

**JUDY BORGER, DIRECTOR
CARBON COUNTY OFFICE OF PLANNING &
DEVELOPMENT
STATEMENT BEFORE PENNSYLVANIA HOUSE OF
REPRESENTATIVES
COMMITTEE ON INTERGOVERNMENTAL AFFAIRS
THURSDAY, OCTOBER 29, 2009**

Thank you, Chairman W. Curtis Thomas, Representative Kenneth Smith and members of the House Intergovernmental Affairs Committee for the opportunity to testify today regarding the American Recovery and Reinvestment Act of 2009 (ARRA) and how the federal stimulus funding has affected communities throughout the Commonwealth. I will focus my comments on the impact on Carbon County.

I am Judy Borger, the Director of Carbon County's Office of Planning and Development. I am here today representing the Carbon County Commissioners. Commissioners O'Gurek, Getz and Nothstein could not be here today because, as we speak, they are having a Commission meeting to conduct County business. I was asked to substitute for them since I am the person the Commissioners designated to coordinate the ARRA program and funding activities for the County. In large part, I was asked to do this because of my legislative background – I have 12 years of service as a staff person in the Pennsylvania Legislature/Administration and 12 years of service in the U. S. House of Representatives.

First, let me first tell you a bit about Carbon County. We are a Sixth Class County with a 2000 Census population of 58,802. We are still very rural and we like it like that. The County is comprised of 23 municipalities – 12 Boroughs and 11 Townships - with populations ranging from 218 people in Lausanne Township to 5,537 people in Lehighon Borough. The latest (July 1, 2008) Federal Census Bureau estimates an 8 % increase in population for the County so the County is experiencing growth. The County is also experiencing an unemployment rate that is slightly higher than the state average and a sagging economy. The possibilities of assistance through ARRA were very welcomed.

As you know the American Recovery and Reinvestment Act of 2009 is very long and very complex. The first challenge was to get good information about the elements of this complicated piece of legislation so we could make sure we could take proper advantage of funding opportunities it presented for our county and our municipalities. Even with my legislative experience, I could not have made my way through the more than 1100 pages of the legislation and made sense of what opportunities it presented for us. Fortunately, U. S. Congressman Kanjorski and U.S. Senator Casey came to their constituent's rescue. Each of them prepared and distributed guidebooks which served as a starting point in providing information about what resources were available to individuals, businesses, community organizations and local governments. The guidebooks provided information about what programs would be receiving recovery funds, what programs the Commonwealth of Pennsylvania would administer and what programs the respective federal agencies would administer. Contact information was provided for each program.

Now I had a starting point to work from that was manageable. I would have been lost without these guidebooks and I commend Congressman Kanjorski and Senator Casey for having the foresight to prepare and distribute these documents as well as make the information available on their web sites. Each of our municipalities received the same guidebooks I received, but I knew that most of them would still be overwhelmed at the prospect of reviewing the information. The municipalities are all working with limited staff who all seem to be overworked. To assist our municipalities, I reviewed the guidebooks, did an analysis of which of the programs the county and our municipalities could more likely take advantage of and disseminated the information to them.

I focused initially on transportation, PennVest, the Community Development Block Grant (CDBG), Community Oriented Policing Services (COPS) and USDA Rural Development programs.

In our region the transportation funding was channeled through the Northeast Pennsylvania Alliance (NEPA). PennDOT District 5-0 presented a list of projects to be completed with stimulus funding to NEPA. One project is targeted for Carbon County – the resurfacing of State Route 209 from the McCall Bridge through Lehighton Borough to Jim Thorpe. The total estimated cost of the project is \$2.2 million and the estimated jobs created or retained is 13. The project is scheduled to begin in 2010.

The stimulus funding targeted for drinking and waste water system improvements in the Commonwealth are managed by PennVest. Several of our municipalities were successful in securing infrastructure funding: East Penn Township was awarded \$2.9 million dollars for a sanitary sewer collection system (construction has begun on this project); Jim Thorpe Borough was awarded \$1.2 million for drinking water infrastructure; and the Hazleton City Authority was awarded a \$12.5 million dollar funding package for drinking water infrastructure in Luzerne and Schuylkill Counties and four municipalities in Carbon County - Banks, Lausanne and Packer Townships and Beaver Meadows Borough.

The CDBG Program received additional funding through ARRA. These funds are administered by the Department of Community and Economic Development (DCED) and are formula driven to counties. Each of Carbon County's five entitlement communities will receive about \$33,000 and the County will receive \$80,000 to distribute to non-entitlement communities. The county has not yet received the contract for this funding, yet it must obligate the funds by January 26, 2010.

A number of our municipalities submitted grant applications to the COPS Program to address their need to hire additional local law enforcement officers. ARRA provided an additional \$1 million to support this program nationwide, but none of our municipalities were successful in securing any of the funding. Two of our municipalities (Palmerton Borough and Mahoning Township) were deemed eligible for Justice Assistance Grants (JAG). JAG funds are allocated pursuant to a formula based on population and crime statistics through the U.S. Department of Justice. Application was made by Palmerton Borough on behalf of both municipalities directly to the U. S. Department of Justice. The funding, totaling about \$37,000, is anticipated, but has not yet been received.

The county was notified that it was eligible to receive additional ARRA funding through the Homelessness Prevention and Rapid Re-housing Program (HPRP). The Pennsylvania Department of Community and Economic Development (DCED) also administers this program and awards these funds under a formula allocation process. The county had to first submit a Notice of Intent to apply for the funding then submit a separate application. The Carbon County Action Committee for Human Services is the County's designated administering agency for this program and

submitted the application on behalf of the county. The county's allocation will be \$344,447. It is anticipated that this homeless prevention program will assist at least 35 families. Funding must be expended by August, 2012. The Action Committee is also anticipating receiving \$2,336,403 through the Weatherization Program to weatherize 482 homes by March of 2012 and \$449,664 through the Community Services Block Grant Program to hire and train individuals to help low income residents with their tax preparations to assure they take advantage of the various tax breaks they are eligible for. The Action Committee has not received contracts for any of these programs and is concerned about how this will impact their ability to meet the dates to expend the anticipated funding as specified in the contracts.

All of the county's 23 municipalities are eligible for the various programs offered through the USDA's Rural Development, but municipalities had a limited knowledge about the programs and how to apply for them. Jack Kauffman, the Area Director for the region that includes Carbon County, agreed to travel to Carbon County to conduct an informational meeting to provide information to interested municipal officials about the various rural development programs. While the meeting was well attended and Rural Development received a number of follow-up inquiries, no municipality has applied for Rural Development funding. Most municipalities are looking for grants, not loans, and Rural Development has a limited number of grants available.

ARRA is assisting thousands of children and families in Carbon County through a number of federal/state programs. Estimates are that stimulus funds directly benefiting hard hit families in the County include:

- 29,000 individuals and households that are already receiving tax rebates; with the correction of the federal AMT calculation families will have more disposable income because they will pay less in federal taxes; and families will get extra help from the American Opportunity Tax Credit to pay for college.
- 1,600 jobless adults will received a boost in unemployment compensation and an extension of unemployment compensation payments.
- 2,700 unemployed persons qualify for additional help purchasing health insurance.
- 8,900 low income children and adults will continue to have access to health care through Medical Assistance.

- 1,000 children and teenagers will continue to receive their health care through Pennsylvania's CHIP and Cover All Kids programs.
- 5,500 children and adults will receive more help through the Supplemental Nutrition Assistance Program. This food stamp benefit is approximately \$32 more per month per household.

Stimulus funding is coming to school districts based on the state's formula and the State Stabilization Fund. Additional funds will go directly to school districts from the federal government via the Title I and Individuals with Disabilities Act (IDEA) formulas. More Education Technology funding is also available to school districts. Carbon County's five school districts are targeted to receive approximately 7.7 million additional dollars through the stimulus program.

I've given you a run down on ARRA funding the county anticipates receiving and some of our experiences, but I know you are also interested in hearing about oversight, evaluation and reporting. The county has not received any contracts or funding for the various programs, so there is little to report.

There is no question that ARRA is making a difference in Carbon County. There are challenges. It takes time to get contracts in place, but there are still deadlines to meet. It isn't easy to navigate the maze of funding opportunities provided in ARRA and federal rules and regulations are still in the process of being created.

Organizations like the National Association of Counties, its Pennsylvania partner organization, and the Pennsylvania Association of Township Supervisors have provided valuable assistance through their web sites, workshops and webinars. I do think that both the federal government and the Commonwealth are making a good attempt to provide transparency about the ARRA funding through their web sites. The process will continue to develop and improve. Lots of data is generated through ARRA and I'm sure managing the data is a constant challenge.

Thank you again for the opportunity to testify today and I'd be happy to answer any questions you might have.