



## Analysis of Selected Issue Areas in the American Recovery and Reinvestment Plan

February 17, 2009

### Issue Area: Economic Development

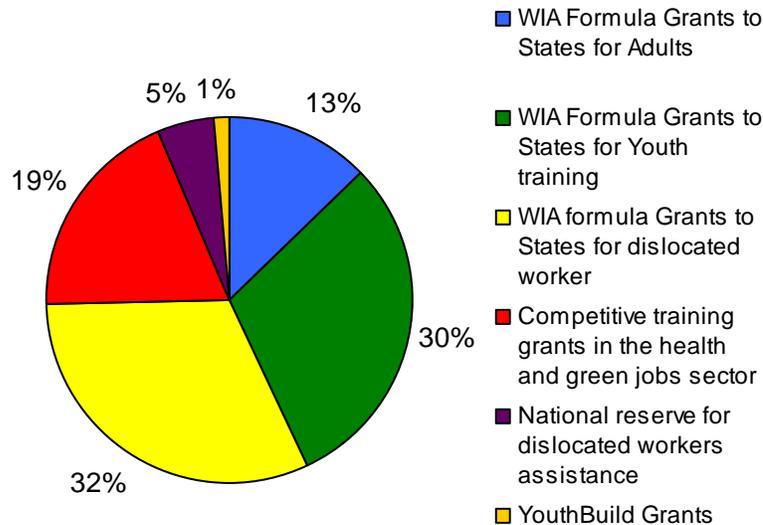
**Federal administrating agency/legislation: Economic Development Administration (EDA)**

There was a \$100 million difference between the House and the Senate on funding for programs administered through the Economic Development Administration. The agreed amount reached in conference is the lower amount in the Senate version, \$150 million. Of this, \$50 million is allocated for the economic adjustment assistance programs, as described in the Public Works and Economic Development Act of 1965, as amended and available [here](#). The remaining \$100 million will be allocated through other existing “Economic Development Assistance Programs” as described [here](#). Priority will be given to areas of the Nation that have experienced sudden and severe economic dislocation and job loss due to corporate restructuring. However, the existing programs require applicants to submit a Comprehensive Economic Development Strategy (CEDS), described [here](#); it is doubtful any areas in the CMAP region have a current CEDS and therefore are unlikely to be eligible for this funding.

### Issue Area: Workforce Development

**Federal administrating agency/legislation: Department of Labor, Workforce Investment Act (WIA)**

The final amount allocated for workforce development through formula and competitive grants for adult, youth, and dislocated programs is \$3.95 billion. This amount is a compromise between the House and Senate proposals; it is estimated Illinois will receive \$174 million of this funding. The chart below shows how this money is distributed between the three formula provisions and three discretionary provisions.



An additional \$1.2 billion is allocated to existing programs that focus training and job opportunities to specific populations, including older workers, people with disabilities, and other unemployed populations.

**Issue Area: Telecommunications Infrastructure**

**Federal administrating agency/legislation: National Telecommunications and Information Administration**

The funding allocated for the Broadband Technology Opportunities Program is a compromise between the lower amount in the House proposal and the Senate’s proposal; the final version of the act includes \$4.35 billion to expand and improve access to broadband. Of this, no less than \$200 million is dedicated for competitive grants for expanding public computer capacity at institutions such as libraries and community colleges. Additionally, a minimum of \$250 million will be awarded through competitive grants for innovative programs that encourage adoption of broadband service. The act includes criteria to help target these funds to areas in greatest need and with the most potential benefit, including underserved areas and to economically disadvantaged areas such as federally designated Renewal Communities and Empowerment Zones; the City of Chicago includes several communities with these designations. Eligible applicants include States or other political subdivisions, non-profit organizations, and broadband or infrastructure service providers.

An additional \$350 million remains for a national mapping inventory. The act also includes \$2.5 million for grants and loans for increasing access to broadband services to rural areas.

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