

American Recovery and Reinvestment Act of 2009 (Stimulus Bill)

- \$789 Billion in total stimulus funds
- Includes \$311 B in appropriations
- Funds for infrastructure, health, education and training, energy, science, student aid
- No earmarks
- Money to flow through competitive federal agency processes and through states

National Institutes of Health

\$10.4 Billion to NIH – most to award grants that were skipped this year.

- \$8.2 B to Office of Director
- Challenge grants just published: due 4/27. Short proposals, complete-able within 2 years
- AREA award program (for universities that normally can't compete for NIH funding) will be expanded – PA in the spring. We are eligible !!!
- \$400 M for comparative effectiveness research
- Supplements to SC3 components of SCORE

NIH, cont.

- \$1.3 B to National Center for Research Resources -- \$300 M for shared instrumentation, research equipment, \$1 B for competitive awards for research facilities
 - *Shared instrumentation \$100-500K*
 - *High end instrumentation \$600-800K*
(we are not eligible for these)
 - Renovate/repair core facilities: can request \$1-10M
 - Major alterations and renovations/add to buildings/complete shell space/new construction \$2-15M

Recovery Act Limited Competition: Extramural Research Facilities Improvement Program (C06)

Request for Applications (RFA) Number: RFA-RR-09-008

Examples for SF State:

*** Altering/modernizing/constructing space to create simulation facilities for training health care providers and researchers. General classroom renovations are not permitted.**

Altering/modernizing/constructing biomedical and/or animal facilities to improve the conduct of PHS funded research.

Altering/modernizing/constructing biomedical and/or animal facilities to enhance the cyberinfrastructure within the facility such as wiring. Funds will not be provided for servers or other similar movable equipment.

The acquisition and installation of fixed equipment such as casework, fume hoods, large autoclaves, upgrading HVAC systems for the research areas, cage washers, animal ventilated racks, static racks, downdraft tables, sterilizing equipment, and other large equipment that are connected to building structure and services, or biological safety cabinets are allowed.

DUE DATES: May 6, 2009 (projects between \$2M and \$5M); June 17, 2009 (projects between \$10M and \$15M), July 17, 2009 (projects between \$5M and \$10M)

National Science Foundation

\$3 B overall to NSF – most \$ will go toward unfunded proposals

- \$2.5 B for research and related activities – includes \$300 M for major research instrumentation and \$200 M for academic research facilities modernization
- \$100 M – education and human resources
- \$25 M – Math and Science Partnerships
- \$15 M – Professional Science Master's Programs
- \$400 M – Major equipment research and facilities construction
- \$60M Noyce Teacher Scholarship Program

NASA

\$1 B overall to NASA

- \$400 M -- acceleration of tier 1 science climate research missions recommended by National Academies Decadal Survey
- \$150 M – system level research development and demonstration activities related to aviation safety, environmental impact mitigation, and Next Generation Air Transportation System
- \$400 M – Exploration
- \$50 M – to restore NASA facilities

Department of Energy

\$1.6 B for Office of Science

- Funds research in areas such as climate science, biofuels, high energy physics, nuclear physics, fusion energy sciences
- \$400 M for Advanced Research Projects Agency – Energy (ARPA-E) – supports high risk, high payoff research into energy sources and energy efficiency
- Funding in the behavioral and social sciences of energy use was emphasized at the GRC meeting in Wash DC
- There is movement CSU-wide to develop a miniconference in this area

National Institute of Science and Technology

\$600 M overall for NIST

- \$360 -- construction of research buildings -- \$180 M of that amount is for competitive construction grant program for research science buildings
- \$220 M – scientific and technical research and services

Stimulus Funds to States

\$53.6 B to states

- House bill was \$79 B, Senate bill was \$39 B
- Funding allocated to states based on formula -- 61% based on population between ages 5 and 24 and 39% based on total population
- 81.8% of funds to be used for education, 18.2% (\$8.8 B) available for public safety and other government services, including education services
- Funding may be made available to any institutions of higher education (not just publics) for modernization

General Provisions

- Stimulus funds do not affect any fiscal year appropriations or amounts under FY 2009 Continuing Resolution
- Stated goal is to use at least 50% of funds for activities that can be initiated within 120 days of enactment of Act
- Generally must use American iron, steel, and manufactured goods
- Prevailing wages must be paid for projects that receive stimulus funds
- Funds appropriated under the Act are available until September 30, 2010 unless otherwise stated

National Endowment for the Arts - NEA

- \$50M in stimulus monies – to support community arts programs and non profits in the arts.

March 9, 2009

WHAT DOES THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 MEAN FOR CALIFORNIA?

On February 17, 2009, President Obama signed the American Recovery and Reinvestment Act (ARRA) of 2009.¹ The ARRA is designed to boost the economy through a \$787 billion package of spending and tax measures. The table below describes many – though not all – of the provisions that will benefit California and Californians, including measures aimed at helping states balance their budgets. Two of these “fiscal relief” measures – increased federal funding for Medicaid and a new State Fiscal stabilization Fund – provide a total of \$17.2 billion, much of which can be used to help the state avert additional cuts, tax increases, or borrowing that would otherwise be needed to close the state’s budget gap.² California and Californians will receive an estimated \$50.7 billion from the provisions described below for which state estimates are available.³

In some cases, the ARRA requires the Legislature and/or Governor Schwarzenegger to act. For example, in order to claim the full amount of additional federal funding for Medicaid – Medi-Cal in California – policymakers must reinstate annual eligibility renewals for children in Medi-Cal and ensure that this change takes effect before July 1, 2009.⁴ The state will lose an estimated \$3.7 billion in federal funding for Medicaid in 2008-09 if it misses this deadline, and will lose even more federal funds for every quarter that it delays making this change.⁵

State Fiscal Relief		
Program Area⁶	Purpose	Estimated Impact in California
State Fiscal Stabilization Fund (SFSF)	Provides \$39.5 billion for an education block grant for K-12 and higher education and \$8.8 billion for a flexible block grant for education, other state services, and school renovation and repair. States may apply to receive these funds in 2008-09, 2009-10, and/or 2010-11. The SFSF also includes approximately \$5 billion for incentive grants to support educational activities, as well as for other purposes	\$4.9 billion from the education block grant \$1.1 billion from the flexible block grant
Benefits and Services To Help Workers and Others Hurt by the Recession		
Program Area	Purpose	Estimated Impact in California
Community Services Block Grant	Provides \$1.0 billion for local communities to help alleviate poverty by providing a range of services that address employment, education, housing, nutrition, and other issues. ¹⁸	\$89.2 million ¹⁹

Training and Employment Services	Provides \$3.95 billion for Workforce Investment Act (WIA) training and employment services. Of this amount, \$2.95 billion will be distributed using standard WIA formulas: \$1.25 billion for dislocated workers, \$1.2 billion for youth services, and \$500 million for adult activities. The remaining \$1.0 billion in discretionary funds will primarily support competitive grants for worker training in high-growth industries. ³²	\$225.0 million for dislocated workers ³³ \$188.5 million for youth services ³⁴ \$80.9 million for adult Activities ³⁵
Education		
Program Area⁵⁶	Purpose	Estimated Impact in California
Education Technology	Provides \$650.0 million for grants for states to support education technology, including computer and science labs and teacher technology training.	\$70.8 million
Head Start and Early Head Start	Provides \$2.1 billion for Head Start and Early Head Start child development activities. Head Start funds (\$1.0 billion) will be awarded according to the current formula; Early Head Start funds (\$1.1 billion) will be awarded on a competitive basis. ⁵⁷	At least \$82 million for Head Start ⁵⁸
Individuals with Disabilities Education Act (IDEA)	Provides \$12.2 billion to assist states and school districts with the costs of special education.	\$1.3 billion 677,000 special education students will be helped ⁵⁹
Student Financial Assistance	Provides \$17.3 billion to retire the funding shortfall for 2008-09 and to increase – to \$5,350 – the maximum federal Pell Grant award in 2009-10. ⁶⁰	\$755.3 million funding increase in 2009
Title I	Provides \$13.0 billion for supplemental Title I grants for states and school districts to help schools with a high concentration of students from low-income families.	\$1.5 billion ⁶¹

Health		
Health Information Technology	Provides more than \$36 billion for health information exchange infrastructure and incentive payments for adoption of electronic health records, chronic disease management systems, and other technologies. ⁶⁷	Potentially more than \$3 billion ⁶⁸
Energy And Infrastructure		
State Energy Program	Provides \$3.1 billion to promote energy conservation.	\$203.1 million
Transit Capital Assistance	Provides \$6.9 billion to purchase buses and equipment needed to increase public transportation and improve intermodal and transit facilities.	\$1.0 billion

Endnotes

¹ Public Law 111-5.

² Fiscal relief measures may also generate savings for local governments. For example, a portion of the additional federal funding for Medicaid as well as for Title IV-E foster care and adoption assistance will offset expenditures that counties would otherwise be required to make.

³ The table includes most of the ARRA provisions for which various organizations – such as the Center on Budget and Policy Priorities and Federal Funds Information for States – have released state-level estimates, or for which the California Budget Project (CBP) was able to develop a California-specific estimate. In addition, the table includes a few ARRA provisions for which no California estimates are available. However, the table is not an exhaustive list. California and Californians will receive an unknown amount of additional federal funds based on competitive applications, tax law changes, and other ARRA provisions that are not included in the table.

⁴ The 2008-09 budget package increased paperwork requirements for children in Medi-Cal by requiring eligibility renewals every six months, rather than once per year.

⁵ Reflects Center on Budget and Policy Priorities calculations based on Government Accountability Office estimates. See Iris J. Lav, et al., *Recovery Act Provides Much-Needed, Targeted Medicaid Assistance to States* (Center on Budget and Policy Priorities: February 13, 2009), downloaded from <http://www.cbpp.org/2-13-09sfp.htm> on February 13, 2009.

⁶ Unless otherwise noted, the data in this section come from Center on Budget and Policy Priorities, *American Recovery and Reinvestment Act of 2009: State-by-State Estimates of Key Provisions Affecting Low- and Moderate-Income Individuals* (updated February 25, 2009), downloaded from <http://www.cbpp.org/1-22-09bud.htm> on March 2, 2009.

¹⁸ American Recovery and Reinvestment Act of 2009 (Public Law 111-5).

¹⁹ Federal Funds Information for States, *The American Recovery and Reinvestment Act Becomes Law* (Budget Brief 09-04: February 23, 2009).

³² Center on Budget and Policy Priorities, *American Recovery and Reinvestment Act of 2009: State-by-State Estimates of Key Provisions Affecting Low- and Moderate-Income Individuals* (updated February 25, 2009), downloaded from <http://www.cbpp.org/1-22-09bud.htm> on March 2, 2009.

³³ Center on Budget and Policy Priorities, *American Recovery and Reinvestment Act of 2009: State-by-State Estimates of Key Provisions Affecting Low- and Moderate-Income Individuals* (updated February 25, 2009), downloaded from <http://www.cbpp.org/1-22-09bud.htm> on March 2, 2009.

³⁴ Center on Budget and Policy Priorities, *American Recovery and Reinvestment Act of 2009: State-by-State Estimates of Key Provisions Affecting Low- and Moderate-Income Individuals* (updated February 25, 2009), downloaded from <http://www.cbpp.org/1-22-09bud.htm> on March 2, 2009.

³⁵ Center on Budget and Policy Priorities, *American Recovery and Reinvestment Act of 2009: State-by-State Estimates of Key Provisions Affecting Low- and Moderate-Income Individuals* (updated February 25, 2009), downloaded from <http://www.cbpp.org/1-22-09bud.htm> on March 2, 2009.

⁵⁶ Unless otherwise noted, the data in this section come from US Department of Education, *American Recovery and Reinvestment Act State Tables for the US Department of Education* (February 19, 2009), downloaded from <http://www.ed.gov/about/overview/budget/statetables/recovery.html> on February 25, 2009.

⁵⁷ US House of Representatives, *Conference Report To Accompany H.R. 1* (February 12, 2009), downloaded from <http://appropriations.senate.gov/news.cfm> on March 2, 2009.

⁵⁸ Federal Funds Information for States, *The American Recovery and Reinvestment Act Becomes Law* (Budget Brief 09-04: February 23, 2009).

⁵⁹ California Department of Education, *Special Education Enrollment by Grade and Disability Statewide Report*, downloaded from <http://dq.cde.ca.gov/dataquest/SpecEd/StateRpts/EnrGrdeDis.asp?cChoice=EnrGrdDis1&cLevel=State&cYear=2007-08&ReptCycle=December> on March 2, 2009.

⁶⁰ US Department of Education, *The American Recovery and Reinvestment Act of 2009: Education Jobs and Reform* (February 18, 2009), downloaded from <http://www.ed.gov/policy/gen/leg/recovery/factsheet/overview.html> on March 5, 2009.

⁶¹ Federal Funds Information for States, *The American Recovery and Reinvestment Act Becomes Law* (Budget Brief 09-04: February 23, 2009).

⁶⁷ California HealthCare Foundation, Manatt Health Solutions, and Robert Mittman, *An Unprecedented Opportunity: Using Federal Stimulus Funds To Advance Health IT in California* (February 2009), downloaded from <http://www.chcf.org/topics/view.cfm?itemid=133864> on February 23, 2009.

⁶⁸ California HealthCare Foundation, Manatt Health Solutions, and Robert Mittman, *An Unprecedented Opportunity: Using Federal Stimulus Funds To Advance Health IT in California* (February 2009), downloaded from <http://www.chcf.org/topics/view.cfm?itemid=133864> on February 23, 2009.