

March 4, 2009

WHAT THE ECONOMIC STIMULUS PACKAGE CAN DO FOR THE DISTRICT

By Jenny Reed

The economic stimulus package recently passed by Congress, the American Reinvestment and Recovery Act, is intended to quickly inject money into the economy and to boost employment to help keep the economic crisis that we are current facing, from getting worse.

Much of the money in the \$787 billion stimulus package is funds that will come directly to states and cities. The District alone is expected to receive at least \$950 million between 2009 and 2011.¹ While most of these funds will come through specific programs, a substantial portion of the funds are intended to be flexible funds that can help the District avoid deep cuts to programs and services. The stimulus package also includes competitive funds that the District must apply for, as well as increases in various benefits for residents affected by the downturn, such as food stamps and unemployment insurance benefits.

This means that the stimulus package will be available to help the District address its large budget gaps, rising program caseloads, and potentially support targeted new investments. While legitimate concerns have been raised that these funds are short-term and may not be available to support programs in the long-term — most of the stimulus funding would end in FY 2010 or 2011 — it makes sense for the District to claim as much stimulus funding as possible now and develop plans to spend it through 2010 or 2011, including on the city's shortfall, as the federal law intended.

The stimulus funding also presents a challenge for Mayor Fenty and the DC Council to figure out how to spend this massive infusion well in a short amount of time. The Mayor's budget proposal comes out in mid-March and then the Council has just two months to finalize it. Making sure the stimulus money is used where it's needed and spent wisely is the most important issue facing our elected officials right now.

Even with the stimulus though, some budget savings and/or revenue increases will be needed to balance the city's budget. The current unresolved shortfall for FY 2009 and FY 2010 — the shortfall after actions taken to date to this year — totals more than \$900 million. Stimulus funds and other available resources will cover only about half of what is needed to close these shortfalls. Stimulus funds and other resources to address the gap are roughly \$500 million, but still leave a budget gap of more than \$400 million.²

¹ This figure assumes that the District applies for the Unemployment Insurance Modernization Funding. All funding allocations have not yet been finalized by the Federal Government and so it may be that some program allocations may change. In addition, all District allocations were not available at the time of writing.

² See DC Fiscal Policy Institute, *How Bad is DC's Budget Shortfall?*, March 2009.

What Funding Is in the Stimulus Plan for the District and for District Residents?

Much of the funding in the stimulus package will come to the District through existing programs like Medicaid. This is the easiest, most targeted, way to get money to the neediest states, rather than setting up new channels and programs for making grants to states. In some cases, programs chosen to receive stimulus funding were picked because they are likely to be feeling additional demand as a result of the downturn, such as the Temporary Assistance to Needy Families (TANF) block grant.

The stimulus funding for the District falls in four broad areas:

- funds intended to be flexible and help states address budget gaps;
- funds for specific programs, some of which also may be available to address budget gaps ;
- competitive funding for which the District must apply, such as grants for improvements to education; and
- funds that will be allocated directly to residents hard hit by the economic downturn, such as an increase in Unemployment Insurance benefits.

Flexible Funds intended to help DC and the States Address Budget Gaps

There are two main sources of funding in the stimulus to help states address their budget gaps. The first is an increase to states' federal share of Medicaid, known as FMAP. By increasing the federal share of Medicaid costs, the stimulus plan will allow the District to free up some of the local dollars it would otherwise have spent on Medicaid and use the savings to relieve pressure in other areas of the budget. The District will receive at least \$300 million over the next three years through Medicaid, with the majority available in FY 2009 and FY 2010. This will provide substantial relief in addition to helping the District handle increasing Medicaid caseloads.

A second source, the State Fiscal Stabilization Fund, will provide funds that flow in part through education programs and in part to the city's general fund. The District will receive close to \$90 million from this fund. Monies not needed to address funding shortfalls in education can be used to reduce pressure on the District's budget shortfalls.³ (Other provisions of the stimulus package provide substantial funding for education.)

Together, the District will receive close to \$320 million in 2009 and 2010 — and nearly \$400 million through 2011 — in these flexible funds. This could go a long way toward addressing the city's revenue shortfall. Table 1 lists the flexible funding for the District.

Funds Intended to Boost Spending on Specific Programs

The stimulus package also increases funding for a number specific programs, mainly through existing federal formulas and block grants. The funding will come through at least 45 different

³ The legislation allows for the Secretary of Education to waive or modify any requirements of the stabilization fund as it relates to maintenance of fiscal effort if it is necessary to relieve fiscal burdens of states or local agencies.

federal grants and could total at least \$560 million for DC over the next two to three years.⁴ The funding will cover a variety of program areas; education, food and nutrition, justice, health and human services, transportation, energy, environment, housing, workforce development, and commerce. Table 1 lists the specific programs and estimated allocations for the District.

In some cases, the District will be able to use these funds to cover services that otherwise would have to be covered by local funds. For example, the District will receive funding to cover higher food stamp administrative costs resulting from higher program caseloads. In other cases, the federal funds may help free up local funds that can be used to avoid program cuts in other areas of the budget.

In many cases, however, the flexibility of these funds will be limited because the stimulus package includes a requirement to maintain local funding at a specified level. For example, new funding for the Child Care Development Block Grant and Title I funding for education contain requirements that the federal funding must be used to enhance local funding. For this reason, these funds largely will be used to boost funding in certain program areas, and cannot be used to address gaps in other parts of the city's budget.

The \$560 million in grants that the District is expected to receive fall into the following areas:

- Approximately \$180 million will be available to support operating costs for programs administered by a District agency, such as workforce development.
- Some \$124 million will support transportation infrastructure projects through DC's Department of Transportation
- Approximately \$250 million will support special funds, such as DC's Unemployment Insurance Trust Fund, or for independent entities, such as WMATA, the Water and Sewer Administration, and the DC Housing Authority.⁵

Competitive Funds for Which the District Must Apply

There are numerous sources of competitive funding that the District can, and should, apply for from the stimulus package. This includes money for education, affordable housing, health center improvements, energy efficiency, and workforce development. The competitive funding is an opportunity for the District to maximize its use of federal dollars and make investments that boost the economy. Table 2 lists competitive grants that DC should consider applying for. In some instances, non-profits and other entities also are eligible to apply for the federal stimulus funding.

Increases in Benefits for District Residents Affected by the Economic Downturn

Lastly, the stimulus package increases funding for several programs that directly assist residents that are hardest hit by the economic downturn, and it provides tax benefits to working families and

⁴ Some stimulus funding is available for two years; others will be available for one, three or occasionally more. See table 1 for program funding availability.

⁵ This figure assumes that the District applies for the Unemployment Insurance Modernization Benefits. If the District did not, this figure would be approximately \$25 million less.

individuals. For example, the package increases benefits in the food stamp and unemployment insurance programs that will help an estimated 134,633 DC residents. Recipients of social security or SSI will receive a one-time \$250 payment. Table 3 lists the provisions in the stimulus that will provide relief to some DC residents.

How Should the District Think About Spending the Stimulus Funding?

The economic stimulus is a way to help the District take the first steps to preserve and ultimately rebuild the economy. It is important then to think about how best to spend the funding. DCFPI suggests four key themes that should guide DC officials when thinking about how to spend stimulus funding.

The District should spend as much stimulus funding as possible. The stimulus package is intended to provide a needed injection in spending in the economy and help create employment opportunities. It is important that the District use all of the funding it has been allocated and diligently apply for any competitive grant funding that it may be eligible for.

The District should use economic stimulus money to close the gap, even though it is short-term money. Some DC officials have suggested that because the stimulus funds are short-term, they should not be used to fund ongoing programs. While this principle is sound, in these unique circumstances it is appropriate to use the stimulus funds to address the city's revenue shortfall. A key goal of the stimulus is to help states avoid deep and painful budget cuts that could hurt critical services and further weaken the economy. Since much of the funding is targeted to specific programs it is important to use the flexible funding help fill in the large budget gaps in other areas. If stimulus funds were used solely for one-time projects, it would likely create a distorted budget in which ongoing programs and services take severe cuts while massive new one-time projects are initiated.

Moreover, it is expected that the finances of the District, and other cities and states, will have improved at least somewhat over the next few years. And even if the economy does not fully recover in two or three years, using stimulus funding to close the current gap will give us time to adjust to our new budget realities and find the smartest revenue raising ideas or budget cuts.

Identify areas where stimulus funding can make a targeted investment in DC's economy over the long-run. The stimulus package can allow the District to make targeted investments where it has long struggled to provide adequate support. Targeted investments in affordable housing, workforce development, and the environment and infrastructure of the District will help boost the economy now and improve our quality of life and competitiveness for the future.

Involve the public. This unprecedented infusion of federal funding to the District must be spent very quickly, often times within two years. But this should not come at the expense of public input. Mayor Fenty and the DC Council should make sure that the public are both informed and able to provide feedback on stimulus choices.

TABLE 1: FLEXIBLE FUNDING AND BOOSTS TO SPECIFIC PROGRAMS				
PROGRAM	DESCRIPTION	DC TOTAL ESTIMATE (in millions)	LIKELY RECIPIENT AGENCY	FUNDS AVAILABLE
FLEXIBLE FUNDING				
Medicaid (FMAP)	Increases the share of Medicaid costs that the federal government pays	\$300.0	DOH	FY 2009-FY2011
Medicaid (Foster Care/Adoption)	Increases the share of Medicaid costs that the federal government pays for foster care and adoption assistance	\$5.6	CFSA	FY 2009 - FY2011
State Fiscal Stabilization Fund				
<i>Education</i>	Provides funding for K-12 and higher education funding shortfalls	\$73.4	DCPS	FY 2009-FY2011
<i>Other Government Services</i>	Provides funding for states to address shortfalls in all other government areas	\$16.3	Multiple	FY 2009-FY2011
<i>Flexible Funding--Subtotal</i>		<i>\$395.3</i>		
FUNDS FOR SPECIFIC PROGRAMS				
<i>FUNDS FOR GENERAL OPERATING PROGRAMS</i>				
Title I--Local Education Agencies	Funding to LEA's in high-poverty areas to provide extra academic support to struggling students	\$37.3	OSSE	FY 2009-FY 2011
Title I--School Improvement	Funding to schools that are designated as in need of improvement under NCLB.	\$10.0	OSSE	FY 2009-FY 2011
IDEA Special Education--Part B	Funding to help provide special education to students with disabilities	\$16.4	OSSE	FY 2009-FY 2011
IDEA Special Edu.--Part B preschool	Funding to help provide special education to pre-school aged children with disabilities	\$0.3	OSSE	FY 2009-FY 2011
IDEA Infants and Families--Part C	Funding to help provide early intervention services for infants and toddlers with disabilities	\$1.8	OSSE	FY 2009-FY 2011
Education for Homeless Children	Funding for the education of homeless children and youth	\$0.08	OSSE	FY 2009-FY 2011
Education Technology	Funding to LEA's for the Enhancing Education through Technology program	\$3.1	OSSE	FY 2009-FY2011
Centers for Independent Living	Part is for state grants and part goes directly to Independent Living Centers	\$0.2	OSSE	Through 9/30/2010

PROGRAM	DESCRIPTION	DC TOTAL ESTIMATE (in millions)	LIKELY RECIPIENT AGENCY	FUNDS AVAILABLE
Vocational Rehabilitation Grants	To help serve individuals with disabilities at state vocational rehabilitation agencies	\$1.9	OSSE	Through 9/30/2010
School Lunch Equipment	States must distribute funds competitively to local school food authorities. Priority is to be given to schools where over 50 percent of students are eligible for free lunch	\$0.1	OSSE	Through 9/30/2010
Child Care Development Block Grant	Funding will repeal a reduction in federal funding and can be used for increased CCDBG related increases.	\$2.7	OSSE	Through 9/30/2010
Services for the Blind	Funding for services to older blind individuals	\$0.003	OSSE	Through 9/30/2010
Work Study	Funding to higher education institutions to assist with work-study grants	\$2.7	UDC	
Impact Aid Construction	For school construction grants; there is also a competitive portion	^	DCPS	FY 2009, FY 2010
Head Start and Early Head Start	Funding for head start program and to expand early head start, used to sustain FY 2009 awards through FY 2010. Grants are also available for for-profit and non-profit groups.	\$2.2	DCPS*	Through 9/30/2010
Aging Services Program (Senior Meals)	Funding for meals for Seniors, both home delivered and group meals	\$0.5	OA	Through 9/30/2010
Food Stamp Administration Costs	For administrative costs associated with rising caseloads and increased benefits in the food stamp program	\$1.1	DHS	FY 2009, FY 2010
Emergency Food Assistance Program	Funding in the form of food commodities will be given to states to distribute to local and non-profit direct service providers	\$0.3	DHS*	Through 9/30/2010
Emergency Food and Shelter Program	For emergency food and shelter assistance under the McKinney-Vento Homeless Act	\$0.3	DHS	Through 9/30/2010
Women, Infants & Children (WIC)	Funding to implement or upgrade information management systems	^	DHS	Through 9/30/2010
Temporary Assistance to Needy Families (TANF)	Provides states with an emergency contingency fund to help states with rising caseloads and costs in the TANF program. Also extends TANF supplemental grants. DC must apply for this funding.		DHS	FY 2009, FY 2010

PROGRAM	DESCRIPTION	DC TOTAL ESTIMATE (in millions)	LIKELY RECIPIENT AGENCY	FUNDS AVAILABLE
Community Services Block Grant	Aid to community action agencies to administer programs like Head Start, LIHEAP, housing, emergency food, etc. One percent is kept by states for benefit coordination services and states can increase the income eligibility ceiling from 125% to 200% during FY 2009 and FY 2010.	\$16.4	DHS	Through 9/30/2010
Federal Fire Prevention and Control Act Grants	The bill waives any cost-sharing requirements for grants from the FFPC act	^	FEMS	
Byrne/JAG (Law Enforcement)	Funding to help prevent, fight and prosecute crime	\$11.7	MPD	Through 9/30/2010
Crime Victims Compensation	Increased funding for victims and survivors of crimes	\$0.3	MPD	Through 9/30/2010
Violence Against Women	Increased funding for combating violence against women	\$0.8	MPD	Through 9/30/2010
Community Oriented Policing Services	Funding for hiring and rehiring of career law enforcement officers	^	MDP	Through 9/30/2010
Transitional Medical Assistance (TMA)	States have the option to extend TMA Medicaid coverage from 6 to 12 months and to waive certain enrollment requirements starting 7/1/09 for families transitioning from welfare to work.	^	HHS/DOH	Through 12/31/2010
Qualified Individual Program (QIP)	Extends QIP to 12/31/2010. QIP pays for Medicare Part B premiums for low-income people aged and/or with disabilities.	^	DOH/DHCF	Through 12/31/2010
Medicaid Health Information Tech.	Eligible Medicaid providers can be reimbursed for the cost of qualified electronic health record technology purchases, implementation, and some operating costs from states. Eligible providers are: physicians, nurses, midwife nurses who are not hospital-based and have at least 30 percent of their patient volume for Medicare. Acute care hospitals with at least a 10 percent Medicaid patient volume and children's hospitals with any Medicaid volume are also eligible.	^	DOH*	
State grants to promote Health Information Technology	Funding for states or state-designated entities to facilitate and expand electronic health information technology.	^	DOH*	
Medicaid DSH	Increases the share of Medicaid costs that the federal government pays by 2.5 percent	\$3.0	DHCF	Through 9/30/2010

PROGRAM	DESCRIPTION	DC TOTAL ESTIMATE (in millions)	LIKELY RECIPIENT AGENCY	FUNDS AVAILABLE
Immunization	For the implementation of health care-associated infection prevention strategies in both state and local governments and the public and private sector	\$3.0	DOH*	Through 9/30/2010
Child Support Enforcement	Repeals cuts to child support enforcement funding through FY 2010	\$3.0	OAG	Through 9/30/2010
Community Development Block Grant	To carry out a wide range of community development activities, including affordable housing and expanding economic opportunity, primarily for low- and moderate-income individuals	\$4.9	DHCD	Through 9/30/2010
HOME (LIHTC's)	Funding allocated by HOME formula, the majority of funding is to fund gaps for LIHTC's. State tax credit agencies will distribute the tax credits competitively to owners of projects who have received or receive simultaneously an award of low income housing tax credits. Projects awarded housing tax credits in 2007, 2008 and 2009 will be eligible for these funds. States can also opt to receive an amount for distribution in the form of grants instead of in the form of state LIHTC's allocation. Funding can be used to: finance construction or rehabilitation of qualified low-income buildings.	\$11.6	DHCD*	Through 9/30/2011
Homelessness Prevention Grants	The funding can be used for activities to prevent homelessness and rapid re-housing of recently homeless persons	\$7.5	DHCD*	Through 9/30/2011
Workforce Investment Act				
Youth Services	Through WIA, funding for youth services is increased. Non-profits are also eligible for funding.	\$4.0	DOES*	Through 6/30/2010
Adult Activities	Through WIA, funding for adult activities is increased. Non-profits are also eligible for funding.	\$1.6	DOES*	Through 6/30/2010
Dislocated Workers	Through WIA, funding for dislocated workers is increased. Non-profits are also eligible for funding.	\$4.1	DOES*	Through 6/30/2010
Community Service Employment for Older Americans	Increases funding for the grants available to states, local governments and non-profits that provide work training to persons over 55 years of age. Funds available only to 2008 grantees.	\$0.7	DOES	Through 7/1/2010

PROGRAM	DESCRIPTION	DC TOTAL ESTIMATE (in millions)	LIKELY RECIPIENT AGENCY	FUNDS AVAILABLE
AmeriCorps	Additional funding for current AmeriCorp grantees	^		Through 6/30/2010
Wagner-Peyser Act--Employment Services	Funding is for states employment services, a small portion is to provide reemployment and job-matching assistance	\$1.5	DOES	Through 6/30/2010
Job Corps Centers	For construction, rehabilitation, and acquisition of current Job Corp centers	^	DOES	Through 6/30/2010
Home Weatherization	To help low-income families lower their energy costs through weatherization of their homes. Both the eligibly threshold and the assistance level would be raised from 150% to 200% and \$2,500 to \$6,500, respectively. Non-profits and other entities can be selected to carry out the work through an open, public process. Also, if a state fails to submit an application any community action agency carrying out these types of programs can submit one in its place.	\$8.3	DDOE*	Through 9/30/2010
Energy Efficiency and Conservation	Funding to help states and local governments develop and implement energy efficiency and conservation strategies. Subgrants to non-government agencies to carry out the activities under the grant can be made with up to 20 percent of the funding.	^	DDOE*	Through 9/30/2010
State Energy Program	Funding to help states prepare and implement state comprehensive energy programs.	\$20.0	DDOE	Through 9/30/2010
National Endowment for the Arts	Funding will go to state and regional art agencies for arts projects	^	DCAC	?
General Fund Boosts to Programs--Subtotal		\$183.4		
CAPITAL CONSTRUCTION GRANTS				
Highway Infrastructure	For restoration, repair, construction, and other eligible highway infrastructure projects	\$123.5	DOT	Through 9/30/2010
FUNDS FOR THE UNEMPLOYMENT TRUST FUND				
Full Federal Funding of Extended Unemployment Compensation	If a state is eligible for extended benefits at the state level, this provision temporarily waives the state's cost sharing provision	^	DOES	Through 1/1/2010

PROGRAM	DESCRIPTION	DC TOTAL ESTIMATE (in millions)	LIKELY RECIPIENT AGENCY	FUNDS AVAILABLE
Unemployment Insurance-- Interest Payments	Temporarily waives interest accruals and payments on state loans from the accounts used to pay state benefits.	^	DOES	Through 12/31/2010
Unemployment Insurance Modernization	Provides grants to states (one-time) that enact reforms to increase UI coverage among low-wage, part-time, and other jobless workers. States must apply for this funding.	\$22.8	DOES	Through 10/1/2011
Unemployment Insurance Administration	If a state chooses to enact modernization reforms above, they are eligible for administrative funding as well	\$1.7	DOES	Delivered by 3/19/2009#
<i>FUNDS THAT DO NOT GO TO DC's GENERAL FUND</i>				
Public Housing Capital Fund	Funding for the rehabilitation of public housing with priority given to vacant units and to capital projects already underway or identified in the PHA's five-year capital plan.	\$27.2	DCHA	Through 9/30/2011
Project Based Section 8 Renewal	To allow commitment of full 12 months of budget authority at annual review. A small portion of the funding is available for HUD to provide grants and loans to upgrade its Section 202 elderly, Section 811 disabled and Section 8 project-based stock to increase energy efficiency.	\$40.9	DCHA	Through 9/30/2010
Clean Water State Revolving Fund	For water quality protection projects	\$19.4	WASA	Through 9/30/2010
Drinking Water State Revolving Fund	For infrastructure improvements to drinking-water systems	\$19.5	WASA	Through 9/30/2010
Capital Investment Grants	Funding for transit projects. Priority is given to projects under construction or those that can obligate funds quickly.	^	DOT	Through 9/30/2010
Fixed Guideway Modernization	For modernizing transit systems that use controlled rights-of-way rails	\$13.9	WMATA	Through 9/30/2010
Transit Capital Assistance	Funding for transit upgrades and repair; state and local cost-sharing requirements are waived	\$111.0	WMATA	Through 9/30/2010
<i>Non-General Fund/Capital Grants/Federal Grants/UI Trust Fund Subtotal</i>		<i>\$379.9</i>		
^ No DC estimate available				
*nonprofits or other private entities may also be eligible for funding or apply for these grants				
# if DC chooses to enact modernization reforms				

TABLE 2: COMPETITIVE FUNDING THAT THE DISTRICT MUST APPLY FOR

PROGRAM	DESCRIPTION	AMOUNT AVAILABLE (in millions)	LIKELY AGENCY TO APPLY	FUNDS AVAILABLE
State Fiscal Stabilization--Incentive Grants	Funds are awarded to states who demonstrate progress in: improving teacher effectiveness and equality of distribution, in establishing a longitudinal data system, improving academic standards and assessments and providing support to schools having a hard time meeting standards.	\$4,350	OSSE	FY 2009, 2010, 2011
Education--Innovation and Improvement	Funding to states, LEA's, Higher Education institutions, and other public and private agencies for purposes associated with the Fund for Improvement of Education.	\$0.2	OSSE, DCPS*	Through 9/30/2010
Historic Preservation Funds	States with public historically black colleges and universities are eligible to receive funds for historic preservation projects at HBCU's.	\$15	OSSE	
Impact Aid Construction--Competitive	For school construction grants	\$599	DCPS	FY 2009, FY 2010
State Fiscal Stabilization--Innovation Grants	Funds can be awarded to LEA's or partnerships between non-profits and LEA's. To be eligible for funding one must have made significant progress in closing achievement gaps, meeting state objectives around ESEA requirements, improving graduation rates or teacher recruitment and/or shown a partnership between a non-profit and LEA which may agree to provide a match for the Innovation award.	\$0.7	DCPS*	FY 2009, 2010, 2011
Statewide Data Systems: Postsecondary and Workforce Information	Funding for improvements to statewide data systems. Funding can also be awarded to public or private organizations or agencies to improve data coordination.	\$250	UDC*	Through 9/30/2010
Major Research Equipment and Facilities Construction Program	Funding for colleges and universities to purchase research equipment and computer systems	\$400	UDC	
Major Research Instrumentation Program	Funding for colleges and universities for developing major research instrumentations	\$300	UDC	
Academic Facilities Modernization	Funding for renovation and modernization of existing facilities	\$200	UDC	

PROGRAM	DESCRIPTION	AMOUNT AVAILABLE (in millions)	LIKELY AGENCY TO APPLY	FUNDS AVAILABLE
Watershed and Flood Prevention Operations	Funding for watershed and flood prevention operations	\$290	DDOE	Through 9/30/2010
Watershed Rehabilitation	Funds for watershed rehabilitation	\$50	DDOE	Through 9/30/2010
Neighborhood Stabilization through CDBG	Funding for state and local governments and non-profits to buy abandoned and foreclosed property so that they can be turned into affordable units	\$2,000	DHCD*	Through 9/30/2010
Lead Hazard Reduction	Funding for the lead hazard reduction program, priority given to applicants who applied in FY 2008 but were not awarded funding. State and local governments as well as non-profits are eligible to apply.	\$100	DHCD*	Through 9/30/2011
Firefighter Assistance Grants	Funding for construction or modification of state and local firehouses. Funding is administered through the Assistance to Firefighters Grants.	\$210	FEMS	Through 9/30/2010
State and Local Law Enforcement Assistance	Funding for law enforcement agencies to improve the administration of justice, provide services to victims of crime, support and mentor at-risk youth, among other similar activities.	\$225	MPD	
AmeriCorp VISTA	Additional funding for the VISTA program. States, local governments and non-profits can apply	\$0.07	DOES*	
YouthBuild	Funding for Youthbuild to teach construction skills to at-risk youth. In 2009, programs can include high school drop outs that may have enrolled in an alternative school.	\$50	DOES	Through 6/30/2010
Dislocated Workers--national reserve	For assistance to dislocated workers	\$200	DOES	Through 6/30/2010
Workers in high growth and emerging areas	For worker training and placement in high-growth and emerging areas.	\$750	DOES	Through 6/30/2010
Public Transportation and Railroad Security Assistance	For currently awarded state and local governments, and additional funding will be provided for security-related expenses.	\$0.2	DOT/WMATA	
Surface transportation supplemental grants	For transportation projects to include highway and bridge construction	\$1,500.0	DOT/WMATA	Through 9/30/2011
High Speed and Intercity Rail State Grants	Funding is targeted to areas with high speed and intercity rail needs, state and local cost-sharing requirements are waived	\$8,000	WMATA	Through 9/30/2012

PROGRAM	DESCRIPTION	AMOUNT AVAILABLE (in millions)	LIKELY AGENCY TO APPLY	FUNDS AVAILABLE
Energy Efficiency and Conservation	Funding to help states and local governments develop and implement energy efficiency and conservation strategies.	\$400	DDOE	Through 9/30/2010
Diesel Emissions Reductions Act	Through grants and low-cost loans to states, funding for diesel emission reduction	\$300	DDOE	Through 9/30/2010
Leaking Underground Storage Tanks	For clean-up activities around petroleum underground storage tanks	\$200	DDOE	Through 9/30/2010
Brownfield Remediation	Additional funding for Brownfield cleanups is available, cost-sharing requirements are waived	\$100	DDOE	Through 9/30/2010
Community Health Centers: Operations	Funding for increased costs associated with providing health care in community health centers	\$500	DOH	Through 9/30/2010
Community Health Centers: Health Information Technology and Infrastructure	Funding will go states to establish a loan program that health care providers can use to: purchase, train, and improve security on electronic health information systems. Funding can also be used for the renovation and construction of health centers	\$1,500	DOH	Through 9/30/2010
Infections Reductions Strategies	Funding to states for infectious disease reduction	\$50	DOH	
Social Security Research	Unspecified at that time	\$50	DHS	Through 9/30/2010
National Endowment for the Arts	A competitive pot of funding will be available to deserving art projects, state and regional art agencies may also be eligible for these	\$30	DCAC	Through 6/30/2010
Economic Development Assistance	For grants to economically distressed areas to generate private sector jobs	^	DMPED	Through 9/30/2010
FUNDS THAT ARE COMPETITIVE CAPITAL DOLLARS				
PROGRAM	DESCRIPTION	AMOUNT AVAILABLE (in millions)	LIKELY AGENCY TO APPLY	FUNDS AVAILABLE
Broadband Technology	For innovative programs that work to establish sustainable adoption of broadband services	\$250	OCTO	Through 9/30/2010

Broadband Technology Opportunity Program	For broadband implementation efforts. State, local governments and some private organizations can apply for funding. Funding can be used for a wide range of projects including training and support for libraries, schools, and high education institutions. A portion of the funding must be for expanding capacity at places like community colleges or public libraries. A 20 percent match is required of all applications (waivers available on needs basis).	\$4,350	OCTO*	Through 9/30/2010
Nation's Surface Transportation Infrastructure	For state and local government agencies for all modes of surface transportation that have a significant impact on the nation	\$1,500	DOT	Through 9/30/2011
Public Housing Capital Fund	For priority investments, including those that will leverage public financing or finance energy conservation renovations or retrofits.	\$1,000	DCHA	Through 9/30/2011
*nonprofits or other private entities may also be eligible for funding or apply for these grants				

TABLE 3: FUNDING DIRECTLY TO RESIDENTS HIT HARDEST BY THE ECONOMIC DOWNTURN		
PROGRAM	DESCRIPTION	AVAILABLE
Food Stamp (SNAP) Benefit Increase	Funding for a 13 percent benefit increase through 9/30/2009	Through 9/30/2009
Pell Grants	An additional \$27 million will be available for 2009, bringing total to \$92.8 million. Also a \$500 increase is in 2009 brining the maximum award to \$5,350 for 2009.	2009
Unemployment Assistance--Benefit Increase	Unemployment Insurance recipients can receive a \$25 increase in their weekly benefits.	Through 1/1/2010
Unemployment Assistance--Benefit Extension	Extends the period for which individuals can qualify for and receive extended unemployment benefits through 12/31/2009. Benefits can be paid through 5/31/2010.	Through 12/31/2009
Supplemental Security Income	A one time \$250 payment would be sent to recipients of Social Security, SSI, Railroad Retirement and Veterans Disability Compensation benefits. This would be a reduction to any allowable 'Making Work Pay' credit.	2009
Premium Subsidies for COBRA benefits	Provides a COBRA subsidy of 65% for up to 9 months for workers that have been laid-off from 9/1/2008 and 12/31/2009 and their families.	Through 12/31/2009

PROGRAM	DESCRIPTION	
Making Work Pay Tax Credit	Refundable tax credit of up to \$400 for working individuals and \$800 for working families. Calculated at a rate of 6.2 percent of earned income and phases out for taxpayers with AGI's of \$75,000 (\$150,000 for married couples filing jointly). Taxpayers can claim the credit on their returns or reduce the amount of income tax that is taken out in their paychecks.	2009-2010
EITC Increase	Temporarily increases the EITC for families with three or more children.	2009-2010
Refundable Child Tax Credit Eligibility Increase	Temporarily reduces the eligibility for the refundable tax credit from \$8,500 to \$3,000	2009-2010
American Opportunity Tax Credit	Tax Credit of up to \$2,500 of the cost of tuition and related expenses during the year. 40 percent of the credit is refundable. Phased out at higher incomes.	2009-2010
Additional allowable 529 expenses	Adds computers as an allowable 529 savings plan expense	
Temporary Suspension of taxation on Unemployment Benefits	Temporarily suspends federal income tax on the first \$2,400 of unemployment benefits.	2009