

American Recovery and Reinvestment Act

Overview
Local Government Officials

April 8, 2009

Direct Benefits to Pennsylvanians

- **Tax rebates** - **Over five million** Pennsylvanians will take home more in their pay checks due to the \$400 tax rebate provided for individuals earning under \$75,000 or the \$800 tax rebate for families with earnings under \$150,000.
- **Federal tax cut** - With the correction in the federal AMT calculation, over **970,000 Pennsylvania families** will have more disposable income because they will pay less in federal taxes.
- **College tax credit** - An estimated **138,000 Pennsylvania families** will get extra help from the American Opportunity Tax Credit to pay for college this fall.
- **Increased unemployment benefits** - For Pennsylvanians who have lost their jobs, as of March 10th, the checks they receive every other week for unemployment compensation will include an extra \$25 per, and for those who lost their jobs as of last September, if they are not working yet, unemployment compensation payments will be extended to 59 weeks.
- **COBRA** - For some of the unemployed – those that received health benefits on the job, the stimulus package will help them keep their health benefits. This benefit is limited to those who lost their jobs in the last six months. The federal government will rebate via refundable tax credits to the employer, 65% of the employees COBRA premium. The former employee is required to pay the balance of the COBRA premium.
- **Increased food stamp benefits** - Nearly **1.3 million Pennsylvania** families receiving food stamps will have approximately \$32 more per month to spend on food – increasing sales in grocery stores across the state by a half a billion dollars a year.
- **Medicaid** - **Over two million Pennsylvanians** can continue to get health care via our Medicaid program.

Overview of Major Sources of Funding

- \$4 billion, over 24 months, for **Medicaid** expenditures which will allow the state to bill the federal government for a larger share of the costs of the existing Medicaid program
- \$2.56 billion, over 27 months, **direct to school districts** using primarily two existing federal formulas – Title 1 and Special Education (IDEA)

Transportation

	Total US Funding	Total PA Funding	Target Dates	Distribution Method
Highways and Bridges	\$27.5 Billion	\$1.026 Billion	4-12 months	MPO's and RPO's
Transit	\$8.4 Billion	\$347 Million	6-12 months	Direct to Transit Agencies/Rural Agencies through Penndot
Airports	\$1.3 Billion	TBD	TBD	Direct to Airport
Inter-City Rail	\$9.3 Billion	TBD	TBD	Competitive Grants/Reserve for Amtrak
Discretionary Grants	\$1.5 Billion	TBD	TBD	TBD

Water and Wastewater Infrastructure

Program	Allocation
Drinking Water	\$65 million
Wastewater	\$155 million

- Distributed through Pennvest
- 50% must be distributed as grants
- 20% must be used for “green” projects
- All must be under construction by February 17, 2010
- 50% must be under construction by June 17, 2009
- Pennvest will award in April and July

Energy

Program	Allocation	Target Date/Agency
Weatherization	\$258 million	May/ DCED
State Energy Programs	\$99 million	May/DEP
Energy program for small municipalities and counties	\$13 million	May/DEP to municipalities less than 35,000 and counties less than 250,000
Direct allocation to municipalities	\$78 million	June/Federal DOE to municipalities and counties

Community Development

- \$30.45 Million in Homelessness Prevention administered through DCED
- \$344 Million in Public Housing Authority Assistance administered through Local Housing Authorities
- \$58.8 Million Total CDBG Allocation
 - \$46.4 Million Directly to Large Municipalities
 - \$12.4 Million Directly to DCED to be Administered
 - \$10.6 Million to Small Municipalities – Formula Grantee
 - \$1.8 Million to Smallest Municipalities-Non-Formula/Non-Entitlement Grantee

Crime and Delinquency

Program	Allocation	Target Date/Agency
Justice Assistance Grant Program (JAG)	\$73.2 Million to PA PCCD - 60% Local Municipalities - 40%	May 18 th - Eligible Counties and Municipalities
COPS – Hiring and Recovery of Police Officers	\$1 Billion Nationwide	April 14, 2009 - Local Law Enforcement
Byrne Memorial Competitive Grant	\$225 Million Nationwide	April 27, 2009 - Eligible Counties, Municipalities, Non-Profits and Educational Institutions
Rural Law Enforcement – Combat Crime and Drugs	\$125 Million Nationwide	April 22, 2009 - Local Law Enforcement in Rural Areas

PROGRESS REPORT AND KEY DATES MOVING FORWARD

Funds Receipt Report

March 31, 2009

- **Funds received to date - \$359,134,805**
- **Unemployment Compensation Reimbursement - \$28,323,150**
 - Received 3/10, 3/17, 3/24
 - Approximately 450,000 Pennsylvanians were direct recipients of these funds

Funds Receipt Report

March 31, 2009

- Department of Public Welfare – increase in FMAP rate for the quarter ending 12/31/08 - **\$330,811,655**

Received 3/26/09

Major Activities

- March 4 – Announcement of management plan for stimulus funding, certifications for funding signed by Governor and start-up of web site – www.recovery.pa.gov
- March 6 – Governor hosts briefing for local officials
- March 9 – Governor hosts briefing for PA General Assembly
- March 9 – All MPO's finalize list of transportation projects for stimulus funds
- March 10 – Budget Office issues Administrative Circular creating standard account codes to isolate stimulus funding
- March 12 – White House meeting on stimulus funding
- March 13 – Pennsylvania Department of Education releases Guidelines for local school districts
- March 16 – Penndot announces projects to utilize stimulus funding
- March 17 – Governor signs certifications for transportation funding

Major Activities

- March 18 – First meeting with GAO as part of “16 state” review process
- March 23 – Governor signs certification for energy and weatherization funds
- March 23 – PEDA announces energy funding for 5 projects
- March 27 – Governor signs Executive Order for formation of Oversight Commission
- March 27 – Federal Department of Energy announces grant allocations and application process
- March 31 – Governor names Chief Accountability Officer
- March 31 – First meeting of Stimulus Oversight Commission
- April 3 – OMB releases draft reporting guidelines

Key Dates

April 8-Summer 2009

- April 14 – COPS Program Initial Application Date
- April 14 – PennVEST Green Infrastructure Hearing
- April 20 – PennVEST Meeting
- April 22 – Rural Law Enforcement Initial Grant Application
- April 27 – Byrne Memorial Competitive Grant Application
- April 28 – DEP Webinar-Energy Grant Application
- May 18 – PennVEST Application Cut-off Date for July Meeting
- May 18 – Justice Assistance Grant Program (JAG) Application
- June 25 – Energy Efficiency Grant Program Application Due to Federal Department of Energy (Large Municipalities)
- TBD – CDBG Initial Application Date for Large Cities and Counties
- TBD – CDBG Initial Application Date for Borough and Townships