. If a state elects such option for fiscal year 2009, then the emergency fund base year of the state will be fiscal year 2007.

The law gives HHS the adjustment authority to look at expenditures and caseload numbers to determine if, in fact, they really represent increased spending or increase caseloads. There is no guidance about whether increases in solely state funded programs are included in caseload or expenditure increase calculations.

Child Care and Early Education

Child Care Block Grant

The Child Care and Development Block Grant (CCDBG) receives $2 billion in additional funding. This amount includes $225,186,000 set aside for quality purposes, and of that amount, $93,587,000 is for activities that improve the quality of infant and toddler care. The CCDBG is appropriated by state legislatures. The total amount of this additional funding is available upon enactment. The funds must be used to supplement, not supplant, state spending for child care for low-income families, but there is no new Maintenance of Effort requirement.

Head Start and Early Head Start

Head Start receives an additional $1 billion and Early Head Start receives $1.1 billion for expansion of those programs. Of the amount for Early Head Start, up to 10% goes for training and technical assistance and up to 3% for monitoring the operation of these programs. The Head Start funding is allotted under the current statutory formula. The Early Head Start funding will be allotted on a competitive basis, and HHS is expected to manage this money to sustain FY 2009 awards through FY 2010. Also, Congress intends regional and American Indian and Alaska Native Early Head Start programs and Migrant and Seasonal Head Start programs to benefit from the Early Head Start program.

Other Funding (U.S. Department of Education)

Funding increases for the IDEA funding stream include $11.3 billion in Part B, which will be distributed by formula and $400 million for IDEA section 619 preschool. There is also a $500 million increase in IDEA Part C (infants-toddlers). Additionally, early childhood education could receive limited increases in funding under the State Fiscal Stabilization Fund in states that include Pre-K as part of their existing elementary and secondary education funding formula.

Child Support

Child Support Enforcement

The legislation temporarily repeals the prohibition on using incentive funds as match to draw down additional federal child support funds to use for their child support enforcement programs. The repeal is through September 30, 2010 and is funded at $1 billion. In a helpful technical change, child support enforcement (IVD) is not included in the FMAP increase, which keeps state reimbursement to the federal government for this program from increasing.

Child Welfare

Adoption/Foster Care/Relative Guardianship
Title IVE programs-- adoption assistance, foster care, and kinship care programs--receive the overall FMAP increase of 6.2%. This represents an increase of $843.6 million over 2 years. The unemployment boost for the FMAP available for the Medicaid program does not apply. There is no increase for administrative costs.

Other Social Services Programs

Community Services Block Grant (CSBG)
CSBG receives $1 billion, of which 1% of this additional amount shall be reserved by states for benefit enrollment coordination activities. Funds are to be distributed by the states directly to local eligible entities. The entire amount is to be available upon enactment. Note that states can increase the income eligibility ceiling from 125 percent to 200 percent of the Federal poverty level for services furnished under the CSBG Act during fiscal years 2009 and 2010.

Compassion Capital Fund
This fund receives $50,000,000 to establish a new initiative to award capacity-building grants directly to nonprofit organizations.

Weatherization
Funding for weatherization is $5 billion. There are policy changes for this funding, including a change in the program income eligibility level from 150% of poverty to 200% of poverty, and an increase in allowable funding from $2,500 to $6,500 per dwelling unit. This is administered by the U.S. Department of Energy.

Supplemental Security Income (SSI)
The ARRA includes a one time payment of $250 to Social Security beneficiaries and SSI recipients receiving benefits from the Social Security Administration and Railroad retirement benefits as well as veterans receiving disability compensation and pension benefits from the VA.

Related Tax Provisions

The ARRA expands the Earned Income Tax Credit by providing tax relief to low-income families with three or more children and increasing marriage penalty relief.

The ARRA also provides tax credits for hiring recently discharged unemployed veterans and youth that have been out of work and out of school for the 6 months prior to hire.

Important Note:
Although funding increase was discussed for other programs as part of either the Senator or the House proposal, the final legislation provides no funding for:
Low Income Home Energy Assistance (LIHEAP)
Social Services Block Grant (SSBG)

For further information, please contact Sheri Steisel (sheri.steisel@ncsl.org) or Lee Posey (lee.posey@ncsl.org) at NCSL's Washington DC office at (202) 624-5400.

Child Support Funding in the American Recovery and Reinvestment Act of 2009

In response to the economic downturn, Congress passed the American Recovery and Reinvestment Act of 2009 (ARRA) specifically targeting low-income and working-class families who are particularly impacted by the recession. President Obama signed the ARRA into law on February 17 as P.L. 115-5. One provision to assist struggling families through child support enforcement services will provide additional federal resources to the states.

The Deficit Reduction Act of 2005 (DRA) created a provision that reduced federal child support funding by 20 percent. The ARRA temporarily repeals the provision on using incentive funds earned for program performance as match to draw down additional federal child support funds to use for their child support enforcement programs. The repeal is retroactive to the first quarter of the current federal fiscal year, and continues through September 30, 2010 and is funded at $1 billion.

The following table, prepared by the Center for Law and Social Policy, shows the approximate maximum amount of federal matching funds that each state can now potentially receive. These funds are available through federal match on incentive payments as a result of the ARRA's temporary repeal of the DRA provision. Please note that this chart shows the amount a state could receive if it maximized its ability to draw down new funds with incentive funds. It does not take into account the degree to which states have backfilled the federal funds that were cut in the DRA.

State	Additional funds state could receive during 2-year period from restored performance incentive matching funds ($ millions)	State	Additional funds state could receive during 2-year period from restored performance incentive matching funds ($ millions)
Alabama	16.5	Montana	4.2
Alaska	6.8	Nebraska	10.3
Arizona	22.1	Nevada	7.9
Arkansas	14.5	New Hampshire	7.1
California	154.5	New Jersey	63.3
Colorado	19.1	New Mexico	4.6
Connecticut	16.1	New York	101.0
Delaware	4.9	North Carolina	52.7
District of Columbia	3.0	North Dakota	6.5
Florida	100.1	Ohio	114.4
Georgia	43.2	Oklahoma	16.3
Guam	0.4	Oregon	22.2
Hawaii	6.0	Pennsylvania	99.5
Idaho	9.6	Puerto Rico	13.0
Illinois	37.0	Rhode Island	4.6
Indiana	31.8	South Carolina	13.3
Iowa	27.2	South Dakota	5.9
Kansas	13.1	Tennessee	32.0
Kentucky	28.8	Texas	160.7
Louisiana	24.0	Utah	13.3
Maine	8.4	Vermont	3.9
Maryland	29.2	Virginia	40.4
Massachusetts	35.2	Virgin Islands	0.4
Michigan	104.1	Washington	49.2
Minnesota	47.6	West Virginia	15.4
Mississippi	12.9	Wisconsin	52.8
Missouri	41.2	Wyoming	4.7

Source: Turetsky, Vicki. Feb. 13, 2009. Center for Law and Social Policy. http://www.clasp.org/publications/statebystatematch021309.pdf

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ARRA - MEDICAID FMAP INCREASE PROVISIONS

ISSUE/TITLE	Conference Agreement
MEDICAID	
	TEMPORARY MEDICAID FMAP INCREASE

General Provisions	*Sec. 5001*
	▪ Provides, on a temporary basis, additional federal matching funds to help states maintain their Medicaid programs in the face of recession-driven revenue declines and caseload increases.
	▪ Three types of temporary assistance are available during the period October 1, 2008, through December 31, 2010.
	  ▪ Holdharmless
	  ▪ FMAP Increase (6.2 percentage points)
	  ▪ Unemployment-Related FMAP Increase
	▪ All states qualify for the FMAP increase. The holdharmless and the unemployment-related FMAP increase is available for qualifying states.
	Federal Cost - $87 billion

Holdharmless	*Sec. 5001(a)*
	▪ **Holdharmless**. States that would otherwise experience a drop in their federal medical assistance percentages (FMAPs) under the normal FMAP formula would be held harmless against any decline.
	  ▪ **For FY 2009,** if your FY 2009 FMAP is less than your FY 2008 FMAP, the FMAP increase will be added to the FY 2008 FMAP. (For example: if your FY 2008 FMAP was 60% and your FY 2009 FMAP is 58%, the **6.2.** percentage point increase will be applied to the 60% FMAP level that was applicable in FY 2008.
	  ▪ **For FY 2010**, if your FY 2010 FMAP is less than either the levels in FY 2008 or FY 2009, the FMAP increase in FY 2010 will be applied to the greater of the FMAP levels for FY 2008 and FY 2009. (For example: if your FY 2008 FMAP was 60%, the FY 2009 FMAP was 58% and the FY 2010 FMAP was 59%, the **6.2** percentage point increase would be applied to the 60% FMAP level that was applicable in FY 2008).
	  ▪ **For the first calendar quarter of FY 2011**, if your FY 2011 FMAP is less than the FMAP for FY 2008, FY 2009 or FY 2010, the FMAP increase for the first calendar quarter of FY 2011 will be applied to the would the greater of the FMAP level of the previous fiscal years.

Temporary FMAP Increase	*Sec. 5001(b)* ▪ **FMAP Increase**. All states would receive an increase in their FMAP by **6.2 percentage points.** This means that 6.2 will be added to the existing FMAP, adjusted for the above holdharmless provisions.
Scope of Application of the FMAP Increase	*Sec. 5001(e)* ▪ The FMAP increase applies to Medicaid, Foster Care and Adoption Assistance. ▪ The FMAP increase **does not apply to:** ▪ Temporary Assistance to Needy Families (TANF), child welfare, child support enforcement, State Children's Health Insurance (SCHIP),

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	Disproportionate Share Hospital (DSH) Payments or items/services subject to an enhanced match. ▪ **individuals who become eligible as a result of income eligibility standards (expressed as a percentage of the poverty line) that are higher than those that were in effect on July 1, 2008, including standards that were proposed to be in effect under enacted state law that was not effective on July 1, 2008 or a state plan amendment or waiver request that was pending approval as of that date. In these cases, regular FMAP would apply. [Sec. 5001(e)(5)]**
Unemployment-Related FMAP Increase	*Sec. 5001 (c)* ▪ Under this formula, the FMAP increase and the unemployment bonus are weighted on a 65% (FMAP increase) and 35% (unemployment bonus). ▪ Changes the formula for computing the high unemployment percentage adjustment increase. *High Unemployment State* ▪ A state during the recession adjustment period with an unemployment increase percentage equal to or more than 1.5 percentage points. If a state is a high unemployment state for a calendar quarter, the state will retain that status for each subsequent calendar quarter ending before July 1, 2010. ▪ **Recession Adjustment Period** - the period beginning on October 1, 2008, and ending on December 31, 2010. *State Unemployment Reduction Factor* ▪ If the state unemployment increase percentage is equal to 1.5, but less that 2.5, the reduction factor for the state and quarter is **5.5 percent**. ▪ If the state unemployment increase percentage is equal to 2.5, but less that 3.5, the reduction factor for the state and quarter is **8.5 percent**. ▪ If the state unemployment increase percentage is equal to or more than 3.5, the reduction factor for the state and quarter is **11.5 percent**. *Unemployment Increase Percentage* ▪ The amount by which the average monthly unemployment rate for the state for the months in the most recent previous 3-consecutive-month period for which data are available, exceeds the lowest average monthly unemployment rate for the state for any 3-consecutive-month period preceding the most recent previous period and beginning on or after January 1, 2006. ▪ **Special Rule** - The first 2 calendar quarters of the recession adjustment period, the most recent previous 3-consecutive-month period will be the 3-consecutive-month period beginning with October 2008; and the last 2 calendar quarters of the recession adjustment period, the most recent previous 3-consecutive-month period will be the 3-consecutive-month period beginning December 2009. ▪ **Average Monthly Unemployment Rate** - the average of the monthly number of unemployed, divided by the average of the monthly civilian labor force, seasonably adjusted, as determined based on the most recent monthly publications of the Bureau of Labor Statistics of the Department of Labor. *Formula for Determining the Unemployment Increase Percentage* ▪ State Match (adjusted to reflect holdharmless) + 3.1 percentage points (1/2 of the FMAP percentage increase) multiplied by the appropriate("high

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	unemployment percentage point adjustment) = unemployment increase percentage. ▪ A states total FMAP increase is equal to the adjusted FMAP (holdharmless + 6.2 percentage point increase + the unemployment increase percentage increase.
	EXAMPLE: Current FMAP = 50% FMAP Adjusted for Hold Harmless = 52.64% FMAP increase for all states) = 6.2% State Matching Percentage (SMAP) for purposes of determining unemployment adjustment = 100-(Current FMAP adjusted for holdharmless + 3.1% (statutory provision) ---- 100 - (52.64 + 3.1) = SMAP 100 - 55.74 = 44.26 (SMAP) Using a high unemployment factor of 11.5%, the unemployment bonus would be: SMAP x .115 = unemployment bonus 44.26 x .115 = 5.09 (unemployment bonus) State FMAP for quarter = FMAP Adjusted for Hold Harmless + FMAP Increase for All States + Unemployment Bonus (if applicable) 52.64 + 6.2 + 5.09= **63.93**
	Maintenance of Status ▪ In no case will the state unemployment reduction factor applied for a state for a quarter (beginning on or after January 1, 2009 and ending before July 1, 2010) be less than the reduction factor applied to the state for the previous quarter.
Increase in the Cap on Medicaid Payments to the Territories	*Sec. 5001(d)* ▪ **Treatment of Territories** - The territories (Puerto Rico, the U.S. Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa) would have the option of a 30% increase in their cap or a 6.2 percentage point increase in their FMAP plus a 15% increase in their cap. ▪ The option selected will apply to the entire recession period.

Maintenance of Effort	*Sec. 5001 (f)*
	▪ **Maintenance of Effort.** A state will be ineligible for the FMAP increase or increase in the cap for Territories if eligibility standards, methodologies or procedures under the Medicaid state plan (including Medicaid and/or Section 1115 waivers) are more restrictive than the eligibility standards, methodologies or procedures, respectively, under the state plan or waiver that was in effect on July 1, 2008.
	▪ States retain the flexibility to make changes in benefits and reimbursement.
	    ▪ **State Reinstatement of Eligibility Permitted.** A state that has restricted eligibility standards, methodologies, or procedures after July 1, 2008, would become eligible for the FMAP increase beginning with the first calendar quarter in which the state has reinstated eligibility standards, methodologies and procedures that are no more restrictive than those that were in effect on July 1, 2008.
	    ▪ **Special Rule Regarding State Reinstatement.** A state will not be ineligible for the increased FMAP before July 1, 2009, under the following circumstances:

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	• on the basis of a restriction that was applied after July 1, 2008 and before the date of enactment of this act; or • on the basis of a restriction that was effective under state law as of July 1, 2008, and would have been in effect as of that date, but for a delay of not longer than one calendar quarter, in the approval of a request for a new waiver under section 1115 with respect to the restriction.
Compliance with Medicaid Prompt Pay Requirements	*5001(f)(2)* *Application to Practitioners* ▪ Prevents a state from receiving the increased FMAP claims received by the state for days during any period when the state is out of compliance with the Medicaid prompt pay requirements.[1] ▪ **State Reporting Requirement**. Requires states to report to the HHS Secretary within 30 days following the first day of each month regarding the states' compliance with the Medicaid prompt pay requirements with respect to claims made for covered items and services during the preceding month. ▪ **Waiver Authority.** Permits the Secretary to waive the prompt pay provision or the state reporting provision during any period in which there are exigent circumstances, including natural disasters, that prevent the timely processing of claims or the submission of the reports. *Application to Nursing Facilities and Hospitals* ▪ Applies the provisions relating to practitioners to nursing facilities and hospitals that are paid on the submission of claims. ▪ **Grace Period.** No period of ineligibility will be imposed on a state prior to June 1, 2009, on the basis of the state failing to pay a claim in accordance with this provision. *Effective Date* ▪ Upon enactment. ▪ Provisions of this section apply to claims submitted after enactment. *Federal Cost - The extension to nursing facilities and hospitals costs $680 million.*
Treatment of State Rainy Day Funds and Reserve Funds	*5001(f)(6)* ▪ States will become ineligible for the increased FMAP if any of the funds **directly or indirectly attributable to the FMAP increase** are deposited or credited to any reserve or rainy day fund. ▪ Prohibits the HHS Secretary from waiving this provision.
Provision Of Medical Assistance On Behalf Of A Child During A Presumptive Eligibility Period	*Sec. 5001(f)(6)* ▪ Provides that expenditures of federal funds attributable to the provision of medical assistance on behalf of a child during a presumptive eligibility period in the State Children's Health Insurance Program (SCHIP) that was in effect before April 1, 2009 and were made between October 1, 2008 and

1 The "prompt pay" provision in the Medicaid statute provides that states must ensure that 90% of clean claims, those provide for claims, those for which no further written information or substantiation is required in order to make payment are paid within 30 days of the date of receipt of the claims and that 99% of claims are paid within 90 days of the date of receipt. States must also provide for procedures of prepayment and postpayment claims review, including review of appropriate data with respect to the recipient and provider of a service and the nature of the service for which payment is claimed, to ensure the proper and efficient payment of claims and management of the program. The provision applies to practitioners, the amendment extends its application to nursing facilities and hospitals.

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under CHIP	March 30, 2009, will not be counted against the CHIP allotments.
Treatment of Local Governments that Contribute to the State Share of Medicaid Payments	*Sec. 5001 (g)(2)* ▪ Prohibits states from increasing the local government share of the state Medicaid match to a percentage greater than was in place under the state plan on September 30, 2008. ▪ Prohibits the HHS Secretary from waiving this provision.
Limitation of FMAP to 100 Percent	*5001(f)(5)* ▪ Provides that a state's FMAP cannot exceed 100 percent.
Limitation of FMAP Change	*Sec. 5001(j)* ▪ Provides that the increase in FMAP effected under section 614 of the Children's Health Insurance Program Reauthorization Act of 2009, "Adjustment in Computation of Medicaid FMAP to Disregard an Extraordinary Employer Pension Contribution," will not apply in the computation of the enhanced FMAP under Medicaid and CHIP for any period.
Sunset	*Sec. 5001(i)* ▪ Provides that this section does not apply to items and services provided after the end of the recession period, December 31, 2010.

HOUSING

Provision/Program	Amount	Brief Summary
Community Development Fund	$1 billion	Funds to carry out the Community Development Block Grant Program, and will be appropriated to FY 2008 grantees; grantees should give priority to projects that can award contracts based on bids within 120 days; Secretary of Housing and Urban Development will establish requirements to expedite use of funds; Funds will remain available until September 30, 2010. Link: http://www.hud.gov/offices/cpd/communitydevelopment/programs/
Neighborhood Stabilization Program	$2 billion	Additional funds available to state and local governments and non-profit entities for emergency assistance for redevelopment of abandoned and foreclosed homes; 50% of the funds should be expended within the first 2 years of the date they become available, and 100% of the funds must be expended within 3 years; Secretary will publish grant criteria no later than 75 days after enactment and shall obligate funds within one year; funds to remain available until September 30, 2010. Link: http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/
HOME Investment Partnerships Program	$2.25 billion	Available to state housing credit agencies for capital investments in low-income housing tax credit projects; Funds shall be appropriated based on the percentage of HOME funds distributed to current grantees in FY2008; state housing credit agencies shall distribute funds completely pursuant to their qualified allocation plan to current award recipients; at least 75% of the funds shall be committed by state housing credit agencies within one year and shall demonstrate that project award owners expend 75% of the funds within 2 years; 100% of the funds should be expended within 3 years; If funds not expended by project award owner, then the state housing credit agency can redistribute the funds to another project in the state; if the funds are not expended by the agency after 3 years, then the Secretary of Housing and Urban Development will redistribute to other states; Funds to remain available until September 30, 2011. Link: http://www.hud.gov/offices/cpd/affordablehousing/programs/home/
Homelessness Prevention Fund	$1.5 billion	Available for homeless prevention and rapid re-housing activities; grantees must collect data on the use of funds awarded and persons served in the HUD Homeless Management Information System; up to 5% of the funds can be used for administrative costs; 60% of the funds must be expended within 2 years; 100% of the funds must be expended within 3 years or the Secretary will reallocate to other grantees; Secretary shall publish rules within 30 days of enactment; Funds to remain available until September 30, 2011. Link: http://www.hud.gov/offices/cpd/homeless/programs/index.cfm

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NATIONAL CONFERENCE *of* STATE LEGISLATURES

The Forum for America's Ideas

EDUCATION PROVISIONS in the AMERICAN RECOVERY & REINVESTMENT ACT OF 2009

"Pot I" (Title VIII of ARRA) Enhancement through existing channels and funding streams:

- Every major federal education funding stream gets a supplemental appropriation!
- Elementary & Secondary Education Act (ESEA) Title I: + $13 billion new money over approximately 2 years; $5 billion through targeted grants (Sec. 1125); $5 billion through incentive grants (Sec. 1125a) and $3 billion through school improvement grants (Sec. 1003g)
- Individuals with Disabilities Education Act (IDEA): + $13 billion new money over 2 years bringing federal contribution from about 17% of APPE (average per pupil expenditure) in FY 08 to about 25% in FY 09 and 26% in FY 10: $11.3 billion for IDEA Part "B" (Section 611) Grants to states; $400 million Part "B" Grants for preschool; $500 million Part "C" Grants for infants and toddlers.
- Education Technology State Grants: + $650 million to states and LEAs through Title I formula and competitive grants. Requires "the Institute for Education Sciences to conduct a rigorous national evaluation of TIF to assess the impact of performance-based teacher and principal compensation systems".
- Education for Homeless Children & Youth (McKinney-Vento Homeless Act): ESEA Title VII; +70 million
- Impact Aid (ESEA Title VII; Sec. 8007 - construction): + $100 million over 2 years for schools and local educational agencies (LEAs) in close proximity to federal facilities and military bases
- Higher Education Act: Student Financial Assistance (Title IV, Part C (Work Study): + $200 million; Part A, Subpart 1 (Pell Grants): +$15.64 billion, bringing maximum Pell levels to $5350 in SY 09 - SY 10 and to $5550 in SY 10 - SY 11.

- Vocational Rehabilitation Act: State Grants; + $540 million; Independent Living; + $140 million
- Statewide Data Systems: + $250 million
- Teacher Incentive Program: + $200 million
- Higher Education Teacher Quality Enhancement: + $100 million. HEA focuses these funds on teacher residency programs
- School Construction; School Modernization Tax Credit: Federal government pays interest through tax credits = $9.9 billion May be used for new construction, repairs, modernization. Funds must be spent within 3 years of issuance of bond. $22 billion ($11 billion for each of 2009 and 2010). 60% allocated to States based on share of Title I funding. 40% allocated directly to "large" LEAS. (100 LEAs with largest number of children from families in poverty). Up to additional 25 LEAs selected by Secretary of Education.
- School Construction; Qualified Zone Academy Bonds (QZABs). $1.4 billion for 2009 (current amount is $400 million). $1.4 billion for 2010. Federal cost = $1 billion

Notes:

1. *Unless otherwise noted, maintenance of effort (MOE) provisions in underlying statutes (Title I and IDEA) continues to apply to supplemental appropriations -- 'new' monies.*
2. *Administrative fees cannot be taken off of 'new' Title I, IDEA & HEA monies; 1% is allowed for Impact Aid management & oversight.*
3. *Funds must be obligated by September 30, 2010 unless otherwise noted.*
4. *Funds availability is unclear. Department of Education announced February 19, 2009: "Our goal is to get half of the money to the states within 40 days and the second half within six months, conditioned upon receipt of a comprehensive reform plan."*

5. *ESEA MOE: Maintenance of Effort (MOE) requires that a school district's education expenditures for the prior year must be at least 90% of the 2nd previous year amounts.*
6. *Secretary of Education may waive MOE requirement if there is: an exceptional or uncontrollable circumstance, such as a natural disaster, or there's a precipitous decline in resources in that school district.*
7. *Federal funds may not count toward MOE, except for state stabilization funds.*
8. *Supplement not supplant: A State educational agency or local educational agency shall use Federal funds received under [Title I] only to supplement the funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of pupils participating in programs assisted under [Title I], and not to supplant such funds.*
9. *Spending rules: Does Tydings Amendment and other GEPA provisions regarding 5- year spend down of federal education funds apply? Uncertain.*

"Pot II" (Title XIV of ARRA): State Fiscal Stabilization Fund

$53.6 billion in new funding, consisting of:

- $14 million for Administration and Oversight

- $5 billion for State Incentive Grants: A major new discretionary fund administered by the U.S. Secretary of Education. In order to receive a grant, a Governor must submit an application that describes the state's progress in each of the assurances listed for eligibility for the State Fiscal Stabilization Fund. A portion of this fund ($650 million) is set-aside as the *Secretary's Innovation Fund.* Awards will be made from the fund to LEAs or partnerships between non-profit organizations and local education agencies that have made significant gains in closing the achievement gap.

- $48.586 billion allocated to States:
  - $39.743 billion (81.8%) for the Education Fund.
  - $8.842 billion (18.2%) for Other Government Services (Flex Fund).

- The U.S. Department of Education's stated goal "is to get half of the money to the states within 40 days and the second half within six months, conditioned upon receipt of a comprehensive reform plan." But no further details or specific information has been released.

- All funds appropriated under H.R. 1 including the State Fiscal Stabilization Fund, remain available for obligation until September 30, 2010 (Title XVI General Provisions, Section 1603).

- Requirements for state eligibility for any of the $53.6 billion in the State Fiscal Stabilization Fund: The conference agreement requires that Governors shall submit applications in order to receive Stabilization funds, which shall include certain assurances, provide baseline data regarding each of the areas described in such assurances, and describe how States intend to use their allocations. Such assurances shall include that the State will: in each of fiscal years 2009, 2010, and 2011, maintain State support for elementary, secondary, and public postsecondary education at least at the levels in fiscal year 2006, and address 4 key areas:
  (1) achieve equity in teacher distribution,
  (2) establish a longitudinal data system that includes the elements described in the America COMPETES Act,
  (3) enhance the quality of academic assessments relating to English language learners and students with disabilities, and improve State academic content standards and student academic achievement standards, and

(4) ensure compliance with corrective actions required for low-performing schools.

Remaining $48.586 billion:

- 61% allocated to States based on school aged population (ages 5-24)
- 39% allocated to States based on total relative population
- Governor must submit an application to the Secretary of Education within 45 days of enactment (April 1, 2009) to receive an allocation
- The State Legislature may certify the state's intention to use any funds not accepted for use by the Governor (Title XVI General Provisions, Section 1607
- 81.8% of a State's allocation shall be used for general education fiscal relief
- 18.2% of a State's allocation shall be used for "other government services"

Education Fund $39.743 billion (81.8%):

- Funds must first be distributed through existing state funding formulas to restore K-12 and postsecondary education budgets in each of the fiscal years 2009, 2010 and 2011to the level of State support in the greater FY 2008 or FY 2009 and,
- Allow for any existing State formula increases in fiscal years 2010 and 2011 to be implemented, and funding for phasing in State equity and adequacy adjustments, if such increases were enacted by State law prior to October 1, 2008.
- Any remaining funds shall be distributed to local education agencies based on the Title I formula.
- Shortfall: If the Governor determines that the amount of funds available is insufficient to support in each of the fiscal years 2009, 2010 and 2011 public elementary, secondary and postsecondary education at the levels described above. The Governor shall allocate funds in proportion to the relative shortfall in State support for the areas described above.

Other Government Services (Flexible fund) $8.842 billion (18.2%):

- The Governor shall use 18.2 percent of State allocations for public safety and other government services, which may include education services. These funds may also be used for elementary, secondary, and

higher education modernization, renovation and repair activities that are consistent with State laws.

State Reports:

- Any State receiving stabilization funds shall submit an annual report to the Secretary describing the uses of funds provided within the State; the distribution of funds received; the number of jobs saved or created; tax increases averted; the State's progress in reducing inequities in the distribution of highly-qualified teachers, developing a longitudinal data system, and implementing valid assessments; actions taken to limit tuition and fee increases at public institutions of higher education; and the extent to which public institutions of higher education maintained, increased, or decreased enrollments of in-State students.

Fiscal Relief:

- The Secretary of Education may waive or modify any requirement of this title relating to maintenance of effort, for States and school districts that have experienced a precipitous decline in financial resources.
- Upon prior approval from the Secretary, a State or local education agency that receives funds under this title, may treat any portion of such funds that is used for elementary, secondary or postsecondary education as non-Federal funds for the purpose of any requirement to maintain fiscal effort under any other program, including part C of IDEA.

Prohibitions:

- No recipient of funds under this title shall use such funds to provide financial assistance to students to attend private elementary or secondary schools.

- **Funds received under the stabilization fund cannot be used to increase higher education endowments or for the modernization, renovation or repair of building used primarily as religious or athletic facilities.**

NATIONAL CONFERENCE *of* STATE LEGISLATURES

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SIDE BY SIDE COMPARISON OF LAW ENFORCEMENT PROVISIONS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

As of February 18, 2009

This is the major economic stimulus package proposed in response to a worsening economic recession. H.R. 1 was approved by the House of Representatives Wednesday, Jan. 28th on a 244-188 vote. This first version of the bill presents an $825 billion recovery package, developed by House Democratic leadership and the Obama Administration. The Senate considered its own version of H.R. 1, represented by the Collins-Nelson substitute. The Senate approved a motion for cloture for this substitute on Feb. 9th by a vote of 61-36. The Conference Report reconciling the House and Senate versions was passed in both the House (246 – 183) and Senate (60 – 38) on February 13th, 2009 and signed by the President on February 17th, 2009.

For further information, contact: Susan Parnas Frederick at susan.frederick@ncsl.org or Emily Taylor at emily.taylor@ncsl.org, or by phone at (202) 624-5400. Washington, D.C. Office

COMPARISON OF LAW ENFORCEMENT PROVISIONS OF THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

	H.R. 1 (House-passed)	*H.R. 1 (Collins-Nelson Senate Substitute)*	*H.R. 1 (Signed by President)*
Byrne/JAG	$3 billion – uses existing formula; special rules for Puerto Rico do not apply	$1.2 billion to remain available until September 30, 2010 – uses existing formulas; special rules for Puerto Rico do not apply	$2 billion; uses existing formula; special rules for Puerto Rico do not apply
COPS	$1 billion under existing formulas; for hiring and rehiring of additional career law enforcement officers (Part Q of the 1968 Act) Peer-reviewed grants made with a 120 day time limitation. Waives the cap on the Federal contribution	$1 billion; waives the cap on the Federal contribution of $75,000 over 3 years. $10 million for the Salaries and Expenses account within State and Local Law Enforcement Activities.	$1 billion for the hiring and rehiring of additional career law enforcement officers; waives the cap on the Federal contribution of $75,000 over 3 years. $10 million for the Salaries and Expenses account within State and Local Law Enforcement Activities.
Competitive Grants		$300 million	$225 million, for competitive, peer-reviewed grants
Southwest Border Project		$90 million for competitive grants available until September 30, 2010, $10 million of which is for the ATFE Project Gunrunner	$40 million for competitive grants along the Southern border and in High-Intensity Drug Trafficking Areas; $10 million for ATFE Project Gunrunner
Victims' Compensation		$100 million for formula grants through the Office for Victims of Crime	$100 million for formula grants through the Office for Victims of Crime
Tribal Law Enforcement		$300 million for grants. Of which, $250 million for grants under Violent Crime Control and Law Enforcement Act, $25 million for the Tribal Alcohol and Substance Abuse assistance and $25 million for the Tribal Courts Assistance Program	$225 million for Indian County grants
Internet Crimes Against Children		$50 million	$50 million
VAWA		$300 million for grants to the Office on Violence Against Women, of which $250 million is for the STOP Violence Against Women Formula Grant Program.	$225 million for grants to the Office on Violence Against Women, of which $175 million is for the STOP grants and $50 million is for the transitional housing assistance grants
Rural Law Enforcement		$150 million to remain available until September 30, 2010.	$125 million for assistance to law enforcement in rural areas

*All funds are available until expended or September 30th, 2010.

For further information:

The relevant agencies to each of these programs are updating their pages frequently with guidance. Check back at these sites regularly for new information.

COPS program:	http://www.cops.usdoj.gov/
Bureau of Justice Statistics:	http://www.ojp.usdoj.gov/BJA/
Violence Against Women Act:	http://www.ovw.usdoj.gov/regulations.htm
NCSL Criminal Justice:	http://www.ncsl.org/standcomm/sclaw/sclaw.htm
H.R. 1 Bill and Report Text:	http://www.rules.house.gov/bills_details.aspx?NewsID=4149

TAX PROVISIONS

Individuals	
Provision/Program	Brief Summary
"Making Work Pay" Tax Credit	This provision offers a refundable tax credit for 2009 and 2010 of $400 for individuals and $800 for families; the credit is calculated at a rate of 6.2% of earned income, and phases out at $75,000 or $150,000 for married couples filing jointly. Taxpayers have the option of receiving this benefit through a reduction in the amount of income tax that is withheld from their paychecks or through claiming the credit on tax returns.
Increase in Earned Income Tax Credit	This tax credit temporarily increases the earned income tax credit for working families with three or more children. This provision increases the earned income tax to 45 percent of a family's first $12,570 of earned income for families with three or more children and increases the beginning point of the phase-out range for married couples filing a joint return by $1,880.
Refundable First-Time Home Buyer Credit	The stimulus package increases the maximum value of the tax credit for first-time home buyers to $8,000, extends the availability until December 1, 2009, and eliminates the repayment obligation for taxpayers that purchase homes after January 1, 2009.
Sales Tax Deduction for Vehicle Purchases	H.R. 1 provides all taxpayers with a deduction for State and local sales and excise taxes paid on the purchase of new cars, light truck, recreational vehicles, and motorcycles through 2009.
Business	
Provision/Program	Brief Summary
Extension on Bonus Depreciation	The stimulus extends the temporary benefit to 2009 the provision Congress passed last year which allows businesses to recover the costs of capital expenditures made in 2008 faster than the ordinary depreciation schedule would allow by permitting businesses to write-off 50 percent of the cost of depreciable property.
5-Year Carryback of Net Operating Losses for Small Businesses	The American Recovery and Reinvestment Act extends the maximum net operating loss carryback period from two years to five years for small businesses with gross receipts of $15 million or less.
Small Business Capital Relief	This provision allows a 75 percent exclusion for individuals on the gain from the sale of certain small business stock held for more than five years. This change is only for stock issued after the date of enactment of H.R. 1 and before January 1, 2011.
Delayed Recognition of Certain Cancellation of Debt Income	This tax credit allows certain businesses to recognize cancellation of debt income (CODI) over 10 years for specified types of business debt repurchased by the business after December 31, 2009 and before January 1, 2011.
Incentives to Hire Unemployed Veterans and Disconnected Youth	H.R. 1 creates two new targeted groups of prospective employees: (1) unemployed veterans; and (2) disconnected youth.

ARTS & CULTURE

Provision/Program	Amount	Brief Summary
National Foundation on the Arts and Humanities, National Endowment for the Arts for Grants and Administration	$50 million	40% of funds in direct grants to state and regional arts agencies in a manner similar to the agency's current practice; remaining 60% of funds are for competitively selected arts projects and activities; matching requirements waived. Program Link: http://www.nea.gov/grants/recent/index.html

ECONOMIC DEVELOPMENT

Provision/Program	Amount	Brief Summary
Economic Development Assistance Programs	$150 million	Funds available for economic development assistance programs; $50 million for economic adjustment assistance; Secretary of Commerce shall give priority consideration to areas that experienced sudden and severe economic hardships due to corporate restructuring; no more than 2% of the funds can be used for administration and oversight; up to $50 million of the funds for federally authorized regional economic development commissions. Program Link: http://www.eda.gov/AboutEDA/Programs.xml

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LABOR/WORKFORCE DEVELOPMENT

Provision/Program	Amount	Brief Summary

Training and Employment Services	$3.95 billion	Funds available for Training and Employment Services under the Workforce Investment Act
		▪ *Formula Grants* (must be allocated to states within 30 day of enactment)
		  ○ $500 million for Adult Programs; priority use of these funds be used on low-income individuals and recipients of public assistance [134(d)(4)(E) of the Workforce Investment Act] (link: http://www.doleta.gov/BUDGET/etapgms.cfm#adultw)
		  ○ $1.2 billion for Youth Activities, including summer employment; raises the eligibility for youth services from age 21 to age 24 (link: http://www.doleta.gov/BUDGET/etapgms.cfm#youthact; summer youth: http://www.doleta.gov/BUDGET/etapgms.cfm#summeryouth)
		  ○ $1.25 billion for Dislocated Worker Employment and Training Activities (link: http://www.doleta.gov/BUDGET/etapgms.cfm#dislocatedw)
		▪ *Discretionary Grants*
		  ○ $200 million for Dislocation Workers Assistance National Reserve (link: http://www.doleta.gov/BUDGET/etapgms.cfm#dislocated)
		  ○ $750 million for a new High Growth and Emerging Industry Sectors competitive grant; $500 million of these funds are for research, labor exchange and job training that prepare workers for careers in energy efficiency and renewable energy fields.
		  ○ $50 million for the Youth Build Program
		▪ All funds available through June 30, 2010

Unemployment Insurance		
State Unemployment Insurance and Employment Service Operations	$400 million	Funds available from the employment security administration account for obligation through September 30, 2010; $250 million of the funds must be used for reemployment services for unemployment claimants; Secretary of Labor will establish planning and reporting procedures of funds used for reemployment services. Link: http://www.doleta.gov/BUDGET/etapgms.cfm#es
Suspension of Tax on Portion of Unemployment Compensation	*Federal Cost: $4.74 billion over 10 years*	Excludes up to $2,400 of unemployment compensation received in 2009 from gross income.
Extension of Emergency Compensation Programs	*Federal Cost: $26.96 billion*	Continues extended benefits through December 31, 2009; additional compensation and administration expenses incurred by the state are federally funded.
Increase in Unemployment Compensation Benefits	$25 per claimant/per week	States may enter into an agreement with the Secretary of Labor to provide an additional $25 per week to eligible recipients of unemployment compensation; additional compensation and any administrative

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		expenses incurred by the state are federally funded; any state may terminate this agreement by providing 30 day s written notice to the Secretary
Temporary Assistance for States with Advances	*Federal Cost: $1.1 billion*	Provides a temporary waiver of interest payments and the accrual of interest on any advances made to a state's unemployment trust fund account; begins on the date of enactment and ending on December 31, 2010.
Special Transfer in Fiscal Year 2009 for Administration	$500 million	Authorizes the Secretary to transfer funds from the employment security administration account to the account of each state's unemployment trust fund for administration. Administration funds can only be used by state agency for: o Payment of expenses incurred through implementing the state law(s) required to receive the incentive payment. o Improved outreach to individuals who might be eligible for benefits due to changes in state law. o Improvement of unemployment benefit and unemployment tax operations. o Staff assisted reemployment services. Funds will be made available to states 30 days after enactment.
Special Transfers for Unemployment Modernization in Fiscal Years 2009, 2010 and 2011	$7 billion	Incentive payment distributed to states for unemployment compensation modernization by adhering to the following: ▪ 1/3 of the funds: to states that have or would adopt an alternative base period to determine unemployment benefit eligibility ▪ remaining 2/3 of funds: to states if their law also includes at least 2 of the following provisions: o <u>Part-Time Work</u>: provide unemployment benefits to individuals seeking part-time work o <u>Compelling Family Reasons</u>: provide unemployment benefits to individuals separated from their job for compelling family reasons (domestic violence, illness or disability of an immediate family member, or relocation due to spouse's employment). o <u>Enrollment in Training Program</u>: provide benefits to any unemployed individual who has exhausted regular unemployment compensation provided under state law and is enrolled in a state approved training program or job training program authorized under the Workforce Investment Act. o <u>Dependent Allowance</u>: provide an allowance of $15 per, dependent per week. States can establish limits, but may not be less than $50 for each week of unemployment or 50 % of the individual's weekly benefit amount, whichever is less.
Trade Adjustment Assistance		
Trade Adjustment Assistance Program	$575 million (for	Cited as the "Trade and Globalization Adjustment Assistance Act of 2009;" Extends the Trade

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	FY 2009 and 2010) $143.75 million (for the period beginning Oct. 1, 2010 - Dec. 31, 2010) *Federal Cost: $1.6 billion*	Adjustment Assistance Program to December 31, 2010; Expands eligibility to trade-affected public agency and service sector workers; Extends training enrollment period to 26 weeks after separation of employment or certification by Secretary of Labor Funding: states may receive 15% of their training allocations for administration and employment and case management services. Of those funds 2/3 may be used for administration and the remaining 1/3 may be used for employment and case management Link: http://www.dol.gov/dol/topic/training/tradeact.htm
Employment and Case Management		Requires Secretary of Labor to make available, directly or through agreements with states, the following services: ▪ Comprehensive and specialized assessment ▪ Development of an individualized employment plan ▪ Information on available local and regional training ▪ Information on financial aid ▪ Short-term prevocational services ▪ Individual career counseling ▪ Provision of employment statistics information relating to labor market ▪ Information relation to the availability of supportive services
Office of Trade Adjustment Assistance		Establishes the Office of Trade Adjustment Assistance within the Department of Labor to oversee and implement the administration of the trade adjustment assistance program.
Industry or Sector Partnership Grant program for Communities Impacted by Trade	see description	Establishes three grant programs, beginning August 1, 2009, to assist communities impacted by trade with economic adjustment: ▪ Trade Adjustment Assistance for Communities Grant Program o Allows eligible communities (defined as a city, county or other political subdivision of a state) to develop strategic plans that would provide technical assistance to communities impacted by trade to facilitate economic adjustment of those communities o Funding: the bill authorizes $150 million for Fiscal Year 2009 and 2010, and $37.5 million for the period beginning Oct. 1, 2010 - Dec. 31, 2010; eligible communities may receive an award of up to $5 million ▪ Community College and Career Training Grant Program o Allows eligible community colleges to develop, offer or improve education al or career training programs to eligible workers.

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		○ Funding: the bill authorizes $40 million for Fiscal Year 2009 and 2010, and $10 million for the period beginning Oct. 1 2010 - Dec. 31, 2010; eligible community colleges may receive an award up to $1 million. ▪ Industry or Sector Partnership Grant Program for Communities Impacted by Trade ○ Allows eligible partnerships (defined as partnerships of public and private persons, firms or state agency designated by the Governor) to develop strategic plans to strengthen and revitalize industries and sectors an create employment opportunities for dislocated workers. ○ Funding: the bill authorizes $40 million for Fiscal Year 2009 and 2010, and $10 million for the period beginning Oct. 1, 2010 - Dec. 31, 2010; eligible partnerships may receive awards of up to $3 million over a three year period.
Whistleblowers		
Protecting State and Local Government and Contractor Whistleblowers		Projects funded by this act through contract, grant or other payments would have the benefit of federal whistleblower protections, without negating protection provided to workers under state whistleblower laws.

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The Forum for America's Ideas

Side-by-side Comparison of Title IV - Energy & Water Development in the American Recovery and Reinvestment Act of 2009

Prior to taking office, President Obama announced in his January 8 remarks that the stimulus plan would include provisions to double the production of alternative energy in the next three years, modernize more than 75 percent of federal buildings and improve the energy efficiency of two million American homes. These benchmarks were set prior to any Congressional action on stimulus legislation by either the House of Representatives or the Senate.

	H.R. 1 as signed into Law
Department of the Army - Corps of Engineers - Civil	• $4.6 Billion
Investigations	• $25 Million o These funds shall only be used for programs, projects, or activities that receive funds provided in Acts making appropriations available for Energy & Water Development o Funds provided shall be used for programs, projects, or activities (or elements of) that can be completed within the funds made available in that account & will not require new budget authority to complete o For projects that are being completed with these funds that would otherwise be expired for obligation, expired funds appropriated in this Act may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims o The Secretary of the Army shall submit a quarterly report to both chambers' Committees on Appropriations detailing the allocation, obligation, and expenditures of these funds, beginning within 45 days of enactment o The Secretary shall have unlimited reprogramming authority for these funds
Construction	• $2 billion o At least $200 Million must be for water-related environmental infrastructure assistance

	○ Section 102 of Public Law 109-103 (33 USC 2221) shall not apply to these funds ○ Funds shall not be cost-shared with the Inland Waterways Trust Fund (notwithstanding any other provision of law) ○ Funds shall only be used for programs, projects, or activities that receive funds in Acts making appropriations for Energy & Water Development ○ Funds provided shall be used for programs, projects, or activities (or elements of) that can be completed within the funds made available in that account & will not require new budget authority to complete ○ These funds shall not fall under total project cost limitations in section 902 of the Water Resources Development Act of 1986, as amended (33 USC 2280) during fiscal year 2009 ○ Acting through the Chief of Engineers, the Secretary of the Army may use funds for work authorized under section 14 of the Flood Control Act of 1946 (33 USC 701r), section 205 of the Flood Control Act of 1948 (33 USC 701s), section 206 of the Water Resources Development Act of 1996 (33 USC 2330), or section 1135 of the Water Resources Development Act of 1986 (33 USC 2309a) - not withstanding program cost limitations ○ For projects that are being completed with these funds that would otherwise be expired for obligation, expired funds appropriated in this Act may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims ○ The Secretary of the Army shall submit a quarterly report to both chambers' Committees on Appropriations detailing the allocation, obligation, and expenditures of these funds, beginning within 45 days of enactment ○ The Secretary shall have unlimited reprogramming authority for these funds
Mississippi River & Tributaries	• $375 Million ○ Funds shall only be used for programs, projects, or activities that receive funds in Acts making appropriations for Energy & Water Development ○ Funds provided shall be used for programs, projects, or activities (or elements of) that can be completed within the funds made available in that account & will not require new budget authority to complete ○ These funds shall not fall under total project cost limitations in section 902 of the Water Resources Development Act of 1986, as amended (33 USC 2280) during fiscal year 2009 ○ For projects that are being completed with these funds that would otherwise be expired for obligation, expired funds appropriated in this Act may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims ○ The Secretary of the Army shall submit a quarterly report to both chambers' Committees on Appropriations detailing the allocation, obligation, and expenditures of these funds, beginning within 45 days of enactment ○ The Secretary shall have unlimited reprogramming authority for these funds
Operation & Maintenance	• $2.075 Billion ○ Funds shall only be used for programs, projects, or activities that receive funds in Acts making appropriations for Energy & Water Development ○ Funds provided shall be used for programs, projects, or activities (or elements of) that can be completed within the funds made available in that account & will not require new budget authority to complete ○ Section 9006 of PL 110-114 shall not apply to these funds

<table>
<tr><td></td><td>o For projects that are being completed with these funds that would otherwise be expired for obligation, expired funds appropriated in this Act may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims
o The Secretary of the Army shall submit a quarterly report to both chambers' Committees on Appropriations detailing the allocation, obligation, and expenditures of these funds, beginning within 45 days of enactment
o The Secretary shall have unlimited reprogramming authority for these funds</td></tr>
<tr><td>Regulatory Program</td><td>• $25 Million</td></tr>
<tr><td>Formerly Utilized Sites Remedial Action Program</td><td>• $100 Million
o Funds provided shall be used for programs, projects, or activities (or elements of) that can be completed within the funds made available in that account & will not require new budget authority to complete
o For projects that are being completed with these funds that would otherwise be expired for obligation, expired funds appropriated in this Act may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims
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<tr><td colspan="2">Department of the Interior</td></tr>
<tr><td>Water & Related Resources</td><td>• $1 Billion
o At least $126 Million - for water reclamation & reuse projects authorized under title XVI of PL 102-575
o Funds provided shall be used for programs, projects, or activities (or elements of) that can be completed within the funds made available in that account & will not require new budget authority to complete
o $50 Million may be transferred to the Department of Interior for programs, projects, & activities under the Central Utah Project Completion Act (titles II-V of PL 102-575)
o $50 Million may be transferred to the Department of Interior for programs, projects, & activities under the California Bay-Delta Restoration Act (PL 108-361)
o At least $60 Million to be used for rural water projects and to be expended primarily on water intake & treatment facilities of such projects
o At least $10 million for bureau-wide inspection of canals program in urbanized areas
o The costs of extraordinary maintenance & replacement activities carried out with these funds shall be repaid pursuant to existing authority, except the length of repayment period shall be determined by the Commissioner, but in no case shall the repayment period exceed 50 years and the repayment shall include interest, at a rate determined by the Secretary of the Treasury as of the beginning fiscal year in which the work is commenced, on the basis of average market yields on outstanding marketable obligations of the US with the remaining periods of maturity comparable to the applicable reimbursement period of the project adjusted to the nearest 1/8th of 1 percent on the unamortized balance of any portion of the loan</td></tr>
</table>

	o For projects that are being completed with these funds that would otherwise be expired for obligation, expired funds appropriated in this Act may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims o The Secretary of the Interior shall submit a quarterly report to both chambers' Committees on Appropriations detailing the allocation, obligation, and expenditures of these funds, beginning within 45 days of enactment o The Secretary shall have unlimited reprogramming authority for these funds
Department of Energy - Energy Programs	
Energy Efficiency & Renewable Energy	• $16.8 billion o **Energy Efficiency & Conservation Block Grant ($3.2 billion), Weatherization Assistance Program ($5 billion), and State Energy Programs ($3.1 billion) all funded from this source (see below for more information on programs)** o $2 billion - grants for the manufacturing of advanced batteries & components ▪ Secretary shall provide facility funding awards to manufacturers of advanced battery systems & vehicle batteries that are produced in the United States, including advanced lithium ion batteries, hybrid electrical systems, component manufacturers, & software designers ▪ The Secretary may recruit & directly appoint highly qualified individuals into the competitive service with the funds provided upon determining that there is a severe shortage of candidates or a critical hiring need for particular positions (notwithstanding section 3304 of title V, United States Code, and without regard to provisions in sections 3309 through 3318 of such title 5) ▪ This authority shall not apply to positions in the Excepted Service or the Senior Executive Service ▪ Any action authorized herein shall be consistent with the merit principles of section 2301 of such title 5, and the Department shall comply with the public notice requirements of section 3327 of such title 5.
Energy Efficiency and Conservation Block Grant (EECBG)[1],[2]	• $3.2 billion o $2.8 billion awarded using existing program formula established in the Energy Independence and Security Act of 2007 (42 U.S.C. 17151). o $400 million for competitive grants for states and applicable units of local government. o The Secretary may use the most recent & accurate population data available to satisfy the requirements of section 543(b) of the Energy Independence and Security Act of 2007
Weatherization Assistance Program	• $5 Billion for the Weatherization Assistance Program under Part A of title IV of the Energy Conservation & Production Act (42 USC 6861 et seq). • Income eligibility level changed from 150% of poverty level to 200% of poverty level • Assistance level per unit changed from $2,500 to $6,500 • Funding ceiling for training and technical assistance is changed from 10 % to up to 20 percent. [Section 416 of the Energy

1 Authorized under subtitle E of title V of the Energy Independence and Security Act of 2007.

2 For more information on the Energy Efficiency and Conservation Block Grants program go to: http://apps1.eere.energy.gov/wip/block_grants.cfm.

	Conservation and Production Act (42 U.S.C. 6866)] • Assistance for previously weatherized dwelling units is updated from September 30, 1979 to September 30, 1994. • Provides guidance on effective use of funds, i.e., the Secretary may encourage States to give priority to using such funds for the most cost-effective efficiency activities
State Energy Programs (SEP)[3]	• $3.1 Billion for State Energy Program as authorized under Part D of title III of the Energy Policy & Conservation Act (42 USC 6321) • Includes a provision requiring as a condition of receipt of State Energy Program grants, a Governor must notify the Secretary of Energy that the Governor has obtained certain assurances, regarding certain regulatory policies, building code requirements and the prioritization of existing state programs. o Regulatory policies - applicable State regulatory authority will seek to implement a general policy that ensures that utility financial incentives are aligned with helping their customers use energy more efficiently and that provide timely cost recovery and a timely earnings opportunity for utilities associated with cost-effective measurable and verifiable efficiency savings, in a way that sustains or enhances utility customers' incentives to use energy more efficiently. This should be done in appropriate proceedings for each electric and gas utility, with respect to which the State regulatory authority has ratemaking authority o Building code requirements - unit(s) of government with the authority to adopt building codes, will adopt or exceed the 2009 International Energy Conservation Code for residential buildings and the ANSI/ASHRAE/IESNA Standard 90.1-2007 for commercial buildings. o A plan must also be put in place for the jurisdiction to achieve compliance within 8 years of the date of enactment of this Act in at least 90 percent of new or renovated residential and commercial building space. o The State will prioritize grants toward funding energy efficiency and renewable energy programs, including the expansion of existing energy efficiency programs, such as energy efficiency retrofits of buildings and industrial facilities that are either funded by the State or through rates under the oversight of a regulatory authority and the expansion. This also includes programs operated by entities that are able to manage and distribute grants, loans, performance incentives, and other forms of financial assistance. o Joint projects or projects between States will also receive prioritization. • There is no State Match requirement • There is no percentage limitation on funding for the purchase and installation of equipment and materials for energy efficiency and renewable energy measures under these SEP grants.
Electricity Delivery & Energy Reliability	• $4.5 Billion o Funds shall be available for expenses necessary for electricity delivery & energy reliability activities to modernize the electric grid to include demand responsive equipment, enhance security & reliability of the energy infrastructure, energy storage research, development, demonstration, and deployment, and facilitate recovery from disruptions to the energy supply, and for implementation of programs authorized under title XIII of the Energy Independence & Security Act of 2007 (42 USC 17381 et seq)

[3] Authorized under Part D of title III of the Energy Policy and Conservation Act (42 20 U.S.C. 6321)

	○ $100 Million - for worker training activities ▪ The Secretary may recruit & directly appoint highly qualified individuals into the competitive service with the funds provided upon determining that there is a severe shortage of candidates or a critical hiring need for particular positions (notwithstanding section 3304 of title V, United States Code, and without regard to provisions in sections 3309 through 3318 of such title 5) ▪ This authority shall not apply to positions in the Excepted Service or the Senior Executive Service ▪ Any action authorized herein shall be consistent with the merit principles of section 2301 of such title 5, and the Department shall comply with the public notice requirements of section 3327 of such title 5. ○ $80 Million within the available funds, the Office of Electricity Delivery & Energy Reliability (EDER) within the Department of Energy may conduct a resource assessment and analysis of future demand and transmission requirements after consultation with the Federal Energy Regulatory Commission (FERC), for the purposes of facilitating the development of regional transmission plans ▪ EDER & FERC will provide technical assistance to the North American Electric Reliability Corporation, the regional reliability entities, the States, and other transmission owners and operators for the formation of interconnection -based transmission plans for the Eastern and Western Interconnections & ERCOT ▪ Such assistance may include modeling, support to regions & States for development of coordinated State electricity policies, programs, laws & regulations ○ $10 Million - implement section 1305 of PL 110-140 ○ The Secretary may use or transfer amounts provided under this heading to carry out new authority for transmission improvements, if such authority is enacted in a subsequent Act, consistent with the existing fiscal management practices & procedures
Fossil Energy Research & Development	• $3.4 Billion
Non-Defense Environmental Cleanup	• $483 Million
Uranium Enrichment Decontamination & Decommissioning Fund	• $390 Million ○ $70 Million shall be available in accordance with title X, subtitle A of the Energy Policy Act of 1992
Science	• $1.6 Billion
Advanced Research Projects	• $400 Million as authorized under section 5012 of the America Competes Act (42 USC 16538)

Agency - Energy	
Title 17 - Innovative Technology Loans Guarantee Program	• $6 Billion - an additional amount for the cost of guaranteed loans authorized by section 1705 of the Energy Policy Act of 2005 o $25 Million - to be used for administrative expenses in carrying out the guaranteed loan program o $10 Million - transferred to and available for administrative expenses for the Advanced Vehicles Manufacturing Loan Program
Office of the Inspector General	• $15 Million 0 for necessary expenses in carrying out the provisions of the Inspector General Act of 1978 • available until September 30, 2012
Environmental & Other Defense Activities	
Defense Environmental Cleanup	• $5.127 Billion
Construction, Rehabilitation, Operation, & Maintenance, Western Area Power Administration	• $10 Million - for conservation and renewable resources programs, and to carry out the functions authorized by title III, section 302(a)(1)(E) of the Act of August 4, 1977 (42 USC 7152), and other related activities o To remain available until expended o The Administrator shall establish such personnel staffing levels as he deems necessary to economically and efficienty complete the activities granted by section 402 of this Act o This appropriation is non-reimbursable
General Provisions	• Sec. 401 - Bonneville Power Administration Borrowing Authority o $3.25 Billion additional borrowing authority is made available under the Federal Columbia River Transmission System Act (16 USC 838 et seq.), to assist in financing the construction, acquisition, and replacement of the transmission system of the Bonneville Power Administration and to implement the authority of the Bonneville Power Administration under the Pacific Northwest Electric Power Planning & Conservation Act (16 USC 839 et seq.) o To remain outstanding at any time • Sec. 402 - Western Area Power Administration Borrowing Authority o $3.25 billion in borrowing authority o Adds ending title "Title III - Borrowing Authority" to the Hoover Power Plant Act of 1984 (PL 98-381) o Authorizes the Secretary of the Treasury to loan to the WAPA without further appropriation and without fiscal year limitation on such terms as may be fixed by the Administrator and the Secretary such sums that are not to exceed in the aggregate, including deferred interest, the $3.25 billion in outstanding repayable balances at any one time. o The loan funds may be used for constructing, financing, facilitating, planning, operating, maintaining, or studying construction of new or upgraded electric power transmission lines and related facilities with at least one terminus within the area served by WAPA

- The loan funds may also be used for delivering or facilitating the delivery of power generated by renewable energy resources constructed or reasonably expected to be constructed after this section's enactment date.
- The rate of interest to be charged in connection with any such loan shall be fixed by the Secretary, taking into consideration market yields on outstanding marketable obligations of the United States of comparable maturities as of the date of the loan.
- WAPA may refinance such loans
- The Administrator may permit other entities to participate in the financing, construction and ownership projects financed by such loans
- Effective on the date of enactment, the Administrator shall have the authority to have utilized $1.75 billion at any one time. For funds above such level, the funds will be disbursed unless within 90 days of the first such request, there is a joint resolution rescinding the remainder of the balance of the borrowing authority
- For repayment purposes, each transmission line and related facility project will be considered individual and not related to other such projects under WAPA
- All proceeds from the use of the transmission capacity from an individual project must be used to pay back the principal and interest of the loan from the Treasury except for those funds needed to pay for ancillary services that are provided and operating and maintenance costs.
- The Administrator does not have any additional authority or obligation to provide ancillary services to users of transmission lines built by these loans
- Revenue form ancillary services provided by existing Federal power systems to users of transmission projects funded by these loans shall be treated as revenue to the existing power system that provided the ancillary services.
- For each project, the Administrator must certify prior to committing funds to the project, that the project is in the public interest, will not adversely impact system reliability or operations or other statutory obligations, and that it is reasonable to expect that the proceeds from the project will be adequate to repay the loan.
- The balance shall be forgiven if the full amount of the loan has not been repaid by the end of the project's useful life - however, funds used to study projects that were never built are not forgiven. The Administrator is to notify the Secretary of amounts that are to be forgiven
- Public Process - the Administrator shall use a public process to develop practices and policies that implement the authority granted, and in the course of selecting potential projects to be funded, the Administrator shall seek Requests for Interest from entities interested in identifying potential projects through on or more notices published in the Federal Register.

- Sec. 403 - Set-Aside for Management & Oversight
  - Up to 0.5% of each amount appropriated in this title may e used for the expenses of management & oversight of the programs, grants, & activities funded by such appropriation, & may be transferred by the head of the Federal department or agency involved to any other appropriate account within the department or agency for that purpose.
  - The Secretary will provide a report to both Chambers' Committees on Appropriations 30 days prior to the transfer
  - Funds set aside under this section shall remain available until September 30, 2012

- Sec. 404 - Technical Corrections to the Energy Independence & Security Act of 2007
  - Amends sec. 543(a) of the EISA - makes 34% to eligible units of local government as alternative 1 and alternative 2

- Sec. 405 - Amendments to Title XIII of the Energy Independence & Security Act of 2007
  - Amends title XIII of EISA to provide financial support to smart grid demonstration projects including those in urban, suburban, rural and tribal areas including areas where electric system assets are controlled by nonprofit entities and areas where electric system assets are controlled by investor owned utilities.
  - The Secretary shall provide to an eligible electric utility or to other financial assistance for use in paying an amount equal to not more than 50% of the cost of qualifying advanced grid technology investments made by the electric utility or other party to carry out a demonstration project.
  - The Secretary shall establish and maintain a smart grid clearing house in a timely manner which will make data from smart grid demonstration projects and other sources available to the public.
  - As a condition of receiving such financial assistance, participants in smart grid demonstrations are agreeing to provide such information as the Secretary may require to become available through the smart grid clearinghouse in the form and within certain timeframes. Business proprietary information and individual customer information will not be made available via the clearinghouse.
  - Also as a condition of receiving such financial assistance, demonstration projects must utilize open protocols and standards if available and appropriate.
  - Amends subsection (a) of section 1306 by replacing "reimbursement of one-fifth (20 percent)" with "grants up to one-half (50 percent)"
  - The Secretary will establish: procedures for obtainment of grants worth not more than one-half of an applicant's documented costs; conditions upon receiving of financial assistance; procedures for making sure there are no duplications or multiple payments for same investments or costs, that grants go to the parties making the actual expenditures for qualifying Smart Grid investments, and that grants made have a significant effect in encouraging and facilitating the development of a smart grid; procedures for transparency with public records; and procedures for advance payments of up to full amount of grant reward.

- Sec. 406 - Renewable Energy & Electric Power Transmission Loan Guarantee Program
  - Amends title XVII of EISA creating a temporary loan guarantee program for the rapid deployment of renewable energy and electric power transmission projects.
  - Notwithstanding section 1703, the Secretary may make guarantees under this section only for the following categories of projects that commence construction no later than September 30, 2011
    - Renewable energy systems, including incremental hydropower, that generate electricity or thermal energy, and facilities that manufacture related components;
    - Electric power transmission systems, including upgrading and reconductoring projects
    - Leading edge biofuel projects that will use technologies performing at the pilot or demonstration scale that the Secretary determines are likely to become commercial technologies and will produce transportation fuels that substantially reduce life-cycle greenhouse gas emissions compared to other transportation fuels.
  - The Secretary must consider the following factors when determining to make guarantees to such projects
    - Viability of the project without guarantees

	▪ Availability of other Federal and State incentives ▪ Importance of the project in meeting reliability needs ▪ Effect of the project in meeting a State or regions environment (including climate change) and energy goals. o The Secretary shall require that each recipient of support provide reasonable assurance that all laborers and mechanics employed in the performance of the project for which the assistance is provided, including those employed by contractors and subcontractors, will e paid wages at the rates not less than those prevailing on similar work in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act. o Funding for such projects shall not exceed $500 Million. o This authority expires on September 30, 2011. • Sec. 408 - Technical Corrections to Public Utility Regulatory Policies Act of 1978 o Redesignates two paragraphs of the PURPA, one regarding consideration of smart grid investments and the other relating to smart grid information • Sec. 409 - Renewable Electricity Transmission Study o The 2009 National Electric Transmission Congestion Study shall include ▪ An analysis of the significant potential sources of renewable energy that are constrained in accessing appropriate market areas by lack of adequate transmission capacity, the reasons for the lack of ability to develop adequate transmission capacity; and recommendations for achieving such capacity ▪ An analysis of the extend to which legal challenges at the State and Federal level are delaying the construction of transmission necessary to access renewable energy ▪ An explanation of assumptions and projections made in the Study, including those made relating to energy efficiency improvements to each load center, those made regarding the location and type of projected new generation capacity; and those made regarding projected deployment of distributed generation infrastructure.
Electrical Infrastructure Projects[4]	No additional funding included
Low Income Home Energy Assistance Program (LIHEAP)	No additional funding included

[4] Authorized under section 131 of the Energy Independence and Security Act of 2007 (42 U.S.C. 17011).

TRANSPORTATION PROVISIONS - AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

Program	Competitive or Formula (if formula what is it?)	Funding Level	Funding Timeframe	Matching Requirements	Requirements Regarding Maintenance of Effort, Non-supplantation and Non-commingling	Other
Highways *(For restoration, repair, construction and other activities eligible under paragraph (b) of section 133 of title 23, United States Code, and for passenger and freight rail transportation and port infrastructure projects eligible for assistance under subsection 601(a)(8) of Title 23.*	After set-asides, 50 percent will be allotted based on the same ratio as the obligation limitation for FY 2008[1], 50 percent based on the Surface Transportation Program (STP) formula[2]. Priority shall be given to projects that can be completed in 3 years and are in economically distressed areas.	$27.5 billion, including set asides (see other). This includes $60 million to be distributed by the secretary as competitive discretionary grants with priority given to projects that can be completed within 2 years of enactment.	Funds shall be apportioned within 21 days of enactment. Requires 50 percent of the funds to be obligated within 120 days and 100 percent of the funds to be obligated within one year. Funds not obligated will be reallocated to other states. At least 30 percent of the funds to be suballocated. Provides the secretary with the authority to provide for a 1 year extension as it relates to obligation for situations where a state has encountered extreme conditions that create an unworkable bidding environment and other extenuating circumstances. Funds are available through Sept. 30, 2010.	No match required.	The Governor shall submit to the Secretary of Transportation a statement identifying the amount of funds the State planned to expend from State sources as of the date of enactment of this Act during the period beginning on the date of enactment of this Act through September 30, 2010, for the types of projects that are funded by the appropriation. If a State is unable to maintain the certified level of effort, the State will be prohibited by the Secretary of Transportation from receiving additional limitation pursuant to the redistribution of the limitation on obligations for Federal-aid highway and highway safety construction programs that occurs after August 1 for fiscal year 2011.	Set asides are provided for: federal management and oversight ($40 million); Indian Reservation roads ($310 million); park roads and parkways ($170 million); forest highways ($60 million); refuge roads ($10 million) ; ferry boats ($60 million) on the job training programs focused on minorities, women, and the socially and economically disadvantaged ($20 million); a bonding assistance program for minority and, disadvantaged businesses ($20 million); Puerto Rico Highway Program ($105 million) and the territorial highway program ($45 million); and environmentally friendly transportation enhancements.

[1] This includes the following programs: Interstate Maintenance Program, National Highway System, Surface Transportation Program, Highway Bridge replacement and Rehabilitation Program, Congestion Mitigation and Air Quality Improvement Program and the Highway Safety Improvement Program.

[2] This is based on the following: total lane miles of federal-aid highways, total vehicle miles traveled on federal-aid highways, and estimated tax payments attributable to highway users paid into the Highway Account of the Highway Trust Fund.

Source: *National Conference of State Legislatures, February 17, 2009.*

Program	Competitive or Formula (if formula what is it?)	Funding Level	Funding Timeframe	Matching Requirements	Requirements Regarding Maintenance of Effort, Non-supplantation and Non-commingling	Other
Supplemental Discretionary Grants for Surface Transportation ***(New Program)***	Discretionary grants. Priority will be given to jobs expected to be completed within 3 years	$1.5 billion. (Grants will be between $20 million and $300 million). Not more than 20 percent of the funds may be awarded within one state.	Criteria for the awards will be published within 90 days. Applications shall be submitted within 180 days following the announcement of the award criteria with project announcements made within one year of enactment Funds are available through September 30, 2011	No match required.	Same MOE as required for highway funds.	The Secretary shall take such measures so as to ensure an equitable geographic distribution of funds and an appropriate balance in addressing the needs of urban and rural communities:
High Speed Rail and Intercity Passenger Rail	Discretionary grants.	$8 billion.	Within 60 days the Secretary is required to submit a plan to the House and Senate Appropriations Committees. Within 120 days interim grant guidance shall be issued. Funds are available through Sept. 30, 2012.	No match required.	Same MOE as required for highway funds.	The High Speed Passenger Rail program is a new initiative recently authorized under the Passenger Rail Investment and Improvement Act of 2008.
Transit Capital Assistance	After set-asides, the remaining funds to be allotted under Title 49 formulas: • $5.52 billion (80 percent) to urbanized areas (5307), • $690 million (10 percent) for rural areas (5311), and • $690 million (10 percent) for apportionments based on growing States and high density States formula factors (5340). In addition, the conference agreement provides 2.5 percent of the rural funds for tribal transit needs and includes $100 million for discretionary grants to	$6.9 billion.	Apportionment shall be made within 21 days. Requires 50 percent to be obligated within 180 days. Requires all funds to be obligated within 1 year. Unobligated funds will be reallocated to other states. Provides the secretary with the authority to provide for a 1 year extension as it relates to obligation for situations where a state has encountered extreme conditions that create an unworkable bidding environment and other extenuating circumstances. Funds are available through Sept. 30, 2010.	No match required.	Same MOE as required for highway funds.	The Capital Assistance to States program first received funding in fiscal year 2008.

Source: *National Conference of State Legislatures, February 17, 2009.*

Program	Competitive or Formula (if formula what is it?)	Funding Level	Funding Timeframe	Matching Requirements	Requirements Regarding Maintenance of Effort, Non-supplantation and Non-commingling	Other
	public transit agencies for capital investments that will assist in reducing the energy consumption or greenhouse gas emissions of their public transit agencies.					
Capital Investment Grants	Discretionary grants. According to the conference report, funds will be used for New Starts and Small Starts projects that are already in construction or are nearly ready to begin construction (projects able to be obligated within 150 days).	$750 million	Legislation does not provide details on when the funds will be made available. Funds are available through Sept. 30, 2010.	No match required.	Same MOE as required for highway funds. Fund shall not be commingled with any prior year funds.	
Fixed Guideway	These funds will be distributed through an existing authorized formula for capital projects.	$750 million	Apportionments shall be made within 21 days. Requires 50 percent to be obligated within 180 days. Requires all funds to be obligated within 1 year. Unobligated funds will be reallocation to other states. Provides the secretary with the authority to provide for a 1 year extension as it relates to obligations for situations where a state has encountered extreme conditions that create an unworkable bidding environment and other extenuating circumstances. Funds are available through Sept. 30, 2010.	No match required.	Same MOE as required for highway funds. Fund shall not be commingled with any prior year funds.	
Amtrak	Priority will be given to projects that can be completed within 2 years.	$1.3 billion of which $450 million is for capital security grants.	Awards shall be made within 30 days of enactment. Funds are available through Sept. 30, 2010.	n/a	Same MOE as required for highway funds. No supplantation for other federal state, local or corporate resources.	Not more than 60 percent of the funds can be used for capital projects along the northeast corridor.

Source: *National Conference of State Legislatures, February 17, 2009.*

Program	Competitive or Formula (if formula what is it?)	Funding Level	Funding Timeframe	Matching Requirements	Requirements Regarding Maintenance of Effort, Non-supplantation and Non-commingling	Other
Grants In Aid for Airports	Discretionary. Priority given to projects that can be completed within 2 years	$1.1 billion	The Secretary shall award 50 percent of the awards within 120 days, with the remaining amount awarded within one year. Funds are available through Sept. 30, 2010.	No match required.	Same MOE as required for highway funds. No supplantation from airport generated revenues or from other state or local resources.	Funds will be used by the FAA to provide discretionary airport grants to repair and improve critical infrastructure at our nation's airports. These investments will serve to provide important safety and capacity benefits.
Federal Aviation Administration (FAA) - Supplemental Funding for Facilities and Equipment	May be provided through grants in addition to other instruments authorized under section 106(1)(g) of title 49 United States Code. Priority given to projects that can be completed within 2 years of enactment.	$200 million. According to the joint explanatory statement issued by the conference committee, this includes $50 million to upgrade the FAA power systems; $50 million to modernize aging en route air traffic control centers; $80 million to replace air traffic control towers and TRACONs; and, $20 million to install airport lighting, navigation and landing equipment.	No later than 60 days after enactment the Administrator shall establish a process to apply for the funds. Funds are available through Sept. 30, 2010.	No match required.	Same MOE as required for highway funds.	

***Source**: National Conference of State Legislatures, February 17, 2009.*

Program	Competitive or Formula (if formula what is it?)	Funding Level	Funding Timeframe	Matching Requirements	Requirements Regarding Maintenance of Effort, Non-supplantation and Non-commingling	Other
Maritime Administration - Supplemental Grants for Assistance to Small Shipyards	Grants to qualified shipyards as authorized under section 3508 of Public Law 110-417 or section 54101 of title 46, United States Code.	$100 million.	The Secretary shall institute measures to ensure funds are obligated in 180 days. Funds are available through Sept. 30, 2010.	n/a	Same MOE as required for highway funds.	

More information on the New Starts Program: http://www.fta.dot.gov/planning/newstarts/planning_environment_2608.html

MAINTENANCE OF EFFORT, NON-SUPPLANTATION AND NON-COMMINGLING REQUIREMENTS - AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA)

PROGRAM	MAINTENANCE OF EFFORT (MOE) REQUIREMENTS NON-SUPPLANTATION REQUIREMENTS NON-COMMINGLING REQUIREMENTS
EDUCATION	
State Fiscal Stabilization Fund	ARRA requires that Governors submit applications in order to receive Stabilization funds, which shall include certain assurances, provide baseline data regarding each of the areas described in such assurances, and describe how States intend to use their allocations. Such assurances shall include that the State will: in each of fiscal years 2009, 2010, and 2011, maintain State support for elementary, secondary, and public postsecondary education at least at the levels in fiscal year 2006, and address 4 key areas: (1) achieve equity in teacher distribution, (2) establish a longitudinal data system that includes the elements described in the America COMPETES Act, (3) enhance the quality of academic assessments relating to English language learners and students with disabilities, and improve State academic content standards and student academic achievement standards, and (4) ensure compliance with corrective actions required for low-performing schools. ARRA grants the Secretary of Education the authority to waive or modify any requirement of the State Fiscal Stabilization Fund relating to maintenance of effort. It also allows upon prior approval from the Secretary of Education, a State or Local Education Agency that receives funds under the State Fiscal Stabilization Fund to treat any portion of such funds that is used for elementary and secondary education or postsecondary education as non-Federal funds for the purpose of any requirement to maintain fiscal effort under any other program, including Part C of the Individuals with Disabilities in Education Act.
Education Provision	Unless otherwise noted, maintenance of effort provisions in underlying statutes continue to apply to 'new' monies. This includes the Elementary and Secondary Education Act and the Individuals with Disabilities in Education Act.
HUMAN SERVICES PROVISIONS	
Child Care Development Block Grant	States must use the funds to supplement, not supplant, state general revenue funds for child care assistance and quality improvements for low-income families.
Temporary Assistance to Needy Families Emergency Contingency Fund	No MOE requirement on the new fund. However, to access these TANF dollars, states must show increased state expenditures for basic assistance, non-recurrent short-term payments, or subsidized employment. This increased spending can be federal or state TANF dollars or expenditures in separate state programs. States will be provided an 80 percent reimbursement for such expenditures. Note: to get funding for increases in the basic assistance category, states have to show a increase in their average monthly caseload.
MEDICAID	
Medicaid	A state will be ineligible for the FMAP increase or increase in the cap for Territories if eligibility standards, methodologies or procedures under the Medicaid state plan (including Medicaid and/or Section 1115 waivers) are more restrictive than the eligibility standards, methodologies or procedures, respectively, under the state plan or waiver that was in effect on July 1, 2008. States retain the flexibility to make changes in benefits and reimbursement. • **State Reinstatement of Eligibility Permitted.** A state that has restricted eligibility standards, methodologies, or procedures after July 1, 2008, would become eligible for the FMAP increase beginning with the first calendar quarter in which the state has reinstated eligibility standards, methodologies and procedures that are no more restrictive than those that were in effect on July 1, 2008.

Source: National Conference of State Legislatures, February 18, 2009.

PROGRAM	MAINTENANCE OF EFFORT (MOE) REQUIREMENTS NON-SUPPLANTATION REQUIREMENTS NON-COMMINGLING REQUIREMENTS
	• **Special Rule Regarding State Reinstatement.** A state will not be ineligible for the increased FMAP before July 1, 2009, under the following circumstances: - on the basis of a restriction that was applied after July 1, 2008 and before the date of enactment of this act; or - on the basis of a restriction that was effective under state law as of July 1, 2008, and would have been in effect as of that date ,but for a delay of not longer than one calendar quarter, in the approval of a request for a new waiver under section 1115 with respect to the restriction.
TRANSPORTATION	
Highways	The Governor shall submit to the Secretary of Transportation a statement identifying the amount of funds the State planned to expend from State sources as of the date of enactment of this Act during the period beginning on the date of enactment (Feb. 17, 2009) of this Act through September 30, 2010, for the types of projects that are funded by the appropriation. If a State is unable to maintain the certified level of effort, the State will be prohibited by the Secretary of Transportation from receiving additional limitation pursuant to the redistribution of the limitation on obligations for Federal-aid highway and highway safety construction programs that occurs after August 1 for fiscal year 2011.
Supplemental Discretionary Grants for Surface Transportation ***--New Program***	Same MOE as required for highway funds.
High Speed Rail and Intercity Passenger Rail	Same MOE as required for highway funds.
Transit Capital Assistance	Same MOE as required for highway funds.
Capital Investment Grants	Same MOE as required for highway funds. Fund shall not be commingled with any prior year funds.
Fixed Guideway	Same MOE as required for highway funds. Fund shall not be commingled with any prior year funds.
Amtrak	Same MOE as required for highway funds. No supplantation for other federal state, local or corporate resources.
Grants In Aid for Airports	Same MOE as required for highway funds. No supplantation from airport generated revenues or from other state or local resources.
Federal Aviation Administration--Supplemental Funding for Facilities and Equipment	Same MOE as required for highway funds.
Maritime Administration - Supplemental Grants for Assistance to Small Shipyards	Same MOE as required for highway funds.

Preliminary Conference Agreement Stimulus Allocations

($ in thousands) HEALTH

2/19/09

State	*Medicaid FMAP* *2009*	*Medicaid FMAP* *2010/11*	*Medicaid DSH*	*Foster Care/ Adoption*	*Immunization*
Alabama	$321,829	$519,492	$15,250	$2,674	$7,246
Alaska	93,672	133,823	499	3,114	3,021
Arizona	752,364	1,092,722	5,021	20,284	5,013
Arkansas	250,553	415,746	1,056	4,261	3,102
California	4,686,625	6,382,531	54,365	158,517	34,153
Colorado	337,115	535,562	4,587	10,092	5,909
Connecticut	478,597	685,272	9,918	14,808	4,172
Delaware	112,665	181,123	222	805	941
DC	121,976	178,562	3,038	5,629	1,729
Florida	1,858,837	2,531,678	9,918	12,480	13,287
Georgia	667,637	985,833	13,328	10,139	6,775
Hawaii	134,575	202,723	506	5,368	3,123
Idaho	112,813	185,685	403	1,460	2,943
Illinois	1,146,211	1,725,236	10,662	37,179	9,193
Indiana	561,833	742,374	10,600	19,082	7,728
Iowa	200,415	316,455	964	8,955	3,720
Kansas	154,382	247,802	2,046	5,186	4,020
Kentucky	395,530	535,450	7,191	11,916	2,036
Louisiana	512,733	1,162,738	37,055	10,231	4,410
Maine	180,521	249,805	5,207	3,539	3,703
Maryland	564,722	795,440	3,781	22,981	4,024
Massachusetts	988,820	1,700,868	15,126	14,855	8,892
Michigan	941,925	1,009,902	13,142	33,280	9,298
Minnesota	781,379	1,208,406	1,829	9,901	5,140
Mississippi	272,526	469,828	7,563	1,899	3,014
Missouri	583,628	795,155	23,494	9,676	5,678
Montana	69,458	110,677	278	2,391	903
Nebraska	107,646	166,155	693	3,444	1,508
Nevada	183,865	258,130	2,294	5,580	3,875
New Hampshire	77,714	145,309	7,940	2,353	1,917

New Jersey	789,414	1,220,202	31,925	13,633	5,742
New Mexico	223,759	342,198	499	2,751	2,595
New York	4,775,546	7,784,221	79,657	113,717	16,642
North Carolina	941,889	1,353,039	14,630	11,774	11,379
North Dakota	37,878	57,835	234	2,117	2,144
Ohio	1,136,387	1,470,122	20,147	40,327	9,893
Oklahoma	326,655	592,517	887	9,710	2,612
Oregon	328,474	478,397	1,109	10,199	3,601
Pennsylvania	1,500,647	2,210,032	27,834	55,281	8,602
Rhode Island	197,295	265,054	3,223	3,192	2,201
South Carolina	342,153	454,699	16,241	3,712	5,077
South Dakota	44,606	72,386	270	1,149	2,056
Tennessee	644,339	855,209	15,464	11,578	7,199
Texas	2,077,554	3,370,698	47,422	53,229	12,840
Utah	125,994	180,518	480	2,378	3,888
Vermont	105,104	157,537	1,116	3,604	2,073
Virginia	512,747	830,280	4,345	13,360	5,622
Washington	717,608	1,170,724	9,175	16,623	6,865
West Virginia	157,485	221,135	3,347	7,720	2,116
Wisconsin	413,188	596,668	2,315	15,016	6,356
Wyoming	35,085	67,680	6	320	1,612
Puerto Rico	80,684	100,855	0	0	5,267
American Samoa	2,746	3,433	0	0	312
Guam	3,853	4,816	0	0	1,287
Mariana Islands	1,458	1,823	0	0	896
Virgin Islands	3,089	3,861	0	NA	648
TOTAL	**$33,178,203**	**$49,536,422**	**$548,302**	**$843,468**	**$300,000**

Preliminary Conference Agreement Stimulus Allocations

($ in thousands)

2/19/09

Education 1

State	Fiscal Stabilization*			Title I	
	Education	General Purpose	Total	Grants to LEAs	School Improvement
Alabama	$596,356	$132,686	$729,041	$163,217	$45,744
Alaska	93,043	20,702	113,745	29,481	9,616
Arizona	831,869	185,086	1,016,955	194,876	59,304
Arkansas	363,053	80,777	443,830	111,143	31,445
California	4,875,499	1,084,769	5,960,267	1,128,226	383,259
Colorado	621,878	138,364	760,243	110,906	30,002
Connecticut	443,252	98,621	541,873	70,769	24,713
Delaware	110,320	24,546	134,866	32,436	8,225
DC	73,110	16,267	89,377	37,602	9,976
Florida	2,208,839	491,453	2,700,292	492,535	142,760
Georgia	1,260,799	280,520	1,541,319	351,367	95,567
Hawaii	157,202	34,976	192,178	33,174	9,511
Idaho	201,700	44,877	246,577	34,907	10,603
Illinois	1,681,131	374,041	2,055,172	420,149	125,263
Indiana	823,661	183,260	1,006,921	168,527	53,133
Iowa	386,374	85,966	472,340	51,639	15,688
Kansas	367,423	81,749	449,172	70,544	22,488
Kentucky	532,798	118,544	651,342	155,518	45,446
Louisiana	579,592	128,956	708,548	177,272	62,665
Maine	158,250	35,210	193,460	37,206	11,076
Maryland	719,677	160,124	879,801	136,436	40,652
Massachusetts	813,303	180,955	994,258	163,391	49,715
Michigan	1,302,369	289,769	1,592,138	390,034	112,650
Minnesota	667,888	148,601	816,489	94,909	27,031
Mississippi	392,068	87,233	479,301	132,993	39,589
Missouri	753,172	167,576	920,749	147,620	47,866
Montana	121,628	27,062	148,690	34,650	9,363
Nebraska	233,956	52,054	286,010	47,294	13,766
Nevada	324,405	72,178	396,583	70,605	17,064
New Hampshire	164,244	36,543	200,787	30,959	8,136

New Jersey	1,088,336	242,148	1,330,484	183,015	61,155
New Mexico	260,436	57,946	318,382	80,782	23,982
New York	2,468,558	549,239	3,017,797	906,198	260,037
North Carolina	1,161,932	258,523	1,420,454	257,456	76,673
North Dakota	85,644	19,055	104,700	27,415	7,145
Ohio	1,463,710	325,667	1,789,376	373,250	108,442
Oklahoma	472,821	105,200	578,020	109,456	31,410
Oregon	466,462	103,785	570,246	93,792	31,602
Pennsylvania	1,558,798	346,823	1,905,621	398,775	120,800
Rhode Island	134,912	30,017	164,929	35,836	11,262
South Carolina	567,741	126,319	694,060	142,874	43,574
South Dakota	104,293	23,204	127,497	34,650	8,933
Tennessee	775,135	172,463	947,598	194,108	50,386
Texas	3,250,272	723,166	3,973,438	944,631	285,212
Utah	392,582	87,347	479,929	49,541	13,097
Vermont	77,150	17,165	94,315	25,769	7,125
Virginia	983,866	218,904	1,202,770	165,312	47,913
Washington	819,947	182,433	1,002,380	135,338	43,568
West Virginia	217,971	48,497	266,468	61,038	21,043
Wisconsin	717,337	159,603	876,940	147,696	42,152
Wyoming	67,620	15,045	82,665	26,213	6,780
Puerto Rico	529,742	117,864	647,606	386,467	107,282
American Samoa	54,806	12,194	67,000	7,027	2,072
Guam	54,806	12,194	67,000	8,665	2,496
Mariana Islands	54,806	12,194	67,000	2,552	753
Virgin Islands	54,806	12,194	67,000	9,442	2,808
TOTAL	**$39,743,348**	**$8,842,652**	**$48,586,000**	**$9,927,686**	**$2,980,018**

* Includes funding for school modernization. FFIS total excludes $5 billion in state incentive grants.

Preliminary Conference Agreement Stimulus Allocations

($ in thousands) Education 2
2/19/09

State	Special Education Part B	Special Education Part B-Preschool	Special Education Part C	Ed. Tech.	McKinney-Vento (Ed for Homeless)	Work Study
Alabama	$181,865	$5,970	$6,091	$10,490	$1,111	$3,269
Alaska	32,956	1,333	2,140	3,209	328	170
Arizona	178,476	5,703	9,988	12,436	2,000	2,189
Arkansas	112,178	5,566	3,966	7,164	721	1,559
California	1,226,944	41,028	53,233	70,806	18,138	20,657
Colorado	148,731	5,281	6,950	7,030	1,220	2,733
Connecticut	132,971	5,089	4,090	4,652	202	2,257
Delaware	32,701	1,333	2,140	3,209	188	306
DC	16,442	260	2,140	3,209	84	2,684
Florida	627,263	19,701	23,077	30,319	3,113	8,229
Georgia	313,758	10,449	14,646	22,104	1,428	4,593
Hawaii	39,925	1,061	2,140	3,209	115	450
Idaho	53,247	2,269	2,360	3,209	191	543
Illinois	506,480	18,311	17,544	26,516	2,020	10,114
Indiana	253,535	9,233	8,568	10,919	841	4,040
Iowa	122,095	4,141	3,871	3,376	294	2,788
Kansas	106,872	4,497	3,872	4,532	364	1,669
Kentucky	157,570	10,597	5,456	9,914	1,868	2,597
Louisiana	188,750	6,910	5,802	12,162	3,475	3,131
Maine	53,164	2,608	2,140	3,209	107	1,630
Maryland	200,242	6,922	7,506	8,528	862	3,090
Massachusetts	280,552	10,263	7,362	10,560	1,209	9,257
Michigan	400,608	13,396	12,346	24,533	2,452	5,917
Minnesota	189,839	7,707	7,013	6,166	612	3,892
Mississippi	117,836	4,511	4,381	8,525	1,310	2,388
Missouri	227,175	6,397	7,791	9,758	1,388	3,849
Montana	36,708	1,261	2,140	3,209	224	654
Nebraska	74,677	2,341	2,564	3,209	166	1,279
Nevada	67,119	2,391	3,901	4,279	548	450
New Hampshire	47,461	1,616	2,140	3,209	202	1,331

New Jersey	360,691	11,805	10,800	12,048	436	3,975
New Mexico	91,147	3,402	2,903	5,140	447	1,422
New York	759,193	35,017	23,687	55,493	4,485	19,827
North Carolina	314,410	12,071	12,731	16,359	1,290	4,777
North Dakota	26,552	862	2,140	3,209	123	677
Ohio	437,736	13,359	14,410	23,902	1,384	7,713
Oklahoma	147,925	3,882	5,272	7,070	844	2,169
Oregon	128,979	4,000	4,706	6,042	1,581	2,693
Pennsylvania	427,178	14,495	14,266	25,321	1,318	11,254
Rhode Island	43,734	1,734	2,140	3,209	68	1,636
South Carolina	173,240	7,572	5,892	9,156	615	2,655
South Dakota	31,631	1,520	2,140	3,209	106	882
Tennessee	229,613	7,346	8,100	12,292	669	3,490
Texas	945,636	24,328	39,419	59,396	3,454	10,669
Utah	105,541	3,694	5,088	3,209	1,018	1,146
Vermont	25,602	916	2,140	3,209	78	1,189
Virginia	281,415	9,470	10,266	10,801	1,009	3,743
Washington	221,357	8,476	8,448	8,713	1,717	3,280
West Virginia	75,952	3,615	2,140	3,966	304	1,266
Wisconsin	208,200	9,828	7,000	9,170	826	3,694
Wyoming	25,786	1,125	2,140	3,209	69	294
Puerto Rico	109,098	3,336	4,788	24,096	609	3,614
American Samoa	230	0	21	825	NA	13
Guam	510	0	52	1,017	NA	109
Mariana Islands	175	0	16	300	NA	5
Virgin Islands	324	0	28	1,108	NA	18
TOTAL	**$11,300,000**	**$400,000**	**$428,086**	**$645,125**	**$69,231**	**$199,925**

Preliminary Conference Agreement Stimulus Allocations

($ in thousands) Transit + Water

2/19/09

State	Transit Capital Grants Urban	Rural	Total	Rail Modernization (Fixed Guideway)	Drinking Water SRF	Clean Water SRF
Alabama	$26,609	$19,850	$46,459	$0	$19,500	$44,162
Alaska	32,549	9,084	41,633	0	19,500	23,637
Arizona	85,739	14,183	99,922	640	55,340	26,675
Arkansas	13,270	15,139	28,409	0	24,485	25,836
California	968,314	33,963	1,002,277	66,172	159,008	282,464
Colorado	90,223	12,492	102,716	753	34,352	31,592
Connecticut	101,456	4,040	105,496	32,030	19,500	48,384
Delaware	15,757	1,887	17,643	0	19,500	19,389
DC	111,027	0	111,027	13,888	19,500	19,389
Florida	290,453	20,333	310,786	5,411	88,074	133,315
Georgia	110,531	25,650	136,181	7,381	54,775	66,777
Hawaii	40,649	2,933	43,583	255	19,500	30,588
Idaho	9,656	8,743	18,399	0	19,500	19,389
Illinois	350,265	21,184	371,449	96,089	79,538	178,621
Indiana	58,111	20,316	78,427	5,859	27,212	95,182
Iowa	21,327	15,156	36,484	0	24,293	53,452
Kansas	16,671	14,057	30,727	0	19,500	35,649
Kentucky	31,094	19,201	50,295	0	20,450	50,266
Louisiana	48,035	15,274	63,309	2,425	27,626	43,416
Maine	5,157	8,109	13,266	0	19,500	30,573
Maryland	156,571	7,425	163,996	15,266	26,832	95,522
Massachusetts	262,136	5,219	267,355	52,363	52,216	134,091
Michigan	109,036	25,787	134,823	133	67,454	169,819
Minnesota	73,212	19,030	92,242	1,852	35,110	72,519
Mississippi	8,214	17,253	25,466	0	19,500	35,583
Missouri	63,146	20,698	83,844	1,289	37,862	109,486
Montana	4,332	11,279	15,612	0	19,500	19,389
Nebraska	13,499	9,811	23,310	0	19,500	20,201
Nevada	42,114	7,350	49,464	0	19,500	19,389
New Hampshire	7,947	5,217	13,165	0	19,500	39,468

New Jersey	442,557	4,838	447,396	76,836	43,154	161,392
New Mexico	15,494	12,256	27,750	0	19,500	19,389
New York	941,185	26,250	967,435	254,818	86,811	435,930
North Carolina	70,249	33,056	103,304	0	65,625	71,279
North Dakota	5,041	5,956	10,997	0	19,500	19,389
Ohio	137,198	29,837	167,036	12,773	58,460	222,339
Oklahoma	22,240	16,923	39,164	0	31,481	31,908
Oregon	59,964	14,627	74,591	1,126	28,515	44,615
Pennsylvania	233,190	30,209	263,399	80,304	65,681	156,444
Rhode Island	28,623	865	29,488	64	19,500	26,519
South Carolina	24,536	16,618	41,154	0	19,500	40,460
South Dakota	3,916	7,373	11,289	0	19,500	19,389
Tennessee	50,820	21,169	71,988	28	20,238	57,373
Texas	321,328	50,587	371,915	2,610	160,656	180,515
Utah	50,831	7,253	58,085	0	19,500	20,810
Vermont	1,754	3,927	5,681	0	19,500	19,389
Virginia	93,341	18,555	111,896	4,209	20,761	80,827
Washington	158,050	14,297	172,347	6,699	41,806	68,682
West Virginia	8,315	10,051	18,366	309	19,500	61,567
Wisconsin	61,267	20,130	81,398	243	37,750	106,772
Wyoming	2,321	6,979	9,300	0	19,500	19,389
Puerto Rico	66,185	2,111	68,295	675	19,500	51,512
American Samoa	0	341	341	0	483	3,546
Guam	0	922	922	0	2,124	2,566
Mariana Islands	1,062	53	1,114	0	1,829	1,648
Virgin Islands	1,284	0	1,284	0	1,999	2,058
TOTAL	**$5,967,852**	**$765,848**	**$6,733,700**	**$742,500**	**$1,950,000**	**$3,899,928**

Preliminary Conference Agreement Stimulus Allocations

($ in thousands)
2/19/09

Energy + Ag

State	Weatherization	State Energy Program	Emergency Food & Shelter	TEFAP	Food Stamp Admin.	School Lunch Equipment
Alabama	$74,961	$48,594	$1,117	$1,585	$5,200	$1,727
Alaska	18,466	23,626	255	237	500	153
Arizona	67,011	44,746	1,792	1,927	6,800	1,881
Arkansas	50,011	37,945	1,007	1,100	2,900	1,024
California	192,171	203,057	13,177	11,840	21,800	9,740
Colorado	81,119	48,326	1,305	1,353	2,500	1,075
Connecticut	65,801	45,999	1,125	887	2,500	922
Delaware	14,134	21,120	210	227	800	247
DC	8,316	19,957	282	260	1,100	122
Florida	190,182	106,764	4,267	5,116	20,700	4,445
Georgia	130,056	68,819	2,834	3,287	10,500	3,791
Hawaii	4,416	22,015	163	306	1,100	337
Idaho	30,995	24,521	269	400	1,100	469
Illinois	248,641	130,300	4,123	3,840	11,900	3,294
Indiana	135,266	74,905	2,003	1,975	5,500	2,225
Iowa	82,792	44,209	639	776	2,700	1,169
Kansas	58,225	39,555	789	904	1,700	972
Kentucky	73,053	50,742	1,570	1,636	5,700	1,573
Louisiana	53,646	58,796	1,189	1,630	6,400	1,679
Maine	42,752	28,100	458	426	1,800	330
Maryland	63,207	57,454	1,450	1,282	4,200	1,299
Massachusetts	124,748	70,341	2,557	1,871	6,800	1,650
Michigan	248,846	109,986	5,308	4,083	12,500	2,490
Minnesota	134,696	66,671	1,456	1,509	2,800	1,747
Mississippi	51,783	35,797	1,246	1,352	3,800	1,206
Missouri	131,975	61,570	2,002	1,949	6,600	1,846
Montana	27,060	22,999	173	262	700	247
Nebraska	42,723	30,248	315	470	900	679
Nevada	38,770	26,311	830	749	1,800	608
New Hampshire	23,686	26,311	209	309	700	336

New Jersey	121,853	89,939	2,757	2,175	4,600	1,989
New Mexico	30,393	28,100	525	671	2,200	654
New York	403,962	180,237	5,976	6,159	24,500	5,294
North Carolina	136,715	70,430	3,070	3,326	9,400	2,879
North Dakota	25,781	22,015	163	167	400	230
Ohio	273,338	122,604	4,685	4,254	11,200	3,107
Oklahoma	63,298	43,941	1,003	1,355	3,300	1,208
Oregon	39,299	40,271	1,490	1,249	5,700	855
Pennsylvania	258,845	124,752	3,777	4,030	11,500	3,365
Rhode Island	20,522	24,342	355	327	900	251
South Carolina	61,473	43,493	1,986	1,673	5,800	1,435
South Dakota	25,045	21,299	163	231	500	308
Tennessee	102,460	59,065	2,064	2,069	9,000	1,985
Texas	345,897	177,552	7,586	8,506	25,700	8,625
Utah	38,784	30,785	489	574	1,400	930
Vermont	17,175	21,299	163	187	600	159
Virginia	96,932	69,267	1,247	1,704	5,300	2,195
Washington	60,729	55,485	2,433	2,079	7,100	1,534
West Virginia	38,533	34,275	545	666	2,500	585
Wisconsin	144,541	69,177	1,960	1,713	4,700	1,732
Wyoming	11,416	20,404	163	90	200	157
Puerto Rico	-	38,750	1,875	3,147	-	1,064
American Samoa	-	15,214	104	0	-	0
Guam	-	15,840	99	45	200	56
Mariana Islands	-	15,214	64	18	-	0
Virgin Islands	-	16,467	139	37	100	30
TOTAL	**$4,826,500**	**$3,100,000**	**$99,000**	**$100,000**	**$290,800**	**$89,913**

Source: CBPP

Preliminary Conference Agreement Stimulus Allocations

($ in thousands) Human Services
2/19/09

State	Elderly Nutrition	Child Care	Head Start	Community Services BG	Voc. Rehab.	Independent Living
Alabama	$1,865	$38,471	$12,394	$18,337	$9,791	$243
Alaska	500	4,036	1,210	3,683	1,800	243
Arizona	2,640	50,877	12,109	8,267	13,086	281
Arkansas	857	25,134	7,911	13,597	6,590	243
California	13,024	220,274	82,495	89,157	56,470	1,623
Colorado	1,677	24,312	8,147	8,685	7,307	243
Connecticut	767	13,686	4,650	12,062	3,335	243
Delaware	500	4,546	1,553	5,000	1,800	243
DC	500	2,686	2,176	16,429	1,879	243
Florida	9,578	105,331	29,809	29,063	32,159	810
Georgia	3,215	82,847	19,767	26,898	18,686	424
Hawaii	500	6,449	1,984	5,000	2,249	243
Idaho	500	11,946	2,628	4,946	3,300	243
Illinois	2,280	73,773	29,219	47,237	20,079	571
Indiana	1,994	42,764	11,537	14,560	12,335	282
Iowa	441	18,120	5,588	10,822	5,716	243
Kansas	399	18,415	5,995	8,162	5,109	243
Kentucky	1,470	34,899	11,924	16,858	9,318	243
Louisiana	1,003	40,014	16,293	23,475	9,895	243
Maine	500	6,758	2,813	5,169	2,588	243
Maryland	2,196	24,040	7,897	13,721	6,879	249
Massachusetts	1,088	23,967	10,131	24,925	7,069	286
Michigan	3,448	58,681	21,992	36,843	18,126	447
Minnesota	1,675	26,097	7,844	12,033	7,738	243
Mississippi	732	30,983	15,663	15,904	7,215	243
Missouri	1,484	38,682	13,197	27,671	11,375	261
Montana	500	5,747	2,008	4,512	2,059	243
Nebraska	239	11,799	3,741	6,970	3,189	243
Nevada	976	14,315	2,818	5,000	4,218	243
New Hampshire	500	4,736	1,360	5,000	1,924	243

New Jersey	2,194	34,106	12,527	27,394	9,455	386
New Mexico	797	17,817	5,890	5,696	4,426	243
New York	3,161	96,786	41,534	86,788	25,695	857
North Carolina	3,669	67,543	16,824	26,245	18,029	402
North Dakota	500	3,644	1,491	4,573	1,800	243
Ohio	2,991	68,140	27,338	38,979	21,590	509
Oklahoma	995	30,159	10,093	11,854	7,584	243
Oregon	1,616	22,510	7,240	7,973	7,064	243
Pennsylvania	1,995	60,147	22,197	42,336	20,926	552
Rhode Island	500	5,224	2,000	5,528	1,735	243
South Carolina	1,904	36,316	9,923	15,365	9,687	243
South Dakota	500	5,460	2,085	4,111	1,800	243
Tennessee	2,614	41,932	13,775	19,699	12,178	273
Texas	7,935	214,852	59,921	48,152	44,811	1,061
Utah	763	22,366	4,385	4,886	6,007	243
Vermont	500	2,823	1,215	5,000	1,800	243
Virginia	3,029	37,892	11,180	16,009	11,602	342
Washington	2,545	33,351	10,040	11,904	10,438	287
West Virginia	289	13,047	5,566	11,194	4,313	243
Wisconsin	1,666	30,493	10,056	12,167	10,001	249
Wyoming	500	2,587	1,106	5,000	1,800	243
Puerto Rico	0	33,227	28,288	43,067	12,597	243
American Samoa	0	2,530	244	1,709	205	23
Guam	0	4,013	245	1,334	554	23
Mariana Islands	0	1,882	340	835	270	23
Virgin Islands	0	1,860	907	1,840	351	23
TOTAL	**$97,711**	**$1,955,092**	**$663,262**	**$979,623**	**$540,000**	**$18,018**

Preliminary Conference Agreement Stimulus Allocations

($ in thousands) Housing
2/19/09

State	*Public Housing Capital Fund*	*CDBG Entitlement*	*CDBG Non-Entitlement*	*HOME*	*Homelessness Prevention*
Alabama	$92,296	$6,228	$7,197	$31,928	$20,175
Alaska	3,324	590	694	5,182	1,930
Arizona	12,129	11,531	3,267	32,261	22,195
Arkansas	29,163	2,239	5,252	20,455	11,269
California	118,570	116,266	10,875	325,336	190,038
Colorado	17,692	7,455	2,921	27,312	15,569
Connecticut	35,924	7,665	3,692	26,148	17,046
Delaware	7,104	1,408	549	6,298	7,527
DC	27,156	5,025	0	11,592	2,936
Florida	85,938	36,216	7,688	100,976	65,627
Georgia	113,245	11,251	11,095	54,426	33,794
Hawaii	16,327	2,695	1,445	9,544	6,214
Idaho	1,497	982	2,340	8,751	4,997
Illinois	222,617	38,716	8,765	94,536	71,222
Indiana	37,063	10,443	8,549	38,009	28,526
Iowa	7,654	4,022	7,161	18,965	16,816
Kansas	16,612	2,890	4,697	17,106	11,407
Kentucky	52,306	4,977	7,430	31,595	18,651
Louisiana	73,504	10,154	7,632	39,340	26,710
Maine	8,374	1,870	3,515	10,685	8,098
Maryland	48,445	12,824	2,197	31,654	22,520
Massachusetts	82,301	20,547	9,294	59,517	44,783
Michigan	53,737	25,812	9,784	63,895	53,408
Minnesota	47,484	10,086	5,678	28,400	23,665
Mississippi	32,559	1,357	8,241	21,872	14,452
Missouri	47,925	11,622	6,568	38,645	27,401
Montana	4,452	624	1,868	7,813	3,750
Nebraska	13,132	1,841	3,420	11,370	7,911
Nevada	10,187	4,775	756	14,856	8,291
New Hampshire	7,765	1,080	2,514	8,264	5,406

New Jersey	104,692	25,457	1,986	61,133	41,126
New Mexico	9,361	1,855	3,882	13,867	8,629
New York	504,881	81,660	13,149	252,220	142,133
North Carolina	83,848	7,102	12,334	52,095	29,225
North Dakota	3,451	398	1,327	4,553	2,596
Ohio	128,974	30,742	13,229	83,381	65,985
Oklahoma	25,276	3,758	4,469	25,700	12,360
Oregon	14,438	6,060	3,918	27,314	14,982
Pennsylvania	213,227	47,603	12,695	94,921	90,437
Rhode Island	18,952	3,245	1,428	11,922	7,013
South Carolina	36,060	4,511	6,046	25,357	15,868
South Dakota	2,759	364	1,809	5,404	3,270
Tennessee	80,710	6,329	7,244	38,993	20,397
Texas	120,395	49,940	19,882	148,150	104,491
Utah	4,144	3,817	1,814	11,624	8,451
Vermont	3,393	245	2,023	5,414	3,416
Virginia	51,212	11,312	5,331	44,190	24,934
Washington	40,454	12,504	4,210	42,948	25,074
West Virginia	13,273	2,205	4,610	16,530	10,250
Wisconsin	26,136	10,335	7,692	35,552	27,071
Wyoming	1,362	272	876	4,490	1,727
Puerto Rico	175,065	17,096	13,020	42,600	45,229
American Samoa	0	0	1,438	2,887	NA
Guam	1,800	0	Inc. in AS	Inc. in AS	NA
Mariana Islands	0	0	Inc. in AS	Inc. in AS	NA
Virgin Islands	8,700	0	502	2,021	NA
TOTAL	**$2,999,045**	**$700,000**	**$300,000**	**$2,250,000**	**$1,496,998**

Preliminary Conference Agreement Stimulus Allocations

($ in thousands) Justice
2/19/09

State	*Crime Victims Assistance Grants*	*Crime Victims Compensation*	*Internet Crimes Against Children*	*Violence Against Women*	*Byrne/ JAG*
Alabama	$809	$873	$727	$3,485	$31,259
Alaska	545	154	484	832	9,907
Arizona	914	302	880	4,435	39,437
Arkansas	689	285	727	2,305	22,929
California	2,949	8356	5,111	24,270	220,200
Colorado	819	958	848	3,619	29,161
Connecticut	735	294	1,009	2,751	20,925
Delaware	557	135	404	1,018	11,563
DC	539	794	0	836	9,714
Florida	1,715	3143	2,204	12,429	128,399
Georgia	1,129	1047	1,073	6,722	58,855
Hawaii	586	119	1,113	1,292	9,672
Idaho	598	354	404	1,425	11,840
Illinois	1,362	3121	1,959	8,896	81,788
Indiana	924	611	1,050	4,621	35,465
Iowa	700	513	1,050	2,412	19,205
Kansas	686	355	848	2,262	20,232
Kentucky	782	92	694	3,240	24,942
Louisiana	788	241	1,017	3,262	35,010
Maine	589	43	404	1,313	11,034
Maryland	877	588	727	4,142	42,862
Massachusetts	932	211	727	4,689	41,564
Michigan	1,178	367	969	7,050	67,875
Minnesota	847	381	1,050	3,837	29,833
Mississippi	695	127	404	2,365	20,222
Missouri	892	980	727	4,307	41,222
Montana	563	93	404	1,041	5,750
Nebraska	619	16	1,058	1,609	12,955
Nevada	668	561	1,058	2,118	20,267
New Hampshire	588	62	678	1,315	10,999

New Jersey	1,086	1453	969	6,158	50,533
New Mexico	631	208	694	1,623	18,754
New York	1,797	2915	1,050	13,103	106,839
North Carolina	1,095	667	744	6,350	56,840
North Dakota	543	81	404	849	5,232
Ohio	1,271	2061	969	7,991	62,027
Oklahoma	740	372	694	2,645	27,127
Oregon	749	368	727	2,887	22,190
Pennsylvania	1,336	1583	1,050	8,630	74,932
Rhode Island	572	191	404	1,143	9,484
South Carolina	790	1188	1,171	3,345	38,100
South Dakota	553	38	404	931	5,126
Tennessee	906	146	646	4,496	49,518
Texas	2,079	8007	2,866	16,101	143,208
Utah	671	692	1,171	2,172	15,744
Vermont	542	60	404	858	5,874
Virginia	1,013	346	1,902	5,517	39,369
Washington	930	967	727	4,645	36,707
West Virginia	622	359	404	1,642	15,324
Wisconsin	873	272	1,171	4,109	29,710
Wyoming	535	174	1,623	786	5,639
Puerto Rico	764	150	0	3,043	18,406
American Samoa	204	NA	0	488	4,158
Guam	211	NA	0	564	4,158
Mariana Islands	206	NA	0	506	4,158
Virgin Islands	507	25	0	522	4,158
TOTAL	**$47,500**	**$47,500**	**$49,992**	**$225,000**	**$1,978,400**

Preliminary Conference Agreement Stimulus Allocations

($ in thousands) Labor + Total
2/19/09

State	*UI State Admin.*	*Employment Service*	*Community Service for Older Americans*	*WIA Adult*	*WIA Youth*	*Dislocated Workers*	*Total*
Alabama	$7,056	$5,248	$2,242	$5,155	$11,765	$10,314	**$2,574,454**
Alaska	1,071	4,326	527	1,696	3,976	3,294	**605,119**
Arizona	10,370	6,881	1,268	7,693	18,011	18,472	**3,941,374**
Arkansas	4,043	3,450	2,204	5,124	12,187	7,586	**1,749,246**
California	60,256	45,490	9,458	80,927	188,507	224,992	**24,275,102**
Colorado	8,790	6,203	1,224	4,841	11,995	10,502	**2,471,733**
Connecticut	5,965	4,430	1,329	4,429	11,146	13,533	**2,493,792**
Delaware	1,633	1,112	527	1,247	2,948	1,796	**663,895**
DC	1,734	1,509	696	1,559	4,010	4,108	**762,671**
Florida	31,591	20,644	7,140	19,644	43,306	78,418	**10,194,379**
Georgia	15,477	11,391	2,683	13,252	31,678	41,244	**5,083,539**
Hawaii	2,135	1,453	527	1,247	2,948	2,126	**826,190**
Idaho	2,236	3,605	595	1,247	2,948	1,942	**841,573**
Illinois	22,453	16,554	4,525	26,051	62,832	65,311	**8,141,712**
Indiana	10,356	8,027	3,168	9,488	23,917	21,413	**3,610,988**
Iowa	5,148	3,860	1,550	1,571	5,224	6,306	**1,596,341**
Kansas	5,824	3,572	1,202	2,729	7,194	6,220	**1,407,625**
Kentucky	6,346	5,280	2,295	8,275	17,889	19,291	**2,526,511**
Louisiana	6,574	5,487	1,890	8,791	20,214	9,800	**3,497,338**
Maine	1,975	2,144	747	1,826	4,337	3,864	**963,469**
Maryland	9,238	6,860	1,665	4,959	11,703	12,255	**3,373,994**
Massachusetts	11,541	8,320	2,510	10,175	25,089	18,661	**5,377,447**
Michigan	16,060	14,195	3,889	31,169	74,696	90,762	**5,971,447**
Minnesota	9,961	6,983	2,824	7,022	17,969	17,457	**3,840,022**
Mississippi	3,936	3,817	1,494	7,851	18,876	18,302	**1,948,705**
Missouri	9,693	7,535	2,927	10,588	25,657	29,390	**3,587,398**
Montana	1,292	2,946	755	1,247	2,948	1,728	**578,891**
Nebraska	2,986	3,540	902	1,247	2,974	2,920	**943,778**
Nevada	5,228	3,255	604	3,426	7,647	14,103	**1,299,473**
New Hampshire	2,310	1,655	595	1,247	2,948	2,551	**718,499**

New Jersey	15,116	10,839	3,420	9,481	21,045	26,464	**5,454,436**
New Mexico	2,671	3,306	603	2,687	6,299	3,464	**1,341,994**
New York	28,451	23,445	7,824	31,834	72,249	70,218	**21,831,227**
North Carolina	14,761	10,873	3,166	10,442	25,324	39,840	**5,402,380**
North Dakota	1,018	3,000	727	1,247	2,948	1,022	**413,319**
Ohio	19,695	15,267	5,278	23,623	56,726	68,049	**7,071,058**
Oklahoma	5,235	4,099	1,554	3,687	8,796	7,367	**2,229,892**
Oregon	6,172	5,018	1,779	6,392	15,220	14,709	**2,092,702**
Pennsylvania	19,842	15,382	6,371	16,713	41,058	34,414	**8,521,869**
Rhode Island	1,720	1,443	644	2,128	5,668	7,034	**946,002**
South Carolina	6,621	5,756	1,649	10,522	24,962	28,699	**2,402,577**
South Dakota	1,212	2,772	769	1,247	2,948	1,142	**473,707**
Tennessee	9,600	7,426	2,472	10,945	25,353	29,028	**3,698,343**
Texas	38,646	28,020	6,550	34,692	82,829	57,466	**14,377,543**
Utah	4,197	4,544	807	1,816	5,118	3,337	**1,255,647**
Vermont	997	1,299	664	1,247	2,948	1,451	**556,346**
Virginia	13,737	8,596	2,570	5,280	13,114	13,564	**3,815,432**
Washington	10,557	8,383	1,614	9,792	23,682	16,793	**4,081,718**
West Virginia	2,303	3,173	1,361	2,434	5,397	3,562	**1,122,544**
Wisconsin	10,122	7,557	3,023	5,236	13,948	16,734	**3,053,210**
Wyoming	917	2,151	595	1,247	2,948	550	**370,731**
Puerto Rico	2,966	4,941	1,663	20,472	43,251	44,175	**2,208,785**
American Samoa	NA	NA	280	66	156	133	**117,884**
Guam	NA	NA	280	533	1,265	1,083	**127,720**
Mariana Islands	NA	NA	93	197	468	401	**104,243**
Virgin Islands	141	NA	280	314	746	639	**133,977**
TOTAL	**$499,975**	**$397,062**	**$120,000**	**$500,000**	**$1,182,000**	**$1,250,000**	**199,071,986**

State Fiscal Stabilization Fund

The economic recovery bill creates a "State Fiscal Stabilization Fund" to help state and local governments avert budget cuts amid the growing state fiscal crisis. The Stabilization Fund provides two block grants for states — a $39.5-billion grant earmarked for education and an $8.8-billion grant to help fund other key services. Together, these provisions provide about $48.3 billion in fiscal relief for state and local governments. (The Stabilization Fund also includes about $5 billion for incentive grants and other purposes, for a total of $53.6 billion.)

The $48 billion in block grants is allocated among states through a combination of two population measures. Sixty-one percent of the funds are allocated by each state's population aged 5 to 24. The remaining 39 percent of funds are allocated based on total state population. Out of each state's allocation based on these measures, 81.8 percent is reserved for the education block grant, and 18.2 percent is considered the "flexible" grant.

The $39.5 billion in education grants would support K-12 and higher education during state fiscal years 2009, 2010, and 2011. A portion of the funds would be dedicated to helping *states* maintain K-12 and higher education funding; the remainder would flow directly to *local* school districts. The funds must first be used to restore state education funding up to the greater of the FY08 and FY09 level, or, if higher, up to existing state formula levels. They can also be used to allow the phase-in of previously enacted equity and adequacy adjustments. Any funds remaining after these uses must be sent to local school districts. If funds are not sufficient to provide state support for K-12 and higher education at these levels, the state must allocate the funds between K-12 and higher education in proportion to the relative shortfalls.

States can use the $8.8 billion in flexible block grants to avert budget cuts in education or in other basic state services, such as public safety and law enforcement, services for the elderly and people with disabilities, or child care. These funds can also be used for school modernization, renovation, or repair.

The funds are available to states immediately, and must be spent within two years of receipt of the grant.

To receive the block grants, states would be required to fund both K-12 and higher education at no less than the fiscal year 2006 level in fiscal years 2009, 2010, and 2011, though the Secretary of Education would have some discretion to loosen this requirement. States must also satisfy other requirements, including requirements for data collection, educational assessment, and equitable distribution of teachers among schools.

(The bill also provides $5 billion for "State Incentive Grants" and small amounts for territories and administration. The incentive grants are not included in the table below. States would have to apply for the incentive grants and show they have made progress on initiatives such as improving the distribution of teachers between high-poverty and low-poverty schools or establishing longitudinal data systems. For states receiving these grants, half of the funds must be passed through to local governments.)

The table below provides an estimate of the state-by-state allocations of the two block grants.

State by State Impact of the American Recovery and Reinvestment Act of 2009

State Fiscal Stabilization Fund

(Millions of dollars, total allocated over FY2009-FY2011)

	Education Block Grant	Flexible Block Grant
U.S. Total	**$39,524.1**	**$8,793.9**
Alabama	$596.4	$132.7
Alaska	$93.0	$20.7
Arizona	$831.9	$185.1
Arkansas	$363.1	$80.8
California	$4,875.5	$1,084.8
Colorado	$621.9	$138.4
Connecticut	$443.3	$98.6
Delaware	$110.3	$24.5
District of Columbia	$73.1	$16.3
Florida	$2,208.8	$491.5
Georgia	$1,260.8	$280.5
Hawaii	$157.2	$35.0
Idaho	$201.7	$44.9
Illinois	$1,681.1	$374.0
Indiana	$823.7	$183.3
Iowa	$386.4	$86.0
Kansas	$367.4	$81.7
Kentucky	$532.8	$118.5
Louisiana	$579.6	$129.0
Maine	$158.3	$35.2
Maryland	$719.7	$160.1
Massachusetts	$813.3	$181.0
Michigan	$1,302.4	$289.8
Minnesota	$667.9	$148.6
Mississippi	$392.1	$87.2
Missouri	$753.2	$167.6
Montana	$121.6	$27.1
Nebraska	$234.0	$52.1
Nevada	$324.4	$72.2
New Hampshire	$164.2	$36.5
New Jersey	$1,088.3	$242.1
New Mexico	$260.4	$57.9
New York	$2,468.6	$549.2
North Carolina	$1,161.9	$258.5
North Dakota	$85.6	$19.1
Ohio	$1,463.7	$325.7
Oklahoma	$472.8	$105.2
Oregon	$466.5	$103.8
Pennsylvania	$1,558.8	$346.8
Rhode Island	$134.9	$30.0
South Carolina	$567.7	$126.3
South Dakota	$104.3	$23.2
Tennessee	$775.1	$172.5
Texas	$3,250.3	$723.2
Utah	$392.6	$87.3
Vermont	$77.2	$17.2
Virginia	$983.9	$218.9
Washington	$819.9	$182.4
West Virginia	$218.0	$48.5
Wisconsin	$717.3	$159.6
Wyoming	$67.6	$15.0
Puerto Rico	$529.7	$117.9

Food Stamp (or Supplemental Nutrition Assistance) Program

The economic recovery package includes $20 billion for the Food Stamp Program (recently renamed the Supplemental Nutrition Assistance Program). Most of this amount (about $19 billion) would be used to fund a 13.6 percent increase to maximum food stamp benefits, which would go into effect in April 2009. (The new level will stay in place in subsequent years until the program's regular annual inflation adjustments overtake the benefit increase.) All food stamp households — currently about 14 million households containing more than 31 million individuals — will benefit from the increase.

Food stamps are one of the most effective forms of economic stimulus because low-income individuals generally spend their available resources on meeting their daily needs, such as shelter, food, and transportation. Therefore, every dollar in food stamps that a low-income family receives enables the family to spend an additional dollar on food or other items. USDA research has found that $1 in food stamps generates $1.84 in total economic activity. Mark Zandi of Moody's Economy.com estimates a similar multiplier ($1.73 for every additional $1 in food stamp expenditures), the highest of the various spending and tax measures he evaluated.

The package also would provide $290.5 million in administrative funds to states to implement the change and help manage rising caseloads during the recession (another $4.5 million would go to USDA for administrative costs), suspend for 18 months the three-month time limit on assistance that many unemployed childless adults face, provide a comparable increase for the food assistance block grant for Puerto Rico and American Samoa, and provide $5 million for the Food Distribution Program on Indian Reservations.

The attached table shows the estimated state-by-state impacts of three of the food stamp provisions: the 13.6 percent maximum benefit increase, the increase for the Puerto Rico/American Samoa block grant, and the state administrative funds. Because all food stamp recipients will benefit from the increase, the number of individuals is based on food stamp participation for November 2008, the most recent month for which data are available (with downward adjustments to remove disaster benefits in Texas from Hurricane Ike). If food stamp participation continues to rise, the number of people helped also will grow. The distribution of dollars is based on Congressional Budget Office cost estimates and 2006 food stamp administrative data. We assume that the bill will help households that receive the minimum benefit or participate in Combined Application Projects (CAPs). Administrative funds are allocated, as the bill requires, based partly on total food stamp caseloads over the last year and partly on growth in food stamp caseloads over the last year.

Sources: USDA, Economic Research Service, "Effects of Changes in Food Stamp Expenditures Across the U.S. Economy" by Kenneth Hanson and Elise Golan, August 2002. Mark Zandi, "The Economic Impact of the American Recovery and Reinvestment Act," January 21, 2009.

State by State Impact of the American Recovery and Reinvestment Act of 2009
Food Stamps
(Millions of dollars, total over FY2009-FY2013)

	Increase in Food Stamp Benefits	Participants Receiving Stimulus	Food Stamp Administration
U.S. Total	**$19,300**	**31,100,000**	**$290.5**
Alabama	$389	625,000	$5.2
Alaska	$36	55,000	$0.5
Arizona	$381	721,000	$6.8
Arkansas	$269	389,000	$2.9
California	$1,466	2,432,000	$21.8
Colorado	$181	277,000	$2.5
Connecticut	$152	240,000	$2.5
Delaware	$46	81,000	$0.8
District of Columbia	$63	99,000	$1.1
Florida	$879	1,725,000	$20.7
Georgia	$666	1,167,000	$10.5
Hawaii	$66	100,000	$1.1
Idaho	$65	116,000	$1.1
Illinois	$890	1,371,000	$11.9
Indiana	$409	660,000	$5.5
Iowa	$161	279,000	$2.7
Kansas	$127	200,000	$1.7
Kentucky	$427	667,000	$5.7
Louisiana	$461	712,000	$6.4
Maine	$114	185,000	$1.8
Maryland	$219	412,000	$4.2
Massachusetts	$317	575,000	$6.8
Michigan	$800	1,315,000	$12.5
Minnesota	$175	308,000	$2.8
Mississippi	$296	480,000	$3.8
Missouri	$562	964,000	$6.6
Montana	$57	83,000	$0.7
Nebraska	$83	123,000	$0.9
Nevada	$84	168,000	$1.8
New Hampshire	$38	69,000	$0.7
New Jersey	$297	473,000	$4.6
New Mexico	$172	262,000	$2.2
New York	$1,289	2,137,000	$24.5
North Carolina	$616	1,048,000	$9.4
North Dakota	$30	50,000	$0.4
Ohio	$756	1,224,000	$11.2
Oklahoma	$302	438,000	$3.3
Oregon	$307	516,000	$5.7
Pennsylvania	$779	1,261,000	$11.5
Rhode Island	$52	91,000	$0.9
South Carolina	$383	644,000	$5.8
South Dakota	$42	67,000	$0.5
Tennessee	$608	983,000	$9.0
Texas	$1,812	2,996,000	$25.7
Utah	$94	157,000	$1.4
Vermont	$34	61,000	$0.6
Virginia	$355	594,000	$5.3
Washington	$392	663,000	$7.1
West Virginia	$187	288,000	$2.5
Wisconsin	$246	480,000	$4.7
Wyoming	$17	23,000	$0.2
Guam	$18	29,000	$0.2
Virgin Islands	$9	14,000	$0.1
Puerto Rico/ Am. Samoa	$579	N/A	N/A

Temporary Increase in State FMAP

The economic recovery bill provides a temporary increase in the share of the Medicaid program paid by the federal government (known as the Federal Medical Assistance Percentage or "FMAP"). The provision will take effect immediately and provide states with approximately $87 billion in assistance over nine calendar quarters (October 1, 2008 through December 31, 2010).

There are three components to the policy. First, each state will be "held harmless" from any drop in its FMAP rate that would otherwise occur under the regular FMAP formula as a result of an increase in its per capita income in years prior to the recession. (States with higher incomes have lower FMAP rates than states with lower incomes.) Second, each state will receive a "base" 6.2-percentage-point FMAP increase. Third, states that are experiencing large increases in their unemployment rates — as most states are — will receive an additional FMAP increase, that would proportionally reduce the states' share of Medicaid costs by 5.5 percent, 8.5 percent, or 11.5 percent, depending on the size of the increase in unemployment. Each state's eligibility for this additional FMAP increase would be evaluated each quarter based on the most recent unemployment data, with states qualifying for a greater level of assistance if their economic situation worsens. (No state would lose this higher FMAP rate if its unemployment dropped before July 1, 2010.)

The FMAP increases would apply to the costs of Medicaid benefits and to Title IV-E foster care and adoption assistance (but the increase related to unemployment would not apply to Title IV-E spending). The FMAP increases would not apply to Medicaid Disproportionate Share Hospital (DSH) payments, or to SCHIP and other Title IV programs that have federal matching rates based on the FMAP.

To receive an increased FMAP under this proposal, a state must satisfy two requirements. First, a state may not have Medicaid eligibility levels that are more restrictive than were in effect on July 1, 2008. States whose current eligibility levels do not meet this test would still be eligible to qualify for an increased FMAP if they take action to restore eligibility to July 2008 levels. Second, a state must ensure that it is promptly paying physicians, hospitals, and nursing homes that provide Medicaid services.

For a detailed description of how this provision works, please see Iris J. Lav, Edwin Park, Jason Levitis, and Matthew Broaddus, "Recovery Act Provides Much-Needed, Targeted Medicaid Assistance to States," CBPP, February 13, 2009. Available at www.cbpp.org/2-13-09sfp.htm.

The tables below provide estimates prepared by the Government Accountability Office for the Senate Finance Committee of the amount of Medicaid assistance that each state would potentially receive, based on projections of state Medicaid spending and future state unemployment rates.

State by State Impact of the American Recovery and Reinvestment Act of 2009

Fiscal Relief for State Medicaid Costs

(Millions of dollars, total over States' FY2009-FY2011)

	Additional Funding
U.S. Total	**$87,144**
Alabama	$850
Alaska	$220
Arizona	$1,980
Arkansas	$730
California	$11,230
Colorado	$880
Connecticut	$1,320
Delaware	$320
District of Columbia	$300
Florida	$4,390
Georgia	$1,730
Hawaii	$360
Idaho	$300
Illinois	$2,900
Indiana	$1,440
Iowa	$550
Kansas	$450
Kentucky	$1,030
Louisiana	$1,660
Maine	$470
Maryland	$1,630
Massachusetts	$3,090
Michigan	$2,270
Minnesota	$2,030
Mississippi	$790
Missouri	$1,600
Montana	$180
Nebraska	$310
Nevada	$450
New Hampshire	$250
New Jersey	$2,220
New Mexico	$630
New York	$12,650
North Carolina	$2,350
North Dakota	$110
Ohio	$3,010
Oklahoma	$960
Oregon	$830
Pennsylvania	$4,070
Rhode Island	$470
South Carolina	$860
South Dakota	$120
Tennessee	$1,620
Texas	$5,450
Utah	$320
Vermont	$280
Virginia	$1,470
Washington	$2,060
West Virginia	$450
Wisconsin	$1,240
Wyoming	$110
American Samoa	$3
Guam	$4
N. Mariana Islands	$2
Puerto Rico	$142
Virgin Islands	$3

Child Care

The economic recovery package will provide an additional $2 billion in child care funding under the Child Care and Development Block Grant (CCDBG). CCDBG provides funding to states to subsidize child care for children in low-income working families and low-income families in which parents are engaged in education or training.

Due to funding constraints, only a minority of children eligible for child care assistance currently receive any help paying for child care. Moreover, need for child care assistance will remain high despite the recession. Some employed parents who previously could afford child care will need help when their earnings fall. Parents who are out of work but are going to school or are engaged in training programs to retool their skills will also need help paying for child care. And many parents who are unaffected by the recession will continue working for low or moderate pay and will still struggle to pay the high cost of child care.

The Center for Law and Social Policy has estimated the funding each state will receive from the recovery package and the average monthly number of children the state will be able to serve with those additional resources. Its analysis is found here: http://clasp.org/publications/aara_childcarestatealloc.pdf

CLASP

CENTER FOR LAW AND SOCIAL POLICY

How Much Restored Child Support Funding Will Each State Receive Under the American Recovery and Reinvestment Act?

By Vicki Turetsky

February 13, 2009

The child support enforcement program is a major part of the safety net for struggling families. One in four children—17 million—receive child support services. Families quickly spend their child support income to pay for basic needs, shoring up consumer demand for goods and services, and preserving jobs in the community. The child support program is cost-effective: it collects $6 for every federal dollar invested.

The American Recovery and Reinvestment Act includes $1 billion to temporarily suspend a provision in the Deficit Reduction Act of 2006 that reduced federal child support funding by 20 percent. The DRA eliminated the longstanding federal match on incentive payments that states earn and reinvest in the program based on their performance rates. This funding will be available to states and counties through September 30, 2010. The funding will allow families to continue to receive child support payments and prevent imminent cutbacks in the child support program.

The following table shows the approximate amount of federal matching funds that the state can now draw down during next two years.

State	Additional funds state could receive during 2-year period from restored performance incentive matching funds ($ millions)
Alabama	16.5
Alaska	6.8
Arizona	22.1
Arkansas	14.5
California	154.5
Colorado	19.1
Connecticut	16.1
Delaware	4.9
District of Columbia	3.0
Florida	100.1
Georgia	43.2
Guam	0.4
Hawaii	6.0
Idaho	9.6

Illinois	37.0
Indiana	31.8
Iowa	27.2
Kansas	13.1
Kentucky	28.8
Louisiana	24.0
Maine	8.4
Maryland	29.2
Massachusetts	35.2
Michigan	104.1
Minnesota	47.6
Mississippi	12.9
Missouri	41.2
Montana	4.2
Nebraska	10.3
Nevada	7.9
New Hampshire	7.1
New Jersey	63.3
New Mexico	4.6
New York	101.0
North Carolina	52.7
North Dakota	6.5
Ohio	114.4
Oklahoma	16.3
Oregon	22.2
Pennsylvania	99.5
Puerto Rico	13.0
Rhode Island	4.6
South Carolina	13.3
South Dakota	5.9
Tennessee	32.0
Texas	160.7
Utah	13.3
Vermont	3.9
Virginia	40.4
Virgin Islands	0.4
Washington	49.2
West Virginia	15.4
Wisconsin	52.8
Wyoming	4.7

Source: CLASP calculation based on OCSE 2006 data (latest available). Amounts are based on the maximum amount of federal matching funds available to match two full years of incentive payments, and do not take into account any match received on state and county funds.

Education

The table below shows the funding provided for various Department of Education programs.

Additional Funding in the American Recovery and Reinvestment Act of 2009 (Millions of Dollars)	
Title I - Grants to Local Educational Agencies	$10,000
Title I - School Improvement Grants	$3,000
IDEA - Special Education (Part B state grants)	$11,700
Impact Aid Construction	$100
Education Technology	$650
Education for Homeless Children and Youth	$70
Teacher Incentive Fund	$200
IDEA - Infants and Families (Part C state grants)	$500
Rehabilitation Services and Disability Research	$680
Statewide Data Systems	$250
Total K-12 funding	**$27,150**
Student Financial Assistance (Pell Grants - Discretionary)	$15,640
Student Financial Assistance (Pell Grants - Mandatory)	$1,470
Student Aid Administration	$60
College Work-Study	$200
Teacher Quality Enhancement Grants	$100
Total Post-Secondary Education funding	**$17,470**
Total Education Funding	**$44,620***

*This table does not include the $14 million provided for the Office of the Inspector General or any funds from the $53.6 billion State Fiscal Stabilization Fund. For more information on the State Fiscal Stabilization Fund click here: http://www.cbpp.org/1-22-09bud-sfsf.pdf

State-by-State Distribution

On February 19th, 2009 the Department of Education released its preliminary state-by-state allocation of funds from the Recovery Package. (http://www.ed.gov/about/overview/budget/statetables/recovery.html)

Their state-by-state tables for various programs can be found here: http://www.ed.gov/about/overview/budget/statetables/09arrastatetables.xls.

Emergency Shelter Grant Program

The Emergency Shelter Grant (ESG) program, administered by HUD, provides formula grants to states and localities that may be used for homelessness prevention, emergency shelters, and street outreach. Twenty-five percent of the funds go to states; the rest of the funds go to localities.

The economic recovery package provides an additional $1.5 billion for ESG for use only for homelessness prevention activities (not for emergency shelters). The funds could be used for short-term or medium-term rental assistance, housing stabilization services, and housing relocation assistance, including security or utility deposits and moving costs.

The funding will help some families avert homelessness by providing them with help to pay for a few months of overdue rent or utility bills or the costs of moving into a new apartment. Relocation funds will help families meet the one-time costs associated with getting settled in new housing after being displaced by foreclosure, including many renters who are left without housing when the property in which they live is foreclosed upon. These funds will be spent quickly, boosting local economies and improving cash-flow for rental property owners, which are typically small businesses.

This table shows the estimated amount of additional ESG funds each state (including localities within a state) will receive under the final recovery package and the estimated number of families assisted with such funds. Using the 2008 ESG awards as provided on the HUD website, we calculated the percentage of total 2008 funds allocated to each state. We then applied those percentages to the $1.5 billion provided in the recovery package to get the dollar figures. To estimate the number of households assisted, we assumed that the national average ESG cost per household assisted would be $5,000, and weighted this estimate by the average HUD Fair Market Rent for the state.

2008 ESG awards: http://www.hud.gov/offices/cpd/about/budget/budget08/index.cfm
FMRs: NLIHC's Out-of-Reach 2007-2008 http://www.nlihc.org/oor/oor2008/

State by State Impact of the American Recovery and Reinvestment Act of 2009

Emergency Shelter Grant Program

(Millions of dollars, total allocated in FY2009)

	Additional Funding	Estimated number of households assisted by new funds
U.S. Total	$1,500.0	299,400
Alabama	$20.1	5,600
Alaska	$1.9	300
Arizona	$22.1	4,400
Arkansas	$11.2	3,100
California	$190.7	25,200
Colorado	$15.6	3,100
Connecticut	$17.0	2,600
Delaware	$2.9	600
District of Columbia	$7.6	900
Florida	$65.7	11,500
Georgia	$33.6	7,600
Hawaii	$6.2	700
Idaho	$5.0	1,300
Illinois	$71.5	14,000
Indiana	$28.7	7,000
Iowa	$16.8	4,500
Kansas	$11.4	3,000
Kentucky	$18.6	5,000
Louisiana	$25.4	5,600
Maine	$8.1	1,700
Maryland	$22.7	3,400
Massachusetts	$44.8	6,200
Michigan	$53.8	12,000
Minnesota	$23.7	5,100
Mississippi	$14.4	3,800
Missouri	$27.5	7,000
Montana	$3.8	1,000
Nebraska	$7.9	2,100
Nevada	$8.3	1,400
New Hampshire	$5.4	900
New Jersey	$41.2	5,900
New Mexico	$8.6	2,200
New York	$142.6	19,600
North Carolina	$29.1	7,000
North Dakota	$2.6	800
Ohio	$66.1	16,000
Oklahoma	$12.4	3,400
Oregon	$15.0	3,400
Pennsylvania	$90.6	19,800
Rhode Island	$7.0	1,100
South Carolina	$15.9	3,900
South Dakota	$3.3	900
Tennessee	$20.4	5,200
Texas	$104.1	22,000
Utah	$8.4	2,000
Vermont	$3.4	700
Virginia	$25.0	4,400
Washington	$25.1	5,000
West Virginia	$10.2	3,000
Wisconsin	$27.3	6,300
Wyoming	$1.7	500
Puerto Rico	$45.2	15,800

Training and Employment Services

The Workforce Investment Act (WIA) provides funds to localities for job training and employment services for dislocated workers, youth, and adults.

The economic recovery package will provide $3.95 billion for WIA training and employment services.

A portion of the funding — $2.95 billion — would be distributed to states using standard WIA grant formulas. The package provides $1.2 billion for youth activities, $1.25 billion for dislocated workers, and $500 million for adult activities.

In addition to the $2.95 billion in formula grants, the bill provides $50 million for YouthBuild, $750 million for a new program of competitive grants for worker training and placement in high growth and emerging industries, and $200 million for the dislocated workers assistance national reserve.

The table shows estimates of how the recovery package will distribute the $2.95 billion in WIA formula funding for adult, dislocated worker, and youth services grants. These estimates are based on data from the Congressional Research Service. The non-formula funds are not included in this table.

State by State Impact of the American Recovery and Reinvestment Act of 2009

Additional Funding in Worker Training & Employment Services

(Millions of dollars, total allocated in FY2009)

	Youth Services	Dislocated Workers	Adult Activities
U.S. Total	**$1,200.0**	**$1,250.0**	**$500.0**
Alabama	$11.8	$10.3	$5.2
Alaska	$4.0	$3.3	$1.7
Arizona	$18.0	$18.5	$7.7
Arkansas	$12.2	$7.6	$5.1
California	$188.5	$225.0	$80.9
Colorado	$12.0	$10.5	$4.8
Connecticut	$11.1	$13.5	$4.4
Delaware	$2.9	$1.8	$1.2
District of Columbia	$4.0	$4.1	$1.6
Florida	$43.3	$78.4	$19.6
Georgia	$31.7	$41.2	$13.3
Hawaii	$2.9	$2.1	$1.2
Idaho	$2.9	$1.9	$1.2
Illinois	$62.8	$65.3	$26.1
Indiana	$23.9	$21.4	$9.5
Iowa	$5.2	$6.3	$1.6
Kansas	$7.2	$6.2	$2.7
Kentucky	$17.9	$19.3	$8.3
Louisiana	$20.2	$9.8	$8.8
Maine	$4.3	$3.9	$1.8
Maryland	$11.7	$12.3	$5.0
Massachusetts	$25.1	$18.7	$10.2
Michigan	$74.7	$90.8	$31.2
Minnesota	$18.0	$17.5	$7.0
Mississippi	$18.9	$18.3	$7.9
Missouri	$25.7	$29.4	$10.6
Montana	$2.9	$1.7	$1.2
Nebraska	$3.0	$2.9	$1.2
Nevada	$7.6	$14.1	$3.4
New Hampshire	$2.9	$2.6	$1.2
New Jersey	$21.0	$26.5	$9.5
New Mexico	$6.3	$3.5	$2.7
New York	$72.2	$70.2	$31.8
North Carolina	$25.3	$39.8	$10.4
North Dakota	$2.9	$1.0	$1.2
Ohio	$56.7	$68.0	$23.6
Oklahoma	$8.8	$7.4	$3.7
Oregon	$15.2	$14.7	$6.4
Pennsylvania	$41.1	$34.4	$16.7
Rhode Island	$5.7	$7.0	$2.1
South Carolina	$25.0	$28.7	$10.5
South Dakota	$2.9	$1.1	$1.2
Tennessee	$25.4	$29.0	$10.9
Texas	$82.8	$57.5	$34.7
Utah	$5.1	$3.3	$1.8
Vermont	$2.9	$1.5	$1.2
Virginia	$13.1	$13.6	$5.3
Washington	$23.7	$16.8	$9.8
West Virginia	$5.4	$3.6	$2.4
Wisconsin	$13.9	$16.7	$5.2
Wyoming	$2.9	$0.5	$1.2
Puerto Rico	$42.9	$43.3	$20.3

Economic Recovery Payments for Those with Social Security, SSI, and Veterans Benefits

In addition to providing tax relief for workers, the economic recovery package provides a one-time Economic Recovery Payment in 2009 for retirees, veterans, and people with disabilities. The payment is $250 for each person who received any Social Security, SSI, veterans disability compensation or pension benefits, or railroad retirement benefits in November or December 2008 or January 2009. (For tax filers who are eligible for both this payment and the new Making Work Pay tax credit, the value of the Economic Recovery Payment is to be deducted from the credit.)

The following table shows estimates, by state, of the number of people eligible to receive the Economic Recovery Payment. The Joint Committee on Taxation estimates that the payments will total $14 billion in 2009, equivalent to 56 million recipients nationwide. The table distributes this number by state based on each state's percentage share of the number of Social Security and SSI recipients in December 2007 plus an adjustment for people receiving veterans benefits.[1]

[1] In order to avoid double-counting people who received both veterans benefits and Social Security or SSI, we included only half of the number of veterans beneficiaries. Census data show that, nationally, about half of veterans beneficiaries already receive Social Security benefits or SSI.

Number of Persons Benefiting from One-Time $250 "Economic Recovery Payments" to Recipients of Social Security, SSI, Veterans Benefits, and Railroad Retirees, 2009

U.S. Total	56,000,000
Alabama	1,082,000
Alaska	83,000
Arizona	1,068,000
Arkansas	672,000
California	5,476,000
Colorado	687,000
Connecticut	642,000
Delaware	172,000
District of Columbia	91,000
Florida	3,908,000
Georgia	1,505,000
Hawaii	233,000
Idaho	266,000
Illinois	2,160,000
Indiana	1,200,000
Iowa	602,000
Kansas	500,000
Kentucky	977,000
Louisiana	871,000
Maine	313,000
Maryland	889,000
Massachusetts	1,226,000
Michigan	2,002,000
Minnesota	901,000
Mississippi	655,000
Missouri	1,205,000
Montana	195,000
Nebraska	326,000
Nevada	404,000
New Hampshire	250,000
New Jersey	1,524,000
New Mexico	379,000
New York	3,601,000
North Carolina	1,783,000
North Dakota	126,000
Ohio	2,236,000
Oklahoma	751,000
Oregon	712,000
Pennsylvania	2,757,000
Rhode Island	219,000
South Carolina	925,000
South Dakota	160,000
Tennessee	1,286,000
Texas	3,606,000
Utah	317,000
Vermont	128,000
Virginia	1,339,000
Washington	1,123,000
West Virginia	495,000
Wisconsin	1,073,000
Wyoming	92,000

Note: Figures are unduplicated counts of persons receiving Social Security or SSI in December 2007, plus one-half of the number receiving veterans benefits in 2007. (About half of persons receiving veterans benefits are already included in the Social Security count).
Source: Social Security Administration; Veterans Benefits Administration.

Homes & Communities
U.S. Department of Housing and Urban Development

Community Development Block Grants

Information by State
Esta página en español
Print version

Program Description

The Community Development Block Grant (CDBG) program enables local governments to undertake a wide range of activities intended to create suitable living environments, provide decent affordable housing and create economic opportunities, primarily for persons of low and moderate income. Under the Recovery Act, recipients shall give priority to projects that can award contracts based on bids within 120 days of the grant agreement.

Process for Making Awards

Grantees will prepare an action plan amendment. HUD will process the plans in an expedited manner, execute grant agreements, and make the funds available in each grantee's line of credit.

Eligible Applicants

Eligible applicants include States, units of general local government that received CDBG Entitlement funding in FY 2008, non-entitlement jurisdictions in Hawaii, and Insular Areas.

Funding Amounts

Total Funding: $1,000,000,000*+
Total Funds Allocated: $980,000,000
Total Funds Obligated: $0
Total Funds Expended: $0

*Up to 1.0 percent of each amount appropriated in this legislation may be used for the expenses of management and oversight of the programs, grants, and activities funded by such appropriation.

+$10,000,000 will be competitively awarded via the Indian Community Development Block Grant Program

See allocations by state

Content current as of 25 February 2009

U.S. Department of Housing and Urban Development
451 7th Street, S.W., Washington, DC 20410
Telephone: (202) 708-1112 Find the address of a HUD office near you

Contact: Anya Malkov
amalkov@pewtrusts.org
202-862-9860

American Recovery and Reinvestment Act:
Provisions Pertaining to Early Childhood Education

pre[k]now
a campaign of the Pew Center on the States

Funding Stream and Reference in the Bill	Amount	Distribution of Funds: Timeline and key players.[i]	Uses of Funds[ii]	Maintenance of Effort or Matching Requirement	Useful outreach
Department of Health and Human Services					
CCDBG Pp 65, 453[iii]	$2 billion	Federal to State States must obligate funds within two years and spend within three years.	Regular formula $255.2 million for quality in addition to the usual 4% quality mandate, of that, $93.6 million must be for infants and toddlers.[iv]	*"shall be used to supplement, not supplant State general revenue funds for child care assistance for low-income families"* (Conference Report pg 65)	State Advisory Council on Early Childhood Education and Care (hereafter: State Advisory Council); Child care provider coalitions and associations
Head Start Pp 65, 454	$1 billion	Federal to local Available immediately *"The conferees expect HHS to manage these resources in order to sustain fiscal year 2009 awards through fiscal year 2010"* (Conference Report pg 454)	Regular formula for expansion of Head Start and Early Head Start Mandatory set-asides for the territories, training and technical assistance, monitoring, quality, expansion of Seasonal and Migrant Head Start and American Indians and Alaskan Natives, cost of living adjustments. One-time start-up grants for State Advisory Councils.	Regular formula requires local funds. *"The conferees remind the Secretary of the authority to temporarily increase or waive the limit on the Federal share of a Head Start or Early Head Start grant under the circumstances described in the authorizing statute and support the Secretary's exercise of that authority where appropriate"* (pg 454)	State Advisory Council; State Head Start Association

				70% State match on State Advisory Council.	
Early Head Start Pp 65, 454	$1.1 billion	Federal to local Available immediately See statement of the conferees above.	Awarded on a competitive basis to allow for the expansion of Early Head Start. Up to 10% for training and technical assistance Up to 3% for monitoring purposes.	See statement of the conferees above.	State Advisory Council; State Head Start Association
Community Services Block Grant Pp 65, 454	$1 billion	Federal to state to local eligible entities Available immediately	*"The agreement includes bill language requiring States to reserve 1 percent of their allocation for benefit coordination services and to distribute the remaining funds directly to local eligible entities"* Agreement permits *"States to increase the income eligibility ceiling from 125% to 200% of the Federal poverty level"* (Conference Report pg 454)		Human services providers and associations, state human services agency, Head Start providers
Department of Education[v]					
Title I Grants to LEAs Pp 68, 456	$10 billion	Federal to SEA's to LEA's 2009-2010 2010-2011 school years	$5billion targeted grants (Sec 1125) $5 billion education finance incentive grants (Sec 1125A) *"The conferees expect States to use some of the funding provided for early childhood programs and*	N/A	Superintendents and school district early education specialists; state early education specialists

			activities, as proposed by the Senate." (Conference Report pg 456) Note: an estimated 260,000-300,000 preschoolers are served by Title I Title I preschool services may be provided by the LEA or subcontracted to Head Start, Even Start or other providers serving Title I-qualified children.		Head Start and other early care providers who may be subcontracted by the LEA.
Title I School Improvement Grants Pp 68, 456	$3 billion	Federal to SEA's to LEA's 2009-2010 2010-2011 school years	School improvement grants to help failing schools meet AYP Conferees encourage States to use 40% for middle and high schools	N/A	N/A
Impact Aid Pp 68, 457	$100 million		40% regular distribution formula 60% competitive grants for emergency repairs and modernization of elementary and secondary schools *"allow funding to be better targeted to districts that have 'shovel ready' facility projects, including those that address health and safety and ADA compliance issues, among other things"* (Conference Report pg 457)	N/A	School districts, where applicable
School Improvement Programs		Federal to SEA's SEA's to LEA's mix of formula and	$650 million **Education Technology Program** – could be used for local activities on professional	N/A	School districts

Pp 68, 457		competitive grants For McKinney-Vento, SEA's must subgrant 75% of the funds to LEA's no later than 120 days after receiving the funds from the Federal Government	development, use of new technology to improve curriculum and achievement or increase parental involvement. Also technology for data collection and analysis. $70 million **McKinney-Vento homeless assistance grants**: SEA's could use portion of the funds to ensure that homeless children, including those of preschool age, have access to education. LEA's provided services, including to preschool-aged homeless children.		
Teachers Incentive Fund Program Pp 68-69, 458	$200 million	Fed to LEA's, states or partnerships via competitive grant Institute of Education Sciences	To implement and rigorously study performance-based compensation systems for teachers and principals in high-need schools.	N/A	
IDEA part B Pp 69, 458	$11.3 billion	Fed to SEA's to LEA's by formula 2009-2010 2010-2111 school years	*"Formula grants to increase the federal share of special education costs and prevent these mandatory costs from forcing states to cut other areas of education"* (Appropriations Cmt. Summary)	N/A	School district
IDEA part B Section 619 Pp 69, 458	$400 million	Fed to SEA, SEAs reserve roughly 25%, distribute the rest to LEA's by formula 2009-2010	Section 619 of IDEA: children with disabilities aged 3 to 5. SEA – can use reserved funds for coordinating statewide service systems of early intervention and	N/A	School district

		2010-2111 school years	early learning. LEA's – funds usually used for teacher salaries, etc.		
IDEA part C Pp 69, 458	$500 million	2009-2010 2010-2111 school years	Intervention services for infants and toddlers with disabilities (as determined by the state)	N/A	School district
Teacher Quality Partnerships (HEA Title II, Part A) Pp 70, 459	$100 million	Federal to local partnerships by application Immediately	Partnerships between high-need local school districts and higher ed institutions aimed at improving teacher qualifications. Early educators qualify under HEA 2008.	As outlined in Higher Education Opportunity Act of 2008.	Institutions of higher education that offer early educator programs
Statewide Data Systems (Institute for Educational Sciences) Pp 70, 459	$ 250 million	Fed to SEA's on competitive basis	Could be used to develop longitudinal data systems or link existing ones into a p-16 continuum.		State education agency, researchers, data-oriented organizations.
State Fiscal Stabilization Fund: $53.6 billion Title XIV of ARRA, administered by Dept of Ed[vi]					
Education Fund Title XIV Sec 14002 (a) Pp 166-171, 505-508	$39.5 billion	Immediately Fed to Governor by application[vii] Governor to Local Education Agencies	*"Sec. 14002 State Use of Funds* *(a) Education Fund –* *(1) In general – For each fiscal year, the Governor shall use 81.8 percent of the State's allocation under section 14001(d) for the support of elementary, secondary, and*	Maintain State support for elementary, secondary and public postsecondary education at least at the levels in fiscal year 2006 *"Sec. 14002 [...]*	Governor's Office, State education agency, K-12 groups and associations

		Note: Fiscal year refers to state fiscal year, not federal.	*postsecondary education and, as applicable, early childhood education programs and services. (Conference Report, pg 167)"* *"Funding received must first be used to restore State aid to school districts under the State's primary elementary and secondary education funding formulae to the greater of the fiscal year 2008 or 2009 level in each of fiscal years 2009, 2010, 2011, and, where applicable, to allow existing formula increases for elementary and secondary education for fiscal years 2010 and 2011 to be implemented" (pg 506)*	*(B) Shortfall – If the governor determines that the amount of funds available under paragraph (1) is insufficient to support, in each of fiscal years 2009, 2010, and 2011, public elementary, secondary and higher education at the levels described in caluses (i) and (ii) of subparagraph (A), the Governor shall allocate those funds between those clauses in proportion to the relative shortfall in State support for the education sectors described in those clauses.*	
Flexible Block Grant "other government services including public safety and education" Title XIV Sec 14002 (b) Pp 168, 506	$8.8 billion	Immediately Fed to Governor for Governor's discretion	*"(b) Other Government Services (1) IN GENERAL.-The Governor shall use 18.2 percent of the State's allocation under section 14001 for public safety and other government services, which may include assistance for elementary and secondary education and public institutions of higher education and for modernization, renovation, or repair of public school facilities and institutions of higher education facilities, including modernization,*		

			renovation, and repairs that are consistent with a recognized green building rating system." (Conference Report pg 168)		
State Incentive Grants Title XIV Sec 14006 Pp 171, 507	$5 billion	FY 2010 Secretary of Education to Governor by application Incentive Grant Application: *"that describes the State's progress in each of the assurances and progress toward meeting the State's student academic achievement standards."* (Conference Report pg 507) Governor awards subgrants to LEA's	*"Each State receiving a grant under this section shall use at least 50% of the grant to provide local educational agencies in the State with subgrants based on relative shares of funding under part A of title I of the ESEA for the most recent year."* (Conference Report pg 168)	Governor must apply, describing State's progress in meeting assurances in the SFSF.[viii]	Gov's office
Innovation Fund Title XIV Sec 14007 Pp 171, 508	Up to $650 million of the $5 billion above	Secretary of Education to "eligible entities": - LEA - Partnership between non-profit and LEA(s)	For academic achievement awards that recognize success in closing the achievement gap, to expand the efforts and serve as "best practice" models. *"(3) BASIS FOR AWARDS.—The Secretary shall make awards to eligible entities that have made significant gains in closing the achievement gap as described in subsection (b)(1)—*		Pre-k programs with research demonstrating a positive impact on achievement could consider applying

		or Consortium of schools	*(A) to allow such eligible entities to expand their work and serve as models for best practices;* *(B) to allow such eligible entities to work in partnership with the private sector and the philanthropic community; and* *(C) to identify and document best practices that can be shared, and taken to scale based on demonstrated success.* (Conference Report, pg 172) Eligibility – ability to demonstrate with meaningful data that entity has: (1) significantly closed the achievement gaps (2) demonstrated success in significantly increasing student academic achievement for all groups of students for 2 or more consecutive years (3) significant improvement in other areas, such as graduation rates or increased recruitment and placement of high-quality teachers and school leaders (4) established partnerships with the private sector, which may include philanthropic organizations, and that the private sector will provide matching funds in order to help bring results to scale" (paraphrased from Conference Report, pg 172)		
OTHER					
WIA (DoL)			*More information soon!*		
Child Development Centers (DoD) Pp 78-79, 464	$240 million		For new child development centers. Army, Navy/Marines, Air Force - $80 million each.		Military installations
Community Development Block Grant	$1 billion	Federal (HUD) to state and local grantees	May be used for early childhood center construction and rehabilitation *Finding out more information!*		Community development entities, public-

(part of HUD Community Development Fund) Pp 104, 472		Bids within 120 days			private redevelopment enterprises, local advisory bodies
School Construction Bonds Pp 243,			*More information soon!*		

ENDNOTES

[i] 1) Unless otherwise specified, all funds appropriated under H.R. 1 remain available for obligation until **September 30, 2010**. (Title XVI, S16003
2) Regarding infrastructure investment, preference must be given to projects that can be started and completed expeditiously. The law sets a goal of having 50% or more of the funds for projects started not later than **120 days** after enactment. (Title XVI, Section 1602)
3) Governors must certify within 45 days of enactment their intention to request and use funds provided in H.R. 1. The State Legislature may certify the state's intention to use any funds (in any funding stream in H.R. 1) not accepted for use by the Governor. (Title XVI, Section 1607) (1-3 Courtesy of NCSL)
4) Distribution: "After the adoption of a State legislature's concurrent resolution, funding to the State will be for distribution to local governments, councils of government, public entities, and public-private entities within the State either by formula or at the State's discretion." (Title XVI, 1607)

[ii] Next week (February 23, 2009) there should be additional fact sheets, initial guidance for programs that include the fundamental policy principles; language on acceptable use of funds and flexibility options; and the expectations for States when they are to distribute funds to the local level. (Courtesy of Fritzwire)

iii All page numbers refer to the final "Conference Report to Accompany HR 1" – generally, the first page number references legislative text and the second page number notes the Conference Committee's joint statement on the provision. The full document is available online: http://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=111_cong_reports&docid=f:hr016.111.pdf

iv See CLASP for state-by-state funding estimates http://clasp.org/publications/aara_childcarestatealloc.pdf.

v See Department of Education state-by-state funding estimates at http://www.ed.gov/about/overview/budget/news.html#FY2009action

vi "The conference agreement requires the Government Accountability Office to conduct evaluations of the programs under this title, which shall include, but not be limited to, the impact of the funding provided on the progress made toward closing achievement gaps. The House and Senate bills included identical provisions." (Conference Report, pg 508)

vii The conference agreement requires that Governors shall submit applications in order to receive Stabilization funds, which shall include certain assurances, provide baseline data regarding each of the areas described in such assurances, and describe how States intend to use their allocations. Such assurances shall include that the State will: in each of fiscal years 2009, 2010, and 2011, maintain State support for elementary, secondary, and public postsecondary education at least at the levels in fiscal year 2006, and address 4 key areas: (1) achieve equity in teacher distribution, (2) establish a longitudinal data system that includes the elements described in the America COMPETES Act, (3) enhance the quality of academic assessments relating to English language learners and students with disabilities, and improve State academic content standards and student academic achievement standards, and (4) ensure compliance with corrective actions required for low-performing schools. (Courtesy: NCSL)

viii [I]n order to receive an Incentive Grant, a Governor shall: submit an application that describes the State's progress in each of the assurances and how the State would use grant funding to continue making progress toward meeting the State's student academic achievement standards. The House and Senate bills contained similar provisions, except both bills included slightly difference requirements pertaining to assurances. (Courtesy NCSL)

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Special Series: **Economic Recovery Watch**

February 24, 2009

IF STATES FAIL TO USE STIMULUS FUNDS AS INTENDED, EFFORTS TO STRENGTHEN ECONOMY COULD BE UNDERCUT

by Iris J. Lav and Nicholas Johnson

A few governors and legislative leaders have suggested that their states might not accept the full amount of fiscal relief in the new recovery legislation or might use the funds to finance tax cuts or build up reserves, rather than spend them as Congress intended.[1] Such actions could weaken the new law's impact, and possibly even prolong the recession, by reducing the amount of stimulus injected into the economy.

Fiscal Relief Helps States Avert Budget Cuts That Would Further Slow Economy

The legislation provides states with roughly $135 billion to $140 billion to help close operating budget shortfalls, most of it in the form of increased Medicaid funding and a "State Fiscal Stabilization Fund" aimed primarily at ongoing education costs. These funds will help the economy recover by averting cuts in state expenditures. The sooner the states use the money, the faster the economy is likely to improve.

When states cut spending, they lay off employees, cancel contracts with vendors, eliminate or lower payments to businesses and nonprofit organizations that provide direct services, and cut benefit payments to individuals. In all of these circumstances, the companies and organizations that would have received government payments have less money to spend on salaries and supplies, and individuals who would have received salaries or benefits have less money for consumption. As a result, budget cuts directly remove demand from the economy.

Moody's Economy.com estimates that every dollar of federal fiscal relief that is used to avert state budget cuts increases economic activity by $1.38.

A state that refuses the stimulus money, delays the use of the money by putting it into a reserve fund, or uses the stimulus money for purposes other than maintaining programs and services is weakening its economy. It also is undermining federal efforts to turn the economy around.

[1] For example, Governor Sanford of South Carolina has stated, "I think there are a number of wrinkles that have caused a number of us to say 'Wait a minute, let's take a look — a long look — at whether or not this really makes sense for our state.' " ("Sanford on the stimulus," *Atlanta Journal-Constitution*, February 19, 2009.) Governor Freudenthal of Wyoming has said, "If it is simply money that is available, but it is not money that works with the agenda that works in Wyoming, I'm not going to take it." ("Governor Says He'll Scrutinize Stimulus Funds," *Casper Star-Tribune*, February 19, 2009.) Georgia's legislature has already approved using nearly $500 million in state Medicaid funding freed up by the fiscal relief to continue a program that reduces homeowners' property taxes. In addition, Governors Jindal of Louisiana and Barbour of Mississippi have said they do not plan to accept the new option in the law to reform their states' unemployment insurance systems in order to cover more low-income and part-time workers.

Arguments Against Using Aid As Intended Do Not Withstand Scrutiny

The arguments against using the fiscal relief as Congress intended are based on several myths:

Myth: It is inappropriate to use temporary federal stimulus funds to support ongoing state programs.

✓ Reality: Supporting ongoing programs is the primary purpose of the funds.

In normal economic times, government should avoid paying for ongoing spending needs (or permanently cutting taxes) based on a one-time revenue windfall. But these are not normal times. State revenues have plummeted as a result of the recession; the federal stimulus funds are intended to fill in for a portion of the missing revenues, thereby preventing deep budget cuts that would further drag down the state economy.

Myth: States will be stuck with higher caseloads and expanded services to fund from their own resources when the stimulus period ends.

✓ Reality: States will have flexibility to make necessary choices when federal funds expire.

While states must meet certain "maintenance-of-effort" requirements to qualify for the Medicaid and education funding in the recovery bill, those requirements will disappear when the stimulus funding runs out. If a state cannot afford to — or simply chooses not to — maintain the level of services it provided during the stimulus period, it will be free to cut back those services when the federal stimulus funding ends.

Also, with their economies and budgets deteriorating, states' top priority should be reversing these damaging trends. This is not the time to worry about what will happen two years from now. If the economy has improved significantly by then, state revenues will have improved as well, helping states cover the cost of providing services. A stronger economy would also mean fewer people needing services. If the economy is significantly worse two years from now, Congress might extend some or all of the federal stimulus provisions — though it would be much less likely to do this if states do not use the initial stimulus funds as it intended.

Myth: States could stimulate their economies more effectively by using the fiscal relief to finance tax cuts than to help cover Medicaid and education costs.

✓ Reality: Spending is better for the economy than tax cuts.

Direct state spending on public services — through state-run programs, programs that businesses or nonprofits operate under state contract, or payments to private vendors — creates more of a stimulus than tax cuts. As noted above, every additional stimulus dollar the state spends on programs and services increases economic activity by $1.38.

Tax cuts provide less of an economic stimulus than direct state spending because some of the tax cuts will be saved rather than spent. This is particularly true of tax cuts for higher-income taxpayers, since they save a larger share of their income than less affluent households. But even refundable tax cuts for lower-income families, such as those in the federal stimulus, have less of a positive economic effect than state spending.

CLASP
CENTER FOR LAW AND SOCIAL POLICY

CCDBG: What's in the law?

States will receive $2 billion in new Child Care and Development Block Grant (CCDBG) funds to provide child care assistance to low-income working families through the American Recovery and Reinvestment Act.[1] CCDBG allows states broad discretion to develop their child care assistance programs within federal guidelines. This document lays out federal CCDBG requirements that states must follow. Most policies that impact families, including income eligibility limits; parent copayment fees; and redetermination periods, are determined by states. States may make most policy changes at any time through administrative or regulatory processes, although changes in some states may require legislative actions.

FEDERAL REQUIREMENTS

Program Requirements

- **CCDBG funds may be used to provide care for children from birth to age 13.** States may also choose to provide assistance to children between 13 and 19 years of age who are physically and/or mentally incapable of self-care or under court supervision.

- **States may provide assistance to families whose income does not exceed 85 percent of the state median income (SMI) for a family of the same size.** States may set income eligibility anywhere below that ceiling. States determine how income is calculated, for example, whose income in the household is counted, what sources of income are counted, and what length of time is used to calculate income (i.e. over several weeks or months).

- **To qualify for assistance, parents must be working or in education or training programs or a child may be in protective services.** States determine what activities qualify as work, education, or training and the required number of hours. States also establish the length of time for which eligibility is determined and the process for redetermining eligibility at the end of that time period. Federal guidance notes that states may also set different eligibility periods for children receiving subsidies who are enrolled in Head Start, Early Head Start or state pre-kindergarten collaborative programs.[2] There is no maximum time period that a family may be determined to qualify for assistance (i.e. six months or one year).

- **Parents must have their choice of any legally operating child care provider, including those providers whom the state has determined do not need to be licensed.** Because parents must have their choice of provider, if a state chooses to contract directly with providers for care, they must also offer vouchers or certificates as an option to parents as well.

- **Parents must be given unlimited access to their children and the providers caring for them while in care.** States establish procedures to ensure this requirement is met.

- **States must prioritize services for families with very low incomes and children with special needs.** States define each of these categories. States may also choose to give priority to additional categories of children as well.

- **States must establish a sliding fee scale for parent copayments, although they are permitted to exempt parents with incomes below the federal poverty level from making copayments.** Federal regulations consider 10 percent of family income to be a benchmark for affordability, but states establish affordable copayments at their own discretion.

- **States must assure that provider payment rates are set at levels sufficient to ensure equal access for eligible children.** States must conduct market rate surveys at least every two years to determine an adequate level of payment rates. States are prohibited from paying rates that are higher than those charged to private-pay parents. Federal guidance recommends that states set payment rates at the 75^{th} percentile of current market rates, but this is not a requirement.

- **Federal law establishes that the child is the primary beneficiary of the child care services; therefore, states may only consider the immigration status of the child, and not the parent, when determining eligibility.** Federal guidance clarifies that child care providers who are subject to the federal Head Start Performance Standards and are supported by combined Head Start/Early Head Start and CCDBG funding are exempt from verifying the immigration status eligibility of any child.[3]

- **States must establish basic health and safety requirements for all providers, but are permitted to exempt certain providers.** These requirements must address the prevention and control of infectious diseases, the safety of buildings and physical premises, and minimum health and safety training for providers. A state may choose to require some providers to meet higher standards, for example, those receiving direct payments through contracts, as long as the parental choice requirement (see above) is not violated.

- **States may not use CCDBG funds for the purposes of purchasing land or facilities, construction, or making major renovations.** States are permitted, however, to use funds for minor remodeling and for upgrading facilities to meet state and local child care standards, including applicable health and safety requirements. Minor remodeling is considered to be any improvement that does not fall under the definition of major renovation. Federal regulations define a major renovation as structural changes to the foundation, roof, floor, exterior, or load-bearing walls of a facility; the extension of a facility to increase its floor area; or alteration of a facility to significantly change its function and purpose.[4]

- **States must submit comprehensive, biennial state plans that describe their child care program and policies and detail how they are meeting federal CCDBG requirements.** States must hold a hearing for the purpose of receiving public comments on the plans. States are permitted to amend their plans at any time over the two years; "substantial changes" must be submitted to the U.S. Department of Health and Human Services for approval.[5]

- **The chief executive office of a state must designate a lead agency to administer CCDBG funds, develop the state plan, and coordinate CCDBG-funded services with other federal, state, and local child care and early education programs.** The lead agency is accountable for the use of CCDBG funds.

- **States are required to collect information from CCDBG recipients on a monthly basis.** This information includes family income; the gender, race and age of children receiving assistance; family composition; the number of months the family has received benefits; the type of child care setting in which the child is enrolled; the cost of child care for families; and the average hours per month of care. States report this information to the U.S. Secretary of Health and Human Services on a quarterly basis.

- **States are required to report information on their child care programs to the Secretary on an annual basis.** This information includes the number of child care providers receiving CCDBG funds; the number of payments made through vouchers, contracts, and cash payments; the settings in which child care services were provided; the manner in which consumer education information was provided; and the unduplicated number of children and families served.

Spending Requirements

- **States are required to spend a minimum of 4 percent of all CCDBG funds on quality activities that provide consumer education to parents and the public, increase parental choice, and improve the quality and availability of child care.** Spending requirements are assessed at the end of the liquidation period for each funding stream.

- **States can spend no more than 5 percent of CCDBG funds on administrative activities.**

- **To receive all available federal funds, states are required to meet a state match and maintenance of effort (MOE) requirement.** CCDBG is comprised of several funding streams: federal mandatory, matching, and discretionary funds. Discretionary funds do not require a state match (including the discretionary funds appropriated in the economic recovery law). States must spend state dollars to draw down their full allotment of matching funds. Private, donated funds and state pre-kindergarten funds may be used to meet match and MOE requirements (see Appendix for details).[6]

- **States must spend at least 70 percent of federal mandatory and matching CCDBG funds to provide child care assistance to families who are receiving Temporary Assistance for Needy Families (TANF) assistance, are attempting to transition off of TANF, or are at risk of being dependent on TANF.** States define which low-income families fall into these categories.

- **States are permitted to transfer up to 30 percent of their TANF block grants to CCDBG, in which case the transferred funds become subject to CCDBG rules (i.e. the minimum 4 percent quality requirement applies).** States may also transfer up to 10 percent of its TANF funds to the Social Services Block Grant (SSBG). The total amount transferred to CCDBG and SSBG may not exceed 30 percent of a state's block grant.

- **States may choose to spend an unlimited amount of TANF funds directly on child care for needy families.** Federal guidance has also made clear that states can spend TANF funds on early education services that are intended to meet two purposes of TANF, specifically Purposes 3 and 4, to prevent out of wedlock pregnancies and to promote the formation and maintenance of two-parent families. TANF funds spent on child care are not subject to CCDBG rules.[7]

Appendix. Major Sources of Federal Child Care Assistance

Child Care and Development Block Grant (CCDBG): $5.0 billion in 2009[8]

- **Discretionary Funds** ($2.1 billion): Once authorized, discretionary funds must be appropriated by Congress. Discretionary funds must be obligated in two years and liquidated in the subsequent year.
- **Mandatory and Matching Funds** ($2.9 billion): Once authorized, mandatory and matching funds are not subject to annual appropriations.
    - **Mandatory Funds:** Mandatory funds must be obligated in the fiscal year they are appropriated and have no deadline for liquidation.
    - **Matching Funds:** Matching funds must be obligated in the fiscal year they are appropriated and must be liquidated within two years. Matching funds that are unobligated at the end of the fiscal year are returned to the Treasury for reallocation the subsequent year. To draw down all available matching funds, states must spend **state matching** funds and meet **maintenance-of-effort (MOE)** requirements, contributing a total of $2 billion. MOE requires states to continue spending at least the same amount on child care services as they did prior to reauthorization of CCDBG in 1996.

Obligation and Liquidation Deadlines by CCDBG Funding Stream

Funding Stream	Obligation Deadline	Liquidation Deadline
Discretionary	**2 years**	**3 years**
Appropriated in FY 2009	*End of FY 2010*	*End of FY 2011*
Mandatory	**1 year**	**No deadline**
Appropriated in FY 2009	*End of FY 2009*	---
Matching	**1 year**	**2 years**
Appropriated in FY 2009	*End of FY 2009*	*End of FY 2010*

Funds are considered obligated when they have been legally committed, regardless of whether they have been spent.

Temporary Assistance for Needy Families (TANF) Block Grant: $3.1 billion in 2006[9]

- **TANF Transfer:** States have the option of transferring up to 30 percent of their TANF block grant to CCDBG. Once funds are transferred, they become discretionary funds and subject to the same liquidation rules. In 2006, states transferred $1.9 billion to CCDBG.
- **TANF Direct:** Child care assistance is one category of assistance on which states can directly spend federal TANF dollars. In 2006, states spent $1.2 billion directly on child care assistance.
    - **TANF Maintenance-of-Effort (MOE):** States must also meet a MOE requirement in TANF. States are permitted to count child care expenditures towards both CCDBG MOE and TANF MOE requirements. In 2006, state TANF MOE funds spent on child care assistance totaled $2.3 billion. Of that total, an estimated $1.4 billion was spent on child care in excess of CCDBG MOE spending.

For more information, please contact:
Hannah Matthews
hmatthews@clasp.org
(202) 906-8006

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[1] For additional resources on economic recovery, see http://childcareandearlyed.clasp.org/reinvestinginchildcare.html.
[2] U.S. Department of Health and Human Services, Administration for Children and Families, *Eligibility Determination for Head Start Collaboration,* Policy Interpretation Question (ACYF-PIQ-CC-99-02), http://www.acf.hhs.gov/programs/ccb/law/guidance/current/pq9902/pq9902.htm.
[3] U.S. Department of Health and Human Services, Administration for Children and Families, *Clarification of Interpretation of "Federal Public Benefit" Regarding CCDF Services, Program Instruction* ACYF-PI-CC-98-08, http://www.acf.hhs.gov/programs/ccb/law/guidance/current/pi9808/pi9808.htm; U.S. Department of Health and Human Services, Administration for Children and Families, *Verification of Citizenship and Immigration Status by Non-Profit Organizations and Head Start Grantees, Program Instruction CCDF-ACF-PI-2008-01* , http://www.acf.hhs.gov/programs/ccb/law/guidance/current/pi2008-01/pi2008-01.htm.
[4] 45 C.F.R. §98.2.
[5] U.S. Department of Health and Human Services, Administration for Children and Families, *Approval of Amendments to a Lead Agency's Approved Plan, Program Instruction (CCDF-ACF-PI-2009-01),* January 5, 2009, http://www.acf.hhs.gov/programs/ccb/law/guidance/current/pi2009-01/pi2009-01.htm.
[6] For more information on CCDBG funding streams, including obligation and liquidation timelines, see http://www.clasp.org/publications/ccspending_notes.pdf and http://www.acf.hhs.gov/programs/ccb/ccdf/ccdf06_07desc.htm.
[7] U.S. Department of Health and Human Services, Administration for Children and Families, *Temporary Assistance to Needy Families Program Instruction No. TANF-ACF-PI-2005-01,* http://www.acf.hhs.gov/programs/ofa/dts/tanf/tanf05-01.htm.
[8] CCDBG amounts for FY 2009 are estimated prior to final appropriation. This amount excludes $2 billion in CCDBG funds that were included in the American Recovery and Reinvestment Act that is not part of the CCDBG baseline.
[9] The U.S. Department of Health and Human Services has not released more recent expenditure data for the TANF program.

The Arc of Kauai
for Children and Adults with Disabilities
3201 Akahi Street, Lihue, Hawaii 96766, Phone (808) 245-4132, Fax (808) 246-1721

February 27, 2009

TO: Senator Suzanne Chun Oakland, Chair and Members of the Human Services Committee and;
Senator David Ige, Chair and Members of the Health Committee and;
Representative John Mizuno, Chair and Members of the Human Services Committee and;
Representative Ryan Yamane, Chair and Members of the Health Committee

HEARING: Monday, March 2, 2009, 4:00 p.m., Room 016

RE: Informational Briefing on the impact of the American Recovery and Reinvestment Act of 2009 on Health and Human Services

My name is Ellen Ching and for the past 22 years, I have served as the Executive Director of The Arc of Kauai. The Arc of Kauai is a private non-profit organization that was formed by parents in 1961. Our primary mission is to secure for all people with developmental disabilities the opportunity to realize their goals and to choose where and how they learn, live, work and play. To this end, The Arc of Kauai develops implements and maintains a variety of programs and services for approximately 191 individuals.

I would like to submit the following questions for your review.

Will the American Recovery and Reinvestment Act of 2009 provide any funding for the DD/MR Medicaid Waiver Program?

If so, what are the details, in terms of the amount of funding, when the funding will be become available, and can that funding be used to provide services or replace the funding for the service cuts?

The budget reductions to the DD/MR Waiver Program at a minimum will result in the loss of approximately $162,850.64 in services to children and adults with developmental disabilities on Kauai. The full impact of the loss of DD/MR services is still unknown as families are appealing the budget cuts and service reductions.

The real tragedy however is human suffering and the burden this puts on our families that count on us to be there to provide these essential services.

Should you need more information or have any questions, please feel free to contact me at (808) 245-4132 ext. 0 or 16 or arcklizann@viphawaii.net. Thank you for your consideration and the opportunity to submit these questions for your review.

Sincerely,

Ellen Ching
Executive Director