

AFSCME

Legislative Fact Sheet

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President Obama's Economic Recovery Plan Helps Wisconsin

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On February 17, President Obama signed into law Congress' compromise \$787 billion economic recovery package (the "American Recovery and Reinvestment Act"), a key AFSCME priority. It contains more than \$225 billion in aid to state and local governments. The White House estimates it will create or save 3.5 million jobs across America, including 70,000 jobs in Wisconsin. It will provide vital investments for state and local public services at a time when we need them most.

The state-specific chart below contains estimates of federal funding that will flow to Wisconsin through key selected programs, which provide vital public services and strengthen infrastructure. Please note, these are estimates based on the information currently available and this is not an exhaustive list. As more detailed legislative information and data become available, AFSCME will update these estimated funding levels. The second section on pages 2-3 provides brief background information on each program and related funding.

For further assistance on budgetary matters, please contact AFSCME's Department of Research and Collective Bargaining Services at (202) 429-1215.

Federal Program	New Federal funding to Wisconsin
Medicaid (FMAP)	\$1,240 million (\$1.24 billion)
K-12 Education (Title I)	\$180.7 million
Special Education (IDEA)	\$209.4 million
Education funding in State Fiscal Stabilization Fund	\$733.2 million
Flexible grants for high priority needs in State Fiscal Stabilization Fund	\$159.9 million
Child Care and Development Block Grant (CCDBG)	\$30.5 million
Head Start	\$10.1 million
Unemployment Insurance Administration Grants	\$10.1 million
Employment Service (Wagner Peyser)	\$7.6 million
Workforce programs: WIA-Adult, WIA-Youth, Dislocated Worker	\$35.2 million
Community Services Block Grant (CSBG)	\$12.2 million
Public Housing Capital Fund	\$20.9 million
Child Support Enforcement	\$52.8 million
Highways & Bridges	\$545 million
Transit Capital Grants	\$99.8 million
Drinking Water State Revolving Fund	\$38 million
Clean Water State Revolving Fund	\$107.6 million

American Federation of State, County and Municipal Employees, AFL-CIO

HEALTH CARE, EDUCATION, SOCIAL SERVICES

Medicaid: \$1,240 million (\$1.24 billion) for Wisconsin

Helps the State cope with growing Medicaid enrollment by increasing the Medicaid *Federal Medical Assistance Percentage (FMAP)*. These funds will benefit the state, counties, and cities by ensuring that adequate funding exists for Medicaid providers and patients, and will relieve pressure on the state budget, thus freeing up resources for counties, cities and other local government.

Education: \$1,123 million (\$1.123 billion) for Wisconsin

Will fund (1) local school districts using existing funding formulas to prevent cutbacks, prevent layoffs, and for other educational purposes, including funding to public institutions of higher education; (2) activities to raise academic achievement of students at-risk or in high-poverty schools (*Title I*); and (3) special education (*IDEA*). Most of this federal education funding will flow to local school districts, and thus will directly benefit local public schools, public school teachers and other school personnel, and students.

The State is eligible for its potential additional share of the \$5 billion national funding for *State Incentive Grants* for high performance. The funding above excludes other education funding and benefits in the stimulus bill, including Educational Technology State grants, Vocational Rehabilitation State grants, Pell Grants, and education tax credits.

High Priority Public Services: \$159.9 million for Wisconsin

Provides flexible fiscal relief to states to prevent cutbacks to services and tax increases through part of the funding in the *State Fiscal Stabilization Fund*. These funds may be used flexibly for government services, which may include education and public school modernization, renovation, and repair. The state may use some of this funding for state aid to localities.

Child Care and Head Start: \$40.6 million for Wisconsin

For: (1) *Head Start* (funds to Head Start grantees throughout the State); and (2) *Child Care Development Block Grant* (funds to providers, including family providers, through subsidies to parents).

Job Training, Employment Services, Unemployment Administration: \$53 million for Wisconsin

To help the unemployed receive unemployment benefits and return to work, through funds for administering *Unemployment Insurance* and the *Employment Service* programs, and job training formula programs: (1) *Adult Activities*; (2) *Youth Activities*; (3) *Dislocated Workers*.

- Federal funding for Adult, Youth, and Dislocated worker programs listed above flow directly to localities.
- The Unemployment Insurance and Employment Service programs are state-based and thus will benefit state services to unemployed residents.

Community Services: \$12.2 million for Wisconsin

For employment, food, housing, health, and emergency assistance to low-income, homeless, or elderly Americans, through funds for the *Community Services Block Grant* formula program.

Public Housing: \$20.9 million for Wisconsin

For renovation, construction, safety repairs through funds for the *Public Housing Capital Fund*. This federal funding flows directly to local Public Housing Authorities (PHA). The State is eligible for its potential additional share of \$1.6 billion national funding to be allocated competitively.

Child Support Enforcement: up to \$52.8 million for Wisconsin

Reinstates federal matching payments and thereby suspends from October 1, 2008 to September 30, 2010 a harmful provision of previous law which eliminated the federal match on incentive payments to states based on their performance, which had decreased federal child support funding by 20%.

TRANSPORTATION and WATER INFRASTRUCTURE

Highways and Bridges: \$545 billion for Wisconsin

For ready-to-go spending on highway projects for quickly awardable contracts. These federal funds go to the State with some of the funds allocated locally by population.

Mass Transit Capital Assistance: \$99.8 million for Wisconsin

For buying buses and equipment needed to provide additional public transportation service and improve intermodal transit facilities through the urban and rural transit formulas.

Water-Related Grants: \$145.6 million for Wisconsin

To capitalize state revolving loan funds which then finance publicly owned wastewater and drinking water infrastructure improvements through formula funds for (1) *Clean Water State Revolving Fund*; and (2) *Drinking Water State Revolving Fund*.

Notes:

State funding levels reflect estimated allocations in the House-Senate Conference Report for HR 1 ("American Recovery and Reinvestment Act") as negotiated by the House-Senate Conference Committee on 2/12/2009. Unless otherwise noted below, state funding levels are based on Federal Funds Information for States' 2/12/09 estimates of state funding allocations in the Conference Agreement. State funding level for (1) Medicaid FMAP is based on Government Accountability Office's 2/11/09 estimates; (2) Child Support Enforcement is based on Center for Law and Social Policy's 1/27/09 estimates.

Some funds listed above are available immediately and some are restricted to federal fiscal years or other dates.