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America in Recovery: Tracking and Analyzing the Obama Stimulus During 2009

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America in Recovery: Tracking and Analyzing the Obama Stimulus During 2009

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Abstract

This paper tracks and analyzes the American Recovery and Reinvestment Act (ARRA) of 2009, better known as the Obama stimulus plan during the 2009 year. As one of the most expensive public policies in history, the ARRA was designed to turn around an ailing economy by creating and preserving jobs, investing in key areas, providing relief to States and individuals, and tax cuts. Thus, it is important and useful to track the policy in order to see if it is doing what it is supposed to. Using federal agency Financial and Activity Reports, I create detailed graphs showing where the stimulus money has gone, what the money has been spent on, and how much of the money has been spent. In the creation of the ARRA, President Obama promised a transparent process. The website, www.recovery.gov, provides detailed information to the public on how the ARRA works and where the money is going. This website provides the data I used to track the ARRA. This paper finds that the stimulus, by the end of 2009, is on track and that 2010 will see the remaining bulk of money spent as expected. A third of the non-tax provisions have been spent. Of this money spent, approximately twice as much was spent on entitlement provisions than contracts, grants, and loans. The major entitlement provisions included unemployment compensation and Medicaid. The major programs that saw money through contracts, grants, and loans were State relief for education budgets and developing transportation infrastructure.

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Acknowledgements

I would like to acknowledge Professor Don Dutkowsky who spent a lot of Monday mornings and Wednesday afternoons guiding me through this project, and helping me to develop my academic abilities.

I would also like to acknowledge Professor Elizabeth Ashby for reading through my project and giving great criticism and edits.

Advice to Future Honors Students

My advice to future honors students is to reiterate what you've probably heard already. First, make sure you pick a topic you are genuinely interested in because you'll be working on this paper for a very long time and will be spending countless hours working on it. Second, as hard as it might be for some people such as myself, you really should try to get moving with this project as early as you can.

Introduction

When the American Recovery and Reinvestment Act (ARRA) was signed into law on February 17th, 2009, the United States economy was arguably in the worst shape it had been since the Volcker Recession of the early 1980s and even possibly the Great Depression. In February 2009, the unemployment rate reached a 25-year record high of 8.2% during the month of February (Figure 32). Along with this the stock market dropped sharply, draining investments and retirement accounts. In addition, home values plummeted, foreclosures skyrocketed, and home sales plunged. As a result, many Americans owe more money on their homes then the homes are worth. It became clear to many that something needed to be done.

Having just assumed office less than a month prior to signing the bill, President Barack Obama was faced with an enormous task. But he used his popular support at the time to pass one of the highest price-tagged bills in U.S. history. By most, the ARRA is known as the stimulus package or the Recovery Act. Its original estimated cost was set at $787 billion. President Obama promised the act would create and save jobs through a balanced plan with a mix of tax cuts and investments, including critical investments in energy and infrastructure, relief for States, and expanded benefits (Obama, 2009). Another important goal, effective in gaining popular support for the bill, was that there would be unprecedented transparency. President Obama insisted that the American public would be able to monitor the progress of the ARRA. One year later, I have gathered the data available to undertake a careful analysis of this progress.

This paper will break down and analyze the American Recovery and Reinvestment Act of 2009, mainly focusing on the non-tax provisions, by answering the following questions: Is the stimulus achieving its goals? How much of the stimulus money has been used? Where has the money gone? What does knowing where the money went tell us? Lastly, what do the answers to these questions offer to us about the implications on Barack Obama's presidency?

What now follows is evidence that a need existed for the Act, and then the process and politics in which it developed.

America in Recession: Evidence

When the Stimulus was passed, the economy was grim and in the midst of the recession. The National Bureau of Economic Research declared that the recession began in December of 2007 (National Bureau of Economic Research, 2010). From this point up until the signing of the bill, unemployment climbed from a healthy rate of 5% to an alarming 8.2% (Figure 32, p.48). As seen in Figure 33 on p.49, the economy in terms of Real GDP shrunk -5.4% in the fourth quarter of 2008 and -6.4% in the first quarter of 2009. Figure 34 shows the rapid rise and likewise fall of house prices. During September and October of 2008 the stock market's value plummeted by 24%, and by February of 2009 it dipped another 15% (Economic Report of the President, 2010). As these statistics show, the economy was experiencing the worst recession in over 25 years.

Becoming Law: Process and Politics of Passing the Stimulus

President Obama had mentioned the need for a stimulus as a senator. As a president-elect in November 2008, he announced a stimulus plan that would eventually develop into the American Recovery and Reinvestment Act of 2009 (Wallsten, 2008). He made it clear he wanted this plan ready from Congress to pass immediately after being sworn into office (Shear, 2008). While this was ultimately achieved, the bill did go through significant debate. The major debate surrounded the size of the bill. Republicans argued with Democrats argued that there should be less spending and more tax cuts (Hitt, 2009). When the final bill was passed in the House it had zero republican votes. In the Senate it had three republican yes votes.

The Text of the American Recovery and Reinvestment Act

Not only did the stimulus bill create one of the largest pieces of legislation in terms of tax savings and expenditures, but it was the largest in length. It totals just over 400 pages. A brief overview of the act appears in Figure 2. Like the text itself, splits it into two parts. Within each division is a list of agencies and the money they were appropriated or the amount their programs are estimated to cost. It also includes each agency's major program or responsibility. They are listed in descending order based upon total appropriation. A detailed breakdown of the text now follows.

Goals and Spending Rate

The opening paragraph clearly states the goals of the American Recovery and Reinvestment Act:

> An act making supplemental appropriations for job preservation and creation, infrastructure investment, energy efficiency and science, assistance to the unemployed, and State and local fiscal stabilization, for the fiscal year ending September 30, 2009, and for other purposes. (PL 111-5, p. 123 STAT. 115)

It even further states the goals in Section 3:

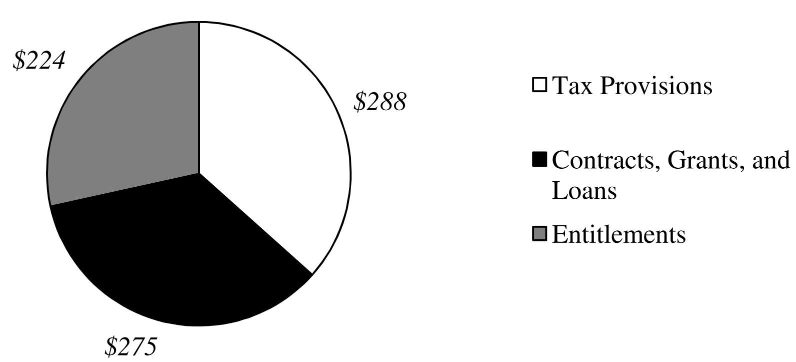
> (1) To preserve and create jobs and promote economic recovery.
>
> (2) To assist those most impacted by the recession.
>
> (3) To provide investments needed to increase economic efficiency by spurring technological advances in science and health.

> (4) To invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits.
>
> (5) To stabilize State and local government budgets, in order to minimize and avoid tax reductions in essential services and counterproductive state and local tax increases. (PL 111-5, p. 123 STAT. 116)

It is important to recognize these stated goals in order to fairly assess its progress. Doing so keeps judgment of this act within the scope of the act itself.

The act targets these goals through contracts, grants, and loans; entitlements; and tax provisions. Figure 1 shows the $787 billion act divided into $288 billion for tax provisions; $224 billion for entitlements; and $275 billion for contracts, grants, and loans.

Figure 1. Breakdown of ARRA Funds by Type (billions of dollars)



Source: Pie chart recreated from chart found on www.recovery.gov

The manner in which these funds are used is also stated. Agency and federal department heads and the President are to begin “expenditures and activities as quickly as possible consistent with prudent management” (PL 111-5,

p. 123 STAT. 116). Not only does the act command quickness, it even specifies that funds be designated as emergency requirements. Senate Concurrent Resolution 21 defines a provision as an emergency requirement if a situation it addresses is:

> (i) necessary, essential, or vital (not merely useful or beneficial);
>
> (ii) sudden, quickly coming into being and not building up over time;
>
> (iii) an urgent, pressing, and compelling need requiring immediate action;
>
> (iv) subject to subparagraph (B), unforeseen, unpredictable, and unanticipated; and
>
> (v) not permanent, temporary in nature (S CON. 21)

Also, most of the provisions have specific timetables for use of funds. Many of the provisions in Division A contain language such as that in Title III where an "additional amount for 'Operation and Maintenance, Army', $1,474,525,000 to remain available for obligation until September 30, 2010 to improve…" (PL 111-5 STAT. 132). With the exception of one Division A provision, the dates for use of funds ranges from September 30, 2009 to September 30, 2013.

With all this considered, the act makes it very clear that the funds be used in a relatively quick manner, and within a few years of the bill becoming law. Therefore, during the 2009 year, it is expected that significant financial outlays and obligations would have occurred.

Division A: Appropriations Provisions

Provisions in Division A are appropriated specific dollar amounts with the exception of a couple small programs and the large Food Stamp program. As seen in Figure 2, the total of these appropriations sum to approximately $306 billion, roughly 40% of the entire $787 billion cost. The provisions are almost entirely contracts, grants, or loans. The Department of Education sits atop the table with the most appropriations at $100 billion. The Departments of Transportation, Energy, Transportation, and Health and Human Services follow. More detail on the individual agencies is in the Tracking section.

Division B: Tax, Unemployment, Health, State Fiscal Relief, and Other Provisions

Provisions in Division B do not have explicit dollar amounts attached. Instead, the estimates of their costs were prepared by the Congressional Budget Office. This is due to the nature of the provisions. The costs of tax credits, for example the Refundable First-Time Home Buyer Credit, would depend on the number of homes purchased by first-time home buyers. Seen in another example: the unemployment compensation provisions extend current benefit amounts and length, therefore the costs rely on the amount of people that need to be covered in each state.

The $288 billion in tax provisions make up over half of the estimated costs in this division. The remaining $191 billion is mainly to provide relief to states through funds for running entitlement programs. As seen in Figure 2, the most expensive estimated costs for these programs is $24.6 billion in subsidies to help people keep health coverage through COBRA, $39 billion to support and increase unemployment compensation efforts of States, and $90 to provide funding to states for their Medicaid costs.

The major tax provisions include the Making Work Pay tax credit which cuts taxes for more than 95% of working families. This is estimated to cost $116.2 billion. Extension of relief through the Alternative Minimum Tax would provide families relief and is estimated to cost $69.8 billion. The American Opportunity education tax credit gives financial assistance for those seeking a college education and is estimated to cost $13.9 billion. There is also the first-time home buyer credit which provides up to $8000 tax credit for first-time home buyers. This is estimated to cost $6.6 billion. (Senate Finance, House Ways and Means, 2009).

Figure 2. Brief Breakdown of American Recovery and Reinvestment Act Provisions

Division A - Appropriations Provisions

Agency	**Appropriations**	**Major Programs**
Education	$100 billion	State Fiscal Stabilization Fund
Transportation	$48.1 billion	Improve/upgrade Transportation Infrastructure
Energy	$38.7 billion	Grants
Agriculture	$28 billion	Food Stamps Program
Health and Human Services	$22 billion	FMAP, HIT
Housing and Urban Development	$13.61 billion	Grants
Commerce/FCC	$7.9 billion	BTOP/Digital-to-Analog Converter
Department of Defense	$7.4 billion	DoD Energy Efficiency
Environmental Protection Agency	$7.2 billion	State and Tribal Assistance Grants
General Services Administration	$5.9 billion	Federal Buildings Fund
U.S. Army Corps of Engineers	$4.6 billion	Developing/restoring Nation's Water Resources
Labor	$4.47 billion	
Justice	$4 billion	Grants to State and Local Criminal Justice Systems
Interior	$3 billion	Facilities Upgrades
National Science Foundation	$3 billion	Research, Education, Facility Upgrades
Homeland Security	$2.8 billion	Construct and Upgrade Facilities
Veterans Affairs	$1.4 billion	Construct and Upgrade Facilities
Social Security Administration	$1 billion	Economic Recovery Payments
NASA	$1 billion	Research and Development/Upgrade Facilities
Small Business Administration	$730 million	Loans
State	$602 million	New Facilities and Upgrades
Corporation for National and Community Service	$200 million	Additional AmeriCorps Members
Treasury	$187 million	
National Endowment for the Arts	$50 million	Grants
USAID	$38 million	GLAAS
Smithsonian	$25 million	Repair and Upgrade Facilities
TOTAL[1]	$306 billion	
CBO Estimated Total	$308 billion	

Notes: [1]The total here does not add up to the CBO estimated $308 billion due to rounding and several provisions which did not have explicit dollar values attached.

Division B - Tax, Unemployment, Health, State Fiscal Relief, and Other Provisions

Agency	Estimated Cost (CBO March 2009)	All Programs
Treasury	$288 billion	Tax Provisions
Health and Human Services	$90 billion	FMAP
Labor	$39 billion	Unemployment Compensation
	$24.6 billion	Cobra Benefits
SSA, RRB, VA	$20 billion	Economic Recovery Payments
Health and Human Services	$17.6 billion	HIT, Miscellaneous Medicare Provisions
CBO Estimated Total	$479 billion	

Sources: Public Law 111-5 American Recovery and Reinvestment Act of 2009, Individual Agency Recovery sites, Congressional Budget Office Estimates March 2, 2009

Tracking the American Recovery and Reinvestment Act

Tracking the ARRA relied on required weekly reports submitted by Federal agencies and a tax simulation model created by the Treasury's Office of Tax Analysis. The weekly reports provide data on agency outlays and obligations of stimulus money. For this paper, this data was assembled into graphs that provide for a quick and easy way to view these agencies' use of stimulus funds. Important terms used in this section are defined below:

Terms

Appropriated or Designated: These dollar amounts represent how much each Agency program was allotted in the Act. Division A of the American Recovery and Reinvestment Act provides for *specific amounts of funds to be used for individual Agency programs*. Division B, along with a couple of programs from Division A, do not have specific dollar-values attached and therefore are not appropriated funds. Programs from both A and B are represented in Agency obligations and outlays. Most Agencies are only represented in Division A.

Obligated or Awarded: These dollar amounts represent how much an Agency has set aside/made available of its appropriated amount for its recipients through its programs outlined in the Act. Therefore the total that can be obligated is equal to the total appropriation. For programs with no specific dollar-values attached, obligations will total however much is necessary to carry out the program as outlined in the Act. In the case of a specific project such as a highway project, the

Department of Transportation will award the recipient an amount to carry through the project and will pay upon completion.

Outlaid, Paid Out: These amounts represent how much of an Agency's obligations have actually been spent or paid out to a recipient by the government. In the case of a specific project such as a highway project, the government will pay upon its completion. (Sources: Definitions were created from www.recovery.gov, Council of Economic Advisors, and www.propublica.org)

Example Using Terms

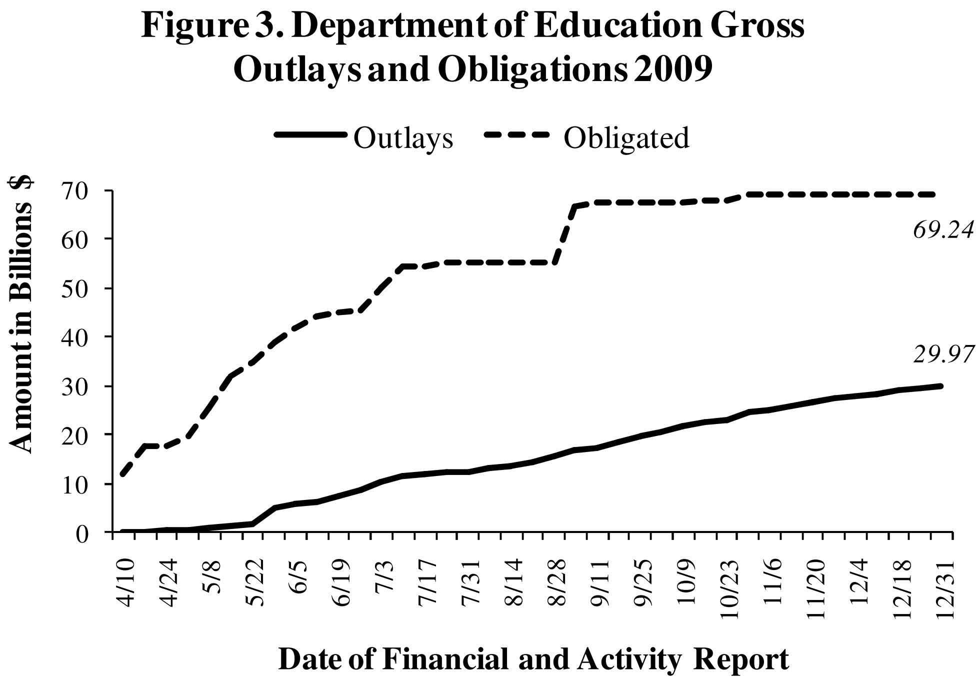
The Environmental Protection Agency was designated or appropriated $7.2 billion for its programs in the American Recovery and Reinvestment Act. One of its programs, the Clean Water State Revolving Fund, was designated $4 billion. As of March 1st, 2009 the EPA has obligated $3.8 billion for this program.

The EPA obligated these funds based off State Intended Use Plans. States submitted proposals outlining the amounts that they wanted for various in-progress or yet to start projects in their towns and cities. For this program, priority is meant to be given to programs that will be ready to start in 12 months. If a program is awarded funds but does not start by February 2010, the funds will be awarded elsewhere.

In Massachusetts, the city of New Bedford was awarded $2.2 million for its Clean Water projects to begin in January 14th, 2010. Use of ARRA funds for these projects were agreed upon on February 2nd, 2010. As the projects are completed, the EPA will pay out the agreed upon funds. (Sources: PDFs found on http://www.epa.gov/water/eparecovery/)

The following section will provide analysis on stimulus spending of the individual Federal agencies and the agencies as a whole. Agencies are arranged from largest anticipated spending to smallest. Depending on the size of outlays and obligations, an agency's Y-axis value will be either in billions of dollars, hundreds of millions, or millions. There are a couple instances where a graph has a gap. This is simply because the data for that week was not posted on the Recovery website.

Financial and Activity Reports

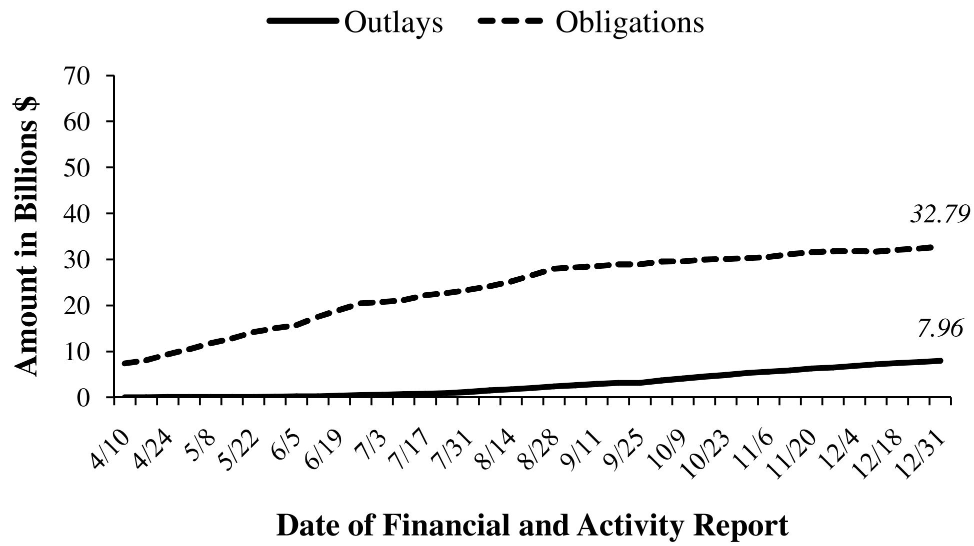


The U.S. Department of Education was designated approximately $100 billion, with $48.6 billion appropriated for the State Fiscal Stabilization Fund. This program provides States with money to restore 2009-10 budget shortfalls in education and nearly all of their 2008-09 budget gaps. Other major programs include grants for school improvement, and increased money for Pell Grants and Federal Work Study.

As of 12/31/09, $69.24 billion has been obligated and $29.97 billion paid out, nearly a third of their total appropriations. Approximately $37 billion was obligated for and $18 billion paid out for the State Fiscal Stabilization program. This is expected as this program is emergency money needed by states to prevent cutbacks.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Education Programs is provided on the website http://www.ed.gov/policy/gen/leg/recovery/spending/arra-program-summary.pdf

Figure 4. Department of Transporation Gross Outlays and Obligations 2009

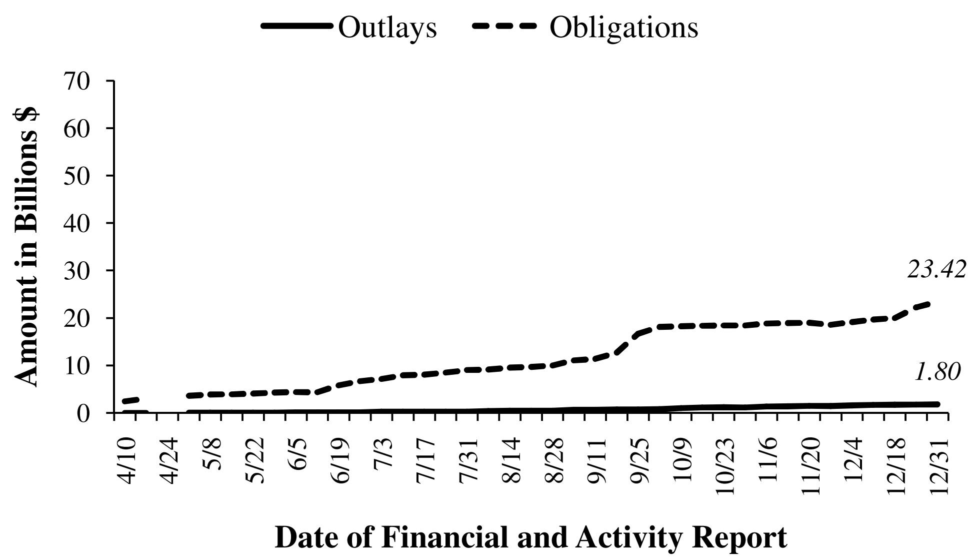


The Department of Transportation was designated $48.1 billion, which will be disbursed mostly to State and local transportation authorities to improve and upgrade transportation infrastructure.

They have obligated a majority of their appropriations and have spent out nearly eight billion dollars. Money was not substantially outlaid until the summer, and has since steadily increased. $22.4 billion was obligated by the Federal Highway Administration to States and territories for over 10,000 projects, more than half of which have begun. The Federal Transit Authority has obligated $7.2 billion and outlaid approximately $1.5 billion in various grants.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Transportation Programs is provided on the website www.dot.gov/recovery

Figure 5. Department of Energy Gross Outlays and Obligations 2009

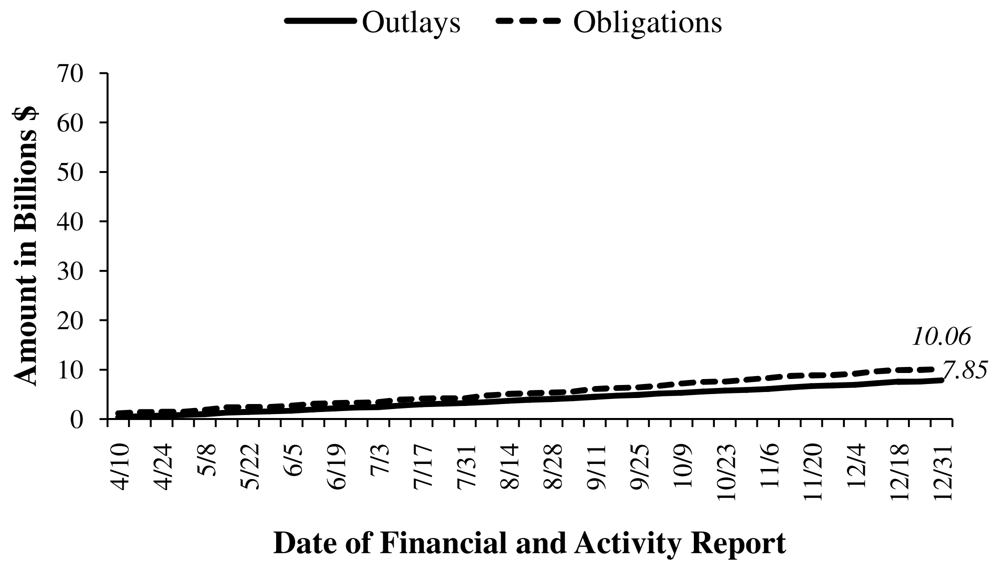


The Department of Energy was designated \$36.7 billion, \$32.7 billion towards grants including those intended to improve energy efficiency and develop energy infrastructure.

The Department of Energy has obligated a majority of their appropriations, \$23.4 billion, yet only a small amount, \$1.8 billion has been paid out.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Energy Programs is provided on the website www.energy.gov/recovery

Figure 6. Department of Agriculture Gross Outlays and Obligations 2009

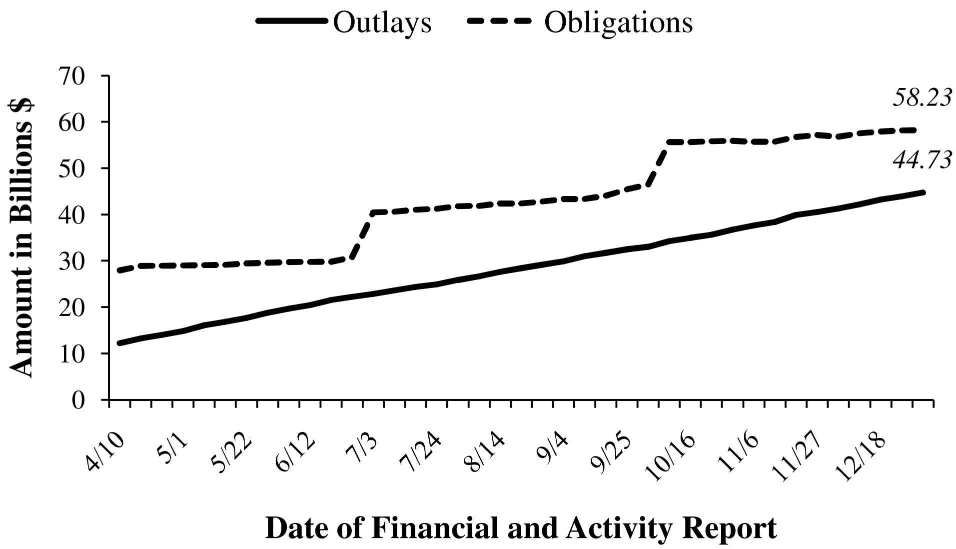


The Department of Agriculture was designated $28 billion, approximately $20 billion to be used for the Supplemental Nutrition Assistance Program (Food Stamps). The remaining funds will go to aid farmers and help develop rural communities.

$7.2 billion of the outlays have been through the Food Stamp Program, which are outlaid soon after being obligated. Since April they have steadily paid out money for this program. Yet less than a billion dollars have been outlaid for their other programs directed towards job creation and preservation; these account for $8 billion of their appropriations.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Agriculture programs is provided on the website http://www.usda.gov/wps/portal/arra?navid=USDA_RECOVERY

Figure 7. Department of Health and Human Services Gross Outlays and Obligations 2009

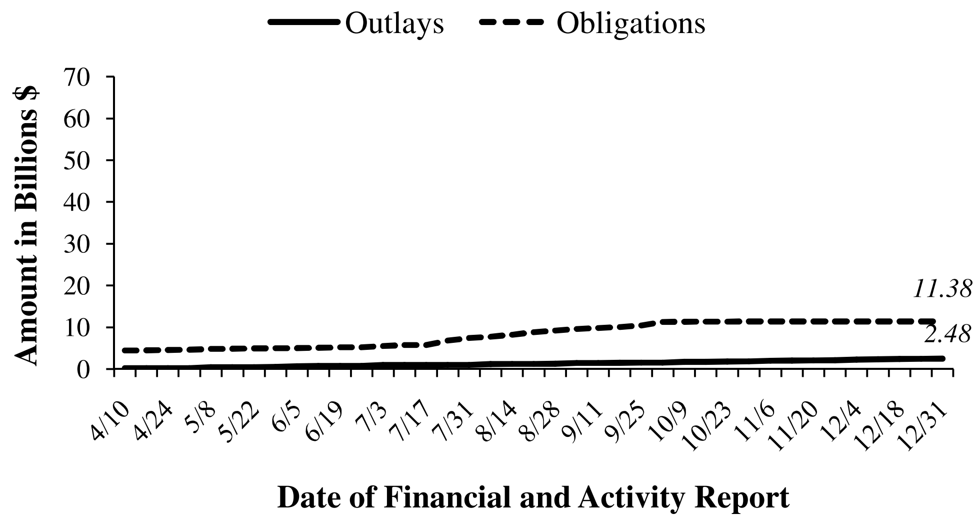


The Department of Health and Human Services was designated $21.6 billion. However, the bulk of its obligations and outlays come from provisions in Division B, which does not directly appropriate funds. The goal is to expand health care access and services, particularly from direct aid to states through the Federal Medical Assistance Percentage (FMAP) program, estimated to cost $86 billion. This program provides a temporary increase in the required Federal portion to offset a decrease in the States' Medicaid funding. Their Health Information Technology program, estimated to cost $48.8 billion, will provide incentives for the adoption of certified electronic health records.

One of the largest spenders, Health and Human Services in 2009 paid out $41.2 billion for the FMAP program. This means though that just $3.5 billion has been outlaid for their other programs.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Health and Human Services programs is provided on the website www.hhs.gov/recovery

Figure 8. Department of Housing and Urban Development Gross Outlays and Obligations 2009

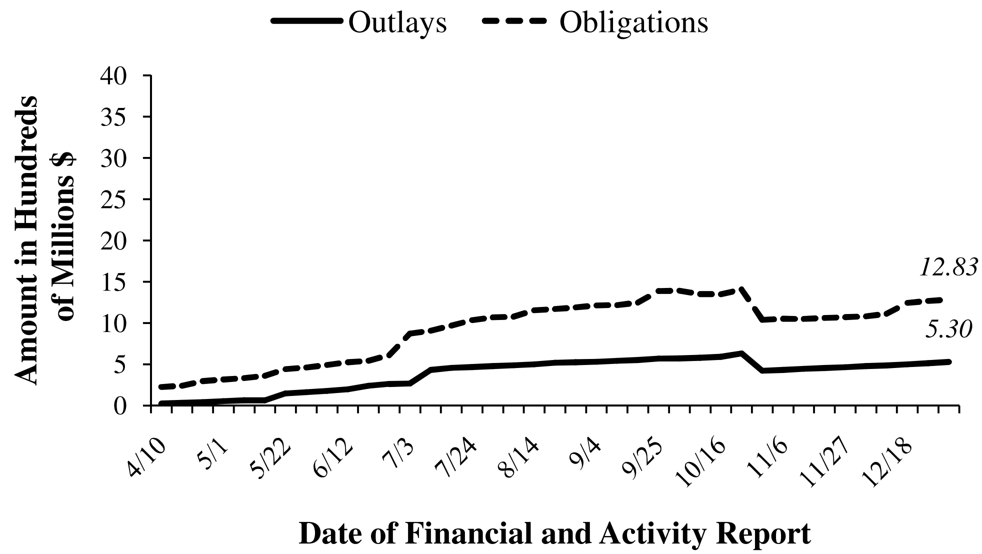


The Department of Housing and Urban Development was designated $13.61 billion for competitive grants with the effects of lessening foreclosures, improving energy efficiency of homes, improving properties, and encouraging more housing projects. Its Project-Based Assistance program, an existing program designated $2 billion to fund more contracts, provides rental subsidies to eligible tenants.

By the end of September, 2009 nearly all appropriated funds have been obligated, signifying that pending outlays will depend on program specifics and recipients. $1.6 billion was outlaid for Project-Based Rental Assistance.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Housing and Urban Development programs is provided on the website www.hud.gov/recovery

Figure 9. Department of Commerce Gross Outlays and Obligations 2009

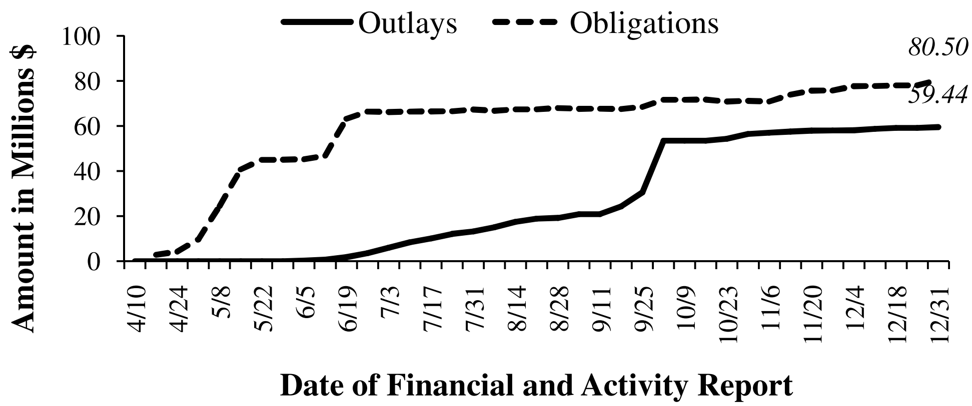


The Department of Commerce was designated $7.9 billion, with $4.7 billion towards the Broadband Technology Opportunities Program (BTOP). This program provides grants that expand and develop the use of broadband internet, particularly in areas where such technology is not in existence or not at a suitable level. Their other large program is the Digital-to-Analog Converter Box Program which would help people convert to digital television before the transition on June 12, 2009. Their other goals include business development, innovative research, and construction projects.

The Department of Commerce has only obligated $1.3 billion and paid out approximately $500 million. Money has been spread across their programs with BTOP being obligated $185 million and paid out $15 million. $332 million was paid out for the Digital-to-Analog Converter Box Program.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Commerce programs is provided on the website www.recovery.commerce.gov

Figure 10. Federal Communications Commission Gross Outlays and Obligations 2009

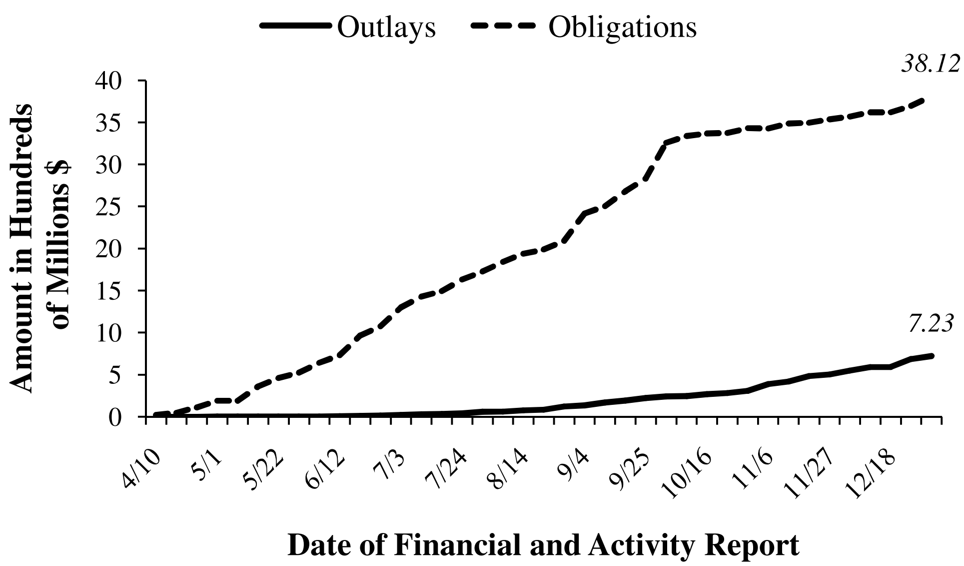


Funds for the Federal Communications Commission are transferred from Commerce as needed. They have two responsibilities: providing outreach to the public for the Digital-to-Analog Converter Box Program, and working with the Broadband Technology Opportunities Program (BTOP) to create a national plan of extending broadband in the U.S. BTOP provides grants that expand and develop the use of broadband internet, particularly in areas where such technology is not in existence or not at a suitable level. The Digital-to-Analog Converter Box Program helps people convert to digital television before the transition on June 12, 2009.

Assisting in the Department of Commerce programs, the FCC has spent $60 million of its obligated $80.5 million. Most of their obligations coincide with the transition of analog to digital television which occurred June 12, 2009.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Federal Communications Commission programs is provided on the website www.fcc.gov/recovery

Figure 11. Department of Defense Gross Outlays and Obligations 2009

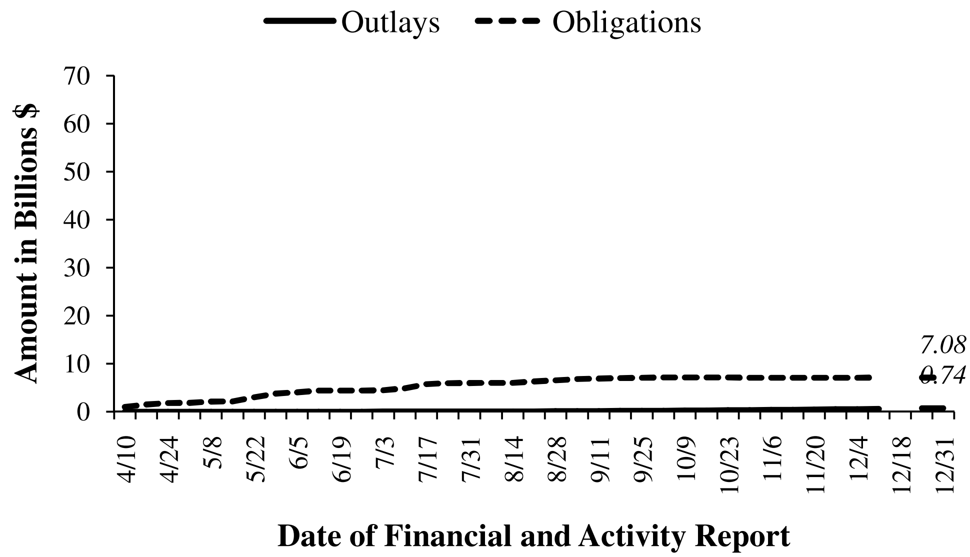


The Department of Defense was designated about $7.4 billion to improved Department of Defense energy efficiency and provide more care for U.S. service members/family. Most money goes towards improving energy efficiency through upgrading infrastructure.

Through 2009, the Department of Defense has obligated just over half of its appropriations while paying out almost 10% of funds designated.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Defense programs is provided on the website www.defense.gov/recovery

Figure 12. Enironmental Protection Agency Gross Outlays and Obligations 2009

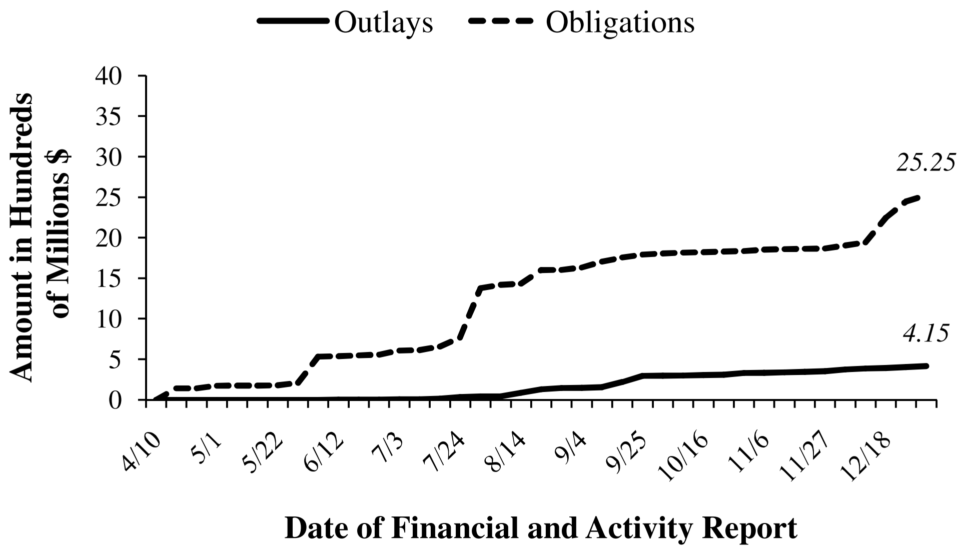


The Environmental Protection Agency was designated $7.2 billion through mainly State and Tribal Assistance Grants for programs involving clean water, brownfields, petroleum leaks, hazardous waste sites, and diesel emissions.

With approximately all of the designated $7.2 billion obligated, the EPA has paid out just $0.74 billion through 2009. Of the amount awarded, $6.2 billion was for State and Tribal Assistance Grants, with $0.59 billion paid out. Having awarded all their funds, responsibility now lies with the recipients to finish or start projects.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Environmental Protection Agency Programs is provided on the website www.epa.gov/recovery

Figure 13. General Services Administration Gross Outlays and Obligations 2009

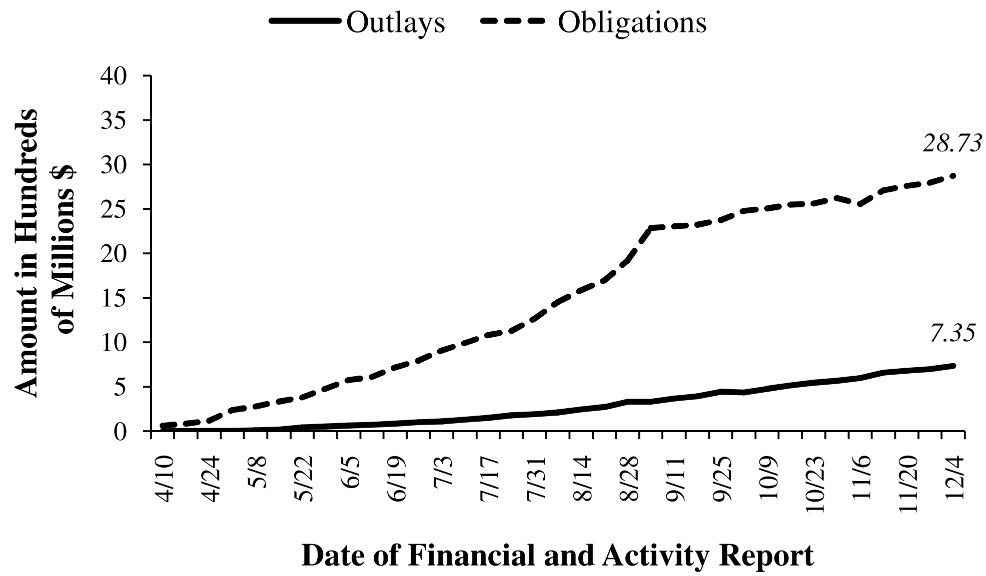


The General Services Administration was designated $5.9 billion, with $5.5 billion going towards the Federal Buildings Fund, mostly to convert Federal buildings to High Performance Green Buildings.

Under half of funds have been obligated and less than 10% paid out. Outlays can be seen to start occuring halfway through the summer months.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on General Services Administration programs is provided on the website http://www.gsa.gov/Portal/gsa/ep/contentView.do?contentType=GSA_OVERVIEW&contentId=25761

Figure 14. U.S. Army Corps of Engineers Gross Outlays and Obligations 2009

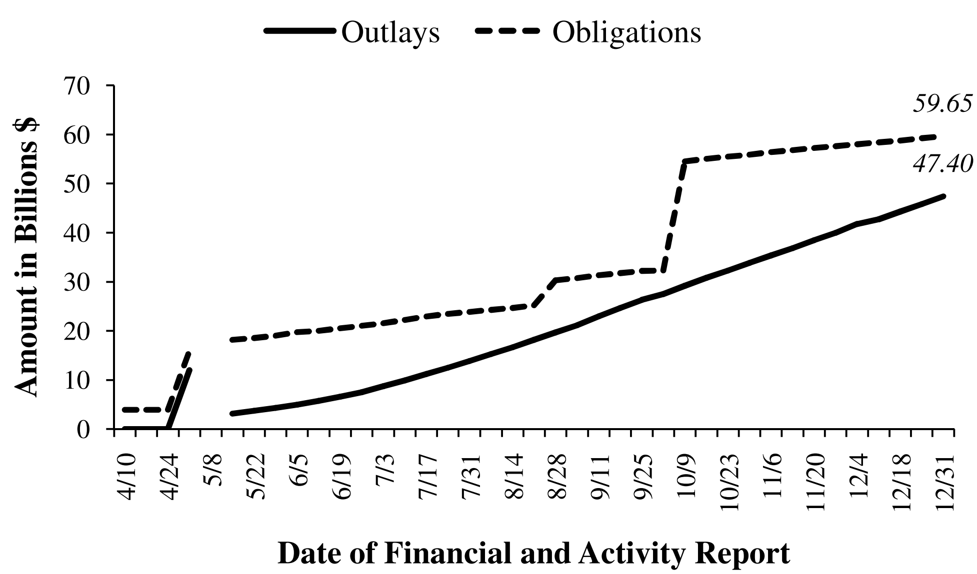


The U.S. Army Corps of Engineers was designated $4.6 billion for developing and restoring the Nation's water and related and related resources, and to support current activities.

They obligated $2.9 billion, over half of their appropriations, and paid out under $1 billion dollars at a steady rate through contracts.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the U.S. Army Corps of Engineers programs is provided on the website www.usace.army.mil/recovery

Figure 15. Department of Labor Gross Outlays and Obligations 2009

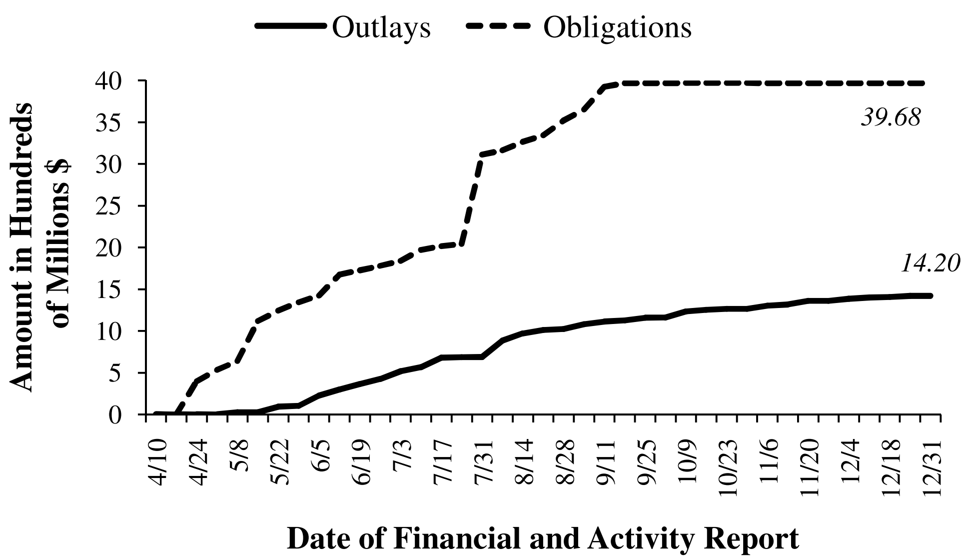


The U.S. Department of Labor was designated over $4 billion for training and employment services, including State formula grants and competitive grants for training in health care and green jobs. However, the bulk of its obligations and outlays come from provisions in Division B, which does not directly appropriate funds. More significantly, these funds provide extended and expanded unemployment benefits, originally estimated to cost approximately $40 billion.

$55.6 billion was obligated for unemployment entitlements with $45.9 billion paid out, leaving only a few billion for Labor's other programs. Outlays have stayed close with obligations due to most the money being for these entitlements. A noticeable spike occurs on October 9th, 2009, representing another wave of unemployment compensation in obligations. By the end of the year, states have used most of it.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Education Programs is provided on the website www.dol.gov/recovery

Figure 16. Department of Justice Gross Outlays and Obligations 2009

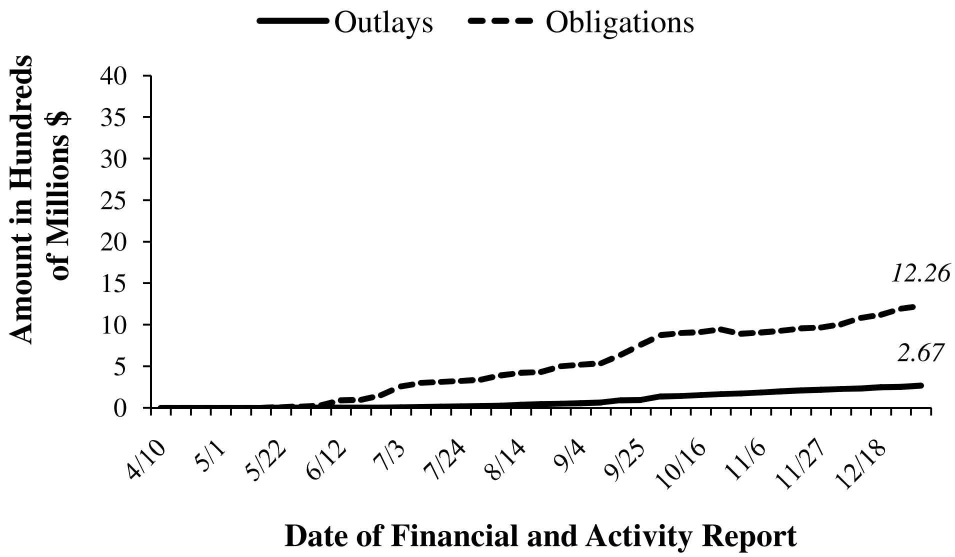


The Department of Justice was designated approximately $4 billion, most of which is for grants to assist state and local criminal justice systems.

Approximately all funds have been obligated as of September, 2009 and $1.4 billion has steadily been paid out over the year.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on Department of Justice programs is provided on the website www.justice.gov/recovery

Figure 17. Department of the Interior Gross Outlays and Obligations 2009

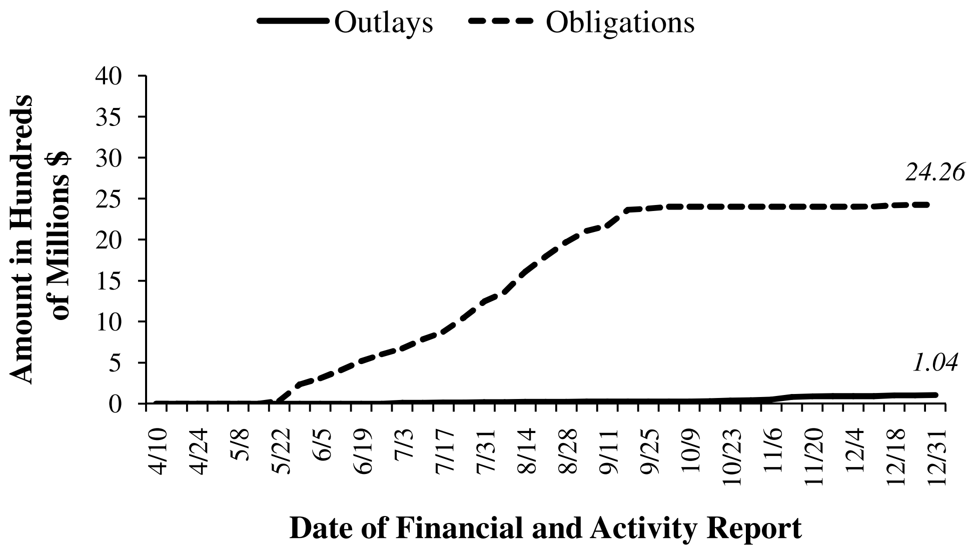


The Department of the Interior was designated approximately $3 billion, most of which will be dispersed among its many agencies and programs for the repair and rehabilitation of facilities, and for water related projects.

Significant financial obligations and outlays did not begin until the beginning of June. Under half of their appropriations have been obligated and less than 10% has been paid out.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Interior programs is provided on the website www.recovery.doi.gov

Figure 18. National Science Foundation Gross Outlays and Obligations 2009

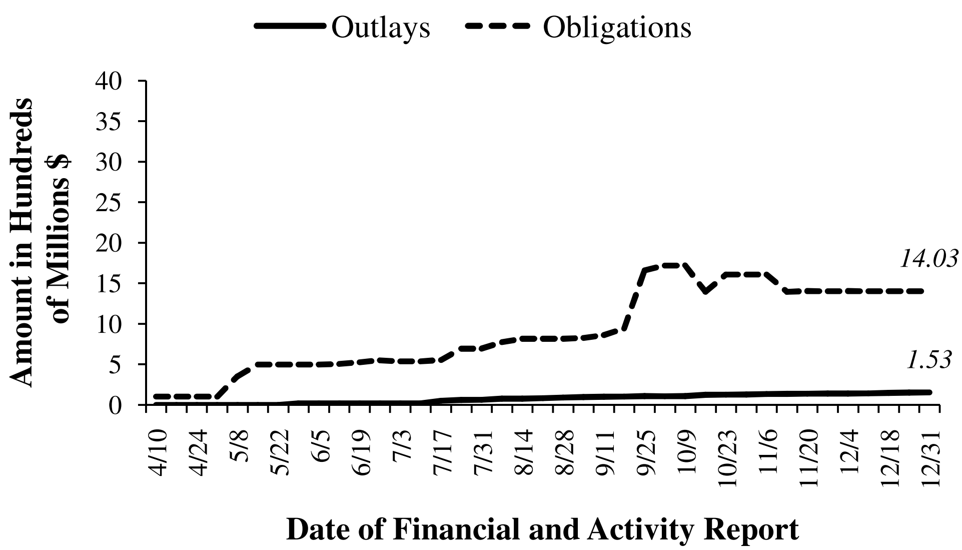


The National Science Foundation was designated $3 billion for Research and Related Activities (R&RA), Education and Human Resources (EHR), and Major Research Equipment and Facilities Construction (MREFC). Related Activities of R&RA include providing recipients with money for infrastructure investments and needed repairs.

By the end of September, 2009 the National Science Foundation has obligated $2.4 billion yet has only paid out approximately $100 million.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the National Science Foundation programs is provided on the website www.nsf.gov/recovery

Figure 19. Department of Homeland Security Gross Outlays and Obligations 2009

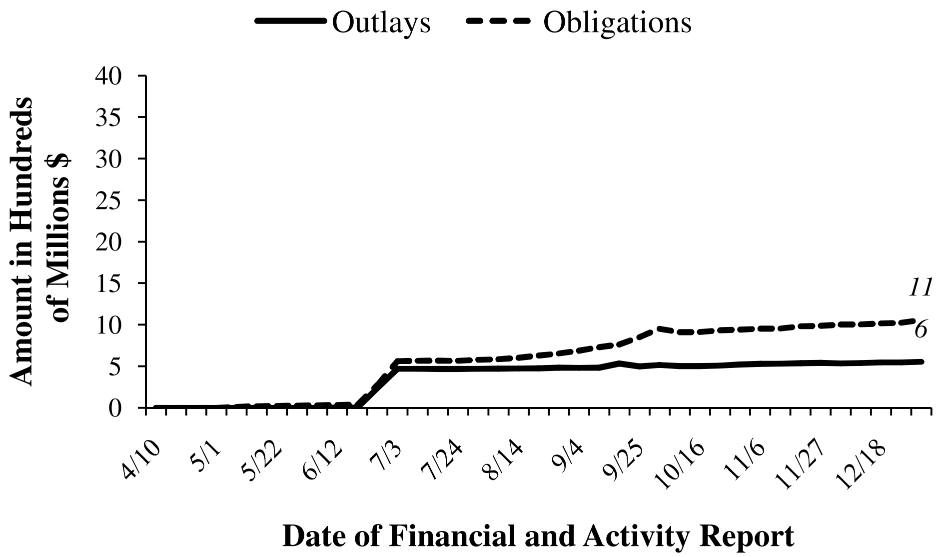


The Department of Homeland Security was designated $2.8 billion. Their major plans are to construct a new department headquarters, upgrade current facilities, and provide more supplies for airports.

They have steadily paid out funds through 2009, albeit a very small percentage of obligated funds. These have plateaued starting in November.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on Department of Homeland Security programs is provided on the website www.dhs.gov/recovery

Figure 20. Department of Veteran Affairs Gross Outlays and Obligations 2009

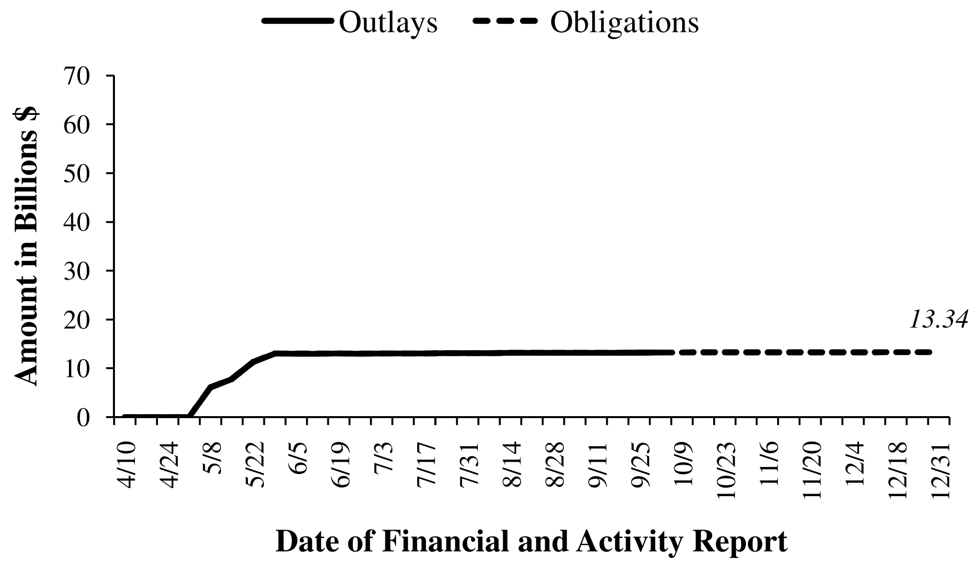


The Department of Veteran Affairs was designated $1.4 billion mainly to improve and construct new facilities. They will also provide one-time veteran payments for those who qualify as described in Division B of the act. Therefore this program was not designated a specific amount of money.

Approximately $500 million was obligated for facilities and $465 million for the Economic Recovery Payments. All of the latter have been paid out and coincide with the planned payment date beginning in June, 2009.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Veteran Affairs programs is provided on the website www4.va.gov/recovery

Figure 21. Social Security Administration Gross Outlays and Obligations 2009

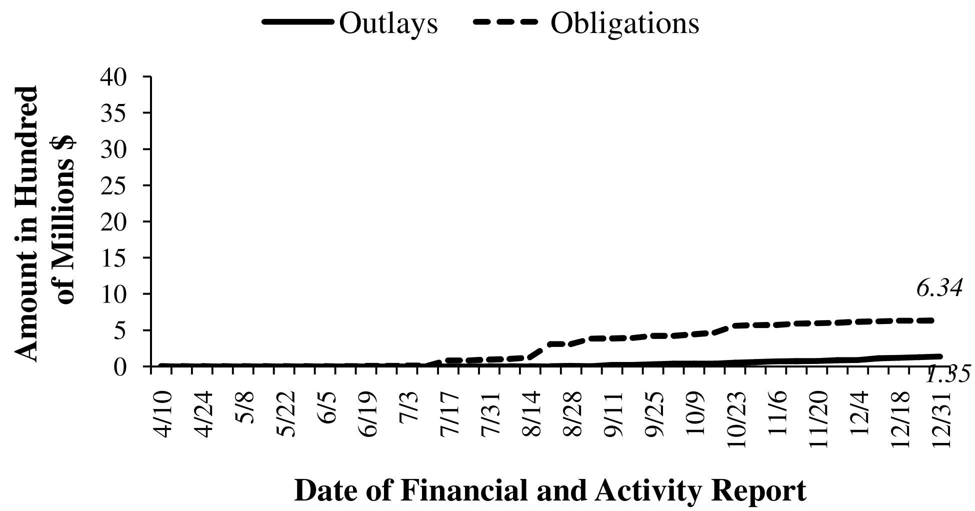


The Social Security Administration was designated one billion for their National Support Center and for addressing disability and retirement workloads. Their major responsibility will be administering $250 Economic Recovery Payments as described in Division B of the act. Therefore this program was not designated a specific amount of money. Veterans Affairs and the Railroad Retirement Board will also be administering these payments. Individuals can only receive one payment even if they receive benefits from more than one of these departments.

At the end of May, the Social Security Administration had paid out all of its obligations for the year, $13.1 billion of which were for the Economic Recovery Payments.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Social Security Administration programs is provided on the website www.socialsecurity.gov/recovery

Figure 22. National Aeronautics and Space Administration (NASA) Gross Outlays and Obligations 2009

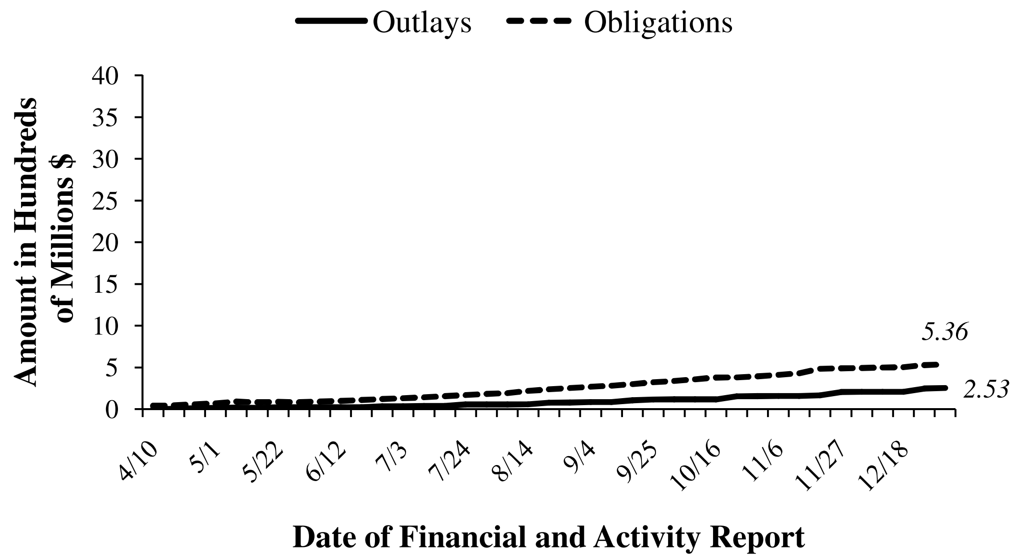


NASA was designated approximately $1 billion towards its research and development activities, and to restore its damaged facilities.

Significant financial obligations and outlays began in July, 2009. They concluded 2009 having obligated $634 million and paid out $135 million.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Corporation for NASA programs is provided on the website www.nasa.gov/recovery

Figure 23. Small Business Administration Gross Outlays and Obligations 2009

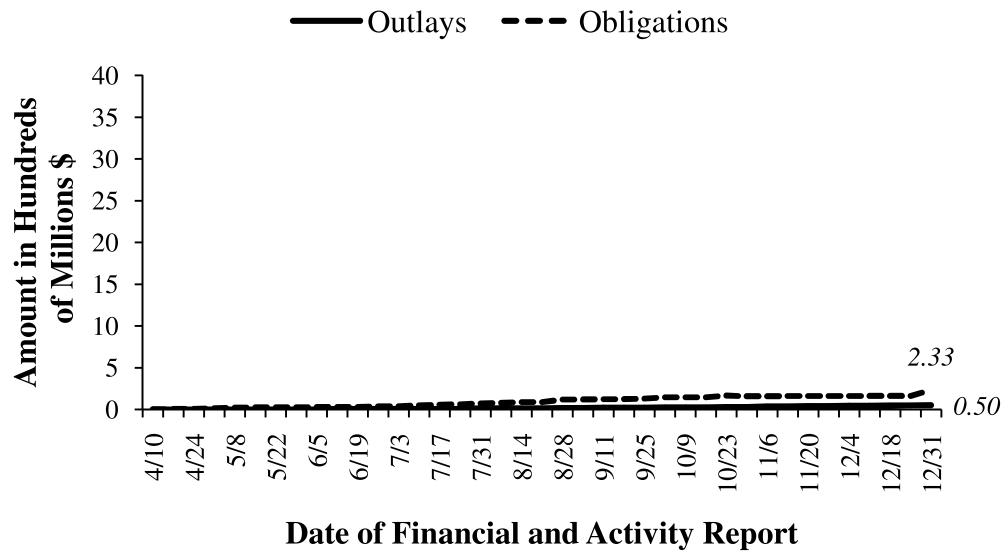


The Small Business Administration was designated $730 million to increase lending in their guaranteed loan programs and unstick the secondary market to provide more liquidity. Funds also provide more access to microloans, stabilization loans, surety bond guarantees, and contract opportunities for small businesses.

They obligated $520 million and paid out $240 million for guaranteed business loans at a steady rate throughout 2009.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on Small Business Administration programs is provided on the website www.sba.gov/recovery

Figure 24. Department of State Gross Outlays and Obligations 2009

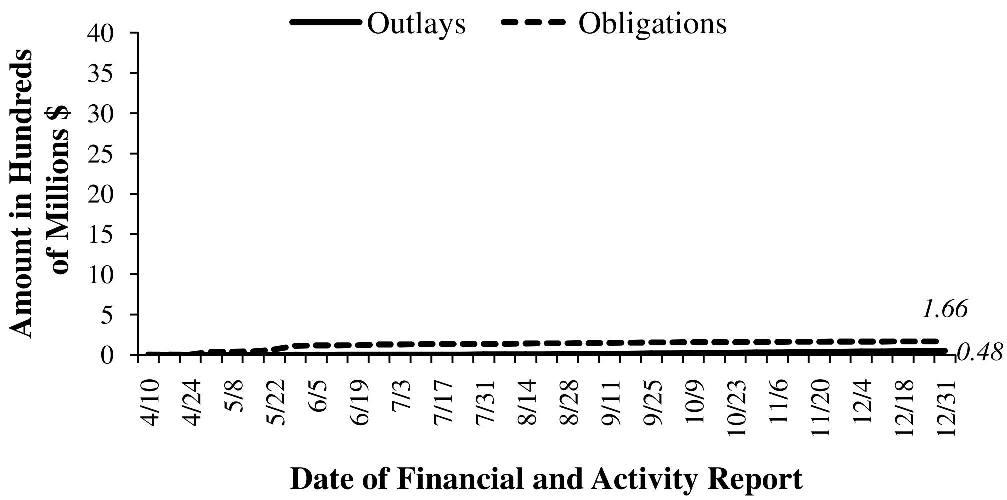


The Department of State was designated approximately $602 million; $290 million for constructing a data center in the Western U.S., upgrading its information technology infrastructure and cyber security; $220 million for work on the Rio Grande Flood Control System Project; and $90 million for new facilities.

Over a third of their appropriations have been obligated with $50 million paid out. $143 million was obligated for the Rio Grande Project, which has an almost two year time plan.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Agriculture programs is provided on the website www.state.gov/recovery

Figure 25. Corporation for National and Community Service Gross Outlays and Obligations 2009

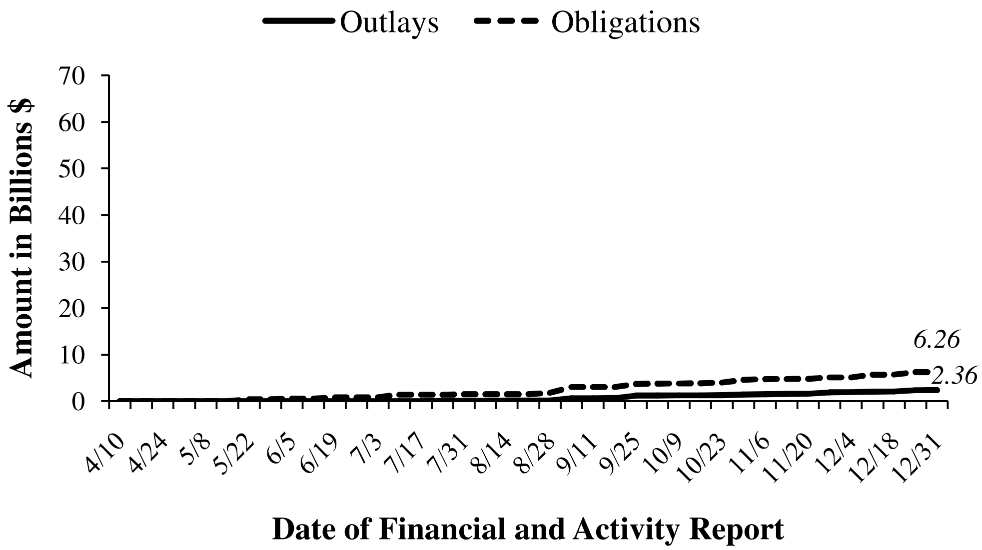


Most of the designated $200 million for the Corporation for National and Community Service will be used to place approximately 13,000 additional AmeriCorps members to work through national service. It also will assist current grantees.

The Corporation for National and Community Service obligated most of their funds at the end of May, 2009. Approximately 25% of their appropriations have been paid out.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Corporation for National and Community Service programs is provided on the website http://www.nationalservice.gov/pdf/09_0606_recovery_plan_cncs.pdf

Figure 26. Department of the Treasury Gross Outlays and Obligations 2009

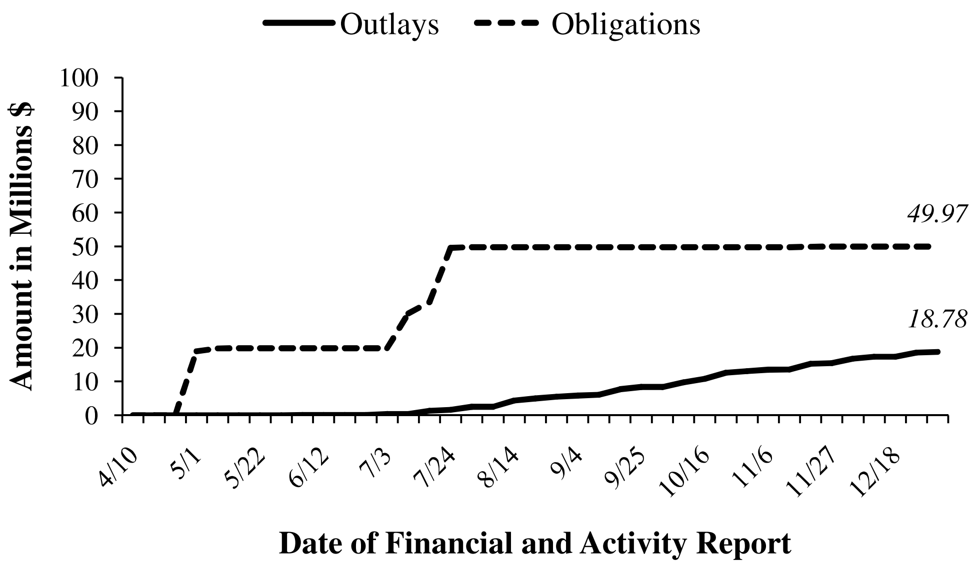


Treasury was only designated $187 million under Division A. $288 billion in tax provisions is how much its programs in Division B are estimated to cost. Programs include grants, tax incentives, payments, payments in lieu of tax credits, oversight of tax administration and contracts. One group of these programs deals with providing cash assistance to states. In this way they can continue providing low-income housing tax credits for certain investments and for current tax credits that attract investment in renewable energy projects.

Approximately $6 billion has been obligated for the cash assistance programs, with $2.2 billion of it being outlaid.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Department of Treasury programs is provided on the website www.treasury.gov/recovery

Figure 27. National Endowment of the Arts
Gross Outlays and Obligations 2009

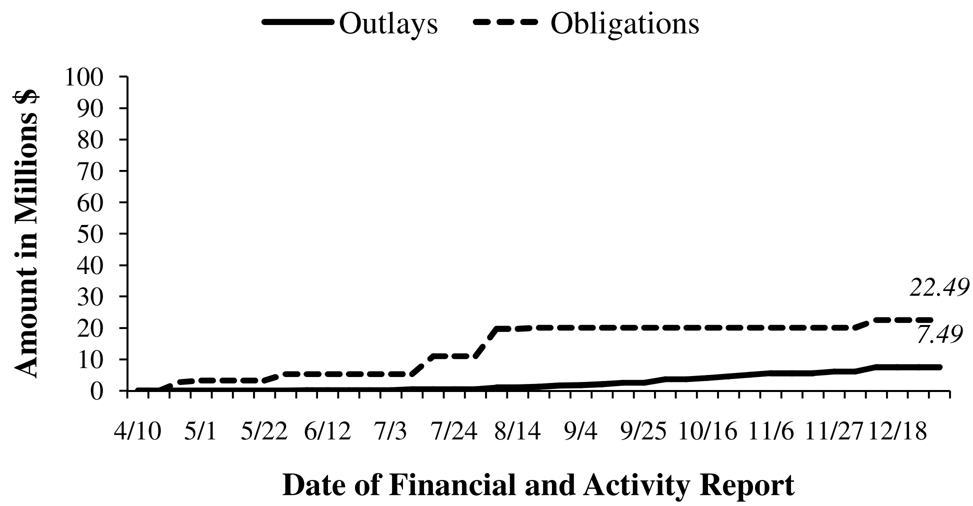


The National Endowment of the Arts was designated $50 million for grants that for projects and activities that preserve jobs in the non-profit art sector.

Approximately all funds have been obligated as of the end of July, 2009. By the end of 2009 they steadily paid out a total of $18.78 million. With all grants obligated, they will monitor grantees and pay out funds as agreed upon with the grantees.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Corporation for the National Endowment of the Arts programs is provided on the website www.nea.gov/recovery

Figure 28. Agency for International Development Gross Outlays and Obligations 2009

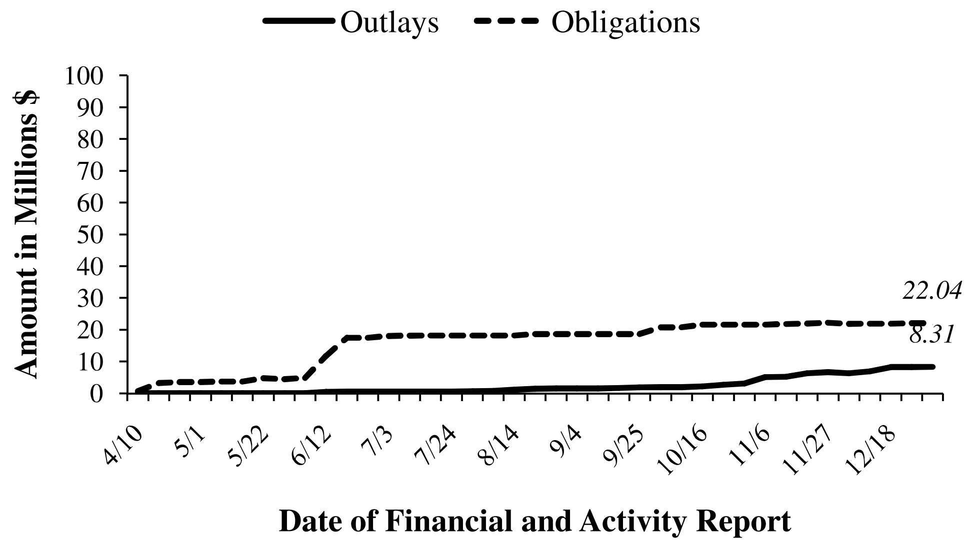


The U.S. Agency for International Development (USAID) plans to use all of its designated $38 million towards the Global Acquisition and Assistance System (GLAAS), a business system which will allow them to process grants and contracts.

Of their $22.5 million in obligations, they have paid out $7.5 million. By the end of 2009 USAID had released the GLAAS 3.2 version into production. They plan to continue development and deployment of it in the world, in phases over the next several years.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the U.S. Agency for International Development programs is provided on the website http://www.usaid.gov/recovery/2009/05/15/plan/USAID_Recovery_Act_Plan.pdf

Figure 29. Smithsonian Institution Gross Outlays and Obligations 2009

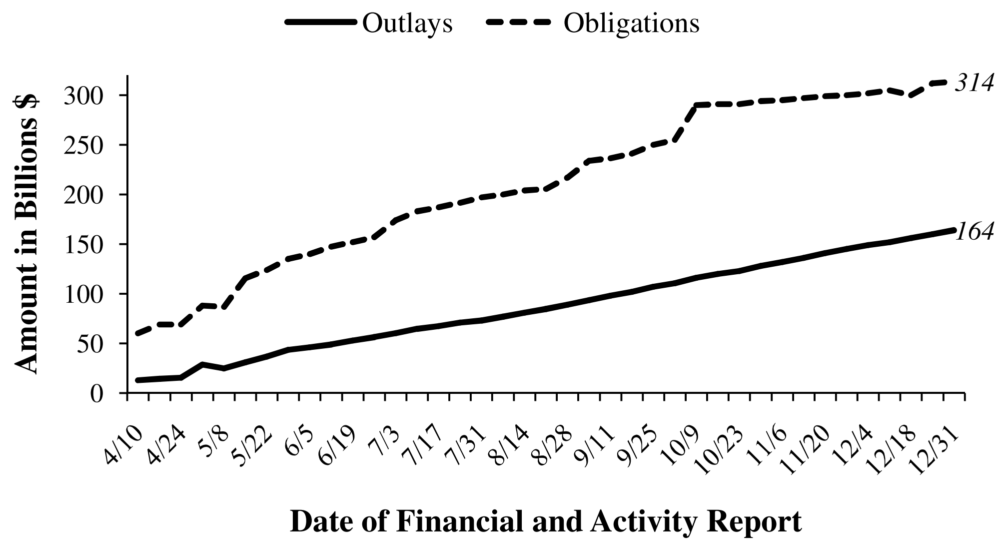


The Smithsonian Institution was designated $25 million for the repair and upgrades of facilities in the Smithsonian Institution.

Nearly all appropriations were obligated by the end of June, 2009. By the end of 2009 they have paid out approximately a third of total funds.

Sources: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov. Further information on the Smithsonian Institution programs is provided on the website www.si.edu/recovery

Figure 30. All Agency Gross Outlays and Obligations 2009



This figure shows the compiled data of all agency Financial and Activity Reports for the 2009 year. Not including any of the $288 billion in tax provisions, the total amount of designated and estimated costs in the act is $499 billion.

In 2009, $314 billion was obligated and $164 billion was outlaid steadily throughout the year. This means that approximately 40% of funds have been obligated and 33% outlaid. Of this, $37 billion was obligated and $18 billion was outlaid for the State Fiscal Stabilization Fund to provide direct financial relief to states. Used towards education, this clearly saved many jobs.

Approximately $120 billion, of the estimated designated amount of $224 billion, was obligated and $108 billion paid out for entitlement provisions such as unemployment and Medicaid. Just as with the state relief described above, these funds provided relief to states and additional relief to people needing these programs.

The remaining obligated and outlaid funds, \$157 billion and \$38 billion respectively, account for contracts, grants, and loans (not including the State Fiscal Stabilization Fund). Including the State Fiscal Stabilization Fund, total obligations and outlays for contracts, grants, and loans are \$194 billion in obligations and \$56 billion in outlays out of the designated \$275 billion.

Overall Analysis

With the information and analysis provided throughout this paper, it is now possible to address the questions put forth in the introduction. The first question was, how much of the stimulus money was used? Of the $499 billion approximated cost for the non-tax portion of the stimulus, $314 billion was obligated (63%) and $164 outlaid (33%). Of the $275 billion designated for contracts, grants, and loans: $194 billion was obligated (71%) and $56 billion outlaid (20%). Of the $224 billion in entitlements, $120 billion was obligated (54%) and $108 outlaid (48%).

Where has this money gone, particularly in relation to the stated stimulus goals? And, has the stimulus achieved its goals? The first goal was, "To preserve and create jobs and promote economic recovery," and is more of a general goal embodying the others. The first part of this goal to preserve and create jobs is evidenced more in the contracts, grants, and loans part of the act. As mentioned previously, only 20% of these were outlaid. But because of the high percentage in obligations, it is expected that over the next year or two there will be significant additional outlays. This goal of creating jobs is then yet to be determined.

Its second goal was "To assist those most impacted by the recession." Those most impacted by the recession are the unemployed and those who are finding it difficult to make their mortgage payments for homes bought when home values were high. A main tool in addressing this goal was the entitlement provisions, with $108 billion outlaid. The Department of Agriculture (Figure 6, p.17) outlaid $7.2 billion for food stamps. Health and Human Services (Figure 7, p.18) outlaid $41.2 billion to help states provide Medicaid. The Department of Labor outlaid $45.9 billion for unemployment entitlements. Having outlaid 48% of expected entitlements in 2009 alone and through many of the tax provisions, the stimulus seems to be achieving its second goal.

The third goal, "To provide investments needed to increase economic efficiency by spurring technological advances in science and health," was addressed by many agencies. The largest contributor to this goal will be Health and Human Services (HHS) when their Health Information Technology program kicks in. As described on page 18, this program will provide incentives for the adoption of certified electronic health records and is estimated to cost $48.8 billion. The other agencies combined do not even come close to the estimated cost of the HHS program. As a result of this only a miniscule amount has been paid out from these agencies relative to eventual total costs including HHS.

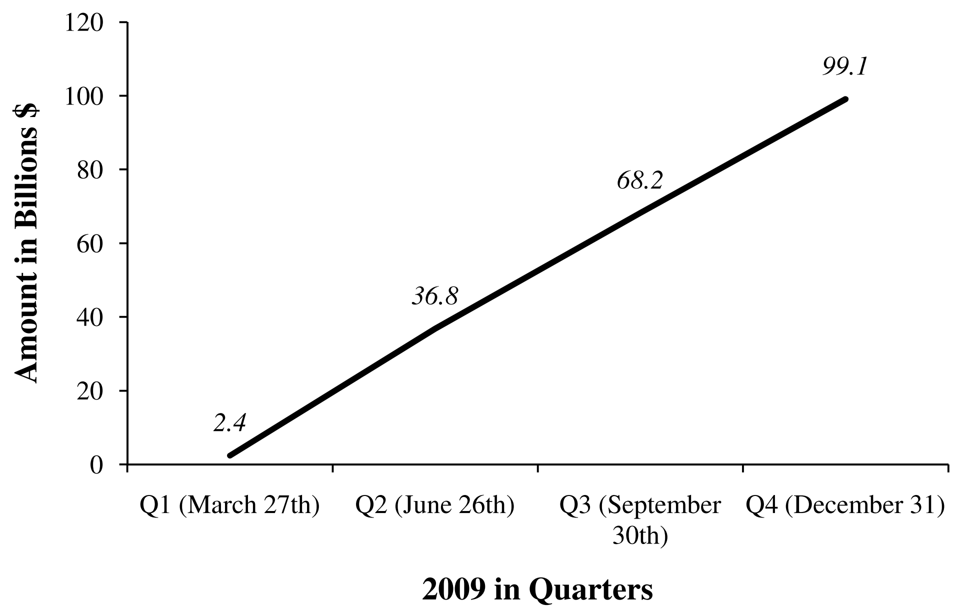
The fourth goal, "To invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits," has achieved this goal in obligations but not outlays. This implies that over the next year or so, outlays should significantly catch up to obligations as payments are made at the completion of projects. The big players in this were the Departments of Transportation and Energy, who together have obligated approximately $56 billion. The following agencies also played roles in achieving this goal, particularly infrastructure: Smithsonian, Veteran Affairs, Homeland Security, and Defense. Those with more responsibility in environmental protection were the Environmental Protection Agency, U.S. Army Corps of Engineers, General

Services Administration, and the Department of the Interior. However, as seen in the Financial and Activity graphs, not much has actually been paid out for these initiatives by the agencies just listed.

The fifth goal, “To stabilize State and local government budgets, in order to minimize and avoid tax reductions in essential services and counterproductive state and local tax increases,” was largely addressed through the Departments of Labor, HHS, and Education. As described earlier, Labor and HHS provided states with funds to pay for entitlement provisions. The Department of Education paid out $18 billion to states through the State Fiscal Stabilization Fund to ease the substantial budget shortfalls States are experiencing.

What does knowing where the money went tell us? It tells us several things. First, that of all the money actually paid out in 2009, $108 billion was for entitlements while only $56 billion was for contracts, grants, and loans. This means that twice as much money was spent providing support for Americans as compared to investments that directly create and preserve jobs. Secondly, it tells us about the spend-out rate: 33% of the non-tax portion of the act has been outlaid and 63% obligated. These percentages indicate that the stimulus is on pace with the spend-out rate described earlier (starting on p.4). They also indicate that 2010 should see just as much, if not more outlays than in 2009, because of the large gap between obligations and outlays. Therefore there is no need for another stimulus package since more money will be paid out. Lastly, that with respect to the text of the act, the law is achieving what it set out to do.

Figure 31. ARRA Tax Reductions Through 2009



Source: Data found on Council of Economic Advisers' report *The economic impact of the American Recovery and Reinvestment Act of 2009*, February 2010. Source of data are simulations from the Department of Treasury (Office of Tax Analysis).

Figure 31 shows the results from simulations of expected total tax reductions in 2009 from the stimulus. Total tax reductions in the stimulus are estimated to cost $288 billion. These simulations suggest that in 2009, approximately one-third of the reductions have occurred. The Council of Economic Advisers breakdown the reductions calculated here as follows: $49.9 billion for individual tax cuts, $15.9 billion for the Alternative Minimum Tax relief, and $33.3 billion for business tax incentives (February 2010).

Together with outlays previously presented, this tax data would bring the total expenditure of the $787 billion in stimulus money to $263.1 billion. This is roughly a third of the cost of the Act.

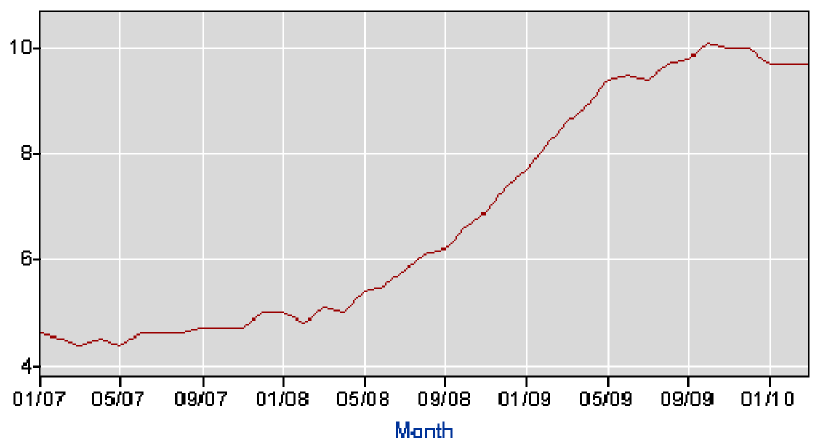
Implications on Obama

What are the implications of this information on Barack Obama's presidency? This would seem to be good news for any President. His policy is being executed according to plan. However, policy has another major aspect and that is its effectiveness. While it's good that his policy seems to be on track, what remains to be seen is how it has affected the economy. This can be very difficult to measure, particularly a law such as this that has many components, and a situation where other actions were taken as well such as those of the Federal Reserve. The next section, provides a glimpse into important macroeconomic statistics over the course of the past year.

Monitoring the Economy

While assessing the impact of the stimulus on the American economy is deserving of a paper of its own, it is still useful to briefly examine the economy over the past year. It is important to note that significant effects of the stimulus may not be easily apparent in these statistics, and that these effects can take time. For example, it is very likely many of these statistics would have worsened in the short-term if there was no stimulus.

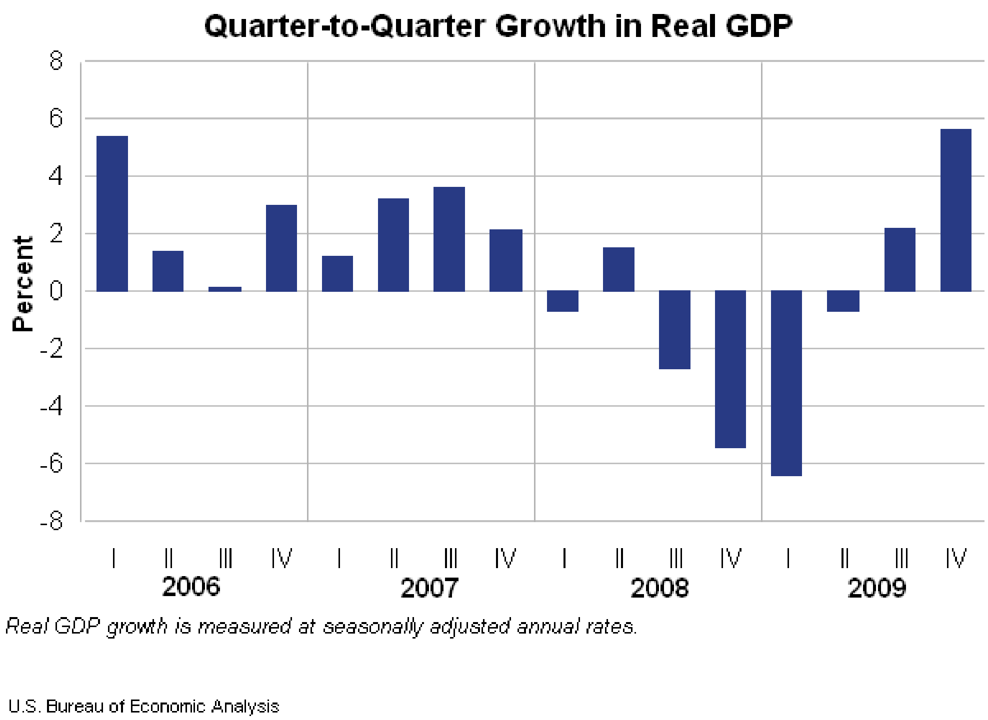
Figure 32. U.S. Unemployment Rate, January 2007 to March 2010



Source: Graph found on the Bureau of Labor Statistics website www.bls.gov. Data for this graph is from the current population survey.

Figure 32 shows the rapid increase in the unemployment rate during the recession. Upon signing of the American Recovery and Reinvestment Act in February, the 2009 unemployment rate was at 8.2%. It hit a high of 10.1% in October, 2009 and has recently dipped down to 9.7% where it has held steady for several months.

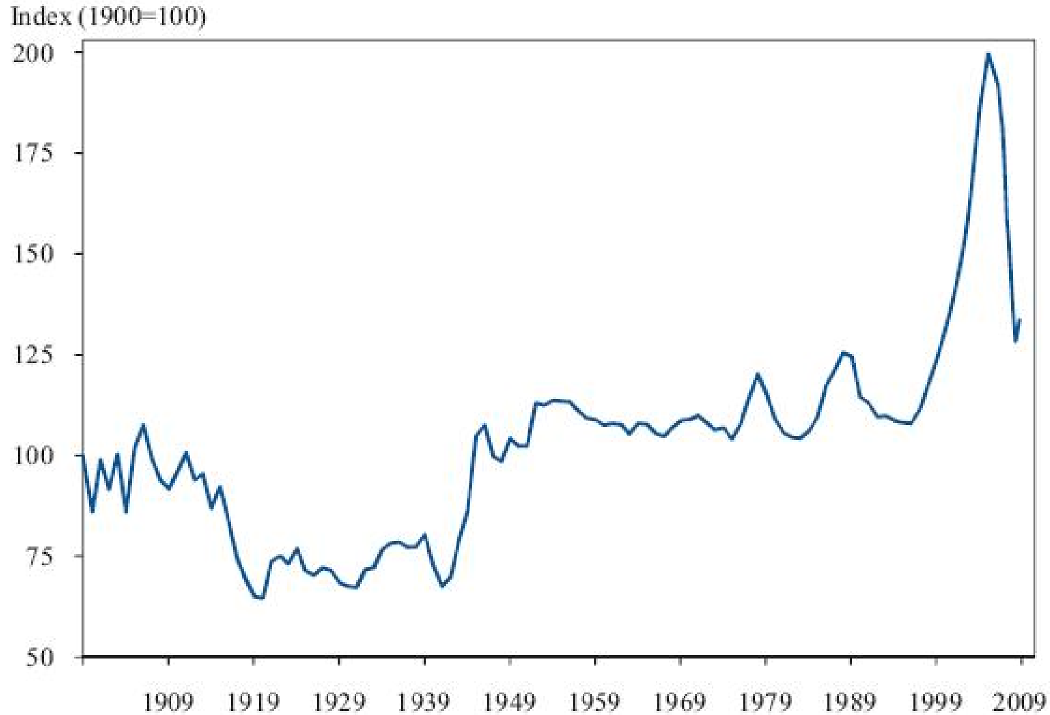
Figure 33. Quarter-to-Quarter Growth in Real GDP, 2006-2009, Seasonally Adjusted Annual Rates



Source: Graph found on the Bureau of Economic Analysis website
http://bea.gov/newsreleases/national/gdp/gdp_glance.htm

Figure 34 shows quarterly Real GDP growth from 2006 to 2009. The year 2008 ended with a large contraction. The year 2009 began with a large contraction. It followed in the next quarter with another but much smaller contraction. Third quarter showed expansion and the fourth quarter showed evidence of even stronger growth nearing 6%. This is a critical turn of events.

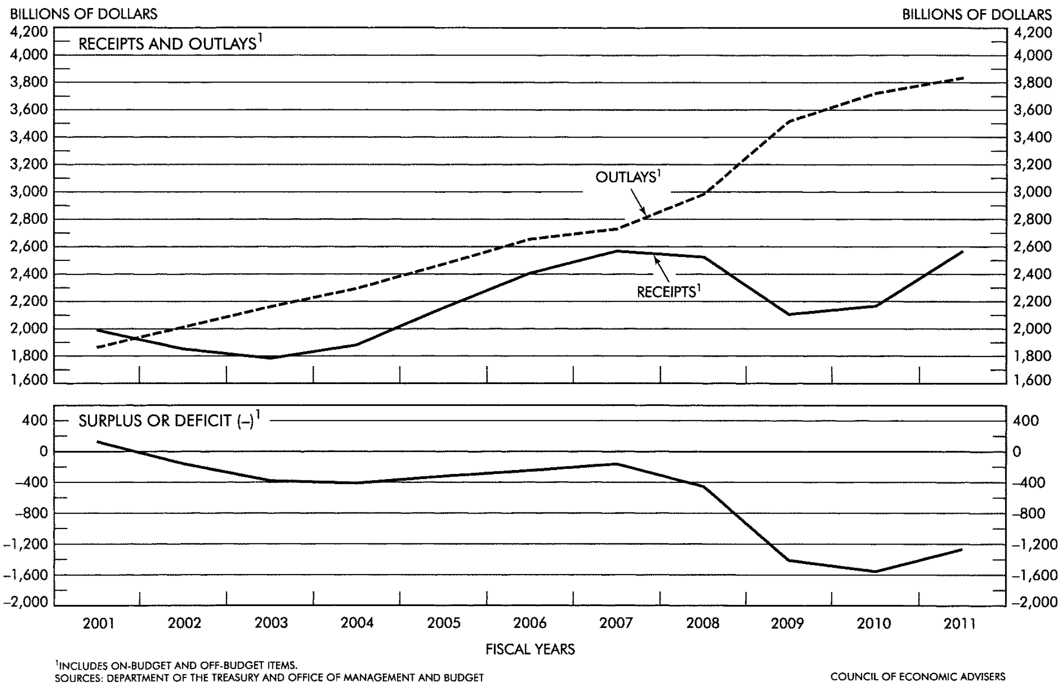
Figure 34. House Prices Adjusted for Inflation, 1900-2009



Source: Graph found on February 2010 NBER Economic Report of the President. Original source is Shiller (2005) www.econ.yale.edu/~shiller/data/fig2-1.xls

Figure 35 shows stabilization of house prices during 2009. This is significant considering the rapid and thereafter substantial decline prices had gone through. It also shows a small increase in house prices, possibly indicating a rebound. Historically, the rise in home prices leading up to the recession clearly does not follow the trend but instead rises in a dramatic and unnatural fashion.

Figure 35. Federal Finance: Federal Receipts, Outlays, and Debt, 2001-2011 Fiscal Years.



Source: This figure and corresponding data was found on http://www.gpoaccess.gov/indicators/10marbro.html. Their source was the Department of Treasury and Office of Management and Budget

Government outlays noticeably increased in 2009, with a large contribution from the $164 billion in stimulus outlays. The year 2009 also shows a noticeable decrease in government receipts, influenced by the stimulus tax reductions. The deficit in 2009 is $1,412.7 billion and federal debt held by the public is $7,544.7 billion. It is interesting to note that the text of the Recovery Act explicitly extends the public debt limit to $12,104 billion (PL 111-5 123 STAT. 366).

Impact on the Economy: Differing Views

Over the past several months, various arguments have surfaced regarding the impact of the stimulus so far on the economy. Despite some positive economic indicators previously discussed, some give credit to the stimulus while others say it had a minimal impact. Here are some of these views.

Recently, critics of the stimulus' impact have referenced a survey released. A survey of those working in economic jobs in the private-sector conducted by the National Association for Business Economics (NABE) found that 73% of respondents said the stimulus did not boost or decrease their company's employment, even though the NABE reported overall job growth (DiVirgilio, 2010). Most critics also point out the fact that the stimulus has significantly added to the deficit. Many also point out that while the economy would have been worse without it, the government still needs to do more to get job growth going (Wiseman & Hansen, 2010).

Others have praised the stimulus. Not surprisingly, one such advocate is President Obama. He believes that it has effectively prevented the threat of a second depression and has kept up to two million people employed (Associated Press, 2010). Christina Romer, the head of the White House Council of Economic Advisers believes we will see positive job growth by the spring (Associated Press, 2010). Estimates from economic research firms such as Moody's and Macroeconomic Advisers find that the stimulus has created between 1.6 and 1.8 million jobs (Leonhardt, 2010). It's important to note however that while many of these pro and con views are from economists, much of the debate is also fueled along political lines.

Conclusion

Future generations will remember the American Recovery and Reinvestment Act of 2009 as a never-before-seen response to an economy in one of the worst recessions in the twentieth or twenty-first century, by a President himself who had made history simply by being elected. However, the view in which he will be noted in history books will largely be based on the success and impact of the stimulus Act. With the unprecedented transparency associated with it, historians and economists will be able to more accurately assess this important piece of legislation.

In the present, a close eye can be kept on the ARRA because of this transparency. As seen in 2009, the stimulus was executed successfully and the economy appears to be responding positively with Real GDP growth and stabilization of house prices and the unemployment rate. Of course it's important to consider the Act has increased the deficit and added to the federal debt, and will continue to do so with more outlays to come in 2010 and 2011. A majority of money was outlaid through entitlements, lessening the effects of the recession and giving the country more time to recover. The rest of outlays provided States relief and also invested in various sectors of the economy to spur activity and create jobs. Tax reductions simultaneously aided in both relief and investment. If the stimulus continues as expected, 2010 will see the bulk of stimulus outlays occur. This bodes well for the continued recovery of the U.S. economy from its severe recession.

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Appendices

Agency Outlays and Obligations in 2009, Sorted by Most Outlays to Least

Agency	Outlays ($)	Obligations ($)
Department of Labor	47,399,174,670	59,652,118,489
Department of Health and Human Services	44,733,646,206	58,234,329,980
Department of Education	29,969,692,240	69,235,086,818
Social Security Administration	13,337,015,464	13,341,401,793
Department of Transportation	7,955,122,139	32,790,622,475
Department of Agriculture	7,849,195,334	10,055,698,012
Department of Housing and Urban Development	2,483,193,815	11,383,987,652
Department of Treasury	2,360,917,551	6,257,193,650
Department of Energy	1,798,786,839	23,416,600,736
Department of Justice	1,420,237,918	3,968,357,071
Environmental Protection Agency	738,362,077	7,075,278,088
U.S. Army Corps of Engineers-Civil Works	734,686,779	2,873,261,770
Department of Defense--Military	722,507,677	3,811,536,394
Department of Veteran Affairs	552,704,407	1,055,756,927
Department of Commerce	529,546,644	1,283,233,928
General Services Administration	414,794,902	2,524,633,216
Department of the Interior	266,620,573	1,226,095,897
Small Business Administration	252,967,780	536,467,037
Department of Homeland Security	153,478,616	1,402,892,462
Railroad Retirement Board	141,593,537	141,620,677
NASA	135,333,257	633,845,092
National Science Foundation	104,393,764	2,426,169,907
Federal Communications Commission	59,435,874	80,501,342
Department of State	50,333,257	232,655,610
Corporation for National and Community Service	47,908,856	166,241,488
National Endowment for the Arts	18,781,689	49,969,534
Smithsonian Institution	8,313,591	22,043,753
Agency for International Development	7,486,353	22,489,196
Total	**164,246,231,809**	**313,900,088,994**

Source: Data are taken from weekly Financial and Activity Reports submitted by the individual agencies and posted on www.recovery.gov.

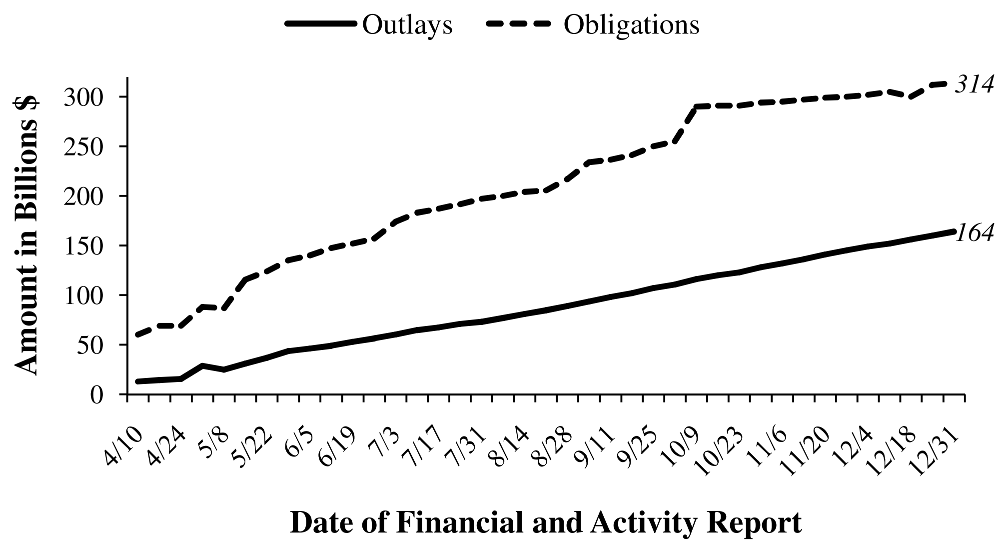
Summary

This project takes an in-depth look at the American Recovery and Reinvestment Act of 2009 which is more commonly known as President Obama's stimulus. This Act was the government's response to a battered economy that saw banks fail and jobs lost particularly during the end of 2008 up to the signing of the Act on February 17th, 2009. Many Americans have been affected by what economists have officially declared a recession. And as a result of the stimulus, many Americans will also be affected, hopefully in a positive way. This doesn't come cheap though. The stimulus was originally estimated to cost $787 billion, which historically is one of the most expensive of all time. It becomes useful then to follow very closely this stimulus money, which ultimately mostly comes out of taxpayer money. Following the money will tell Americans where the money is going, when, and how much has been spent. This project primarily focuses on the non-tax parts of the stimulus during 2009.

What significantly aids this project is that President Obama made sure it would be transparent. His website, www.recovery.gov, provides a large amount of data. For this project, data that was used and then turning into graphs were the agency Financial and Activity Reports. These reports were required from Federal Agencies such as the Department of Education. They had to be submitted weekly and said how much money the agency had spent as of that week, for what government programs and states this money went to, and also how much money they set aside for programs but not yet spent. The following graph shows all this

information for all the agencies combined.

Figure 30. All Agency Gross Outlays and Obligations 2009



This graph says that $164 billion has been spent in 2009. $314 billion has been set aside for government programs (this includes the $164). If you subtract the 164 from 314, you get $150 billion of money that has been set aside but not spent. It also says that over the course of the year, the money has steadily been spent. The paper then breaks this down into much detail. It finds that $108 billion was spent on entitlement programs such as unemployment insurance. $56 billion has been spent on contracts, grants, and loans such as the Department of Transportation's programs to develop this nation's roads and other transportation infrastructure. Of this $56 billion, $18 billion was spent on a Department of Education program that helped States with the education parts of their budgets, keeping many teachers and other employees employed.

To help understand all this, lets breakdown the stimulus some more. First, the stimulus was estimated to cost $787 billion. If you subtract the $288 billion that that the tax provisions are estimated to cost, that leaves $499 billion. So this means that of this $499 billion, $164 billion has been spent. In terms of percentage, this means that 33% of this part of the stimulus has been spent. Also, knowing that $314 billion has been set aside and therefore that $150 billion has been set aside but not spent means we can anticipate that much of it will be spent over the next year.

Now lets breakdown this $499 billion some more. $224 billion of this is for entitlement programs. Medicaid is estimated to get $86 billion to help states with its costs, extending and helping states pay unemployment benefits were estimated to cost $40 billion. $275 billion is how much the stimulus explicitly gives agencies for contracts, grants, and loans. Some of the major programs are $56 billion for states to help them with the education part of their budgets, most of the Department of Transportation's $48.1 billion will be for developing transportation infrastructure, and the Department of Energy gets $38.7 billion.

Like the graph above, this project was able to do the same for all of the 27 U.S. Federal Agencies. This provides for a very comprehensive analysis of where the stimulus money has gone. In addition, the project provides a condensed version of the 400+ page stimulus law and examines several very important macroeconomic indicators that let us know how the economy is doing. The economy appears to have stabilized and possibly on the rebound. The unemployment rate has stopped increasing, the economy is growing, and house prices are going up.

By the end, after analysis of the text of the Act, and tracking and analyzing the various agencies, it was able to be concluded that the stimulus is on the right track and that in 2010 we should see the bulk of the remaining stimulus money spent. For an economy still struggling, this is good news to hear.

This project is significant for many reasons. As stated earlier, it's important because of how many people it impacts, the fact that it cost so much money, and it's supposed to help alleviate an economy in recession. Doing this research will help determine if it was the right policy, if it's working, and more. Another reason it is significant is because it takes advantage of a unique situation. That situation is of the unprecedented transparency associated with this law. President Obama used this transparency as a selling point to get the stimulus passed. So not only did it get passed but now researchers have access to a large amount of data that can help better study this policy for years to come. It may also set the tone for similar future policies and presidents. This project is also significant because it can help explore the implications of the stimulus so far on President Obama. With midterm elections nearing in November, and the stimulus as one of Obama's major initiatives, its progress will likely have strong influences on these elections. The Democrats could very lose many seats to Republicans. Overall this project can be very useful to a wide range of audiences.