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SELECT COMMITTEE ON FEDERAL
ECONOMIC STABILIZATION FUNDING

MEMORANDUM

OK FOR DISTRIBUTION

TO: Texas House of Representatives

FROM: Chairman Jim Dunnam

DATE: February 18, 2010

SUBJECT: Vice President Biden's ARRA Report, TIGER Grants, Website Updates

A handwritten signature in black ink, appearing to be "Jim Dunnam", written over a horizontal line.

Vice President Biden's Annual Report to the President on Progress Implementing the American Recovery and Reinvestment Act of 2009

Wednesday, February 17, 2010, was the one year anniversary of the signing of H.R. 1, the American Recovery and Reinvestment Act. Vice President Biden provided an annual report to the President on the implementation of ARRA. Highlights of the document include the following:

- ★ In the three months prior to the Act, the nation lost 2.2 million jobs. Since passage one year ago on February 17, 2009 up to 2 million jobs have been created or saved and another 2.4 million jobs "supported." The report shows Texas had the second most job creation next to California, with 147,000 cumulative jobs reported. *Source: Congressional Budget Office (CBO) and verified by an analysis of the Council of Economic Advisers (CEA).*
- ★ The Council of Economic Advisors found in the most recent quarterly report that ARRA has positively impacted the Gross Domestic Product (GDP). They found that ARRA added between 2 and 3 percentage points in the 2nd quarter, between 3 and 4 points in the 3rd quarter and between 1.5 and 3 points in the 4th quarter of 2009.
- ★ The Act was designed to extend over a two year period in anticipation of a multi-year recovery. Of the \$787 billion total, \$453 billion, or 57 percent, have been put to work in the economy so far. The injection of funds into the economy exceeds initial time projections from the CBO.

- ★ Of all obligated programs - Medicaid and State Fiscal Stabilization represent the majority of funds disbursed. Within the distribution of payment related obligations, unemployment insurance and Medicaid represent the majority of funds.
- ★ The latest amount of funding obligated per state indicates Texas received the third highest amount of funding behind California and New York, with \$19.3 billion obligated to Texas.
- ★ The federal government received more than 160,000 reports from recipients of funds under the Act in January; public reporting assuring transparency of the process.
- ★ Vice President Biden has spoken to governors of all 50 states and local officials from over 130 jurisdictions. They have widely acknowledged the critical role that the Recovery Act has played in preventing teacher layoffs and avoiding tax increases.

To see "selected accomplishments" by agency/department and other highlights, please review the full report available at:

<http://www.whitehouse.gov/recovery/anniversary/message>

TIGER Grants Awarded

As part of the American Recovery and Reinvestment Act, \$1.5 billion in Transportation Investment Generating Economic Recovery (TIGER) Grants were made available for surface transportation capital improvements.

Texas submitted approximately 100 projects for funding through TIGER grants; two projects in the Dallas-Fort Worth area were selected:

- ★ The North Texas Tollway Authority will receive \$20 million for improvements to SH 161.
- ★ The North Central Texas Council of Governments will receive \$23 million to develop a streetcar service in downtown Dallas.

Agency Reports and Testimony Available on TX Stimulus Funds Website

On February 10, 2010 the House Select Committee on Federal Economic Stabilization Funding held a committee hearing where all seventeen agencies that received stimulus funds were asked to provide a report of the funds implementation. These reports have been posted on our website. An executive summary of each report is also available. During the hearing members posed multiple questions. We will post any materials received from agencies/departments in response.

Please visit:

<http://txstimulusfund.com/Content.aspx?p=02-10-10>