

U.S. Senator

TOM HARKIN OF IOWA



<http://harkin.senate.gov>

(202) 224-3254

HARKIN: EDUCATING WORKERS FOR THE 21ST CENTURY ECONOMY

ECONOMIC RECOVERY PACKAGE BEGINS A NEW ERA OF TRANSFORMATIONAL CHANGE IN OUR ECONOMY

"We are in the grips of a destructive recession that has shaken people's confidence in America's economic system. People are hurting. Millions have lost their jobs, retirement savings and access to health care. It took many years of flawed policies and reckless behaviors to get us into the current economic mess and recovery will not happen overnight."

"The economic recovery package will chart a new course for America by investing in our most important natural resource - our people. It begins a new era of transformational change in our economy - one that will give us true 21st century health care system emphasizing information technology, prevention and wellness, an energy system based increasingly on clean, renewable, domestically produced electricity and fuels, an education system that begins with world-class early childhood education and ends with giving every American access to higher education and advanced training." - Senator Tom Harkin.

The package includes these provisions that will benefit Iowa:

State Fiscal Stabilization Fund: \$386.3 million through the State Fiscal Stabilization Fund to local school districts and public colleges and universities to help close budget shortfalls and make educational improvements. These funds will be allocated to the state and will be distributed to local school districts and public colleges and universities.

Job Training: \$3.950 billion is available nationally for state grants for job training and for competitive grants for job training under the Workforce Investment Act. The authority for workforce investment boards to contract with community colleges is also provided. From this amount, \$13.1 million will go to the state for programs including \$6.3 million for the dislocated worker program; \$1.6 million for the adult training program; \$5.2 million for the youth training grants. In addition, \$5.4 million is provided for vocational rehabilitation to help individuals with disabilities prepare for and find employment opportunities.

Pell Grants: The economic recovery package also provides additional funding for federal Pell Grants and increases the maximum grant to \$5,350 (up from \$4,860). This will provide additional grant aid to the 113,000 Pell Grant recipients in Iowa.

Special Education: \$122.1 million for Special Education Part B State Grants to help improve educational outcomes for individuals with disabilities, raising the federal contribution to nearly 40 percent, the level established when the law was authorized more than 30 years ago.

Title 1: \$65.6 million for Title I Education for the Disadvantaged to help close the achievement gap and enable vulnerable students to reach their potential.

Classroom Technology: \$3.2 million in education technology funds to purchase new computers and software and provide professional development to ensure technology is used effectively in the classroom.

School Construction: The legislation also provides \$23.4 billion in tax credit bonds for construction, rehabilitation or repair of public school facilities. According to the White House, the economic recovery plan provides funding sufficient to modernize at least 412 schools in Iowa so that our children have the labs, classrooms, and libraries they need to learn to compete in the 21st century economy.

Head Start: \$5.3 million for Head Start programs in Iowa which will allow additional children to participate in this program, which provides development, educational, health, nutritional, social and other activities that prepare children to succeed in school. These funds will be given out to current grantees to be distributed for cost of living increases for teachers' salaries, other quality improvements, and serving additional children. Additionally, \$1.1 billion nationwide for new grantees for early head start expansion. These grants will be competitively awarded by the Department of Health and Human Services.

The American Recovery and Reinvestment Act will be carried out with full transparency and accountability. To track the progress: please go to www.recovery.gov.