

AMERICAN REINVESTMENT AND RECOVERY ACT
Economic Stimulus Package
Updated March 26, 2009

On February 17, 2009, the American Reinvestment and Recovery Act, more commonly known as the Economic Stimulus Package, was signed into law by President Obama. The Act is an attempt by the President and Congress at salvaging the nation's floundering economy by appropriating approximately \$787 billion to various federal and state agencies for the purpose of job stimulation and economic recovery through tax cuts, program spending and federal aid.

The process for distributing these funds to local governments has yet to be determined, but will most likely encompass a combination of distribution by formula, competitive grants, distribution at the State's discretion, and in some cases, direct funding from the Federal agency. The Texas House of Representatives has formed a number of Committees to look into the allocation of this funding to Texas including the House Select Committee on Federal Economic Stabilization Funding and the Appropriations Subcommittee on Stimulus. TARC continues to follow the activity of these Committees.

The Legislative Budget Board has updated the allocation amounts, as of March 1, 2009. The numbers below reflect these changes.

Texas is slated to receive approximately \$15.3* billion of this allocation. *Select provisions** that will impact Texas include:

- **\$4.5 billion in Health and Human Services Aid**, impacting Medicaid, Foster Care and Adoption Assistance, Center for Medicare & Medicaid Services (CMS) Final Regulations, Temporary Assistance for Needy Families (TANF), Food Stamps; Nutrition Program for Women, Infants, and Children (WIC), Senior Nutrition Program, Temporary Emergency Food Assistance Program (TEFAP), Vocational Rehabilitation Grants, Special Education Grants for Infants and Families, Independent Living Services, Prevention and Wellness and Child Support Enforcement;
- **\$4.0 billion in State Fiscal Stabilization funds**, impacting Education-modernization, renovation and repair of schools of all levels of education; restoring State level of support to all levels of education, and \$0.7 billion used toward other government services, for public safety and other government services, including education, as determined by the Governor;
- **\$2.3 billion in Education Funds**, impacting Title I Grants (grants to school districts providing supplementary education services for disadvantaged children), Individuals with Disabilities Act, Special Education Grants to States, Education for Homeless Children and Youth, Educational Technology State Grants and National School Lunch Equipment;
- **\$2.7 billion in Transportation Funding**, including Highway and Bridge Construction, Transit Programs, and Discretionary Transportation Fund (for

- grants to support such funding as Surface Transportation, Intercity Passenger and High-Speed Rail, and Airport Improvement projects);
- **\$418.7 million in Labor**, impacting Child-Care and Development Block Grants (CCDBG)-\$214.9 million, Workforce Investment Act (WIA) for Adults-\$34.3 million, WIA for Youth-\$82.0 million, WIA for Dislocated Workers-\$53.8 million, Senior Community Service Employment Program, Employment Services, and Trade Adjustment Assistance;
 - **\$168.7 million in Criminal Justice funds**, impacting Byrne Justice Assistance Grants (JAG)-\$147.5 million, Crime Victims Assistance-\$2.1 million, Crime Victims Compensation-\$7.8 million, Violence Against Women-\$9.0 million, and Internet Crimes Against Children-\$2.3 million;
 - **\$1.2 billion in Housing and Infrastructure monies**, impacting Community Development Block Grant (CDBG)-\$67.8 million, Community Services Block Grant (CSBG)-\$48.2 million, Weatherization Assistance Program-\$327 million, HOME Program-\$148.4 million, State Energy Program-\$218.8 million, Homelessness Prevention Fund-\$104 million, Clean Water State Revolving Fund-\$180.9 million, Safe Drinking Water State Revolving Fund-\$160.7 million and Leaking Underground Storage Tank Trust Fund;
 - **Homeland Security (*Amount to be determined*)**, impacting Infrastructure Protection Program, Public Transportation Security Assistance & Railroad Security Assistance, and Port Security.

**As reported by the Legislative Budget Board 3/1/2009*