

Florida League of Cities

ALERT

FAST
Federal
Action Strike Team

TO: Key Officials
FLC Board of Directors
Members, Federal Action Strike Team
Directors, Local and Regional Leagues

FROM: John Charles Thomas, Director
Policy and Political Affairs

DATE: January 23, 2009

RE: Federal Economic Stimulus Plan Update

The U.S. House of Representatives recently released its plan for a massive economic stimulus package that would provide a significant investment in infrastructure and tax rebates. H.R. 598, the American Recovery and Reinvestment Act, is an \$825 billion plan over the next two years that would provide about \$275 billion in tax cuts and \$550 billion in new spending.

Attached is a list of specific funding allocations in the bill that may be of interest to Florida municipalities. The Florida League of Cities has engaged JDA Strategies to consult with us on how the federal stimulus package will impact cities in Florida. Continuous updates and information on the stimulus plan will be provided to you so that your cities will know what is happening as this issue progresses.

The House Ways and Means Committee took up the bill yesterday, Thursday, January 22, and the full House is expected to vote on the bill next week. The Senate proposal is expected later today.

Transportation Funding

The House bill proposes \$30 billion for highways and bridges. About \$1.4 billion of that is estimated to go to Florida. A portion of this funding is to be sub allocated to MPOs and smaller local governments, likely counties. If your city has a transportation project that is "shovel ready," meaning it is practically ready to go, minus the funding, please provide this project information to your local Department of Transportation district, your MPO, if you have one, and your county government. Because this funding is limited, it is recommended that you coordinate your city's priority projects with your county government, if possible.

Please note all federal requirements must be met for these projects to qualify for funding, particularly Federal Environmental Protection Act standards, if applicable. Please contact your local DOT district office to find out what criteria must be met for your city's transportation projects.

Congress is expected to pass legislation by mid-February, before the President's Day recess.

Should you have any questions or require additional information, please contact John Dailey, JDA Strategies (john_dailey@comcast.net) or Allison Payne at the League at 850-701-3602 or e-mail: apayne@flcities.com.

To access this and other information as it becomes available, please also visit the League's website at www.flcities.com/legislative/economicstimulus.asp.

The American Recovery and Reinvestment Bill 2009

(SOURCE: The U.S. House of Representatives Committee on Appropriations American Recovery and Reinvestment Act of 2009 Discussion Draft Report; January 2009)

OVERVIEW

- \$275 billion in tax cuts
- \$550 billion in targeted priority investments

REVIEW BY TOPIC

Clean, Efficient, American Energy

- \$32 billion to transform the nation's energy transmission, distribution, and production systems and investing in renewable technology.
- \$16 billion to repair public housing and make energy efficient retrofits.
- \$6 billion to weatherize modest-income homes.

Transforming our Economy with Science and Technology

- \$10 billion for science facilities, research and instrumentation.
- \$6 billion to expand broadband internet access in rural and underserved areas.

Modernizing Roads, Bridges, Transit and Waterways

- \$30 billion for highway construction.
- \$31 billion to modernize federal and other public infrastructure that lead to long term energy cost savings.
- \$19 billion for clean water, flood control, and environmental restoration investments.
- \$10 billion for transit and rail to reduce congestion and gas consumption.

REVIEW BY DEPARTMENT / PROGRAM

DEPARTMENT OF AGRICULTURE

Natural Resources Conservation Service

Watershed and Flood Prevention Operations Program **\$350 million**

The Natural Resources Conservation Service's (NRCS) Watershed and Flood Prevention Operations program helps local project sponsors to design and build flood prevention and water quality improvement projects, including dams to reduce flood risk and provide agricultural irrigation and water supply and infrastructure to clean polluted water.

Watershed Rehabilitation Program **\$50 million**

Rural Development Programs

Through the Watershed Rehabilitation Program, NRCS works with local sponsors to rehabilitate dam projects that have reached the end of their engineering design life.

Rural Community Facilities Program **\$200 million**

The Rural Community Facilities Program provides financing to local governments, nonprofit corporations, and federally-recognized Indian tribes for the development of essential community facilities in rural areas. Funds can be used for health care facilities, fire, rescue, and public safety buildings, vehicles, and equipment; libraries and other important community needs.

Rural Business Program **\$100 million**

The Guaranteed Business and Industry loan program has seen an unprecedented demand for the program due to the credit crunch. The loan program supports financing for a broad range of business and industrial activities in towns or cities with a population of less than 50,000. In addition, funding is provided for the Rural Business Enterprise Grant program, which is available to public bodies, not-for-profit organizations, and recognized Indian Tribal groups to encourage the development of small and emerging private business enterprises.

Rural Water & Waste Disposal Program **\$1.5 billion**

The rural water and waste grant and loan program serves rural areas with populations of 10,000 or less. These programs help communities fund drinking water and wastewater treatment infrastructure, with priority given to smaller and poorer communities.

Rural Housing Service

Rural Housing Insurance Fund Program **\$500 million**

Through the guaranteed loan program, homebuyers apply with participating lenders and the government guarantees the repayment of part of the principal. The USDA direct housing loan program provides loans directly to low- and very-low-income families to purchase, build, or rehabilitate a home in rural areas.

Rural Utilities Service

Rural Broadband Infrastructure Development **\$2.825 billion**

Funding for this initiative will support the installation of open-access broadband infrastructure.

WIC Management Information Systems **\$100 million**

These funds will be used to establish, improve or administer management information systems (MIS) for the Special Supplemental Nutrition Assistance Program for Women, Infants and Children.

US Forestry

Wildfire Hazard Reduction **\$850 million**

Funds provided for state grants for fire assistance hazardous fuels projects, volunteer fire assistance, cooperative forest health projects, city forest enhancements, and wood to energy grants on State and private lands.

DEPARTMENT OF COMMERCE

Economic Development Administration

Economic Development Assistance Program **\$250 million**

EDA was created to address problems of long-term economic distress in declining urban industrial cores and stagnating rural areas. Economic Development Assistance Program (EDAP) funding is first distributed regionally on a formulaic basis based on high unemployment or low per capita income, and then each region actively seeks competitive applications.

National Telecommunications and Information Administration

State Broadband Data & Development Grants **\$350 million**

The program provides competitive grants for eligible entities to develop and implement statewide initiatives to identify and track the adoption and availability of broadband services.

Wireless & Broadband Development for **\$2.825 billion**

Unserved & Underserved Areas Grant Program (new)

This new program would subsidize the development of broadband and wireless services in unserved and underserved areas.

Wireless Deployment Grants **\$1 billion**

These grants are for the deployment of wireless voice service or advanced wireless broadband.

Broadband Deployment Grants **\$1.825 billion**

These grants are for the deployment of basic broadband service or advanced broadband service. Factors include public safety, state reports on priorities, increases in affordability and subscribership, service enhancement for health care delivery, education, or children; enhancement of computer ownership and computer literacy; and state or local matching funds.

National Oceanic & Atmospheric Administration

Habitat Restoration **\$400 million**

This program will support those habitat and fisheries restoration, marine debris and mitigation projects identified by NOAA as “shovel ready”.

DEPARTMENT OF JUSTICE

Byrne Justice Assistance Grants **\$3 billion**

Funding will help stabilize State and local governments by providing funds to support crime fighting. Funds can be used for a variety of purposes, including equipment, operations, and support for other associated law enforcement personnel (such as prosecutors, public defenders, etc.).

COPS Hiring Program **\$1 billion**

Funding supports the hiring of new police officers for three years. This program provides a three-year federal subsidy (up to 75 percent match or \$75,000) to hire new, entry level law enforcement officers (salary and benefits).

NASA

Disaster Assistance

\$50 million

Funding will be provided for construction at affected NASA centers precipitated by hurricanes and floods during the last calendar year.

DEPARTMENT OF ENERGY

Weatherization Assistance Program

\$6.2 billion

The Weatherization Assistance Program is designed to assist low-income families reduce their energy costs by sending funds to the states to weatherize low-income homes.

Energy Efficiency & Conservation Block Grant

\$3.5 billion

The EE&C Block Grant Program will assist states, local governments and Indian tribes in implementing strategies to reduce fossil fuel emissions created as a result of activities within the jurisdictions of the eligible entities and reduce the total energy use. Activities eligible include: conducting residential and commercial building energy audits, establishing financial incentives programs for energy efficiency improvements, grants to non-profits organizations to perform energy efficiency retrofits; developing/implementing programs to conserve energy used in transportation: developing and implementing building codes and inspections services to promote building energy efficiency; installing light emitting diodes (LEDs); and developing, implementing, and installing on or in any government building onsite renewable energy technology that generates electricity from renewable sources.

Transportation Electrification Program

\$200 million

Funding is provided to implement a grant program to states, local governments, and metropolitan transportation authorities for qualified electric transportation projects that reduce emissions.

Energy Efficient Appliance Rebate Program & Energy Star

\$300 million

Funding will provide rebates for residential consumers for the purchase of residential Energy Star products to replace used appliances with more efficient models.

Alternative Fueled Vehicles Pilot Grant Program

\$400 million

Funding to establish a grant program through the DOE Clean Cities Program to encourage the use of plug-in electric drive vehicles or other emerging electric vehicle technologies.

Smart Grid Investment Program

\$4.5 billion

Funding will provide for research and development, pilot projects, and federal matching funds for the Smart Grid Investment Program to meet the goal of a modern electric grid, enhance security and reliability of energy infrastructure.

Institutional Loan Guarantee Program

\$500 million

Funding for loans to institutional entities for identifying, designing and implementing sustainable energy infrastructure projects and grants for energy efficiency innovative technologies projects on grounds and facilities of institutions.

Renewable Energy & Transmission Loan Guarantee **\$8 billion**
This new loan program would provide loan guarantees for proven renewable technologies and transmission technologies.

SMALL BUSINESS ADMINISTRATION

Small Business Capital Availability **\$430 million**
Funding for new loan guarantee and direct lending authorities. The proposals will make loans more attractive to both lenders and borrowers, free up capital in the secondary market, and add capital for new loans and refinancing.

FEMA

Emergency Food & Shelter Program **\$200 million**
The EFSP program provides funds to local community organizations to support food, shelter and services to the nation's hungry, homeless and people in economic crisis. Funds are distributed by a formula that is based on unemployment levels and poverty levels.

ENVIRONMENTAL PROTECTION AGENCY

Superfund Remedial Clean-up Program **\$800 million**
The Superfund Remedial program addresses contamination from uncontrolled releases at hazardous and toxic waste sites that threaten human health and the environment.

Clean Water State Revolving Fund **\$2 billion**
Funds provide grants and are distributed by statutory formula to states and territories to capitalize their revolving loan funds which finance publicly owned wastewater infrastructure improvements.

Drinking Water State Revolving Fund **\$2 billion**
Funds provide grants and are distributed by formula to states to capitalize their revolving loan funds which then finance drinking water infrastructure improvements.

Diesel Emissions Reduction Act (DERA) Grants & Loans **\$300 million**
Fund provides grants and loans to states and local governments for projects that reduce diesel emission.

Brownfields **\$100 million**
Funds are provided for competitive grants to address environmental site assessment and cleanup.

DEPARTMENT OF LABOR

Workforce Investment Act Training & Employment Services **\$4 billion**
Funds provided to States and local workforce areas for adults, youth and dislocated workers.

DEPARTMENT OF HEALTH & HUMAN SERVICES

Community Health Centers, Health Care Services **\$500 million**

Funding to provide needed care to uninsured and underserved rural and urban populations.

Community Health Centers Modernization **\$1 billion**

Funding for facility needs and the acquisition of health information technology systems.

Low Income Home Energy Assistance **\$1 billion**

Funds to help low-income households and seniors pay for home heating and cooling assistance.

Child Care Development Block Grant **\$2 billion**

Funds are distributed to States through a formula based on population. The program supports quality child care services for low-income families.

Community Service Block Grants **\$1 billion**

Funds are distributed to States through a population based formula. States in turn distribute 90 percent of these funds to local community action agencies. The program supports employment, food, housing, health, and emergency assistance to low-income families and individuals.

Compassion Capital Fund **\$100 million**

Funds provided grants to faith-based and community organizations to expand and strengthen their ability to provide social services to low-income services to low-income communities.

DEPARTMENT OF TRANSPORTATION

Highway Infrastructure Investment **\$30 billion**

These funds will be used for ready-to-go, quick spending highway projects for which contracts can be awarded quickly. These projects would include resurfacing and pavement preservation projects, traffic signal system upgrades, bridge projects, and intelligent transportation systems. Funds will be distributed by formula, with a portion of the funds within each State being sub allocated by population areas.

Capital Assistance to States **\$300 million**

Intercity Passenger Rail Service

Provides grants on a discretionary basis to states to fund necessary capital improvements to improve intercity passenger rail service. Grants under this program are awarded to the most meritorious projects as measured against statutory criteria.

Amtrak Capital Grants **\$800 million**

The National Railroad Passenger Corporation (Amtrak) provides intercity passenger rail service over a system of approximately 20,000 miles in 46 states. As a result of aging infrastructure both the speed and capacity of NEC rail passenger operations are limited.

Federal Transit Administration

Transit Capital Assistance **\$6 billion**

These funds will be used to purchase buses and equipment needed to provide additional public transportation service and to make improvements to inter-modal and transit facilities. Funds will be distributed through the existing urban and rural transit formulas. \$5.4 billion will be distributed to urban communities and \$600 million will be distributed to transit agencies that serve rural communities.

Fixed Guideway Infrastructure Investment **\$2 billion**

These funds will be used for capital projects to modernize or improve existing fixed guideway systems, including purchase and rehabilitation of rolling stock, track, line equipment, structures, signals and communications, power equipment and substations, passenger stations and terminals, security equipment and systems, maintenance facilities and equipment, operational support equipment including computer hardware and software, system extensions, and preventive maintenance. Funds will be distributed through the existing fixed guideway formula.

Capital Investment Grants **\$1 billion**

These funds will be used for light rail lines, rapid rail (heavy rail), commuter rail, automated fixed guideway system, or bus-way/high occupancy vehicle (HOV) facilities. These funds will be distributed on a discretionary basis and will assist the advancement of full funding grant agreement projects that are already in construction as well as final design projects that are nearly ready to begin construction.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Public Housing Capital Fund **\$5 billion**

This funding will allow Public Housing Authorities (PHAs) to complete repair and construction projects including critical safety repairs. Of the amount appropriated, \$4 billion of the funds will be distributed to PHAs through the existing formula and \$1 billion will be awarded through a competitive process for projects that rehabilitate units to improve energy efficiency; that increase affordable housing projects that are ready-to-go; and, address the housing needs of senior citizens and persons with disabilities.

Elderly, Disabled & Section 8 Assisted Housing Energy Retrofit **\$2.5 billion**

Funding will be awarded competitively to renovate and retrofit federally-assisted housing, including Housing for the Elderly (Section 202), Housing for Persons with Disabilities (Section 811), and Project-Based Section 8 units.

Community Development Block Grant **\$1 billion**

Funding provided will be distributed through the existing formula for expediency, and is required to adhere to an accelerated timeframe.

Neighborhood Stabilization Program **\$4.19 billion**

This funding is provided to local governments and States with high levels of foreclosures as a way for the local community to purchase and rehabilitate vacant housing.

HOME Program**\$1.5 billion**

HOME is a flexible source of dollars for local jurisdictions, and funding provided through this account will help to rehabilitate and construct housing, as well as fill financing gaps caused by the credit freeze. Funds are distributed by formula.

SHOP Program**\$10 million**

The SHOP funding will be competitively awarded to eligible national and regional nonprofit housing organizations to develop or rehabilitate low-income housing.

Emergency Shelter Grants**\$1.5 billion**

To prevent a surge in homelessness, funding through the Emergency Shelter Grant program will provide short term rental assistance, housing relocation, and stabilization services for homeless families and those at risk of homelessness.

Lead Based Paints Hazards**\$100 million**

Funding will be awarded competitively to states and local governments to evaluate and reduce lead-based paint hazards in low-income housing and to nonprofit organizations to leverage private sector resources to eliminate lead poisoning as a public health threat to children.

DEPARTMENT OF EDUCATION**State Fiscal Stabilization Fund****\$79 billion**

The economic recovery bill provides funding for a State Fiscal Stabilization Fund in order to provide fiscal relief to the States to prevent tax increases and cutbacks in critical education and other high priority services over the next two years. 61 percent of the funds must be used to support elementary, secondary, and higher education. For each fiscal year, the Governor may use up to 39 percent of the funds for public safety and other government services, which may include assistance for elementary and secondary education and public institutions of higher education.