

FEDERAL STIMULUS PACKAGE UPDATES

07/10/09

Stimulus funding/tax credit bonds for school construction. View a chart of funding and tax credit bonds for school construction at <http://www.ncef.org/school-modernization/chart.pdf>

06/05/09

The American Recovery and Reinvestment Act (ARRA) contains about \$140 billion in construction spending. While some projects will be directly funded by federal agencies, much of the money will be distributed to state governments to be spent.

Funds are being transferred to states based on formula allocations and obligate states to follow a timetable: 50% must be obligated by September 1, 2009, with the he remaining 50% must be obligated by March 5, 2010.

States are required to post more detailed information than is generally required by current statutes and will include: Descriptions of the intended use of the funds; Impact on job development and preservation; Copies of individual grants and contracts. The links below provide useful background information on the state-level implementation for the appropriation of stimulus funds and summaries of key legislation.

State-by-State breakdown of where the money is going:

<http://www.recovery.gov/?q=content/state-recovery-page>

State Implementation of the ARRA:

<http://www.nga.org/Files/pdf/ARRAStateImplementation.pdf>

Overview from the National Governors Association:

<http://www.nga.org/portal/site/nga/menuitem.751b186f65e10b568a278110501010a0/?vgnextoid=b4d8cccc579cf110VgnVCM1000005e00100aRCRD&vgnextchannel=92ebc7df618a2010VgnVCM1000001a01010aRCRD>

Amount set aside per state under the Stabilization Fund:

[http://www.agc.org/galleries/advy/2009 Stimulus Education Funding HR 1 conf agreement \(2\).pdf](http://www.agc.org/galleries/advy/2009%20Stimulus%20Education%20Funding%20HR%201%20conf%20agreement%20(2).pdf)

04/29/09 Worker Protection...OSHA Cracking Down

Coming in at the top of some legislators' agendas, "safety" is the legislation du jour. There's talk that the Occupational Safety and Health Administration (OSHA) may tighten the belt a bit when it comes to cracking down on violations. Representative Lynn Woolsey of California introduced a bill (<http://www.workforce.com/section/00/article/26/38/68.php>) in the House aimed to "amend existing federal law to increase civil and criminal penalties for violations of workplace safety

regulations," reports the Wall St. Journal. "It has been more than 30 years since the passage [of the Occupational Safety and Health Act], and it is badly in need of reform," Woolsey said in a prepared statement.

The legislation also seeks to further protect whistleblowers and stiffen penalties for companies that have track records of being repeat offenders in violating OSHA standards. (See related story at <http://www.lasvegassun.com/news/2009/apr/23/bill-introduced-stiffen-worker-protection-laws>)

For specifics on this legislation and other OSHA information, go to <http://www.osha.gov>

04/13/2009 COBRA Issue Update: Q&A's relating to section 3001 of the American Recovery and Reinvestment Act of 2009 (ARRA).

In March 2009, the Internal Revenue Service issued long-awaited guidance regarding the Federal subsidy for COBRA health continuation coverage enacted in the economic stimulus bill signed into law by President Obama on February 17th.

IRS Notice 2009-27 is available at: <http://www.naw.org/files/Cobra27.pdf>

The notice, 27 pages in length, is in question-and-answer format and addresses several issues, most notably clarifying what constitutes the involuntary termination of an employee, a key eligibility requirement.

04/02/09 2 p.m.-3:15 p.m. (EDT)

FREE WEBINAR: Implementation of the Stimulus Package: What Counties Need to Know

National Association of Counties (NACo) is offering a free webinar to discuss the implementation of the stimulus package. To sign up for the free webinar go to:

<https://www2.gotomeeting.com/register/202987993>

3/17/09 State-by-State Listing for State Stabilization Funds

State Stabilization Projects under consideration in your state? Reference this "shovel-ready" resource that lists projects identified in the 2008 U.S. Conference of Mayors report. The Mayors Report lists ten "sectors" in need of federal funds. Sectors are federal funding streams-government programs designed to award money to the states for a variety of infrastructure-related uses. Of particular importance to the openings industry is the "School" sector of this report that proposes to provide federal funds to modernize school buildings.

Click on specific project(s) identified in your state to read its description:

http://www.stimuluswatch.org/project/by_state

You can also add feedback and discuss the project as to whether you believe it is critical or not. For more local perspective, drill down to projects by a particular city.

03/13/09 State-by-state listing on the State Stabilization Fund

<http://www.recovery.gov/?q=content/state-recovery-page>

State Fiscal Stabilization Fund, a product of President Obama's stimulus package, has a school modernization/public school component. The following summarizes how the State Fiscal Stabilization Fund of close to \$55B will be distributed and highlights the areas that may have a direct and positive impact on the openings industry.

- \$39.5 billion to local school districts using existing funding formulas, which can be used for preventing cutbacks, preventing layoffs, school modernization or other purposes.
- \$5 billion to states as bonus grants for meeting key performance measures in education.
- \$10 billion for states' high priority needs such as public safety and other critical services, which may include education and modernization, renovation and repairs of public school facilities and institutions of higher education.

The Door and Hardware Institute, in conjunction with the Foundation for the Advancement of Life Safety and Security, is in the process of working with decision makers in Washington and at the Department of Education to make sure our voice is heard. From our experience, it is most likely that a committee will be formed to oversee the decisions being made with the State Fiscal Stabilization Fund.

In addition to this fund are a number of construction projects that are relevant to our Industry. Listed below is a breakdown of the money that will be spent on these projects:

- A stronger working partnership with American Subcontractors Association to advance legislation fighting for fair collection policies;
- An increase in local education opportunities conducted by chapters to advance education at the lowest possible price.
- Keep in mind that these are just ideas that we are not going ahead without receiving leadership approval. It could take up to several months to develop all aspects of this program.

Questions about the State Stabilization Funding?

<http://www.ed.gov/policy/gen/leg/recovery/factsheet/stabilization-fund.html>

Go to: [State-by-state listing on the State Stabilization Fund], to reference details for funding of school modernization (Row J).

<http://www.newamerica.net/blog/files/Total%20Stimulus%20Dollars%20Per%20State%20-%20Conference%20Report%20Fiscal%20Stabilization%20Fund.xls>

Since the majority of this funding will be managed at the local level, the Foundation and DHI are working with several associations to help determine the level of funding for school modernization projects.

03/11/09 Follow the progress of the American Recovery and Reinvestment Act:

www.recovery.gov

03/07/2009 American Recovery and Reinvestment Act (ARRA)

On March 7th, U.S. Secretary of Education Arne Duncan announced that \$44 billion in stimulus funding from the American Recovery and Reinvestment Act (ARRA) will be available to states

in the next 30 to 45 days. It is not clear how much this round of funding will be made available for school modernization projects at this time.

<http://www.ed.gov/news/pressreleases/2009/03/03072009.html>

02/17/2009 COBRA

On February 17, 2009, President Obama signed the Economic Stimulus Bill into law. This legislation includes provisions affecting the continuation of health insurance coverage ("continuation coverage") covered employers must make available to certain former employees and their families under provisions of the "Consolidated Omnibus Budget Reconciliation Act of 1985" (COBRA). The National Association of Wholesalers has prepared an [outline] of the key provisions of the Stimulus Bill that touch COBRA coverage and how employers may be affected as of March 1, 2009.

<http://www.naw.org/files/COBRA.pdf>