



## **Subject: EDUCAUSE Update on the Economic Recovery Package— February 2009**

The American Recovery and Reinvestment Act, signed into law by President Obama on February 17, 2009, allocates funds to several programs that may translate directly into funding opportunities for campus and network IT projects. Details for all of these projects will be announced over the coming weeks and months. Here is what we know so far:

### Broadband funding:

- \$4.7 billion to the National Telecommunications and Information Administration (NTIA) for grants to improve broadband deployment in unserved and underserved areas (including urban areas). Administered through the Technology Opportunities Program (TOP), grants are available to state or local governments, nonprofit organizations, or other entities (including broadband service and infrastructure providers). Criteria for grants include committing to nondiscriminatory network management practices; increasing affordability and subscribership; enhancing health care, education, or children's services; and providing the greatest access speed possible to the greatest number of users.
- \$2.5 billion to the Department of Agriculture's Rural Utilities Service (RUS) for its distance learning, telemedicine, and broadband program. This will be given out in a mixture of grants and loans. At least 75% of the monies must go to rural areas that lack sufficient broadband speed for economic development. Priority will be given to applicants that are or have been actively involved in the RUS program.
- EDUCAUSE will clarify as soon as possible if these funds will be available for state and regional networks.

### Department of Education:

- \$53.6 billion to be distributed directly to the states through the State Fiscal Stabilization Fund. A public institution of higher education that receives these funds must use them for education and general expenditures or for modernization, renovation, or repairs of facilities that are primarily used for instruction, research, or student housing.
- 18.2% of any state's allocation must be used for public safety and other government services, which may include assistance for public higher education facilities, including modernization, renovation, and repairs.



Research and science agency funding:

- \$10 billion for the National Institutes of Health (NIH), which includes \$1 billion for renovation and construction of university and non-federal research facilities. Much of the funding will go to projects that are already approved and have been on hold.
- \$3 billion for the National Science Foundation (NSF), which includes \$400 million for major research equipment and facilities construction. NSF will produce a detailed report to Congress within 60 days that outlines the spending plans.
- \$1.6 billion for the Department of Energy Office of Science for energy research and \$400 million for the DOE Advanced Research Projects Agency for Energy (ARPA-E). Much of the funding will go to projects that are already approved and have been on hold.
- \$580 million for National Institute of Standards and Technology (NIST), with \$180 million designated for construction of research science buildings at colleges, universities, and other research organizations.
- \$830 million for the National Oceanic and Atmospheric Administration (NOAA), which includes \$600 million for climate modeling, satellite programs, and data storage.
- \$1 billion for the National Aeronautics and Space Administration (NASA), which includes \$400 million for science missions and encompasses climate research.

Please note: The programs summarized above are those deemed most likely to be relevant to the EDUCAUSE community; this list is subject to change as additional details become available.

Health information technology (health IT):

- \$20 billion to Health and Human Services (HHS) for health IT. The vast majority of these funds go to Medicare and Medicaid providers as incentives to use electronic medical records. Full details of the plan are due to Congress by November 1; among the programs specifically funded are:
  - \$2 billion to increase the capacity of the Office of the National Coordinator for Health IT (ONC)
  - \$300 million to ONC for regional health information exchanges
  - \$20 million on standards development with NIST



- \$1.5 billion to HHS for grants to health systems for construction, renovation, and purchase of health IT systems
- \$85 million to the Indian Health Service (IHS) to improve its telehealth services and related infrastructure
- \$1.3 billion for the National Center for Research Resources (NCRR) of NIH
- Special note: The health IT provisions of the stimulus bill will have broad implications for health care providers and operators of IT systems that store or transmit electronic health records, including significant changes that would substantially broaden the scope and impact of the existing security and privacy rules implemented under the Health Insurance Portability and Accountability Act (HIPAA). Among the many changes are provisions that would extend the application of the security and privacy rules to business associates; new requirements for covered entities to notify both individuals and the Secretary of the Department of Health and Human Services when protected health information is the subject of a security breach; requirements for periodic audits by the secretary to ensure covered entity and business associate compliance with the privacy and security rules; and provisions that give state attorneys general authority to bring suit in federal district court against any person violating the rules on behalf of state residents to enjoin further violation or to obtain damages on behalf of such residents.

Other items of interest:

- Computer technology and equipment allowed as a qualified higher education expense for section 529 accounts in 2009 and 2010.