



## U.S. Senate Committee on Appropriations

*PRESS RELEASE*

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### **Senate Appropriations Committee Releases Additional Details of the American Recovery and Reinvestment Plan**

**Washington, DC** – As Americans contend with the painful effects of the most serious economic crisis since the Great Depression, the U.S. Congress is responding with a bold plan to revive our struggling economy, put millions of people to work, and lay the foundation for America's economic competitiveness in the 21<sup>st</sup> century. Combined with the economic recovery tax cuts and mandatory programs announced by the Senate Finance Committee, the Senate legislation totals \$825 billion. It is estimated that this legislation will create or sustain over 4 million jobs.

In the coming weeks, the Senate will work closely with the House of Representatives and the Obama Administration in a bi-partisan effort to enact strong and responsible legislation that will put our nation back on the road to economic recovery.

#### **The Economy in Crisis**

**Unemployment:** In December, the number of unemployed persons increased by 632,000 to 11.1 million and the unemployment rate rose to 7.2 percent. Job losses were large and widespread across most major industry sectors. Leading economists have predicted that in the absence of dramatic government action, the unemployment rate could reach 10 percent by 2010.

**Housing:** U.S. foreclosures increased by more than 81 percent last year, a record, with over 2.3 million foreclosures total.

**State Budgets:** 44 States are facing budget shortfalls totaling \$90 billion for Fiscal Year 2009 and \$145 billion for Fiscal Year 2010, and are faced with the prospect of dramatic cuts in basic services or painful tax increases.

**Stock Market:** In 2008, U.S. stocks lost roughly \$7 trillion in value.

**Bank Failures:** During 2008, 25 banks with \$373.6 billion in total assets failed in the U.S.

**Gross Domestic Product:** The U.S. has officially been in a recession since December of 2007. Real gross domestic product -- the output of goods and services produced by labor and property located in the United States -- decreased at an annual rate of 0.5 percent in the third quarter of 2008.

**Cost of Living and Poverty:** Overall participation in the Food Stamps program increased by 3.9 million people, or 14 percent, between October 2007 and October 2008, the latest month for which data is available. Food costs have increased 7.0 percent since November 2007, and are forecast to increase an additional 4.5 percent in 2009, according to the United States Department of Agriculture's (USDA) latest estimates.

### **Urgent Infrastructure Needs**

- The American Society of Civil Engineers (ASCE) estimates that \$1.6 trillion is needed over a five-year period to bring the nation's infrastructure to a good condition.
- 27.1 percent of our nation's bridges are structurally deficient, or functionally obsolete.
- 34 percent of America's major roads are in poor or mediocre condition, and 36 percent of America's major urban roads are congested. Americans spend 4.2 billion hours a year stuck in traffic, at a cost of \$78.2 billion a year to the economy. Poor road conditions cost U.S. motorists \$67 billion a year in repairs and operating costs.

## **The American Recovery and Reinvestment Plan**

To meet these enormous challenges, the American Recovery and Reinvestment Plan focuses on five areas critical to rebuilding our economy and creating the conditions for economic growth in the long-term: Infrastructure and Science; Education and Training; Energy; Protecting the Vulnerable; and Health. It is estimated that this legislation will create or sustain over 4 million jobs.

The American Recovery and Reinvestment Plan provides unprecedented oversight, accountability, and transparency to ensure that taxpayer dollars are invested effectively, efficiently, and as quickly as possible.

- Funds are distributed whenever possible through existing formulas and programs that have proven track records and accountability measures already in place.
- Numerous provisions in the bill provide for expedited but effective obligation of funds so that dollars are invested in the economy as quickly as possible.
- The Government Accountability Office and the Inspectors General are provided additional funding for auditing and investigating recovery spending.
- A new Recovery Act Accountability and Transparency Board will coordinate and conduct oversight of recovery spending and provide early warning of problems.
- A special website will provide transparency by posting information about recovery spending, including grants, contracts, and all oversight activities.
- State and local whistleblowers who report fraud and abuse are protected.
- There are no earmarks in this bill.

***Please note: The following is a summary of the highlights of the proposed legislation only - not a complete listing of all the programs or spending included in the legislation.***

### **Infrastructure and Science**

In order to rebuild our weakening economy, these investments in our physical and cyber infrastructure will put Americans immediately to work rebuilding our crumbling roads and

bridges, and will also enable the creation of a stronger and more efficient infrastructure for the 21<sup>st</sup> century economy. Highlights include:

### **Top line spending of approximately \$142 Billion**

#### **Infrastructure Improvements:**

- **School Modernization:** \$16 billion to repair, renovate and construct public schools in ways that will raise energy efficiency and provide greater access to information technology, and \$3.5 billion to improve higher education facilities.
- **Broadband:** A total of \$9 billion for the National Telecommunications and Information Administration's (NTIA) Broadband Technology Opportunities Program. This competitive grant funding will increase broadband access and usage in unserved and underserved areas of the Nation, which will better position the U.S. for economic growth, innovation, and job creation. Fifty percent of the funds are to be used for projects in rural areas.
- **Public Parks:** \$3.4 billion for repair, restoration and improvement of public facilities at parks, forests, refuges and on other public and tribal lands.
- **Department of Defense Facilities:** The stimulus includes \$2.4 billion for quality of life and family-friendly military construction projects such as family housing and child care centers. Based on estimates by the Army Corps of Engineers and the Navy Facilities Engineering Command, and when combined with another \$613 million in energy-related military construction and upgrades, military construction funding provided in the stimulus will create or sustain as many as 85,870 construction and construction-related jobs in 47 states and the District of Columbia. 95 per cent of these funds will flow to the private sector. Military Construction funding includes the following:
  - **Child Development Centers:** \$353.8 million for child development centers at U.S. military installations.
  - **Health and Dental Clinics:** \$314.5 million for military family health care clinics.
  - **Warrior Transition Complexes:** \$505 million to meet the medical and social service needs of wounded military personnel and their families.
  - **Military Family Housing construction, repair, and upgrades:** \$135 million to improve housing conditions and speed the availability of housing to military families.
  - **Barracks and Dormitories:** \$831.5 million to provide needed new and replacement housing for America's military troops.
  - **Army National Guard** \$150 million for community-based readiness centers.
  - **Air National Guard:** \$110 million, including funding for operational readiness, energy upgrades, and alternative energy projects.
- **\$3.2 billion for Facilities Sustainment, Restoration and Modernization** to be used to invest in energy efficiency projects and to improve the repair and modernization of Department of Defense facilities to include Defense Health facilities.

- The package includes \$3.7 billion for VA hospital and medical facility construction and improvements, long-term care facilities for veterans, and improvements at VA national cemeteries. This funding includes \$329 million in energy-related construction. The VA estimates that this level funding will create an average of 102,823 jobs in all 50 states and the District of Columbia. VA construction funding includes the following:
  - Hospital and cemetery construction: \$994 million to begin construction of new hospitals and expedite the construction of projects already underway, and \$111.5 million for national cemetery construction.
  - Minor construction: \$939.8 million for construction projects, repairs and expansion of VA medical facilities, VA national cemeteries, and Veterans Benefits Administration facilities and to initiate energy conservation projects.
  - Medical facilities repair and maintenance: \$1.37 billion to address the backlog of maintenance and repairs at VA medical facilities.
  - Grants for State Extended Care Facilities: \$258 million for the repair and construction of State long-term care veterans' homes.)
  - National cemetery infrastructure repair: \$60 million repairs to national cemeteries and monuments.
  
- \$5.1 billion for the Department of Homeland Security to secure the homeland and promote economic activity, including:
  - \$1.2 billion to accelerate procurement and installation of baggage screening and checkpoint security equipment at airports across the country. For baggage screening, a TSA investment study concluded that \$8.2 billion over 20 years is necessary to procure new optimal screening systems at airports. Today, only 25 percent of airports are fully equipped with optimal screening systems. These funds will allow TSA to address high priority projects at approximately 20 airports. These funds will also allow TSA to purchase new checkpoint technologies necessary to improve its explosive detection capabilities and respond to newly identified threats. An insufficient number of air passengers today are screened by technology that can identify explosive threats.
  - \$813 million for the Coast Guard, including construction and repair of shoreline facilities, bridges that are a danger to navigation and for other critical assets.
  - \$800 million to reduce the \$6 billion construction backlog for points of entry on our borders, which will improve security and facilitate commerce.
  - \$500 million to secure high risk critical infrastructure such as dams, tunnels, and bridges.
  - \$500 million for competitive grants to build fire stations.
  - \$398 million to secure our ports and rail and transit systems.
  - \$200 million for technology to help secure our borders.
  - \$250 million for competitive grants to construct state and local emergency operations centers and fusion centers.
  - \$248 million for the consolidation of the Department of Homeland Security Headquarters.

- *Federal Buildings*: \$1.4 billion to GSA for construction and repairs for federal buildings and courthouses. Projects are to be selected based upon their ability to be awarded within 120 days so that construction can begin as soon as possible.
- *Border Stations*: \$1.2 billion to GSA for construction and repairs for GSA border stations to improve border security.
- The bill includes \$4.6 billion in funding for the Corps of Engineers: This funding is anticipated to create as many as 37,000 direct new private sector jobs and as many as 102,000 indirect jobs for industries supplying the funded activities and providing goods and services to the workers and their families. The funding provided includes:
  - \$2 billion is provided for a nationwide program of construction of major rehabilitation of inland waterway locks and dams; dam safety/scour repair/seepage stability correction measures; deep draft and coastal navigation projects; flood control and storm damage reduction projects; major rehabilitation of Corps owned and operated hydropower facilities; environmental restoration projects; environmental infrastructure projects; and small projects under the Continuing Authorities Program.
  - \$1.9 billion is provided for operation and maintenance activities across the nation and will consist of dredging Federal harbors and waterways to authorized widths and depths; major maintenance of flood control, navigation and public use facilities (including improving energy efficiency at Corps owned buildings); major maintenance of Corps owned and operated hydropower facilities; environmental and cultural stewardship activities at Corps owned facilities; and to continue the inventory and evaluation of our Nation's flood control infrastructure.
  - \$500 million is provided for studies, construction, and maintenance of projects along the mainstem and tributaries of the Mississippi River and Tributaries Project.
  - \$100 million is included to accelerate clean-up activities at some of the Nation's early atomic energy facilities.
  - \$50 million is provided to pre-place materials and equipment for emergency operations in preparation for natural disaster response.
  - \$25 million is provided to accelerate high priority flood control, navigation and storm damage reduction studies.
  - \$25 million is included to address additional Regulatory permitting issues generated by the additional work funded in the Bill.
- \$1.4 billion in funding for the Bureau of Reclamation. This funding is anticipated to create as many as 11,500 direct new private sector jobs and as many as 31,000 indirect jobs for industries supplying the funded activities and providing goods and services to the workers and their families. The funding provided includes: an inventory and analysis of existing infrastructure, especially canals that could potentially impact population centers; maintenance or replacement of Reclamation owned and operated infrastructure; drought preparation and emergency response activities; improving energy efficiency at Bureau of Reclamation owned facilities as well as for maintenance and rehabilitation of Bureau of

Reclamation owned and operated hydropower facilities; tribal and nontribal rural water projects; water reclamation and reuse projects; construction of water delivery projects.

- The Department of Energy's National Nuclear Security Administration Weapons program gets \$1 billion for maintenance and general plant project backlogs, construction activities, decommissioning and disposition activities, various energy projects throughout the complex, as well as funding for advanced computing development.
- \$2.25 Billion for the HOME Investment Partnerships Program block grant to enable state and local government, in partnership with community-based organizations, to acquire, construct, and rehabilitate affordable housing and provide rental assistance to poor families. Since 1990, this flexible block grant program has provided key financing for the acquisition, construction, and rehabilitation of over 887,000 units and provided rental assistance to over 200,000 poor families. HOME's track record of success makes it the ideal vehicle to help jump-start affordable housing projects in desperate need of 'gap financing' due to the collapse of the Low Income Housing Tax Credit (LIHTC) market, and to ensure that vulnerable families obtain and maintain stable housing during the economic downturn. Additionally, the bill authorizes the Secretary of the Department of Housing and Urban Development (HUD) to distribute up to 20% percent of authorized funding (\$450 million CONFIRM FIGURE) to incentivize investments of HOME funds in projects that promote energy efficiency and green technologies.

### **Transportation:**

- Highways: \$27 billion is included for highway investments. The vast majority of this funding will be distributed as grants using a formula set in current highway authorization law. The vast majority of this funding will be distributed as grants using a formula set in current highway authorization law. The funding can be used on activities eligible under Federal-aid Highway Program's Surface Transportation Program. Eligible activities could also include rail and port infrastructure activities at the discretion of the states. The grants will be provided in two parts:
  - The first half of the funding will be provided to state governments, and must be obligated within 180 days of the grants' distribution. Any funds left unobligated by the states after 180 days will be reallocated by the Federal Highway Administration among the other states.
  - The second half of the funding will be available for obligation for a full year from the date of enactment. Of that funding 20 percent will be distributed to states and 80 percent will be distributed to local governments. Any unobligated balances remaining after one year will be transferred to the competitive grants program discussed below.
  - Taken together, roughly 60 percent of the formula funding provided for highway investments will be directed to states while 40 percent will be sub-allocated to local governments.

- Within the \$27 billion for highways, the bill includes the following set-asides:
  - \$320 million for grants to Indian tribes for transportation investments.
  - \$180 million for transportation improvements at national parks, forests, and wildlife refuges.
- Mass Transit: The bill includes \$8.4 billion for investments in public transportation. This funding will be distributed by formula to local areas using formulas set in current transit authorization law. Like the highway formula grants, the transit formula grants will be provided in two parts: The first half of the funding must be obligated within 180 days of their distribution, with any unobligated balances being redistributed among the other grantees. The remaining funds must be obligated within one year of their distribution. Any unobligated balances will be transferred to the competitive grants discussed below.

The funding for public transportation includes \$200 million for grants to public transit agencies for capital investments that will reduce the energy consumption or greenhouse gas emissions of their public transportation systems.

- Competitive Grants for Transportation: The bill includes \$5.5 billion for competitive grants to state and local governments for transportation investments. These grants will go to a many different kinds of transportation investments – including highway, transit, rail, or port infrastructure – but the bill requires that projects must have a significant impact on the nation, a region, or a metropolitan area. Grants for this funding will be made from the \$5.5 billion appropriated directly to the program, as well as any amounts transferred as a result of the “use-it-or-lose-it” provisions applied to the highway and transit formula grants.
- Aviation: The bill includes \$1.3 billion for investments in our air transportation system. This total funding level includes:
  - \$1.1 billion for grants to airports for capital investments. Airports use these grants to improve safety and increase capacity. The investments made with this funding will create jobs in communities across the country.
  - \$200 million for the facilities and equipment of the Federal Aviation Administration (FAA). FAA facilities are in disrepair, including the buildings where the agency manages our domestic airspace. Replacing or repairing these facilities will create nonfederal jobs.
- Railroads: The bill includes \$3.1 billion for investments in rail transportation. This total funding level includes the following amounts:
  - \$2 billion for grants for investments in high speed rail corridors. This funding will be provided through an authorized program for capital investments in designated high-speed rail corridors.
  - \$250 million for grants to states for investments in intercity passenger rail. Such investments are expected to maintain, improve, or expand existing intercity passenger rail service.

- \$850 million for capital grants to Amtrak. The grants will support a national system for passenger rail, and no more than 50 percent of the funding provided in the bill may be used on the Northeast Corridor.
- Maritime Transportation: The bill includes \$160 million for investments in maritime transportation. This total funding level includes the following amounts:
  - \$100 million for grants to small shipyards. These grants will allow shipyards to make the necessary investments and improvements to make small domestic shipyards more competitive in the shipbuilding industry. This funding will assist shipyards in increasing capacity and creating jobs.
  - \$60 million for grants to states for the construction of ferry transportation systems, an authorized program under current highway authorization law.
- Public Lands Roads: The bill includes \$830 million for repair and restoration of roads on park, forest, tribal and other public lands.

### **Public Housing:**

- Public Housing Capital Fund: The bill provides \$5 billion to the public housing capital fund to enable local public housing agencies to address a \$32 billion backlog in capital needs -- especially those improving energy efficiency in aging developments -- in this critical element of the nation's affordable housing infrastructure. \$3 billion will be distributed by formula and \$2 billion competitively to incentivize innovative and large-scale projects. The investment will also yield significant economic benefits, including generating \$2.12 cents in local economic activity for every dollar and creating or preserving 140,000 jobs in the housing construction sector devastated by the current recession.
- Project-Based Stability: The bill provides just over \$2.1 billion for full year payments to owners receiving Section 8 project-based rental assistance. By providing funding for a full year, it will send a signal to these owners and others thinking of investing in affordable housing that the government can pay their bills on time and in full. In addition, owners that want to participate in the energy retrofit program will have to agree to additional periods of affordability and it is important that they have confidence in the government's ability to pay their bills.
- Neighborhood Stabilization Program: The bill includes \$2.25 billion for the redevelopment of abandoned and foreclosed homes. In addition to states and cities, non-profits will also be able to compete for this funding. The funding will be used to support communities across the country hardest hit by the foreclosure crisis.
- Homelessness Prevention Fund: The bill includes \$1.5 billion for homeless prevention activities, which will be sent out to states, cities and local governments through the emergency shelter grant formula. The funding will be used for prevention activities, which include: short or medium-term rental assistance, first and last month's rental payment, or utility payments. As such, most of this funding will go directly into the

economy of local communities as the funds will be used to pay housing and other associated costs in the private market.

### **Environmental Clean-Up/Clean Water:**

- \$6.4 billion is directed towards environmental cleanup of former weapon production and energy research sites. These projects will be of limited duration aimed at decreasing the overall site footprint and reducing recurring annual costs. This work will move toward decreasing the footprint at some sites by up to 90%. The footprint reduction will free up these lands for other economic purposes. This funding will not only spur the economy through job creation now, but it will save the tax-payers money in the future by resulting in over \$8 billion in life-cycle cost savings. Significantly, the majority of the funding will go out through existing contracts at sites across the country assuring the timely impact of the funding.
- \$6 billion for local clean and drinking water infrastructure improvements, including \$4 billion for the Clean Water State Revolving Fund and \$2 billion for the Drinking Water State Revolving Fund. The bill includes provisions to allow broad eligibility for Clean and Drinking Water State Revolving Funds, including the authority for States to offer negative interest loans and principal forgiveness for up to 100 percent of the cost of projects.
- \$1.4 billion for EPA's nationwide environmental cleanup programs, including Superfund.
- \$1.4 billion to support \$3.8 billion in loans and grants for needed water and waste disposal facilities in rural areas. A substantial and longstanding backlog exists of approved applications for clean water and waste disposal projects in rural communities. These funds would help alleviate that backlog and are estimated to create 87,000 private sector jobs. Not only will the installation of water and waste disposal systems provide long-term economic benefit to rural communities, the short term benefit of construction activity will also benefit those local economies.

### **Science:**

- National Science Foundation (NSF) Research: \$1.4 billion total for NSF including: \$1 billion to help America compete globally; \$350 million for scientific infrastructure; and \$50 million for competitive grants to improve the quality of science, technology, engineering, and mathematics (STEM) education.
- National Aeronautics and Space Administration (NASA): \$1.5 billion total for NASA including: \$500 million for Earth science missions to provide critical data about the Earth's resources and climate; \$250 million to enable research and testing of environmentally responsible aircraft and for verification and validation methods for complex aerospace systems and software; \$500 million to reduce the gap in time that the U.S. does not have a vehicle to access the International Space Station; and \$250 million for repair, upgrade and construction at NASA facilities.

- National Oceanic and Atmospheric Administration (NOAA): \$1.2 billion total for NOAA, including \$772 million to construct and repair NOAA facilities, equipment and vessels; to \$80 million to reduce the Nation's coastal charting backlog; \$70 million for supercomputer infrastructure for climate research; and \$300 million to restore critical habitat around the Nation.
- National Institute of Standards and Technology (NIST): \$575 million total for NIST including: \$357 million for renovation of NIST facilities and new laboratories using green technologies; \$218 million for scientific and technical research at NIST to strengthen the agency's IT infrastructure; provide additional NIST research fellowships; provide substantial funding for advanced research and measurement equipment and supplies; increase external grants for NIST-related research.
- The Department of Energy's Science program sees \$430 million for laboratory infrastructure, for construction, and for advanced computing development.

### **Education and Training**

In order to compete in the 21<sup>st</sup> century, Americans must have a well-educated workforce, capable of adapting to an ever-changing economic environment. Investing in education now will ensure that the next generation of American workers is ready and able to meet the challenge of global competition. In the near-term, millions of workers have seen their jobs disappear, and find themselves unable to match their skill sets with existing opportunities. Providing job training in new and expanding fields will help to lower the unemployment rate and help today's workers better compete against foreign competition. Highlights include:

#### **Top line spending of approximately \$125 Billion**

##### **Education:**

- \$79 billion State Fiscal Stabilization Fund includes \$39 billion to local school districts and public colleges and universities, distributed through existing State and federal formulas; \$15 billion to States as incentive grants as a reward for meeting key education performance measures; and \$25 billion to States for other high-priority needs such as public safety and other critical services, which may include education.
- Title I: \$13 billion to help close the achievement gap and enable disadvantaged students to reach their potential.
- Special Education/IDEA: \$13 billion to improve educational outcomes for disabled children. This level of funding will increase the Federal share of special education services to its highest level ever.
- Pell Grants: \$13.9 billion to increase the Pell Grant maximum award and pay for increases in program costs resulting from increased eligibility and higher Pell Grant awards. The bill supports an increased Pell Grant maximum award of \$281 in the 2009-

2010 academic year and \$400 million in the 2010-2011 academic year. This aid will help 7 million students pursue postsecondary education.

### **Training:**

- Training and Employment Services: \$3.4 billion for job training including State formula grants for adult, dislocated worker, and youth programs (including \$1.2 billion to create up to one million summer jobs for youth). The training and employment needs of workers also will be met through dislocated worker national emergency grants, new competitive grants for worker training in high growth and emerging industry sectors (with priority consideration to “green” jobs and healthcare), and increased funds for the Job Corps and YouthBuild programs. Green jobs training will include preparing workers for activities supported by other economic recovery funds, such as retrofitting of buildings, green construction, and the production of renewable electric power.
- Vocational Rehabilitation State Grants: \$500 million for state formula grants to help individuals with disabilities prepare for and sustain gainful employment.
- Employment Services Grants: \$400 million to match unemployed individuals to job openings through state employment service agencies and allow States to provide customized reemployment services.

### **Energy**

The bill provides investments in areas critical to the development of clean, efficient, American energy, including modernizing energy transmission, research and development of renewable energy technologies, and modernizing and upgrading government buildings and vehicles.

Highlights include:

#### **Top line spending of approximately \$49 Billion**

- The Bill provides \$40 billion to the Department of Energy for development of clean, efficient, American energy. The Bill invests in boots-on-the-ground projects and activities that get people back to work as well as energy research, demonstration, and deployment that will provide for our future and assure a cleaner environment.
  - A total of \$2 billion is provided in grant funding for the manufacturing of advanced batteries systems and components and vehicle batteries that are produced in the United States, including advanced lithium ion batteries, hybrid electrical systems, component manufacturers, and software designers. Batteries are central to our efforts to decrease the oil dependence of our vehicles.
  - An additional \$2.6 billion is for energy efficiency and renewable energy research, development, demonstration and deployment activities to accelerate the development of technologies that will diversify the Nation’s energy portfolio and contribute to a reliable, domestic energy supply. Biofuels, geothermal, water, wind, solar, and efficiency projects will be deployed to demonstrate and improve our use of renewable energy.
  - \$4.2 billion is provided for Energy Efficiency and Conservation Grants.

- \$1.6 billion is provided for grants to make schools and hospitals, significant users of energy, more energy efficient.
  - \$2.9 billion is available for the Weatherization Assistance Program.
  - There is \$4.6 billion for Fossil Energy research and development, including \$2 billion for one or more near-zero emissions, \$1 billion for the Department's Clean Coal Power Initiative Round III Funding Opportunity Announcement and \$1.6 billion for a competitive solicitation for projects that demonstrate carbon capture from industrial sources.
  - The Bill provides \$350 million for grants administered through the Clean Cities program of the Department for acquisition and alternative fuel or fuel-cell vehicles once again decreasing our dependence on foreign oil.
  - The Bill provides \$200 million for grants to states to plan and deploy electrical infrastructure projects that encourage the use of plug-in electric drive vehicles and for near term large-scale electrification projects aimed at the transportation sector, including seaports.
  - The State Energy Programs are provided \$500 million.
  - The bill has a significant focus on the transmission system. This is in recognition of the fact that over the past decade electricity demand has grown by 20%, but transmission capability has only increased 5%. Further, as we push to get more renewable energy sources on line we will need to build out our bulk transmission lines to get stranded renewable energy on line. These stranded renewable resources are mainly in the west and the Great Plains.
  - With this recognition the bill includes \$4.5 billion for smart-grid related activities, including work to modernize the electric grid, enhance security and reliability, perform energy storage research, development, demonstration and deployment, and provide worker training. A smart-grid will help create greater energy efficiency, reliability, and security.
  - A total of \$10 billion is provided for new loan guarantees aimed at standard renewable projects such as wind or solar projects and for electricity transmission projects.
  - \$6.5 billion of increased borrowing authority is provided to the Bonneville and Western Area Power Administrations (\$3.25 billion each) to pursue the construction of new transmission and upgrading of electric power transmission lines and related facilities necessary to deliver power generated by renewable energy resources. WAPA and BPA will be critical entities in our push to bring large new sources of renewable energy on to the grid.
- GSA Federal Fleet: \$600 million to replace older motor fleet vehicles owned by the Federal Government with alternative fuel automobiles that will save on fuel costs and reduce carbon emissions.
  - Green Buildings: \$6 billion for repair of federal buildings to increase energy efficiency using green technology. Funding will help eliminate the backlog of \$8.4 billion in building repair projects.

- \$1.3 billion for grants or loans to owners of the Department of Housing and Urban Development's assisted housing for energy and green retrofit investments. In order to receive this funding these owners must meet certain standards and agree to certain terms and conditions. Most importantly, they must agree to an additional period of affordability of at least 15 years.
- \$613 million for energy efficiency upgrades and construction of alternative energy projects, including wind and solar power and photovoltaic roof systems, at Department of Defense facilities... The Department of Defense is the largest consumer of energy in the Federal government, and has made energy conservation a key component of new construction. As well as contributing to energy efficiency and innovation within the Department of Defense, energy-related military construction funding has the potential to stimulate construction and manufacturing jobs in the energy and alternative energy industry. Defense Department energy construction funding includes the following:
  - Energy Conservation Investment Program: \$118.5 million for energy conservation projects, energy upgrades, and construction of alternative energy projects such as wind power and photovoltaic systems at military installations Department-wide.
  - Navy Energy Construction and Improvements: \$494.4 million for Navy energy efficiency upgrades and construction of alternative energy projects, including wind and solar power and photovoltaic system installation.
- \$400 million for rural business initiatives including development of renewable energy.
  - Biorefinery Assistance: \$200 million for loans and grants to assist in the development of new and emerging technologies for the development of advanced biofuels.
  - Rural Business Programs: \$150 million to support \$3 billion in loans and grants to support income and employment expansion through improved business opportunities in rural areas. These programs serve as the primary USDA tools for business development in the rural sector and are made available to rural areas with a population of 50,000 or less. As sources of private credit have become more restrictive the demand for these programs has gone up. Additionally, the Small Business Administration has reduced its lending, shifting interest to these programs. It is estimated these funds will create 34,600 private sector jobs.
  - Rural Energy for America Program: \$50 million for loans and grants to promote energy efficiency and renewable energy development for agricultural producers and rural small businesses. These funds are used by agricultural producers, rural small businesses, and rural schools to become more energy efficient and to use renewable energy technologies and resources through investments in renewable energy systems and other energy efficient systems. It is estimated these funds will create 1,600 private sector jobs.

### **Protecting the Vulnerable:**

The current economic crisis has affected all Americans, but none more so than the most vulnerable among us. The spending proposed here will serve to lessen the blow of the current recession, providing immediate relief for children, the poor, and others who may find themselves

struggling to put food on the table or a roof over their head. It will also address the urgent need to provide safe and secure places to live, even in neighborhoods that are struggling with high unemployment and surging foreclosure rates.

### **Top line spending of approximately \$25 Billion**

#### **Nutrition:**

- \$16.5 billion for additional Supplemental Nutrition Assistance Program (SNAP), formerly Food Stamps, benefits. According to a USDA Economic Research Service study, \$5 billion in SNAP spending triggers \$9.2 billion in economic activity.
- \$500 million for the Special Supplemental Program for Women, Infants, and Children (WIC). The Committee recommends a total of \$500 million for WIC. In addition, the bill provides \$150 billion for Food Banks.
- Senior Meals: \$100 million to help senior meals programs cope with steep increases in food and fuel costs. Many programs are reducing meal deliveries to seniors or closing meal sites. The funding in the bill will result in an additional 30 million meals served.

#### **Helping Children:**

- \$4.6 billion to increase investments in early childhood programs.
  - Child Care Development Block Grant: \$2 billion to provide quality child care services for an additional 300,000 children in low-income families who increasingly are unable to afford the high cost of day care.
  - Head Start & Early Head Start: \$2.1 billion to allow an additional 124,000 children to participate in this program, which provides development, educational, health, nutritional, social and other activities that prepare children to succeed in school.
  - IDEA Early Childhood Education: \$500 million for formula grants to help states serve children with disabilities age 2 and younger. Additionally, at least 15 percent of funds available from the \$13 billion investment in Part B Grants for Special Education must be used for services to pre-school age disabled children.

#### **Other Programs:**

- Community Development Financial Institutions: \$250 million to immediately provide capital to qualified community development financial institutions (CDFIs) to invest in the development of underserved communities.
- Social Services Block Grant: \$400 million for States and local non-profits to deliver critical services to unemployed and low-income individuals struggling with the effects of the recession.
- Community Services Block Grant: \$200 million to local community action agencies (CAAs) for services to the growing numbers of low-income families hurt by the economic crisis, such

as housing and mortgage counseling, jobs skills training, food pantry assistance, as well as benefits outreach and enrollment.

- Homeowners Assistance Program: \$410.9 million to expand the Department of Defense Homeowners Assistance Program (HAP) during the national mortgage crisis. Currently, HAP provides financial assistance to military and some civilian personnel who suffer severe financial loss or face foreclosure when property values decline as a result of a base closure. In the current nationwide mortgage crisis, it is virtually impossible to demonstrate a direct connection between home values and base closures, and military families throughout the country facing orders to relocate are suffering from the consequences of plummeting property values. This funding temporarily extends HAP benefits to all BRAC 2005 relocations without requiring a direct link between home values and individual base closures; temporarily extends HAP benefits to all military personnel who receive permanent orders to relocate during the nationwide mortgage crisis; and expands HAP benefits to wounded warriors who must relocate for medical treatment, or to surviving spouses.
- Rural Housing Programs. The Committee recommends \$200 million to support \$11.5 billion in loans that will provide an estimated 105,000 very low to moderate-income rural households the opportunity of homeownership or avoid the risk of foreclosure, especially during this period of uncertainty in the housing market. Given the role of housing markets in the current economic downturn, these housing loans will help ease the credit shortfall by allowing current borrowers to refinance existing RHS loans, and to refinance non-RHS loans if the borrower would now be eligible for a RHS direct loan. These funds will also assist potential borrowers in achieving home ownership, thereby removing existing vacant housing from the market which will help stabilize the overall housing market. Demand for this program is rising at a substantial rate, especially for guaranteed loans and it is estimated these funds will create 2,800 private sector jobs.
- \$200 million for AmeriCorps to place national service members in community organizations caught between dramatically expanding populations in need and diminishing donations.

## **Health**

The bill provides investments in areas critical to immediate and long-term healthcare for millions of Americans. Improved information technology, research facilities, and health and wellness programs, will all provide a better foundation for providing quality healthcare to consumers. Highlights include:

### **Top Line spending of approximately \$16 Billion**

#### **Health Information Technology**

- Health Information Technology: \$5 billion to jumpstart efforts to computerize health records to cut costs and reduce medical errors.

#### **Research**

- \$3.5 billion to conduct biomedical research in areas such as cancer, Alzheimer's, heart disease and stem cells, and to improve NIH facilities.

- \$1.1 billion to the Agency for Healthcare Research and Quality, NIH and the HHS Office of the Secretary to evaluate the relative effectiveness of different health care services and treatment options.

### **Treatment and Prevention**

- Prevention and Wellness: \$5.8 billion to fight preventable diseases and conditions with evidence-based strategies, including:
  - \$750 million for immunization through the Section 317 program
  - \$1 billion for additional health screenings and education to prevent chronic illnesses
  - \$400 million for grants to communities for health promotion
  - \$75 million for additional smoking cessation programs
  - \$600 million for training of health professionals including equipment, scholarships and loan repayment
  - \$65 million for grants to States to upgrade newborn screening and vital statistics equipment
  - \$400 million for HIV and STD testing programs
  - \$60 million for research and surveys on the current state of health and best ways to reduce health care costs
- Pandemic Flu - \$870 million to complete funding for pandemic flu preparedness.

### **Small Business, Law Enforcement, Other**

- \$110 Million for GAO and Agency Inspectors General in order to provide appropriate oversight of spending contained in this bill.
- Loans for Small Businesses: \$730 million to stimulate lending to small businesses, including \$630 million to support \$20 billion in zero-fee or reduced-fee loans to small businesses and \$30 million for loans and critical technical assistance to “micro” borrowers. The dollar amount of loans guaranteed under the SBA’s two largest business loan programs was down 40% in the first quarter of this year compared to last.
- State and Local Law Enforcement: \$3.95 billion total to support law enforcement efforts, including: \$1.5 billion for Byrne Justice Assistance formula grants; \$440 million for competitive grants to prevent crime and improve criminal justice; \$1 billion for the COPS hiring grant program to put approximately 13,000 new cops on the beat and pay 75 percent of the cops’ salaries for three years; \$300 million for grants to fight domestic violence; \$100 million for crime victims compensation and assistance; and \$50 million grants to States to track down cyber predators who prey on children.