



News for Immediate Release

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Governor Rendell: Federal Recovery Funds are Putting Pennsylvanians to Work, Boosting the Economy

First Federal Reports on Stimulus Spending Due This Weekend

Harrisburg – Thousands of people are working in Pennsylvania because of funding from the American Recovery and Reinvestment Act and millions are receiving direct benefits that help put food on their tables and keep their families afloat, Governor Edward G. Rendell said today.

Just six months into the 36-month stimulus initiative, Pennsylvania has nearly 40 percent of the funds that will be available invested or in progress. A U.S. House committee ranks Pennsylvania 7th among states for putting transportation funding to work.

"All together, more than 7,000 people are directly working on transportation and water infrastructure projects now," Governor Rendell said. "These 7,000 people are earning paychecks and are able to pay their bills, shop in their community and help get this economy revved up.

"That doesn't count all of the other people working to supply products like concrete, steel and gravel for these projects. The ripple effect of jobs supported by Recovery-funded projects is about 40,000 according to the Council of Economic Advisors," the Governor said, standing with two contractors who said they have hundreds of staff on the payroll this year because of stimulus funding.

"There are thousands of people out there whose lives are directly impacted by stimulus," said Mark Snyder, president Mid-Atlantic Group, which owns Hummelstown-based Pennsy Supply. "We do transportation projects across the nation and PennDOT should be held up as a national model for the speed and effectiveness of getting stimulus funds moving."

Michael Hawbaker, executive vice president for materials and transportation at State College-based Glenn O. Hawbaker Inc., agreed.

"Without stimulus funding there would be about 200 fewer people working right now," Hawbaker said. "This is a very positive end to 2009. Much better than we were expecting last year."

Saturday is the deadline for the first preliminary quarterly reports to the federal government to provide details on how Recovery Act funds are being spent. Pennsylvania will submit 276 separate reports. The reports will be finalized and available from the federal government on Oct. 30, but Pennsylvania will make each of the preliminary reports available by Monday morning at www.Recovery.pa.gov.

The federal government requires that the jobs be calculated by hours rather than by the number of people working, so that only funding recipients report what the full-time jobs would be as a the number of jobs created or retained.

"That's a very conservative way to count jobs. Even under those parameters, we will be reporting that sufficient work was generated to employ about 1,000 individuals for a full year," the Governor said. "We know more than 7,000 people are working directly on stimulus projects, some of those workers might be on short-term jobs. So that doesn't count at the federal level as one job; that counts as one-twelfth of a job.

"We are making terrific progress infusing this money into the economy and when the 256 road and bridge projects funded with stimulus dollars that are already underway are complete, more than 550 miles of roads and more than 400 bridges will be safer for our citizens to travel.

In addition to roads and bridges, Pennsylvania has released grants and loans of \$121.9 million to provide clean water and fix wastewater problem that will benefit more than 460,000 households across the state – helping 1.2 million people.

Overall, Pennsylvania expects to receive about \$16 billion from the Recovery Act over the next two years. Of the \$10 billion in funds that flow directly through the state to be used to help individuals and repair infrastructure, the state have already spent more than \$2.3 billion, with another \$1.6 billion in the pipeline.

"The positive impact on the economy is unmistakable," Governor Rendell said. "In fact, the direct investments translate into about \$780 per household in this state. That's a real infusion and there is no question it is having its intended impact."

For more information about the impact of Recovery Act funds on Pennsylvania, visit: www.Recovery.Pa.gov.

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Editor's Note: Following is a fact sheet highlighting some of the impact of Recovery Act funding in Pennsylvania.

Stimulus Impact Fact Sheet

1. Pennsylvania has, within six months of the stimulus package passing Congress, committed or spent 39 percent of the funds that will come directly to the state for worthy projects and services.

2. Of the \$10 billion in funds that come directly through the state, Pennsylvania has already spent more than \$2.3 billion, with another \$1.6 billion in the pipeline to vendors and others available to be spent.
3. A total of \$1.8 billion is in the hands of individuals due to the Recovery Act funds helping families buy food, pay for rent, or pay their utilities.
 - Nearly \$900 million in extended unemployment payments is helping more than 876,000 people who have lost their jobs through no fault of their own.
 - More than \$140 million in supplemental food stamp payments have been made to more than 1.4 million people.
 - Approximately 4.5 million households are paying \$821 million less in federal taxes due to the Recovery Act tax code changes.
4. To date about a billion dollars has already made it possible to continue to provide health care to approximately 2 million Pennsylvanians.
5. PennDOT has released \$760 million of the \$1 billion in Recovery funds to repair roads and bridges.
 - Our September report shows that more than 6,000 people worked nearly 890,000 hours on stimulus road and bridge projects.
 - When the 256 road and bridge projects funded with stimulus dollars that are already underway are complete more than 550 miles of roads and more than 400 bridges in 65 counties will be safer for our citizens to travel.
 - With 85 percent of transportation funds obligated, Pennsylvania ranks 7th in the nation for putting transportation funding to work.
6. In addition to road related projects, stimulus funds have been put to use to improve public transit. More than \$380 million is being invested directly in urban and rural transit agencies supporting approximately 460 people working.
7. PENNVEST has released grants and loans of \$121.9 million -- of \$221 million total Recovery funds -- to provide clean water and fix wastewater problem that will benefit more than 460,000 households across the state -- helping 1.2 million people.
 - Thirty-eight of the 118 water infrastructure projects are getting underway and are expected to put nearly 1,300 people to work.

- Another 69 water projects are due to start by the end of November.
8. All together more than 7,000 people are directly working on transportation and water projects.
 9. Through September, the Council of Economic Advisors estimates, stimulus funding supported 40,900 direct and indirect jobs in Pennsylvania.
 10. The commonwealth will submit 276 reports to Washington on Oct. 10. The stimulus reports cover the direct stimulus investments that have been released to nearly 2,000 entities in the state already.
 11. In the reports, the federal government is taking a very conservative approach requiring that the jobs be calculated by hours so that we only report what the full-time jobs would be as the number of jobs created. Despite the conservative counting requirements, Pennsylvania will be reporting that sufficient work was generated to employ about 1,000 individuals for a full year.
 12. In addition to the funds flowing through state agencies, \$1.2 billion more in Recovery Act funds are being provided directly to 800 municipalities, universities and other entities including the Port Authority of Allegheny County, SEPTA, airports, and 82 public housing agencies across the state.
 13. Already, only six months into the stimulus, Pennsylvania has nearly 40 percent of the funds that will be available invested or in progress.
 14. The impact on the economy is unmistakable. In fact, the direct investments translate into about \$780 per household in this state.

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