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To: John C. Simmons, Executive Director of the Rhode Island Public Expenditure Council  
From: Robert Tannenwald, Director and Vice President and Yael Shavit, Research Assistant  
Date: November 3, 2008  
Re: State-level economic stimulus packages

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## Summary

This memo responds to your request for information regarding the implementation of state-level economic stimulus packages. It provides background information regarding the economic stimulus plans implemented in Ohio and Pennsylvania, and the proposed plan in New Jersey. In addition, we list a number of other states that have considered stimulus packages.

## Background

A number of states have considered or are considering state level economic stimulus plans. Most notable among these are Ohio, which passed such a package earlier this year, Pennsylvania, which passed a stimulus plan in 2004, and New Jersey, which is currently considering a stimulus plan.

## Ohio

Ohio's Economic Stimulus Plan was proposed by Governor Strickland and was signed into law as House Bill 554 in June 2008. The plan intends to create 57,000 new jobs in the state.

The Economic Stimulus Plan directs funds to targeted areas in the state economy including:

- \$66 million to Coal Research/Development fund
- \$20 million to invest in bio-products made by renewable agricultural sources
- \$40 million to invest in bio-medical development for research in life-saving technologies
- \$60 million annually to infuse into the Historic Preservation Tax Credit
- Approximately \$400 million for investment in Ohio's infrastructure and local communities
- At least \$50 million annually to create internship and co-op programs for Ohio college students

The text of the bill as passed is available at:

[http://www.legislature.state.oh.us/bills.cfm?ID=127\\_HB\\_554](http://www.legislature.state.oh.us/bills.cfm?ID=127_HB_554)

## Pennsylvania

Pennsylvania's Economic Stimulus Package was proposed by Governor Rendell and passed in April 2004.

The Package's \$2.8 billion dollars in loans, grants, and guarantees includes:

- \$300 million to Business in Our Sites, which provides flexible loans and grants for local municipalities
- \$150 million to Building PA, providing funding for development of real estate assets
- \$250 million in guarantees to venture capital companies interested in PA businesses
- Approximately \$1 billion for infrastructure development

The package is described in its entirety at:

<http://www.newpa.com/find-and-apply-for-funding/economic-stimulus-plan/index.aspx>

An analysis of the package by the Pennsylvania Economy League is available at:

[http://www.pachamberfoundation.org/pdf/PEL\\_Analysis\\_PAs\\_Economic\\_Stimulus\\_Package.pdf](http://www.pachamberfoundation.org/pdf/PEL_Analysis_PAs_Economic_Stimulus_Package.pdf)

## New Jersey

The New Jersey Economic Assistance and Recovery Plan was proposed by Governor Corzine on October 16, 2008 and introduced in the Senate on October 27. It is currently being considered by the Senate Budget and Appropriations Committee.

The proposed plan includes:

- FY2009 supplemental appropriations totaling \$22.5 million from the Surplus Revenue Fund to various grant programs:
  - \$3 million to provide support to food banks and soup kitchens
  - \$10 million to help struggling residents cope with heating and utility bills
  - \$9.5 million to provide legal assistance in civil matters to residents with annual incomes of up to 125 percent of federal poverty levels

The Assembly Budget Committee's statement in support of the plan can be accessed at:

[http://www.njleg.state.nj.us/2008/Bills/A3500/3374\\_S1.PDF](http://www.njleg.state.nj.us/2008/Bills/A3500/3374_S1.PDF)

The text of the Governor's proposal is available at:

[http://www.nj.gov/governor/news/speeches/economic\\_plan.html](http://www.nj.gov/governor/news/speeches/economic_plan.html)

State-level stimulus plans have also been proposed in Connecticut, Iowa, and Arizona.

Please let us know if we can provide you with any further assistance.