

## SIX MONTHS LATER: WHAT HAS PRESIDENT OBAMA DONE FOR NEW YORK CITY?

A week before President Obama took office, the Center for an Urban Future published a report that laid out 51 specific recommendations for what the Obama administration and the 111th Congress could do to help New York City and other cities. Now, at the six month anniversary of President Obama's inauguration, we are taking a close look at which of these 51 recommendations have been achieved. Our conclusion: While the administration still has a long way to go to create a comprehensive national urban policy, it has already made an extraordinary amount of progress on issues that matter to New York and other cities.

OUR JANUARY 2009 REPORT "50+1: A FEDERAL Agenda for New York City" suggested a wide-ranging urban policy agenda for an administration that, both by political inclination and the life experiences of its leader and many top officials, promised to be more sympathetic to the needs and priorities of cities than any since the days of Franklin Delano Roosevelt. Following perhaps the most stridently anti-urban White House in memory, New Yorkers and residents of other metropolitan centers eagerly waited to see what the new administration would do.

Some of the proposals in "50+1" we characterized as appropriate for quick action; others, we realized, would take more time. But while we knew when the report was published that 2009 was likely to yield many opportunities as well as challenges, we never expected the sheer volume of federal action that has come to pass during the president's first half-year in office.

Of our 51 recommendations, President Obama and the 111th Congress have taken significant action on 28 of them; 23 of those figure prominently in already-enacted legislation, while seven play a significant role in the president's FY10 budget (some play a part in both). Among these are significant new investments in scientific research, electronic health records, food stamps, microenterprise, and building retrofits. Other measures include bold new regulations governing banks and credit card issuers and a plan, outlined in Obama's budget, to improve access to higher education by shutting down wasteful subsidies to third party student loan companies.

While this represents a lot of movement in just

six months, we should also note that a majority of it is tied to the American Recovery and Reinvestment Act of 2009 (ARRA), the \$787 billion federal stimulus measure passed in February. A stimulus bill, however effective at creating jobs, doesn't necessarily make for a coherent urban policy strategy. Obama has just now begun to turn his attention to the Office of Urban Policy, renewing his commitment to the agency last week at an urban affairs summit and promising to review how federal policies impact cities. Among other things, he still needs to address Washington's anti-urban funding formula for infrastructure projects and the share of federal transportation spending that goes to mass transit—problems that have persisted through the first months of ARRA implementation. Also yet to be resolved are the ambitious new health care reform and climate change bills, both of which are still working through the legislative process.

What follows is a list of proposals that have seen significant legislative action in the last six months. We used two criteria for inclusion: First, that a piece of already enacted legislation bears on the proposal in some strong way, or second, the specific proposal (e.g. 'Pass the D.R.E.A.M. Act') has either been officially endorsed by the president or has passed at least one chamber of Congress. By these standards, 28 of our 51 recommendations qualify, and all but our recommendation on H-1B visas have been furthered rather than hindered by federal lawmakers. The number would have been even higher, if we had included recommendations such as health insurance reform that have been advanced by Obama and already seriously taken up by Congress.

**CRIME/PUBLIC SAFETY**

1. Allocate anti-terror funds based on risk, not pork.
- 2. Pass the C.O.P.S. Improvement Act.**
3. Pass legislation to get guns off the street and close the gun show loophole
- 4. Protect U.S. cities by aggressively preventing the spread of WMDs.**

**TRANSPORTATION INFRASTRUCTURE**

5. Dramatically increase the share of federal transportation spending that goes to mass transit.
6. Reform Washington's anti-urban funding formula for infrastructure projects.
- 7. Fund Amtrak at a level that enables vast improvement to inter-city rail service.**
- 8. Accelerate plans to develop and implement a more advanced air traffic control system that would reduce flight delays.**
9. Include more ferry projects in future federal transportation infrastructure packages
10. Expand dredging of New York City's waterways

**ECONOMIC AND COMMUNITY DEVELOPMENT**

- 11. Double support for federal microenterprise programs, such as the CDFI Fund and the SBA's Microloan program.**
- 12. Encourage more small business lending by reducing or eliminating fees recently imposed on SBA lenders.**
- 13. Reinvest in scientific research and innovation.**
- 14. Develop a set of policies to increase broadband usage.**
- 15. Help small and mid-sized manufacturers compete through the Manufacturing Extension Partnership program.**
16. Strengthen the Community Reinvestment Act.

**HOUSING**

- 17. Restore funding for public housing**
- 18. Meet federal commitments to the project-based Section 8 program.**
19. Do more to provide supportive housing for the mentally ill
20. Support federal "right of purchase" legislation to help preserve affordable housing.
21. Enact new regulations to prevent "predatory equity" in multi-family buildings.

**IMMIGRATION**

- 22. Take immediate steps to ensure that the 2010 Census does not undercount New York and other cities.**
- 23. Allow the H-1B visa cap to respond to market demand.**
24. Expand funding for ESOL instruction.
- 25. Eliminate barriers for high-achieving undocumented immigrants to attend college by passing the DREAM Act.**

**EDUCATION**

- 26. Improve access to higher education.**

- 27. Support early childhood education.**

- 28. Mend, don't end, the No Child Left Behind Act.**

29. Revise how graduation rates are calculated to remove incentives that currently reward "push outs"
30. Support career and technical education.

**WORKFORCE DEVELOPMENT**

- 31. Increase the federal investment in the Workforce Investment Act (WIA)**
32. Require coordination of programs under the WIA umbrella
33. Decouple WIA's funding formula from the unemployment rate
- 34. Include funding for a standalone Summer Jobs program for youth**
35. Set national goals of prevention and recuperation for disconnected youth, and appoint a policy coordinator to work across Cabinet agency lines in meeting the targets

**REDUCING POVERTY AND ASSET BUILDING**

- 36. Expand the Federal Earned Income Tax Credit (EITC).**
37. Initiate new efforts to help low-income Americans build assets.
- 38. Adjust food stamps rules to expand eligibility and participation.**
39. Greatly increase the federal commitment to child care.

**ENERGY AND ENVIRONMENT**

- 40. Create a large-scale, nationwide initiative to retrofit buildings.**
- 41. Undertake infrastructure investments that would reduce sewage overflows.**
- 42. Rebuild the nation's outmoded electricity delivery system.**
- 43. Address global warming by enacting a carbon tax or a "cap and trade" system.**

**HEALTH**

44. Make universal health insurance a reality.
- 45. Increase the Federal Matching Assistance Percentage for Medicaid**
46. Create a national public health strategy to combat obesity.
- 47. Provide financial incentives to doctors who adopt comprehensive electronic health records (EHR).**

**ARTS**

48. Streamline the visa process to make it easier for musicians, artists and other creative professionals to enter the country.
49. Support and expand arts education in schools

**CONSUMER PROTECTION**

- 50. Enact more stringent consumer protections on banks and credit card issuers.**
51. Grant states and localities more discretion to protect consumers through regulations.

Note: The recommendations that have already seen significant federal action are in bold. They are not in order of importance. For a more detailed explanation of our recommendations please see: [http://www.nycfuture.org/images\\_pdfs/pdfs/AFederalAgenda.pdf](http://www.nycfuture.org/images_pdfs/pdfs/AFederalAgenda.pdf)

**2. Pass the C.O.P.S. Improvement Act.** Congress and the Obama Administration included \$1 billion in C.O.P.S. (Community Oriented Policing Services) grants in the American Recovery and Reinvestment Act (ARRA) and provided enough funding in the FY10 budget to begin implementation of C.O.P.S. once it passes Congress. The final bill, which will provide long-term funding for cities to hire more cops and pay for technology and training for their officers, passed the House of Representatives in April and now awaits Senate action.

**4. Protect U.S. cities by aggressively preventing the spread of WMDs.** In Russia earlier this summer, President Obama and Russian President Dmitry Medvedev agreed on specific new nuclear arms reduction targets in preparation for a new Strategic Arms Reduction Treaty, which expires in December.

**7. Fund Amtrak at a level that enables vast improvement to inter-city rail service.** The ARRA included \$8 billion for high-speed inter-city rail projects. \$1.3 billion of that will go toward upgrading Amtrak service, particularly in the heavily traveled northeast corridor. In the FY10 budget, President Obama committed an additional \$1 billion toward high speed rail, which he has proposed to continue every year for the next five years.

**8. Accelerate plans to develop a more advanced air traffic control system that would reduce flight delays.** As a part of the FY10 budget, President Obama included \$800 million to modernize the country's air-traffic control system, which is a fraction of the funds that will be required but an impressive start nonetheless. A part of that investment will go toward the installation of a new satellite-based GPS tracking system that experts say will increase safety and reduce delays.

**11. Double support for federal microenterprise programs, such as the CDFI Fund and the SBA's Microloan Program.** The stimulus package allocated an additional \$6 million for loans in the SBA's Microloan Program and \$24 million for marketing and management of the program. ARRA also included \$90 million for the Treasury Department's CDFI fund in order to expand lending and investment services in underserved markets. Together these investments more than double the federal government's financial commitment to microenterprise programs.

**12. Encourage more small business lending by reducing or eliminating fees recently imposed on SBA lenders.**

ARRA authorizes the SBA to temporarily eliminate or reduce fees for participation in its loan-guarantee programs.

**13. Reinvest in scientific research and innovation.** ARRA included \$3 billion for the National Science Foundation and \$8 billion for the National Institute of Health. These investments will go toward funding new research projects and the construction and renovation of research facilities.

**14. Develop a set of policies to increase broadband usage.** As a part of ARRA's Broadband Opportunities program, the federal government will make \$4.7 billion in competitive grants available nationwide to expand broadband access.

**15. Help small and mid-sized manufacturers compete through the Manufacturing Extension Partnership Program.** Following through on his campaign promise to increase funding for the MEP program, Obama's FY10 budget calls for \$125 million to the Hollings Manufacturing Extension Partnership (MEP), a \$15 million increase over the 2009 enacted level. The House has approved the funding for the full amount, and it is now awaiting full Senate approval.

**17. Restore funding for public housing.** Of the \$3 billion set aside for public housing capital improvements in ARRA, \$423 million is going to the New York City Housing Authority (NYCHA). NYCHA officials have announced plans to use the funding "to repair and retrofit public housing throughout the five boroughs." \$70 million will be targeted for much needed elevator replacements and upgrades.

**18. Meet federal commitments to the project-based Section 8 program.** Of the \$2 billion in ARRA funds allocated for building owners in HUD's project-based Section 8 program, over \$230 million is expected to go to owners in New York State. In addition, ARRA makes \$250 million available in loans and grants for owners nationwide who intend to weatherize their properties.

**22. Take immediate steps to ensure that the 2010 Census doesn't undercount New York and other cities.** President Obama nominated Robert Groves, an expert in statistical sampling, to head the 2010 Census count. To assist the count, ARRA included \$1 billion for the Census Bureau, and in his FY10 budget Obama requested nearly \$8 billion for the agency.

**23. Allow the H-1 B visa cap to respond to market demand.** This is the sole recommendation that lawmakers have gone backwards on. The market demand for H-1B visas has reportedly dropped significantly due to the recession. Still, Congress decided to forbid recipients of TARP funds to hire foreign workers through the H-1B visa process or any other, and Senators Durbin and Grassley have introduced a new bill designed to discourage the use of H-1B visas.

**25. Eliminate barriers for high-achieving undocumented immigrants to attend college by passing the DREAM act.** President Obama has recently gone on the record to support the DREAM act, and in March it was re-introduced in both chambers of Congress.

**26. Improve access to higher education.** In the FY10 budget, President Obama proposed ending the Federal Family Education Loan Program, which uses private sector lenders like Sallie Mae to issue student loans, and using the estimated \$4 billion in savings to increase funding for the government's Direct Loan program. Also, ARRA provided an additional \$17 billion nationwide for the Pell grant program and increased the maximum grant amount by \$500. Most recently, the president announced the American Graduation Initiative, which would provide \$12 billion in federal funding to help an additional five million Americans graduate from community colleges by 2020 by boosting college completion rates and developing online learning programs.

**27. Support early childhood education.** Nationally, ARRA provided \$5 billion for early childhood education, including Head Start, Early Head Start, child care block grants and programs for infants with disabilities. In addition, President Obama's FY10 budget calls for \$17.2 billion for Head Start, a \$122 million increase from the previous year.

**28. Mend, don't end, the No Child Left Behind Act.** ARRA provided \$3 billion for schools failing to meet NCLB goals, and Obama's FY10 budget would almost triple funding for the program at \$1.5 billion. Also, Education Secretary Arne Duncan is currently on a listening tour to gather input from teachers, parents and other stakeholders about needed reforms to NCLB, which is up for reauthorization this year. Possibly motivated by the prospect of federal action, 49 states and territories announced in June that they would join a

National Governors Association initiative to create common academic standards in English and math.

**31. Increase the federal investment in the Workforce Investment Act.** As a part of ARRA, New York State is expected to receive \$130 million in additional, one-time funding for youth, adults and dislocated workers under the Workforce Investment Act (WIA), which if the normal funds come through will roughly double the state's annual allocation for this year.

**34. Include funding for a standalone summer jobs program for youth.** In May, Mayor Bloomberg and Governor Paterson announced that \$29 million in federal stimulus funds will go toward summer youth and internship programs in New York City. The funds will support 17,378 summer jobs and internships for city kids over the next year.

**36. Expand the Federal Earned Income Tax Credit.** ARRA provided a temporary increase in the Earned Income Tax Credit for taxpayers with three or more children and delayed the beginning of the phase out range for the credit for married couples filing a joint return.

**38. Adjust food stamps rules to expand eligibility and participation.** ARRA allocated \$20 billion nationwide to the Supplemental Nutrition Assistance Program (food stamps). Eligible New Yorkers will receive over \$1 billion worth of additional food stamp assistance from the stimulus.

**40. Create a large scale nationwide initiative to retrofit buildings.** In April, Mayor Bloomberg unveiled "The Greener, Greater Buildings Plan," which draws on \$16 million in federal stimulus funds to retrofit the city's most energy-inefficient buildings. In addition, New York State will receive about \$400 million dollars for weatherization programs and \$175 million for energy efficiency block grants. Nationally, ARRA included \$5 billion for weatherization programs.

**41. Undertake infrastructure investments that would reduce sewage overflows.** In April, the Environmental Protection Agency awarded New York State \$430 million for waste water infrastructure projects. The award draws on stimulus funds and is the largest state grant in EPA history.

**42. Rebuild the nation's outmoded electricity delivery system.** ARRA allocated \$4.5 billion in seed money to develop smart grid technology and made \$100 million available for electric grid worker training.

**43. Address global warming by enacting a carbon tax or a "cap and trade" system.** In June, the House of Representatives narrowly passed an ambitious new climate bill that would cap carbon emissions from factories, refineries and power plants and allow polluters to trade for allowances issued by the government. At the outset of the cap and trade regime, 15 percent of the allowances would be auctioned off and the proceeds used to defray higher energy costs for low-income families; the percentage would rise, creating new government revenues, as the overall emissions cap fell. The legislation is projected to reduce U.S. greenhouse gas emissions by 17 percent by 2020 and by 80 percent by 2050.

**45. Increase the Federal Matching Assistance Percentage (FMAP) for Medicaid.** ARRA temporarily increased the FMAP rate for all states by 6.2 percentage points. On top of that, states with high unemployment levels can qualify for a bonus increase of between 5.5 percent and 11.5 percent depending

on their level of unemployment. The State Department of Health estimates that New York will receive an additional \$11.1 billion for Medicaid as a result of these temporary measures.

**47. Provide financial incentives to doctors who adopt comprehensive electronic health records (EHRs).** Included in ARRA were \$17.2 billion in Medicare and Medicaid incentives for doctors who adopt qualifying EHRs as well as an additional \$2 billion in direct payments for regional EHR adoption programs like New York City's Primary Care Information Project (PCIP). According to former PCIP director Farzad Mostashari, Mayor Bloomberg has requested \$170 million for the city program.

**50. Enact more stringent consumer protections on banks and credit card issuers.** In May, President Obama signed into law the Credit Card Accountability, Responsibility and Disclosure Act, which prevents credit card companies from raising rates on existing balances and charging hidden fees. Additionally, the president included in his financial regulatory reform proposal the creation of a Consumer Financial Protection Agency.

The Center for an Urban Future is a New York City-based think tank dedicated to independent, fact-based research about critical issues affecting New York's future including economic development, workforce development, higher education and the arts. For more information or to sign up for our monthly e-mail bulletin, visit [www.nycfuture.org](http://www.nycfuture.org). Our original report "50+1: A Federal Agenda for New York City" was the inaugural publication of the Center for an Urban Future's Fair Share New York project, an initiative that will feature ongoing research about whether New York City is treated equitably by the federal and state governments.

This update was researched and written by David Giles, David Jason Fischer and Marc Shavitz. The original "50+1" report was written by Jonathan Bowles, Tara Colton, David Jason Fischer, David Giles and Jim O'Grady and can be found on our website under 'reports.'

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