



**GOVERNOR BILL RITTER JR.**

## **The American Recovery and Reinvestment Act**

### **A Colorado Status Report**

Updated: July 22, 2009

[www.colorado.gov/recovery](http://www.colorado.gov/recovery)



## The American Recovery and Reinvestment Act

In February 2009, President Barack Obama signed the American Recovery and Reinvestment Act of 2009 in Colorado. The landmark law will pump \$787 billion into the economy to create jobs, support those in need and invest in infrastructure and new industries. The state of Colorado expects to receive more than \$7 billion in the next three years from the American Recovery and Reinvestment Act of 2009. The funds include tax relief for working families and a variety of grants that are coming to the state through many different channels. Some will go directly to local organizations and others will be allocated through state agencies. These funds are coming to Colorado through more than 140 different programs.

In addition to the funds described above, Colorado also will be competing for a wide range of competitive grants available through the Recovery Act, mainly in education, broadband, health information technology and renewable energy.

Gov. Bill Ritter has created an oversight panel called the Colorado Economic Recovery and Accountability Board that is charged with ensuring that recovery act dollars are spent wisely and with full transparency. Gov. Ritter has directed his staff and state agencies to work diligently to maximize the impact of the funds to create jobs, improve infrastructure, support families in need, and boost the New Energy Economy.

This report offers a snapshot of where Colorado stands with respect to Recovery Act funds.

**This is a working draft that will change and get updated.**

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## EXECUTIVE SUMMARY

In the five months since President Obama signed the Recovery Act into law in Denver, the historic law has been creating short-term and long-term benefits in communities across Colorado. The Act has helped Colorado preserve a host of public services. Local and state school districts, government agencies and colleges and universities have been able to preserve services with \$760 million in state budget stabilization funds. This increased aid has helped Colorado avoid deep spending cuts, especially at higher education institutions that are accessing \$150 million in Recovery Act funds. Colorado also has avoided program cuts for Medicaid patients because of increased federal funding. The state has already spent almost \$200 million to cover increased demand for Medicaid programs, and will receive more funding in coming months. And \$70 million has been used to maintain Department of Corrections work.

Colorado residents have also seen a host of direct benefits. Roughly 1.8 million families are saving \$900 million through the Making Work Pay tax cut. More than 500,000 Coloradans received an extra \$250 check from the Social Security Administration to help make ends meet. About 52,000 low-income college students will receive up to \$500 more in tuition assistance for the coming school year. Thousands of laid-off workers are paying hundreds of dollars less per month for health care coverage through COBRA. More than 150,000 laid-off Coloradans have been receiving an extra \$25 a week in unemployment checks since February. More than 240,000 people have received job search assistance and about 3,000 youths, ages 15-24, are getting summer jobs thanks to the Recovery Act funds.

At the same time, large-scale construction and infrastructure projects are under way. As of July 15, 23 roadway projects using \$124.6 million from the Recovery Act have begun construction. CDOT reports that more than 600 people have gotten jobs because of these projects. Construction projects worth \$36.7 million are under way at seven airports. Federal officials are collecting bids for \$17 million in work to clean up the Summitville Superfund site, where work is set to begin this fall. In late summer, another \$60 million will be spent on about 30 drinking water and wastewater projects.

Energy efficiency, clean energy, community development and research projects also are gearing up. This summer, contractors will begin retrofitting 250 public school buses in Weld County to reduce emissions. Contractors and government agencies will begin weatherization projects in thousands of low income homes in the next few months. Researchers at universities across Colorado have submitted more than 800 grant applications. So far, almost 60 researchers at universities across the state have been awarded grants worth more than \$20 million.

# STATUS OF RECOVERY ACT FUNDS IN COLORADO

\*This information is based on the latest information given to the state, and may not be comprehensive

## **Dollars Spent**

Social Security one-time payment \$250 each	\$125,000,000
Medicaid payments	\$197,200,000
Increased Unemployment Benefits	\$41,000,000
Additional or extended Unemployment Benefits	\$149,000,000
Job training and job search assistance	\$1,137,638
Weatherization management and equipment purchases	\$997,873
Justice Assistance Grants – program support	\$13,700
Public Housing Capital Fund – Formula Grants	\$200,751
IDEA and Title I funds for K-12 schools	\$4,222,029
Colorado Department of Transportation	\$637,000
State Fiscal Stabilization Funds – Higher Ed.	\$150,000,000
State Fiscal Stabilization Funds – Department of Corrections	\$70,000,000
Food Stamps Administration	\$157,600
Child Support Enforcement	\$3,500,000
Child Welfare	\$3,039,000
Child Care Development	\$10,569,000
<b>Total</b>	<b>\$ 756,674,591</b>

## **Dollars under contract**

CDOT Transit Construction Projects	\$139,600,000
Ft. Carson School Renovation	\$1,000,000
Airport projects	\$36,683,904
<b>Total</b>	<b>\$177,283,904</b>

**Dollars moving to state or local agencies in next three months**

State Fiscal Stabilization Funds - K-12	\$169,800,000
Race to the Top Preparation	\$10,000,000
Title I Education Funds, First Allocation	\$55,500,000
Title X McKinney-Vento Education Funds	\$924,850
National School Lunch Program	\$1,000,000
Food Stamp Processing	\$842,400
Emergency Food	\$1,300,000
Senior Meals	\$1,200,000
Census Administration	\$350,000
Community Services Block Grants	\$8,600,000
Transit Capital Investment Grants	\$51,000,000
Airport Projects	\$36,683,904
Weld County School Bus Pollution Retrofit	\$1,200,000
Clean Water Projects	\$31,000,000
Drinking Water Projects	\$34,000,000
Homelessness Prevention	\$8,000,000
Violence Against Women Act	\$4,400,000
Victims of Crime Act	\$2,600,000
Research Grants to universities	\$20,000,000
Department of Defense Facility Upgrades	\$23,000,000
Energy Efficiency and Conservation Block grants	\$42,700,000
Justice Assistance Grants	\$18,300,000
Public Housing Capital Fund Formula Grants	\$16,949,529
Community Development Block Grants	\$2,800,000
<b>Total</b>	<b>\$ 542,150,683</b>

**People benefiting from tax credits or direct grants**

Social Security one-time \$250 payment	500,000
Pell Grant Increase	52,000
Food Stamp Increase	326,000
Increased Unemployment Benefits	150,000
Youth in summer employment program	3,000
People receiving job training	1,798
People receiving job search assistance	242,569
Making Work Pay tax credit	1,800,000 families
<b>Total</b>	<b>3,075,405 plus</b>

## FACES OF THE RECOVERY ACT

When President Obama signed the Recovery Act into law in February, **ALEX JOHNSON**, of Silverthorne, had been out of work for a month. The 26-year-old plumbing assistant had been laid off from his job at a construction company that primarily built new homes and saw business dry up because of the recession.



Johnson had been working in construction in Colorado for about two years when he got laid off.

He was born and raised in Burlison, Tx, and has a bachelors degree. After he got laid off, Johnson applied for more than 200 jobs with no luck. In May, he applied for a job as an installer with the Northwest Colorado Council of Governments, an agency that is administering the expanded low-income weatherization program funded through the Recovery Act. About 75 people applied for the \$14/hour job and Johnson was hired. He started work June 4 and will soon be insulating homes and replacing aging furnaces.

“I was hoping that I would get some of that stimulus money and here I am.”

The Northwest Colorado Council of Governments is preparing to do weatherization work in about 450 homes across 13 counties over the next year with Recovery Act funds. The organization plans to hire about five full-time workers and contract with several companies to do the work. Steve Getz, the agency’s weatherization coordinator, said there is already a high level of interest from homeowners and renters for the services. His agency has already approved about 50 applications for the work, which will begin in early July.

Statewide, up to 10,000 homes will receive energy upgrades, including insulation, new appliances and/or windows and heating systems. The Governor’s Energy Office is coordinating the program.

## FACES OF THE RECOVERY ACT



Every weekday, **JEAN ECHEVERRIA** packs food into boxes at the Weld Food Bank for families and individuals who are in desperate straits. In recent months, the customer service representative has been seeing more families who have never requested food aid before. Their emergency food requests have risen 30 percent compared to the year before.

“The economy has hurt a lot of people. I’m getting affected myself. I have family members and friends who come through.”

In a few weeks, the Greeley-based food bank expects to receive a major shipment of food paid for by the Recovery Act. They will get 137 cases of canned pork and 221 cases of cheese. That’s enough to give for almost 3,000 individuals and families. The food bank also expects to receive major shipments of eggs, sliced turkey and whole chickens. Echeverria said she’s never seen such high quality protein products like those since she began working at the food bank last year.

“Nutritionally, it’s going to be great,” she said. “It’s very important that we get our hands on this stuff. The cost in the stores for this food is just beyond their reach. When we had this food to people, they are so appreciative.”

Once the food shipments reach their building, “it’s going to be gone quick.”



## FACES OF THE RECOVERY ACT

**JULIA KIRKLEN** is 18 years old and is spending the summer at the first full-time job of her young career. She's working for the Denver Youth Workforce Office, which is involved with the Summer Youth Employment Program. The Recovery Act is paying for hundreds of Denver youths, up to age 24, to get summer jobs.

"I'm a job coach for about 30 youths," said the Denver native and graduate of East High School. "I'm a person they can come to if there's something going on in the job that's making them uncomfortable. They bring me their time cards. They're working at recreation centers, libraries, even at fast food restaurants. Their ages range from 14 to 17."

Before getting this job, the teen had spent summers teaching tennis at a Denver camp. This fall, she plans to start college at Agnes Scott College in Georgia.



She said the job is giving her good experience. "I also like that I get to work with youth and have an impact on their lives."

"It does add to the resume, but I also want to do something that gives back to the community and helps underprivileged youth. This helps me see how things work."

Kirklen plans to save the money she is making in the job to pay for traveling home from college and other expenses at college. She said she is thankful for the Recovery Act.

"This is the reason why I have a job, and why a lot of other youth have jobs in Colorado."

## FACES OF THE RECOVERY ACT

Dr. **MARC MOSS** sees life or death situations every day in his job. He is a pulmonary critical care doctor, which means that he treats critically ill patients with lung problems in the intensive care unit at the University of Colorado Hospital in Aurora. On June 1, 2009, the 47-year-old lung specialist was awarded a \$3 million grant paid for with Recovery Act funds for a 5-year clinical study. The grant pays for the first two years of the study and was awarded by the National Institute of Nursing Research and will be used to study a condition called polyneuromyopathy – a dysfunction of the nerves and/or muscles that often is a consequence of being on mechanical life-support for seven days or more.

Moss, 47, will work with more than a dozen researchers to find a less invasive way to diagnose



the condition and then to see if intensive physical therapy will improve patient outcomes. They plan to start the study on July 1, 2009, and will follow 400 patients.

Moss said the Recovery Act allowed him and his colleagues get funding for the research quicker than would have been possible otherwise.

“It will allow us to take better care of patients at an earlier time.”

Doctors and researchers across Colorado have already submitted more than 900 grant applications for Recovery Act funds, and more requests will come in coming months.

# ACTIVITY UPDATED BY PROGRAM

\*Based on the best information available to the state. This represents programs that are known to be actively moving forward. There are many other grants that will move forward in coming months. For a more comprehensive list of Recovery Act projects, go to [www.colorado.gov/recovery](http://www.colorado.gov/recovery).

**This is a working draft and some programs were last updated in June 2009**

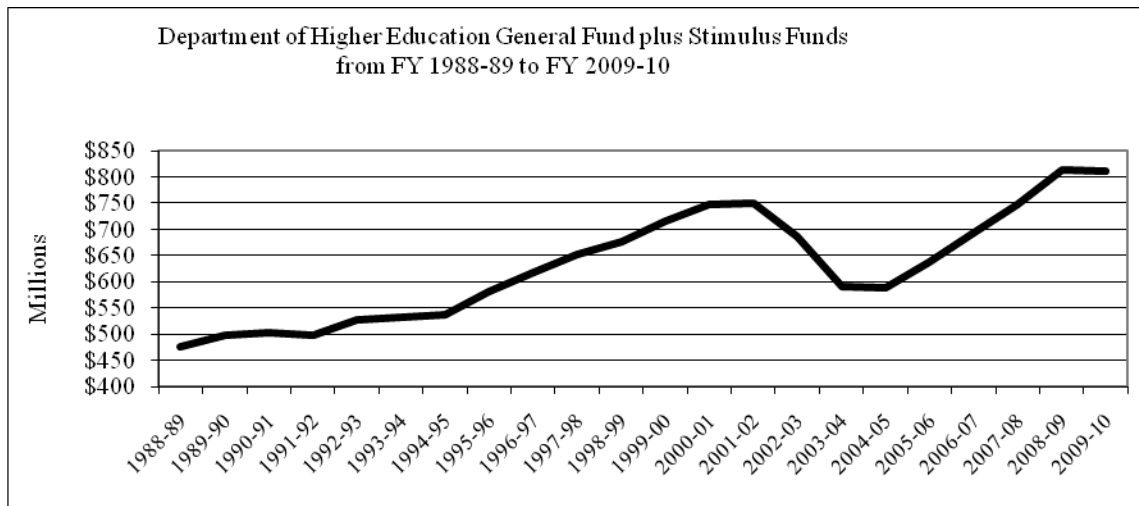
## **STATE FISCAL STABILIZATION FUND (SFSF)**

Colorado submitted an application this Spring to the US Department of Education for approval to use \$760 million in State Fiscal Stabilization Funds. On June 10, 2009, the U.S. Department of Education approved release of 67 percent, or \$509 million. The rest is expected to be released in September 2009.

State fiscal stabilization funds are awarded by formula. Of the total, 81.8% or \$621.8 million will go to stabilizing education spending and 18.2% or \$138.4 million will go to the Government Services Fund. The Governor's Office of State Planning and Budget (OSP), working closely with the Joint Budget Committee, submitted an application that will optimize the flexibility of the funds while meeting the requirements of the Recovery Act.

### **Higher Education:**

With the economic downturn, Colorado was at risk of losing gains that had been made to restore state support of higher education. The Act does not allow Colorado to drop below FY 2005-06 levels of state support. The Education Stabilization Fund will shore up state resources by about \$150.6 million per year for the next three years for higher education (or \$452 million total). These funds will keep Colorado from slipping backward and will keep tuition and fees as low as possible. This is illustrated in the chart below:



Source: Governor's Office of State Planning and Budget

The chart below provides the expected breakout of ARRA funds by institution:

<b>State Fiscal Stabilization Funding for Colorado Public Institutions of Higher Education</b>			
	<b>FY 2008-2009</b>	<b>FY2009-2010</b>	<b>FY2010-2011</b>
<b>Institutions of Higher Education</b>	<b>State Fiscal Stabilization Funds</b>	<b>State Fiscal Stabilization Funds</b>	<b>State Fiscal Stabilization Funds</b>
Adams State College	\$ 2,459,127	\$ 2,459,127	\$ 2,459,127
Mesa State College	\$ 4,117,215	\$ 4,117,215	\$ 4,117,215
Metropolitan State College of Denver	\$ 9,934,844	\$ 9,934,844	\$ 9,934,844
Western State College	\$ 2,280,870	\$ 2,280,870	\$ 2,280,870
Colorado State University System	\$ 33,271,484	\$ 33,271,484	\$ 33,271,484
Fort Lewis College	\$ 3,978,508	\$ 3,978,508	\$ 3,978,508
University of Colorado System	\$ 49,995,467	\$ 49,995,467	\$ 49,995,467
Colorado School of Mines	\$ 4,443,761	\$ 4,443,761	\$ 4,443,761
University of Northern Colorado	\$ 8,909,433	\$ 8,909,433	\$ 8,909,433
Community College System	\$ 25,300,005	\$ 25,300,005	\$ 25,300,005
Local District Junior Colleges	\$ 3,288,323	\$ 3,288,323	\$ 3,288,323
Area Vocational Schools	\$ 2,697,018	\$ 2,697,018	\$ 2,697,018
Fiscal Year Total	\$ 150,676,055	\$ 150,676,055	\$ 150,676,055

Source: Governor's Office of State Planning and Budget

**K-12 Education:**

In the stabilization fund, \$169.8 million remains for K-12 education. Because of the State Constitutional requirements of Amendment 23, the Education Stabilization funds will be transferred into the State Education Fund for K-12 Education and will assist in meeting the state's K-12 obligations. The Education Stabilization support for K-12 will be \$152 million in FY 2009-10 and \$17.8 million in FY 2010-11. It is intended that these funds be the first State Education Funds used and spent by schools before October 2011.

**Government Services Fund:**

The \$138 million in the Government Services Fund must be used for government services and can't be used to pay a debt, fund maintenance on facilities or systems, or restore state rainy day funds. The Government Services Fund can be transferred to the General Fund for budget balancing purposes as long as the funds are tracked as required by the Act. Just over half of the Government Services Funds, or \$70 million, are being used for budget balancing purposes. About \$10 million will be used to prepare for "Race to the Top" competitive programs to enhance Colorado's position relative to this significant opportunity. The remaining \$58.3 million is being reserved for future budget balancing if needed, ARRA administrative costs and targeted investments or efficiencies depending on the amount available.

**TITLE I** [\(updated July 21, 2009\)](#)

Colorado received \$55.6 million for Title I Part A initiatives in April 2009, approximately half of its expected \$111 million allocation for this program. The remaining half will be distributed between July 1 and October 1. Title I funds are disbursed by the Colorado Department of Education according to school district applications for reimbursement, though total available allocations for each district are

determined by existing federal formulae. As of June 29, 2009, Colorado had reimbursed districts a total of \$278,962, and most Colorado school districts are preparing applications. Eighty-five percent of the state's total Title I, Part A funds (including regular FY 2009 Title I, Part A funds) must be obligated at the state and local level by Sept. 30, 2010. Any remaining Title I, Part A funds will be available for obligation at the state and local level until Sept. 30, 2011. The state also expects to \$33.8 million for low-performing schools that need corrective action and restructuring through the Title I School Improvement program.

### **INDIVIDUALS WITH DISABILITIES EDUCATION ACT (Updated July 21, 2009)**

Colorado has received \$80.5 million through the federal Individuals with Disabilities Education Act for students and children with disabilities. This represents half of Colorado's total allocation of \$161 million for IDEA parts B and C, the other half of which is expected by September 30, 2009 after Colorado submits a report to the Department of Education on how it will meet reporting and accountability requirements. These funds are available through three programs:

- The state is distributing \$148.7 million in funds through the Part B formula grants (Section 611). These funds are going to local schools to improve services for children and youth with disabilities by making short-term investments that can have long-term benefits. All funds must be obligated by Sept. 20, 2011.
- The state is distributing \$5.2 million through another Part B formula grant program (Section 619) designed to help schools expand the availability and range of placement options for preschoolers (ages three to five) with disabilities by developing the capacity of public and private preschool programs to serve them. All funds must be obligated by Sept. 20, 2011.
- The I.D.E.A. Part C program for infants and toddlers with disabilities is expected to distribute \$7 million to Colorado. These grants will help fund early intervention services for birth through two-year old children being served by the 20 Community Centered Boards and increase funding for statewide initiatives to improve services for infants and toddlers with developmental delays or disabilities. The first half of the funds was made available in April 2009 and the other half is expected to come in September 2009. All funds must be obligated by September 30, 2010.

### **TITLE X (MCKINNEY-VENTO EDUCATION OF HOMELESS CHILDREN AND YOUTH)**

The state received \$924,815 in formula funds from the federal government on April 10, 2009. Grant applications are due to the state by July 1, 2009, and the state will notify school districts of awards by Aug. 1, 2009. The state must distribute these funds to local school districts by Aug. 8, 2009 and all funds through this program must be obligated by Sept. 30, 2011. The funds are designed to help homeless children enroll in, attend and succeed in school.

### **NATIONAL SCHOOL LUNCH PROGRAM**

Colorado is distributing \$1 million in grants to schools that participate in this program, with priority given to sites with 50 percent or more students who are eligible for reduced price or free meals. The funds are used for equipment that will improve the quality of meals, safety of food served, energy efficiency of food service operations and expansion of the meal program. Grants were awarded in early June to more than 30 school districts. Recipients will be required to finish procurement and expenditure activities within three months of the grant award.

### **RACE TO THE TOP (Updated July 16, 2009)**

Two competitive grants worth a total of \$5 billion that are expected to be divided among about 12 states who demonstrate significant reforms in K-12 education. One grant is worth \$4.3 billion and the

other, called the Innovation Fund, is worth \$650 million. Colorado could receive \$300 to \$500 million and officials are confident that the state is well-positioned to receive funds. Lt. Governor Barbara O'Brien is coordinating efforts to apply for \$4.35 billion in competitive grants for education reform. The Lieutenant Governor has created four public committees, each one focused upon one of four key areas. Each committee has two co-chairs, one from the Colorado Department of Education and the other from the private sector, whose names will be announced in July. Hundreds of Coloradans have signed up to participate and committees will begin meeting in early August.

### **PELL GRANTS**

Approximately 52,000 Colorado students enrolled in colleges and universities for the 2009-2010 school year will receive more aid, up to \$500 for college tuition. That's an additional \$16-\$18 million in federal grant funds. The maximum Pell Grant award will increase by \$500 to \$5,350 and will affect every student eligible for Pell grants. There also are tax credits for college tuition. The credit will be increased from \$1800 to \$2500 for families earning up to \$180,000. All Colorado families who qualify for this tax credit will benefit from this increase.

### **IMPACT AID CONSTRUCTION**

The Fountain-Fort Carson School District #8 in El Paso County has awarded \$1 million in contracts for five projects (roof repair at the middle school, classroom construction, library renovation and two heating and air conditioning system projects). Work has already begun and is expected to be completed by Sept. 30, 2009. These funds allowed the district to spend more on building a new school. More funds will be available through a competitive grant process in coming months.

### **SOCIAL SECURITY BENEFITS**

More than 500,000 Colorado residents who receive Social Security and SSI benefits also received a one-time payment of \$250. That amounts to more than \$125 million that was distributed throughout May and early June.

### **MEDICAID** (Updated July 21, 2009)

The state Department of Health Care Policy and Financing has been receiving increased federal funds to cover the cost of providing care to Medicaid clients in Colorado. The increased reimbursement from the federal government is applied to the Medicaid program back to October 2008. For the fiscal year ending June 30, 2009, the state will receive approximately \$240,776,583 as a result of the Recovery Act. As of June 29, 2009, Colorado has drawn down approximately 82 percent of its 2009 allotment, or about \$197 million. These extra dollars reduced the burden on the state General Fund and other funds that would have been tapped to cover the Medicaid costs. The anticipated federal relief enabled the Department to avoid making provider rate cuts in FY 2008-09 or reducing optional services to additional children and low-income adults. The total FY 2008-09 federal Recovery Act funds are equivalent to the following annual Medicaid costs in Colorado: The total cost of providing medical services to roughly 100,000 children or two-fifths of the funds needed to meet the medical needs of nearly 60,000 disabled clients.

### **FOOD AND NUTRITION ASSISTANCE**

- Starting April 1, 2009, all eligible households began receiving a 13.6 percent increase in benefits through the Supplemental Nutrition Assistance Program, formerly known as food stamps. That's a monthly increase of \$40 for the average family allotment, amounting to almost \$180 million in additional funding to the state. More than 140,000 households – consisting of more than

326,000 people – have been receiving increased food benefits. The food stamp caseload has increased 33 percent compared to October 2007 and continues to increase by at least two percent a month.

- The 10 largest counties, which handle more than 80 percent of the statewide caseload of food stamps, have received almost \$1 million to hire more workers or pay overtime to existing staff to process the increased number of food assistance requests in a timely manner. These counties are using the money to hire at least 40 new employees, both full-time and part-time, and to pay overtime to existing staff. El Paso County, for example, is hiring 14 part-time workers to process applications, and Larimer County is hiring four full-time workers and one part-time employee with these funds. The money must be spent by Sept. 30, 2009 and another grant is expected the following year.
- The state applied on May 29, 2009 to the federal government for \$444,066 in Recovery Act dollars for the Supplementary Nutrition for Women, Infants and Children (WIC) program contingency fund. The Recovery Act sets aside \$500 million nationwide for a contingency fund to handle caseload growth and \$100 million to support state MIS projects. The funds will come through the USDA. Colorado is experiencing record caseloads for WIC.
- Food banks and assistance agencies across Colorado are expecting a huge shipment of commodity food items paid for with \$1.3 million in formula grants through the Emergency Food Assistance Program (TEFAP) targeting people below the poverty line. The grants are distributed through food commodities, not dollars, distributed to local governments and non-profit groups who provide direct food aid. The USDA is using their bid process to purchase food. In the next month or two, more than 560,000 cases of food will be distributed to 50 county agencies and food banks and 43 soup kitchens across Colorado. Thousands of families and individuals will receive high-quality food including whole chickens, cheese, eggs and sliced turkey. Those products will be added to food boxes given to needy families and individuals. The Food Bank of the Rockies, for example, is expecting to receive more than a half million pounds (nearly 19,000 cases) of food, which it will distribute to 150 pantries/agencies in 23 Colorado counties.

## **HEALTH INSURANCE BENEFITS FOR THE UNEMPLOYED**

Since February, scores of laid-off workers across Colorado have benefited from the reduced cost of health insurance through their former employer. This program is known as COBRA. Because of the Recovery Act, the employee pays 35 percent of the health insurance premium and the employer pays 65 percent for up to nine months. This amounts to hundreds of dollars per month in savings for Colorado residents who involuntarily lost jobs between September 1, 2008 and December 31, 2009 and worked for businesses that offered health insurance. Employers are reimbursed by the federal government in the form of credits against their payroll taxes or as refunds. State officials estimate that thousands of people are getting this benefit, although exact figures are not available at this time.

## **SENIOR NUTRITION SERVICES**

The state has distributed \$1.2 million in additional funds to 16 Area Agencies on Aging across Colorado. The funds will be available for use July 1, 2009. The local agencies were given \$847,851 for group meals and \$417,403 for home delivered meals for seniors age 60 years and older. The funds will provide 138,673 additional meals for 4,070 unduplicated seniors in a group setting and 65,367 meals delivered to homes of 2,944 unduplicated seniors.

### **CHILD CARE ASSISTANCE** (Updated July 16, 2009)

County human service agencies are receiving \$10.5 million for the current fiscal year, and another \$10.5 million for FY 2009-10 for child care services to low-income families. Colorado has spent \$10,569,228 of these funds as of July 16, 2009. Funds must be obligated by Sept. 30, 2010.

### **CHILD SUPPORT ENFORCEMENT** (Updated July 16, 2009)

In total, Colorado expects to receive \$6.4 million to increase child support enforcement. The funds will be distributed to the counties based on their performance. The intent of the funds is to restore financial incentives based on performance of the county agencies and retain jobs and current levels of services. Colorado has spent \$3,498,378 of ARRA funds on Child Support Enforcement as of July 16, 2009.

### **CHILD WELFARE, FOSTER CARE AND ADOPTION ASSISTANCE** (Updated July 16, 2009)

Colorado is receiving an increased level of federal funding for foster care, adoption, kinship guardianship and child welfare services. Colorado has spent \$3,039,000 of its ARRA allotment as of July 16, 2009.

### **CENSUS ADMINISTRATION**

The local Census office has been allocated \$770,000 for FY 2009-2010 to augment the administration of the 2010 Census in the 10-state region. About \$350,000 of those funds were used to hire employees based out of the Lakewood office. With these funds, the office is hiring 33 people – or the equivalent of 22 full-time equivalent positions – to serve as partnership specialists to encourage people in hard-to-count communities to participate in the 2010 Census. The new employees will begin work in July and continue working until September 2010. Other higher-paying supervisor jobs were also created.

### **COMMUNITY SERVICES BLOCK GRANTS**

Local governments and non-profit agencies have applied for \$8.6 million in community services grants. The funds can be used to help Colorado citizens become more self-sufficient by providing services related to employment, education, nutrition, housing, health, emergency services such as rental and mortgage assistance, financial education (income maintenance). Eligible citizens for services include individuals and families at 200 percent of poverty. The funds were allocated to some counties and the Colorado Department of Local Affairs has formed an advisory group to help distribute the funds. County governments can partner with non-profits to provide the services. All funds must be spent by Sept. 30, 2010.

### **EXTENDED UNEMPLOYMENT BENEFITS** (Updated July 15, 2009)

The federal government approved extensions of benefits prior to the passage of the Recovery Act, and then further extended them through the Recovery Act. This means that people who have been involuntarily laid off can receive up to 59 weeks of benefits, including the 26 weeks provided by state law. The Recovery Act extends benefits an additional 20 weeks (for a total of 79 weeks). As of early June, more than 35,000 people were receiving extended benefits beyond the 26 weeks provided by state law. The General Assembly passed SB 247, signed into law by Gov. Ritter on June 2, 2009, to fully optimize the criteria set by the Recovery Act. This will allow the additional 20 weeks of benefits to be distributed and includes other provisions to help with obtaining Recovery Act funds. It won't be known until next year how many people will receive this additional money. All told, Colorado workers could receive roughly \$342 million for these benefits. As of June 30, 2009, 71,364 individuals have been paid a total of \$149,499,834 of ARRA Emergency Unemployment Compensation benefits.



## **INCREASED UNEMPLOYMENT BENEFITS** (Updated July 15, 2009)

Since mid-February, every Coloradan receiving unemployment benefits has been receiving an additional \$25 a week because of the Recovery Act. This additional money is expected to add up to an estimated \$87 million for Colorado workers. As of June 30, 2009, 150,269 individuals have received the additional \$25 amount for a total of \$40,997,750 in Federal Additional Compensation payments. In addition, the Recovery Act will help these workers save money in taxes. Typically unemployment benefits are taxed as income, but under the Recovery Act, the first \$2,400 of benefits are deductible or tax free.

## **RE-EMPLOYMENT AND TRAINING** (Updated July 15, 2009)

The Colorado Department of Labor and Employment is using Recovery Act dollars to expand services through several programs that provide job training, job placement and support services for workers who lose their jobs as well as those who are unemployed for other reasons. The programs will be administered through local workforce agencies. These funds include \$6.2 million in State Employment Services Grants to the state through the Wagner-Peyser Act, \$4.8 million through the Workforce Investment Act for adult job training and support services, and \$14.4 million through the Workforce Investment Act for dislocated workers. As of June 9, 2009, roughly 400 adults have received services across the state, and that number will rise significantly in the coming months.

On June 24, 2009, the USDOL issued a solicitation for grant applications notice for the \$500 million in competitive grants available for green jobs workforce training nationwide. The grants will be funded under five categories distinguished primarily by purpose and entities eligible to apply. The CDLE is working closely with relevant constituency groups to submit grant applications in all five categories and is optimistic that the state will receive funds in at least three of the five categories.

## **YOUTH TRAINING AND SUPPORT**

The Colorado Department of Labor and Employment is distributing \$11.8 million to help train young people, ages 15 to 24, to enter the workforce through paid summer jobs. As of June 9, 2009, almost 650 youth were being served through this program. Approximately 3,000 young people are expected to be served through this program this summer across Colorado.

## **UNEMPLOYMENT INSURANCE MODERNIZATION**

The General Assembly passed SB 247, signed into law by Gov. Ritter on June 2, 2009, that modifies Colorado's unemployment insurance provisions to comply with federal guidelines, among other provisions. The law allows the state to qualify for up to \$127 million for modernization of the unemployment benefits system.

## **SMALL BUSINESS LOANS**

The U.S. Small Business Administration office in Denver has been processing loans to Colorado businesses with help from Recovery Act funds since the law was enacted in February. While the office did not provide a complete picture of loan activity in Colorado, officials said they have distributed 82 loans through the 7 (a) Loan Guarantee Program valued at \$27 million statewide between Feb. 17 and June 1.

The Recovery Act dedicates funds to ensure access to several loans distributed by the SBA. They include 504 loans for fixed asset projects, the 7 (a) Loan Guarantees to help business owners operate, acquire or expand existing businesses with reduced or eliminated fees, the Business Stabilization Program

(competitive loans for small businesses having trouble paying their existing loans) the Micro-loan Program for start-up, newly established or growing small businesses and surety bond guarantees.

The SBA will begin offering another loan known as ARC loans beginning June 15, 2009. This will allow viable small businesses to borrow up to \$35,000 to make payments of principal and interest, on one or more existing, qualifying small business loans for up to 6 months. This includes credit card obligations, capital leases and bills to vendors/suppliers.

### **HIGHWAY AND BRIDGE CONSTRUCTION** (Updated July 15, 2009)

Work began May 19, 2009, on the first Recovery Act-funded roadway project in Littleton. Approximately 48 projects will be funded through the Recovery Act. Of those, 42 have been advertised. Of those, 29 projects are under contract using \$139.6 million of Recovery Act funds. And of those, 23 projects using \$124.6 million from the Recovery Act have begun construction. More than \$260 million of the \$330 million being distributed by CDOT have been obligated. The projects are costing an average of nine percent below estimates and CDOT's aggressive work has put Colorado well ahead of federal deadlines.

### **TRANSIT**

The Recovery Act gives funds directly to transit agencies and the three large metropolitan planning organizations in the state for their prioritized projects:

- \$55.9 million to the Denver Regional Council of Governments. The group voted in March 2009 to fund 13 projects.
- \$13.1 million to Pikes Peak Area Council of Governments
- Some contracts for the \$5.8 million to the North Front Range Metropolitan Planning Organization will be advertised for bid in the next couple months.

Colorado also has been allocated \$103 million in Capital Investment Grants for transit projects. Most of the money - \$90.2 million - will go to transit agencies in urban areas for capital projects such as new transit facilities or new vehicles.

- Regional Transportation District – applied for all of the \$72.1 million in April and May.
- City of Colorado Springs – allocated approximately \$8.8 million; applied for \$4.5 million on June 1, 2009
- City of Fort Collins – applied May 14, 2009 for the total \$3.4 million allocation
- Mesa County – has not applied for any of its \$1.5 million allocation as of June 4, 2009
- City of Greeley – has not applied for any of the \$2 million allocation as of June 4, 2009
- City of Pueblo – applied April 9, 2009, for the total \$2.4 million allocation
- The remaining \$12.5 million in transit funds will go to rural areas and will be managed by CDOT. CDOT applied May 13, 2009 for \$10.3 million for a new bus maintenance facility in Summit County and that money has been obligated. Half of the funds must be obligated by Sept. 1, 2009 and the other half by March 5, 2010. There is a “Buy America” provision in these grants, which emphasizes the need to purchase U.S.-made goods for the projects.

### **AVIATION** (updated July 19, 2009)

Construction work at seven Colorado airports has begun using \$36.7 million in Recovery Act funds. Priority for funding was given to projects that could be completed within two years. The work is aimed at improving capacity, safety and security. The Federal Aviation Administration selected the grant recipients.

- Denver International Airport awarded \$7 million in contracts for runway rehabilitation on April 16, 2009. Another \$4.4 million contract for apron improvements was awarded.
- Centennial Airport awarded a \$3.1 million contract for taxiway rehabilitation in June.
- Aspen-Pitkin County Airport awarded a \$3.5 million contract for apron improvements on May 19, 2009.
- Colorado Springs Airport award a \$6.7 million contract for taxiway rehabilitation in June 2009.
- Grand Junction Airport awarded a \$9.3 million contract for apron improvements on May 25, 2009.
- Durango Airport has awarded a \$1.9 million contract to CWS Construction and work has begun on resurfacing of the General Aviation ramp. (updated July 15, 2009)
- Fort Collins Airport awarded a \$556,797 contract for taxiway improvements in June 2009.

### **STATE ENERGY PROGRAM** (updated July 20, 2009)

The Governor's Energy Office submitted a plan in May 2009 to the U.S. Department of Energy about how the agency wants to distribute \$49.2 million to create jobs, develop clean energy sources, reduce energy costs for residents and cut emissions of greenhouse gases while injecting the state's economy with critical investments. The state plan divides the funds into seven categories: \$19.2 million for finance and capital investment grants and revolving loans, \$5.6 million for residential programs, \$9.7 million for renewable energy development and expansion, \$4.9 million for energy efficiency work on commercial buildings, \$4.7 million for public information and consumer outreach, \$723,348 for reducing the environmental impact of state government operations and \$1.28 million for increasing energy efficiency among utility customers and electric utilities. Once the state gets approval from U.S. DOE, the GEO will solicit proposals for projects in these categories. The discretionary funds must be obligated by Sept. 30, 2010, and must be spent by March 2012. The state announced on July 20, 2009, that it received nearly \$20 million from the federal government for this program and will roll out work this fall.

### **ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANT PROGRAM**

The Governor's Energy Office and various cities and counties are preparing applications to the federal government, to be submitted by June 25, 2009, for \$42.7 million in formula grants for energy efficiency and renewable energy programs and projects. At least 60% of the GEO's allocation must be distributed to Colorado cities and counties who do not receive a direct allocation of funds from the DOE. The GEO is expecting to receive plan approval from the U.S. Department of Energy by August 1st. All solicitations for funding that will take place will be announced to the GEO's newsletter list when the plan has been approved by the U.S. Department of Energy.

### **LOW-INCOME WEATHERIZATION PROGRAM**

The Governor's Energy Office submitted its plan to the U.S. Department of Energy in May 2009 regarding disbursement of \$79.5 million through the federal Weatherization Assistance Program (WAP). This program will be administered by the Governor's Energy Office's (GEO) Energy Savings Partners (ESP) program during the budget period April 1, 2009-March 31, 2011. The aim of the weatherization program is to reduce energy costs for low-income families by improving the energy efficiency of their homes. Priority is given to persons who are elderly and living with disabilities and families with children. About 8,000-10,000 homes are expected to receive improvements through this program. All funds must be spent by March 31, 2012.

Weatherization services will be provided by up to ten agencies in each county across the state. GEO is currently accepting applications from weatherization service providers to serve approximately 1,423

homes in Dolores, Montezuma, La Plata, Archuleta, San Juan, Saguache, Mineral, Rio Grande, Conejos, Costilla, and Alamosa counties with a budget of \$6,690,635 through June 30, 2010.

In addition, the state is identifying weatherization service providers that can administer a \$2,501,242 statewide multi-family program that will serve approximately 625 homes through June 30, 2010. The GEO and its current weatherization partners have been authorized to expend up to 10% of ARRA funds or \$7,953,121 on ramp-up activities, such as hiring and training of new staff and purchasing equipment and materials. The GEO is expecting to receive approval of its State Plan in June 2009, at which time it will receive an additional 40% of ARRA funds.

### **DIESEL EMISSION REDUCTION ACT**

Approximately \$1.2 million has been allocated to retrofit about 250 Weld County public school buses with diesel oxidation catalysts, closed crankcase filtration systems and engine pre-heaters. The project will reduce emissions of hydrocarbons, carbon monoxide, particulate matter and nitrogen oxides to the atmosphere, as well as reduce children's in-cabin exposure to these pollutants and numerous air toxics. Bids were due on May 29, 2009. Agency administrators are reviewing the bids and will choose a contractor in coming weeks. Work is scheduled to begin in July 2009.

### **CLEAN WATER STATE REVOLVING FUND**

More than a dozen top-priority water projects will begin construction before Sept. 30, 2009, with more than \$31 million in Recovery Act funds. The state approved a list of 43 projects that can obtain funding through this program, but there isn't enough money for most of those projects to go forward. None of these projects would go into construction this year without the Recovery Act dollars. These projects are being coordinated by the Colorado Department of Public Health and Environment and the EPA. The program provides low-cost loans to communities for water quality and wastewater infrastructure projects. The recovery act requires that no less than 20% of the grant be used for work that implements green infrastructure, water or energy efficiency improvements or other environmentally innovative activities. Four percent of these funds can be used for administration. Applicants must submit engineering plans by the end of June to get final approval to begin work. More than 300 jobs are expected to be created through these projects.

### **DRINKING WATER STATE REVOLVING FUND**

More than a dozen top-priority projects will begin construction before Sept. 30, 2009 with more than \$34 million in Recovery Act funds. The state approved a list of 44 projects that can be funded through this program, but most will not go forward because of lack of available dollars. None of these projects would have gone into construction this year without the Recovery Act dollars. These drinking water system projects are being coordinated by the Colorado Department of Public Health and Environment and the EPA through the Safe Drinking Water Act. This money does not require a state match of funds. The Colorado Water Resources and Power Development Authority are involved in administering the program. This program also requires that no less than 20 percent of the grants go to projects that improve energy efficiency, green infrastructure and other ways to benefit the environment. All of the funds must be obligated by Feb. 17, 2010. Four percent of these funds can be used for administration. More than 300 jobs are expected to be created through these projects.

### **SUPERFUND SITE CLEANUPS**

The State Department of Public Health and Environment has been allocated approximately \$17 million for cleanup at the Summitville Superfund site in southwest Colorado. This mine turned into one of the

worst hazardous waste disasters in the state's history. The project involves building a 1,600 gallons-per-minute water treatment plant. The state opened bidding for this work May 29, 2009, and will close the bidding process on July 20, 2009. Work is expected to begin in the fall. The project is being coordinated with the Environmental Protection Agency. The state is also in the process of administering more than \$2 million for work at the Clear Creek Superfund site. All funds received by the state must be obligated within 12 months and 70 percent must be spent within two years of the EPA regional office receiving the funds. About 15 to 20 newly-hired construction workers are expected to be employed for three construction seasons.

### **TAX CREDIT ASSISTANCE PROGRAM**

The Colorado Housing and Finance Authority (CHFA) applied to HUD in May 2009 for \$27.3 million in competitive funds to help with local housing needs. CHFA is administering the program in Colorado. The Tax Credit Assistance Program provides grant funding for capital investment in Low Income Housing Tax Credit projects. These funds will provide financing for gaps caused by the collapse of the tax credit equity market, to help stalled development projects and to stimulate economic activity and job creation. Priority is given to projects that are expected to be completed by February 2012. All funds must be expended by the recipients by February 2012.

### **TAX CREDIT EXCHANGE PROGRAM**

The Colorado Housing and Finance Authority (CHFA) applied to HUD in May 2009 for funds through the Tax Credit Exchange Program. This program allows CHFA to exchange eligible portions of the state's housing credit ceiling for cash grants. Grants can then be used by the agency to make sub-awards to qualified projects, including the construction or acquisition and rehabilitation of low-income buildings.

### **NEIGHBORHOOD STABILIZATION PROGRAM**

Colorado expects to receive up to \$50 million to stabilize housing values and properties in neighborhoods heavily impacted by foreclosure. This will be done by purchasing and rehabilitating or demolishing foreclosed and vacant homes and then turn them into affordable housing. The Department of Local Affairs is coordinating these competitive grants and will submit a federal grant request to HUD by June 15, 2009. Half of the funds must be spent within 2 years and the rest spent within 3 years. The Federal Government (HUD) will determine who will get grants.

### **HOMELESSNESS PREVENTION** (updated July 20, 2009)

In July, the federal government approved the state's plan to administer \$8.2 million in competitive grants to address and prevent homelessness. These grants will be administered by the state Department of Local Affairs and must be obligated by Sept. 30, 2009. Local large urban areas will directly receive more than \$7 million from HUD. The grants will pay for short and medium-term rental assistance, housing relocation and stabilization services. Five percent of the funds have been designated for administration. All funds must be spent by Sept. 30, 2011. Three administrative subcontractors will be selected to implement the program: one subcontractor in each of Colorado's three "Continuum of Care" regions - metro Denver, Pikes Peak and the remainder of the state.

### **COMMUNITY DEVELOPMENT BLOCK GRANTS** (Updated July 16, 2009)

Local government agencies and partner organizations have prepared applications for \$10.3 million through the federal agency HUD for community development work in low and moderate income areas. The funds are intended to help local governments implement projects in public facilities, economic

development and housing. As required by the Recovery Act, the state will prioritize projects that can begin quickly. Eligible applicants for competitive grants include non-entitlement towns and cities with less than 50,000 residents and counties with less than 200,000 residents. For Public Facilities Projects, at least 51 percent of the project beneficiaries must be low/moderate income. Economic Development Projects must create jobs according to program criteria, with more than 51 percent of the jobs filled by persons of low and moderate income. Housing projects must benefit households whose income is below 80 percent of Area Medium Income (A.M.I.). HUD is distributing \$7.5 million directly to entitlement communities, which are usually cities of more than 50,000 people, which they can use through partnerships and sub-contracting with non-profits and businesses. The Colorado Department of Local Affairs submitted a plan to HUD on June 22, 2009 to distribute \$2.8 million to three small, rural governments for public facilities upgrades. These projects were already in the Department of Local Affairs' funding queue and were selected for ARRA funds for their close fit with CDBG goals. The Department of Housing and Urban Development is currently reviewing the state's plan as well as those of local, direct fund recipients and is expected to return them by the end of September 2009.

### **BYRNE JUSTICE ASSISTANCE GRANTS** (Updated July 21, 2009)

Colorado will receive approximately \$29.8 million in justice assistance grants that are divided into two main areas. The first group, \$11.5 million, will go directly to local jurisdictions based on pre-existing formulas. The rest will be distributed through the Colorado Department of Public Safety, Division of Criminal Justice, for a broad range of activities, including drug and gang task forces, crime prevention and domestic violence programs. The Colorado Department of Public Safety has received the full allotment of \$18.3 million. Once administrative funds are used, the state will allocate \$16.4 million to state and local agencies. The state has completed reviewing applications for these grants and will announce projects in August.

### **VIOLENCE AGAINST WOMEN ACT (VAWA)** (Updated July 21, 2009)

In July 2009, the VAWA board announced grant awards for the \$2,075,958 in this program. The state received 51 applications for a total of \$4,454,460.

### **VICTIMS OF CRIME ACT** (Updated July 21, 2009)

In July 2009, The VOCA board announced grant awards for the \$785,650 available in this program. The state received 49 applications requesting \$2,602,045 and more than 20 new positions and a smaller number of jobs restored or retained. Grants are scheduled to begin September 1.

### **UNIVERSITY RESEARCH GRANTS:** (Updated July 16, 2009)

- University of Colorado - Boulder has received 14 awards totaling \$6.7 million.
- University of Colorado - Denver has received 19 National Institute of Health grants totaling \$6 million.
- Colorado State University researchers have submitted more than 285 applications for grants.
- Colorado College has applied for and received 1 grant totaling \$76,346.
- Otero Junior College has applied for and received 3 grants totaling \$611,069.
- Pueblo Community College has applied for and received 1 grant totaling \$71,065
- Red Rocks Community College has applied for and received 2 grants totaling \$231,971.

## **DEPARTMENT OF DEFENSE**

The Department of Defense has allocated \$130 million to Colorado, mostly for Fort Carson and Buckley and Peterson air force bases. There are 196 restoration and modernization projects worth \$107.3 million, plus 3 construction projects worth \$23.8 million. The construction projects include a \$12 million contract that will be awarded in Sept. 2009 for Fort Carson Child Development Center, and \$11.2 million contract to be awarded in Sept. 2009 for Peterson Air Force Base Child Development Center. There also is a \$110,000 contract for energy upgrade work to the Air Force Academy Commissary. Work is expected to start at the commissary in January 2010.

## **NATIONAL ENDOWMENT FOR THE ARTS** (Updated July 16, 2009)

The National Endowment for the Arts is distributing \$50 million in competitive grants to organizations that promote arts and culture across the nation. The Colorado Council on the Arts has received \$314,100 for awarding small grants of up to \$10,000 to arts organizations, local arts agencies, and arts service organizations, as well as units of state or local government. As of the grant application deadline on July 16, 2009, CCA had received 57 applications and expects to fund 30 grants by the end of August.

## **COMMUNITY HEALTH CENTERS** (Updated July 20, 2009)

Colorado's 15 federally qualified community health centers will receive \$16.8 million in American Recovery and Reinvestment Act funds to improve care for Colorado residents and upgrade technology and infrastructure. On July 1<sup>st</sup>, 2009, the Department of Health and Human Services announced one-time grants to fund construction, repair, renovation, equipment purchases, and health information technology upgrades through its Capital Improvement Program.

## **WOOD TO ENERGY PROGRAM** (Updated July 20, 2009)

Four Colorado projects designed to convert wood waste to energy and energy feedstocks each received grants of \$250,000 through the Department of Agriculture in early June. The projects, located in Grand, Fremont, El Paso and Boulder counties, are each designed to convert wood collected during wildfire mitigation projects into energy - including wood derived from pine-beetle infested regions.

## **NEW STATE LEGISLATION**

Governor Ritter signed the following bills in the last month to help Colorado maximize its eligibility for Recovery Act funding and ensure that Recovery dollars are used as effectively as possible.

### **House Bill 1346: The Colorado Recovery and Reinvestment Finance Act**

This law allows Colorado agencies to take full advantage of federal bond subsidies and benefit from a lower cost of borrowing on Recovery Act projects. The Recovery Act includes federal funds to subsidize the interest payments on bonds issued by public entities for certain projects. This law clarifies how Colorado agencies may qualify for these interest subsidies and authorizes the use of other bonds.

### **House Bill 1349: Extending Health Care Benefits**

This law helps workers who lost their jobs between September 1, 2008 and February 16, 2009 maintain their health care coverage. The Recovery Act provides a premium subsidy and an extended period for laid off workers to enroll in Federal COBRA health coverage. This law applies a similar extension to Colorado's equivalent healthcare extension program and specifies notification requirements.

### **Senate Bill 247: The Unemployment Insurance Modernization Act**

This law qualifies Colorado for more than \$120 million in federal aid by modifying Colorado's unemployment insurance provisions to comply with federal guidelines. The law extends unemployment benefits by 20 weeks and allows certain ineligible unemployed workers to become eligible for benefits through an alternate means of calculating eligibility. The law also qualifies Colorado for an additional \$15 million for job training benefits over the next three years. By unlocking these federal funds, this law helps Colorado's unemployment insurance program remain solvent and expands the number of Coloradans who will receive benefits during their unemployment.

### **Senate Bill 297: Contract Flexibility for ARRA Projects**

This law allows Colorado agencies to waive standard contract or procurement requirements to comply with Recovery Act deadlines. It is intended to be used only in extreme cases when the state is in jeopardy of losing Recovery Act funds because of federal deadlines. The state would have to get written approval from the Attorney General and other officials to use this process.