

Agenda Item Number 14.f.

Federal Stimulus Package

Presenter: Byron Vanderpool, Government Services Director
LCOG

Action Recommended: None. Information Only.

Background:

On Tuesday, February 17, President Obama signed the \$789B *American Recovery and Reinvestment Act of 2009* into law. As this cover memo is being written, final bill language and federal agency guidance have not been made available. Staff will provide a brief verbal update of changes as of the Board meeting date.

The National Association of Regional Councils (NARC) has provided an early summary of the Act's provisions. A copy is attached.

A few high points of the bill:

- 35 percent of the bill is tax cuts and 65 percent spending.
- \$87B of increased Medicaid match to states.
- \$100M for Senior Nutrition Services, which could mean up to \$100K for Lane County.
- \$150B for infrastructure, including \$49.6 for transportation infrastructure.
- \$7B for broadband expansion.

Important considerations for jurisdictions:

- Timelines vary, but are short, for example, transportation projects must be obligated within 120 days of bill signature.
- Where possible money will be distributed via existing channels. For example, transportation infrastructure dollars to states and local jurisdictions will flow through the Surface Transportation Program (STP), rather than through a new program. Both federal and state entities have been issuing guidance to locals that existing distribution formulae will be followed.
- Federal procedural, environmental, etc. regulations will not be waived. This requires, in most cases, that those requirements have already been met, or the projects do not require an environmental process.

- Where the money is being allocated in the form of grants, they appear to not require a local match, although in some areas the terminology “at the discretion of the state authority” is used.
- No money may be used for any casino or other gambling establishment, aquarium, zoo, golf course or swimming pool.

Several organizations have been estimating impacts by state. A few items are highlighted below. Note this is a very rough estimate. We’ve attempted to note the changes in the compromise bill.

Description of Selected Provisions	Impact in Oregon	Compromise Bill Notes
Total to Oregon	\$7B	Very rough estimate.
Medicaid	\$840M	Final contains a higher federal amount than the House bill.
Education K-12	\$280M	Very rough estimate. There are other amounts for higher ed, student loans, and “modernization.”
Roads, etc.	>\$320M	The Central Lane MPO will get something around \$6M.
Transit	\$96M	LTD has been told they will receive approximately \$6M.

LCOG has been working for several months on preparation for the stimulus package. We have coordinated a wide variety of requests for information and local need from our federal delegation, state legislators, and professional organizations. Our primary focus has been in the areas of Medicare/Medicaid, transportation and economic development.

Once the stimulus package is passed and final guidelines are available, we expect to be working with our partners in these same areas, as well as developing projects in alternative energy, weatherization, communications, water and waste water, and public safety.

LCOG will continue to share information with our partners as it becomes available.