QUARTERLY REPORT TO THE PRESIDENT ON PROGRESS IMPLEMENTING THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009

RECOVERY.GOV

MAY 2009

Dear Mr. President:

When you asked me to take on responsibility for oversight of our implementation of the American Recovery and Reinvestment Act, I stated that we would provide you with quarterly updates. This report is the first such update.

Over 90 days have passed since you signed the Recovery Act, and significant progress has been made toward implementation. We remain ahead of schedule in most programs and, due to efficiencies and sound management, many projects are coming in under budget. As you know, we set a goal of outlaying 70 percent of Recovery Act expenditures by the end of 2010; after just three months, we have already obligated more than $88 billion.

Since enactment, we have made it easier to balance family budgets as well. Within days, we began providing an extra $25 a week in unemployment benefits for individuals dealing with a job loss and trimmed COBRA health insurance costs by 65 percent. Within weeks, we increased the take-home pay of 95 percent of working families through our Making Work Pay tax relief program. And earlier this month, we began mailing $250 payments to 54 million seniors across the country offering needed relief.

As the pace of Recovery Act spending increases, we anticipate that by the end of September 2010, there will be 3.5 million jobs in place that have been created or retained and that we will have outlayed the $350 billion that you targeted, if not more.

You said at the outset of the Recovery Act that, "Our American story is not—and has never been—about things coming easy. It's about rising to the moment when the moment is hard, converting crisis into opportunity, and seeing to it that we emerge from whatever trials we face stronger than we were before."

The Recovery Act is a balanced plan with a mix of tax cuts and investments that was put together without pork barrel spending and we mean to keep it that way. We are being vigilant to assure that imprudent projects are rejected. While we can't be perfect, we are being extraordinarily careful with the taxpayers' money. We meet with Cabinet secretaries and their key staff weekly to monitor progress and encourage continued scrutiny.

Working with Earl Devaney and the Recovery Accountability and Transparency Board, we are starting to implement an unprecedented level of transparency. The Recovery Act legislation itself did not require substantial information be provided to the site until October. I am pleased that already—so shortly after enactment—visitors to Recovery.gov can easily access extensive information about their tax dollars at work. There is more information under the Recovery Act than with any other major Federal government program in the history of the country. We post the obligations and disbursements for all agencies under the Act every single week. This used to occur only months after the spending actually occurred. We are committed to meeting all of the statutory requirements for recipient reporting on jobs, and spending and systems are currently being developed by the Board and the Administration that will allow this data to be easily accessed and used by the public. We know that we have a long way to go—the Board is working to make the site easier to use, more current, and more complete—but we are proud of how far we have come, and how quickly we have gotten there.

Finally, I am also pleased to report that implementation of the Recovery Act is being conducted in a non-partisan manner. We have met with bipartisan groups of Governors, Mayors, State implementation officials, county officials, and other relevant leaders. Each week, I take time to talk to Democratic and Republican Governors; Democratic and Republican local officials. There are differences, to be sure. But we are finding common ground on many questions, and we never lose sight of the fact that good ideas about implementation, innovation, and accountability are neither "Democratic" nor "Republican."

Thanks to the Congress for crafting the Recovery Act and thanks to you for your leadership.

Cordially,

Joe Biden

QUARTERLY REPORT TO THE PRESIDENT

TABLE OF CONTENTS

QUARTERLY REPORT TO THE PRESIDENT

INTRODUCTION

The American Recovery and Reinvestment Act was signed into law on February 17, 2009. There are five major purposes of the Act:

1. To Preserve and Create Jobs
2. To Assist Those Most Impacted by the Recession
3. To Provide Investments Needed to Increase Economic Efficiency by Spurring Technological Advances in Science and Health Care
4. To Invest in Transportation, Environmental Protection, and Other Infrastructure that Will Provide Long-Term Economic Benefits
5. To Stabilize State and Local Government Budgets in Order to Minimize and Avoid Reductions in Essential Services and Counterproductive State and Local Tax Increases

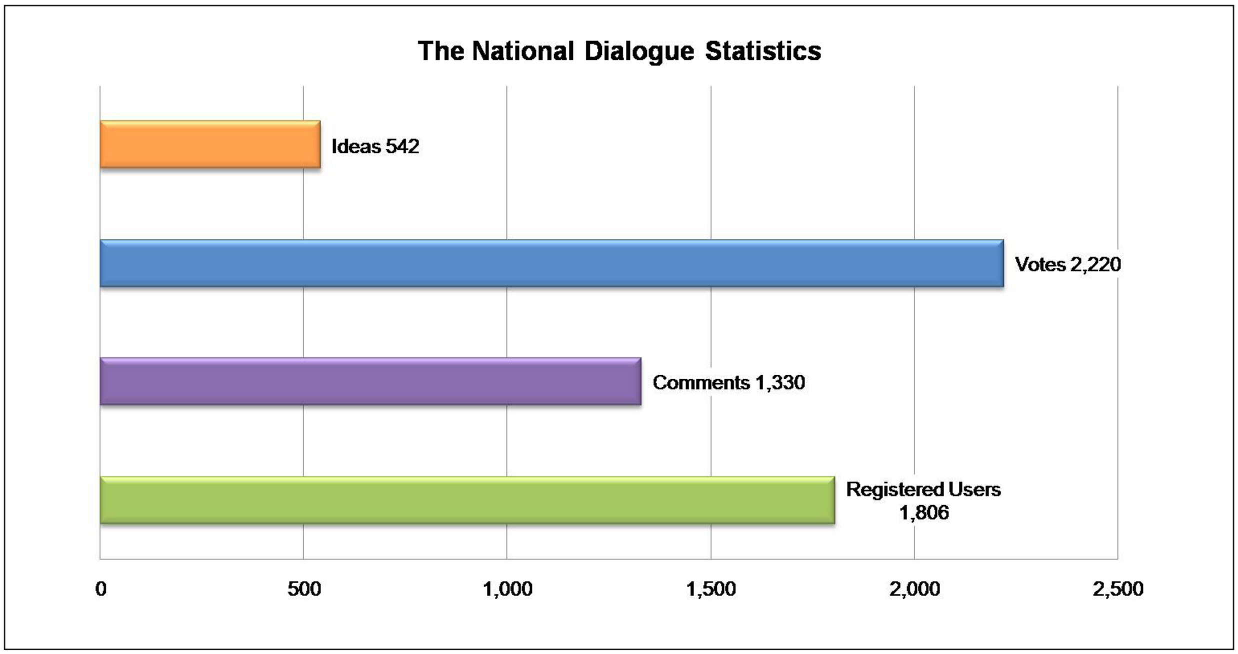
This report will provide the current status of funding under the Act, review the first and primary purpose—job creation—and share some reports from the field that provide insights into initial implementation efforts.

As noted in Chapter 1, funding status for the Act is reported weekly on the website Recovery.gov. Both obligations (funds placed under contract or other agreement) and disbursements (funds that have left the Treasury) are reported. These funds are reported in total and at the agency level. As additional data about where monies are being spent and the number of jobs estimated to be created is available, it will be put on the website as well. Recovery.gov is maintained by the Recovery and Transparency Board established under the Act in conjunction with the Administration and has been an invaluable resource in implementation.

There have been many questions about job reporting under the Act. Chapter 2 discusses the two primary requirements of the Act for reporting jobs and explains how they are being carried out. The first requirement is for total job creation under the Act. This is being estimated by the Council of Economic Advisers which will periodically report on total job creation. Total job creation includes direct, indirect, and induced jobs which are estimated using an econometric model, as described and referenced below.

The second requirement for reporting estimated jobs was placed on recipients of federal funding. These may be contractors or grantees. The requirement of recipients to report jobs is contained in Section 1512 of the Act and applies only to estimates of direct jobs. The Office of Management and Budget is in the process of developing guidance—with the assistance of the Council of Economic Advisers—on direct job reporting by recipients. In general, this guidance will specify the recipient's requirement to estimate Full Time Equivalent jobs that are compensated using the recipient's definition of the number of hours that constitute full time. By statute, these estimates are due beginning on October 10, 2009 and will be made available on Recovery.gov.

Recovery.gov is off to a strong start, but the Recovery Board recognizes that improvements are needed. The recent National Dialogue on Information Technology gave the Recovery Board an excellent overview of the technology landscape and proposals for improving Recovery.gov. During the week the Dialogue was open, over 500 ideas, principles, and suggestions were submitted, along with over 1,300 comments. Over 23,000 unique visitors—from every state and U.S. territory and from a wide variety of backgrounds—participated in the dialogue. The Board will work with the National Academy of Public Administration to evaluate the results and include them in their technology plan.



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Chapter 4 of the report contains reports from the field regarding initial implementation. These are grouped according to the five purposes of the Act and represent a sample of the results achieved from around the country. They indicate that a good start has been made but much more needs to be done to meet the purposes of the Act.

CHAPTER 1: FUNDING

When the Recovery Act was enacted on February 17, 2009, Congress provided $787 billion to stimulate the economy and create a more sustainable future. This included three basic categories of funding:

- **Discretionary programs:** For these programs, Congress established a fixed amount that is to be spent for a specific purpose. In the case of the Recovery Act, this includes such programs as transportation funds for highway construction, grants for weatherization of homes, and funding for elementary and secondary education.
- **Entitlements and other Mandatory Spending:** These programs involve benefits to individuals who meet certain eligibility criteria or mandatory payments to states. The amount of funds that can be expended for this purpose vary based on a variety of factors that affect the number of people who are eligible for the programs and the amount of funds to which they are entitled, or increases open-ended or capped payments to states. In the Recovery Act, examples of these programs include funds for food stamps, unemployment insurance, Federal Medicaid payments to states, and the Contingency Fund.
- **Tax Provisions:** These provisions in the Recovery Act provide people with tax relief in order to relieve financial burden during this time of economic crisis. Like entitlement programs, the cost of these provisions are re-estimated regularly based on the number of eligible people expected to take advantage of these new opportunities. For example, the signature tax provision of the Recovery Act is the "Making Work Pay" program, which will provide a refundable tax credit of up to $400 for working individuals and up to $800 for married taxpayers filing joint returns.

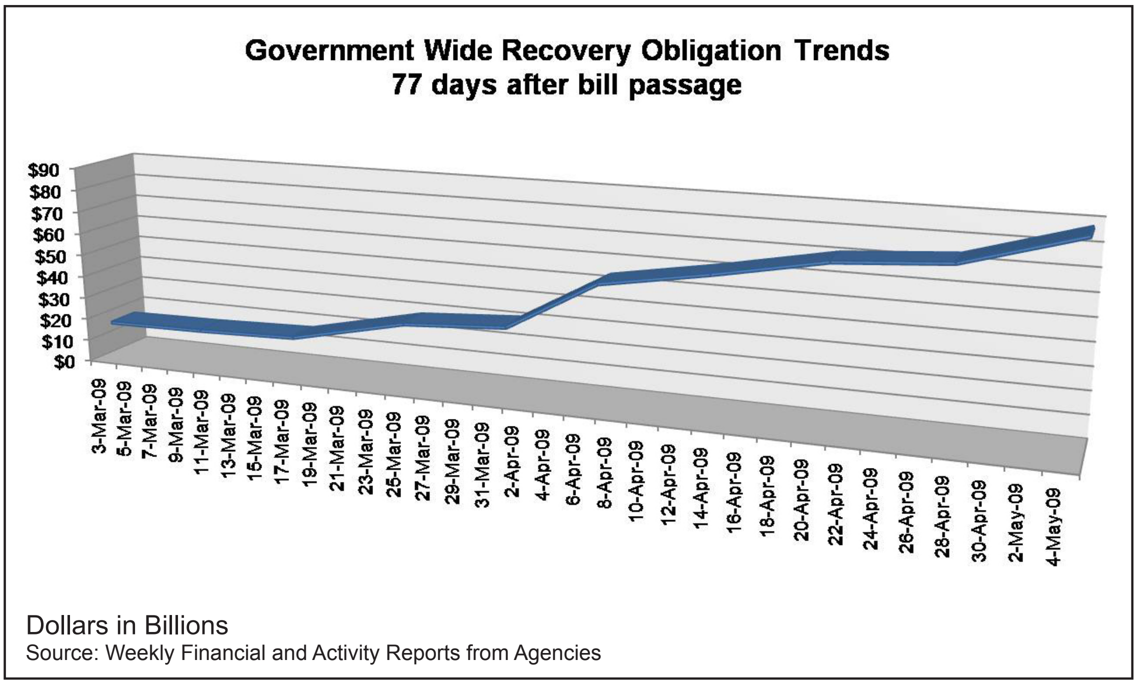
In order for the Recovery Act to succeed, it is critical that all of these programs be implemented effectively and efficiently. As part of this effort, the Administration has committed to outlay 70 percent of Recovery Act funds by the end of Fiscal Year 2010.

Although the total dollar amount of Recovery Funds is periodically adjusted based on potential changes in the cost of certain mandatory and entitlement programs and tax provisions, we remain on target toward realizing this 70 percent goal.

As money is spent, the Administration tracks its progress with an unprecedented degree of transparency and accountability. On a weekly basis, data is collected from the agencies, following both obligations[i] and outlays[ii] in a way that allows the public to easily track how the dollars were spent.

This data is posted on Recovery.gov, so that visitors to the site can view this financial data and evaluate the government's performance.

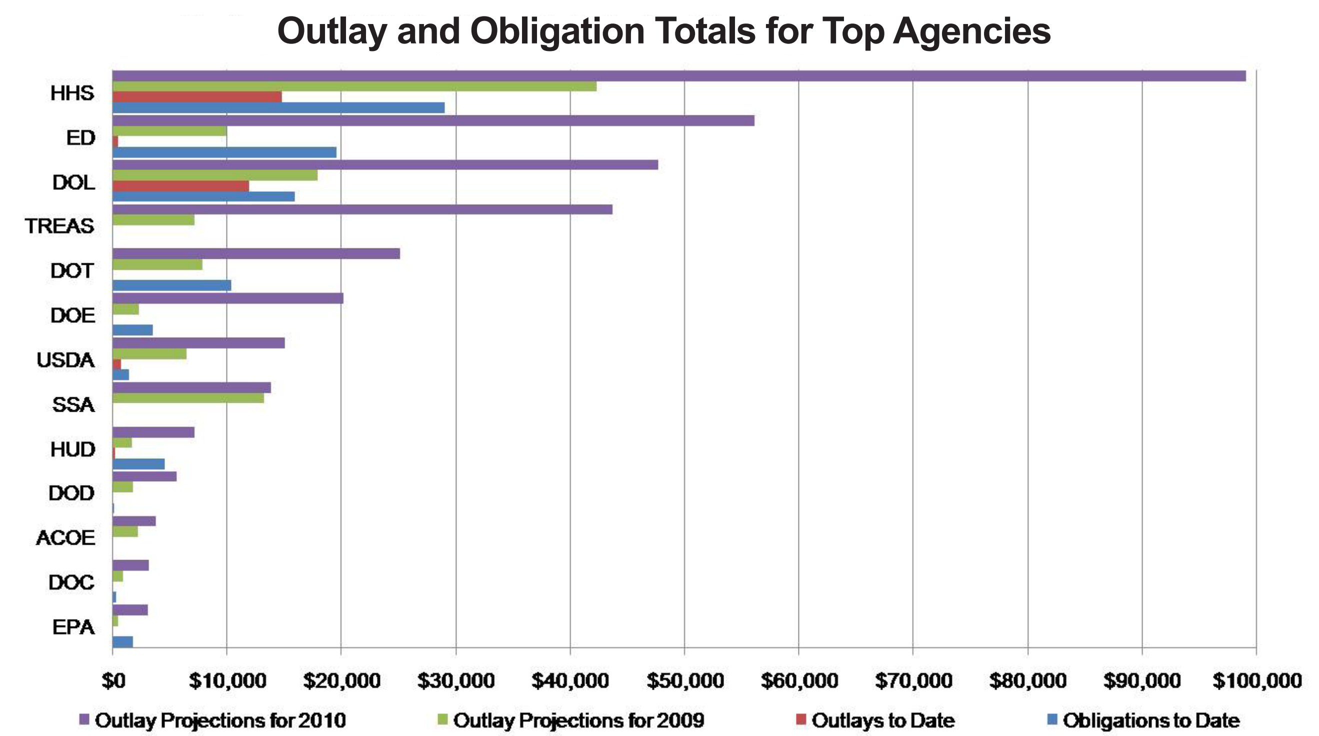
As of May 5th, 77 days after the signing of the Act into law, more than $88 billion had been obligated by federal agencies for both discretionary and mandatory programs. This amounts to an average of over $1.1 billion in new spending being obligated each day since the bill was signed.



As of May 5th, $28.5 billion had already been outlaid. Some programs such as Medical Assistance payments to states—known as FMAP—can be obligated and outlaid quickly. In fact, through May 5th, more than $15.9 billion of FMAP funds have already gone to States and Territories that badly need them. Other programs, such as high speed rail, require more extensive planning and are projected—as the Act contemplated—to outlay more slowly.

[i] **Obligations:** Represents a binding agreement (e.g. a contract) that will result in outlays, immediately or in the future. Budgetary resources must be available before obligations can be incurred legally. For example, when the government enters into a contract to resurface a highway, the government's agreement to pay a vendor after successful completion of the work is an obligation. For the OMB Circular A-11 definition of the term "obligation," please go to http://www.whitehouse.gov/omb/circulars/a11/current_year/s20.pdf

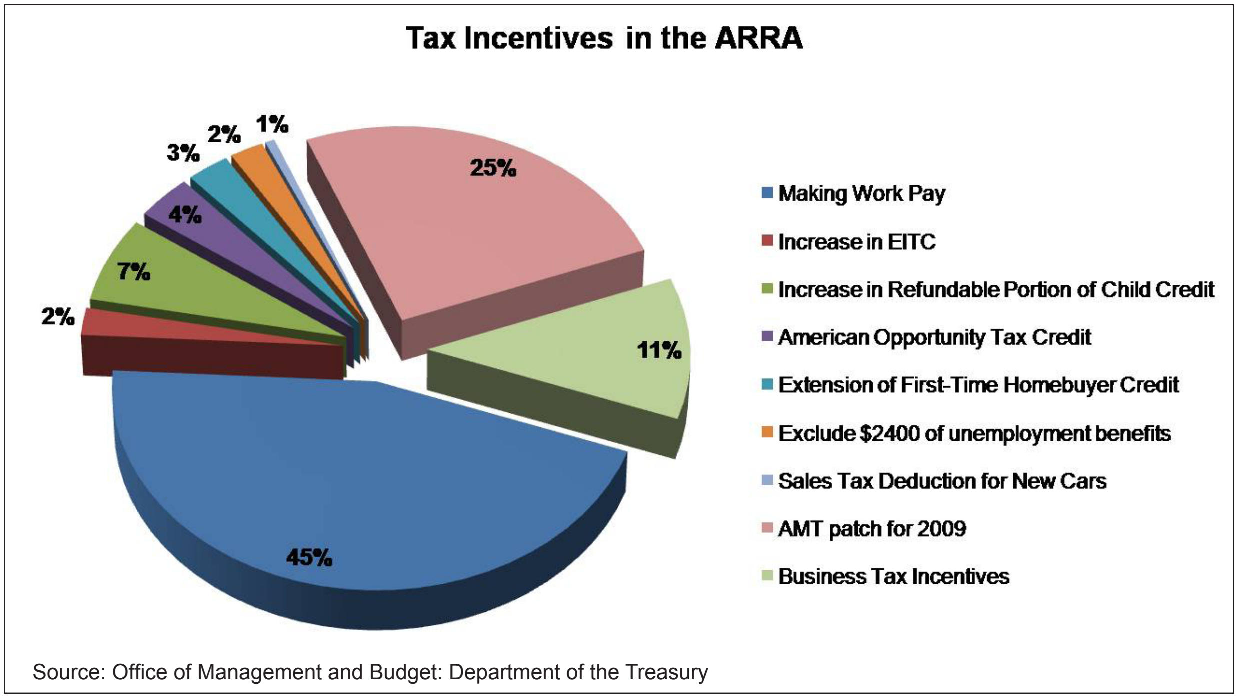
[ii] **Gross Outlays:** An outlay occurs as a result of an obligation and is a cash payment, e.g. a check or electronic fund transfer, which liquidates the obligation. Outlays include payments in the form of cash (currency, checks, or electronic fund transfers) and in the form of debt instruments (bonds, debentures, notes, or monetary credits) when they are used to pay obligations. This category also includes refunds of payments made in the current year. For example, after a vendor successful completes work in accordance with a contract, the government's payment to the vendor is an outlay. For the OMB Circular A-11 definition of the term "Gross outlay," please go to http://www.whitehouse.gov/omb/circulars/a11/current_year/app_f.pdf



Dollars in Millions
Source: Weekly Financial & Activity Reports through 5/509; President's FY 2010 Budget

TAX RELIEF

Tax Relief has already begun and will continue as more people take advantage of various provisions of the Act. The chart below shows the various kinds of tax relief contained in the act.



It ranges from the largest provision—Making Work Pay—which provides relief for 95% of American tax-payer—to the more targeted provisions such as the First Time Homebuyer Credit which encourages home purchases and stimulates weak housing markets.

The primary purpose of the Recovery Act is to create and retain jobs by promoting sound economic recovery. At its signing, President Obama said, "The Act provides a direct fiscal boost to help lift our Nation from the greatest economic crisis in our lifetimes and lay the foundation for further growth. This recovery plan will help to save or create as many as three to four million jobs by the end of 2010."

Macro Economic Estimates

These jobs will be created or retained over the duration of the Act and the Council of Economic Advisors (CEA) estimates[iii] that a cumulative total of 6.8 million jobs will be created or retained through the end of 2012. The peak number of jobs created or retained, as the President indicated above, is estimated to be 3.5 million in the fourth quarter of 2010.

CEA estimates both direct and indirect jobs as well as induced effects[iv]. These are estimated using a model that takes into account these types of stimulus:

- Tax cuts
- Adjustments to the alternative minimum tax
- Investment incentives
- Aid to people directly hurt by the recession
- State fiscal relief
- Direct government spending

The model further differentiates among the types of stimulus by recognizing the different timing and impact of federal government spending, tax cuts and state fiscal relief. In general, direct federal spending creates the most jobs followed by state fiscal relief and tax cuts.

The CEA's "macro-economic approach" is important to capture the full effect of the Act.

[iii] "Estimates of Job Creation from the American Recovery and Reinvestment Act of 2009", Executive Office of the President Council of Economic Advisers. Washington, DC. May 2009.

[iv] An induced job is one that is separate from direct jobs, which are created in the actual government-sponsored project or indirect jobs, which are created at suppliers who make the materials used in the project. Induced jobs are jobs created elsewhere in the economy as increases in income from the direct government spending lead to additional increases in spending by workers and firms. The purchase of goods and services will create/save jobs in many industries, such as retail sales jobs and jobs for people who produce the products that will be sold.

ARRA Requirements for Estimating Direct Jobs Created

Section 1512 of the Act is called, "The Jobs Accountability Act". This Section requires that any "recipient"—an entity that receives funds directly from a federal agency—must report the "estimated number of jobs created or retained" to that federal agency "not later than 10 days after the end of each calendar quarter."

This requirement is for direct jobs only and does not include any multiplier or induced effects. CEA has recognized that, "These reports will provide information on direct job creation and retention of this crucial piece of the ARRA. This information will be useful in the overall evaluation of the employment effects of the Act."[v]

The Office of Management and Budget is currently finalizing guidance for both direct Federal spending and recipient reporting. On March 31, changes to the Federal Acquisition Regulations (FAR) were published for Federal contracts. The FAR case 2009-009 contained job reporting requirements for these contracts. Similar guidance is under review for grant recipients. This guidance will include the following components:

- Only compensated jobs are to be estimated
- Recipients should report full-time equivalent (FTE) estimates cumulatively created or retained using the definition of a full-time schedule defined by the recipient
- FTE calculations are based on aggregate hours worked to ensure temporary or part time labor is not overstated
- Grant recipients will also address the impact on the work forces of sub-recipients using a method they deem most accurate without creating undue cost or burden

By statute, the first estimate of direct jobs is due from recipients on October 10. These reports will be made available on Recovery.gov.

[v] Op. Cit. p. 7

The provisions of the Act that have had the most immediate effects are arguably those relating to state and local fiscal relief, for example in the fields of Medical Assistance and education funds. For states in particular, the ability to draw down $15.7 billion of the $25 billion of Medical Assistance (FMAP) funds has allowed them to avoid further cuts in budgets that were already under serious strain. The chart below shows the amount of funding drawn down by the various states. This funding has required states to carefully assess their programs to assure that they were maintaining their effort according to the guidelines in the Act. While this has given rise to some concerns at the state level, the Department of Health and Human Services has been able to provide appropriate guidance rapidly.

FMAP draw down, by state, as of May 5, 2009. Dollars in millions.[vi]

[vi] All but three states, Hawaii, North Dakota, and New Mexico, had begun drawing down FMAP funds by May 5th. North Dakota began drawing down funds on May 8th. In the case of Hawaii, the state is working with the Department of Health and Human Services to ensure compliance with ARRA requirements before beginning to draw down funds.

Another area in which states are beginning to see immediate effects of the influx of stimulus funds is education. To date, the following thirteen states have already presented plans for the State Fiscal Stabilization Fund, and have had their applications approved by the Department of Education:

- California
- Florida
- Georgia
- Illinois
- Maine
- Minnesota
- Mississippi
- Nevada
- New York
- Oregon
- South Dakota
- Utah
- Wisconsin

An example of the impact of this education funding comes from the award last week of $587 million dollars to the State of Wisconsin. This funding will lay the foundation for a generation of education reform and help save thousands of teaching jobs at risk from state and local budget cuts. Wisconsin will be eligible to apply for another $289 million this fall.

In order to receive the funds, Wisconsin provided assurances that they will collect, publish, analyze and act on basic information regarding the quality of classroom teachers, annual student improvements, college readiness, the effectiveness of state standards and assessments, progress on removing charter caps, and interventions in turning around underperforming schools.

On weekly calls with governors and mayors from around the country, requests for clarification and assistance are coupled with thanks to Congress for the legislation. On these calls, the very real work of providing service is discussed and help is given in solving specific issues. One such issue is the ability to use ARRA funds for administrative costs incurred in implementing the statute. The Administration heard these concerns and OMB issued guidance on May 11, 2009, which will allow these costs to be included in prospective plans for cost recovery. These plans would be approved ahead of time by HHS, and state and local governments would be able to bill projects as the costs were incurred thus freeing up much needed cash and budget authority.

As we finish the first quarter of implementation under the Act, the heading above describes the overall implementation status. The work that has been done by the Recovery Board, our partners in the public private and non-profit sectors and federal agencies has already made a difference. But we must remember that we have a long way to go to fulfill the purposes of the Act described below. Presented below are highlights from the field which discuss what people living in local communities are thinking and saying about the Recovery Act in their own words. These local stories are not always transparent to the national community, and so we share them with you here, grouped by the five purposes as discussed in the Introduction.

Activities that address each of these purposes are illustrated below. We recognize that these anecdotes do not provide the complete picture of Recovery Act spending, but they are useful illustrations of how the Recovery Act has begun to help citizens, businesses, and local governments in a manner of months after passage. Future reports will include government-wide metrics to assess how well the Recovery Act is addressing each of the above purposes.

#1: To Preserve and Create Jobs:

The first and most important purpose of the act is to preserve and create jobs. Across the nation, we are hearing of companies rehiring laid off workers, of new facilities with construction underway, of critical environmental remediation activities, previously on hold but now underway, and of first-time homebuyers driving increased activity in the home sales market, all due to an infusion of recovery funds.

ILLINOIS

Serious Materials, Company Using Recovery Funds To Rehire Some Of The More Than 200 Laid Off Workers. A reopened Chicago window factory that had been a symbol of the plight of the American worker is now touted as an example of economic reinvigoration thanks to the federal stimulus. A California company has reopened the former Republic Windows and Doors factory that received national attention last year when workers briefly occupied the building after the former owners gave them just a few days notice before Christmas that they were shutting down. The new owner, Serious Materials, has started rehiring some of the more than 200 laid-off workers to make energy-efficient windows at the plant… Serious Materials CEO Kevin Surace said his company is creating the green-collar jobs the nation needs to pull itself out of recession." [Chicago Tribune, 4/27/09]

IDAHO

Stimulus Funding Will Create 500 Jobs, Prevent Layoffs, and Clean Up Nuclear Waste That Threatens Snake River Aquifer. "Hundreds of new jobs, a cleaner environment and it's all happening in our very own backyard. The Department of Energy approved $468 million in federal funding. It will create not only new jobs but it'll speed-up the clean-up at the DOE's facilities at the Idaho National Laboratory. This comes as a part of President Obama's stimulus package. The government put six billion in the American Recovery and Reinvestment Act and out of 12 states that received the money, Idaho is fourth on the list for the most funding… Not only are they creating more than 500 new jobs, but this stimulus money is rescuing hundreds who were in jeopardy of being laid-off. 'It has put a real stress on our operations. We were expecting a substantial amount of layoffs but with the stimulus money, we're able to retain our workforce,' said Jim Cooper with the Department of Energy. What they'll be doing is demolishing about 80 nuclear facilities as well as extracting several acres of buried waste and moving thousands of spent nuclear fuel from wet basins to dry storage. This is all to protect eastern Idaho's environment and get rid of the threat to the Snake River Aquifer. 'By spending it early we save money in the long-run for tax payers and we're able to have shovel-ready work if you will, that will get underway right now and does provide a stimulus to the economy,' said Senator Mike Crapo." [Local 8 News, 4/1/09]

LOUISIANA

Employment Agencies Placing More Workers, Demand Up Since February; Mortgage and Title Companies Hiring More Due to Stimulus Tax Credit for First Time Homebuyers. "Linda Castanza, area branch manager for the Adecco Employment Services… said Adecco placed 1,400 people into jobs in the New Orleans area and is on a similar pace this year. 'There is a misconception that the economy is falling apart,' she said. 'Actually more companies within the last month are beginning to hire again, and there are opportunities out there for people with high skill levels looking for a job.'… Express Employment Professionals placed 3,407 employees into jobs last year through its Metairie, Covington and Hammond offices. Franchise owner Melissa Elliott would not provide specific numbers but estimates job orders from clients increased about 15 percent in March from February… Temporary workers were in high demand in January at Express, but Elliott said the firm was still making permanent placements. 'Momentum is up now in April with job orders from clients increasing,' she said. … 'Mortgage companies and title companies are also starting to hire again because of the first-time homebuyer incentives in the stimulus bill,' Elliott said. 'And we are also seeing activity (from government contractors) that stand to gain from the bill.'" [New Orleans City Business, 4/27/09]

DELAWARE

Kriss Contracting Is Planning To Hire Back Laid Off Workers After To Work On Intersection Improvement Efforts Funded By Recovery Act. "The orange road-construction barrels along Kirkwood Highway at Prices Corner mean more than the eventual arrival of longer left-turn lanes and more-efficient traffic signals. For Kathleen Kriss, the project means she'll be able to call back three laid-off workers to Kriss Contracting, where she is vice president and her mother, Veronica, is the owner. The Hartly company usually has about 20 workers, but its work force has dropped to 15 lately because of the slow economy. 'We didn't have enough work to keep them all going," Kriss said Friday. "When we get rolling on this, I'll be able to bring a few of them back.' The project is part of a package of nine intersection-improvement efforts statewide worth a total of $1.5 million from the federal American Recovery and Reinvestment Act, the formal name of the economic-stimulus plan that Congress passed in February. In all, the state has a list of 22 stimulus-funded road projects worth $131 million. Officials say the projects will save or create about 1,200 jobs." [Delaware Online, 5/2/09]

#2: To Assist Those Most Impacted by the Recession

Outside of creating and preserving American jobs, the next most important purpose of the Recovery Act is to aid those most impacted by the recession. Reports are coming in of additional funding to support job training, and for providing home-delivered meals to senior centers.

PENNSYLVANIA

Stimulus Money to Help Needy Pennsylvania Seniors. "The state is expecting nearly $4.5 million to help pay for home-delivered meals and lunches at local senior centers, officials announced Wednesday. It's still unclear how that money will be divvied up within the state, but local officials say the money could be crucial in helping keep pace with the needs of Pennsylvania's aging population. ''Our clients are home-bound, so they're really in a position where they could be at risk for malnutrition because many of them have stopped driving, many of them have have multiple chronic illnesses—it's difficult for them to get out," said Pam Bechtel, executive director of Meals on Wheels of Lehigh County... Jane Crawford, a spokeswoman for the Pennsylvania Department of Aging, said there are now 157 people—including residents of Monroe and Schuylkill counties —who are on waiting lists to receive home-delivered meals. 'This money will be very welcome to provide senior citizens in the commonwealth with nutritious meals,' she said." [Allentown Morning Call, 3/19/09]

SOUTH CAROLINA

Tri-County Area In South Carolina Will Receive Nearly $4.7 Million In Stimulus Funds To Retrain Workers Who Have Been Laid Off. "Almost $4.7 million in federal stimulus money is on its way to the tri-county area to retrain people who have been laid off and to employ low-income youth this summer…The Charleston County Council is expected to accept the money at its Tuesday meeting. The county administers workforce funds for itself as well as Berkeley and Dorchester counties. [Paul] Connerty [Director of the Trident Workforce Investment Board] said this would be the first time in a decade that federal funds have been available for a summer youth employment program. There's $1.7 million in the funding package for that program, which pays the salaries and benefits of youths, ages 14 to 24, who will be placed in public and private jobs between April 1 and Sept. 30… There also will be $2.1 million in stimulus funds to beef up an existing program that helps laid-off workers gain new training as they look for work. The stimulus money soon may provide a small cash stipend to laid-off workers who exhaust their unemployment benefits while in training programs." [The Post and Courier, 4/6/09]

#3: To Provide Investments Needed to Increase Economic Efficiency by Spurring Technological Advances in Science and Health Care

Increasingly important is the need to develop new fields of economic opportunity and efficiency—not just to improve our current economic situation, but to improve our economic position in years to come. Today, health care and science are two areas that have the potential to be economic drivers for years to come if investments are made today. Medical research and the green economy are areas benefitting from the investments provided by the Recovery Act.

PENNSYLVANIA

Pennsylvania Medical Researcher Called Stimulus Funding a 'Once in a Lifetime Opportunity;' Another Said 'It's Clear' That Funding Will Create and Save Jobs. "Dr. Brian Strom was finally able to relax last Friday afternoon after a dizzying week of overseeing grant applications. Strom is director of University of Pennsylvania Health System's Center for Clinical Epidemiology and Biostatistics, which raced the clock to put together 17 grant applications for federal funding that would fund studies comparing drugs and treatments as a March 9 deadline loomed. Welcome to the new world of health-care research under the American Recovery and Reinvestment Act… 'Every day a new announcement comes out about opportunities for funding,' Strom said. 'This is a once in a lifetime opportunity.' That feeling is shared at other research organizations around Philadelphia. 'This is an extraordinary opportunity,' said Dr. Steven E. McKenzie, vice president for research at Thomas Jefferson University. 'We're delighted to have an opportunity to compete for this money. It's clear to us we'll be keeping people employed who may not have stayed employed, and creating new jobs.' McKenzie said the heaviest burden is falling on Jefferson's faculty and investigators to rapidly turn around grant applications. 'Everybody is energized by this,' he said. 'People are doing what they need to do to meet the deadlines.' Dr. Richard V. Homan, dean of the Drexel University School of Medicine, said funding from the National Institutes of Health and the National Science Foundation have been flat in recent years. 'Some investigators whose research studies were well received by peers have been left unfunded or deferred,' Homan said. 'This is an exciting time because [the stimulus package research funding] provides a way for existing grants to get new funding and there are also new challenge grants we can go after.'" [Philadelphia Business Journal, 3/13/09]

MASSACHUSETTS

Because of the Stimulus Bill and New Contracts, Green Energy Companies Are Looking to Hire Many New Employees. "The clean-tech and green industries in Massachusetts are hiring. Companies looking to add employees include Aeronautica Windpower in Plymouth, lithium-ion battery maker Boston-Power Inc. in Westborough, and Conservation Services Group, also in Westborough… The workforce expansions are being partly spurred by the federal economic stimulus package, which includes billions for home energy-efficiency upgrades and an extension of a tax credit for renewable energy technologies such as wind power… Because of the stimulus bill as well as several new contracts, Cowell plans to add 200 more jobs this year. The company currently employs about 400 and does business in 22 states. At least 30 to 40 of the new jobs will be in Massachusetts, he said. 'We're sort of the tip of the iceberg,' Cowell said. 'A couple of hundred people will be hired here, but that means that 2,000 people will be hired at the local level to do the work that we spec out and help facilitate.' … At Boston-Power, which makes the Sonata battery used in Hewlett-Packard's notebook computers, vice president of marketing Sally Bament said she is looking to hire about two dozen people in marketing, sales, and other areas. Evergreen Solar, the Marlborough-based maker of solar panels, also is hoping to hire 90 to 100 people at a manufacturing plant in Devens, said Gary Pollard, vice president of human resources. Aeronautica Windpower, meanwhile, hopes to bring on between 50 and 100 employees to begin producing midscale wind turbines at a facility that the company hopes to open somewhere in the state this spring." [The Boston Globe, 3/6/09]

4: To Invest in Transportation, Environmental Protection, and Other Infrastructure that Will Provide Long-Term Economic Benefits

Investments in our infrastructure are driving change across America. From high-speed rail in Mississippi, to opening locks in Oregon, ARRA funding is upgrading our technology and approaches to meeting our nation's 21st century needs.

MISSISSIPPI

Former Federal Railroad Administrator, A Lifelong Republican, Praised High-Speed Rail Funding In Stimulus Bill. "Gil Carmichael was as happy as a kid in a candy store that President Obama put $9.3 billion for high-speed rail transportation and upgrading Amtrak into the $785 billion economic recovery package. Carmichael, otherwise a Meridian businessman and former Republican leader, for 20 years since he served as Federal Railroad Administrator has been preaching a vision of a vastly expanded national system of passenger rail transportation he calls 'Interstate II.' His name for the rail system connotes it as the nation's second major transportation step from 'Interstate I,' the 43,000-mile four-lane network of paved highways President Eisenhower launched 50 years ago. In the Obama recovery package is $8 billion for some 30,000 miles of intercity high-speed rail transportation and $1.3 billion for Amtrak whose ridership has risen since gas hit $4. The high-speed rail system would significantly benefit all states, even a rural state like Mississippi, as Carmichael will explain in a moment. He praised Obama s inclusion of the rail system in his package: 'President Obama clearly understands this necessary new approach to meeting 21st century transportation needs.' In a New York minute." [Biloxi Sun-Herald, 3/12/09]

OREGON

Stimulus Funding Will Reopen Willamette Falls Lock That Shut Down Due to Lack of Funding. "The Willamette Falls Locks could reopen as soon as May 2010 thanks to $1.8 million in federal stimulus money awarded to the U.S. Army Corps of Engineers. The lock and gate system, a river elevator of sorts, is the only way boats and barges can navigate past the 42-foot drop of the falls that lie between West Linn and Oregon City. The locks closed last winter because of a lack of funding to complete a required periodic inspection and repairs. Now, the work will begin as soon as a contract is awarded, said Diana Fredlund, spokeswoman for the

Corps of Engineers Portland district. The locks could then reopen next May for the spring-summer boating season, provided the Corps secures money to operate them. 'We are very pleased to be able to get the inspection done this year,' Fredlund said. 'We know how important the locks are to the community. As such, we're doing all we can to get them back in working order." [West Linn Tidings, 5/7/09]

#5: To Stabilize State and Local Government Budgets in Order to Minimize and Avoid Reductions in Essential Services and Counterproductive State and Local Tax Increases

Our government's ability to deliver mission critical services are essential and ARRA funds are making a difference. Among other areas, we are keeping police on the streets, and ensuring that state's unemployment insurance funds stay solvent.

GEORGIA

State Labor Commissioner Said Stimulus Funding For Unemployment Benefits Prevented 45% Tax Increase On Georgia Employers. "Georgia was front and center on the issue at a House hearing. State Labor Commissioner Michael Thurmond testified that newly expanded federal funding for unemployment benefits helped save a state grappling with its highest unemployment rate ever recorded, 9.2 percent for February, from a potential economic catastrophe. Without $220 million in additional unemployment insurance money provided to Georgia by the Obama administration's economic recovery program, the state would have had to raise unemployment taxes on employers by 45 percent, Thurmond said. That would have put more pressure on employers to cut costs—perhaps with more layoffs. 'Without the stimulus, we would be in immediate threat within the next six months of becoming insolvent,' Thurmond said of the state's unemployment insurance fund." [Atlanta Journal-Constitution, 4/24/09]

CALIFORNIA

California Congressman Calls $540,000 In Recovery Act Funding A "Lifeline" For Police Departments Facing Budget Woes. "The federal economic stimulus package will give four law enforcement agencies in the county nearly $540,000 in grants to hire and retain officers, pay for training or buy equipment. The money, part of the American Recovery and Reinvestment Act that was signed into law last month, is completely separate from the agencies' normal annual funding. The stimulus package also includes millions of dollars in competitive grants that police agencies across the nation can apply for. 'Funds included in the economic stimulus package for law enforcement grants are vitally important as California struggles through its economic woes,' Rep. Sam Farr, D-Carmel, said. 'These funds are a lifeline for many of our police departments facing layoffs and other service cutbacks.' The Edward Byrne Memorial Justice Assistance Grant Program allows states and local governments to support a range of enforcement, prevention and court initiatives. The Recovery Act included a total of $2 billion for this program. Funds are released based on federal formulas that take into account population and crime statistics. Watsonville and Capitola police departments each have funds allocated to them. Santa Cruz police and the Sheriff's Office will share about $357,000 in funding." [San Jose Mercury News, 3/15/09]