

High Road ARRA Implementation Conference

March 9-10, 2009 in Washington, D.C.

Meeting Notes

States in Attendance:

Colorado, Delaware, District of Columbia, Illinois, Iowa, Maryland, Missouri, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, Tennessee, Texas, Washington, Wisconsin.

Organizations Present:

Brookings Institution, Center for American Progress, Center for Neighborhood Technology, Community Catalyst, Data Quality Campaign, Economic Policy Institute, eHealth Initiative, Environmental Defense Fund, Families USA, Living Cities, Low Impact Development Corporation, National Employment Law Project, New America Foundation, OMB Watch, Project for Public Spaces, Serrafix, Smart Growth America, Smart Growth Leadership Institute, Stewards of Affordable Housing for the Future, U.S. Conference of Mayors

Federal Agencies Participating:

Department of Education (National Center for Education Statistics) Department of Energy (Office of Weatherization and Intergovernmental Programs), Department of Housing and Urban Development, Executive Office of the President, Environmental Protection Agency (Office of Policy, Economics and Innovation and Clean Water State Revolving Fund), Office of Management and Budget

March 9

12:00 pm- 12:15 pm Welcome and Introductions

12:15 pm – 1:00 pm Lunch/ARRA Overview, General Requirements, Possibilities – (OMB), Michael Ettlinger (CAP), Craig Jennings (OMB Watch)

Michael Ettlinger (CAP): [Center for American Progress ARRA Presentation](#)

- Is the stimulus money enough?
- Where will the money go?
- Spending the money well is important
- The money should be a two-fer
 - Have a stimulative effect and
 - Contribute to long term economic growth

Craig Jennings (OMB Watch)

Who is getting the money?

Difficult to track due to layers

- From Federal Agency to State
- State to “Bob’s Construction Inc” or to City
- “Bob’s” or City to smaller unit “Bill’s Building or Governor’s Campaign Contributor”

What are they doing with it? Need to Collect this Data

- Eg. Schools
 - How many schools will be repaired?
 - New schools, locations, etc
- Transportation
 - Miles repaired
 - New Lane Miles
 - Locations
- Broadband
 - Number New Broadband Users
 - Miles of fiber optics
 - Locations, etc
 -

Coalition for an Accountable recovery

- Developed architecture: to capture the sub-recipients (\$20,000) level. If you receive these funds, you must collect raw data.
- www.ombwatch.org/CAR

Office of Management and Budget

- OMB guidance is still evolving
- Working on recovery act implementation, and looking ahead to major reauthorizations
- Need to get the implementation right – honest and transparent, fast and smart
- Need explicit plans to invest

State Questions and Concerns

- What are the terms of state responsibility? If the funds go to local government, does the state have an overriding responsibility?
 - a. (OMB): We have not asked states to take on additional responsibilities. We leave it to states to judge
- Do we encourage voluntary reporting or create a less formal, easy to use reporting system up front or are we better off going to the feds to get the reporting information?
- Should the state build its own architecture or is it better to go to the fed government?
- We want to get the full impact. We are concerned w/ speed, simplicity, and the local common denominator. How should we capture this?
 - a. (OMB): We need to know early on and farther down the line. How do we capture data on the front end? What states plan to do w/highway monies? What do you intend, specifically to spend the money on?
- (SGA) States are bogged down in reporting numbers in a way that is legal/ethical. Are there other major goals that we are trying to measure and achieve such as:
 - Reduction of Vehicle Miles Traveled

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- Improving energy security
- Walk-ability projects/road projects
- Challenge: not a serious effort to capture these as measurable indices

Summary:

- The administration has substantive goals, but they are not fully settled.
- States want to hear if they have leeway in pursuing these things, take the carbon stuff seriously.
- OMB will strongly support the states- better to have more dimensions of success
- Big picture: track data, not just to prevent waste fraud and abuse, but to achieve and report on good stuff.

1:00 pm – 2:45 pm Transportation – Rob Puentes (Brookings Institution), Geoff Anderson (SGA), Kevin McCarty (Mayors), Scott Bernstein (CNT), David Burwell (PPS), Michael Replogle (EDF)

Rob Puentes: [Surface Transportation and the ARRA](#)

Stimulus Legislation

The American Recovery and Reinvestment Act directs **\$152** billion to both traditional and broadly defined infrastructure

- **The transportation category breaks down as follows:**
 - Surface Transportation 51%
 - Transit 16%
 - Aviation 3%
 - Energy 6%
 - Environmental Protection 1%
 - Intercity Rail 17%
 - Multimodal Competition 3%
 - Security 3%

Surface Transportation Basics

- **Maintenance of Effort:** Governor must certify state will continue project funding levels (March 17)
- **Transparency:** Periodic reports (90, 180 days, 1, 2, 3, years); states must track and report amount of funding, all bids and contracts, direct and in-direct jobs created or sustained.
- **Labor/other:** Buy America, Davis/Bacon, NEPA in effect
- **Use it or Lose it:** 50% of STP funds must be obligated in 120 days; (Unobligated balance will be redistributed to States in compliance)

5 Ideas for High Road Implementation....

1. Ensure a balanced mix of projects

- ARRA transportation funding can be spent on just about any surface transportation project—not just highways
- Smart Growth America report

2. Make metros the priority

- Some state project lists do not indicate investments will be made where the economy is

3. Emphasize maintenance and repair

- Repair roads, bridges, transit facilities, buses, and passenger rail tracks and stations

4. Provide operating assistance to transit agencies

- Though transit operating assistance is not specifically funded under ARRA. The “state fiscal relief” programs are designed to assist states with on-going budget challenges.

5. Stimulate integrated thinking

- Transcend the stove piping of disparate transportation, housing, energy, and environmental programs.
- Make connections- between transportation and housing—take an integrated approach- coordinated spending

Resource People Discussion:

- (CNT): Rob Puentes (Brookings) and Will Schroer (SGA)’s list speaks to managing the assets you’ve got more efficiently
- (SGA): For every new piece of infrastructure, it needs to be maintained underinvested facilities have a cost to maintain
- (PPS): A lot of lousy projects (that were on the shelf) are ready to go.
 - ½ of the projects are new projects- in green fields
- (Serrafix): Give list of bridges to repair to newspapers. Seize the initiative in communications rather than wait to get beaten up on by those who’s pet project are not on the list
- (EDF): Huge opportunities in the flexibility that Congress put into surface transportation funds
 - It’s not just highway money, it can be used for transit, repairs, rail, ports, variety of things
 - No local match required
 - There is an opportunity to jumpstart 21st century investment
 - Squeeze efficiency out of existing projects
- Transit: Ridership is at record levels—but states/cities are scaling back transit service because of decreased revenues
 - Money spent on transit is good for the local economy
 - Money spent on gas- leaves country/local economy
 - Money spent on transit- stays in local economy through wages
- (Serrafix): Stimulate integrated thinking
 - Integrated dollars
 - Stimulus czars have an opportunity- to integrate/big spending projects
 - Pay attention to “benefits”- how do we get positive outcomes in other sectors?

State Questions and Concerns

- PR Issue
- Timeline is a barrier
- How flexible is the money if you already turned in list?
- Not all approved projects are good projects

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- Tension between creativity and practicality
 - Do no harm, do easier projects (pavement down)
 - Trying not to blow the opportunity to spend the pavement money
- Want to learn more about flexibility- some lists of projects were certified in first 10 days
- Where is the spending most effective? rural communities, expand highways, interconnect, jobs, transportation
- The projects we have to move were good projects- not all necessarily bad projects- moving as rapidly as we can
- There are management problem/metrics
- Difficult to get money for metro/transit
- Some things are ready to be repaired, shortcut on approval processes

Responses from Resource People

- (SGA): has a list: 20 ways to spend your stimulus, which provides examples of good projects
- (Serrafix): Stay away from pitting Urban vs. rural—unhealthy political dynamic
 - There's a lot that's common across small towns and cities
 - Fix it first, walk-ability agenda in small towns/rural areas
 - Ask rural areas- are you building a good community?
- (CNT): You don't have to spend it. Could dangle the money to get local contribution. Internal communications is a problem.
 - Spend money on planning- find out the value on the other choices
- (PPS): If you are in trouble spending your money within the 180 day rule—sub allocated money
 - Bundle projects
 - Planning and workforce retraining
 - Too many projects that are too far away from other people.
 - Foreclosures in outer suburbs
 - Transportation drives development.
 - Retrain the workforce to build integrated projects.
- (Serrafix): Desperate transportation needs in urban areas
 - Broadband is an alternative for rural areas. The issue is access/not mobility - critical need in rural America
- (CNT): Requirement for public involvement not waived by stimulus money
 - Title 6: requires environmental justice
- (SGA): Requires that low income/economically distressed areas be prioritized
 - Timing: tiered approach- look at fix it first
 - You are going to get regular money- use both
 - Where are we going to get leveraged results?
 - Put a focus on bike and walking projects—other money will become available
 - Public wants this
- (CNT): There is a use it or lose it system
- (NAF): Prioritize certain projects over others
 - Bring walk-able/bike-able projects to the front
 - Other projects will still get money
- (CNT): Make housing/transportation connection, projects around TOD- almost ready to go- missing transportation related component

- (NAF) Broadband: Access not mobility.
 - New IT helps move people around- moves goods/logistics.
 - Has examples of how to integrate logistics
- (EDF): Parking is an underused urban asset
 - Extra value through Pub/Private Partnerships—new revenue source- same approaches with roads/ bridges and tunnels
- (CSI): New possibilities in financing
 - IT/transit oriented development/ monetization of assets
 - Transportation—eligible activity
 - Land-use
 - Transit Oriented Plan for Communities
 - Alexandria, Fairfax, Stafford county “developed inner ring cities and counties, developing counties, all will develop an energy strategy
 - Foreclosure problem has been exacerbated by rising gas prices. Three months ago we met with realtors who said they advise people to go as far out as they need to, to qualify for a mortgage. “Drive until you qualify.”
- (CSI): “A lot of this should be done in baby steps. A good first step towards coordination would be agreeing how you should finance.”
- (US Mayors): Mayors don’t think about this as coordination. Its about finding out where the resources are.
- (US Mayors): I don’t think the law envisions that the state will end up telling cities what to do.

More State Questions and Concerns:

- The state is passes through 60 percent of these funds. Who is responsible for how they’re spent?
 - (US Mayors): The State doesn’t submit a plan for this money to the Department of Energy. Law is meant to ensure that funding goes to localities.
- Can you give me some insight on the Revolving Loan Fund?
 - (US Mayors): The guidance enabling what states can do is going to be up to the DOE. Revolving loan fund will likely be used in conjunction with other resources, not direct loans. It’s too small to really serve in that capacity,
 - (CSI): This money can be used for retrofits, like in Cleveland

3:00 pm – 4:45 pm Energy – (DoE), Sonia Hamel (NAF), Doug Foy (Serrafix), Steve Burrington (Serrafix), Kevin McCarty (US Mayors)

Kevin McCarty (US Mayors)

- \$2.8 billion for EISA Energy Efficiency and Conservation Block Grants (EECBG) (+ \$400 million in competitive EECBGs)
 - A flexible, CDBG model designed to empower local action, and state action on behalf of locals
 - Eligibility reduced to 35,000 population cities; 200,000 population counties (CDBG: ?)
 - \$8-9 per capita (\$1-2 million for Arlington, for example)
- \$3.1 billion state energy program allocation
 - Increase from about \$50 million per year

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- Intended to make state operations and buildings more energy-efficient
 - States can use to incentivize local action—locals should push for this.
- The range of eligible projects is expanding.
- States must submit a brief application to the DOE initially, then within 60 days, an amended plan with details on how to spend funds. Henceforth they will have to report quarterly.
- States are working with National Association of State Energy Officers to identify shovel-ready projects
- Guidelines, regulations and advice (federal guidelines are forthcoming, but they will probably emphasize):
 - The money cannot supplant existing funding
 - Competitive grants criteria will emphasize leverage of funds, innovation, and substantive, lasting transformation of the energy market (that is, no “green washing”).
 - Activities must create private markets that will outlast the stimulus—so that, for example, job training paid for by the stimulus will be useful for non-stimulus projects in the future.
 - The private sector should be kept in the loop—i.e. package grants with the private sector in mind, including non-profits and for-profits with experience in, for example, energy efficiency projects.
- *Focus on cities*—which account for 2/3 of US population, and most of growth, globalization and carbon emissions.
 - Must invest properly NOW as population and economic activity are increasing rapidly.
 - Rising gas prices exacerbated the foreclosure crisis—“drive til you qualify” syndrome and sprawl-style development put lower-income people further driving distance from jobs and increased cost of living. Housing and transportation should be considered a bundled cost for the individual.
 - One solution: subject transportation investments to a metric that shows the impact on housing costs.
 - Energy investments could however prevent similar gas price impact in the future.
 - States are often wedded to current programs, cities may be more likely to innovate and leverage funding. States should incentivize this instead of going on a building binge themselves.
- *Inter-jurisdictional collaboration*
 - Top-down + bottom-up approach: energy and consensus comes from the local (bottom) level, \$\$ from the Feds (top)
 - 60% of the state energy program funds are pass-through—so states will have plans for each county and city in the budgets. Plans for funds are due one year after funds are received (through a brief application process). Here is an opportunity for state-local and regional (within and between states) conversations to maximize funding.

- (CSI): Please tell us about weatherization money, credit guarantees, and other highlights states should pay attention to
- (DOE): We work with the weatherization program
 - Recovery act provides 3.1 billion for state energy that will go to state energy offices for energy project, energy planning, on the ground projects. We're working through NASEO to identify shovel ready projects. Option of expending money for the broad range of things identified with the state energy program.
 - We are still in the process of finalizing these projects, the specific function for getting the money out, will be rolled out on Thursday at the OVP meeting.
 - States will be submitting a brief application to get the money rolling, and then will have 60 days to develop a state plan on how to expend the funds. Then there will be regular quarterly reporting.
- State Question: You mentioned three criteria, I'm curious if the governor is working towards the three criteria, but is meeting legislative obstruction, what happens?
- (DOE): As long as the governor is working towards it, there wouldn't be any impediment to states getting the money. Note that this is not the institutional position, just my understanding of things.
- State Question: Are the regulations going to give us some flexibility to spend the money quickly?
 - Does the pace at which we have to spend money mean they'll allow us to spend money on other things?
 - For instance, can we take money from state energy and apply it to a house that has already reached its cap on weatherization.
- DOE: I don't see why not, but, once again, that isn't the institutional position. Please feel free to contact me and I'll look into it.
- State Question: When will the competitive grants be released?
 - (DOE): The first priority is getting the formula grants out the door, then we'll turn our attention to the competitive grants. States and all local governmental units would be eligible for these funds.
- (CSI): Gil Sperling is the right guy on weatherization. We'll give you his contact information.
- (CSI): Might be good to talk about the building sector in the cities. Buildings are biggest energy users. You can take EEBG and do comprehensive building retrofits of your building stock.
 - Single-family stuff is difficult to make work business wise, but the technology is improving.
 - Cities will be coming to you and pushing you to fund this. We'd like to get some standard of practice to the cities interested in doing this. Trying to leverage this with private money. Relatively patient funds would be advisable.
 - Emerald Cities Project

State Questions and Concerns

- How can states prepare energy offices to comply with strenuous spending and reporting requirements? Most states energy offices have been neglected for years and aren't prepared for the ramp-up in activity.

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- Make data and grant processes information available ASAP for purposes of state and local level planning (currently, not very transparent)
- What does it mean that this money is going to be available?
 - (Executive Office of the President) – What we’re trying to do is recognize how to coordinate various funding streams.
 - In green jobs for instance there are 8 to 10 large chunks for state/local use. What we’re going to try to do is try to understand what’s going on in each agency and be able to communicate that to states. We want high road jobs with good stability.
 - Agencies are implementers, and they don’t know where they’ll land yet. We’re trying to show sub-units of government where the resources are.
- Since the Green Jobs program is scaling up so fast (weatherization, state energy program) if we don’t seize this opportunity and really get something sustainable done, things might get worse.
 - It would mean just scaling up and then falling off a funding cliff. It’s a tough tightrope to walk.
- Is Emerald Cities looking at secondary cities, of less than 200,000 people?
 - (CSI): Currently Emerald Cities is looking at 3-5 cities to do demonstration projects in. The cities we’re looking at include Milwaukee and Seattle which are about 500,000, so that’s not too much bigger.
- (CSI): One thing is that its difficult to get a deal on job access and labor standards, jobs are highly controlled by trade unions. We want to enlarge the market, we want to use this initial money to make this model attractive to private capital.
- How do we use governor’s energy offices to do this well? They’re not prepared. We’re scared we might screw this up.
 - (CSI): How do states propose to get their energy offices ready for this money?
- We’ve created an energy advisor and then created an advisory team of good people from throughout the government.
 - (SAHF): You’re not limited the classic weather intermediaries. Beyond Emerald Cities, a lot of these programs take place across departments.
 - (PPS): You could also organize yourself at the state and city levels.
 - (NAF/Policy Advisor UK) – You could do some structural changes like revolving funds to avoid cliffs.
 - Use community groups to improve delivery
 - In DOD there are 4+ billion energy efficiency dollars. For those of you with defense installations in your districts this presents another opportunity for coordination.
- What about weatherization programs that don’t fit what the bill does. What do the states need to deliver the workforce for this stuff. We need to hand the playbook to state agencies. How do we make sure that this is just the tip of the iceberg? How do we release the private market place? States need to work to set up the right playing field.
- (SGA) – Also remember that transportation is an eligible energy efficiency delivery system. DOT’s are set up to roll out large chunks of money. More than 30, almost 40 states have done some sort of greenhouse gas action plan. I would urge states to look at what these plans show. Is this money a way to move forward a state’s climate action plans.

- (Policy Link) – We’re doing a cross-agency work group on how to spend the money. As you think about all this money, think about how you demonstrate what you did.
- Green for All report: [Bringing Home the Green Recovery](#)
- (CSI): Note that one other source of workforce will be an upcoming green energy corps.

4:45 pm – 6:30 pm Housing – (HUD), Stockton Williams (Enterprise), Bill Kelly (SAHF)

HUD Green Housing Taskforce

- \$13.6 billion in 2 buckets:
 - 75% deployed in 8 days for shovel-ready projects, things that were put on hold previously due to lack of funding, funded through formula HUD grants (deployed, but yet to be spent by states etc.)
- 25% for competitively awarded, long-term focused, transformative projects in public housing
 - \$2.25 billion for special HOME fund allocation to preserve and build sustainable, affordable housing
 - \$2 billion for Neighborhood Stabilization Fund—mitigating impact of foreclosures through purchase & rehab of foreclosed properties
 - Competitively awarded—should work with very tight focus) on housing for maximum effect. Many old NSP regulations have been removed in ARRA.
 - \$1.5 billion for homelessness prevention—Emergency Shelter Grants, “revolutionized”
 - \$1 billion in CDBGs
 - \$4 billion public housing capital fund for (energy efficient) modernization (i.e. weatherization)
 - \$510 million for modernization of Native American housing programs
 - \$250 million for assisted housing energy retrofit (i.e. weatherization)
 - \$100 million for lead hazard reduction
- This money should help unlock credit market, provide green jobs in energy efficient construction, and mitigate the effects of the foreclosure crisis on the population.
- New entities: Offices of Sustainable Housing, Energy Innovation Funds (financing to build home energy retrofit market in states)
- “Sleeper” LIHTC provisions (money will come from Treasury):
 - expanded energy conservation bonds
 - \$2.4 billion in increased authority for state-issued tax credit bonds
 - Bond proceeds can be used for retrofitting homes
 - Energy efficiency tax credit—will drive homeowner demand.
- HUD is expanding beyond insured housing portfolio to try to affect private housing decisions about energy efficiency—this could pave the way for executive-led green housing.
- Majority of public housing authorities- have less than 250 units
 - Want to work w/ smaller housing authorities
- Public housing authorities need basic upgrades
- HUD pays 80% utility bills—6 billion a year on utilities to public housing authorities
 - Not a lot of success- incentivizing energy efficiency in housing authorities
- Housing dollars can be used in relation to transportation projects

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- Promote energy efficiency- create green jobs
- unlocking credit markets—supporting shovel ready projects—low-income tax credit, rental assistance
- Mitigating effects of foreclosure—stabilization program, homelessness prevention
- Let's be thoughtful- Stream line/catalytic investment
- Goal—use these dollars to set new high---how do we want to do things differently
- Change/implement programs
- Themes – housing crisis – at top of list
 - Foreclosure and recovery
 - Sustainability
 - Multijurisdictional
 - Interagency work
 - Tax credit stuff
 - Transparency and accountability
- Competitive side of stimulus money- how can we have greater neighborhood impact
 - Neighborhood Stabilization Program
 - Provide resources in communities- to purchase, rehab and resell homes that went into foreclosure
 - Doesn't help people who are losing homes-
 - How do you stabilize neighborhoods where foreclosures are high— crime, property values
 - Are there buyers out there?
 - Cross jurisdictional work
 - Sustainability
 - 10% is available for capacity building
 - What do we need?
 - How do you do marketing?
 - Low-income family tax credit
 - Tax credit market is frozen
 - Expand debt financing to move project forward
 - Homelessness program- prevention
 - 1.5 billion
 - Emergency Shelter program
 - Focus on housing element- rapid re-housing
 - Getting people from the streets into housing
 - Encouraging targeting—communities will be able to serve a broader population
- Challenges
 - Speed issue versus quality
 - Maintenance of effort requirements
- Office of Sustainable Housing—in secretary's office (Ronn Simms nominated Deputy Secretary)
- Energy innovation fund
- Provide financing to support/finance home energy retrofits at state and local level
- Build a home energy retrofit market in united states- hasn't take off yet
- Existing home sector

- Weatherization—programs- single family --- challenges in multi-family sector (rentals and owners)
- Clear regulatory underbrush

Potential problems:

- Historically, there has been little success incentivizing energy efficiency in public housing—it's mostly done by private ESCOs.
- States need help marketing to homebuyers
- Maintenance of effort requirements could be too much for budget-squeezed states.
- Need to clear “regulatory underbrush” for weatherization.
- States need to know the ways they can combine different funding sources—to whom do they submit proposals that could qualify for funding from multiple agencies?
 - Answer: they will probably submit to everyone
- How do states and smaller entities, like towns, compete for the same grants?
- Tension between leveraging existing assets and providing affordable housing in conjunction with affordable transit, when existing assets are often built on a sprawl development model.
- Are states liable for LIHTC compliance? Are the funds subject to recapture? (TBD)

Stockton Williams (Living Cities)

- How do cities function more effectively w/ state government
- Use the recovery bill to implement resources
- Enduring systems
- Local state relationships
- State energy program
- Want to hear from governors on efforts to strengthen building codes
- Utility rate decoupling
- Neighborhood stabilization
 - [Cleveland- NY Times magazine](#)
- Land banking allowed
- Focus on housing- NSB funding
- Low-income housing tax credits- 2 types of grant dollars
- Enable states to exchange up to 40% of 2009 tax credit authority- as grant dollars
 - Complex and interesting provision in recovery bill
- Sleeper provision- expansion of qualified energy conservation bonds
 - Bill in additional authority- state issued bonds
- Tax credit bonds—cheaper and easier to issue

Resource People Discussion

- (CSI): Now we have to tell DOE that this actually means something as to how the money must be spent.
 - There's a substantial increase in tax credit for retrofit improvements. Pretty significant and marketed well this could make a retrofit initiative more successful.
 - Also subsidies for EE appliances, which may just sit there unless states market this.

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- (SAHF): It's amazing how much HUD is reaching out right now, also good that they're actually viewing themselves as a housing agency. This isn't just about what the government is doing with its own buildings.
 - The interesting thing is that if this is done right, we will then build a history and database such that we can move from benefit-based to debt-based program
 - This is a huge opportunity, which HUD is seizing.
- (HUD): There's no reason you can't use HUD dollars for energy efficiency projects. Certainly that wouldn't be a revolving fund though. It could be used to write down interest rates or set up some sort of guarantee fund.
- (Living Cities): States should remove some of the obvious impediments, or even some supplemental funding.
- (Serrafix): One of the challenges is if you get innovation and cross-fertilization going on you still need single points of contact. With multiple contacts the problem is that the process might take too long.
- (HUD): Focus has to remain on keeping people in their homes and staying off foreclosure. That being said, there seems to be a correlation between high energy/transportation costs and foreclosure. So the question is, how do we support affordable housing closer in, with more transit options.
 - Energy efficient mortgages exist, but so should location efficient mortgages. We need to incent better locational choices when you give mortgages.

State Questions and Concerns

- We're in a different situation, when we put a dollar of budget into housing we need to prove that we will have that dollar 4 years out. Does project based rental assistance help us or hurt us because we need to prove that we can have those dollars 4 years out.
- This bill provided a lot of waiver authority. I'm wondering what your department (HUD) wants to do with it?
 - For example our housing stock has a lot of lead paint. We can't remove it all and we're basically telling people to walk away from their house. That doesn't seem to make a ton of sense.
- Since y'all are talking to those other agencies, should we submit applications to all agencies or is there a way to synchronize this?
 - (HUD): The issue is some of those funds are formula funds for which there is no application. Our competitive grants are targeted to public housing authorities, so I'm not sure how much overlap there is. We need to get a master list together across departments.
- If you came in as a state with a plan, and we were competing with a really beat up census tract. Should we apply as a state? Since we don't have any urban areas should we even try to compete? . . .
 - (HUD): The issue of capacity is going to be a part of this. We'd like to see consortia of people who have capacity with those who do not.
- What are the regulations coming from HUD?
 - HUD is establishing the rules on home and low-income credits.
- Will the states be liable for spending it correctly? We've got contractors who don't know what they're doing?
- Can state funds be recaptured by the Feds?
 - Yes

- Can we join in the conversation on regulations?
 - I think its always appropriate for states to weigh in.
- (HUD): A couple of areas, the state level will be where the creative coordination takes place. If there are ideas for making this happen, we'd be happy to listen.
- (Living Cities): If CSI could get a map of who is in charge of the stimulus spending on the state level that would be helpful to the federal government.
- (HUD): The housing/transportation nexus will certainly be on the table.
- (SGA): What is the potential content of your potential Memorandum of Understanding with DOT
 - (HUD): One issue will be the nexus of transportation costs and housing, and one is coordinated planning. We've always wanted to coordinate the planning process. Finally we'll do some coordination on Research and Development.

Summary

- *Some funding sources overlap, i.e. EECBGs could be used to weatherize public housing, HUD Section 3 rules requirement of job training and opportunities for public housing residents overlaps with specific stimulus job training provisions.*
- *States seem unclear about level of flexibility.*
- *Stimulus is a 'down- payment' on longer term strategies.*
- *ARRA gives a good deal of waiver authority to the president and Federal secretaries—so the regulations aren't necessarily the be-all end-all of funding.*
- *In all areas of ARRA, there are significant opportunities for new inter-jurisdictional relationships and cooperation*

March 10

8:45 am - 9:30 am Measuring Job Impact – John Irons (EPI)

General Notes (Job Creation):

- Jobs will come from ARRA threefold:
 - From direct funding of projects, like a road that needs builders
 - From the suppliers of those projects, like an asphalt company that hires more workers when they get the road job
 - From re-spending, like when these workers go out and spend their wages, supporting the local grocery, which can then hire more staff.
- Regular reporting is required on jobs created and retained by discretionary funding projects
- Jobs created, vs. jobs retained: economically, there is no difference. Jobs retained are much harder to identify and record. But simply recording new jobs, when the baseline is already in the negative and constantly moving, doesn't track the true impact of the stimulus.
 - Could measure by project on the "but for this project... (this job wouldn't exist)" principle.
 - *Kinds* of jobs may be unclear in reporting.
- Reporting is not required of sub-sub-recipients, only jobs created directly by the government or the government's prime recipient—and for many projects, especially green ones that will be done through non-profits and small companies, there will be jobs at the sub-sub-recipient level.

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- There is an existing BLS system for measuring indirect jobs
- Ideal data requirements:
 - For all recipients, sub-recipients and sub-sub-recipients
 - Total hours worked (on stimulus-funded project)
 - Total employees
 - Total payroll
 - New and saved projects—total hours
 - Total hours and payroll by occupational category
 - From these numbers, total full-time job equivalents could be worked out. Because for example, one employee may be only spending part of his time on stimulus work. Or he may be spending time on multiple projects.
 - Advice to states: err on the side of too much data collection. For example when a project spans multiple states, go ahead and count the jobs in your state (though technically they count for the contractor company's home state).
 - Opportunity exists for interstate collaboration on data collection, uniform , goal-setting
 - States need a system in place to capture the numbers so they can incorporate into contracts they are writing now.
 - RI is trying to give a framework to their contractors, sub-contractors and on down
 - NH is trying to capture all jobs data and act as a clearinghouse
 - IBM and Microsoft are working with OH to develop a data system—this is the sort of thing states could collaborate on.

John Irons (EPI): [Measuring Job Impact of ARRA](#)

- Legislative Requirements: American Recovery Reinvestment Act
 - “(3) a detailed list of all projects or activities for which recovery funds were expended or obligated, including—
 - the name of the project or activity;
 - a description of the project or activity;
 - an evaluation of the completion status of the project or activity;
 - **(D) an estimate of the number of jobs created and the number of jobs retained by the project or activity;**
 - (E) for infrastructure investments made by State and local governments, the purpose, total cost, and rationale of the agency for funding the infrastructure investment with funds made available under this Act, and name of the persons to contact at the agency if there are any concerns with the infrastructure investment.”
 - Section 1512.c.3.D – Recipient Report On Use of Funds
- American Recovery Reinvestment Act
 - “(a) Establishment – the Board shall establish and maintain no later than 30 days after enactment of this Act, a user-friendly, public-facing website to foster greater accountability and transparency in the use of covered funds.
 - (c) (8) The website shall provide a link to estimates of the jobs sustained or created by the Act.”
 - Section 1526.a-c.8 Establishment and Content of website of Recovery Accountability and Transparency Board
- OMB Initial Implementing Guidance for ARRA

- “OMB is actively considering how to centralize the collection and reporting of the information required in the ARRA, though the current preference is that, to the extent possible, this data should be collected and reported through existing program level systems....
- Regarding the reporting requirements in 3(d), usual methods for reporting jobs created by a contract do not take into account the time frame over which the jobs are created. As a result, they are likely to be inconsistent with macroeconomic estimates of jobs created at a point in time.
- For this reason, departments and agencies should use conventional jobs estimates for internal planning purposes only. Uniform reporting requirement for estimates of job creation will be specified at a later time.” -Peter Orszag, OMB, February 18, 2009
- Who Reports When?
 - OMB Guidance
 - Reporting requirements only apply to the prime non-federal recipients of federal funding and sub-awards (not sub-sub contractors, for example).
 - 10 days after end of each calendar quarter
 - Discretionary appropriations (unless otherwise required).
 - However, many believe that ALL contractors, subs, etc. should be required to report job data.
- What we want to see happen: Principles of Accountability
 - Performance Measures:
 - Number of jobs created or saved
 - Number of workers completing a training program
 - Number of hours that new hires work
 - Wages and benefits paid
 - Demographics of those hired
 - Others: NY Stimulus Oversight Working Group
 - All levels of subs, number of jobs, wages, other metrics
- Methods and Possibilities: **MEASUREMENT**
 - Conceptual Framework
 - **Direct:**
 - Direct data from gov’t agencies, contractors, subs.
 - Issues:
 - Multiple projects
 - Hours worked could be used to define FTE’s
 - Created vs. saved
 - New projects, vs. those put on hold
 - How “deep” with subs?
 - Minimum: require reporting of money spent on subs
 - Estimation vs. Measurement
 - Actual data based on payroll records
 - **Indirect:**
 - Estimates of supplier jobs created
 - Payroll requirements would allow for some ability to back out estimates of \$ spent through suppliers

High Road ARRA Implementation Conference: Meeting Notes

- Estimates based on established methodologies (BLS input requirement tables)
 - Re-spending
 - Use I/O model to estimate impact (e.g. BEA's RIMS II)
 - Methodological consistency a MUST!
- **Ideal Data Requirements for "Jobs"**
 - All Contractors, subs, sub-subs, etc:
 - Total hours; number of employees performing relevant work; total payroll for ARRA work
 - Estimate of hours worked for "new" projects; "saved" projects.
 - Hours worked/payroll for occupational categories
 - Health care
 - Demographics
- **Actual Gathering/Reporting**
 - OMB guidance, State requirements, estimation methods, best-practices, etc, should all be considered.
 - Best to gather too-much than too-little.
 - Improve on estimation
 - Get "real" data on jobs
 - Better prepared for future changes in guidance/requirements
 - Data architecture TBD
 - USAspending.gov; Recovery.gov

Resource People Discussion

- (CSI): What's the gain of having states estimate themselves
- (EPI): State and localities should try to develop requirements for contractors
 - Use data to inform estimate reporting requirements on contractors
 - Problem if 50 states create 50 dif ways of doing this?
- (CSI): Why doesn't OMB just do it?
 - Have some place with technical competence develop this
 - Get cross regional effects
- (EPI): OMB is trying to develop technical infrastructure to let data trickle up from below
- (CNT): States should collaborate on "job creation"

State Questions and Concerns

- State DOTs are aware of dollars in/numbers of jobs
 - How do we tell if it is a new job or a saved job?
 - (EPI): Too bad the legislature didn't say "or" report on saved jobs OR new job
 - One way to think about saved jobs: if the money comes through—and the job would have been lost w/out the money
- How specific in terms of guidelines from OMB
 - How much latitude are we going to have on how we define job creation and job retention
- Do we make assumption this employee would not be employed but for stimulus money?
- States are trying to build data systems
- States are talking to IBM vendors—IBM/Microsoft—but have no money

- Useful Follow-up: Share IT Vendor Contract language w/ other states

Resource Person Discussion

- (EPI): Estimation and direct reporting – Get a sense of where the projects are
- (CSI): There is a need for standardization
- (EPI) Project/labor partnership--- Nothing has been on this scale
- (EPI) How much data do we need to be collecting now?
 - Methodology- What's it going to look like? Are these estimates? Or do you want hard data on number of jobs employed by contractors
- (SGA): 100 million in DOT funds—not all millions are created equal
 - Fixing what you have creates more jobs
 - There is a question of timing
 - 27% spend out rate goes up a lot if you fix up what you have
- (WFP) Number of estimated jobs exceed the reality
 - Be cautious about how far you go with estimates
 - There may be additional metrics: jobs created/jobs retained
 - Health benefits/quality of jobs
 - If folks are successful will decisions be made to achieve metrics—Are the jobs going to women/minorities/ offer health benefits/need standards to encourage?
 - Is there a movement to encourage standards up front?
- (CSI): useful if CSI could solve data collection problem

9:30 am-10:15 am Health – Michael Miller (Community Catalyst), Cheryl Fish-Parcham (Families USA), Brian Wagner (eHealth Initiative)

General Notes:

- \$87 billion temporary FMAP increase
- \$63,750 per Medicaid Provider incentive to adopt EHR Technology
- \$2 billion to National Coordinator for Health Information Technology to create a national medical record database—less \$300 million for regional/sub-national efforts toward health info exchange
- At least \$300 million to strengthen Health Information Technology Infrastructure
- \$1 billion Prevention & Wellness Fund Grants
- \$1 billion National Center for Research Resources
- There is a new Federal policy direction, evidenced in the **CHIP reauthorization** and the **rescission of the August 17 directive**
- There has been Federal inconsistency in reactions to state healthcare moves:
 - i.e. NY and NJ can use CHIP for families over 300% of the poverty line, but states who attempted this policy later were shut down.
- State-based ways to expand care and/or reduce costs:
 - Finding funding sources

High Road ARRA Implementation Conference: Meeting Notes

- Provider fees, as in CO
- Increase in tobacco tax—it's increasing anyway by Federal mandate, may as well capitalize.
- No-cost options:
 - Require hospitals to post charitable care requirements
 - Regulate medical debt aggressive collection practices
 - Limit charges to uninsured/underinsured patients
- Cost-effectiveness policies:
 - "Academic detailing"—i.e. have non-industry pharmaceutical experts educate doctors on prescribing for cost-effectiveness.
 - Push home and community care
 - Coordinate purchasing among states
 - Change Medicaid reimbursements
 - Integrate care for dual eligibles (those eligible for both Medicare and Medicaid)
 - For this to happen, there must be a Federal credit for states who save on Medicare.
- Health Information Technology (HIT):
- National Coordinator's Office will provide implementation criteria (for competitive grants)
- States need to show in their grant applications where the money will fit in (ideally to shovel-ready projects) and the projected outcomes.
 - One idea: States could create loan funds for providers, which they would administer using the \$300 million in competitive grant money.
- Hospitals and doctors initially receive funding for HIT (\$63,750 per Medicaid provider), which is phased out over 4 years as they begin to see the financial benefits of the new systems.
- ARRA requires competitive grants to universities or research consortia to establish health info tech research centers, which will study opportunities for integration of an interoperable national health care infrastructure, as well as develop and use HIT.
- For best return on investment, connections between providers, government, insurance companies, etc. is necessary.

Michael Miller (Community Catalyst): [State Level Action on Health Care: What are the Opportunities and Challenges?](#)

- The need is to find where good politics meets good policy
- Current Health Care Environment
 - SCHIP reauthorization 8/17.
 - The economic downturn means states have to do more with less. Some can't even meet the matching rate to draw down their additional SCHIP allotment.
 - Current Federal debate on health care will include:

- New Medicaid policy
 - New requirements for states and providers
 - Success or failure of the process is not ensured
 - Feds not always been generous to early adopter states so some states are waiting
- Because of financial pressures states need to find opportunities that are: no cost, low cost, save money.
 - States can help push the debate on health reform forward using the bully pulpit
- Areas of opportunity:
 - Coverage
 - COBRA conforming action
 - State COBRA subsidy
 - Childrens coverage – SCHIP reauthorization, some incentive to do it now.
 - Legally present immigrants
 - Pregnant women
 - Safety Net
 - Public disclosure/notification
 - Change limits for the uninsured/underinsured
 - Regulation of credit/ collection practices for medical debt – both for hospitals and any third parties
 - Cost effectiveness
 - Academic detailing
 - Home and community based care
 - Coordinated state purchasing
 - Changing Medicaid Reimbursement
 - Integrated care for dual eligibles
- “A crisis is a terrible thing to waste.”
 - Really hard to get providers to change how they think about reimbursement.
 - Quality based reimbursement.
- Moment really behooves States to think hard on health care
- Opportunity for States to tell Feds what they need.

Cheryl Fish-Parcham (Families USA)

- Quick review
 - COBRA regulations: If you work for a firm with more than 20 employees, you have opportunity to continue your coverage at the total cost of insurance.
 - Usually unaffordable for the unemployed
- ARRA will provide some assistance.
- To take full advantage of COBRA states need to:
 - Require that businesses under 20 employees give COBRA coverage to their employees (Mini COBRA laws): 11 states don't require employers to provide full coverage for small businesses
 - These states won't be eligible for the ARRA COBRA subsidies.
 - Ensure that their mini-COBRA coverage matches the Federal benefit in length: 10-13 states need to bring their mini-COBRA in line with FED COBRA

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- These states only receive full COBRA assistance for as long as they provide mini-COBRA
 - Some states are doing an emergency expansion to get federal funding
 - Help get out notice of this new benefit.
 - All employers must notify employees about COBRA
 - Feds will be notifying employers via internet
 - States should set requirement for small group health plans
 - Feds don't have the power to do this.
 - States should help publicize Fed assistance concurrently.
 - State assistance may need to subsidize COBRA coverage to ensure that people pick up coverage to increase the percentage of individuals who will take up the COBRA coverage.
 - (Community Catalyst): Could be a cost saver as some of these people may come to your Medicaid program if you don't pay for COBRA
 - States need to document how its going to see if there's going to be a need for this program going on.
 - The more you pay the less the adverse selection you get
- Get states information on Families USA call on COBRA

Brian Wagner (eHealth Initiative)

- Collaboration with local HIT organizations is going to be important
- The incentives for doctors and hospitals through 2015 – could be as much as \$40 billion
- Not a one shot thing, HIT going to continue to come to the table. Obama says this is an element of all health care reform.
- There are required State Grant Programs:
 - Established through the Office of the National Coordinator of Health Information Technology.
 - Will offer planning and implementation grants
 - Targeted at states or qualified state-designated entities
 - Principal goal is to improve health care through exchange and use of HIT
 - 2009 and 2010 grants are 100 percent Federal. Beginning in 2011 they require match
- State can create a loan fund, and can then apply for a Federal grant to populate it. Can also use private capital
 - Federal government will provide start-up capital to States and Tribes for these purposes
 - States who receive grants much use them to give loans to support provider adoption of electronic health records
 - Leveraging funds from the private sector is encouraged
- As to regulations HHS has a lot of stuff on its plate and hasn't gotten there yet
 - Medicaid and medicare incentives
 - Lots of new privacy arrangements
 - State AGs can now sue if there are any violations of privacy issues
 - If you're not already aware of what HI Exchanges and REO's are out there
 - Going to be essential to get the right type information out
- Savings from HIT are dependent on actual reform in health care provision
- How can you encourage states to exchange information now?

- Deadlines and regulations still coming from HHS
 - States interested in getting the timelines on this

10:15 am – 11:00 am Water – (EPA), Steve Wise (CNT)

General Notes:

- 20% of \$6 billion for Clean and Drinking Water State Revolving funds is set aside for green infrastructure, water and energy efficiency, water quality improvements, wastewater treatment, storm water runoff mitigation, or water conservation.
 - For example, street improvements could help with runoff issues.
- The Federal increase in State Revolving Fund is not a one-time opportunity but will probably continue.
- The increase in the Clean Water SRF is huge—states that are ready to spend will benefit the most.
- EPA recommends fixing the existing infrastructure first and directing the remainder to developed areas (urban areas)
 - To avoid perpetuating and expanding sprawl.
 - To create more jobs, faster
 - To save maintenance costs
- Green infrastructure will not jeopardize the gray infrastructure
- Savings estimates are as high as 50-80% over lifecycle—including the savings in water treatment, the savings in land (for example, preventing the need to build a costly reservoir)
- Septic issues: these are part of sprawl, but must be fixed to avoid later disastrous costs. An incentive plan for homeowners to take care of it themselves would be cheapest and easiest. Or states could make large capital expenditures on a system that will save them later costs, as Pennsylvania did.

First Presenter (EPA): [Opportunities for the Clean Water and Safe Drinking Water Revolving Funds](#)

- Opportunity--states must commit at least 50% for
 - Grants, Principal forgiveness, negative interest loans
- States distribute State Revolving Fund
- Stimulus requirements
- Criteria for State Revolving Fund (SRF) Project
 - Direct SRF investments toward
- Fix existing water infrastructure first
- Direct investment toward existing developed areas and infrastructure
- Benefits of investing in existing infrastructure
 - Job creation
 - Infrastructure asset management
 - Community and economic benefits of green infrastructure
 - Prevent unintended sprawl
- Not grey versus green- grey plus green-----
- 20% green reserve= 800 million
- Green storm water management - capture and reuse storm drainage

High Road ARRA Implementation Conference: Meeting Notes

- State revolving fund—under reauthorization
- Work that states do now--- get handle on how to use state revolving fund as a lever to get the funding you want---
 - Apply for partial/conditional or final grants

2nd Presenter (EPA):

- Flexibility in SRF perspective
- Watershed funding tool
- Storm water management objectives
- Position –to influence how that money is invested
- Direction from administrator- Lisa Jackson
- Make most of infrastructure
- Green jobs
- Green Reserve--- stimulus is asking us to move swiftly
- Many states have lists of projects—waiting for funding
- Green—new business for states—states trying to move traditional money as fast as possible
- Opportunity—for strategic thinking/investment in water quality
- SRFs should support state goals
- Some states want to be poster child for innovative project-do the best job with green reserve
- SRF is a significant chunk of money 6 billion for clean water res rep/drinking water res rep (gray and green infrastructure)
- A state will have to move money quickly--- 2009 grants in the budget
 - 2010- Obama quadrupled funding that states are receiving
- State comfortable with green water infrastructure, energy efficiency
- Send these projects to state managers
- Green storm water management, energy efficiency, water efficiency, other environmental innovative projects
- “Use transportation right of way as a municipality’s storm water management system”
- State outreach
- Principal forgiven loans

Steve Wise (CNT): [Benefiting from Green Infrastructure in ARRA and Beyond](#)

- Integrative framework
- Un pave the way—get away from concrete
- More drain for the dollar
- Community based projects--- long term jobs/job ladder- entry level through skilled
- Think outside the Pipe
- In Chicago—school roofs--- marginal cost to doing green roof versus regular roof--- flat enough roof/ structural support-
- Storm water management- performance benefits compared to a conventional roof
- Police stations: “Green infrastructure- not just a good idea, it’s the law.”
- Green roofs: save energy—for heating/cooling
- Property value
- Green infrastructure- enhances property values

- Climate benefits-increase in storms—is 30%
- Need to make states aware of these types of projects
- Louisville long-term control plan
- Water decoupling

Neil Weinstein (Low Impact Development Center):

- Transportation-green construction
- Two issues: water and energy- nexus-spend a lot of energy treating water
- Savings to tax payers by retrofitting – water treatment plants

State Questions and Concerns

- Timeframe-30 day changed to ASAP
- Struggling w/ green infrastructure issues
- Pressure from Dept of Health to use State Revolving Fund for septic
- Rural areas -public health problem—need sewers
 - (EPA): Failing septic is bad--- creates system – where homeowner pays fee to municipality--- municipality upgrades septic system
 - (Serrafix): Best distributed system—may be septic system—most homeowners’ don’t –create system to ensure consistent maintenance
 - Maintenance strategies
- (EPA)- decentralized systems need to be maintained
- Implemented state law—septic treatment facility- funded pumper trucks- septige

11:15 am – 12:45 pm Education and Work Supports – Robert Gordon (OMB), Tate Gould (D.Ed.-NCES), Aimee Guidera (DCQ), Judy Conti (NELP)

General Notes (Education):

- Stimulus-related Title I local educational allocations (LEAs), which supplement state and local funding for low-achieving children, especially in high-poverty schools, lasts two years.
- But K-12 is the most likely to suffer “cliff” syndrome when the stimulus expires.
 - President’s emphasis on early learning—i.e. challenge grant program
 - (Some states, like?) CO’s constitution skews education investments heavily toward higher education
- Data Quality Campaign: pushing for longitudinal education data collection in the states—one of 4 requirements of ARRA money from the state fiscal stabilization fund.
- \$5 billion in state incentive grants to help states meet the requirements (“Race to the Top” grants)
- This type of data is necessary to back up conversations about graduate readiness, and a holistic view of education and training.
- Phase 2 of data movement will involve aligning, linking and sharing data across pre-k, k-12 and post-secondary institutions as well as across district and state lines
- The use of data will be expanded beyond P-20 to health and labor departments.

High Road ARRA Implementation Conference: Meeting Notes

- States must build systems that serve district needs while promoting regional and departmental exchange—for example, the system must be able to track a kid who attends k-12 in MD and university in VA.
 - Access for all stakeholders must be ensured.
 - Capacity must be built (via teachers, especially)

Aimee Guidera: [Opportunities in the ARRA to Build and Support the Use of State Longitudinal Data Systems](#)

10 Essential Elements of a Longitudinal Data System:

1. Unique statewide student identifier
2. Student-level enrollment, demographic and program participation information
3. Ability to match individual students' test records from year to year to measure growth
4. Information on untested students
5. Teacher identifier system with ability to match teachers to students
6. Student-level transcript information, including information on courses completed and grades earned
7. Student-level college readiness test scores
8. Student-level graduation and dropout data
9. Ability to match student records between the P-12 and postsecondary systems
10. State data audit system assessing data quality, validity, and reliability

Pieces of a LDS that states have not focused on:

- Linking K-12 w/ post secondary
- Teacher information/student information systems
- Transcript information
- College readiness test scores

General Notes:

- Stabilization funds: states have to prove they are implementing 10 elements of longitudinal system
- States need to show they have ability to follow students through workforce development
- Support struggling schools
- Improve collection and use of longitudinal data
- Your data and tech folks can do this--- it is an issue of political-will
- Race to the top grants: encourage innovation
- Data Quality Campaign: Align link and share data PK-12-20
- Align, link and share across pipeline
- Focus on using longitudinal data for improving student achievement--go from using for compliance to using for improvement--- How do we change?
- Changing culture around data use
- Build capacity: How do we get teachers to use this information?
- Where are states in improving access/alignment/capacity?
- Implement DQC 10 essential elements
- Embark on new 10 state actions to ensure effective data use

- Work collaboratively with districts to ensure state systems are built to serve district
- Address data architecture issues (and work to develop common data models) to promote interoperability of data systems
- **Data Opportunities in ARRA**
 - \$250 Million for State Longitudinal Data Systems
 - Competitive Grant managed by Institute of Education Sciences
 - Help states implement and use state longitudinal data systems (based on DQC ten elements, but also postsecondary and workforce data)
 - Since 2005 50 states have applied for these grants in 3 rounds of funding; 27 states have received in first 2; last round will be announced in near future
 - \$53.6 Billion in Stabilization Funds
 - \$48.6 B to assist education budgets (formula)
 - To tap into these funds, states must meet 4 Assurances:
 1. Equalize Teacher Distribution
 2. Enhance Quality & Alignment of Assessments
 3. Support Struggling Schools
 4. IMPROVE THE COLLECTION & USE OF LONGITUDINAL DATA
 - \$5B State Incentive Grants—Race to the Top
 1. Distributed by Secretary by competitive grant to help states fully meet the assurances goals
- **DQC Phase II: Expanding the Focus**
 - Align, Link, and Share Data Across the Pipeline
 - Pre K and K-12 and Postsecondary
 - P-20 with other critical data systems (health, labor, social services)
 - Across districts and states
- Focus on **Using** Longitudinal Data for Improving Student Achievement
- Phase II of the DQC: Changing the Culture around data use and maximizing states' investments in longitudinal data systems.
- Next Step: State Actions to Ensure Effective Data Use
- Expand the ability of state longitudinal data systems to link across the P-20 education pipeline and across state agencies:
 - Link state K-12 data systems with early learning, postsecondary education, workforce, social services and other critical state agency data systems.
 - Create stable, sustained support for robust state longitudinal data systems.
 - Build state data repositories (e.g., data warehouses) that integrate student, staff, financial and facility data.
 - Develop governance structures to guide data collections, sharing and use
- Ensure that data can be accessed, analyzed and used, and communicate data to all stakeholders to promote continuous improvement:
 - Implement systems to provide all stakeholders timely access to the information they need while protecting student privacy.
 - Create progress reports with individual student data that provide information educators, parents and students can use to improve student performance.
 - Create reports that include longitudinal statistics on school systems and groups of students to guide school-, district- and state-level improvement efforts.
- Build the capacity of all stakeholders to use longitudinal data for effective decision-making.

High Road ARRA Implementation Conference: Meeting Notes

- Develop a purposeful research agenda and collaborate with universities, researchers and intermediary groups to explore the data for useful information.
- Implement policies and promote practices, including professional development and credentialing, to ensure that educators know how to access, analyze and use data appropriately.
- Promote strategies to raise awareness of available data and ensure that all key stakeholders, including state policymakers, know how to access, analyze and use the information.
- Strategic Stimulus Investments to Promote the Use of Data
- States should consider using ARRA funds to:
 - Fully implement the DQC 10 Essential Elements
 - Embark on the new 10 State Actions to Ensure Effective Data Use
 - Work collaboratively with districts to ensure state systems are built to serve district needs
 - Address data architecture issues (and work to develop common data models) to promote interoperability of data systems
 - Phase II of Data Quality Campaign
- DQC Partners have renewed their commitment to work together over the next 3 years to build support and political will to:
 - Grow and sustain longitudinal data systems that follow individuals through the P-20 Pipeline
 - Ensure broad, yet appropriate, access to these data
 - Increase capacity to understand & use these data improve system performance and student achievement.

State Questions and Concerns

- Is this the only pot of money available?
- RFP package: Is Higher Ed a part of it?
- (OMB) data systems need to be in place to make the spending work
- (DQC): Political popularity: Gov Rendell- getting policy maker of the year-
 - PA—vital role of gov to make state data systems all aligned and working

General Notes (Work Supports):

- \$3.95 billion for Workforce Investment Act programs
- Expansion of Work Opportunity Tax Credit
- Reauthorization and increase of Trade Adjustment Assistance funding, expansion of program
- Unemployment Insurance extension and modernization
 - \$25/week benefit increase
 - \$15/week per dependent benefit increase
 - Extension of qualification period
 - Up to \$7 billion in incentives for modernization, paid to state unemployment accounts
 - Federal financing of extended benefits through 2009
 - Interest on Federal loans to state unemployment trust funds waived through 2010.

- COBRA continuation coverage—Feds will pay 65% of total cost per individual.
 - States must notify people of ARRA-related benefits, which apply to those laid off since September 2008, and give them another chance to elect COBRA/mini-COBRA benefits.
 - They could require firms to do this.
 - States can document the use and need for this program, and possibly influence future debates about its extension
- Problems:
 - 10-11 states currently don't mandate mini-COBRA for small businesses, without which they will not receive this Federal assistance.
 - Contract laws could snarl attempts to implement mini-COBRA mid-year
 - Legislatures are wary of the unknown cost of mini-COBRA to small businesses
 - According to NELP, this cost is negligible.
- UI modernization:
 - States must implement alternative base periods to include current and previous quarters of an individual's income to calculate UI.
 - 40% of those who had originally been denied UI money got it once ABPs were implemented, in the states that made the change.
 - Part-time workers and workers who leave jobs for compelling family circumstances will be included.

Judy Conti- National Employment Law Project:

- Extension of time to qualify for unemployment benefits
- 60% subsidy for COBRA—middle class workers will be able to take advantage of this
- Unemployment Insurance Modernization Act—incentive grants designed to the states- to improve unemployment systems
- ½ of states enacted reforms to get more women/contingent workers/ low income workers into protection of safety net
- 500 million to every state- administer unemployment compensation
- Every state will get share of this money to hire more people / improve technology
- Alternative Base Period Reform
 - In most systems the 3-6 months of workers last earnings were not included in unemployment eligibility
- Wages have stagnated for low income workers
- Low-income workers need every bit to qualify for unemployment benefits
- In states that enacted Alternative Base period-more people qualify for unemployment
 - Includes people looking for part-time work
 - Many people work part time schedules- in order to care for children/ elderly relatives
- Allow people to collect unemployment when they leave for compelling family reasons (escape domestic violence, care for sick child)
- Include extra allowance of 15 a week- for every dependent -extend benefit
- Extended benefits require a 50/50 Federal-State match.

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- South Carolina/California working on state legislation to expand their UI system to draw down this money
- You have three years to do these reforms and still collect Federal benefits
- Current unemployment levels means its advisable to enact these reforms now

State Questions and Concerns

- You said this will cover 4 years, businesses are saying this is going to be burdening them long-term. They say it will cover 2 years.
 - (NELP) – It will last four, and if we get a recovery it'll last longer
 - States that have done this find that it is manageable.
- Organizations that put out these numbers are always just speculating
 - (OMB) – we did a back of the envelope assessment, and the tax increase looks like it will be pretty small.
 - 1/10th to 1/20th of a cent
 - (NELP): If UI taxes are what forces a business under, they have bigger problems anyway.
- DOL has regulations up and running and they're ready to go. States will have 30 days for certification.
- As we're talking to local districts, they're looking at that cliff and they're wondering what to do with that. How can they not add property taxes?
- Reporting requirements for those funds, we're trying to clarify what the state responsibility for LEAs
- Shouldn't the money go through the agency providing training, not UI organization?
- We talked to tech schools, because they'd like to use those job training dollars directly.
- Every application seems to have the section 16 language, do we have to sign that every time?
- On the waiver authority, we'd like the Department to signal willingness to accept more liberal MOEs.
- The language had much more liberal waiver language, but that's not what ended up happening.

1:30 pm – 3:15 pm Integrating Strategies – (OMB), Will Schroeer (SGA), David Burwell (PPS)

Integrating Strategies

(SGLI) Overall Goals

- Create the most jobs
- Create jobs quickly
- Create jobs using the fewest dollars
- Leverage state spending with private sector investment
- Serve more people for the same money
- Add value to existing investment (public and private)
- Reduce private costs and return more money to economy.
- Put people to work who need it most and stimulate faster
- Help prepare states and communities for coming changes
 - Volatile and likely higher energy prices
 - Carbon constraints

- Growth
- Aging
- (Serrafix) Super agency: You want to grab control of the discretionary funds, and especially the capital budgets.
- There is no doubt, even if your agencies have lists of uses for their capital projects, you have the ability to pick and choose to ensure projects are integrative.
 - Ask questions about cross cutting issues: “what is the housing impact of this transportation project.”
- We swept all the discretionary grant programs in our office. We used these grants to encourage communities to do sustainable green integrative projects.
- Fractal looks geographically the same at any scale. This is how you want state policy to work. Everyone pulling in the same direction. Feds outta be using this type of philosophy.
- We should get the federal secretaries to look not only at policies, but also at capital deployment.
- (NAF): When it started it started with principles. Basic smart growth principles.
- (Serrafix): We scored all states on their acceptance of these principles. You had more chance to get a grant if you scored well.
 - Governor and I hired the agency secretaries.
- (NAF): When? Crisis can be a good opportunity to create this sort of integrated super agency.
- Did you have a department of economic development?
 - (Serrafix): Yes, but we pulled them in a different way.
 - Through executive order?
 - (Serrafix): Nope we did it through mandate . . . this is how we’re going to do it.
 - Kaine, Spitzer, Napolitano did executive orders
 - CSI will provide language on these executive orders.
- (SGLI): Every department head will say there is no discretionary money. This is not necessarily true though. You need to take previously allocated money and direct it to your goals. What appears to be mandated is often very very discretionary?
- (SGLI): Many ways to do this. We did ours by legislation, which I wouldn’t advocate. We didn’t get as much as we would have by executive order.
- (SGLI): The question is not only how do you coordinate, but how do you enforce.

(Center for Neighborhood Technology)

- 2010 budget will contain funding for regional planning initiatives. We did them in the Clinton Administration and they were called Reverse RFPs. You figure out what you want to do and bring the Feds in as a partner. There is an emerging federal partner for focuses on metropolitan areas.
- You figure out what you want to do and they’ll go and find the resources.
- Requires a special focus on metropolitan areas.
- What we found in the Clinton administration is that we took the competitive edge off and let the good guys win.
 - You can back this up not only with cash but with regulatory benefits.
- (CSI): We’re assuming that the principals Will espoused were controversial.
- We’ve got a really strong legislative process. The political damage of dictating this sort of thing would not be with it. How do we lead the legislature to water?

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- (Serrafix): Coordination can be done in more or less politic ways. There are nuggets which you can find for them and for localities. Transit Oriented Development was a really popular treat for Leg. Leadership.
- (Serrafix): Outreach to localities is helpful. For us highlighting the points in common was extremely helpful.
- From idea to implementation, how long does this take to roll out?
- (Serrafix): We had a budget crisis as a catalyst. Similar to the stimulus
 - ARRA is the first day of a new era, but this is going to be a continuous theme.
 - Important to do as much as you can in the near future, but its really going to have to be done over the course of a couple of years
 - We're doing business in a new way, is the statement, we're going to have, in reality, a longer evolution.
- (Serrafix): You really have to find out where the money is.
- (NAF): If you ask the questions you'll change the process.
- Part of the challenge is that crisis creates opportunities, but there is also fatigue setting in. We all have miserable budgets and we're out of energy to sell this.
- We have similar fatigue issues.
- (CSI): How to sell this reform as a way to reduce fatigue?
- Perhaps we can fire one secretary to motivate the rest.
- (Serrafix): 85% of what is going on—we don't care about anyway--- operational
 - Head of transit agency—housing agency and transit agency- able to interact—potential between the agencies--- give fatigued people new spot to get help= interagency communication
 - State workers are under the gun.
- (Serrafix): go into agency and say here's the big idea. Grab the employees who are interested in it.
- (NAF): take people who know how the agencies work—better than hiring new. Go to the people who know how the agency functions- put in a new role
- (CSI): will we say to secretaries – we are controlling your budget, take your top people and realign
- (Serrafix): boss glad to give up top dogs in exchange for a seat at the table
 - Create advisory group. Gov keeping control of advisory group.
 - Public and private partner advisory groups
 - Stealing super star staff
- (Serrafix): it took a year to figure out everything they needed to work with/ funding/ how to structure interagency effort
 - 1/3 of score—from land use policy and zoning—and how consistent it was with state growth.
 - This is still being implemented by Romney's replacement—Gov. Patrick(SGLI): This offers technical assistance to locals—critical part of plan?- agency pushback versus local government
- (Serrafix): technical assistance going on in local agencies. If you are a big city, new way around state house, western Massachusetts- Didn't know where to find stuff.
 - Online resources – tied to score card. CD Rom from state. Towns that scored poorly- would send them TA. Legislature got keen—from little towns—worried they would be walled out. Little town in public sphere

- Relations between states and cities—how much money goes out-
- What are the management problems you are having?
- Accountability- Don't know what the regs are....
- Have money –but can't hire people
- Interaction between inside versus outside? Is anyone using contractors?
 - What's the blend?
- Audit RFP (independent from state auditor).
- To bring outside people in-established review teams setting policy agenda- bringing in private sector—put on review teams.
- (RFP): asked for someone w/ experience in ARRA
- How might your state use ARRA money to do more than start something new?
- (CSI): Are you thinking about going beyond existing energy efficiency programs?
- So much money for weatherization side—we talked with people from DOE/HUD—multi family structure—Are there possibilities there?
 - Industrial energy users? How can we make them more energy efficient?
- On energy. Took core stimulus team, chiefs of staff from agencies, policy people from gov's office, IT people, executive sponsors (secretaries), owners. For every program—someone owns the program (owners not deciders) – sharepoint tool, all programs – asked hundreds of questions
- Energy Cluster/Housing/ETEC Cluster/ Energy- people hanging low with no money.
- (CSI) feds—big projects, retrofit, next generation, beyond system benefit chargers, using public capital to facilitate, market changing thing
- How do we incent demand?
- (CNT) Some states in class of own. What's an interesting way to reorganize
 - Opportunities. Obvious opportunity—states play a convening exploratory role in public/private – conference calls—accelerate partnerships
- Useful exchange/ therapy session. Jump on partnership thing in real time. Public/private partnership... Let's do big project- chase competitive dollars. Look for private partners (loan guarantees).
- Using cluster teams to identify...WIA buckets- very little discretionary \$\$.
- Money comes from feds—pass through state- goes to Workforce Invest Boards... assuming some permutation of current guidelines... look at CFR--- define scope of work in a way- that is more restrictive... we want to create a youth summer jobs program—focus on certain internships---- do that by limiting the parameters the WIBS can work under.

3:30 pm – 4:00 pm – Topics for follow-up discussion, TA availabilities, Other CSI help needed

What would be useful for you?

Overviews

- (SGLI)
 - Technical assistance
 - More in depth work on the smart growth aspects of the bill
 - Mayors project
- (EPA)
 - We keep a record of localities with interesting growth planning projects.
- (CSI)

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- We would like to know about and show you new ways of combining money.
- Smart growth metrics that everyone should use
- Polling message stuff.
- Iowa, we'd like to do a series of webinars based on the major aspects of ARRA.
 - Taking questions from states and clustering sections of questions.
 - Yes if its targeted and well organized.
 - Really concentrated, one topic at a time.
 - Ideas:
 - Weatherization (TN)
 - One question was how do you spend the money
 - Labor standards, training and oversight are all terrible for contractors.
 - WOW feels like they can help on this. They know how to ensure you get quality contractors
 - Housing (WI)
 - Tax credits
 - Neighborhood stabilization program
 - what more can we do
 - Build America bonding (MO)
 - Green Reserve Part of the SRF – IA and OR
 - Education piece directed towards the infrastructure piece of it.
 - Bernstein– Big question is on the economics and then tell us if it works.
 - Show what more integrated decision-making and metrics would look like. – (CSI)
 - i.e. what would it look like to actually look at the housing impact of transportation policy.
 - What does state/municipality coordination look like
 - Other models of integration.
 - Virginia called theirs “Community Investment”.
 - Eating my veggies issues - CO
 - Accountability and tracking - CO
 - What to do when you're getting attacked from left and right. - CO
 - Working with localities – CO
 - Getting women and minority businesses involved in the process.
 - (NAF) – What about a weekly debriefing session?
 - (CSI)– Only if you're going to help us out, only if you'll take part.