

TEXAS OFFICE OF STATE-FEDERAL RELATIONS

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[Special Stimulus Package Alert](#)

[Fiscal Stimulus](#)

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- On February 13, the US House passed the ‘American Recovery and Reinvestment Act’ (HR 1) by a vote of 246 to 183. The Senate is expected to approve the measure later the same day. The measure will then go to the White House for the President’s signature. The \$787 billion package provides \$311 billion in new spending, including:

INFRASTRUCTURE

- \$7.2 billion to increase broadband access and usage in unserved and underserved areas.
 - \$2.75 billion for the Department of Homeland Security, including:
 - \$1 billion for airport baggage and checkpoint security;
 - \$430 million for construction of border points of entry;
 - \$210 million for construction of fire stations;
 - \$300 million for port, transit, and rail security;
 - \$280 million for border security technology and communication, and;
 - \$240 million for the Coast Guard.
 - \$4.6 billion in funding for the Corps of Engineers.
 - \$1.2 billion for VA hospital and medical facility construction and improvements, long-term care facilities for veterans, and improvements at VA national cemeteries.
 - \$3.1 billion for repair, restoration and improvement of public facilities at on public and tribal lands.
 - \$4.2 billion for facilities sustainment, restoration and modernization to be used for energy efficiency projects.
 - \$2.33 billion for Department of Defense facilities including quality of life and family-friendly military improvement projects.
 - \$2.25 billion through HOME and the Low Income Housing Tax Credit program.
 - \$1 billion for the Community Development Block Grant program for community and economic development projects.
 - \$1 billion for the Bureau of Reclamation to provide drinking water to rural areas and to ensure adequate water supply to western areas impacted by drought.
 - \$27.5 billion for highway spending.
 - \$8.4 billion for public transportation spending.
 - \$1.5 billion for competitive grants to state and local governments for transportation.
 - \$1.3 billion for investments in air transportation.
 - \$9.3 billion for investments in rail transportation, including Amtrak, High Speed and Intercity Rail.
- **Public Housing**
 - \$4 billion to the public housing capital fund, with an emphasis on improving energy efficiency.
 - \$2 billion for full-year payments to owners receiving Section 8 project-based rental assistance.
 - \$2 billion for the redevelopment of abandoned and foreclosed homes.
 - \$1.5 billion for homeless prevention activities.
 - \$250 million is included for energy retrofitting and green investments in HUD-assisted housing projects.
 - Environmental Clean-Up/Clean Water
 - \$6 billion for environmental cleanup of former weapon production and energy research sites.
 - \$6 billion for local clean and drinking water infrastructure improvements.
 - \$1.2 billion for EPA environmental cleanup programs, including Superfund.
 - \$1.28 billion to support \$3.8 billion in loans and grants for rural water and waste disposal facilities.
 - **Science**
 - \$1 billion total for NASA.
 - \$3 billion total for National Science Foundation (NSF).
 - \$2 billion total for Science at the Department of Energy including \$400 million for the Advanced Research Projects Agency—Energy (ARPA-E).
 - \$830 million total for the National Oceanic and Atmospheric Association (NOAA).
 - **Healthcare**
 - \$87 billion in additional federal Medicaid funds. Would be held harmless against any decline; would receive an across the board increase of 6.2 %; and states with large increases in unemployment would receive an additional increase in FMAP.
 - \$24.7 billion for federal subsidies to cover 65% of the cost of health insurance premiums under COBRA for as long as nine months
 - \$19 billion, including \$2 billion in discretionary funds and \$17 billion for investments and incentives through Medicare and Medicaid for adoption and use of interoperable health information technology (IT).

- **Healthcare**
- \$1 billion for prevention and wellness programs.
- \$10 billion to conduct biomedical research in areas such as cancer, Alzheimer's, heart disease and stem cells, and to improve NIH facilities.
- \$1.1 billion to the Agency for Healthcare Research and Quality, NIH and the HHS Office of the Secretary to evaluate the relative effectiveness of different health care services and treatment options.
- **Education and Training Spending**
- \$53.6 billion for the State Fiscal Stabilization Fund, including \$39.5 billion to local school districts using existing funding formulas, \$5 billion to states as grants for meeting certain measures, and \$8.8 billion to states for others needs such as public safety and other services.
- \$13 billion for Title 1 to help close the achievement gap and support disadvantaged students.
- \$12.2 billion for Special Education/IDEA for added resources for disabled children.
- \$15.6 billion to increase the maximum Pell Grant by \$500.
- \$3.95 billion for job training including State formula grants for adult, dislocated worker, and youth programs.
- **Energy**
- \$4.5 billion for repair of federal buildings to increase energy efficiency.
- \$3.4 billion for Fossil Energy research and development.
- \$11 billion for smart-grid related activities, including work to modernize the electric grid.
- \$6.3 billion for Energy Efficiency and Conservation Grants.
- \$5 billion for the Weatherization Assistance Program.
- \$2.5 billion for energy efficiency and renewable energy research.
- \$2 billion in grant funding for the manufacturing of advanced batteries systems and components and vehicle batteries that are produced in the United States.
- \$6 billion for new loan guarantees for standard renewable projects such as wind or solar projects and for electricity transmission projects.
- \$1 billion for miscellaneous energy efficiency programs including alternative fuel trucks and buses, transportation charging infrastructure, and smart and energy efficient appliances.
- **Other Spending**
- \$19.9 billion for additional Supplemental Nutrition Assistance Program (SNAP), formerly Food Stamps, to increase the benefit by 13.6 percent.
- Child Care Development Block Grant: \$2 billion to provide child care services for an additional 300,000 children in low-income families.
- Head Start/Early Head Start: \$2.1 billion for an additional 124,000 children to participate in this program.
- State and Local Law Enforcement: \$4 billion total to support law enforcement efforts.
- \$555 million to expand the Department of Defense Homeowners Assistance Program (HAP).

BREAKDOWN of MAJOR SPENDING AREAS (more to come)....

- **AGRICULTURE, NUTRITION, AND RURAL DEVELOPMENT**
- **DEPARTMENT OF AGRICULTURE:**
- **JURISDICTION:** Rural Utilities Service: Distance Learning, Telemedicine, and Broadband Program
- **FUNDS:** \$350,000,000
- **STIPULATIONS**
- This amount is available for grants, loans and loan guarantees for broadband infrastructure in any area of the United States:
- That at least 75 percent of the area to be served by a project receiving funds from such grants, loans or loan guarantees shall be in a rural area without sufficient access to high speed broadband service to facilitate rural economic development, as determined by the Secretary of Agriculture:
- That priority for awarding such funds shall be given to project applications for broadband systems that will deliver end users a choice of more than one service provider:
- That priority for awarding funds made available under this paragraph shall be given to projects that provide service to the highest proportion of rural residents that do not have access to broadband service:
- Priority for awarding such funds shall be given to project applications for activities that can be completed if the requested funds are provided:
- That priority for awarding such funds shall be given to activities that can commence promptly following approval:

- DEPARTMENT OF AGRICULTURE:
 - That no area of a project funded with amounts available under this paragraph may receive funding to provide broadband service under the Broadband Technology Opportunities Program (TOP)
 - That the Secretary shall submit a report on planned spending and actual obligations describing the use of these funds not later than 90 days after the date of enactment of this Act, and quarterly thereafter until all funds are obligated, to the Committees on Appropriations of the House of Representatives and the Senate.
- DEPARTMENT OF TRANSPORTATION.
 - Texas Department of Transportation (TxDOT) will receive \$2.59 billion, or 7.53% of the total appropriated. Total breaks out as follows:
 - Highways — \$1.5 billion
 - Transit — \$343 million
 - Aviation — \$1.1 billion in discretionary grants made by FAA
 - TxDOT will have 120 days to obligate the first 50% of the highway funds. Any money not distributed within that time frame will be returned to DOT for redistribution to other states. The other 50% must be obligated within 12 months. For transit funds, 50% must be obligated within 180 days or be redistributed and the remaining 50% must be obligated within 12 months. TxDOT believes all funds will be distributed within the stated time frames.
- COMMERCE, JUSTICE, AND SCIENCE
 - DEPARTMENT OF COMMERCE:
 - JURISDICTION: National Telecommunications and Information Administration (NTIA)
 - FUNDS: \$4,700,000,000
 - STIPULATIONS:
 - \$200,000,000 for competitive grants for expanding public center capacity, including at community colleges and public libraries;
 - \$250,000,000 for competitive grants for innovative programs to encourage sustainable adoption of broadband service;
 - \$10,000 for oversight and audits
 - \$350,000,000 for broadband mapping (funds eligible for transfer to FCC)
 - JURISDICTION: Digital-to-Analog Converter Box Program
 - FUNDS: \$650,000,000
 - DEPARTMENT OF COMMERCE:
 - STIPULATIONS
 - \$90,000,000 for education and outreach, including grants to organizations for programs to educate vulnerable populations, including senior citizens, minority communities, people with disabilities, low-income individuals, and people living in rural areas
 - NOTE: Broadband Tax Credit STRIPPED
 - DEPARTMENT OF JUSTICE:
 - JURISDICTION: State and Local Law Enforcement Activities
 - FUNDS: \$225,000,000
 - STIPULATIONS:
 - \$175,000,000: Violence Against Women Prevention and Prosecution Programs
 - \$50,000: Transitional housing assistance grants
 - JURISDICTION: Office of Justice Programs
 - \$2,000,000,000: Edward Byrne Memorial Justice Assistance Grant Program (Byrne JAG)
 - \$225,000,000: for competitive grants to improve the functioning of the criminal justice system, to assist victims of crime, and youth mentoring programs
 - \$40,000,000: for competitive grants to provide assistance and equipment to local law enforcement along the Southern border and in High-Intensity Drug Trafficking Areas
 - \$10,000,000: transferred to Bureau of Alcohol, Tobacco, Firearms and Explosives, Salaries and Expenses for ATF Project Gunrunner
 - \$225,000,000: assistance to Indian Tribes
 - \$100,000,000: to be distributed by the Office for Victims of Crimes
 - \$125,000,000: assistance to law enforcement in rural States and rural areas
 - \$50,000,000: for Internet Crimes Against Children (ICAC) initiatives
 - JURISDICTION: Community Oriented Policing Services (COPS)
 - FUNDS: \$1,000,000,000
 - STIPULATIONS: NONE

- HOMELAND SECURITY
 - DEPARTMENT OF HOMELAND SECURITY:
 - JURISDICTION: US Customs and Border Protection
 - FUNDS: \$160,000,000
 - STIPULATIONS:
 - \$100,000,000: procurement and deployment on non-intrusive inspection systems
 - \$60,000,000: tactical communications equipment
 - Secretary of Homeland Security must report within 45 days to the Senate and House Appropriations committees an expenditure plan
 - FUNDS: \$100,000,000: Border Security Fencing, Infrastructure, and Technology
 - STIPULATIONS:
 - Secretary of Homeland Security must report within 45 days to the Senate and House Appropriations committees an expenditure plan
 - FUNDS: \$420,000,000
 - STIPULATIONS:
 - Planning, management, designs, alteration, and construction of U.S. Customs and Border Protection owned land border ports of entry
 - Secretary of Homeland Security must report within 45 days to the Senate and House Appropriations committees an expenditure plan
 - JURISDICTION: US Immigration and Customs Enforcement
 - FUNDS: \$20,000,000
 - STIPULATIONS:
 - Procurement and deployment of tactical communications equipment
 - Secretary of Homeland Security must report within 45 days to the Senate and House Appropriations committees an expenditure plan
- HOMELAND SECURITY
 - JURISDICTION: Transportation Security Administration
 - FUNDS: \$100,000,000
 - STIPULATIONS:
 - Procurement and installation of checked baggage explosive detection system and check point explosive detection equipment.
 - Secretary of Homeland Security must report within 45 days to the Senate and House Appropriations committees an expenditure plan
 - JURISDICTION: Coast Guard
 - FUNDS: \$98,000,000
 - STIPULATIONS:
 - For shore facilities
 - Secretary of Homeland Security must report within 45 days to the Senate and House Appropriations committees an expenditure plan
 - FUNDS: \$142,000,000
 - STIPULATIONS:
 - Alteration and removal of obstructive bridges
 - Secretary of Homeland Security must report within 45 days to the Senate and House Appropriations committees an expenditure plan
 - JURISDICTION: Federal Emergency Management Agency (State and Local Programs)
 - FUNDS: \$300,000,000
 - STIPULATIONS:
 - \$150,000,000: Public Transportation Security Assistance and Railroad Security Assistance for implementation of 9/11 Commission Act of 2007
 - \$150,000,000: Port Security Grants
 - FUNDS: \$210,000,000
 - STIPULATIONS:
 - Competitive grants for modifying, upgrading, or constructing non-Federal fire stations
 - No grant shall exceed \$15,000,000
 - 5% for program administration.

- DEPARTMENT OF THE INTERIOR
 - The Secretary of the Interior has unlimited reprogramming authority for these funds:
 - State Assistance Grants
 - \$6.4 Billion for Grants
 - \$4 Billion for capitalization grants for the Clean Water State Revolving Funds program (pre-existing formula)
 - \$2 Billion for capitalization grants for the Drinking Water State Revolving Funds program (pre-existing formula)
 - \$100 Million for Brownfields projects
 - \$300 Million for Diesel Emission Reduction Act Grants
 - Stipulation(s): Projects must be under contract or construction within 12 months or funds will be reallocated. Priority of funds shall be given to projects on a State priority list that are ready to proceed to construction within 12 months. Funds are not regulated under any previously established matching or cost share requirements. Not less than 50% of grants received by a State must be provided for additional subsidization to eligible recipients in the form of forgiveness of principal, negative interest loans or grants or any combination thereof. Not less than 20% of the funds appropriated should be used for projects to address green infrastructure, water or energy efficiency improvements. No funds are available for the purchase of land or easements. Funds may be used to buy, refinance or restructure the debt obligations of eligible recipients only where such debt was incurred on or after October 1, 2008.
 - Bureau of Reclamation-Water and Related Resources
 - \$1 Billion for “Water and Related Resources”
 - \$126 Million specifically for water reclamation and reuse projects
 - \$60 Million for rural water projects, expended primarily on water intake and treatment facilities
 - \$10 Million for bureau wide inspection of canals program in urbanized area
 - Stipulation(s): The costs of extraordinary maintenance and replacement activities must be repaid ... the repayment will include interest at a rate determined by the Secretary of the Treasury.
 - Bureau of Land Management
 - \$125 Million Management of Lands and Resources for maintenance, rehabilitation, and restoration of facilities, property, trails and lands
 - \$180 Million for Bureau of Land Management lands for construction, reconstruction, decommissioning and repair of roads, bridges, trails, property, and facilities and for energy efficient retrofits of existing facilities
 - \$15 Million for hazardous fuels reduction given to Wildland Fire Management
 - United States Fish and Wildlife Service
 - \$165 Million for capital improvement projects on national wildlife refuges, national fish hatcheries and for high priority habitat restoration projects
 - \$115 Million for general construction for repair of roads, bridges, property and facilities and energy efficient retrofits of existing facilities
 - National Park Service
 - \$146 Million for maintenance of facilities and trails and for other critical repair and rehabilitation projects
 - \$15 Million for historic preservation projects at historically black colleges and universities. Any matching requirements waived for these funds
 - \$589 Million for construction for repair and restoration of roads, facilities, equipment replacement, cleanup of abandoned mine sites on park lands and any other critical infrastructure projects within the National Park System
 - United States Geological Survey
 - \$140 Million for repair construction and restoration of facilities, equipment replacement and upgrades and other critical deferred maintenance and improvement projects
 - Environmental Protection Agency
 - \$600 Million for the Superfund Remedial program (hazardous substances)
 - \$200 Million for cleanup activities carried out by the Leaking Underground Storage Tank Trust Fund
- DEPARTMENT OF THE ARMY
 - The Secretary of the Army has unlimited reprogramming authority for these funds:
 - \$2 Billion for Construction for Energy & Water Development
 - \$200 Million for “Water Related Environment Infrastructure Assistance”
 - \$2.075 Billion for Operation and Maintenance for Energy & Water Development

- DEPARTMENT OF ENERGY
 - \$5.127 Billion for Defense Environmental Cleanup
 - \$483 Million for Non-Defense Environmental Cleanup
 - \$70 Million for the Decontamination and Decommissioning Fund
- Department of Agriculture
 - \$650 Million for Capital Improvement and Maintenance for priority road, bridge and trail maintenance and decommissioning, including related watershed restoration and ecosystem enhancement projects; facilities improvement, maintenance and renovation
- Department of Agriculture
 - \$250 Million for State and private forestry activities including hazardous fuels reduction, forest health and ecosystem improvement activities on State and private lands using all authorities available to the Forest Service
 - \$250 Million for hazardous fuels reduction, forest health protection, rehabilitation and hazard mitigation activities on Federal lands
 - Stipulation(s): Up to \$50 Million of the above \$250 Million allotments may be used to make wood-to-energy grants to promote increased utilization of biomass from Federal, State and private lands
 - \$290 Million for Watershed and Flood Prevention Operations
 - \$145 Million for necessary expenses to purchase and restore floodplain easements
 - \$50 Million for the Watershed Rehabilitation Program
 - Stipulation: No more than \$30 Million may be obligated for projects in any one State. Priority for funds should be given to projects that can be fully funded and completed with the funds authorized and whom can begin promptly after passage.

TAX RELIEF

- HR 1 contains over \$301.1 billion in tax relief and incentives for individuals, businesses, state/local government, and energy investment, comprising 1/3 of the economic stimulus package. In all, 95% of all taxpayers will see a tax cut as a result of this legislation—making it one of the largest tax cuts in American history.
- INDIVIDUAL TAX ASSISTANCE
 - Over \$232 billion in tax assistance for individual taxpayers, including the following provisions:
 - “Making Work Pay” Refundable Tax Credit: At a cost of \$116.2 billion, this federal payroll tax rebate (e.g. Social Security, Medicare) provides \$400 for individuals and \$800 for married couples filing jointly in 2009 and 2010. The credit phases out as adjusted gross income exceeds \$75,000 for individuals or \$150,000 for joint tax filers.
 - “American Opportunity” Education Credit: At a cost of \$13.9 billion, taxpayers will receive a credit for 100 percent of the first \$2,000 in qualifying tuition and related college expenses and 25 percent for the second \$2,000 in expenses—for a maximum credit of \$2,500 in 2009 and 2010. The credit phases out as adjusted gross incomes exceed \$80,000 for individuals or \$160,000 for joint tax returns.
 - New Homebuyer Tax Credit Repayment Waiver & Expansion: At a cost of \$6.6 billion, HR1 increases the refundable tax credit for new homebuyers to \$8,000 from \$7,500 and eliminates the repayment requirement for homes purchased between January 1, 2009 and June 30, 2009. The credit phases out for individuals with an adjusted gross income that exceeds \$75,000 and \$150,000 for couples filing jointly. If the home is sold within 36 months of purchase, the buyer is ineligible for the tax credit.
 - Car Tax Deduction: At a cost of \$1.7 billion, all state and local sales taxes on new cars, light trucks, recreational vehicles and motorcycles purchased in 2009 are eligible for a federal tax deduction. The deduction phases out starting with individual taxpayers earning \$125,000 per year and \$250,000 for joint returns.
 - Unemployment Benefits Tax Exemption: At a cost of \$4.7 billion, all federal taxes on unemployment benefits are temporarily suspended for the first \$2,400 of unemployment benefits, effective for the 2009 tax year.
 - Earned Income Tax Credit Increase: At a cost of \$4.7 billion, the bill temporarily increases the earned income tax credit for low-income families with three or more children to 45 percent of the first \$12,570 of earned income, for a maximum credit of \$5,656.50.
 - Child Tax Credit Eligibility Expansion: At a cost of \$14.8 billion, HR1 expands eligibility for the refundable portion of the child tax credit by reducing the income floor from \$8,500 to \$3,000 for 2009 and 2010—meaning that low income taxpayers could receive 15 percent of their earned income in those years as a refundable child tax credit.
 - Alternative Minimum Tax “Patch”: At a cost of \$69.8 billion, the legislation helps 26 million middle-class families avoid the Alternative Minimum Tax (AMT). The bill increases the exemption amounts to \$46,700 for individuals and \$70,950 for married couples filing jointly.

- BUSINESS TAX INCENTIVES
 - Nearly \$9 billion of tax credits and incentives for businesses, including the following provisions:
 - Temporary Bonus Depreciation Tax Break: At a cost of \$5.1 billion, the bill extends for one year the ability for businesses to recover the cost of capital expenditures at 50 percent bonus depreciation rate for certain property (e.g., equipment, tractors, wind turbines, solar panels, and computers). This allows businesses to deduct from their taxes 50 percent of the value of that property in addition to amounts they could otherwise claim under depreciation rules after the item's value is adjusted to account for the "bonus" depreciation through 2009.
- BUSINESS TAX INCENTIVES
 - Net Operating Loss Carryback Tax Provision: At a cost of \$947 million, this tax break will help businesses use losses from the past two years to offset profits from earlier years—allowing them to claim tax refunds for five years. This provision is limited to small businesses with \$15 million or less in gross receipts.
 - Delayed Recognition of Certain Cancellation of Debt Income: At a cost of \$1.6 billion, the provision allows businesses to defer tax and reorganize cancellation of debt income over 10 years for specified types of business debt repurchased by the business with cash after December 31, 2008 and before Jan. 1, 2011. This enables businesses to defer tax on cancellation of debt income for the first four or five years and recognize this income ratably over the following five taxable years.
 - Incentives to Hire Unemployed Veterans and Disconnected Youth: At a cost of \$231 million, the provision extends the Work Opportunity Tax Credit (40 percent of the first \$6,000 of wages paid to employees for hiring workers of certain disadvantaged groups) to businesses who hire unemployed veterans and "disconnected youth" in 2009 and 2010.
 - Small Business Capital Gains Tax Exemption: At a cost of \$829 million, the legislation allows a 75 percent exclusion (up from 50 percent) for individuals on the gain from certain small business stock held for more than five years and purchased after the date of enactment and before January 1, 2011.
 - Extension of Increased Small Business Expensing: At a cost of \$41 million, the provision increases the small business expensing limits to \$250,000 for businesses making investments in equipment through 2009.
 - Temporary Reduction of S Corporation Built In Gains Holding Period from 10 years to 7 years: At a cost of \$415 million, HR1 temporarily reduces the holding period from 10 years to seven years for sales made in 2009 and 2010 by S corporations who have recently converted from a taxable corporation.
- STATE AND LOCAL GOVERNMENT TAX ASSISTANCE
 - Over \$20 billion in tax assistance for state and local governments, including the following provisions:
 - School Construction Bonds: At a cost of \$9.9 billion, HR1 authorizes up to \$22 billion for a new type of tax-credit bond to be issued by state and local governments in 2009 and 2010 to finance the construction, repair, or acquisition of land on which a school facility would be constructed. Thus, tax-credit bonds provide investors with a federal tax credit in lieu of an exemption on taxation for interest payments.
 - State-Federal Tax Credit Bonds: At a cost of \$4.3 billion, HR1 gives state and local governments the option of offering tax-credit bonds, providing federal tax credits to investors instead of interest payments—through 2009 and 2010.
 - Recovery Zone Bonds: At a cost of \$6 billion, the bill authorizes \$25 billion in recovery zone bonds in 2009 and 2010. These bonds can be used to finance projects in areas with significant poverty, unemployment, or home foreclosures.
 - One Year Delay of Implementation of Withholding on Government Contractors: At a cost of \$291 million, the bill delays the 3 percent withholding tax on certain payments to businesses that sell goods or services to government for one year, through December 31, 2011.
- ENERGY TAX PROVISIONS
 - Nearly \$18 billion in tax credits, bonds, and incentives to spur economic development and innovation in the field of alternative energy, including:
 - Advanced Energy Investment Credit: At a cost of \$1.6 billion, HR 1 establishes a new 30 percent investment tax credit for facilities that manufacture components for the production of next generation green technologies, available only to projects certified through a competitive bidding process.
 - Production Tax Credit for Renewable Energy Projects: At a cost of \$13.1 billion, extends for three years an existing tax credit for companies producing energy from renewable resources at a qualifying facility.
 - Clean Renewable Energy/Conservation Bonds: Provides nearly \$1.46 billion for new clean renewable energy bonds and qualified energy bonds to finance clean renewable energy innovation and energy conservation programs.
 - Consumer Vehicle Incentives: At a cost of \$2 billion, bill provides a \$2,500 tax credit for families who purchase a plug-in hybrid vehicle. For every five kilowatt hours the battery capacity increases, the credit increases by \$417.

• **HEALTH PROVISIONS**

- \$87 billion in additional federal Medicaid funds for states. Three types of assistance would apply during the period of 10/1/08-12/31/10. 1) would be held harmless against any decline 2) would receive an across the board increase of 6.2 percentage points 3) States with large increase in unemployment would receive an additional increase in FMAP directly related to the increase in their unemployment rates. Texas is estimated to be eligible for \$5.45 billion
- COBRA: \$24.7 billion for federal subsidies to cover 65% of the cost of health insurance premiums for nine months. Workers must be involuntarily terminated between 9/1/08 – 12/31/09.
- \$19 billion for health care information technology, with \$17 billion for investments and incentives and \$2 billion for a discretionary fund for grants and loans.
- \$10 billion in additional funds for NIH.

• **DEPARTMENT OF ENERGY**

- \$16.8 Billion for Energy Efficiency and Renewable Energy
 - This amount includes funding for projects listed under ELECTRICITY, including the Smart Grid.
 - State Matching and limitation on the percentage of funding requirements under current law do not apply to these Economic Recovery Funds
- \$3.2 Billion for Energy Efficiency and Conservation Block Grants
 - \$2.8 Billion will be allocated under pre-existing federal formula based on population:
 - 68% of the \$2.8 Billion will be given directly to cities and counties based on population
 - 2% will be given for a competitive grant program for the cities and counties whose population disqualifies them from receiving funds
 - 28% will be given directly to States based on population. Of the funds given to States, 60% must go to cities and counties who did not receive funding directly through the Department of Energy. The other 40% may be awarded according to State discretion
 - 2% for Tribes according to population
 - \$400 Million shall be awarded on a competitive basis
- \$3.1 Billion for the State Energy Program
 - Pre-existing federal formula: 1/3 of the money is split between all States and territories equally, 1/3 according to population, and 1/3 according to energy consumption
 - \$2 Billion for grants for the manufacturing of advanced batteries and components
- \$5 Billion for Weatherization Assistance Program
 - The income level eligible for Weatherization Assistance has been raised from 150 percent to 200 percent of the poverty level with the maximum amount of assistance raised from \$2,500 per household to \$6,500
 - The Secretary may encourage States to give priority to using funds for the most cost-effective efficiency activities (including insulation of attics) in the Secretary's view, such use of funds would increase the effectiveness of the program
 - The Secretary is authorized to provide additional State Energy Grants, amount decided by the Secretary
 - Stipulations: The grants will only be open to applicants from states where the Governor notifies in writing the Secretary of Energy that he has "obtained necessary assurances that: 1) the state's "regulatory authority will seek to implement" a utility rate structure that encourages energy efficiency; 2) the governmental unit that determines building codes will adopt certain standards; and, 3) the state will prioritize grants in order to encourage efficiency and promote renewable energy.
- \$6 Billion for the Innovative Technology Loan Guarantee Program for projects relating to energy sustainability and efficiency
 - \$35 Million of these funds will be set aside for administrative expenses- \$25 Million for the loan guarantee program, \$10 Million transferred for the Advanced Technology Vehicles Manufacturing Loan Program
- \$1.6 Billion for an additional amount for "Science"
- \$3.4 Billion for Fossil Energy Research and Development
- \$400 Million for the Advanced Research Projects Agency

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TEXAS OFFICE OF STATE-FEDERAL RELATIONS	
10 G Street, NE, Suite 650 Washington, DC 20002 (202) 638-3927 voice (202) 628-1943 fax	1100 San Jacinto, Suite 4.216 Austin, TX 78701 (512) 463-6676 voice (512) 463-1984 fax