

**American Recovery and
Reinvestment Act:**

**Laying the Foundation for Washington's
21st Century Economy**

GOVERNOR CHRIS GREGOIRE

AUGUST 2009



Message from Governor Gregoire

August 18, 2009

Dear Friends,

Now more than ever I am proud to be leading the great state of Washington. I join countless others who are working hard to rebuild our economy and get us through this recession. With help from the American Recovery and Reinvestment Act, we are on the road to building a healthier, more sustainable future for all of us.



Signed by President Obama in February, the Recovery Act is a massive effort to jump-start our economy and save — or create — millions of jobs. The importance of this work cannot be overstated. The American people have been asked to trust their government with an unparalleled level of funding to turn around the economy. So we in government must prove that the taxpayers' money is being used for programs that work. This report is provided to show you how we are making these investments and improvements in ways that produce jobs and a stronger economy.

In less than six months, we have made tremendous progress in obtaining Recovery Act funds to put our people to work. Money has already made it into the wallets of citizens and cash registers of local stores. Yet there is much ahead for us. As we continue to apply for money, we will have more to report about the jobs we will create and the futures we will build. An exciting path lies before us.

As I travel throughout Washington, I continue to be inspired by the innovation and generosity of our citizens. We are developing a skilled work force ready to ride out the recession and tackle the challenges of the 21st century.

As you read this report to learn more about the programs we have undertaken and those we will launch, I hope you will see that we have kept faith with the overarching promise of being accountable and transparent in our use of federal funds.

In the coming months we will update you on our progress. Read our reports via www.recovery.wa.gov. With your help, I am confident we will come out of this recession stronger and better prepared to meet the demands of the 21st century economy.

Sincerely,

A handwritten signature in cursive script that reads "Chris".

Governor Chris Gregoire

Recovery Act = Jobs

Like the rest of the United States, Washington has experienced a rapid decline in jobs since the beginning of the global recession almost two years ago. Certain industries have been harder hit than others — construction, manufacturing, temporary help services, retail trade and financial activity, in particular.

On February 17, 2009, less than a month after taking office, President Obama signed into law the American Recovery and Reinvestment Act of 2009, the largest such measure in the nation's history. The \$787 billion package has two goals — to save and create good jobs immediately, and to build a foundation for long-term economic prosperity.

WASHINGTON'S SHARE

Washington state is estimated to be in line for at least \$5.7 billion in federal stimulus money. These funds will come to the state through state and local governments, non-profit organizations and the private sector. Another \$2 billion will be used for cleanup at the Hanford Nuclear Reservation. This infusion of federal funds is expected to save or create about 72,000 jobs per year between now and mid-2011, and 26,500 during the following two years.

Already Recovery Act funds are flowing to the state. Critically important in this first wave is the \$1.7 billion that matches money spent for Medicaid services to our low-income citizens. Having this match has allowed us to free up funds to be spent for other vital state services. Fiscal stabilization funds have helped us to keep teachers in the classrooms and staff working in our prisons, among other areas.

The initial impact of the federal funding has been substantial. Funds have reached families and workers quickly in the form of reduced income tax withholding, larger unemployment checks, and direct spending on education and health care programs. As individuals spend these dollars in their communities, additional jobs are saved because local businesses can stay open. Longer term, the state's economy will feel lasting benefits from the expansion of public transit systems, improvements in water systems, expansion of broadband services, preservation and improvement of roads, and other strategic investments.

THE GOVERNOR'S PRIORITIES

Governor Gregoire quickly set her Recovery Act funding priorities to get the economy moving again:

- » Get money into people's pockets immediately.
- » Save or create jobs in the near-term.
- » Make innovative investments in areas that lay the foundation for Washington's 21st century economy.
- » Create strategic alliances to align the goals and magnify the benefits of Recovery Act benefits.
- » Apply unprecedented accountability and transparency principles.

THINKING BOLDLY

Even before the Recovery Act became law, Governor Gregoire directed her Cabinet to aggressively pursue these funding opportunities as a way to kick-start Washington's economy. She challenged her team to think in bold and innovative ways so Washington can lead the nation in recovery. In addition, Governor Gregoire created the Economic Recovery Team in her office.

Recovery Act = Jobs (cont.)



PUTTING PEOPLE BACK TO WORK

Clallam County resident Craig Brundle, 36, had 15 years of construction experience when he found himself jobless last November. “That’s when the crash happened,” he said. “We ran out of construction — no one was giving out loans.”

“I developed high blood pressure,” said single-parent Brundle. “My main concern was for the well-being of my daughter.”

He attended Olympic Community Action Program’s (OlyCAP) “Career Jump” program and helped out at a local Habitat for Humanity organization store. OlyCAP hired him in March. His boss and co-workers see a great dad and a great asset to the four-person weatherization crew making energy-efficient improvements to homes by replacing windows and insulation, making heating system improvements and closing heat-escaping gaps.

For now, a paycheck and steady work are Brundle’s top goals. Yet he also wants to give back and still volunteers at Habitat for Humanity. “I thank God that I had help from the state,” he said. “Now I try to help people and make a difference in their lives, too.”

Among other responsibilities, the Recovery Team is building a statewide network of public and private-sector organizations to work together to maximize Recovery Act benefits to Washington residents and businesses. Partners include city and county governments, school districts, colleges and universities, public utility districts, community organizations and a number of organizations spreading the word about opportunities provided by the Recovery Act.

SAVING AND CREATING JOBS

One of the top aims of the Recovery Act is to save jobs and create new ones. The Governor’s Office of Financial Management projects that on average, the Recovery Act will support the equivalent of 72,000 full-time jobs between now and mid-2011, and about 26,500 during the following two years. Many of these will be ‘green’ jobs, in support of the new economy we are building.

Perhaps the most important effect of the Recovery Act will be to contain the job losses that have rippled dramatically across the country. Without these funds, our state was expected to lose nearly 100,000 jobs over the next two years.

ON THE REBOUND

Recent economic trends appear to indicate that we may be nearing the end of this “Great Recession.” Initial claims for unemployment insurance appear to have peaked and monthly job losses are diminishing.

The bottom of the recession will be lower than previously assumed, particularly with respect to the labor market. Job losses will likely continue through the end of 2009, and modest gains may occur in 2010. However, solid job growth is not expected until 2011. The unemployment rate will most likely continue to rise through mid-2010. When the economy brightens, the recovery is more likely to be a slow upturn rather than a strong, quick rebound.

In the past, Washington’s economy has lagged both into and out of recessions relative to the nation. In this particular cycle, however, our state appears to be well positioned to recover at the same time as the nation.

A recent Moody’s study suggests that, indeed, Washington is one of the five states best situated to come out of the recession early, thanks to our high-

Recovery Act = Jobs (cont.)

tech industries and better household credit conditions. In addition, the investments we have made in businesses, infrastructure, education and work-force training will serve us well as we rebound. Washington will be well positioned to meet the challenges of the 21st century economy.

COMMITMENT TO COMMUNICATION

While this report was not required under the Recovery Act, its publication signals Governor Gregoire’s commitment to providing the unprecedented accountability and transparency that President Obama pledged when he unveiled his stimulus proposal.

The Governor welcomes your comments on the report. Please send them to economicrecovery@gov.wa.gov.

Jobs Supported by Recovery Act Funding

| Recovery Act Components | Average Number of Jobs Supported | |
|--|----------------------------------|---------------|
| | 2009–11 | 2011–13 |
| Federal aid to state | 30,550 | 8,400 |
| Tax relief – individual/business/other | 12,250 | 600 |
| Other federal spending | 29,200 | 17,550 |
| Total | 72,000 | 26,550 |

A QUICK START

Since February, the Governor, her Executive Cabinet and her Economic Recovery Team have achieved these milestones:

- » Immediately secured Recovery Act funds to boost unemployment benefits to newly laid-off workers, and to preserve health care services for people who rely on Medicaid.
- » Successfully applied for nearly \$1 billion to reduce the effects of state revenue shortfalls in K-12 and higher education, to keep instructors in our classrooms, and in the corrections system, to maintain public safety.
- » Authorized 300+ infrastructure construction projects to build and update roads, bridges, public water and pollution control systems, and other projects that will save and create jobs immediately while laying a foundation for long-term economic growth.
- » Teamed up with businesses, non-profits and other groups to take advantage of new opportunities for investment in work force development, energy efficiency, broadband expansion, health information technology systems, and university research and development.
- » Established a Web site — recovery.wa.gov — as the central source of information about Washington’s recovery activities and opportunities.

Moving Funds Through the State's Economy

The American Recovery and Reinvestment Act is a historic effort to jump-start our economy, save or create millions of jobs and put a down payment on addressing long-neglected needs so our country will thrive in the 21st century. The Recovery Act is a response to a crisis unlike any since the Great Depression. With much at stake, the Recovery Act provides for unparalleled levels of transparency and accountability so that taxpayers will be able to know how, when and where their tax dollars are being spent.

CREATING PARTNERSHIPS

Some large projects require cooperation among many groups, so state agencies are leading partnerships to develop statewide plans. Some examples of these partnerships:

- » The state Workforce Training and Education Board and state Department of Commerce are leading a group of agencies and others to apply for U.S. Department of Labor "green jobs" funding.
- » The Health Care Authority is leading a team and conducting workshops to develop a statewide health care information technology plan.

Initial estimates indicate that Washington will receive more than \$7.7 billion in total recovery funds. More than half of that will come through state government. The remainder will go directly to local governments, non-profits and private entities. Examples of formula-based programs include transportation, weatherization of homes of low-income families and clean water programs.

Federal agencies will deliver Recovery Act funds in five main ways:

By formula. Many federal funding programs distribute funds to the states based on some type of formula, such as population, poverty rate or unemployment rate. The majority of the \$4 billion Washington has received to date has been formula based. A listing of programs is available at <http://www.recovery.wa.gov/formula.asp>.

By competition. In addition to formula funding, states and local entities across the nation will vie for more than \$100 billion in competitive grants. In the coming months, federal agencies will award grants ranging from \$50,000 to several million dollars in areas such as energy efficiency, green jobs, rural development and worker training. More

information about these programs is available at <http://www.recovery.wa.gov/competition.asp>.

By demand. Some assistance is directly available to families and unemployed workers who may be struggling. Benefits include an extension and increase of unemployment compensation, additional funds for the Temporary Assistance for Needy Families program, food stamps and subsidies for COBRA for workers to continue group health benefits for limited periods after a job loss. More information is available at <http://www.recovery.wa.gov/individual.asp>.

By one-time automatic disbursement. This includes payments of \$250 to Social Security and Supplemental Security Income beneficiaries and to veterans.

By providing tax benefits. A number of new federal tax benefits are available, including an immediate reduction in payroll taxes for most workers, increases in the Earned Income and Child Tax credits, as well as benefits for retirees, businesses, parents, people saving for college, first-time home buyers, car buyers and more. More information on federal tax changes is available at <http://www.irs.gov/newsroom/article/0,,id=204335,00.html>.

Governor Gregoire's Priorities for Recovery

The Recovery Act offers unique opportunities to slow Washington's economic slide and position the state for strategic growth when conditions improve.

Governor Gregoire's priorities reflect the need to respond to the immediate crisis while making sound strategic decisions for Washington's future. Five core principles have guided the state's recovery planning and actions:

Get money in people's pockets immediately. This means getting additional benefits to those individuals and families hardest hit by the economic decline. Not only does this provide much-needed assistance to these people, but as they spend money in their communities, local businesses get a boost, too.

Save or create jobs in the near-term. Thanks to the planning by several state agencies, including the Department of Transportation, Washington has had a number of 'shovel-ready' projects ready to put people to work. In addition to placing a priority on programs and activities that can ramp up quickly, Governor Gregoire has required state agencies and their sub-contractors to announce all Recovery Act jobs through the WorkSource centers, which help unemployed workers find new jobs, so interested citizens

are directly connected to jobs created through Recovery Act spending. Agencies are making an extra effort to publicize business opportunities to small businesses, including those owned by women and minorities, so no one is left behind.

Make innovative investments in areas that lay the foundation for Washington's 21st century economy.

In key sectors such as clean energy, broadband, health information technology, and research and innovation, state agencies are consulting with industry leaders and experts to develop statewide strategic plans. Governor Gregoire is committed to competing for all available Recovery Act funds in economic sectors that will propel Washington's economy when conditions improve. There is a straight-line connection between the economic stimulus effort and the "[Next Washington](#)" economic development plan the Governor launched during her first term.

Create strategic alliances involving the private sector, non-profit groups, local governments and state agencies to align the goals and magnify the benefit of Recovery Act investments.

Washington state agencies are playing a critical role in creating new partnerships and reinvigorating existing collaborations. For example, the Department of

Commerce convened an Energy Summit this spring that drew hundreds of private- and public-sector experts and entrepreneurs. Health care professionals from across the state came together in Seattle and Spokane to preview the opportunities offered by Recovery Act funding for health care information technology.

Apply unprecedented accountability and transparency principles. As soon as President Obama signed the Recovery Act, Washington created the recovery.wa.gov Web site to make sure as much information as possible — about state agency performance, economic opportunities and assistance to individuals — is easily accessible to Washingtonians. Since the law's enactment, Washington has remained a national leader, acclaimed by watchdog organizations such as the ProPublica public journalism project, in using plain language to provide clear descriptions of the state's economic recovery programs and plans. All state government agencies receiving stimulus funds have developed recovery plans that detail their priorities, programs, accountability and risk management efforts. These plans are accessible through the state's Web site.

Looking at Today

Washington is receiving Recovery Act funds in many areas. This summary captures some of these highlights as of August 1, 2009.

| Project | Allocated to WA* | Awarded to Date | Spent to Date | Project | Allocated to WA* | Awarded to Date | Spent to Date |
|---|----------------------|----------------------|----------------------|---|----------------------|----------------------|----------------------|
| Social and Health Services | \$2 billion | \$855 million | \$554 million | Environment | \$117 million | \$112 million | \$620,000 |
| » Provide medical care for low-income individuals and families | | | | » Improve and protect water quality | | | |
| » Put nutritious food on the table for Washington families | | | | » Construct drinking water projects | | | |
| » Help families avoid or break the cycle of poverty by providing effective child support services | | | | » Help reduce harmful diesel emissions | | | |
| » Encourage the development of more affordable housing | | | | » Clean up leaking underground storage tanks | | | |
| » Ensure more children are immunized against serious diseases | | | | Energy | \$131 million | \$12 million | \$927,000 |
| Public Safety | \$214 million | \$214 million | \$1 million | » Help make homes more energy efficient | | | |
| » Continue to incarcerate offenders and supervise offenders released into the community | | | | » Reduce energy consumption | | | |
| » Improve the criminal justice system's response to violence against women | | | | » Support renewable energy projects | | | |
| » Fund local drug task forces | | | | Higher Education | \$475 million | \$74 million | \$0 |
| » Provide compensation and assistance to crime victims | | | | » Provide grants to help lower-income students afford a college education | | | |
| Employment/Economic Development | \$65 million | \$65 million | \$3 million | » Provide funds to help keep tuition affordable | | | |
| » Help job seekers find jobs and employers find qualified workers | | | | K-12 Education | \$1 billion | \$681 million | \$339 million |
| » Provide work force preparation and employment services for low-income youth and adults | | | | » Support schools in poorer areas | | | |
| » Increase job placement and retraining assistance for dislocated workers | | | | » Support special education programs | | | |
| Transportation | \$341 million | \$341 million | \$9 million | » Support lower class sizes and retain teachers | | | |
| » Keep road workers on payroll and provide repairs to aging Washington roads and bridges | | | | Arts | \$324,000 | \$324,000 | \$0 |
| » Build, improve and maintain transit facilities and equipment | | | | » Support jobs in the non-profit arts industry | | | |
| | | | | Total** | \$4.5 billion | \$2.3 billion | \$908 million |

*Information provided by FFIS (Federal Funds Information for States).

**Table includes only funds that are being distributed through state government and not dollars going directly to local entities. Totals may not add up due to rounding.

Looking Forward

While much of the Recovery Act funding will bring immediate relief to our citizens and businesses, some of it will help lay the foundation for our future. To seize upon this opportunity, we are looking to build upon strengths we have in several areas that will be key to our state's long-term prosperity.

ENERGY

Going Green

Governor Gregoire is taking action to reduce dependence on imported fossil fuels while at the same time developing clean energy technologies, creating jobs and reducing greenhouse gas emissions. We are using the historic opportunity provided by Recovery Act funds to strengthen our economy while building a long-term financial base to grow our clean energy future.

This strategy began with an energy summit convened by the Governor in May 2009 and a Clean Energy Leadership Council in July 2009. This partnership among state and industry leaders will develop a map for expansion of state clean energy industries.

Pending federal approval of the state's applications, Washington state's Department of Commerce will operate

several programs that focus Recovery Act funds on the most promising opportunities for near-term green jobs, long-term energy savings and clean energy business growth. Governor Gregoire is working closely with industry, utilities, non-profit groups and local governments to maximize our state's ability to compete for larger amounts of competitive energy funds. Washington is especially looking at smart grid and transmission improvements, electrification of the transportation system, energy work-force training and deployment of clean energy technologies.

GREEN JOBS AND WORKER TRAINING

Jobs for the 21st Century

Washington's recovery will pivot in large extent on the strength of our work force system. Governor Gregoire has demonstrated an unwavering commitment to meeting the needs of industry by preparing students, current workers and dislocated employees with the skills that employers need for the jobs of today and for the 21st century. These efforts target green jobs such as those in the areas of alternative energy and energy efficiency. Jobs in high-demand industries such as biotechnology, aerospace and health care are also part of this strategy.

To strengthen work force investments in these areas, Washington is focused on ensuring that all appropriate Recovery Act funding is tapped and made available to communities to ensure that services are innovatively and efficiently delivered. This will position Washington to build a more robust and nimble work force able to contribute to economic growth.

Workforce Investment Act funds through the Recovery Act already have been distributed throughout Washington for training, financial assistance and employment services to low-income adults and dislocated workers. To complement these efforts, the state has created an incentive fund that matches these funds to assist individuals enrolled in a training program that prepares them for high-demand occupations. The incentive fund is also used to build capacity at our community and technical colleges so more students can enroll.

Two working groups have convened to develop and coordinate proposals to secure U.S. Department of Labor competitive grant awards. These are targeted for green jobs training in the energy efficiency and renewable energy sectors, and for health care training.

Looking Forward (cont.)



SAVING JOBS

The Keechelus Dam to Cabin Creek project along Interstate 90 is a recipient of Recovery Act funds. Buddy Blackburn works there. The 31-year-old has been working in construction for about a year, but been fearful of being laid off due to lack of work in the industry. But no more.

Today, Buddy is a laborer and grade checker. He aspires to move into an operator position and is earning his commercial driver license.

The improvements his crew is making on this stretch of highway will boost the safety of travelers. On a personal level, the project has made life for him, his wife and three boys easier, especially in this tough economy. "If I didn't have this work, it would be extremely difficult to look for a job in this market," Buddy says. "The most important thing in life is spending time with my family."

BROADBAND DEPLOYMENT

Bringing the Internet to Everyone

Access to high-speed Internet connections is a defining characteristic of the 21st century economy. Broadband connectivity expands economic development opportunities to rural areas, eliminates geographic barriers to education and improves business-to-business connections.

Governor Gregoire's commitment to expanding access and digital literacy was captured in her "Next Washington" economic plan and its "E-Commerce Initiative" available at http://www.governor.wa.gov/priorities/economy/next_wa_final.pdf. Washington's strategy for broadband will build on two mapping exercises, recommendations from the High-Speed Internet Work Group and the advice of the Governor's Broadband Advisory Committee. Taken together, these efforts will promote maximum broadband access through educational institutions, health care facilities and libraries. Appropriate Recovery Act funds will boost these efforts and expand economic development in Washington.

HEALTH INFORMATION TECHNOLOGY

Your Health Records at Your Fingertips

An electronic health record is an electronic copy of a patient's medical record managed and stored securely by the health care provider. It allows access to patient information at the touch of a button and can be shared with other providers. Electronic health records cut down on costs that arise from duplicate and/or unnecessary procedures that can occur when a patient's medical information is not available at the time of treatment.

The health information technology provisions of the Recovery Act include funding for incentives to encourage doctors and hospitals that accept Medicare and Medicaid to adopt electronic health records. This will prevent medical errors, reduce malpractice lawsuits and assist with both preventive care and chronic disease management.

Governor Gregoire is moving forward with a statewide collaborative plan to align health technology information activities in Washington, from both the public and private sectors, with requirements set forth by the federal government. These actions will increase our state's chances for receiving additional Recovery Act funding.

Looking Forward (cont.)

For more information, visit <http://www.hca.wa.gov/hitech.html>.

RESEARCH AND INNOVATION

'Innovation is in Our Nature'

Washington's economic development strategy is captured in our marketing motto, "Innovation is in our Nature." Innovation is the cornerstone of Washington's economic success and central to our economic activities. We are aggressively pursuing federal funding opportunities to expand our core research infrastructure, and to promote research breakthroughs and the commercialization of those breakthroughs in health care delivery, global health, clean technology, alternative energy, information technology and educational innovation.

Individual and team researchers, particularly at the University of Washington and Washington State University, have submitted proposals for National Science Foundation and other federal funds. Our work is yielding results. The University of Washington already has been awarded \$38 million in Recovery Act funding for a variety of research-related projects. Working with private sector trade associations, Washington is paying close attention to opportunities to

move research findings into commercial applications.

HIGH-SPEED RAIL DEVELOPMENT

Connecting Communities

Washington has been investing in and developing intercity passenger rail service for more than 15 years. With Washington's share of the \$8 billion total investment of Recovery Act funds in high-speed passenger rail, our state is closer than ever to realizing our vision for this service vital to commuters.

Since 1994, Washington has invested more than \$351 million in rail improvements to provide fast, reliable and more frequent intercity passenger rail service along the I-5 corridor. The service, known as Amtrak Cascades, connects Eugene and Portland, Seattle, Vancouver, B.C., and 13 intermediate cities. Since Washington began making investments in passenger rail service, more than 7.5 million passengers have traveled on Amtrak Cascades.

The emerging federal and state partnership through the Recovery Act will create jobs, provide more transportation options, improve connections with other transportation modes, and stimulate urban and rural community development.



PUTTING PEOPLE BACK TO WORK

Fawn Martinez is a single mother with a son in college. The company where she had worked for 12 years laid her off, leaving Fawn and her son without health insurance or a way to make mortgage, student loan and car payments. Fawn looked for work for nine months. She survived on unemployment benefits and proceeds from liquidating her 401K. Despite hefty penalties, Fawn did not want to be a foreclosure statistic.

Then she received a phone call from a contractor friend. He contacted the King County Housing Authority, whose project manager offered her a job in the weatherization division. Fawn's new salary was similar to her old one. She was able to obtain health insurance for herself, along with other benefits.

"I did not lose my home and equity, and I am back on course to restoring my retirement fund and paying for my son's college. This is all because of the Recovery Act funding that created my new job — a better job than I had before!"

Unprecedented Accountability and Transparency

DELIVERING RESULTS

When President Obama unveiled the Recovery Act, he promised it would feature unprecedented accountability and transparency. Governor Gregoire welcomes the President's commitment to accountability, and has taken steps to ensure that Washington state is a national leader in making clear, detailed information readily available to everyone. Here are some of those steps:

- » As soon as President Obama signed the law, the Governor's Office created www.recovery.wa.gov as the central Web site for state information. All state agencies that receive Recovery Act funds are required to develop Web sites with links to related information.
- » As one of the largest recipients of Recovery Act funding, the Washington Department of Transportation provides weekly reports to its federal counterparts about state and local highway, transit and other Recovery Act construction projects. WSDOT also publishes a weekly economic stimulus newsletter available at www.wsdot.wa.gov.

» Starting in October, state and local governments and other Recovery Act fund recipients will begin providing quarterly reports about how they are using funds, the purpose of investments, their completion status, and the estimated number of jobs saved and created. This reporting will be repeated for at least the next 18 to 24 months while Recovery Act funds are being spent.

» In coming months, the Governor and the Office of the Superintendent of Public Instruction will provide reports to the U.S. Department of Education about how the state is using Recovery Act funds to boost education standards, recruit more highly qualified teachers, bolster the statewide education data system and make other improvements to teaching and learning in school districts across the state.

ADDRESSING POTENTIAL PROBLEMS EARLY

As part of Washington's accountability effort, the Governor's Recovery Team and state agencies analyze on an ongoing basis the state's ability to successfully manage Recovery

Act programs and to meet federal requirements. They understand the importance of spending the Recovery Act dollars responsibly, and in a way that leads to positive outcomes. Accordingly, focus is on prevention — or those activities that can be undertaken early on to look for potential fraud, waste or abuse — to assure that positive results are delivered for Washington's citizens.

- » **Managing risks.** The Governor requires every agency receiving — or even just applying for — Recovery Act funds to identify potential issues early and take appropriate steps to address the issue at its earliest stage.
- » **Providing training.** One of the best ways to prevent mistakes or fraud is to ensure staff members know what the new rules are and how to spot irregularities. A comprehensive training program has been created for state and local staff to successfully implement the Recovery Act. The trainings are free and coordinated with the Attorney General's and Auditor's offices, the U.S. Department of Justice, Federal Bureau of Investigation and others.

Unprecedented Accountability and Transparency (cont.)

In addition, the Government Management, Accountability and Performance program looks critically at state programs to ensure they are delivering the results that taxpayers want. The program will also examine Recovery Act-funded services to guarantee that we are getting what we have paid for.

SHOWING OUR WORK

A key goal for the Recovery Act is that the public be able to follow spending and see program benefits. To deliver the transparency desired by the President, the federal government created a Web site, www.recovery.gov.

Governor Gregoire is equally committed to ensuring the public can see that money provided by the federal government is going to the right projects and is used in the right way to help our residents and economy. To this end, the Governor issued an executive order to Cabinet agencies to ensure transparency and accountability as federal funds are distributed in the state.

It is not enough to say that we're accountable — we have to show that we are. The state Web site, www.recovery.wa.gov, was one of the first in the country set up to provide the public with details

about Recovery Act spending. The site offers information on the certification of projects, contact information for fund sources, links to state agency Web sites and a county-by-county breakdown of where the funds are being spent. State agencies also have their own Web sites.

The information on www.recovery.wa.gov is regularly updated.

It includes an accounting for the number of jobs created or sustained by federal funding. Other site features will be added soon to ensure that Washingtonians have access to information needed to evaluate the success of the Recovery Act.

In addition, the Governor is holding state agencies accountable through her public accountability forums. Beginning with the July 22 session, Governor Gregoire is conducting open, videotaped, public conversations with agency directors on how Recovery Act funds are being spent.



SAVING AND CREATING JOBS

Recovery Act funding for the Hanford Nuclear Reservation will keep 356 highly trained people on the job, permit the hiring of 1,005 new workers and get important cleanup work done faster. Some of those first hires are the 30 health physics technicians who will work with the Hanford tank farms contractor, Washington River Protection Solutions.

“Health physics technicians play a key role in protecting our employees from on-the-job radiological hazards,” said Brad Brannan, radiological control manager for the contractor. “I believe this is a high-quality group of individuals and fully expect a 100 percent success rate in the training.”

The technicians monitor for radiation in and around Hanford tank farms. This helps ensure both worker and community health and safety.

Next Steps

Here are several key milestones for Washington's Recovery Act activities for the remainder of 2009:

Summer 2009

Complete initial training of the state agency staff members who are administering programs and funds to ensure all rules and requirements are followed, and that the primary purposes of the Recovery Act —economic recovery and job creation — are achieved.

The Governor's Recovery Team and Office of Financial Management will develop the accounting and information technology systems required to meet federal accountability rules.

August 24

Deadline for the Washington State Department of Transportation to submit its application for the High-Speed Rail Program.

August & September

Deadline for companies to apply for the National Institute of Health research and development projects.

September

The state Department of Commerce will execute contracts (first round) for the State Energy Program.

September 15

Deadline for the Washington State Department of Transportation to submit applications to the U.S. Department of Transportation for the Transportation Investment Generating Economic Recovery (TIGER) grants.

September 30

The U.S. Department of Housing and Urban Development will award grants to the state Department of Commerce for the Homelessness Prevention and Rapid Re-Housing Program.

Fall

Direction is expected from the U.S. Department of Education about how states will compete for billions of dollars in grants to support improvements in teaching and learning.

October

The state Department of Commerce will finalize contracts and obligate funds for the Energy Efficiency and Conservation Block Grants.

October 1

The state Department of Commerce will finalize contracts and obligate funds for the Homelessness Prevention and Rapid Re-Housing Program.

October 10

The first quarterly report from states and other recipients of Recovery Act funds is due to the federal government.

Contact Information

WASHINGTON'S RECOVERY TEAM

Jill Satran, Washington State Economic Recovery Coordinator

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economicrecovery@gov.wa.gov

WEB RESOURCES

Please direct all questions about Washington's economic recovery efforts to economicrecovery@gov.wa.gov.

State agency contacts for Recovery Act activities: <http://www.recovery.wa.gov/links.asp>

Washington state's Recovery Act Web site: <http://www.recovery.wa.gov/>

Federal Recovery Act Web site: <http://www.recovery.gov/>

Accountability and tracking Web site: <http://federalreporting.gov>

GOVERNOR'S REPORT TO CITIZENS 2009

This report was published by the Office of Governor Chris Gregoire, with the assistance of the Governor's Economic Recovery Team and the communications staff at the Office of Financial Management.

For more information about Washington's economic recovery efforts, please go to the state's Web site, www.recovery.wa.gov or follow the Recovery Act links on the Web sites of individual state agencies. Agency Web sites can also be accessed through www.access.wa.gov.