

# The American Recovery and Reinvestment Act

## Key Provisions Affecting the Built Environment

(Additional information can be found at [www.recovery.gov](http://www.recovery.gov))

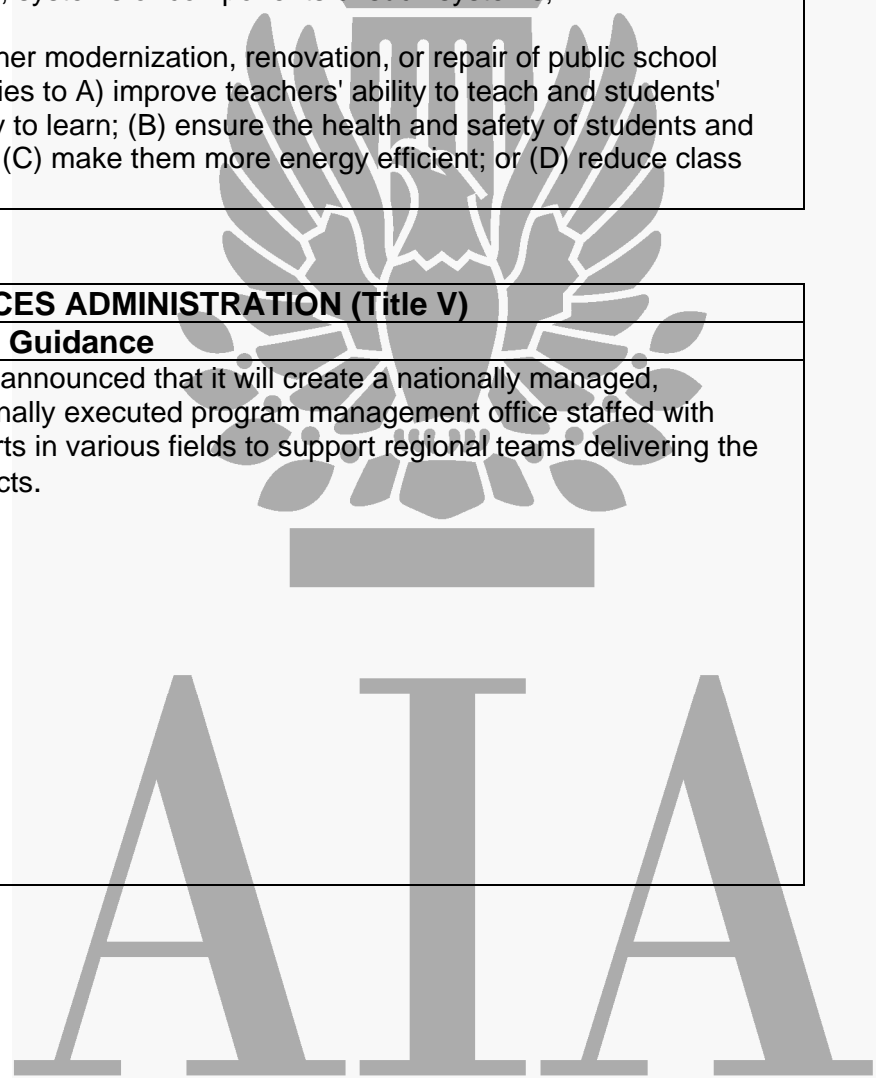
### Spending Provisions

#### SCHOOL MODERNIZATION (Title XIV, Sections 14002, 14004, 14005)

Law	Guidance
<p><b>State Stabilization Fund- \$53.6 Billion</b></p> <ul style="list-style-type: none"><li>• States must use at least 83% of the funding (\$40 billion) to provide aid to local school districts.</li><li>• Governors may use up to 17% of the funding (\$8.2 billion) on allocations for public safety and other governmental services, which may include educational services and higher education modernization, renovation, and repair activities, which may include modernization, renovation, and repairs consistent with a recognized green building rating system.</li></ul>	<p>Allowable uses of the funds include the following:</p> <ol style="list-style-type: none"><li>1. Repairing, replacing, or installing roofs, including extensive, intensive or semi-intensive green roofs, electrical wiring, plumbing systems, sewage systems, lighting systems, or components of such systems, windows, or doors, including security doors;</li><li>2. Repairing, replacing, or installing heating, ventilation, air conditioning systems, or components of such systems (including insulation), including indoor air quality assessments;</li><li>3. Bringing public schools into compliance with fire, health, and safety codes, including professional installation of fire/life safety alarms, including modernizations, renovations, and repairs that ensure that schools are prepared for emergencies, such as improving building infrastructure to accommodate security measures;</li><li>4. Modifications necessary to make public school facilities accessible to comply with the Americans with Disabilities Act of 1990;</li><li>5. Modernization, renovation, or repair of science and engineering</li></ol>

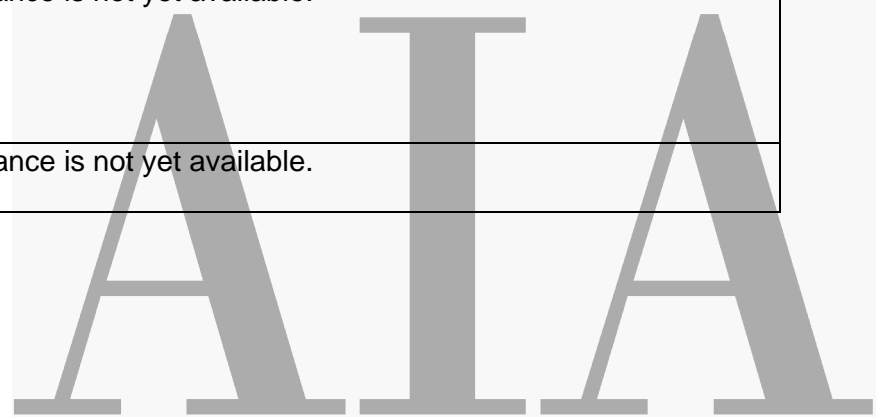
	<p>laboratory facilities, libraries, and career and technical education facilities, including those related to energy efficiency and renewable energy, and improvements to building infrastructure to accommodate bicycle and pedestrian access;</p> <p>6. Renewable energy generation and heating systems, including solar, photovoltaic, wind, geothermal, or biomass, including wood pellet, systems or components of such systems;</p> <p>7. Other modernization, renovation, or repair of public school facilities to A) improve teachers' ability to teach and students' ability to learn; (B) ensure the health and safety of students and staff; (C) make them more energy efficient; or (D) reduce class size.</p>
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<b>FEDERAL BUILDINGS- GENERAL SERVICES ADMINISTRATION (Title V)</b>	
<b>Law</b>	<b>GSA Guidance</b>
<ul style="list-style-type: none"> <li>• \$5.5 billion is provided to GSA's Federal Buildings Fund. <ul style="list-style-type: none"> <li>• \$4.5 billion of which shall be available for measures necessary to convert GSA facilities to High-Performance Green Buildings;</li> <li>• \$750 million is provided for the design, construction, and modernization of federal courthouses;</li> <li>• \$300 million is provided to renovate and construct border stations and land ports of entry;</li> </ul> </li> <li>• \$5 billion of the funding must be obligated by September 30, 2010; the remainder by September 30, 2011</li> <li>• GSA shall submit a detailed plan to Congress regarding the</li> </ul>	<p>GSA announced that it will create a nationally managed, regionally executed program management office staffed with experts in various fields to support regional teams delivering the projects.</p>



use of these funds, by project, within 45 days of enactment of this Act.	
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<b>OTHER FEDERAL BUILDINGS</b>	
<b>Law</b>	<b>Guidance</b>
<p><b>DEPARTMENT OF DEFENSE (Title III)</b>            \$4.2 billion is provided in Operation and Maintenance accounts to upgrade DoD facilities, including energy-related improvements</p> <p>\$1.3 billion is available for military construction for hospitals</p> <p>\$240 million is provided in military construction for child development centers</p>	<p>Formal guidance will be available at this website:  <a href="http://www.defenselink.mil/recovery/">http://www.defenselink.mil/recovery/</a></p>
<p><b>NATIONAL INSTITUTES OF HEALTH (Title VIII)</b>            \$500 million is provided to fund high-priority repair, construction and improvement projects for NIH facilities.</p>	<p>Guidance is not yet available</p>
<p><b>DEPARTMENT OF HEALTH AND HUMAN SERVICES (Title VIII)</b>            \$1.5 billion shall be available for grants for construction, renovation and equipment, and for the acquisition of health information technology systems, for health centers (qualified health centers are defined by Section 330 of the Public Health Service Act).</p>	<p>Guidance is not yet available.</p>
<p><b>NATIONAL INSTITUTE OF STANDARDS AND TECHNOLOGY (Title II)</b>            \$360 million is provided for the construction of research facilities, half of which is dedicated to a new competitive construction grant program for research science buildings.</p>	<p>Guidance is not yet available.</p>
<p><b>NATIONAL SCIENCE FOUNDATION (Title II)</b>            \$400 million is provided for "Major Research Equipment and</p>	<p>Guidance is not yet available.</p>



Facilities Construction".	
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<b>DEPARTMENT OF ENERGY PROVISIONS (Title IV)</b>	
<b>Weatherization Assistance Program</b> \$5 billion is provided for the weatherization of low-income family homes. The maximum assistance level is increased to \$6,500 per dwelling unit from \$2,500.	The Department of Energy has a website dedicated to the Weatherization Assistance Program- <a href="http://apps1.eere.energy.gov/weatherization/">http://apps1.eere.energy.gov/weatherization/</a>
<b>Energy Efficiency and Conservation Block Grant Program</b> \$3.2 billion is available to assist local governments in implementing programs to conserve energy and increase energy efficiency	The Department of Energy has a website dedicated to the Energy Efficiency and Conservation Block Grant Program- <a href="http://apps1.eere.energy.gov/wip/block_grants.cfm">http://apps1.eere.energy.gov/wip/block_grants.cfm</a>
<b>State Energy Program</b> \$3.1 billion in grants and funding is provided to states for energy efficiency and renewable energy projects. States may use the funding for the creation and adoption of advanced building codes.	The Department of energy has a website dedicated to the State Energy Program- <a href="http://apps1.eere.energy.gov/state_energy_program/">http://apps1.eere.energy.gov/state_energy_program/</a>

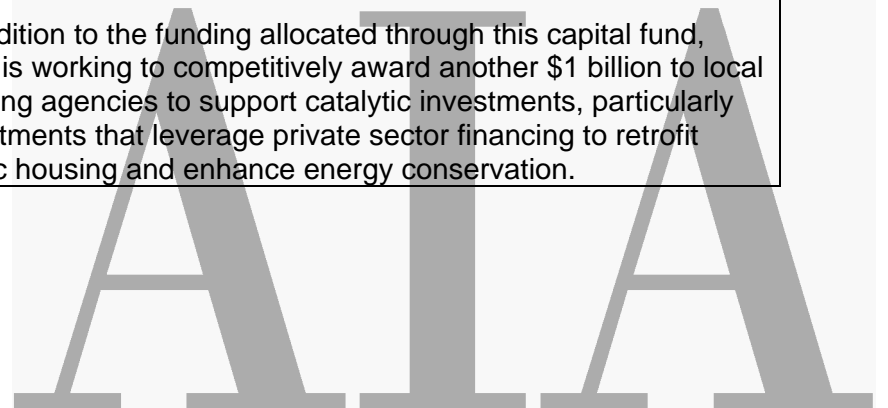
<b>PUBLIC TRANSPORTATION Title XII</b>	
<b>Law</b>	<b>Guidance (<a href="http://www.dot.gov/recovery/">http://www.dot.gov/recovery/</a>)</b>
<b>Transit Capital Assistance</b> \$6.9 billion for capital assistance to transit agencies	Awaiting formal guidance.
<b>Grants to States and Local Governments</b> \$1.5 billion is provided in grants for state governments, local governments and transit agencies, for capital investments in surface transportation infrastructure, including New Starts and Small Starts projects and passenger and freight rail	Awaiting formal guidance.



transportation projects, as well as highway and bridge projects	
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<b>SMALL BUSINESS ADMINISTRATION (SBA) Title V</b>	
<b>Law</b>	<b>Guidance (<a href="http://www.sba.gov/recovery/">http://www.sba.gov/recovery/</a>)</b>
<b>Existing SBA Loans (Section 501)</b> \$375 million is provided for temporary fee reductions or eliminations on SBA loans.	Awaiting formal guidance.
<b>Business Stabilization Loans (Section 506)</b> \$275 million is provided to for a new program to help small businesses meet existing debt payments.	Awaiting formal guidance.

<b>HOUSING AND URBAN DEVELOPMENT- Title XII</b>	
<b>Law</b>	<b>Guidance - <a href="http://www.hud.gov/recovery/">http://www.hud.gov/recovery/</a></b>
<b>Public Housing Capital Fund</b> \$4 billion is provided for energy efficient modernization and renovation of our nation's critical public housing inventory.	<p>Funds shall be obligated to public housing agencies within 30 days of enactment of the American Recovery and Reinvestment Act of 2009, which was signed February 17, 2009.</p> <p>HUD has already allocated nearly \$3 billion to 3,134 public housing agencies to develop, finance, and modernize public housing in their communities. Local PHAs will use this funding for energy-efficient modernization and to make large-scale improvements to public housing developments, including critical safety repairs.</p> <p>In addition to the funding allocated through this capital fund, HUD is working to competitively award another \$1 billion to local housing agencies to support catalytic investments, particularly investments that leverage private sector financing to retrofit public housing and enhance energy conservation.</p>



<p><b>Native American Housing Block Grants</b> \$510 million is allocated for energy efficient modernization and renovation of housing maintained by Native American housing programs, and the development of sustainable communities.</p>	<p>HUD has allocated funding but not yet obligated it to specific projects. See <a href="http://www.hud.gov/recovery/native-american-formula.cfm">http://www.hud.gov/recovery/native-american-formula.cfm</a> for details.</p>
<p><b>Tax Credit Assistance Program</b> \$2.25 billion is invested in a special allocation of HOME funds to accelerate the production and preservation of tens of thousands of units of affordable housing</p>	<p>The housing credit agencies in each State shall distribute these funds competitively and according to their qualified allocation plan. Projects awarded low income housing tax credits in fiscal years 2007, 2008, or 2009 are eligible for funding but housing credit agencies must give priority to projects that are expected to be completed by February 2012. 75 percent of TCAP funds will be committed by February 2010, 75 percent must be expended by February 2011, and 100 percent of the funds must be expended by February 2012.</p> <p>See <a href="http://www.hud.gov/recovery/tax-credit.cfm">http://www.hud.gov/recovery/tax-credit.cfm</a> for more information.</p>
<p><b>Community Development Block Grants</b> \$1 billion for approximately 1,200 state and local governments to invest in their own community development priorities. Most local governments use this investment to rehabilitate affordable housing and improve key public facilities – stabilizing communities and creating jobs locally.</p>	<p>HUD has allocated funding but not yet obligated it to specific projects. See <a href="http://www.hud.gov/recovery/cdblock.cfm">http://www.hud.gov/recovery/cdblock.cfm</a> for details.</p>
<p><b>Neighborhood Stabilization Program</b> \$2 billion invested in mitigating the impact of foreclosures through the purchase and rehabilitation of foreclosed, vacant properties in order to create more affordable housing and renew neighborhoods devastated by the economic crisis.</p>	<p>Awaiting guidance</p>
<p><b>Assisted Housing Energy Retrofit</b> \$250 million invested in energy efficient modernization and renovation of housing of HUD-sponsored housing for low-income, elderly, and disabled persons.</p>	<p>Awaiting guidance</p>



## **Tax Provisions**

### **First Time Home Buyer Credit (*Section 1006*)**

First time homebuyers will be able to claim a \$8,000 tax credit for the purchase of the home. In the past, this credit was treated as an interest-free loan. The bill eliminates the repayment obligation.

### **Qualified School Construction Bonds (*Section 1521*)**

The bill creates a new category of tax bonds for the construction, rehabilitation, or repair of public school facilities or for the acquisition of land where the facility will be constructed. \$22 billion is available.

### **Qualified Zone Academy Bonds (*Section 1522*)**

\$1.4 Billion is provided to finance renovations, equipment purposes, developing course material, and training teachers.

### **Qualified Energy Conservation Bonds (*Section 1112*)**

\$2.4 billion can be used to finance state, municipal, and tribal governments in initiatives designed to reduce greenhouse gas emissions.

### **Recovery Zone Facility Bonds (*Section 1400U-1*)**

\$15 billion can be used to invest in infrastructure, job training, education, and economic recovery. Money is distributed based on financial need.

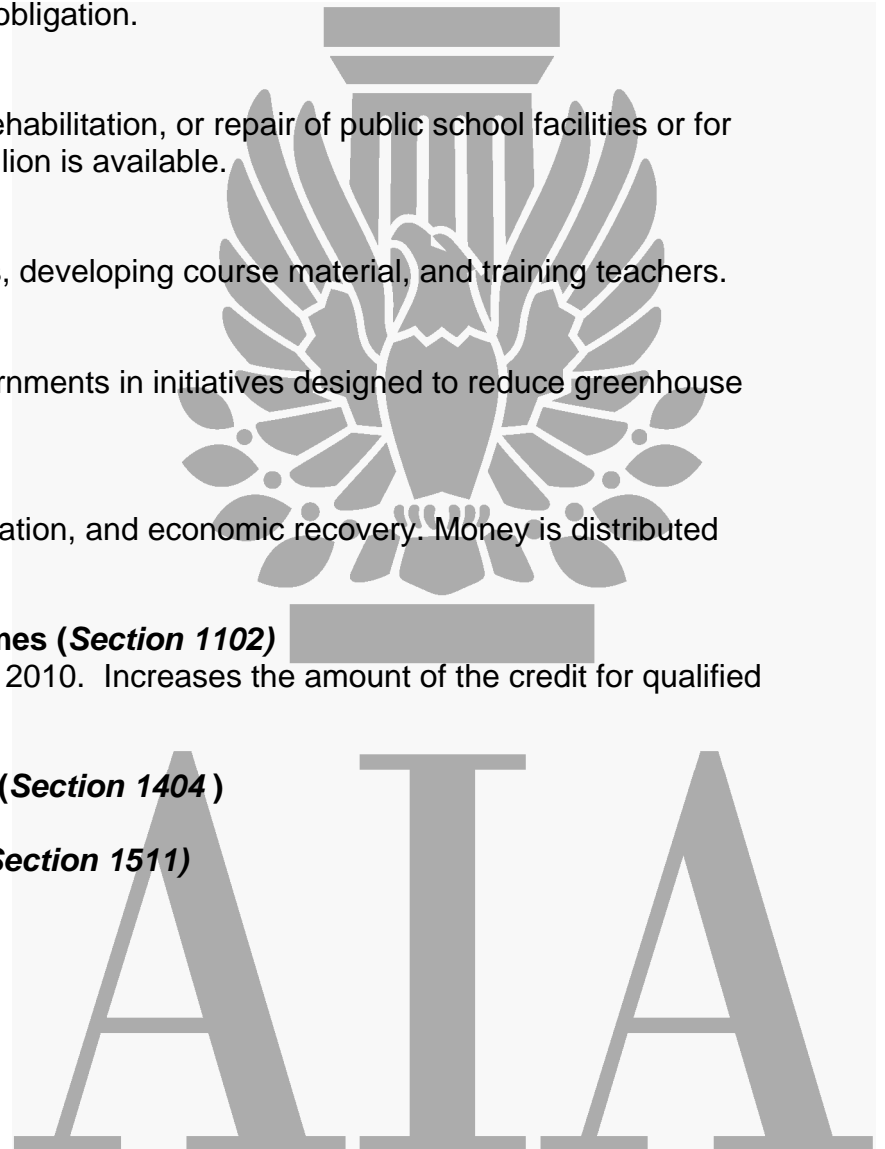
### **Tax Credits for Energy-Efficient Improvements to Existing Homes (*Section 1102*)**

Extends the credits for energy-efficient residential property through 2010. Increases the amount of the credit for qualified property from 10% to 30%.

### **Grants in lieu of tax credits for Low-Income Housing Program (*Section 1404*)**

### **Delays for one year the 3% withholding on federal contracts (*Section 1511*)**

## **Tax Credits for Small Businesses**



**Section 1201**

Extends bonus/accelerated depreciation for capital expenditures made in 2008. Businesses can immediately write off 50%.

**Section 1202**

Extends enhanced small business expensing that will allow small businesses to recover the cost of certain capital expenses (instead of recovering the costs over time through depreciation schedules).

**Section 1211**

Allows for a 5-Year Carryback of Net Operating Losses for Small Businesses

