

Stimulus Bill Conference Agreement

Overview:

- House passed the measure on Friday, February 13, 2009 by a vote of 246-183. All Republican Members of Congress voted against the measure as did 7 Democrats.
- Senate passed the measure on Friday, February 13, 2009 by a vote of 60-38.

Agriculture:

- ARS Buildings and Facilities account \$176,000,000 for work on deferred maintenance at Agricultural Research Service facilities, provided funds shall be given to critical deferred maintenance, to projects that can be completed, and to activities that can commence promptly.
- Agriculture Buildings and Facilities and Rental Payments \$24,000,000, for necessary construction, repair, and improvement activities.
- Farm Service Agency, Salaries and Expenses: \$50,000,000, for the purpose of maintaining and modernizing the information technology system.

Commerce/Justice/Science:

- National Telecommunications and Information Administration
 - NTIA Broadband Technology Opportunities Program (TOP): \$4.7 billion, most of which \$4.35 billion is for expanding broadband infrastructure access or improved access to underserved areas.
 - \$200 million for competitive grants for expanding public computer center capacity, including at community colleges and public libraries
 - \$250 million for competitive grants for innovative programs to encourage sustainable adoption of broadband service
- State Broadband Data and Development Grant program: \$350,000,000 for the development and maintenance of a national broadband inventory map.
- National Institute of Standards and Technology:
 - Scientific and Technical Research and Services: \$220 million
 - Construction of Research Facilities: \$360 million, of which \$180 million shall be for a competitive construction grant program for research science buildings for FY08 and FY09 competitors.
- NOAA
 - Operations, Research, and Facilities: \$230 million for NOAA operations, research, and facilities to address a backlog of research, restoration, navigation, conservation, and management activities.
 - Procurement, Acquisition and Construction: \$600 million

- NASA
 - NASA is directed to submit to the House and Senate Committees on Appropriations a spending plan, signed by the Administrator, detailing its intended allocation of funds provided in this Act within 60 days of enactment.
 - Science: \$400 million
 - Aeronautics: \$150 million
 - Exploration: \$400 million
 - Cross Agency Support: \$50 million
- National Science Foundation:
 - NSF is directed to submit to the House and Senate Committees on Appropriations a spending plan, signed by the Director, detailing its intended allocation of funds provided in this Act within 60 days of enactment.
 - Research and Related Activities: \$2.5 billion
 - Provided, that \$300 million shall be available solely for the Major Research Instrumentation program
 - \$200 million shall be for academic research facilities modernization.
 - In allocating the resources provided here, the conferees direct that NSF support all research divisions and support advancements in supercomputing technology.
 - Education and Human Resources: \$100 million
 - Major Research Equipment and Facilities Construction: \$400 million

Defense:

- Research, Development, Test and Evaluation, Army: \$75 million
- Research, Development, Test and Evaluation, Navy: \$75 million
- Research, Development, Test and Evaluation, Air Force: \$75 million
- Research, Development, Test and Evaluation, Defense-Wide: \$75 million for the funding of research, development, test and evaluation projects, including pilot projects, demonstrations and energy efficient manufacturing enhancements. Funds are for improvements in energy generation and efficiency, transmission, regulation, storage, and for use on military installations and within operational forces, to include research and development of energy from fuel cells, wind, solar, and other renewable energy sources to include biofuels and bioenergy.

Energy/Water:

- Energy Efficiency and Renewable Energy:
 - Energy Efficiency and Conservation Block Grants \$3.2 billion of which \$2.8 billion is available through formula grants and \$400 million through competition
 - \$5 billion shall be for the Weatherization Assistance Program
 - \$3.1 billion shall be for the State Energy Program

- \$300 million shall be for the Alternative Fueled Vehicles Pilot Grant Program
- \$2 billion shall be for expenses necessary for the manufacturing of advanced batteries.
- \$4.5 billion for Electricity Delivery and Energy Reliability funds that shall be available for expenses necessary for electricity delivery and energy reliability activities to modernize the electric grid, enhance security and reliability of the energy infrastructure, energy storage research, development, demonstration and deployment, and facilitate recovery from disruptions to the energy supply, and for implementation of programs authorized under title XIII of the Energy Independence and Security Act of 2007.
- \$1 billion for grants to Institutional Entities for Energy Sustainability and Efficiency
- \$3.4 billion for Fossil Energy to demonstrate carbon capture and sequestration technologies.
 - \$1 billion for fossil energy research and development programs;
 - \$800 million for additional amounts for the Clean Coal Power Initiative Round III Funding Opportunity Announcement;
 - \$1.520 billion for a competitive solicitation for a range of industrial carbon capture and energy efficiency improvement projects, including a small allocation for innovative concepts for beneficial CO2 reuse;
 - \$50 million for a competitive solicitation for site characterization activities in geologic formations;
 - \$20 million for geologic sequestration training and research grants; and
 - \$10 million for program direction funding
- \$1.6 billion for DoE Office of Science
- \$400 million for Advanced Research Projects Agency-Energy (ARPA-E)
- \$1 billion for National Nuclear Security Administration, Weapons Activities.

Financial Services:

- \$300 million to GSA to purchase fuel-efficient, hybrid, or alternative fuel vehicles to reduce fuel costs and carbon emissions

Interior/Environment/Related:

- Bureau of Land Management
 - \$125 million for the Bureau of Land Management for activities on all Bureau of Land Management lands including maintenance, rehabilitation, and restoration of facilities, property, trails and lands and for remediation of abandoned mines and wells.
 - \$180 million for the Bureau of Land Management Construction for activities including construction, reconstruction, decommissioning and repair of roads, bridges, trails, property, and facilities and for energy efficient retrofits of existing facilities.

- National Parks Service
 - \$165 million National Parks Service Resource Management, for deferred maintenance, construction, and capital improvement projects on national wildlife refuges and national fish hatcheries and for high priority habitat restoration projects.
 - \$115 million for National Parks Service Construction for construction, reconstruction, and repair of roads, bridges, property, and facilities and for energy efficient retrofits of existing facilities.
 - \$15 million for Historic Preservation for HBCUs
- \$300 million for U.S. Fish and Wildlife Construction, for priority road and bridge repair and replacement, and critical deferred maintenance and improvement projects on National Wildlife Refuges, National Fish Hatcheries, and other Service properties
- \$140 million for U.S. Geological Survey for Surveys, Investigations, and Research For repair and restoration of facilities; equipment replacement and upgrades including stream gages, and seismic and volcano monitoring systems; national map activities; and other critical deferred maintenance and improvement projects.
- Environmental Protection Agency
 - \$600 million Hazardous Substance Superfund
 - \$200 million Leaking Underground Storage Tank Trust Fund Program to carry out leaking underground storage tank cleanup activities authorized by subtitle I of the Solid Waste Disposal Act
- \$4 million for the Clean Water State Revolving Funds
- \$2 million for the Drinking Water State Revolving Funds.
- National Endowment for the Arts \$50 million in direct grants

Labor:

- \$50 million for YouthBuild
- \$1.25 billion for grants to the States for adult employment and training activities
- \$1.2 billion for grants to the States for youth activities, including summer jobs for youth
- \$750,000,000 for a program of competitive grants for worker training and placement in high growth and emerging industry sectors, with \$500 million for research, labor exchange and job training projects that prepare workers for careers in energy efficiency and renewable energy.

Health:

- \$2.5 billion for the Health Resources and Services under the Health Resources and Services Administration (HRSA)
- \$200 million for all the disciplines trained through the primary care medicine and dentistry program, the public health and preventive medicine program, the scholarship

and loan repayment programs authorized in Title VII (Health Professions) and Title VIII (Nurse Training) of the PHS Act, and grants to training programs for equipment. Funds may also be used to foster cross-State licensing agreements for healthcare specialists.

- National Institutes of Health: \$10 billion total
 - NIH National Center for Research Resources: \$1.3 billion, of which \$1 billion shall be for grants for construct, renovate or repair existing non-Federal research facilities; and \$300 million for shared instrumentation and other capital research equipment.
 - \$7.4 billion for the NIH general fund for research.
- Healthcare Research and Quality \$1.1 billion for comparative effectiveness research.
 - \$300 million administered by Agency for Healthcare Research and Quality
 - \$400 million administered by NIH
 - \$400 million administered by the Secretary of HHS
- Community Health Centers: \$1.5 billion for construction, renovation and equipment, and for the acquisition of health information technology systems, for community health centers
 - \$500 million to increase the number of uninsured Americans who receive quality healthcare. These funds shall be used to support new sites and service areas, to increase services at existing sites, and to provide supplemental payments for spikes in uninsured populations. Grants for new sites and service- areas are to be two years in length as startup is phased in. The conferees encourage HRSA to consider supporting currently unfunded but approved community health center applications.
 - \$1 billion to renovate clinics and make health information technology improvements.

Health Information Technology for Economic and Clinical Health Act:

- Health Information Technology for Economic and Clinical Health Act (HITECH Act), which is designed to expand Health Care IT across the country, has specific grants (of an unknown sum) to Colleges to study integration of HIT with colleges of pharmacy, nursing, medicine, and dentistry.
- Office of the National Coordinator for Health Information Technology \$2 billion to expand and promote health care IT infrastructure

Medicaid:

- \$86.6 billion for 6.2 percentage point increase over 27 months
- For states with large increases in unemployment, the measure provides additional increases in their federal matching in direct proportion to the unemployment rate.
- \$12 billion to increase availability and integration of electronic health records.

COBRA:

- \$24.7 billion for 65 percent coverage for workers and their families for 9 months of coverage

Education:

- ESEA Funding
 - \$26 billion to local school districts through Title I (\$13 billion), IDEA (\$12.2 billion), and the Education Technology program (\$650 million)
 - \$5 billion is designated for the incentive grant formula and \$3 billion for school improvement grants under 1003(g) of the ESEA
 - \$100 million for Impact Aid
 - \$720 million for the School Improvement Programs account, provided \$650 million is for the Enhancing Education through Technology program.
 - \$200 million for the Innovation and Improvement fund to go to the Teacher Incentive Fund
- HEA Funding
 - \$15.64 billion for Pell Grants: which is totals \$4,860 for the maximum Pell Grant award for the 2009-2010 award year. This amount combined with the proposed increase in the FY09 Omnibus the maximum Pell Grant award will be \$5,350 for FY09-11. Shortfall eliminated
 - \$200 million for Work-Study.
 - \$100 million for Teacher Enhancement Grants
- Higher Education tax credit: Hope temporarily replaced with credit of \$2,500 for four years, and 40 percent refundable. The credit would phase out as adjusted gross income exceeded \$80,000 for an individual or \$160,000 for a joint return.
- Computers count as qualified expense under a 529 savings plan.

State Fiscal Stabilization Fund (SFSF):

- \$53.6 billion total with the entire amount available upon enactment of the bill but is to be used over FY09, FY10, and FY11. The economic recovery bill includes these funds in order to provide fiscal relief to the States to prevent tax increases and cutbacks in critical education and other services.
 - Outlying areas will receive additional funding as determined by the Secretary from a fund of \$268 million.
 - \$5 billion for Incentive Grants: to receive an Incentive Grant, a Governor shall: submit an application that describes the State's progress in each of the assurances and how the State would use grant funding to continue making progress toward meeting the State's student academic achievement standards.

- \$650 million for Innovation Fund for eligible entities that have made significant gains in closing the achievement gap.
- Of state total 81.8 percent or \$39.5 billion will be distributed in formula grants to states to support elementary, secondary and postsecondary education funding, and 18.2 percent or \$8.8 billion will go to the state for use in “high priority” needs, which can include education.
- \$39.5 billion of State allocations will go to support elementary, secondary, and higher education (or 81.8 percent of the total allocation).
 - Funding received must first be used to restore state aid to school districts under the state's primary elementary and secondary education funding formula to the greater of the FY08 or FY09 level in each of FY09, FY10, and FY11. Where applicable, the funding should be used to allow existing formula increases for elementary and secondary education for FY10 and FY11 to be implemented; and to restore State support to public institutions of higher education to the greater of the FY08 or FY09 to the extent feasible given available Stabilization funds.
- State Allocations: 61 percent on the basis of their relative population of individuals aged 5 through 24 while 39 percent on the basis of their relative total population. Missouri will receive approximately \$580 million.
 - The conference agreement provides that public institutions of higher education receiving stabilization funds must use these funds for educational and general expenditures, and in such a way as to mitigate the need to raise tuition and fees, or for modernization, renovation, or repairs of facilities that are primarily used for instruction, research, or student housing. Use of funds for endowments and certain types of facilities such as athletic stadiums are prohibited.
- USE IT OR LOSE IT: The Governor shall return to the Secretary any funds received that the Governor does not award as subgrants or otherwise commit within two years of receiving such funds, and the Secretary shall reallocate such funds to the remaining States.
- SHORTFALL: If the Governor determines that the amount of funds available is insufficient to support, in each of FY09, FY10, and FY11, public elementary, secondary, and higher education at the FY08/FY09 levels the Governor shall allocate those funds between those clauses in proportion to the relative shortfall in State support for the education sectors described in those clauses.
- Governors shall submit applications in order to receive Stabilization funds, which shall include certain assurances, provide baseline data regarding each of the areas described in such assurances, and describe how States intend to use their allocations. Such assurances shall include that the State will:
 - in each of FY09, FY10, and FY11, maintain State support for elementary, secondary, and public postsecondary education at least at the levels in fiscal year 2006, and address 4 key areas:

- achieve equity in teacher distribution,
- establish a longitudinal data system that includes the elements described in the America COMPETES Act,
- enhance the quality of academic assessments relating to English language learners and students with disabilities, and improve State academic content standards and student academic achievement standards, and
- ensure compliance with corrective actions required for low-performing schools.

Transportation:

- \$1.5 billion for capital investments in surface transportation infrastructure
- \$27.5 billion for the Federal Highway Administration in formula funds
- \$8 billion for Capital Assistance for High Speed Rail Corridors and Intercity Passenger Rail Service
- \$1.3 billion in grants to Amtrak
- \$1.6 billion in FTA Transit Assistance Grants.

HUD:

- HUD Capital Fund: \$4 billion
- Community Development Fund \$3 billion

Other Provisions:

- \$1 billion Veterans Affairs Medical Facilities

Tax Provisions

- The bill includes several personal and business tax breaks, tax provisions intended to assist state and local governments, and energy-related tax incentives that would cost an estimated \$301.1 billion over the 11-year period through FY19. The tax provisions of the bill account for more than a third of the total cost of the stimulus measure.
- **Individual Tax Assistance**
 - \$116.2 billion for the new “Making Work Pay” refundable tax credit in 2009 and 2010 of up to \$400 for an individual or \$800 for married couples filing jointly. The credit is intended to provide a rebate for payroll taxes (Social Security and Medicare taxes) and could be claimed through reduced withholding from paychecks or as a credit on a tax return. Under the agreement, the credit would phase out as adjusted gross income exceeded \$75,000 for individuals or \$150,000 for joint tax returns.
 - \$4.7 billion for a temporary increase in the earned income tax credit for families with three or more children
 - \$14.8 billion for an additional credit for low-income families to receive the refundable child tax credit in 2009 and 2010.

- Together, the agreement's individual tax provisions would lower taxes for 95% of all taxpayers.
- **Business Tax Provisions**
 - \$947 million through FY19 for businesses to “carryback” their operating losses in 2008 and 2009 for up to five years, rather than the two permitted under current law, but requires businesses choosing the longer period to reduce the losses by 10%. Companies that received funds under the TARP, as well as Fannie Mae and Freddie Mac, would not be eligible for the longer carry back period.
 - \$5.1 billion through FY19 for the extension of the bonus depreciation rules from the previous stimulus through FY19, and it expands the work opportunity tax credit to include the hiring of certain unemployed veterans and “disconnected” youth.
- **Aid to State & Local Governments**
 - \$4.3 billion through FY19, for state and local governments to offer tax-credit bonds — which provide federal tax credits to investors instead of interest payments, in lieu of tax-exempt bonds, which would alleviate the need for the governments to make interest payments. The agreement also modifies rules concerning the allocation of interest expenses for financial institutions that invest in tax-exempt municipal bonds to make such investments more attractive, at a cost of \$3.2 billion through FY19.
 - The measure authorizes the issuance of \$22 billion in state and municipal tax-credit bonds (\$11 billion in both FY09 and FY10) to finance school construction projects, which would reduce federal revenue by \$9.9 billion through FY 2019.
 - \$25 billion in recovery zone bonds in FY09 and FY10 that would be used to finance projects in areas with significant poverty, unemployment, or home foreclosures, which would reduce federal revenue by \$6 billion through FY19.
 - \$1.4 billion in qualified zone academy bonds in FY09 and FY10, at a cost of \$1 billion.
- **Energy Tax Incentives**
 - \$20 billion in tax incentives for investment in renewable and alternative energy. The most expensive provision is an extension, generally for three years, of a credit for producing energy from renewable sources, which would reduce revenue by \$13.1 billion through FY 2019.
 - \$4.3 billion, the agreement extends and modifies a credit for energy efficiency improvements in homes, increasing the credit to offset 30%, rather than 10%, of the cost of such improvements in 2009 and 2010, but capped at \$1,500 per home.
 - The agreement also provides a special credit for energy-related research expenses through 2010, and allows for the issuance of additional energy-related bonds, including \$2.4 billion in energy conservation bonds and \$1.6 billion in clean renewable energy bonds.