

American Recovery and Reinvestment Act of 2009 PARTIAL SIDE BY SIDE ANALYSIS

As the COG Board is meeting today so House and Senate Conferees are meeting to resolve the differences in the two chambers' versions of the Stimulus Bill. This report is a partial analysis of the provisions in each Bill as passed in the House and Senate. There are, of course, hundreds of provisions in each which might affect the National Capital Region in some fashion. We have attempted to highlight those provisions which have been of traditional interest to COG or which are reflected in this year's priorities. The accompanying notes reflect analyses of CBO on each Bill.

House Conferees
 Speaker Pelosi (D-CA)
 Appropriations Chairman Obey (D-WI)
 Appropriations Ranking Lewis (R-CA)
 Ways and Means Chairman Rangel (D-NY)
 Ways and Means Ranking Camp (R-MI)
 Energy and Commerce Chair (D-CA)

Senate Conferees
 Majority Leader Reid (D-NV)
 Appropriations Chairman Inouye (D-HI)
 Appropriations Ranking Cochran (R-MS)
 Finance Chairman Baucus (D-MT)
 Finance Ranking Grassley (R-IA)

Topic	House Bill – HR 1 Passed January 27, 2009	Senate Bill – HR 1 Passed February 10, 2009
Total Amount	\$819 Billion	\$838 Billion
General Provisions	<ul style="list-style-type: none"> • Preference given to activities that can be started and completed expeditiously; goal of 50% of funds initiated within 120 days • Competitive grants to be awarded within 90 days • Use it or lose it provisions 	<ul style="list-style-type: none"> • Funds distributed through existing formulae and programs • Numerous provisions in bill for expedited obligation of funds
Maintenance of Effort	<ul style="list-style-type: none"> • 30 day certification by Governor for maintenance of effort (non-federal funds) 	<ul style="list-style-type: none"> • Governor must certify to full review and vetting of project requirements
NEPA Review		<ul style="list-style-type: none"> • Shortest applicable process under NEPA must be utilized
Telecommunications	<ul style="list-style-type: none"> • \$350 Million State Broadband Grant Program • \$2.825 Billion Wireless and Broadband for Underserved Areas 	<ul style="list-style-type: none"> • \$6.65 Billion fir FTIA Broadband Technology Opportunities Program
Corps of Engineers	<ul style="list-style-type: none"> • \$4.5 Billion (\$2 Billion new construction; \$2.25 Billion operation and maintenance; remainder earmarked) 	<ul style="list-style-type: none"> • \$4.6 Billion (\$2 Billion new construction; \$1.9 Billion general operation and maintenance; remainder specific activities)
Energy Efficiency and Renewable Energy	<ul style="list-style-type: none"> • \$3.5 Billion Energy Efficiency & Conservation Block Grants • \$4.4 Billion Smart Grid • \$6.2 Billion Weatherization Assistance • \$1 Billion Institutional Grants 	<ul style="list-style-type: none"> • \$4.2 Billion Energy Efficiency and Conservation Grants • \$4.4 Billion Smart Grid • \$2.9 Billion Weatherization Assistance • \$483 Million Environmental Clean-up

Homeland Security		<ul style="list-style-type: none"> • \$950 upgrade vulnerable infrastructure
EPA/ Environment	<ul style="list-style-type: none"> • \$800 Hazardous Substance Superfund • \$200 Leaking Underground Storage Tank Trust • \$6 Billion Clean Water Revolving Fund • \$2 Billion Drinking Water Revolving Fund • \$100 Million Brownfields grants • \$300 Million Diesel Emissions Reduction 	<ul style="list-style-type: none"> • \$600 Million Hazardous Substance Superfund • \$200 Million Leaking Underground Storage Tank Trust • \$4 Billion Clean Water Revolving Fund • \$2 Billion Drinking Water Revolving Fund • \$100 Million Brownfields grants • \$300 Million Diesel Emission Reduction
Employment and Training	<ul style="list-style-type: none"> • \$4 Billion Workforce Investment Act (Title IX) 	<ul style="list-style-type: none"> • \$3.25 Billion dislocated worker and youth (Title VIII)
Aviation	<ul style="list-style-type: none"> • \$3 Billion grants to airports 	<ul style="list-style-type: none"> • \$1.1 Billion grants to airports • \$200 Million FAA infrastructure
Highways and Bridges	<ul style="list-style-type: none"> • \$30 Billion total under multiple programs 	<ul style="list-style-type: none"> • \$27.06 Billion total under multiple programs
Transit	<ul style="list-style-type: none"> • \$12 Billion 	<ul style="list-style-type: none"> • \$8.4 Billion
Amtrak	<ul style="list-style-type: none"> • \$800 Million 	<ul style="list-style-type: none"> • \$850 Million
Intercity Rail	<ul style="list-style-type: none"> • \$300 Million 	<ul style="list-style-type: none"> • \$250 Million
High Speed Rail		\$2 Billion
Multi-Modal Grants		\$5.5 Billion
Housing	<ul style="list-style-type: none"> \$5 Billion Public Housing Capital Fund \$2.5 Billion Elderly, Disabled, and Section 8 \$1.5 Billion HOME Program \$1 Billion Community Development Block Grants \$4.19 Billion Neighborhood Stabilization 	<ul style="list-style-type: none"> • \$5 Billion Public Housing Capital Fund • \$2.1 Billion Section 8 • \$2.25 HOME Program <p>CDBG and Neighborhood Stabilization zeroed out</p>

NOTES

Environment	<p>Identifies \$8.4 billion for the Clean Water and Drinking Water State Revolving Funds (SRFs). Currently less than \$2 billion annually. Historically, money appropriated to the SRFs is spent slowly (about half is spent over the first three years), and CBO expects that a similar pattern would apply to these funds. Overall, CBO estimates that most of the funds provided here would be spent in fiscal years 2009 through 2012.</p>	<p>Identifies \$6 billion for the Clean Water and Drinking Water State Revolving Funds (SRFs). Historically, money appropriated to the SRFs is spent slowly (about half is spent over the first three years). The remaining appropriation of about \$5.6 billion would fund various programs, including capital improvements and maintenance for the Forest Service and National Park Service, the Superfund program, and wildland fire management. Historically, those activities expend funds over about four years CBO estimates that most</p>
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		environmental funds would be spent in FY 09 - FY 12.
Employment and Training	CBO expects that most of the funds provided the House Bill would be spent within two and a half years; the initial rate of will be lower, however, as agencies must establish new programs and ramp up their spending from current levels.	CBO expects that most of the funds provided by Senate Bill would be spent within two and a half years — a cumulative rate that is largely consistent with spending patterns for existing programs administered by affected agencies the initial rate of spending will be lower, however, to reflect the time it will take the agencies to establish new programs and to ramp up their spending from current levels.
Transportation	<p>CBO estimates that about 85 percent of the transportation funds provided would be spent over the 2009-2013 period. Currently (FY 08), state and local governments have been allocated \$41.2 billion per year for highway programs and \$10.4 billion per year for transit programs. The \$39 billion provided for those purposes in H.R. 1 would nearly double the recent funding levels.</p> <p>Grantees would be required to move quickly to obligate the new funds. After obligation of funds, grantees would need to muster significant staff and private-sector resources to undertake the projects. Simple projects typically take several months from the time the funds are obligated to the start of construction. Complicated projects can take significantly longer. Concerns exist about how quickly state and local governments can adjust their contracting procedures to accommodate the significant increase in the amount of funding.</p>	<p>CBO estimates that more than 85 percent of the transportation funds would be spent over the 2009-2013 period. Currently state and local governments have been allocated \$41.2 billion per year for highway programs and \$10.4 billion per year for transit programs. The bill would appropriate an additional \$35.5 billion specifically for those programs. The bill also would appropriate \$5.5 billion for a new discretionary grant program administered by DOT for eligible highway, transit, rail, and port projects. As a result, the bill would nearly double recent funding levels for highway and transit programs.</p> <p>Grantees would be required to move quickly to obligate the new funds and then muster significant staff and private-sector resources to undertake the projects. Simple projects typically take several months from the time the funds are obligated to the start of construction. Complicated projects can take significantly longer. Scheduling many projects during the warmer months (as would be necessary in some areas of the country) and ensuring that adequate traffic management measures are taken affect the pace of spending.</p>
Housing	CBO estimates that funds provided to HUD for housing assistance programs would be spent over the next several years at rates consistent with historical spending patterns for the affected programs. HUD grants for community development would be spent similar to the slow pace of expenditure historically observed for the Community Development Block Grant program.	<p>CBO estimates that funds provided to HUD for housing assistance programs would be spent over the next several years at rates consistent with historical spending patterns for the affected programs.</p> <p>CBDG and Neighborhood Improvement grants are zeroed</p>

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GAO Study Requirements	<p>Requires GAO to submit reports to the Ways and Means Committee in February 2010, and periodically thereafter, including national, and state-by-state information on the following:</p> <ul style="list-style-type: none"> • the bill's economic effects; • the bill's effects on employment (the number of jobs preserved and created as a result of the bill in both public and private sectors; • tax and non-tax expenditures; and • a description of any funds that remain unspent and the reasons therefore. 	