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## **Committee Set to Examine Recovery Act in California**

*Golden State mayors, officials will discuss stimulus impact on the state at Friday's Los Angeles field hearing*

WASHINGTON – The House Committee on Oversight and Government Reform will continue its ongoing oversight of the American Recovery and Reinvestment Act of 2009 (Recovery Act) with a field hearing in Los Angeles, CA, to observe how the Recovery Act is performing in the Golden State. Committee Chairman Edolphus “Ed” Towns (D-NY) and Subcommittee on Government Management, Organization and Procurement Chairwoman Diane Watson (D-CA) will hold a joint field hearing on Friday, March 5, 2010 to examine the largest economic stimulus program since the New Deal and how it has impacted California. The hearing will include testimony from the Mayor of the City of Los Angeles Antonio Villaraigosa, the Mayor of the City of San Jose Chuck Reed and the Mayor of the City of San Bernardino Patrick Morris.

California’s Inspector General for the Recovery Act, Laura Chick, will also testify.

The hearing will begin at 1:00 p.m. PST (4:00 p.m. EST) and will be held in the California Science Center located at 700 Exposition Park Drive, Los Angeles, CA.

The Los Angeles field hearing is one in a series of hearings Chairman Towns has held to examine the implementation of the Recovery Act and its impact on states and localities. The hearing will specifically examine Recovery Act funded transportation, education and energy projects, programs, and grants within California, with particular attention to evaluating measures taken to prevent waste, fraud and abuse.

The hearing will also assess the impact of state and local budget deficits on administration and implementation of the Act.

Although there have been challenges encountered in the implementation of the Recovery Act, the legislation has helped states avoid, what some have described as, draconian-level budget cuts. Specifically, without the Recovery Act, state and local deficits would arguably be more expansive, and would likely include significant cuts to fundamental programs like education, health, and transportation.

According to the Recovery Board, California has been awarded over \$21 billion and received almost \$8 billion in Recovery funds so far. With those dollars, California reported just over 70,000 jobs funded by the Act between October 1st and December 31st, 2009.

Mayor Villaraigosa said, "The City of Los Angeles is grateful to President Obama and Congress for passage of the Recovery Act and the funds that Los Angeles has been awarded. With these funds, we are training our local workforce, repairing our infrastructure, improving our

environment and assisting those most impacted by this economic downturn. It is my hope that our fair share of funding comes to Los Angeles, and I look forward to working with our congressional delegation and this Committee to ensure that happens.”

San Jose Mayor Chuck Reed said, “In San Jose, we’ve been awarded \$105 million in Stimulus funds to make long overdue improvements to our roads and transit networks, invest in our international airport, and train hundreds of workers hit hard by the downturn in the economy. Those funds have been valuable, but now we must focus on putting people back to work. The next wave of federal investment needs to target innovation and focus on creating permanent private sector jobs.”

Chairman Towns said, “We are going to Los Angeles to make sure that the Recovery Act is working, and that Recovery Act dollars are properly accounted for. California will receive more Recovery Act funds than any other state in the nation, so it is critical that we make sure those dollars flow rapidly, effectively, and efficiently from the Federal government to the State, from the State to the locality, from a local government to the contractors, and from the contractors to the paychecks of hardworking Californians trying to put food on the family table. I thank all of the witnesses who are coming to testify and to Chairwoman Watson for requesting this important hearing.”

Chairwoman Diane Watson said, “California is one of the largest recipients of Recovery Act Funds. It is my hope that the hearing will highlight both the successes of the Recovery Act as well as address ongoing challenges.”

The House Committee on Oversight and Government Reform is responsible for oversight of spending under the American Recovery and Reinvestment Act. Since the Recovery Act was signed into law last year, Chairman Towns has been committed to investigating the implementation and impact of the Recovery Act, with particular attention to waste, fraud and abuse of stimulus funds.

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**Witnesses invited to testify include:**

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Panel 1

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The Honorable Antonio R. Villaraigosa

Mayor of Los Angeles, CA

The Honorable Patrick Morris

Mayor of San Bernardino, CA

The Honorable Chuck Reed

Mayor of San Jose, CA

Panel 2

Linda Calbom

Director, Western Region

U.S. Government Accountability Office

Herb K. Schultz

Director

California Recovery Task Force

Laura N. Chick

Recovery Inspector General

State of California

Elaine M. Howle

California State Auditor

Bureau of State Audits

Gavin Payne

Chief Deputy Superintendent of Public Instruction

California Department of Education

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