



State of Arizona

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FOR IMMEDIATE RELEASE
October 30, 2009

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Governor Jan Brewer Releases State Stimulus Data

First quarter ARRA reporting includes the creation of 9,758 jobs

PHOENIX – Governor Jan Brewer today joined all 50 states in announcing first quarter “Section 1512” reports of the American Recovery and Reinvestment Act of 2009 (ARRA). Figures estimate 9,758 jobs were created and retained for the State of Arizona, according to federally devised formulas. Section 1512 reports, a reporting requirement of federal stimulus funds, cover approximately half of what Arizona will ultimately be eligible for in federal stimulus funding. From February 17 through September 30, 2009, the Section 1512 reports demonstrate Arizona has secured \$1.915 billion in stimulus related funding (not including Medicaid and local stimulus awards) with more than \$672 million received and \$550 million expended. Section 1512 reports include 320 federal stimulus programs out of a total of 1,990.

“Although the Recovery Act dollars do not solve Arizona’s budget crisis, they will help the state mitigate the impacts of this tough economic downturn,” said Governor Brewer. “I am pleased to see Recovery Act funds have contributed to areas such as Medicaid, education, and transportation. Implementing a program of this magnitude, with its massive and constantly changing reporting requirements, has been a tremendous undertaking for the employees of the State of Arizona and I would like to commend them for a job well done in ensuring Arizona has achieved its goal to demonstrate the utmost in transparency and accountability.”

Among the largest Section 1512 projects underway in Arizona are transportation and education funding. ADOT has been awarded a total of \$335 million for 186 highway, bridge and transit projects statewide. ADOT has secured cost savings of approximately \$114.5 million by awarding these Recovery Act projects through a competitive bid process (programmed amounts compared to low bids). Approximately one-third of ADOT’s Recovery Act dollars have resulted in cost savings (according to ADOT estimates). The \$114 million in cost savings are planned to be applied to other Recovery Act projects around the state, which will help create or sustain more vital highway construction jobs. There are already two additional Recovery Act projects moving forward in Maricopa County, and more will be identified and funded statewide.

The State of Arizona has been allocated \$1.017 billion to the State Fiscal Stabilization Fund (SFSF), awarded by the U.S. Department of Education. The SFSF has two phases and two components: 1) Education Stabilization Fund, accounting for 82 percent of the SFSF (\$832M) and 2)

Government Services Fund, accounting for the remaining 18 percent (\$185M). In the first phase, two thirds of the Education Stabilization Fund (\$557M) was awarded to the state, while the remainder (\$275M) will be awarded in Phase II. The state must use the Education Stabilization Fund for the support of public elementary, secondary and higher education and may use the Government Services Fund for education, public safety, or other government services solely at the discretion of the Governor. To date, Education Stabilization Fund Phase I has been distributed to K-12 districts (\$250M), universities (\$154M) and community colleges (\$29M). The application for Phase II of the Education Stabilization Fund has not yet been finalized by the U.S. Department of Education.

ARRA is an economic stimulus package that was signed into law on February 17, 2009. The \$787 billion federal package includes funding for areas such as Medicaid, unemployment, education, healthcare and social welfare programs. Approximately \$244 billion was appropriated for stimulus expenditures.

In a letter to President Obama in March, Governor Brewer declared her intent to accept the State of Arizona's share of federal stimulus funds. The State of Arizona's reporting responsibilities include 15 state agencies and the state's three universities who received ARRA funding subject to Section 1512 reporting. The Governor's Office of Economic Recovery (GOER) submitted a total of 434 individual reports to FederalReporting.gov on October 9th. The data will be released live today by the federal government.

The Recovery Act requires the U.S. Government Accountability Office (GAO) to conduct bi-monthly reviews of the use of funds of 16 states and the District of Columbia representing about 65 percent of the U.S population and two-thirds of the intergovernmental federal assistance available. Arizona was selected as one of the 16 states. The GAO issued ARRA reports in April, July, and September and is scheduled to release its third report in December.

The new data on AZRecovery.gov today is only a subset of total Arizona stimulus impact, while the federal site Recovery.gov is expected to include a broader review of total Arizona stimulus activities.

For more information, please visit www.azrecovery.gov.

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