

## **IEDC Economic Stimulus Recommendations**

Viable economic stimulus investments should be targeted in a way that will meet the nation's long-term needs, focusing both on enduring structural change and short-term policies that will stimulate the economy and enhance future prosperity. The IEDC recommendations focus on initiatives to jump-start the economy in the immediate while considering the longer-term sustainability of the nation's economic base. They cover the following key points:

**Invest in shovel-ready infrastructure projects that strengthen the long-term competitiveness of the economy with the intent of building a 21<sup>st</sup> century infrastructure. Stimulus priorities are:**

- Enact projects within the first 100 days.
- Meet criteria of job creation in competitive industries and energy-efficiency (e.g. using the latest planning and construction technology, favoring smart growth initiatives), and ensure that any regulatory or environmental review processes have already been completed.
- Target on building retrofits or rehabilitations.
- Further recommendations include: invest in water-related projects, attach training provisions to infrastructure investments, increase funding to the EPA's Brownfields program, broaden criteria for EDA's funding to include innovations assets, and replace military equipment that was shipped to Iraq and Afghanistan.

**Increase access to capital rapidly to get business activity moving and to maintain a vibrant business community for the future. Stimulus priorities are:**

- Increase funding to existing federal programs to jump-start economic recovery, e.g., the Small Business Administration's SBA 7(a) and 504 programs, the HUD 108 Program Community-Development Block Grant (CDBG), and the Manufacturing Extension Partnership (MEP).
- Allocate \$1 billion of the \$700 Billion TARP funds to CDFIs and other community NPOs.
- Authorize the New Markets Tax Credit Program through 2014.
- Issue federal tax credits to trigger private angel and seed capital investments for entrepreneurship.
- Further recommendations include: modernize the Industrial Development Bonds (IDB), and expand the Community Reinvestment Act.

**Invest in green technology to meet the short-term goals of stimulating the economy today - reinvigorating manufacturing, creating jobs, and pumping liquidity back into the system - and the long-term goal of building a competitive economy for the future. Stimulus priorities are:**

- Increase funding to existing programs to jump-start the economy, e.g., the Renewable Energy Job Training, the Renewable Energy Manufacturing Tax Credit, and the Clean Renewable Energy Bonds (CREBS).
- Expand the renewable energy investment and production tax credits.
- Further recommendations include: create a Federal Renewable Portfolio Standard (RPS), enact a Green Collar Jobs Hiring Tax Credit, promote energy efficient modes of transportation, ensure that incentives be performance-based and geographically neutral.

**Invest in human capital and use workforce development programs to help unemployed workers to transition to new jobs and new industries, allow existing workers to be more productive, and to strengthen the talent pool for the nation's long-term viability. Stimulus priorities are:**

- Provide training for transitional workers and expansion of unemployment benefits.
- Provide training for incumbents for retention purposes, increasing business capabilities and competitiveness.
- Expand financial supports (such as the Earned Income Tax Credit).
- Use a percentage of all infrastructure monies for job training and placement.

**Use existing agencies to manage and administer the stimulus projects in the pipeline. Stimulus priorities are:**

- Centralize the management of these programs
- Leverage funds across federal agencies in a targeted manner.