Congressman Sam Farr

Representing California's 17th Congressional District

POTENTIAL FUNDING OPPORTUNITIES FROM THE AMERICAN RECOVERY AND REINVESTMENT ACT



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This Guidebook is available online at http://www.farr.house.gov/recovery/

Introduction

Dear Friend:

Our nation is facing the worst economic crisis since the Great Depression. In an effort to jumpstart our economy, Congress passed and President Obama signed into law the American Recovery and Reinvestment Act. This bill provides nearly \$800 billion in federal spending and tax cuts to save millions of jobs and help struggling families.

The final recovery bill may not be perfect, but I strongly believe we had no choice but to act to spur job creation and help our communities. We are in a time of crisis -- doing nothing is not an option. The bill is estimated to create or save 3.5 million jobs throughout the country, including 396,000 jobs in California and 7,000 jobs on the Central Coast.

Since the size and magnitude of the recovery bill is so large, I have created this guidebook to serve as a starting point to provide information about what resources are available to individuals, businesses, community organizations and local governments. In most cases, the Recovery Act provides for a federal cost share of 100 percent, meaning local entities will not have to match federal funding.

A provision in the Recovery Act requires the Executive Branch to maintain a Web site detailing where federal dollars will be spent and announcements on potential funding opportunities. I encourage you to visit http://www.recovery.gov for information on accessing and tracking Recovery funds. It's also likely that most grant, loan and contracting seekers will have to register with the government to apply for funds. I encourage you to visit http://www.grants.gov and the Central Contractor Registration (CCR) Web site at http://www.ccr.gov to learn how to register your organization.

In addition to this document, these sites may offer additional information:

- Department of Health and Human Services: www.hhs.gov/recovery
- Department of Housing and Urban Development: www.hud.gov/recovery
- Department of Education: www.ed.gov/recovery
- Department of Energy: www.energy.gov/recovery
- Department of Transportation: www.dot.gov/recovery
- Department of Justice: www.usdoj.gov/recovery
- Department of Labor: www.dol.gov/recovery/
- Internal Revenue Service: www.irs.gov/recovery
- League of California Cities: http://www.cacities.org/
- National Association of Counties: http://www.naco.org/
- National Conference of State Legislatures: http://www.ncsl.org/

This guidebook is fashioned after one produced by my colleague, Rep. Paul Kanjorski. My thanks to him for the initiative. And to my constituents, as always I stand ready to assist you and hope the information in this guide is useful.

Som fan

Section I Application Process

Grant Application Process

In order to apply for a grant, you must first complete the Grants.gov registration process. To do this, you must first:

- Obtain a Dun and Bradstreet Data Universal Numbering System (DUNS) number
- Register with the Central Contract Registry (CCR)
- Install the PureEdge Viewer
- Register with the credential provider, and registering with Grants.gov

Registration is a five-step process:

STEP 1: Obtain DUNS Number

Timing: Same day. Your organization will need to obtain a DUNS Number. If your organization does not have one, you will need to go to the Dun & Bradstreet website at http://fedgov.dnb.com/webform to obtain the number.

STEP 2: Register with CCR

Timing: Two days up to one to two weeks. Ensure that your organization is registered with the Central Contractor Registration (CCR) at http://www.ccr.gov. If your organization is not, an authorizing official of your organization must register. You will not be able to move on to Step 3 until this step is completed.

STEP 3: Username & Password

Same day. Complete your AOR (Authorized Organization Representative) profile on Grants.gov and create your username and password. You will need to use your organization's DUNS Number to complete this step. http://apply.grants.gov/apply/OrcRegister.

STEP 4: AOR Authorization

Timing: Same Day. The E-Business Point of Contact (E-Biz POC) at your organization must login to Grants.gov to confirm you as an Authorized Organization Representative (AOR). Please note that there can be more than one AOR for your organization. In some cases the E-Biz POC is also the AOR for an organization. **Timing depends on responsiveness of your E-Biz POC*.

STEP 5: TRACK AOR STATUS

At any time, you can track your AOR status by logging in with your username and password. Login as an Applicant (enter your username & password you obtained in Step 3) using the following link: http://www.grants.gov/applicant_profile.jsp

For additional details on how to register your organization, please visit http://grants.gov/assets/Organization_Steps_Complete_Registration.pdf.

Search for Grant Opportunities

To identify funding opportunities, start by accessing the Web sites listed below.

Catalog of Federal Domestic Assistance

www.cfda.gov

This site describes some 1,500 Federal domestic assistance programs, financial and non-financial assistance administered by departments and agencies of the federal government.

NOTE: This site is currently under construction. The new Web site is expected to be operational by March 31, 2009. A PDF version of the 2008 CFDA can be accessed by visiting http://www.cfda.gov/CFDA.pdf.

Grants.gov www.grants.gov

Use this resource to find and apply for federal grant opportunities. You can register with www.grants.gov to get weekly email updates for upcoming, relevant opportunities by going to the *Find Grant Opportunities* section and scrolling down to *Email Subscription* selection.

Through <u>Grants.gov</u>, grant seekers can also check on notices of funding availability posted in the last seven days and apply for Federal grants online through a unified process.

Write & Develop Your Grant Proposal

For guidance on how to write and develop your grant proposal, please view the Congressional Research Service guide, <u>How to Write and Develop a Grant Proposal</u>. This guide is posted to our Website and offers information that is specific to applications for federal funding.

For free, Web-based grant writing tools for non-profit organizations please visit http://www.npguides.org/.

For help identifying and understanding essential grant writing terms, please visit http://www.azgrants.com/glossary/glossary.cfm

The Foundation Center is an independent national service organization that is a clearinghouse of information on private philanthropic giving. The Foundation Center is also responsible for the compilation of the National Directory of Corporate Giving and offers a Proposal Writing Short course at http://foundationcenter.org/getstarted/tutorials/shortcourse/index.html.

NOTE: The Office of Congressman Sam Farr does not formally endorse the aforementioned private funding sources or non-federal agencies.

Section II Roads, Bridges & Transit

The American Recovery and Reinvestment Act of 2009 allocates more than \$45 billion for our nation's highways, bridges and transit systems. Nearly all of these funds will be distributed to the states based on existing formulas. California is estimated to receive more than \$3.6 billion as its federal share. The California Department of Transportation (Caltrans) will administer the transportation funds. Approximately \$2.6 billion of the state's share is for highways and bridges and \$1 billion is for transit systems. Below is a summary of some of the federal and state programs that will receive funds from the American Recovery and Reinvestment Act.

Federal Funds Administered by California

California Department of Transportation

http://www.dot.ca.gov

Highways and Bridges

(Nationwide: \$27.1 billion) (California: \$2.6 billion)

The California Department of Transportation (Caltrans) received budget authority for 50 percent of the state's federal share of highway and bridge funds no later than 21 days after February 17, 2009, when the American Recovery and Reinvestment Act became law. Federal-aid program funds are provided to the state on a reimbursement basis only. 120 days after the funding authority is allotted to the state, the Secretary of the U.S. Department of Transportation has the authority to redistribute any un-obligated funds to other states that have already obligated their federal share of funds.

Caltrans is required to give priority to projects that can be completed within a three-year period and located in an economically distressed area. Economically distressed area is defined as an area where the per capita income is 80 percent or less of the national average and where the recent unemployment rate is at least 1 percent greater than the national average.

In addition, projects on the Transportation Improvement Program (TIP) or Statewide Transportation Improvement Program (STIP) will receive Federal Highway Administration (FHWA) approval much faster. FHWA strongly suggests that any projects a local government would like to fund already be included in the TIP or STIP.

All existing FHWA rules and regulations will apply to Recovery Act funds that Caltrans receives. In an effort to expedite the spending of Recovery Act funds, FHWA has created a Web site to assist state and local agencies with implementing transportation projects. I strongly encourage you to visit the FHWA Economic Recovery Web site at http://www.fhwa.dot.gov/economicrecovery/index.htm for more information.

Transit (Nationwide: \$7.5 billion)
(California: \$1 billion)

California's federal share of transit funding has two important differences compared to the highway and bridge funds. Priority must be given to transit projects or activities that will be completed within a two-year period and the U.S. Secretary of Transportation can redistribute un-obligated funds 180 days after California receives its share.

For specific details on how Caltrans will administer the state's share of federal funds and to ensure highway, bridge and transit projects in your community receive full and fair consideration, you can reach your local Caltrans office and Metropolitan Planning Organization (MPO). I have provided contact information for both below:

Association of Monterey Bay Area Governments

445 Reservation Rd., Suite G Marina, CA 93933-0809 Phone: (831) 883-3750 Fax: (831) 883-3755

E-mail: info@ambag.org
http://www.ambag.org

Caltrans District 5

50 Higuera St.

San Luis Obispo, CA 93401-5415 Peninsula area: (831) 372-0862 Salinas area: (831) 753-0187 Santa Cruz area: (831)423-0396 http://www.dot.ca.gov/dist05

Federal Transportation Programs

U.S. Department of Transportation

http://www.dot.gov

(Nationwide: \$1.5 billion)

National Surface Transportation Grant Program

The American Recovery and Reinvestment Act appropriates \$1.5 billion for the Secretary of the U.S. Department of Transportation to administer a supplemental discretionary grant program for a national surface transportation system. These funds remain available through September 30, 2011.

This competitive grant program applies to projects that will have a significant impact on the Nation, a metropolitan area or region. Eligible projects include but are not limited to, highway or bridge projects eligible under title 23, including interstate rehabilitation, improvements to the rural collector road system, reconstruction of the overpasses and interchanges and public transportation projects eligible under chapter 53 of title 49.

Priority will be given to projects that require a contribution of federal funds in order to complete an overall financing package and to projects that can be completed within 3 years. **State and local governments or transit agencies are able to apply for funding under this program.**

The minimum grant that can be awarded under this program is \$20 million and the maximum grant is \$300 million. The Secretary may waive the minimum grant size for the purpose of funding significant projects in smaller cities, regions or states as long as 20 percent of the funds are not awarded in a single state.

The Secretary is required to publish criteria on basis for which funds will be awarded within 90 days. Furthermore, the Secretary is required to accept funding applications no later than 180 days after the criteria is announced and select all projects to be funded under this program not 1 year after enactment.

For further details, I encourage you to visit the U.S. Department of Transportation Web site at http://www.recovery.gov in the coming days for more information.

Federal Aviation Administration

http://www.faa.gov

(Nationwide: \$200 million)

Facilities and Equipment

The American Recovery and Reinvestment Act provides \$200 in supplemental funding for the Federal Aviation Administration (FAA) to make infrastructure improvements.

Funds shall be used to make improvements to power systems, air route traffic control centers, air traffic

control towers, terminal radar approach control facilities, and navigation and landing equipment. Priority will be given to projects that can be completed within 2 years.

60 days after enactment, the FAA Administrator is required to establish a process for applying, reviewing and awarding grants and cooperative agreements.

For further details, I encourage you to visit the FAA's Web site at http://www.faa.gov and <a href="http://ww

Airport Improvement Program (Grants-In-Aid for Airports) (Nationwide: \$1.1 billion)

In an effort to repair and improve the nation's airports, the American Recovery and Reinvestment Act provides \$1.1 billion for airport infrastructure. The Secretary of the U.S. Department of Transportation will administer the funds through a discretionary grant program.

Airports must be part of the National Plan of Integrated Airport Systems (NPIAS) to be eligible for funding. Priority will be given to projects that can be completed within two years and serve to supplement and not supplant planned expenditures from airport-generated revenues or from other State and local sources. All projects must comply with subchapter 1 of chapter 471 and subchapter 1 of chapter 475 of title 49.

The Secretary is required to award 50 percent of the funds within 120 days of enactment and award the remaining amounts no later than one year after enactment. For further details, I encourage you to visit the Federal Aviation Administration (FAA) Web site at http://www.recovery.gov in the coming days for more information.

Read a press release on funds for Salinas and Monterey airports here: http://www.farr.house.gov/recovery.

Federal Railroad Administration

http://www.fra.dot.gov

(Nationwide: \$8 billion)

High Speed Rail Corridors & Intercity Rail

The American Recovery and Reinvestment Act will provide the Federal Railroad Administration (FRA) \$8 billion to award discretionary grants to States to pay for the cost of high speed rail and intercity passenger rail projects. These funds are available through September 30, 2012 or until expended.

The Secretary of the U.S. Transportation will administer this grant program. Priority shall be given to projects that support the development of intercity high speed rail service.

60 days after enactment the Secretary is required to establish a set of standards on how the funds will be used and is required to issue guidance on how to apply, grant terms, conditions and procedure 120 days after enactment.

For further details, I encourage you to visit the Federal Railroad Administration (FRA) Web site at http://www.recovery.gov in the coming days for more information.

Federal Transit Administration

http://www.fta.dot.gov

(Nationwide: \$750 million)

Capitol Investment Grants (New Starts Program)

The Federal Transit Administration's (FTA) discretionary New Starts program is the federal government's primary financial resource for supporting locally-planned, implemented, and operated transit "guideway" capital investments. From heavy to light rail, from commuter rail to bus rapid transit systems, the FTA's New Starts program has helped to make possible hundreds of new or extended transit fixed guideway sys-

tems across the country.

The American Recovery and Reinvestment Act provides \$750 million in discretionary grants for this program. Priority shall be given to projects that are currently in construction or are able to obligate funds within 150 days. These funds will remain available through September 30, 2012.

For further details, I encourage you to visit the Federal Transit Administration (FTA) Web site at http://www.fta.dot.gov, FTA New Starts Web site at http://www.fta.dot.gov/planning/planning_environment_5221.html and http://www.recovery.gov in the coming days for further information.

Energy Consumption & Greenhouse Emissions Reduction Program (Nationwide: \$100 million)
For further details, I encourage you to visit the Federal Transit Administration (FTA) Web site at http://www.recovery.gov in the coming days for more information.

Section III Interior Programs

The American Recovery and Reinvestment Act appropriates \$6.4 billion for water and wastewater management projects. Most of these funds are distributed to states based on existing formulas but the federal government will administer some of the funds through a competitive grant and loan program. California will receive \$445 million as its federal share. Below is a summary of some programs that will receive funds from the Recovery Act.

A portion of the American Recovery and Reinvestment is dedicated to rebuilding the nation's dam and levee systems. A significant portion of the funds are appropriated to support projects operated by the U.S. Army Corps of Engineers but the U.S. Department of Agriculture will also receive Recovery Act funds.

Additional programs are being administered by the U.S. Forest Service and the National Oceanographic and Atmospheric Administration.

Federal Funds Administered by California

California Department of Water Resources http://www.dwr.water.ca.gov

Sewer, Storm and Drinking Water Projects

(Nationwide: \$5.9 billion) (California: \$445 million)

\$285 million of California's federal share is allocated for Clean Water projects and \$160 million is allocated for Clean Drinking Water projects. The California Department of Water Resources (DWR) will administer these federal funds.

Clean Water projects include all types of non-point source, watershed protection or restoration, estuary management projects and traditional municipal wastewater treatment projects. Clean Drinking Water projects include installation and replacement of failing treatment facilities, storage facilities and transmission and distribution systems that facilitate compliance with federal drinking water regulations. Projects to consolidate water supplies may also be eligible.

Priority will be given to projects that are already on California's priority list and are ready to proceed within 12 months. The U.S. Environmental Protection Agency has the authority to reallocate un-obligated funds that are not under contract or construction within 12 months.

For more information about how to apply for these funds, you can reach your local Water Resources District at the following information:

Monterey County Water Resources Agency

893 Blanco Circle Salinas, CA 93901 Phone: (831) 755-4860 Fax: (831) 424-7935

http://www.mcwra.co.monterey.ca.us/

San Benito County Water District

30 Mansfield Road P.O. Box 899 Hollister, CA 95024 Phone: (831) 637-8218

Fax: (831) 637-7267 http://www.sbcwd.com/

U.S. Department of Housing & Urban Development (http://www.hud.gov)

Community Development Block Grant Program (CDBG)

(Nationwide: \$1 billion) (California: \$127 million)

The U.S. Department of Housing and Urban Development administers formula grants to entitled states, cities and counties to develop viable communities. \$1 billion has been allocated for the Community Development Block Grant (CDBG) program.

Communities receiving CDBG funds are permitted to carry out a wide range of community development activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services.

An eligible activity under this grant program is the improvement of public facilities and privately-owned utilities. These improvements can include the costs of connecting existing residential structures to water/sewer lines and installing wells, septic tanks, septic fields. Priority will be given to projects that can award contracts based on bids within 120 days.

For more information about eligible CDBG activities, you can visit the following Web site: http://www.hud.gov/offices/cpd/communitydevelopment/library/stateguide. You can also visit this link to determine how allocations have been made: http://www.hud.gov/recovery/cdbg.xls.

The following communities will receive a direct appropriation of CDBG funds from the U.S. Department of Housing and Urban Development. For information about how to apply for these funds, you can reach your local office at the following contact information:

Monterey Department of Housing and Property

Management

Jennifer Miller 669 Van Buren St.

Monterey, CA 93940-2627 Phone: (831) 646-1568 Fax: (831) 646-5616

E-mail: miller@ci.monterey.ca.us

Seaside Department of Community Development

Rick Pati

440 Harcourt Ave. Seaside, CA 93955 Phone: (831) 899-6767 Fax: (831) 899-6341

E-mail: rpati@ci.seaside.ca.us

Salinas Department of Community Development

David Swanson

65 W. Alisal St., Suite 220 Salinas, CA 93901-2639 Phone: (831) 758-7234 Fax: (831) 758-7368

E-mail: david@ci.salinas.ca.us

Watsonville Housing and Redevelopment Depart-

ment

P.O. Box 50000

Watsonville, CA 95077 Phone: (831) 768-3083 Fax: (831) 763-4114

E-mail: mackerman@ci.watsonville.ca.us

Santa Cruz Department of Planning and Community Development

Carol Berg

809 Center St.Room 206 Santa Cruz, CA 95060-3826 Phone: (831) 420-5108

Fax: (831) 420-5109

E-mail: cberg@ci.santa-cruz.ca.us

Federal Water & Wastewater Programs

U.S. Department of Agriculture Rural Development

(http://www.rurdev.usda.gov)

Rural Water & Environmental Programs

(Nationwide: \$1.38 billion) The U.S. Department of Agriculture's Rural Development Department administers a grant and loan program for water and wastewater infrastructure projects in rural areas, cities and towns with populations of 10,000 or less. This program will receive \$1.38 billion in Recovery Act funding.

Eligible projects include but are not limited to drinking water, sanitary sewer, solid waste and storm drainage facilities. Public entities or non-profit organizations may qualify for assistance. Grants are also made to non-profit organizations to provide technical assistance and training to assist rural communities with their water, wastewater, and solid waste problems.

For more information about this program, you can visit the USDA Rural Development Web site at http:// www.rurdev.usda.gov or http://www.rurdev.usda.gov/ca/.

In order to apply for these funds, you can reach your local office at the following contact information:

Salinas Office

Mark Hultgren 744-A La Guardia St. Salinas, CA 93905 Phone: (831) 757-5294

Fax: (831) 424-7289

E-mail: mark.hultgren@ca.usda.gov

Federal Watershed Programs

U.S. Department of Agriculture

http://www.usda.gov

(Nationwide: \$290 million)

Natural Resources Conservation Service

USDA's Natural Resource Conservation Service (NRCS) provides leadership to help America's private landowners and managers conserve their soil, water, and other natural resources. The American Recovery and Reinvestment Act provides \$290 to support various NRCS programs.

You can visit the Natural Resources Conservation Service Web site at http://www.nrcs.usda.gov to learn more about the agency.

NRCS only plans to devote stimulus funds to NRCS-approved projects that can begin immediately. Guidelines for NRCS approval can be obtained through local USDA County offices. Below you will find a description of NRCS programs that will receive Recovery funds, NRCS's Web site and a listing of the County offices who will administer the Recovery funds.

Watershed and Flood Prevention Operations

(Nationwide: \$190 million)

Watershed Operations is a voluntary program which provides assistance to sponsoring local organizations of authorized watershed projects, planned and approved under the authority of the Watershed Protection and Flood Prevention Act of 1954 (P.L. 83-566), and 11 designated watershed authorized by the Flood Control Act of 1944 (P.L. 78-534). NRCS provides technical and financial assistance to States, local governments and Tribes (project sponsors) to implement authorized watershed project plans for the purpose of watershed protection; flood mitigation; water quality improvements; soil erosion reduction; rural, municipal and industrial water supply; irrigation water management; sediment control; fish and wildlife enhancement; and wetlands and wetland function creation and restoration.

For more information, you can view the Watershed Protection and Flood Prevention Web site at http://www.nrcs.usda.gov/programs/watershed/index.html.

<u>Emergency Watershed Protection – Floodplain Easement</u> (Nationwide: \$145 million)

The American Recovery and Reinvestment Act provide NRCS funding to purchase and restore floodplain easements from local landowners to oversee their protection by maintaining their ecological functions as well as preserving the natural resources, fish, and wildlife that may inhabit the area.

For more information, you can view the Emergency Watershed Protection – Floodplain Easement Web site at http://www.nrcs.usda.gov/programs/Floodplain/index.html.

Watershed Rehabilitation Program

(Nationwide: \$50 million)

The Natural Resources Conservation Service Rehabilitation Program aims to maintain and revitalize deteriorating dams across the United States. Since 1948, the NRCS has constructed over 11,000 dams across the country. Many of these dams, some more than 50 years old, are in need of construction and maintenance. The Watershed Rehabilitation program is designed to revitalize and upgrade these valuable dams.

NRCS only provides Rehabilitation Funds to dams that were installed through previous NRCS watershed programs.

For more information, you can view the Watershed Rehabilitation Program Web site at http://www.nrcs.usda.gov/programs/WSRehab/index.html. You can reach your state and local NRCS offices at the contact information below:

California State NRCS Office

Lincoln E. Burton, State Conservationist Richard E. Lyng USDA Service Center 430 G Street #4164 Davis, CA 95616-4164

Phone: (530) 792-5600 Fax: (530) 792-5790

http://www.ca.nrcs.usda.gov/

Salinas Service Center

744 La Guardia St., Bldg. A Salinas, CA 93905-3354 Phone: (831) 424-1036 Fax: (831) 424-7289

Hollister Service Center

2337 Technology Pkwy., Suite A Hollister, CA 95023-2544

Phone: (831) 637-4360 Fax: (831) 636-7643

U.S. Department of Commerce

http://www.commerce.gov

Public Works & Economic Development Program

The U.S. Department of Commerce's Economic Development Administration (EDA) administers several grant programs to help promote economic development.

The Public Works and Economic Development Program makes investments to help support the construc-

tion or rehabilitation of essential public infrastructure and facilities necessary to generate or retain private sector jobs and investments, attract private sector capital, and promote regional competitiveness, including investments that expand and upgrade infrastructure to attract new industry, support technology-led development, redevelop brownfield sites and provide eco-industrial development.

For more information about how to apply for these funds, you can reach your local EDA office at the fol-

<u>Economic Development Administration</u>
Diane Church, Econ. Development Representative

E-mail: dchurch@doc.gov
http://www.doc.gov/eda

Phone: (831) 722-4288

National Oceanic and Atmospheric Administration http://www.noaa.gov

Coastal and Marine Habitat Restoration (Nationwide: \$170 million)

NOAA administers a grant program designed to restore a variety of coastal and marine habitats with projects ranging from wetlands restoration to dam removal to shellfish and coral reef restoration. The Coastal and Marine Habitat Restoration Projects is currently seeking applicants who can demonstrate that their project can achieve significant ecological benefits, maximize jobs creation/preservation, and are "shovel-ready." Typical investments by NOAA are expected to range between \$1.5 million to \$10 million per project and applications are due by April 6, 2009.

For more information on this funding opportunity, visit the Coastal and Marine Habitat Restoration Web page at http://www.nmfs.noaa.gov/habitat/recovery/.

U.S. Forest Service

http://www.fs.fed.us

(Nationwide: \$1.15 billion)

Forest Service Projects

The U.S. Forest Service has received \$1.15 billion to complete projects around the country expected to create 25,000 jobs. The first round of projects on lands managed by the Forest Service in California will include maintenance and construction on facilities, roads and trails totaling 70 jobs and \$7.75 million. For more information on this program, visit the U.S. Department of Agriculture's Web site at http://fs.usda.gov/recovery or reach our local U.S. Forest Service office at the following contact information:

U.S. Forest Service, Region 5

1323 Club Drive Vallejo, CA 94592 Phone: (707) 562-8737 Fax: (707) 562-9130

Section IV Renewable & Clean Energy Programs

The American Recovery and Reinvestment Act provides investments in areas critical to the development of clean and efficient, American energy. The Recovery Act allocates \$16.8 billion for various programs within the U.S. Department of Energy. Most of the funds are specified for the Office of Energy Efficiency and Renewable Energy (EERE). EERE works to strengthen the United State's energy security, environmental quality, and economic vitality in public-private partnerships by supporting enhancements in energy efficiency and productivity; bringing clean, reliable and affordable energy technologies to the marketplace and enhancing Americans energy choices. You can visit EERE's Web site at http://www.eere.energy.gov/ to learn more about the agency. Below is a summary of some of the federal and state programs that will receive funds from the American Recovery and Reinvestment Act.

Federal Funds Administered by California

Through EERE's Weatherization & Intergovernmental Program, the following funds will be distributed to the three different programs.

Energy Efficiency and Conservation Block Grants

(Nationwide: 3.2\$ billion) (California: \$338 million)

The program is designed to reduce energy use and fossil fuel emission, and for improvements in energy efficiency. Each state is required to pass on 60 percent of its funding share to cities and counties not receiving direct formula funding.

The California Energy Commission has set up a federal stimulus specific Web site that will contain information on state energy funding, including the block grant program, at http://www.energy.ca.gov/recovery.

Weatherization Assistance Program

(Nationwide: \$192 million)

(California: \$5 billion)

The Weatherization Assistance Program enables low-income families to permanently reduce their energy bills by making their homes more energy efficient. By reducing the energy bills of low-income families instead of offering aid, weatherization reduces dependency and liberates these funds for spending on more pressing family issues.

On average, weatherization reduces heating bills by 32 percent and overall energy bills. California's share is estimated to be \$192 million.

The Weatherization Assistance Program has an income requirement and you should check with the state to determine eligibility. You can reach the Department of Community Services and Development at the following contact information:

Department of Community Services and Development

P.O. Box 1947

Sacramento, CA 95812-1947 Toll-free Phone: (866) 675-6623

Phone: (916) 341-4200 Fax: (916) 341-4203

State Energy Program

(Nationwide: \$3 billion)

(California: \$224 million)

The State Energy Program (SEP) provides grants to states and directs funding to state energy offices from technology programs in U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE). States use grants to address their energy priorities and program funding to adopt emerging renewable energy and energy efficiency technologies. This \$3.4 billion program gives each state flexibility on setting its own priorities on what projects to fund. California will receive an estimated \$225 million as its federal share. The California Energy Commission will administer these funds.

For information about how to apply for these funds, you can reach the California Energy Commission at the following contact information:

State Energy Office

Melissa Jones, Executive Director

Phone: 916-654-4996

Email: mjones@energy.state.ca.us

<u>State Energy Program</u> John Butler, Manager

Phone: 916-654-4204

Email: Jbutler@energy.state.ca.us

California Energy Commission

1516 9th Street

Sacramento, CA 95814 Phone: 916-654-4287

Fax: 916-654-4423

Federal Renewable & Clean Energy Programs

Biomass Program (Nationwide: \$800 million)

The Office of Energy Efficiency and Renewable Energy's Biomass Program works with industry, academia, and our national laboratory partners on a balanced portfolio of research in biomass feedstocks and conversion technologies. Through research, development, and demonstration efforts geared toward the development of integrated biorefineries, the Biomass Program is helping transform the nation's renewable and abundant biomass resources into cost competitive, high performance biofuels, bioproducts, and biopower.

For further details, I encourage you to visit the Biomass Program Web site at http://www1.eere.energy.gov/biomass/ and http://www.recovery.gov in the coming days for more information.

Geothermal Technologies

(Nationwide: \$400 million)

The Geothermal Technologies Program (GTP) develops innovative geothermal energy technologies to find, access, and use the Nation's geothermal resources. Through research, development, and demonstration efforts that emphasize the advancement of enhanced geothermal systems (EGS), GTP is working to provide the United States with an abundant, clean, renewable baseload energy source.

For further details, I encourage you to visit the Geothermal Technologies Program Web site at http://www.recovery.gov in the coming days for more information.

Advanced Research Projects Agency – Energy (ARPA-E) (Nationwide: \$400 million)

ARPA-E is designed to support transformational energy technology research projects with the goal of enhancing the nation's economic and energy security. To date, no further information is available. I encourage you to visit http://www.recovery.gov in coming days for more details.

Vehicle Technologies

(Nationwide: \$400 million)

Vehicle Technologies Program professionals work with industry leaders to develop and deploy advanced transportation technologies that could achieve significant improvements in vehicle fuel efficiency and displace oil with other fuels that ultimately can be domestically produced in a clean and cost-competitive manner. Program activities include research, development, demonstration, testing, technology validation, technology transfer, and education.

For further details, I encourage you to visit the Office Vehicle Technologies Web site at http://www.recovery.gov in the coming days for more information.

Office of Electricity Delivery & Energy Reliability

(Nationwide: \$4.5 billion)

The mission of the Office of Electricity Delivery and Energy Reliability (OE) is to lead national efforts to modernize the electric grid; enhance security and reliability of the energy infrastructure; and facilitate recovery from disruptions to energy supply.

Whether it is on the supply side, to enable the delivery of clean energy sources such as renewables, clean coal, and nuclear power, or on the demand side, in developing a new smart grid and plug-in hybrid electric vehicles, OE is working to ensure our grid retains its standing as the most effective and efficient in the world.

For further details, I encourage you to visit the Office of Electricity Delivery & Energy Reliability Web sites at http://www.oe.energy.gov/ & http://www.recovery.gov in the coming days for more information.

Fossil Energy Research and Development

(Nationwide: \$3.4 billion)

The Energy Department's Fossil Energy organization is made up of about 1,000 scientists, engineers, technicians and administrative staff.

The Office of Fossil Energy is responsible for several high-priority initiatives including implementation of the \$2 billion, 10-year Clean Coal Power Initiative to develop a new generation of environmentally sound clean coal technologies, and the nation's Strategic Petroleum Reserve and Northeast Home Heating Oil Reserve, both key emergency response tools available to the President to protect Americans from energy supply disruptions.

For further details, I encourage you to visit the Office of Fossil Energy Web sites at http://www.fossil.energy.gov/ http://www.fossil.energy.gov/business/Business Opportunities.html and http://www.fossil.energy.gov/business/Business Opportunities.html and http://www.fossil.energy.gov/business/Business http://www.fossil.energy.gov/business/Busines

Renewable & Clean Energy Bond & Tax Credit Programs

Clean Renewable Energy Bonds (CREBs)

(Nationwide: \$1.6 billion)

The Energy Policy Act of 2005 created a tax-credit bond to finance qualified renewable energy facilities. These bonds are unique because unlike normal bonds, CREBs are tax credit bonds and they pay the bondholders by providing a credit against their federal income tax. In effect, the CREBs will provide interest-free financing for certain renewable energy projects. Since the federal government essentially pays the interest via tax credits, the Internal Revenue Service (IRS) needs to allocate such credits in advance to the lending authorities.

Qualified facilities are those that generate electricity from the following sources: wind; closed-loop biomass' open-loop biomass' geothermal' small irrigation; hydropower; landfill gas; marine renewable; and trash combustion facilities.

The American Recovery and Reinvestment Act authorizes an additional \$1.6 billion for these bonds. Furthermore, this new authorization is subdivided into thirds: 1/3 will be available for qualifying projects of State/local/tribal governments; 1/3 for qualifying projects of public power providers; and 1/3 for qualifying projects of electric cooperatives.

The following Web site provides guidance on how the program was previously administered: http:// www.irs.gov/irb/2009-06_IRB/ar09.html.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at http:// www.irs.gov and http://www.recovery.gov in the coming days for more information.

Qualified Energy Conservation Bonds

(Nationwide: \$2.4 billion) The Qualified Energy Conservation Bonds are tax credit bonds that are similar to Clean Renewable Energy Bonds. These bonds are available for a different type of qualified renewable energy project.

The definition of qualified energy conservation projects is fairly broad and contains elements relating to energy efficiency capital expenditures in public buildings; renewable energy production; various research and development applications; mass commuting facilities that reduce energy consumption; several types of energy-related demonstration projects; and public energy efficiency education campaigns.

The American Recovery and Reinvestment Act provides \$2.4 billion and modifies this bond program so that qualified energy conservation dons may be issued to make loans and grants for capital expenditures to implement green community programs and can be used for programs in which utilities provide ratepayers with energy-efficient property and recoup the costs of that property over an extended period of time.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at http:// www.irs.gov and http://www.recovery.gov in the coming days for more information.

ENERGY STAR Tax Credits

ENERGY STAR is a joint program of the U.S. Environmental Protection Agency and the U.S. Department of Energy helping individuals and families save money and protect the environment through energy efficient products and practices.

The existing law provides a tax credit equal to 10 percent of the amount paid or incurred by the taxpayer for qualified energy efficiency improvements installed during the taxable year. The credit is capped depending on what item is purchased. Congress must reauthorize these tax credits periodically.

The American Recovery and Reinvestment Act extends these tax credits through 2010. In addition, it increases the amount of the tax credit to 30 percent of qualified energy efficiency improvements during the taxable year. Furthermore, this legislation implements a flat tax credit rate cap of \$1,500 on all qualifying purchases.

For information on what home improvements qualify for this tax credit and how to access these credits, you will need to visit the ENERGY STAR Web site at http://www.energystar.gov or call the ENERGY STAR Hotline at (888) 782-7937.

Alternative Fuel Vehicle Refueling Property

The alternative refueling property credit provides a tax credit to businesses (example: gas stations) and individuals that install alternative fuel pumps, such as fuel pumps that dispense E-85 fuel, electricity, hydrogen, and natural gas.

The American Recovery and Reinvestment Act increases the current 30 percent alternative refueling property credit for businesses (capped at \$30,000) to 50 percent (capped at \$50,000). Hydrogen refueling pumps would remain at a 30 percent credit; however, the cap for hydrogen refueling pumps is increased to \$200,000. In addition, the Recovery Act increases the alternative refueling property credit for individuals from 30 percent to 50 percent (capped at \$2,000).

In previous years, individuals who were seeking this tax credit had to submit an Internal Revenue Service (IRS) Form 8911 when they filed their taxes. The following Web site provides guidance on how the tax credit was administered in 2007, http://www.irs.gov/irb/2007-22 IRB/ar10.html.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at http://www.recovery.gov in the coming days for more information.

Plug-in Electric Drive Vehicle Credit

Late last year, Congress passed into a law a tax credit for qualified plug-in electric drive vehicles. Batteries of at least 4 kWh qualify for a \$2,500 credit. An additional \$417 is provided for each additional kWh, up to \$7,500 for vehicles up to 10,000 lbs. Vehicles up to 14,000 lbs qualify for a \$10,000 credit. Vehicles between 14,000 and 26,000 lbs qualify for a \$12,500 credit. Vehicles over 26,000 lbs qualify for a \$15,000 credit.

The American Recovery and Reinvestment Act modifies this existing law by limiting the maximum credit to \$7,500 regardless of vehicle weight and eliminates the credit for vehicles weighing 14,000 lbs or more.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at http://www.recovery.gov in the coming days for more information. If you do not have access to the internet, you can call the IRS toll free at (800) 829-1040.

Advanced Energy Investment Credit

(Nationwide: \$2.3 billion)

The American Recovery and Reinvestment Act establishes a new 30 percent investment tax credit for facilities engaged in the manufacturing of advanced energy project.

A qualified advanced energy project is project that re-equips, expands, or establishes a manufacturing facility for the production of property designed to be used:

- To produce energy from the sun, wind, or geothermal deposits or other renewable resources
- Fuel cells, microturbines, or an energy storage system for use with electric or hybrid-electric motor vehicles
- Electric grids to support the transmission of intermittent sources of renewable energy, including storage of such energy
- Property designed to capture and sequester car dioxide
- Property designed to refine or blend renewable fuels (excluding fossil) or to produce energy conservation technologies
- Other advanced energy property designed to reduce greenhouse gas emissions as determined by the Secretary

Qualified property must be depreciable property used in a qualified advanced energy project. Qualified property does not include property designed to manufacture equipment for use in the refining or blending of any transportation fuel other than renewable fuels.

Credits are only available for projects certified by the Secretary of Treasury & Secretary of Energy through a competitive bidding process. 180 days after enactment, the Secretary of Treasury must establish a certification program.

For further details, I encourage you to visit the U.S. Department of the Treasury Web site at http://www.energy.gov and <a href="http://www.energy.gov

Parity for Transit Benefits

Current law provides a tax-free fringe benefits employers can provide to employees for transit and parking. Those benefits are set at different dollar amounts.

The American Recovery and Reinvestment Act would equalize the tax-benefit employers can provide for transit and parking. The proposal sets both the parking and transit benefits at \$230 a month for 2009, indexes them equally for 2010, and clarifies that certain transit benefits apply to federal employees.

For information about how the Internal Revenue Service (IRS) administered this program in 2008, you can view IRS Publican 15-B at http://www.irs.gov/pub/irs-pdf/p15b_08.pdf.

For further details, I encourage you to visit the IRS Web site at http://www.irs.gov in the coming days for more information. If you do not have access to the internet, you can call the IRS toll-free at (800) 829-1040.

Section V Education Programs

The American Recovery and Reinvestment Act provides over \$100 billion for education. These funds will go to several existing education programs administered by the U.S. Department of Education, including programs authorized by the Elementary and Secondary Education Act (ESEA), the Individuals with Disabilities Education Act (IDEA), and the Higher Education Act (HEA). The legislation also provides \$53.6 billion directly to states for an education stabilization fund to prevent education-related layoffs, upgrade, repair and modernize schools and restore harmful cuts to education funding.

Federal Funds Administered by California

California Department of Education

http://www.cde.ca.gov

Elementary and Secondary Education Act (ESEA) Title I, Part A

(Nationwide: \$13 billion) (California: \$1.6 billion)

The Elementary and Secondary Education Act (ESEA) particularly its Title I, Part A program of Education for the Disadvantaged, is the primary source of federal aid to K-12 education. The ESEA was initially enacted in 1965 and was most recently amended and reauthorized by the No Child Left Behind Act of 2001.

Title I, Part A, of the ESEA authorizes federal aid to local educational agencies (school districts) for the education of disadvantaged children. Title I, Part A grants provide supplementary educational and related services to low-achieving and other pupils attending pre-kindergarten through grade 12 schools with relatively high concentrations of pupils from low-income families.

Portions of each annual appropriation for Title I, Part A are allocated under four different formulas—Basic, Concentration, Targeted, and Education Finance Incentive Grants (EFIG)—although funds allocated under all of these formulas are combined and used for the same purposes by local education agencies (LEAs).

Although the allocation formulas have several distinctive elements, the primary factors used in all four formulas are estimated numbers of children aged 5-17 in poor families plus a state expenditure factor based on average expenditures per pupil for public K-12 education. Other factors included in one or more formulas include weighting schemes designed to increase aid to LEAs with the highest concentrations of poverty, and a factor to increase grants to states with high levels of expenditure equity among their LEAs.

For a list of estimated Title I funds that will be directed to <u>local school districts</u>, visit the Recovery Act page on my Web site at http://www.farr.house.gov/recovery or click this link: http://www.farr.house.gov/index.php?option=com_content&task=view&id=485.

For more information, you can reach the California Department of Education at the following contact information:

California Department of Education

1430 N St.

Sacramento, CA 95814 Phone: (916) 319-0800 http://www.cde.ca.gov/

Elementary and Secondary Education Act (ESEA) Title II, Part D (Nationwide: \$637 million) \$74 million

The Title II, Part D of ESEA provides funding for education technology. The American Recovery and Reinvestment Act provides \$650 million for this program. California is estimated to receive \$744 million.

These funds are used to increase access to educational technology, support the integration of technology into instruction, enhance technological literacy, and support technology-related professional development of teachers.

At least 95 percent of these funds must be allocated by the state department of education to LEAs (school districts). 50 percent of the funds will be distributed by formula, in proportion to Title I, Part A grants, and 50 percent will be award competitively. As a result, school districts will have to apply to receive a portion of these funds.

For more information about how to receive funds, you can reach the California Department of Education at the following contact information:

California Department of Education

1430 N St.

Sacramento, CA 95814 Phone: (916) 319-0800 http://www.cde.ca.gov/

Individuals with Disabilities Education Act (IDEA)

(Nationwide: \$11.3 billion) (California: \$1.2 billion)

IDEA is the major federal statute that supports special education and related services for children with disabilities. The American Recovery and Reinvestment Act provides \$11.8 billion. California is estimated to receive \$1.2 billion in IDEA funding.

As a condition of accepting IDEA funding, the act requires that states and LEAs provide a free appropriate public education to each eligible child with a disability. The IDEA is divided into four parts. Part A contains the general provisions, including the purposes of the act and definitions. Part B, the most often discussed part of the act, contains provisions relating to the education of school aged children (grants to states) and a state grant program for preschool children with disabilities (Section 619). Part C authorizes state grants for programs serving infants and toddlers with disabilities, while Part D contains the requirements for various national activities designed to improve the education of children with disabilities.

The American Recovery and Reinvestment Act provides funding to states for Part B and Part C of IDEA. For more information about these funds, you can reach the California Department of Education at the following contact information:

California Department of Education

1430 N St.

Sacramento, CA 95814 Phone: (916) 319-0800 http://www.cde.ca.gov/

For a list of estimated Title I funds that will be directed to <u>local school districts</u>, visit the Recovery Act page on my Web site at http://www.farr.house.gov/recovery or click this link: http://www.farr.house.gov/index.php?option=com_content&task=view&id=485.

State Education Stabilization Fund

(Nationwide: \$53.6 billion) (California: \$6 billion)

(Nationwide: \$15.64 billion)

The American Recovery and Reinvestment Act created a state stabilization fund to provide funds directly to states for an education stabilization fund to prevent education-related layoffs, upgrade, repair and modernize schools and restore harmful cuts to education funding. The bill provides \$53.6 billion for this fund. California is estimated to receive \$6 billion.

Funding under this section will be provided to each state governor. The governor would be required to use at least 81 percent of the state's allocation to support elementary, secondary, and postsecondary education. The governor will also be required to provide the Department of Education with certain assurances regarding the distribution of these funds.

For further details, I encourage you to visit the U.S. Department of Education's Web site at http://www.recovery.gov in the coming days for more information.

Funds Administered by the U.S. Department of Education

Federal Pell Grant Funding

The American Recovery and Reinvestment Act increases the maximum Pell Grant to \$5,350 for the 2009-2010 school year and to \$5,550 for the 2010-2011 school year.

Under the Federal Pell Grant program, Pell Grants are made available to low-income undergraduate students to help offset their costs associated with obtaining a postsecondary education. The Pell Grant program is the largest source of federal grant aid to postsecondary students. Pell Grants are portable, in that the grant aid follows students to the eligible postsecondary education institutions in which they enroll.

The Pell Grant award amount is primarily based on the financial resources that a student and the student's family are expected to contribute toward postsecondary education expenses—the student's expected family contribution (EFC). The Pell Grant award is considered to be the foundation of a student's financial aid package because all other forms of federal student aid (e.g., federal student loans) are awarded after the Pell Grant award amount has been determined.

Financial need is determined by the U.S. Department of Education using a standard formula, established by Congress, to evaluate the financial information reported on the *Free Application for Federal Student Aid* (FAFSA) and to determine the family EFC.

The deadline for filing the FAFSA for the 2009-2010 school year is June 30, 2009. To learn more and download a copy of the FAFSA, visit the Department of Education Web site at www.fafsa.ed.gov.

Higher Education Tax Credit

The American Recovery and Reinvestment Act creates a new "American Opportunity" tax credit of up to \$2,500 of the cost of tuition and related expenses paid during the taxable year.

Under this new tax credit, taxpayers will receive a tax credit based on one hundred percent of the first \$2,000 of tuition and related expenses (including books) paid during the taxable year and twenty-five percent of the next \$2,000 of tuition and related expenses paid during the taxable year. Forty percent of the credit would be refundable. This tax credit will be subject to a phase-out for taxpayers with adjusted gross income in excess of \$80,000 or \$160,000 for married couples filing jointly.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at www.irs.gov and www.recovery.gov in the coming days for more information.

Education Infrastructure Financial Tools

Qualified School Construction Bonds

The American Recovery and Reinvestment Act creates a new category of tax credit bonds for the construction, rehabilitation, or repair of public school facilities or for the acquisition of land on which a public school facility will be constructed. Up to \$22 billion in qualified school construction bonds that may be issued by State and local governments with half allocated in 2009 and the remainder allocated in 2010. Forty percent of the bonds will be available to the largest school districts in the country.

For further details, I encourage you to visit the U.S. Department of Education's Web site at http://www.recovery.gov in the coming days for more information.

Qualified Zone Academy Bonds (QZABs)

(Nationwide: \$1.4 billion)

(Nationwide: \$22 billion)

The American Recovery and Reinvestment Act would allow an additional \$1.4 billion of Qualified Zone Academy Bond issuing authority to State and local governments in 2009 and 2010, which can be used to finance renovations, equipment purchases, developing course material, and training teachers and personnel at a qualified zone academy.

QZABs are financial instruments that local education agencies sell to finance school renovation and modernization. The interest on these bonds is paid by the federal government through tax credits to the bondholder. The bondholders are allowed to apply the credits to their federal corporate income tax or alternative minimum tax liability.

Eligible schools include:

- public schools that are either located in an Empowerment Zone or Enterprise Community or in which at least 35 percent of the school's students are eligible for free or reduced-price lunch under the federal lunch program (National School Lunch Act);
- public schools that have an education program designed in cooperation with business and receive a private business contribution that is not less than 10 percent of the net present value of the proceeds of the bond; or

public schools that have an education plan that is approved by their school districts and in which students are subject to the same standards and assessments as other students in the district.

For more information, visit the U.S. Department of Education's Qualified Zone Academy Bond Web site at http://www.ed.gov/programs/qualifiedzone/index.html or contact the California Department of Education at the following contact information:

California Department of Education

1430 N St.

Sacramento, CA 95814 Phone: (916) 319-0800 http://www.cde.ca.gov

Section VI Workforce Development

The American Recovery and Reinvestment Act is designed to save or create 3.5 million jobs. According to the White House, 396,000 of these jobs will be in California and an estimated 7,000 jobs will be on the Central Coast. This legislation appropriates nearly \$4 billion for training and employment services to help spur job growth. Below is a summary of some of the federal and states programs that will receive funds from the American Recovery and Reinvestment Act.

Federal Funds Administered by California

The American Recovery and Reinvestment Act provides \$3.9 billion for training and employment services for activities under the Workforce Investment Act. These funds will be distributed by existing formulas and California will receive an estimated \$540 million from several Department of Labor programs.

California Employment Development Department

Through the California Employment Development Department, unemployed individuals can search for jobs, locate training and more. Employers can find workers, post vacancies and research the labor market.

For information on careers, education, training and work statistics, you can visit the following Web site: http://www.edd.ca.gov/. For further information about out what specific services are available in your area, you can contact your local Workforce Investment Board or visit a career center.

Local Workforce Investment Board Offices

Monterey County Workforce Investment Board

Joseph Werner, Executive Director

730 La Guardia Street Salinas, CA 93905 Phone: (831) 759 664/

Phone: (831) 759-6644 Fax: (831) 796-3512

E-mail: wernerj@co.monterey.ca.us http://www.onestopmonterey.org Santa Cruz Workforce Investment Board

David Lundberg, Acting Director

1000 Emeline Ave. Santa Cruz, CA 95060 Phone: (831) 454-4584

E-mail: david.lundberg@hra.co.santa-cruz.ca.us

http://www.santacruzwib.com

Local Career Centers

One Stop Career Center - King City

200 A Broadway, Suite 62 King City, CA 93930 Phone: (831) 386-6801

One-Stop Career Center - Seaside

1760 Fremont Blvd., Suite D2 Seaside, CA 93955 Phone: (831) 899-8236

One-Stop Career Center - Capitola

2045 40th Avenue, Suite B Captiloa, CA 95010 Phone: (831) 464-6286

One-Stop Career Center - Hollister

1111 San Felipe Road, Suite 107 Hollister, CA 95023 Phone: (831) 637-5627

One Stop Career Center - Salinas

730 La Guardia Street Salinas, CA 93905 Phone: (800) 870-4750

Senior Community Service Employment Program (SCSEP)

SCSEP goals are the enhancement of employment opportunities for older Americans and the promotion of older workers as a solution for businesses seeking a trained, qualified, and reliable workforce.

You can find additional information by visiting the U.S. Department of Labor Senior Community Service Employment Program Web site at http://www.doleta.gov/seniors/.

Formula funds provided through the American Recovery and Reinvestment Act for this program are distributed to California, which in turn provides the funds to the County Area Agencies on Aging. You can view the California Department of Aging Web site http://www.aging.ca.gov/. For information about specific programs available in your area, you should contact your local office at the following contact information:

Monterey County AAA

713 La Guardia St., Suite A Salinas, CA 93905 Phone: (831) 755-3403 Fax: (831) 783-7021

E-mail: remarkmr@co.monterey.ca.us/
http://www.co.monterey.ca.us/aaa/

Seniors Council of Santa Cruz and San Benito,

Inc.

234 Santa Cruz Ave. Aptos, CA 95003 Phone: (831) 688-0400

E-mail: clayk@seniorscouncil.org http://www.seniorscouncil.org

California Department of Social Services

Families and individuals who are going through exceptionally difficult times and need cash assistance, food stamps, help with child care or other assistance may be eligible for services from California.

For more information, you can reach your county assistance office or visit http://www.dss.cahwnet.gov to determine if you can apply for benefits. If you do not have access to the Internet, you can contact the California Department of Social Services at the following contact information:

California Department of Social Services

744 P St.

Sacramento, CA 95814-5512 Phone: (916) 651-8848 http://www.dss.cahwnet.gov

Federal Workforce Development Programs

U.S. Department of Labor

http://www.dol.gov

Dislocated Workers Assistance National Reserve

The Office of National Response administers three discretionary grant programs for eligible entities serving areas of high unemployment or high poverty and experiencing major economic dislocations.

- <u>National Emergency Grants</u>: Temporarily expands service capacity at the state and local levels through time-limited funding assistance in response to dislocation events. (http://www.doleta.gov/neg/)
- <u>Trade Adjustment Assistance</u>: Designed to assist individuals who become unemployed as a result of increased imports from, or shifts in production to, foreign counties. (http://www.doleta.gov/tradeact/)
- <u>Rapid Response Services</u>: Helps workers and employers deal with the effects of layoffs and plant closures, including those that result from increased competition from imports, natural disasters, and other events. (http://www.doleta.gov/layoff/rapid.cfm)

For further details, I encourage you to visit the U.S. Department of Labor Office of national Response at http://www.doleta.gov/layoff/ and http://www.recovery.gov in the coming days for more information.

YouthBuild Program (Nationwide: \$50 million)

YouthBuild is a highly successful alternative education program that assists youth who are often significantly behind in basic skills with obtaining a high school diploma or GED credential. The primary target populations for YouthBuild are adjudicated youth, youth aging out of foster care, and out-of-school youth. The YouthBuild program is perfectly aligned with the Interagency Youth Vision and demand-driven investments supported by Workforce Investment Act (WIA) formula funds. The American Recovery and Reinvestment Act provides \$50 million to support the YouthBuild Program.

For further details, I encourage you to visit the U.S. Department of Labor YouthBuild Web site at http://www.recovery.gov in the coming days for more information.

High Growth Job Training Initiative

(Nationwide: \$750 million)

This initiative is a strategic effort to prepare workers to take advantage of new and increasing job opportunities in high growth, high demand and economically vital sectors of the American economy. \$750 million has been allocated for this Initiative.

\$500 million of the total allotment must be used for research, labor exchange and job training activities that prepare workers for careers in health care, energy efficiency and renewable energy fields.

For further details, I encourage you to visit the U.S. Department of Labor High Growth Job Training Initiative Web site at http://www.doleta.gov/BRG/JobTrainInitiative/ and http://www.recovery.gov in the coming days for additional information.

Office of Job Corps (Nationwide: \$250 million)

Through a nationwide network of campuses, Job Corps offers a comprehensive array of career development services to at-risk young women and men, ages 16 to 24, to prepare them for successful careers. The American Recovery and Reinvestment Act provides \$250 million for construction, rehabilitation and acquisition of Job Corps Centers.

For further details, I encourage you to visit the U.S. Department of Labor Job Corps Web site at http://www.jobcorps.gov/home.aspx and http://www.recovery.gov in the coming days for more information.

Section VII First Responders

The American Recovery and Reinvestment Act includes \$4 billion U.S. Department of Justice (DOJ) grant funding to enhance state, local, and tribal law enforcement. For information about DOJ's plan to administer Recovery Act funds, you should visit its Web site at http://www.ojp.usdoj.gov/BJA/recoveryact.html. Information about programs that will receive Recovery Act funds are listed below.

U.S. Department of Justice

http://www.usdoj.gov

(Nationwide: \$1 billion)

COPS Hiring Recovery Program

COPS Hiring Recovery Program (CHRP) is a competitive grant program that provides funding directly to law enforcement agencies having primary law enforcement authority to create and preserve jobs and to increase their community policing capacity and crime-prevention efforts. The American Recovery and Reinvestment Act provides \$1 billion to support this program.

There is no local match requirement for CHRP, but grant funding will be based on current entry-level salary and benefits packages and therefore any additional costs for higher salaries or benefits for particular individuals hired will be the responsibility of the grantee agency.

CHRP grants will provide 100 percent funding for approved entry-level salaries and benefits for 3 years (36 months) for newly-hired, full-time sworn officer positions (including filling existing unfunded vacancies) or for rehired officers who have been laid off, or are scheduled to be laid off on a future date, as a result of local budget cuts. In addition, there is no cap on the number of positions an agency may request, but awards will be limited to available funding. Please be mindful of the initial 3-year grant period and your agency's ability to fill the officer positions awarded, while following your agency's established hiring policies and procedures.

At the conclusion of federal funding, grantees must retain all sworn officer positions awarded under the CHRP grant. The retained CHRP-funded position(s) should be added to the grantees law enforcement budget with state and/or local funds, over and above the number of locally-funded positions that would have existed in the absence of the grant.

Applications for CHRP grants will be accepted only online through the COPS Office Web site at http://www.cops.usdoj.gov. Grant solicitations opened on March 16, 2009, and close on April 14, 2009. For further information, you can call David Buchanan, Vonda Matthews or Shannon Long in the COPS Grant Office at (202) 514-9079 or call the COPS Office Response Center toll free at (800) 421-6770.

The Edward Byrne Memorial Justice Assistance Grant (JAG) Program (Nationwide: \$2 billion)

The Edward Byrne Memorial Justice Assistance Grant Program allows states and local governments to support a broad range of activities to prevent and control crime and to improve the criminal justice system. JAG replaces the Byrne Formula and Local Law Enforcement Block Grant (LLEBG) programs with a single funding mechanism that simplifies the administration process for grantees. The American Recovery and Reinvestment Act provides \$2 billion to support this program.

The procedure for allocating JAG funds is a formula based on population and crime statistics, in combination with a minimum allocation to ensure that each state and territory receives an appropriate share. Traditionally, funds were distributed 60/40 between state and local recipients. California will receive an estimated \$229 million as its federal share.

For a list of estimated JAG funds available to <u>local law enforcement agencies</u>, visit the Recovery Act page on my Web site at http://www.farr.house.gov/index.php?option=com_content&task=view&id=488. For more information, you can reach the California Office of Emergency Services at the contact information below:

Governor's Office of Emergency Services, Drug Enforcement Section

Gwen Durling Public Safety Branch P.O. Box 419047 Rancho Cordova, CA 95741 Phone: (916) 324-9166

Fax: (916) 324-9179 http://www.oes.ca.gov/

The Edward Byrne Competitive Grant Program

(Nationwide: \$225 million)

The American Recovery and Reinvestment Act requires a portion of U.S. Department of Justice's funds be distributed as competitive grants to improve the functioning of the criminal justice system, to assist victims of crime (other than compensation), and youth mentoring programs.

For further details, I encourage you to visit the U.S. Department of Justice Web site at http://www.ojp.usdoj.gov/BJA/recoveryact.html and http://www.recovery.gov for more information.

Assistance for Rural Law Enforcement to Combat Drug-Related Crime (Nationwide: \$125 million)

The American Recovery and Reinvestment Act requires a portion of the U.S. Department of Justice's funds be used for providing assistance to law enforcement in rural States and rural areas to prevent and combat, crime, especially drug-related crime.

For further details, I encourage you to visit the U.S. Department of Justice Web site at http://www.ojp.usdoj.gov/BJA/recoveryact.html and http://www.recovery.gov for more information.

Victim Compensation and Assistance

(Nationwide: \$100 million)

The Office for Victims of Crime (OVC) is a federal agency within the Office of Justice Programs, U.S. Department of Justice. OVC provides federal funds to support victim compensation and assistance programs nationwide. OVC also provides training for professionals who work with victims, develops and disseminates publications, supports victims' rights projects and educates the public about victim issues.

The Recovery Act provides for \$100 million in funding for victim compensation and assistance, of which \$14 million will be provided to California. Of the \$100 million, \$47.5 million in formula funding will be directed to state agencies that administer VOCA-funded crime victim compensation programs, and an additional \$47.5 million in formula funding will be directed to state agencies that administer VOCA-funded crime victim assistance programs.

For further details on how the federal funds will be administered, you can reach the California Office of Victims Services at the contact information below:

Office of Victims Services

California Attorney General's Office P.O. Box 944255 Sacramento, CA 94244-2550 Toll-free Phone: (877) 433-9069

National Field-Generated Training, Technical Assistance and Demonstration Project (NFG)

(Nationwide: \$5 million)

The Office for Victims of Crime will administer a competitive grant program for private non-profit organizations or public agencies to support the development of national-scope training, technical assistance and demonstration project initiatives. All initiative must focus on improving the capacity of victim service providers and allied practitioners to advance rights and services to crime victims in a variety of areas, including child abuse, elder abuse, sexual assault, and stalking.

For more information about this program and the Office for Victims of Crime, you should visit its Web site at http://www.ovc.gov.

You must visit http://www.ojp.gov/ovc/fund/dakit.htm#FY2009tta to apply for these funds. I also encourage you to visit http://www.recovery.gov in the coming days for more information.

Internet Crimes Against Children ICAC Task Force Program (Nationwide: \$5 million)

The U.S. Department of Justice's Office of Juvenile Justice and Delinquency Prevention agency operates the ICAC Task Force Program. This program helps state and local law enforcement agencies develop an effective response to cyber enticement and child pornography cases. This help encompasses forensic and investigative components, training and technical assistance, victim services, and community education. The program was developed in response to the increasing number of children and teenagers using the Internet, the proliferation of child pornography, and heightened online activity by predators seeking unsupervised contact with potential underage victims.

The ICAC program is a national network of 59 coordinated task forces representing over 2,000 federal, state, and local law enforcement and prosecutorial agencies. These agencies are engaged in proactive investigations, forensic investigations, and criminal prosecutions. By helping state and local agencies to develop effective, sustainable responses to online child victimization and child pornography, OJJDP has increased their capacity to address Internet crimes against children.

California's share of the \$50 million will be \$5 million. To date, the ICAC Task Force has not provided guidance on how these federal funds will be administered. In the coming days, you should check the following Web sites for further instructions.

American Recovery and Reinvestment Act: http://www.recovery.gov

DOJ's Office of Juvenile Justice and Delinquency Prevention: http://ojjdp.ncjrs.gov/

<u>ICAC Task Force Program: http://ojjdp.ncjrs.gov/recoveryact.html</u> or http://ojjdp.ncjrs.gov/programs/ProgSummary.asp?pi=3

Office on Violence Against Women

(Nationwide: \$18 million)

The American Recovery and Reinvestment Act provides \$225 million to be used by the Office on Violence Against Women to develop and support the capacity of state, local, tribal, and non-profit entities involved in responding to violence against women. California's share will be just under \$18 million. You can visit the Office on Violence Against Women Web site at http://www.ovw.usdoj.gov to learn more about this agency.

Of those funds, the Act directs \$175 million to states, allocated based on population, under the Services*Training*Officers*Prosecutors (STOP) Formula Grant Program. You can view the STOP Web site at http://www.ovw.usdoj.gov/stop_grant_desc.htm for more information.

The remaining \$50 million will be administered by the Transitional Housing Assistance Grant Program, focusing on a holistic, victim-centered approach to transitional housing services and related support services that move individuals into permanent housing. For more information about this program, you can view the Transition Housing Grant Web site at http://www.ovw.usdoj.gov/thousing_grant_desc.htm.

For further details, I encourage you to visit the U.S. Department of Justice Web site at http://www.recovery.gov in the coming days for more information.

Federal Emergency Management Agency

http://www.fema.gov

Fire companies play a critical role in providing safety and security to our nation's communities. The American Recovery and Reinvestment Act provides \$210 million in competitive grants for non-federal fire stations.

Funds can be used to modify, upgrade or construct non-federal fire stations. State and local fire companies are eligible to apply. The Federal Emergency Management Agency (FEMA) will administer these infrastructure grants to fire departments.

For further details, It is likely FEMA will administer this program in a fashion similar to the Assistance to Firefighters Grant Program (AFG). I encourage you to check the following Web sites or call the help desk in the coming days for more information.

American Recovery and Reinvestment Act: http://www.recovery.gov

Assistance to Firefighters Grant Program: http://www.firegrantsupport.com/

Federal Emergency Management Agency (FEMA): http://www.fema.gov

U.S. Department of Homeland Security (DHS): http://www.dhs.gov

Firefighters Grant Program Help Desk

Phone: (866) 274-0960 Email: firegrants@dhs.gov

FEMA/DHS/AFG Region IX

Administrator Kim Walz 1111 Broadway, Suite 1200 Oakland, CA 94607-4052 Phone: (510) 627-7006

E-mail: kim.walz@dhs.gov

http://www.fema.gov/about/regions/regionix/

Section VIII Economic & Community Development

In order to rebuild our economy, we will need to rebuild and upgrade our community infrastructure. The American Recovery and Reinvestment Act provides funds for several different federal and state agencies and program to rebuild and upgrade the nation's communities. Below is a summary of some of the federal and states programs that will receive funds from the American Recovery and Reinvestment Act.

U.S. Department of Agriculture Rural Development

http://www.rurdev.usda.gov

(Nationwide: \$130 million)

Community Facilities Program

USDA's Rural Development administers the Community Facilities Program to develop essential community facilities for public use in rural areas. The American Recovery and Reinvestment Act provides \$130 million to support this program.

Community facilities include schools, libraries, childcare, hospitals, medical clinics, assisted living facilities, fire and rescue stations, police stations, community centers, public buildings and transportation.

Community Programs utilizes three flexible financial tools to achieve this goal: the Community Facilities Guaranteed Loan Program, the Community Facilities Direct Loan Program, and the Community Facilities Grant Program. Maximum Grant can be up to 75 percent of total project cost.

Rural area is defined as areas with populations of 20,000 or less. Public bodies and non-profit organizations can apply.

For more information about this program, you can visit the USDA Rural Development Web site at http://www.rurdev.usda.gov/ca/.

In order to apply for these funds you can reach your local USDA Rural Development office. You can find their contact information on page 10 of this guidebook.

Rural Utilities Service – Broadband

(Nationwide: \$2.5 billion)

USDA's Rural Development, Rural Utilities Service aims to create and modernize rural telecommunications services across the United States. The American Recovery and Reinvestment Act provides \$2.5 billion for Broadband loans, loan guarantees, and grants.

At least 75 percent of the area that will be served by a project receiving these funds must be in a rural area previously lacking sufficient access to high-speed broadband services. Priority will be given to projects that can commence promptly.

The Secretary of Agriculture is required to submit a report on planned spending and actual obligations no later than 90 days after enactment.

For further details, I encourage you to visit the U.S. Department of Agriculture Web site at http://www.recovery.gov in the coming days for more information.

U.S. Environmental Protection Agency

http://www.epa.gov

Brownfields Program (Nationwide: \$100 million)

Brownfields are real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. The U.S. Environmental Protection Agency's (EPA) Brownfields Program provides direct funding for brownfields assessment, cleanup, revolving loans, and environmental job training. EPA's Regional Office Administers this grant program.

Brownfields Grants are divided into Assessment Grants, Revolving Loan Fund Grants, Cleanup Grants, Job Training Grants and Training, Research, and Technical Assistance Grants. For information about each grant program, you can visit http://www.epa.gov/swerosps/bf/pilot.htm.

For information about how to apply for these funds, you can reach EPA's Region 9 Office at the following contact information:

EPA Region 9 Brownfield Office

Debbie Schechter, Brownfields and Site Assessment Section Chief

75 Hawthorne Street San Francisco, CA 94105 Phone: (415) 972-3093

Phone: (415) 972-3093 Fax: (415) 947-3520

E-mail: schechter.debbie@epa.gov

http://www.epa.gov/region09/waste/brown/

U.S. Department of Commerce

http://www.commerce.gov

Economic Development Administration (EDA)

(Nationwide: \$150 million)

In fulfilling its mission, EDA is guided by the basic principle that distressed communities must be empowered to develop and implement their own economic development and revitalization strategies. Based on these locally- and regionally-developed priorities, EDA works in partnership with state and local governments, regional economic development districts, public and private nonprofit organizations, and Indian tribes. You can view the EDA Web site at http://www.eda.gov.

The American Recovery and Reinvestment Act provides \$150 million for EDA to administer its numerous programs. A summary of these programs is provided below.

EDA is required to give priority consideration to areas of the Nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring.

Summary of EDA's Economic Development Programs (http://www.eda.gov/AboutEDA/Programs.xml)

Public Works and Economic Development Program

Investments help support the construction or rehabilitation of essential public infrastructure and facilities necessary to generate or retain private sector jobs and investments, attract private sector capital, and promote regional competitiveness, including investments that expand and upgrade infrastructure to attract new industry, support technology-led development, redevelop brownfield sites and provide eco-industrial development.

Economic Adjustment Assistance Program

The Economic Adjustment Assistance Program provides a wide range of technical, planning and infrastructure assistance in regions experiencing adverse economic changes that may occur suddenly or over time. This program is designed to respond flexibly to pressing economic recovery issues and is well suited to help address challenges faced by U.S. regions and communities

Research and National Technical Assistance

The Research and National Technical Assistance Program supports research of leading, world class economic development practices, and funds information dissemination efforts.

Local Technical Assistance

The Local Technical Assistance Program helps fill the knowledge and information gaps that may prevent leaders in the public and nonprofit sectors in economically distressed regions from making optimal decisions on local economic development issues.

Planning Program

The Planning Program helps support planning organizations, including District Organizations and Indian Tribes, in the development, implementation, revision or replacement of comprehensive economic development strategies (CEDS), and for related short-term planning investments and State plans designed to create and retain higher-skill, higher-wage jobs, particularly for the unemployed and underemployed in the nation's most economically distressed regions.

University Center Economic Development Program

The University Center Economic Development Program is a partnership between the Federal government and academia that helps to make the varied and vast resources of universities available to economic development communities.

Trade Adjustment Assistance for Firms Program

EDA administers the Trade Adjustment Assistance for Firms Program through a national network of eleven Trade Adjustment Assistance Centers to help manufacturing and production firms, which have lost domestic sales and employment due to increased imports of similar or competitive goods, become more competitive in the global economy

For more information about how to apply for these funds, you can reach the local EDA Office at the following contact information:

Economic Development Administration

Diane Church, Economic Development Representative

Phone: (831) 722-4288 E-mail: <u>dchurch@doc.gov</u> <u>http://www.doc.gov/eda</u>

U.S. Department of Housing and Urban Development http://www.hud.gov

Community Development Block Grant Program (CDBG) (Nationwide: \$1 billion)

The U.S. Department of Housing and Urban Development administers formula grants to entitled states, cities and counties to develop viable communities. The American Recovery and Reinvestment Act allocates \$1 billion for this program.

Communities receiving CDBG funds are permitted to carry out a wide range of community development

activities directed toward revitalizing neighborhoods, economic development, and providing improved community facilities and services.

Priority will be given to projects that can award contracts based on bids within 120 days. For more information about eligible CDBG activities, you can visit the following Web site: http://www.hud.gov/offices/cpd/communitydevelopment/library/stateguide/.

To apply for these funds, you can reach the community agency who receives these federally allocated funds. You will find a list of communities who receive CDBG funds on page 10 of this guidebook.

For more information about this program, you can visit the U.S. Housing and Urban Developments Web site at http://www.hud.gov or you can visit the Community Development Block Grant Program Web site at http://www.hud.gov/offices/cpd/communitydevelopment/programs/.

Neighborhood Stabilization Program Grants

(Nationwide: \$2 billion)

Neighborhood Stabilization Program will provide emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The Neighborhood Stabilization Program (NSP) provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes. Communities with a HUD risk score of six and above or significant subprime lending are eligible for these competitive funds.

The American Recovery and Reinvestment Act provides \$2 billion for this grant program. These funds are administered in a similar fashion as the Community Development Block Grant Program (CDBG). The California Department of Housing and Community Development administers most of these funds.

For information on how to apply for these funds, you can reach DCED at the following contact information:

California Department of Housing and Community Development

800 Third Street Sacramento, CA 95811-6942

Phone: (916) 445-4782 http://www.hcd.ca.gov/

For more information about this program, you can visit the U.S. Housing and Urban Developments Web site at http://www.hud.gov or you can visit the Neighborhood Stabilization Program Web site at http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/.

HOME Investment Partnerships Program

(Nationwide: \$2.25 billion)

HOME provides formula grants to States and localities that communities use, often in partnership with local nonprofit groups, to fund a wide range of activities that build, buy and/or rehabilitate affordable housing for rent or homeownership or provide direct rental assistance to low-income people. HOME is the largest Federal block grant to State and local governments designed exclusively to create affordable housing for low-income households.

The American Recovery and Reinvestment Act provides \$2.25 billion to support the HOME Investment Partnership Program. These funds are administered in fashion similar to the Community Development Block Grants. To apply for these funds, you can reach the community agency that receives these federally-allocated funds. You will find a list of those communities on page 10 of this guidebook.

For more information about the program, you visit the U.S. Housing and Urban Development Web site at http://www.hud.gov or you can visit the HOME Investment Partnerships Program Web site at http://www.hud.gov/offices/cpd/affordablehousing/programs/home/.

Financial Tools for Economic & Community Development

Build America (Tax Credit) Bond

The American Recovery and Reinvestment Act creates a new "Build America Bond" tax credit to help State and local governments finance certain infrastructure projects. This program is unique because it will provide a tax credit bond in lieu of a tax-exempt bond.

Tax credit bonds differ from tax-exempt bonds in two ways: (1) interest paid on tax credit bonds is taxable; and (2) a portion of the interest paid on tax credit bonds takes the form of a Federal tax credit. The Federal tax credit offsets a portion of the cash interest payment that the State or local government would otherwise need to make on the borrowing.

The American Recovery and Reinvestment Act provides in 2009 and 2010 for State and local governments the option of issuing a tax credit bond instead of a tax-exempt governmental obligation bond. Because the market for tax credits is currently small given the current economic conditions, this provision will allow State or local governments to elect to receive a direct payment from the Federal government equal to the subsidy that would have otherwise been delivered through the Federal tax credit for bonds.

For more detailed information about this bond, you can view the tax provisions in the American Recovery and Reinvestment Act provided by the U.S. House Ways and Means Committee at http://waysandmeans.house.gov/media/pdf/110/sbill.pdf.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at http://www.irs.gov, the U.S. Department of the Treasury Web site at http://www.ustreas.gov and http://www.recovery.gov in the coming days for more information.

Recovery Zone Bonds

The American Recovery and Reinvestment Act creates a new category for tax credit bonds for investment in economic recovery zone. The Recovery Act authorizes \$10 billion in recovery zone economic development bonds and \$15 billion in recovery zone facility bonds.

These bonds could be issued during 2009 and 2010. Each state will receive a share of the national allocation based on that state's job losses in 2008 as percentage of national job losses in 2008. These allocations would be sub-allocated to local municipalities.

Municipalities receiving an allocation of these bonds would be permitted to use these bonds to invest in infrastructure, job training, education and economic development in areas within the boundaries of the State, city or county that has significant poverty, unemployment or home foreclosures.

For more detailed information about this bond, you can view the tax provisions in the American Recovery and Reinvestment Act provided by the U.S. House Ways and Means Committee at http://waysandmeans.house.gov/media/pdf/110/sbill.pdf.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at http://www.irs.gov, the U.S. Department of the Treasury Web site at http://www.ustreas.gov and http://www.recovery.gov in the coming days for more information.

New Markets Tax Credits

The American Recovery and Reinvestment Act provides an additional \$5 billion for the New Markets Tax Credits program. The New Markets Tax Credit (NMTC) Program permits taxpayers to receive a credit against federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs).

Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities. The credit provided to the investor totals 39 percent of the cost of the investment and is claimed over a seven-year credit allowance period. In each of the first three years, the investor receives a credit equal to five percent of the total amount paid for the stock or capital interest at the time of purchase. For the final four years, the value of the credit is six percent annually. Investors may not redeem their investments in CDEs prior to the conclusion of the seven-year period.

You can learn more about the program at the U.S. Department of the Treasury's New Markets Tax Credit Program Web site at

http://www.cdfifund.gov/what_we_do/programs_id.asp?programID=5.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at http://www.irs.gov, the U.S. Department of the Treasury Web site at http://www.ustreas.gov and http://www.ustreas.gov

Section IX Health Initiatives

With unemployment increasing and fewer American covered by health insurance, the bill recognizes that an economic recovery demands healthy workers. The American Recovery and Reinvestment Act provides \$87 billion to state governments to keep their Medicaid programs afloat. The bill also directs the government to subsidize COBRA health care premiums and invests funds in the health information technology sector.

Federal Funds Administered by California

California Department of Health Care Services

http://www.medi-cal.ca.gov/

Medicaid Funds (Nationwide: \$87 billion)

(California: \$11.2 billion)

The Recovery Act protects health care coverage for millions of Americans during this recession, by providing a total of \$87 billion in additional federal matching funds to the states for Medicaid over a 27-month period – beginning October 1, 2008 through December 31, 2009. This is designed to help states avoid further cuts in Medicaid enrollment and coverage.

President Obama announced that states would be able to access the first portion of this Medicaid Fiscal Relief starting on February 25 – totaling \$15 billion. A state-by-state table can be found at: http://www.hhs.gov/recovery/statefunds.html.

For more information in the coming days, I encourage you to visit the Medi-Cal Web site at http://www.medi-cal.ca.gov/ or call 1-800-541-5555.

Additional Health Programs

COBRA

Congress passed the Consolidated Omnibus Budget Reconciliation Act (COBRA) in 1986. The law included health benefit provisions that provide continuation of group health coverage that otherwise would terminate after an individual loses employment. Most people who work for large- and medium-sized employers can continue coverage for 18 months under COBRA, but the premiums are expensive.

The Recovery Act provides for the government to pay for up to 65 percent of the total cost for the first nine months. COBRA applies to companies employing at least 20 people. Subsidies will be offered to individuals who lost employment between Sept. 1, 2008, and Dec. 31, 2009. Individuals who lost employment after September but didn't accept COBRA coverage have 60 days to sign up.

A guide to <u>Frequently Asked Questions</u> about COBRA and the American Recovery and Reinvestment Act is available online at my Recovery Act Web site: http://www.farr.house.gov/recovery. You can also access the document by clicking on this link:

http://www.farr.house.gov/images/stories/Documents/cobra%20faq.pdf

Health Information Technology

The Office of the National Coordinator for Health Information Technology (ONC) will administer funds for this program. For more information in the coming days, I encourage you to visit the ONC Web site at http://www.hhs.gov/healthit/ or contact the office at the following contact information:

Office of the National Coordinator for Health Information Technology

Department of Health and Human Services 200 Independence Ave. SW Suite 729-D Washington, DC 20201 Phone: 202-690-7151

E-mail: onc.request@hhs.gov http://www.hhs.gov/healthit/

Section X Small Business

Small Business is the engine that drives our economy. The American Recovery and Reinvestment Act provides \$730 million to the Small Business Administration (SBA) and makes changes to the agency's lending and investment programs so that they can reach more small businesses that need help. Below is a summary of some of the changes.

Small Business Administration

http://www.sba.gov

(Nationwide: \$375 million)

Temporary Fee Reductions or Eliminations

The American Recovery and Reinvestment Act provides \$375 million for temporary fee reductions or eliminations on Small Business Administration (SBA) loans. Most fees are reduced or eliminated through September 2010 on certain SBA loans.

90 Percent Guarantee

The American Recovery and Reinvestment Act allows the SBA to raise its loan guarantee from the current levels to as much as 90 percent for some loans. At present, SBA can guarantee loans up to 85 percent on loans up to \$15,000 and up to 75 percent on loans greater than \$150,000. The 50 percent guarantee on SBA Express loans would remain unchanged.

Business Stabilization Loans

(Nationwide: \$225 million) The American Recovery and Reinvestment Act creates a new SBA loan program to provide deferredpayment loans of up to \$35,000 to viable small businesses that need the money to make payments on an existing, qualifying loan for up to six months. These loans will be 100 percent guaranteed by SBA. Repayment would not have to begin until 12 months after the loan is fully disbursed.

Microloans (Nationwide: \$30 million)

The American Recovery and Reinvestment Act provides \$30 million for expanding SBA's Microloan program, enough to finance up to \$50 million in new lending and \$24 million in technical assistance grants to microlenders. This expands SBA's Microloan program, which provides small loans (up to \$35,000) paired with technical assistance to start-up, newly established or growing small businesses. Historically, these loans reach low-income individuals, women and minorities in both rural and urban areas. The program is expanded through September 30, 2010.

Refinancing

The American Recovery and Reinvestment Act authorizes refinancing for certain SBA loans so borrowers can expand their businesses on favorable terms, and help create jobs in their communities. This loan authority is through the 504 Certified Development Company program.

Secondary Market Expansion

The American Recovery and Reinvestment Act authorizes SBA to establish a secondary market for pools of "first lien" loans under the 504 program. These "first lien" loans from commercial lenders currently have no SBA guarantee. The Act authorizes SBA to deploy federal guarantees for pools of these first lien loans, so that they can be sold to investors in a secondary market. Providing liquidity for these first mortgages will help encourage lenders to continue participating in SBA's 504 loan program, which provides a key source of capital for community development and other projects.

The Act also empowers SBA to set up a Secondary Market Lending Authority that would make direct loans to broker-dealers that participate in the secondary market for SBA-guaranteed 7(a) loans.

Surety Bonds (Nationwide: \$15 million)

The American Recovery and Reinvestment Act raises the maximum contract amount that can be covered by an SBA guaranteed surety bond from \$2 million to \$5 million, and, under certain circumstances, for contracts amounting to \$10 million, and provides additional funds to cover the costs of expanding this program.

Small businesses need surety bonds in order to bid on and obtain many federal and other contracts. SBA guarantees surety bonds to small businesses that private surety companies would not otherwise be able to extend.

Investment Program

The American Recovery and Reinvestment Act helps SBA-licensed Small Business Investment Companies (SBICs) and families of SBIC funds better leverage the capital they use to invest in small businesses. The Recovery Act sets maximum levels of funding the agency can provide to these companies at up to three times the private capital raised by those companies, or \$150 million, whichever is less. It also raises the percentage any one SBIC can invest in a single small business to 10 percent of total capital, and raises from 20 percent to 25 percent the percentage of any licensee's dollar investments that must be made in "smaller" businesses.

SBA Contact Information

The Small Business Administration (SBA) will administer any changes included in the American Recovery and Reinvestment Act. For more information, I encourage you to visit the SBA Web site at http://www.sba.gov or contact the local office at the following contact information:

Fresno District Office

2719 North Air Fresno Dr., Suite 200

Fresno, CA 93727 Phone: (559) 487-5791 Fax: (559) 487-5636

http://www.sba.gov/localresources/district/ca/fresno/index.html

I also encourage you to consult with our local Small Business Development Center (SBDC). The SBDC program is a cooperative effort of the private sector, the educational community, and federal, state, and local governments. You can visit the SBDC free of charge through the following contact information:

Cabrillo College SBDC

(Serves Santa Cruz and Monterey Counties) 6500 Soquel Dr.

Aptos, CA 95003 Phone: 831-479-6136

Email: sbdc@centralcoastsbdc.org
http://www.cabrillo.edu/services/sbdc/

UC Merced SBDC

(Serves Monterey East of the Salinas River and San

Benito County)

550 East Shaw Avenue, Suite 100

Fresno, CA 93710-7702 Phone: (877) 826-7232

E-mail: casbdc@ucmerced.edu
http://sbda.ucmerced.edu

http://sbdc.ucmerced.edu

Section XI Consumer Tax Credits

The American Recovery and Reinvestment Act cuts taxes for 95 percent of working families in the nation. Below is a summary of some of the tax cuts and credits created.

One-Time Economic Recovery Payment

The American Recovery and Reinvestment Act provides for a one-time payment of \$250 to individuals who receive Social Security benefits, Railroad Retirement benefits, veteran's compensation or pension benefits and Supplemental Security Income (SSI), excluding individuals who receive SSI while in a Medicaid institution.

Furthermore, individuals must have been participating in one of these programs three months prior to 02/17/2009 to qualify.

The one-time payments will not come from Internal Revenue Service (IRS) as they have in previous legislation. The Social Security Administration expects everyone who is entitled to a payment to receive it by late May 2009. No action is required by the individual at this time.

For further details, I encourage you to visit the Social Security Administration Web site at http://www.socialsecurity.gov/payment/ and http://www.recovery.gov in the coming days for more information. If you do not have access to the internet, you can call the Social Security Administration toll free at (800) 772-1213.

Making Work Pay Tax Credit

A refundable tax credit will be issued of up to \$400 for working individuals and \$800 for working families in 2009 and 2010.

For individuals who receive a paycheck and are subject to withholding, the credit will typically be handled by their employers through automated withholding changes in early spring. These changes may result in an increase in take-home pay. The amount of the credit must be reported on the employee's 2009 income tax return filed in 2010. Taxpayers who do not have taxes withheld by an employer during the year can also claim the credit on their 2009 tax return.

It is not necessary to submit a Form W-4 to get the automatic withholding change. However, an employee with multiple jobs or married couples whose combined incomes place them in a higher tax bracket may elect to submit a revised W-4 to ensure enough withholding is held to cover the tax for his or her combined income. Individuals with a gross income above \$75,000 or married couples filing jointly are not eligible for this tax credit.

To date, no further details about this program have been released. I encourage you to visit the Internal Revenue Service (IRS) Web site at http://www.recovery.gov in the coming days for more information. If you do not have access to the internet, you can call the IRS toll free at (800) 829-1040.

Refundable First-Time Home Buyer Credit

Last year, Congress provided taxpayers with a refundable tax credit that was equivalent to an interest-free loan equal to 10 percent of the purchase of a home (up to \$7,500) by first-time home buyers. Taxpayers receiving this tax credit are currently required to repay any amount received back to the government of 15 years in equal installments, or, if earlier, when the home is sold.

The American Recovery and Reinvestment Act eliminates the repayment obligation for taxpayers that purchase homes after January 1, 2009 and before December 1, 2009. In addition, the credit is increased to \$8,000 and removes the prohibition on financing by mortgages revenue bonds.

This provision only applies to the individual's primary residence and if the individual changes residency within 36 months of the purchase, they will be required to payback the credit.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at http://www.recovery.gov in the coming days for more information. If you do not have access to the internet, you can call the IRS toll free at (800) 829-1040.

Sales Tax Deduction for Vehicle Purchases

The American Recovery and Reinvestment Act provides taxpayers with a deduction for State and local sales and excise taxes paid on the purchase of a qualified motor vehicle until January 1, 2010.

A qualified motor vehicle means a passenger automobile, light truck, or motorcycle which has a gross vehicle weight of not more than 8,500 pounds, or a motor home.

For further details, I encourage you to visit the Internal Revenue Service (IRS) Web site at http://www.recovery.gov in the coming days for more information. If you do not have access to the internet, you can call the IRS toll free at (800) 829-1040.