



Special Report

BYRON L. DORGAN
CHAIRMAN

DPC Staff Contact: Joi Chaney, Erika Moritsugu (202) 224-3232
 DPC Press Contact: Barry Piatt (202) 224-0577
 Available Online: dpc.senate.gov

November 5, 2009

The Recovery Act: Creating Jobs and Making a Difference in Oklahoma

Earlier this year, the Democratic Congress worked with President Obama to enact the *American Recovery and Reinvestment Act* (the *Recovery Act*) in an effort to rescue, rebuild, and strengthen our struggling national economy. Eight years of failed fiscal policies and misguided economic priorities had left our national economy on the brink of disaster, and now – only nine months later – our economy is on the brink of recovery. The *Recovery Act* and the efforts of American businesses and workers, like those in Oklahoma, made this progress possible.

Despite this encouraging news, Democrats know that many Oklahomans are still struggling, and unemployment – a lagging economic indicator – remains far too high. In response, Democrats are working to create and save millions of jobs with *Recovery Act* dollars and tax relief. Already, with more than half of the dollars yet to be spent, the recovery package has provided for more than one million jobs and the rate of job loss has slowed significantly. As we look toward the future, Democrats believe that the *Recovery Act*, combined with the American work ethic and ingenuity, will continue to make a difference for families in Oklahoma and will deliver on its promise to rebuild our economy and get Oklahomans back to work.

The Recovery Act is Creating Jobs and Making a Difference

Last week, the White House announced that certain recipients of *Recovery Act* funds have reported the creation of 640,329 direct jobs. About 325,000 of these jobs are in education and over 80,000 are in construction. These numbers, however, represent only about 16 percent of expenditures through September 30 and do not reflect the majority of *Recovery Act* funding to date, which has gone directly to individuals and states, including:

- Tax relief for businesses and working families;
- Small business loans, which are exempt from reporting;
- The first-time homebuyer tax credit;
- Direct federal aid, including \$250 direct stimulus checks, enhanced unemployment benefits, increased food stamp benefits for vulnerable families; and
- State fiscal relief, which prevented job cuts at the state and local government level.

Moreover, the reported data does not capture indirect or induced jobs created when prime contractors hire suppliers or other companies to complete projects or when newly employed workers spend their pay checks. It is estimated that, if included, indirect jobs would add

another 50 percent or more to the direct jobs numbers and induced jobs would add an additional 36 percent. [Office of the Vice President, [10/30/09](#); CBPP, [10/28/09](#)]

Taken as a whole, the reported data confirms earlier estimates that the *Recovery Act* would create or save over one million jobs by now, even though less than half of the *Recovery Act* funds have been put to work. [Office of the Vice President, [10/30/09](#)]

Moreover, without the *Recovery Act*, economists believe that the economy and the unemployment rate would be much worse.

- According to Congressional Budget Office (CBO) projections, “The effect of the stimulus legislation on the level of economic activity will probably build during the second half of 2009 [and] have its maximum impact in the first half of 2010... CBO estimates that real GDP will be 1.4 percent to 3.8 percent higher in the fourth quarter of 2009 than it would have been without the stimulus, 1.1 percent to 3.4 percent higher in the fourth quarter of 2010, 0.4 percent to 1.2 percent higher in the fourth quarter of 2011, and zero to 0.3 percent higher by the fourth quarter of 2013.” [CBO, [8/09](#)]
- These estimates were bolstered by third quarter growth when, for the first time in more than a year, the economy expanded, and, at 3.5 percent, it expanded faster than expected. [*Wall Street Journal*, [10/29/09](#)]
- According to economist Mark Zandi, “The research of Moody’s Economy.com suggests that a million fewer jobs would exist today, while the unemployment rate would already have risen well into double digits.” [Testimony before the Joint Economic Committee, [10/29/09](#)]

The Recovery Act is Creating Jobs and Making a Difference in Oklahoma

In Oklahoma, this partial reporting indicates that 8,747 jobs have been created or saved by funding 928 awards worth \$2,023,730,219, of which \$492,815,176 has already been received. [Recovery, Accountability, and Transparency Board, accessed [11/2/09](#)]

Similar to the national number, this validates the White House’s earlier estimates that the *Recovery Act* is responsible for saving or creating 11,800 jobs so far for Oklahomans (accounting for indirect and induced jobs). [Council of Economic Advisors, [9/2009](#)] **Oklahoma is on track to benefit from a total of 40,000 *Recovery Act* jobs.** [The White House, [2/2009](#)]

These numbers alone cannot adequately convey the human impact of the jobs that are supported by the *Recovery Act* – the real-life stories of local companies that can hire new employees, workers who are no longer faced with uncertainty, and families that no longer need to struggle to pay their bills. The following is a sampling of some of the local *Recovery Act* success stories in Oklahoma:

The Oklahoma Conservation Commission will use *Recovery Act* funding to rehabilitate seven aging dams and build two new ones. “We have identified in this state alone, just to meet dam safety requirements, \$200 million dollars in needs,” said Robert Toole, the Director of the Conservation Programs Division for the Oklahoma Conservation Commission. But, \$16 million in stimulus will rehabilitate seven aging dams and build two new ones. One of the dams undergoing rehabilitation is in Adair County, near the City of Stilwell. It’s also the water supply for 20,000 nearby residents. “We definitely need all the help from the

government we can get to help us bring people and give them safe, good, healthy living,' said James Collins, Mayor of Stilwell. The dam does not currently meet federal safety criteria... Crews will raise the height of the dam nearly four feet, extend the width of the dam and increase the size of the spillway so water drains off quicker. All of this will extend the life of the dam by another 100 years." [Oklahoma Impact-News On 6, 10/26/09]

Recovery Act funding has improved community infrastructure for many Oklahoma tribes, strengthening the nation to nation relationship. "Mary Sisk has had trouble getting around since suffering a stroke ten years ago. She was forced to quit her job and her home was in desperate need of repairs. After two years on the Cherokee Nation's waiting list, stimulus money made all the repairs possible. 'Oh, it was a relief. I was so thrilled and happy..." said Collinsville Resident, Mary Sisk. The stimulus money paid for new siding, new windows and doors, a ramp into her utility room and a shower she can get in and out of. It's more than \$22 thousand worth of work, some of it done on Mary's birthday... TedCo Builders is working on 14 other homes like Mary's, all paid in stimulus dollars. The company's contractors have already built a quarter of a million dollars worth of projects. 'It assures them that they're going to have a job well down the road, maybe two or three years down the road and that's wonderful. That's wonderful for everyone,' said Ted Foster of TedCo Builders....So far the stimulus has paid the Cherokees \$42 million dollars... The bulk of the money is going toward community infrastructure like housing and rehabilitation, roads, water, energy efficiency projects and healthcare. The roads and water projects the tribes plan to build with their stimulus money, in the end, will become county property..." [Oklahoma News6, 10/19/09]

Tulsa City will hire, train, and equip 18 police officers with Recovery Act Funding. "The Tulsa City Council has voted 7-2 to accept a \$3.5 million federal stimulus grant to hire 18 police officers. The Community Oriented Policing Services — or COPS — grant will pay the salaries and benefits of the new officers for three years. The city is required to keep the officers at least one year after the first three at a cost of about \$1.3 million and will pay about \$396,000 to train and equip them." [Associated Press, 10/2/09]

Tulsa County will use Recovery Act grant for energy efficiency and conservation activities, including wind and solar installations at county parks. "Tulsa County has been awarded more than half a million dollars in stimulus money to support its energy efficiency and conservation activities. The money was approved by the U.S. Department of Energy and was funded by the American Recovery and Reinvestment Act, which provided more than three billion dollars in total funding for the Energy Efficiency and Conservation Block Grant Program. The program provides grants to more than 23-hundred cities, counties, states, and Indian tribes to help improve their energy efficiency, reduce energy use and fossil fuel emissions, and create green jobs locally. Tulsa's projects include wind and/or solar installations at county parks, retrofitting lighting on county streets and at county parks, providing financial assistance for energy audits of non-profit agencies and funding energy efficient improvements on county properties." [News Channel 8, 9/17/09]

Oklahoma received Recovery Act funds for energy efficiency and renewable energy projects. "Oklahoma received more than \$18 million in federal stimulus funds Tuesday for energy efficiency and renewable energy projects... The American Recovery and Reinvestment Act appropriated \$3.1 billion to help promote energy efficiency and clean energy deployment, as well as to support local economic recovery. States will use these grants to create green jobs and address state energy priorities. In Oklahoma, the money will be used for projects ranging from CNG conversions and furthering smart grid technology to building energy efficiency and energy education. The Oklahoma Department of Commerce said officials requested funding in May for 24 projects that could create or save more than 700 jobs. 'Implementing these energy efficiency

projects will provide a great benefit to Oklahoma by saving money through increased energy efficiency and will reduce our energy consumption,' Oklahoma Commerce Secretary Natalie Shirley said. 'We believe these projects will have a long-term benefit for all Oklahomans and the environment.' [[News OK/The Oklahoman](#), 9/16/09]

Thanks to Recovery Act , Oklahoma's economy is making gradual recovery and hopes to become a "fly-to" state. "Thousands of Oklahomans have lost jobs in recent months. ...While Oklahoma's economy was cushioned, its recovery will be aided by billions of dollars of federal stimulus funds... 'They say it's better to be lucky than good, but in Oklahoma's case I think we're lucky and good,' [Oklahoma State University professor Keith] Hazelton said. Hazelton thinks Oklahoma's economic strength could boost the state's image for businesses and individuals looking for brighter fortunes. "The kind of opportunity that Oklahoma can provide is going to power our state for a whole generation," he said. "Everyone on either side of us is going to want what we've got to offer. We could become a fly-to state instead of a fly-over state." [[NewsOK/The Oklahoman](#), 9/13/09]

Oklahoma Workforce Board uses *Recovery Act* money to provide training for job interviews and resume-building for unemployed residents. "Mercury Marine employees in Stillwater are worrying about their future after the company announced it would relocate more than 300 jobs to Wisconsin within two years... Mercury Marine announced it will ultimately close its Stillwater plant, and although jobs will be moving to Wisconsin, many employees are worried they are not guaranteed to move with their position. Other employees said they just don't want to move. The Stillwater Chamber of Commerce is trying to help those workers fight this emotional and constant uphill battle in a place many have long called home... With the help of stimulus money, the Oklahoma Workforce Board has put more people through training than ever before from building their resume to going through interviews." [[News on 6](#), 09/10/09]

The *Recovery Act* is funding long-term road projects in Oklahoma. "Oklahoma is one of a handful of states successfully using its federal stimulus dollars for road projects, according to a report presented to members of the Transportation Commission on Tuesday. Through the end of August, 87.6 percent of the \$465 million the state received for road projects is linked to a project that has been approved by the Federal Highway Administration and is ready for bidding, said Gary Evans, director of operations for the state Transportation Department... Extra stimulus funds are also helping the state get to projects included in its eight-year long-term plan." [[NewsOK/The Oklahoman](#), 09/09/09]

The City of Broken Arrow will use *Recovery Act* funds to resurface streets, repair sidewalks, and install handicap ramps. "Improvements to a busy arterial street and new traffic signals at intersections are part of the first round of city projects to take advantage of federal stimulus funding. The City Council passed resolutions last week clearing the way for five of the city's eight total stimulus projects, all of which are streets-related... The city of Broken Arrow received \$2.96 million total in stimulus funding through the American Recovery and Rehabilitation Act. Construction on the Kenosha Street projects should begin within the next two months, Schwab said." [[Tulsa World](#), 9/6/09]

An Oklahoma City nonprofit has received *Recovery Act* money to buy foreclosed homes and rehabilitate them for sale to low-to-moderate income families. "A nonprofit Oklahoma City agency has received \$5.2 million from the federal government to buy foreclosed homes and rehabilitate them for sale to low-to-moderate-income families. Officials from the Neighborhood Housing Services of Oklahoma City on Wednesday will give media members a tour of 1 of the first foreclosed homes the agency will purchase with the grant money."

The money is from the Neighborhood Stabilization Program, which was part of last year's federal stimulus bill. The program provides grants to all states and some local governments.

Plans call for the agency to buy about 45 foreclosed homes in Oklahoma City and renovate the houses as needed before selling them. The agency has until the end of August 2010 to spend the money.” [*Associated Press*, 9/2/09]

A second round of *Recovery Act* funding for Native American tribes to reduce domestic violence will enable the Big Valley Band to provide assistance to domestic violence victims. “After Department of Justice officials concluded the first of three working sessions on tribal law enforcement issues Aug. 26, Attorney General Eric Holder announced that more than \$5.6 million in Recovery Act funds was awarded to nine tribal governments in five states by the Office on Violence Against Women (OVW). The awards were made to tribal governments in California, Kansas, Mississippi, Montana and Oklahoma... These tribal awards are in addition to the more than \$8.9 million in Recovery Act funds that were awarded earlier this week to 10 tribal governments.” [*Lake County News*, 8/31/09]

Tulsa World Editorial defended use of *Recovery Act* funds to protect women from domestic violence. “There undoubtedly will be criticism of the decisions to dedicate nearly \$2 million in federal stimulus funds to programs that will help Oklahoma victims of domestic violence and sexual assault get back on their feet. In fact, three members of Oklahoma's congressional delegation — Reps. Mary Fallin, a Republican, and Dan Boren, a Democrat, and Republican Sen. Jim Inhofe — did essentially that... with Inhofe specifically grouching about so much going to ‘social engineering.’ The three make a point. There are strong arguments for massive spending on infrastructure projects that will not only create jobs but also help prop up the economy for decades to come. But there also are good arguments for building human capital. Women who don't have the wherewithal to escape domestic violence, or who have been incapacitated by sexual assault, would like nothing more than to be safe and self-sufficient, but because of their circumstances, those goals often are elusive. Officials with three organizations receiving stimulus funds say the grants will go far in helping their clients achieve self-sufficiency. Tulsa's Domestic Violence Intervention Services will receive \$426,335, which will be used for client needs such as late utility bills and car repairs. Improvements to DVIS facilities and client apartments also will be funded... These programs don't represent bricks and mortar, but something equally as valuable. ‘The most vulnerable in our society too often bear the greatest burden in times of economic hardship, which is why dedicating these funds to help survivors and their families get back on their feet is a concrete example of the Recovery Act at work,’ Holder said.” [*Tulsa World*, 8/29/09]

***Recovery Act* will fund Tulsa-based petroleum technology transfer council's training sessions.** “U.S. Department of Energy Secretary Steven Chu today announced more than \$8.4 million in funding to develop regional sequestration technology training projects. The seven projects announced today will facilitate the transfer of knowledge and technologies required for site development, operations, and monitoring of commercial carbon capture and storage projects. Today's funding, which includes \$6.9 million in Recovery Act funds, will advance the United States in its position as the leader in technology for addressing climate change and for developing near-zero emission technologies to significantly reduce CO2 emissions from power plants.” [*Department of Energy*, 8/27/09]

Tulsa International Airport will receive *Recovery Act* money for a state-of-the-art baggage system. “Tulsa International Airport is one of 10 additional airports across the country selected to receive stimulus dollars for a state-of-the-art baggage system,... U.S. Homeland Security Secretary Janet Napolitano announced the more than \$240 million in

American Recovery and Reinvestment Act funding for new in-line baggage handling systems at the 10 airports. According to Napolitano's announcement, the new projects were made possible by reductions in costs for the airports originally in the pipeline for stimulus funds. 'By managing our recovery act funds responsibly, we are able to stretch our resources even further to deploy new security equipment to more airports across the country,' Napolitano said." [[Tulsa World](#), 8/28/09]

The food distribution program on Indian reservations will receive roughly \$1 million in *Recovery Act* funds to purchase equipment and improve facilities.

"Agriculture Secretary Tom Vilsack today announced that Indian Tribal Organizations and States operating the Food Distribution Program on Indian Reservations (FDPIR) will receive approximately \$1 million from the American Recovery and Reinvestment Act to purchase equipment and improve facilities needed to provide food assistance." Agriculture Secretary Vilsack: "It is imperative that people in the United States have access to safe and nutritious food, and through the Recovery Act, we're investing resources to enhance the availability of food on Indian Reservations and tribal lands. The Obama administration is committed to increasing the health and nutrition of people throughout the country, and these Recovery Act investments will help further that goal." [USDA, [Press Release](#), 8/19/09]

Five Native American communities in Oklahoma will receive *Recovery Act*-funded grants to improve housing.

"U.S. Department of Housing and Urban Development Secretary Shaun Donovan announced that HUD is awarding grants, totaling \$12,332,866 to five Native American communities in Oklahoma to improve housing and stimulate community development. The Native American Housing Block Grant (NAHBG) funds being awarded today are provided through *the American Recovery and Reinvestment Act (Recovery Act)*. These grants will help Native American tribes improve the quality of their housing stock, develop viable communities, promote energy efficiency and create jobs." HUD Secretary Donovan: "I am proud to announce today that, thanks to the Recovery Act, HUD has invested a half billion dollars in Native American and Alaskan communities across the country. As I have seen firsthand today, these funds are already at work in some of the hardest hit communities, creating jobs and revitalizing neighborhoods." [[RealEstateRama, Oklahoma](#), 8/18/09]

Enid will spend *Recovery Act* funds to replace water meters citywide, improving efficiency.

"Say goodbye to your old water meter and hello to a newer electronic model. The city is expecting to get rid of all water meters in the city and replace them with a new electronic system within the year, thanks to a large loan and grant from Oklahoma Water Resources Board. OWRB announced the city of Enid has been allocated \$8,345,000 to change the current system to an AMR, or Automated Reader System... The money that's been allocated can be split into two funds: the Drinking Water State Revolving Fund, or DWSRF, and the American Recovery and Reinvestment Act of 2009, or ARRA. The ARRA portion of the total... makes up \$1.6 to \$1.7 million, and the rest is 'low-interest' loan money through DWSRF." [[Enid News & Eagle](#), 8/13/09]

***Recovery Act* funds will be used to repair and upgrade dams and stream banks across Oklahoma.**

"The Oklahoma Conservation Commission recently approved nearly \$17 million in federal stimulus money for the repair and upgrading of dams and stream banks across Oklahoma, including a remedial repair on a flood control dam in Logan County. The projects are funded by the American Recovery and Reinvestment Act through the USDA Natural Resources Conservation Service, U.S. Environmental Protection Agency and the U.S. Fish and Wildlife Service. Mark Harrison, information officer for the Oklahoma Conservation Commission, said the USDA Natural Resources Conservation Services rehabilitation projects are planned for seven small watershed upstream control dams in five counties. He added that

NRCS projects for remedial repairs also are planned for 17 dams and other flood control structures in 12 counties totaling \$1.12 million.” [[Edmond Sun](#), 8/6/09]

9,300 Oklahomans have benefited from the State’s *Recovery Act*-funded unemployment extension. “For the third time in the past year, unemployment benefits have been extended, the Oklahoma Employment Security Commission announced Wednesday. The latest benefit extension for eligible Oklahomans who have exhausted their unemployment claims is being funded from the American Recovery and Reinvestment Act 2009, and provides up to 13 weeks of additional benefits, said John Carpenter with the commission. The provision to extend benefits payments was included in the act to handle the continuing rise in unemployment nationwide, he said... As many as 9,300 Oklahomans will be immediately affected by the extension, the commission said. “This is to help people who have already run out of their extensions,’ Carpenter said... And while the extension of benefits certainly aids individuals, ‘it’s meant to help the economy as a whole,’ Carpenter said.” [[Oklahoman](#), 7/9/09]

***Recovery Act* funds expanding Oklahoma’s employment services for disabled citizens.** “The state rehabilitation services Department recently got \$7.6 million in federal stimulus funds, opening up service to hundreds of people who were on a waiting list. Economic stimulus money will be put directly in the hands of local employers and nonprofit groups to provide on-the-job training and permanent employment to people with disabilities.” [[Tulsa World](#), 6/9/09]

***Recovery Act* will help pay for homeless resource center and day shelter in Oklahoma City.** [[The Oklahoman](#), 6/2/09]

The Stillwater Regional Airport will use *Recovery Act* funds to fix a deteriorating runway. The grant is the largest one ever received by Stillwater’s airport authority. [[Associated Press](#), 5/24/09]

The first *Recovery Act*-funded transportation project, replacing two structurally deficient bridges, will start after Memorial Day. [[newson6.com](#), 5/24/09]

***Recovery Act* will pay for Tulsa’s buses to be replaced.** Switch to environmentally friendly compressed natural gas in buses will save money, create jobs for those converting maintenance shop to CNG. [[KOTV Channel 6 News](#), 5/21/09]

Because of *Recovery Act* funding, what it would have taken us six or seven years to do, we’ll be able to do in the next 18 months. Oklahoma transportation secretary: “The funds not only work to support ODOT construction workers and contractors, but those who work to make the asphalt, steel and dozens of other items needed to build and repair roads and bridges.” [[The Journal Record](#), 5/20/09]

Oklahoma is set to receive *Recovery Act* funds for national parks, Native American affairs, and law enforcement. [[The Oklahoman](#), 5/14/09]