

Discussion Points

American Recovery and Reinvestment Act (ARRA)

1. The Governor's budget incorporates an estimated \$5.183 billion over two fiscal years in federal stimulus funding provided by the American Recovery and Reinvestment Act (ARRA) of 2009. According to a table on page 42 of the Governor's abbreviated budget, the State will use \$3.074 billion (\$854 million in FY09 and \$2.220 billion in FY10) from ARRA for budget relief. In addition to these funds which will offset revenue shortfalls, \$2.109 billion will be used for new or expanded programs or initiatives. The ARRA allocates funds to states both by formula and by competitive awards. Most executive departments anticipate stimulus funding in either FY 2009, FY 2010 or both.

- **Question:** Please itemize the federal stimulus funding, if any, other than portions of the \$3.074 billion allocated for budget relief, included in the department's budget, by fiscal year and federal program, setting forth program goals and eligible uses together with the amount for state administrative expenses and the amount for allocation to local public and private recipients, respectively. Please identify intended and actual recipients and the process by which the department determines recipients and funding awards. Are there ARRA funds that flow through your department for which the State has no discretion? Please also set forth the timetable for obtaining federal approval of funding, obligation and allocation of funding to recipients, and use by recipients. Could any of this funding be used to offset other State appropriations, and if so, what programs and in what amount? What additional positions, if any, have been and will be hired with these funds? If this money is being used for new or expanded activities, will the new or expanded activities be continued in FY 2011? If so, how will they be funded?

The itemization of the federal stimulus funding that the Department anticipates receiving is included as Attachment I. In many cases the final distribution of funding to the different projects especially in the case of the Clean Water and Drinking Water program will be finalized as we evaluate each project on its readiness to proceed within the timeframes established in the federal legislation.

The ARRA funds flowing through the Department represents new funding for existing programs. In many cases local governments and non profit organizations can apply directly to the federal agency.

For the Department the ARRA funding does not represent an opportunity to offset General Fund appropriations.

There will no new hiring of positions with the ARRA funding.

For several programs the ARRA funding represents a supplement to current funding programs. In Fiscal Year 2010 and 2011 we anticipate the federal funding levels to return to the Fiscal Year 2008 level.

Discussion Points (Cont'd)

- ***Question:*** In addition to funding incorporated in the FY 2010 budget, what specific competitive grant opportunities has the department identified that it is eligible to pursue, has applied for, and has been awarded, respectively?

The Department's application for competitive grant funding from the sources identified on Attachment I include:

Wildland Fire	35 Applications	\$ 8.3 Million
No Awards Yet		
Habitat Restoration	2 Applications	\$36.9 Million
No Awards Yet		