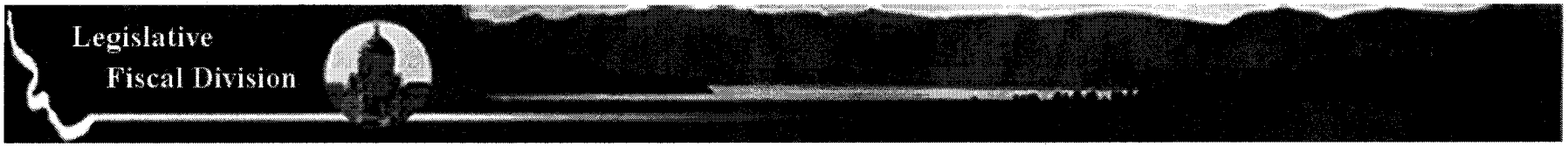

AMERICAN RECOVERY AND REINVESTMENT (FEDERAL STIMULUS) ACT OF 2009

GENERAL GOVERNMENT (SECTION A)

February 13, 2009

Agency/Function	Description	Conditions on the Money?	How Distributed?	How Much?	Need to be Appropriated?	Issues/Comments/Legislative Decision Points
Agency unknown Broadband Technology Opportunities Program	Expand public computer center capacity (including community colleges and public libraries) Innovative programs to encourage sustainable adoption of broadband services Develop and maintain a broadband inventory map	Not more than 3 percent of funds used for administrative costs	Competitive grants Broadband technologies opportunities program ($4.35B) Expand public computing centers ($0.2B) Innovative programs ($0.25B) Map ($0.35B)	Total federal: $4.7 billion Unsure if funds would flow through state government	No	

BUSINESS & LABOR
EXHIBIT NO. 3
DATE 2-19-09
BILL NO. SB 388

Agency/Function	Description	Conditions on the Money?	How Distributed?	How Much?	Need to be Appropriated?	Issues/Comments/Legislative Decision Points
Department of Administration – employee health benefits program *COBRA allows a person who terminates employment to continue employer insurance coverage for up to 18 months by paying Under COBRA, workers must pay 100% of the premium plus 2% in administrative costs.	The bill would extend COBRA* coverage for an additional 9 months for workers who lose their jobs for reasons other than gross misconduct and would subsidize the cost of COBRA premiums by 65%.		Credit to payroll tax for employer	Unknown	No	There may be impacts to the state employee group plan. Historically, persons who opt to continue insurance coverage through COBRA do so because they have medical conditions or know that they will incur medical costs.
Department of Commerce / Energy Promotion and Development	Three sources of funding from the U.S. Department of Energy's (DOE) State Energy Program (SEP): DOE grants, SEP Special Projects, and Petroleum Violation Escrow (PVE) Funds. Allows States to apply for financial assistance to undertake a wide range of required and optional energy-related activities to promote the conservation of energy, to reduce the rate of growth of energy demand, and to reduce dependence on imported oil through the development and implementation of a comprehensive State Energy Program and the provision of Federal financial and technical assistance to States in support of such program	All funds must be used within 60 days From signing of the act. Use means obligation of funds State must apply for the money and may be required to match 20% from state sources.		The total federal funding available is estimated to be $3.4 Billion with an estimated state portion of $28.73 Million	Yes	This funding may be limited to energy conservation initiatives at the DEQ or the Governor's office. There may be a chance that grants could be applied for to fund the Division of Energy Promotion and Development at the Dept. of Commerce. That budget is OTO funded $660,000 of general fund.

Agency/Function	Description	Conditions on the Money?	How Distributed?	How Much?	Need to be Appropriated?	Issues/Comments/Legislative Decision Points
Department of Labor and Industry / WIA Training and Employment Services	This provision of the act would provide funding for a number of existing workforce development programs, including the three state formula grant programs that provide funding for youth, adults, and dislocated workers—Title I-B of the WIA. Other programs authorized by the WIA would also receive funding: National Reserve (WIA Title I-D, Section 173), YouthBuild (WIA Title I-D, Section 173A), and Pilot and Demonstration Programs (WIA Title I-D, Section 171). Additional workforce development programs provided for in the ARRA include state unemployment insurance and employment service operations, Title V of the Older Americans Act of 1965, and DOL management.		Formula based grants for adult, youth, and dislocated worker training Competitive grants for worker training in high-growth and emerging Industry sectors	Total federal funding is estimated at $3.28 Billion with a estimated state apportionment of $8.8 Million WIA Title 1-B for Adult training activities estimated state share $1.247 Million - Conference committee estimated by FFIS WIA Title 1-B for youth programs (ages 21-24) estimated state share $2.948 Million (HB1 & SB336 & Conference – FFIS) WIA Title 1-B and 1-D grants for dislocated workers. Estimated state share from conference committee $1.659 Million Un-allocated worker training programs total federal funding of $397 million with a state estimated share of $1.292 million	Yes	Funding should be automatic for the Title 1-B programs that are established already. Competitive grants need to be applied for. It could be that this funding could replace general fund and state special revenue funding for current programs.

Agency/Function	Description	Conditions on the Money?	How Distributed?	How Much?	Need to be Appropriated?	Issues/Comments/Legislative Decision Points
Department of Commerce / HOME grant program	HOME grant programs for local governments and community housing authorities.	All funds must be used within 60 days From signing of the act. Use means obligation of funds	Formula Grants	Total federal is $1.75 Billion with an estimated state portion of $6.09 Million in the Conference committee version – Source FFIS	Yes	There is no action for the legislature to take other than to make appropriation of the federal funds. This program is 100% federally funded with an administrative allowance of 10%. The Agency anticipates that they will be able to handle the inflow of funds with current personnel. The agency has a current wait list of projects that are ready to go.
Department of Commerce / Neighborhood Stabilization Program	Establish financing mechanisms for purchase & redevelopment of foreclosed upon homes & residential properties including such mechanisms as soft-seconds, loan loss reserves, and shared-equity loans for low- and moderate-income homebuyers Provides funding for Purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties Establish land banks for homes that have been foreclosed upon Demolish blighted structures Redevelop demolished or vacant properties	All funds must be used within 60 days From signing of the act. Use means obligation of funds HUD will recapture and reallocate any funds not expended	Same as CDBG formula grants	Total federal funding is estimated to be $2.0 Billion with an estimated state share of $10 Million. The grant applications are open to the State, Tribal organizations, Not for profit organization, local government or CDBG communities. Therefore the Montana portion of the funding will be distributed among all of those entities that apply.	Yes	The potential state share of funding is the same as current state program. There is no indication of state matching requirement, but additional funding and timeline of distribution could require an increase in employees to administer. The funding is similar to a community development block grant and is likely to have a component (10%) for administrative expense. In the current biennium the Department of Commerce submitted a budget change decision package that included an additional 2.01 FTE in FY2009 and 3.0 FTE in FY 2010 for administration of $19.6 Million in NSP grants.

Agency/Function	Description	Conditions on the Money?	How Distributed?	How Much?	Need to be Appropriated?	Issues/Comments/Legislative Decision Points
Department of Labor and Industry / Unemployment Benefits Extension	This program may provide an extension of federal unemployment benefits from 26 to 46 weeks in all states. May extend benefits until the end of 2009			Total federal funding is estimated to be $27.0 Billion, the estimated state portion is $49.18 Million.	Yes	Currently unemployed people that have exhausted their current benefits or people that remained unemployed beyond the current benefit period but are now employed would not receive benefits retroactively. If a person remains unemployed after the passage of the bill they would qualify for benefits prospectively.
Department of Labor and Industry / Work Force Investment Act worker training and employment services	each state is granted a portion of $400 million to offset the administrative impact of additional workers applying for benefits	$250 Mill of funding would be allocated for reemployment services. The remainder would be available for general administrative expenses.	Federal allocation	Total federal funding is estimated to be $400 Million. The estimated state portion is $1.29 Million	Yes	There are programs and initiatives that are funded from UI administrative funds. The new federal funds may be used to offset the state special revenue funds.

Agency/Function	Description	Conditions on the Money?	How Distributed?	How Much?	Need to be Appropriated?	Issues/Comments/Legislative Decision Points
Department of Labor and Industry / Increased Unemployment Benefits	Increased Unemployment Benefits add $25 per week on to the existing benefit level			Total federal funding is estimated to be $9.0 Billion, the estimated state portion is $26.07 Million	Yes	Additional appropriation of federal funds may be necessary
Department of Labor and Industry / Unemployment Insurance Modernization	Program that requires states to adopt an "alternative base period" in exchange for a grant of 1/3 of the available funding and the option to adopt additional policies that extend coverage to otherwise ineligible people for the remaining 2/3 of the funding.	To receive the first 1/3 of the grant funding, the state must adopt an "Alternative Base Period" that accounts for an individuals most recent wages if needed for the individual to qualify for benefits as apposed to the current system of looking at wages beginning three to six months prior to an individual's unemployment. The remaining 2/3 funding is available to states that adopt two of five additional policies that extend or expand coverage	Applied for grants	Total federal funding is estimated to be $7.0 Billion with the state portion estimated to be $5.9 million for the adoption of the ABP, $11.82 million for the adoption of additional policies.	Yes	This change to the ABP and adoption of new policies may require legislation.