

## **ABA's Latest Economic Stimulus Update 2009-02-13**

The following is a summary of the funding for water infrastructure contained in the Economic Stimulus Bill being voted on 2-13-09. This summary was provided by Angie Brewer and Associates, LC.

### ***American Recovery and Reinvestment Act of 2009 Update***

#### ***Latest Actions – Stimulus Bill Ready for Final Vote:***

- The House/Senate Conference Committee released the text of the Conference Committee Report late yesterday (2-12-09).
- It is expected that the \$789 Billion bill will now be voted on by the House this afternoon and by the Senate late today or by early evening (2-13-09).

#### ***Highlights for Water Infrastructure Funding:***

- The Rural Utilities Service final budget authorization of \$1.38 billion will support \$2.82 billion in loans and \$968 million in grants.
- Clean Water SRF funding was set at \$4.0 billion - Florida share will be about \$134 million.
- Drinking Water SRF funding was set at \$2.0 billion - Florida share will be about \$100 million.
- There is a mandate that 50% of the funds be used for additional subsidy in the form of negative interest, loan forgiveness, or grants in both SRF programs.
- Reference to "affordability criteria" for additional subsidy has been removed from the bill.
- Readiness to proceed provisions were changed to allow 12 months from the date of enactment for projects to be under contract for construction.
- Funds may be reallocated if the 12 months readiness to proceed requirements are not met.
- If sufficient applications are received, 20% of the funds must be used for "green infrastructure" or other water or energy efficiency improvements or other environmentally innovative activities.
- Funds may be used to buy, refinance or restructure the debt obligations of eligible recipients only where such debt was incurred on or after October 1, 2008.
- Davis Bacon wage rate provisions were not included in the bill.

You may contact them at (941) 756-5800 or at [donberryhill@abalc.com](mailto:donberryhill@abalc.com) if you have questions or for more information about how these developments affect you community or your projects.