

American Recovery and Reinvestment Act of 2009

NRCS, RD, and FSA Job Estimation Activities

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Topics

Brief History of ARRA Job Estimate work

NRCS ARRA projects

Relation to locally produced IMPLAN job numbers

Terminology to be used:

RD ARRA projects

FSA ARRA projects

Questions and Answers.

Timetable of NRCS Job Estimation 1

First Job estimation estimates were developed during the drafting of ARRA, starting January 5 with work by Chuck Zelek and Lauren Cartwright (MO) using the IMPLAN model.

Basic IMPLAN work completed for all three NRCS programs by February 26.

Feb. 26 USDA on ARRA Job Estimation Meeting at ERS. NRCS and Forest Service had used the same approach. NRCS commits to assisting FSA and Rural Development on their analysis.

Timetable of NRCS Job Estimation 2

NRCS, FSA and Rural Development analysis completed on March 23. Same analysis framework and assumptions for all three agencies.

April 1. OMB finally issues ARRA Information Collection Activities Rule. OMB specifies all job numbers to be in Full-Time Equivalents (FTE) jobs. Average 9% reduction factor.

April 15 – 21, Jobs Estimation Calculator

April 23, OIG review of NRCS job estimates.

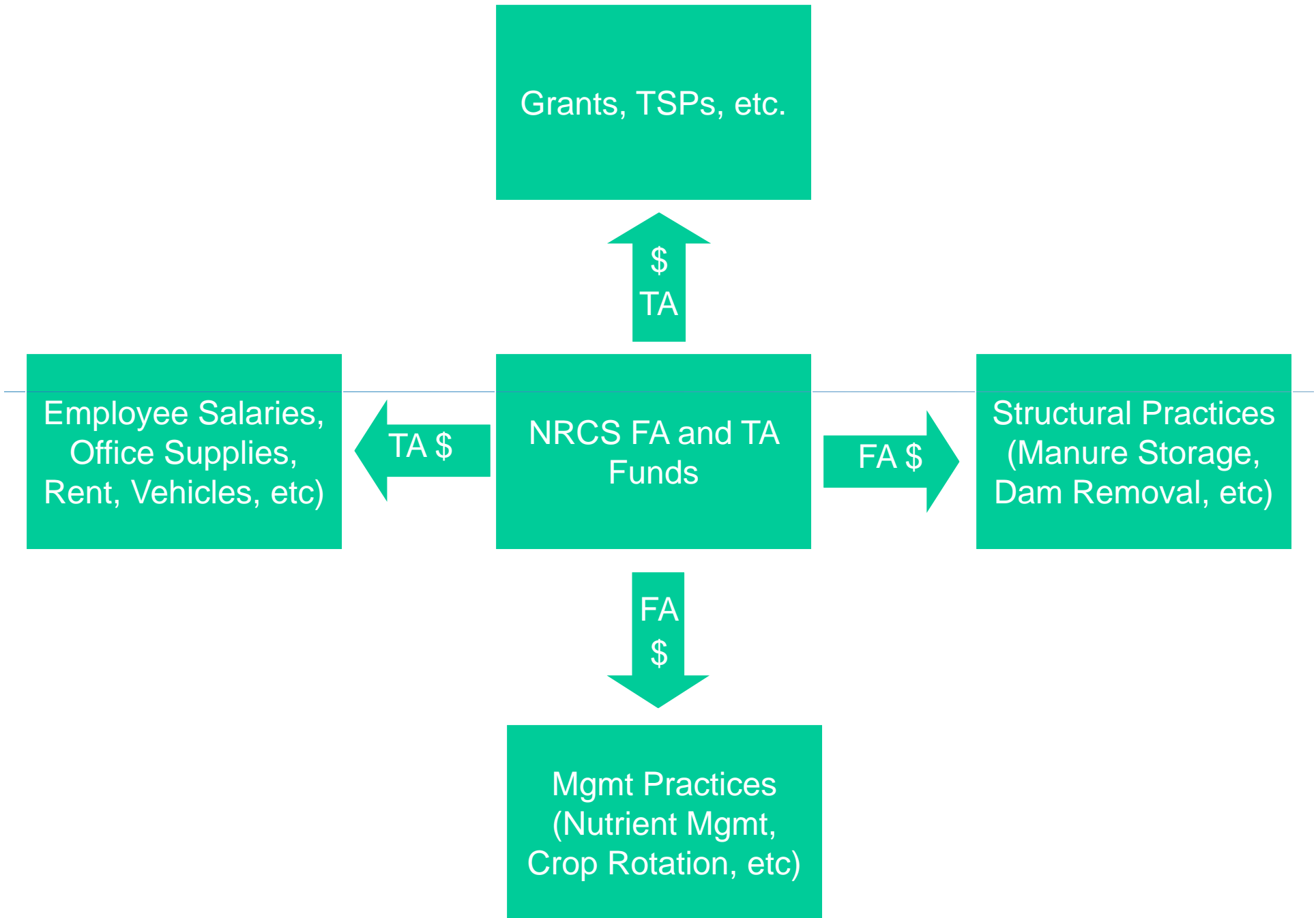
May 5, OIG review of Rural Development job estimates.

IMPLAN analysis

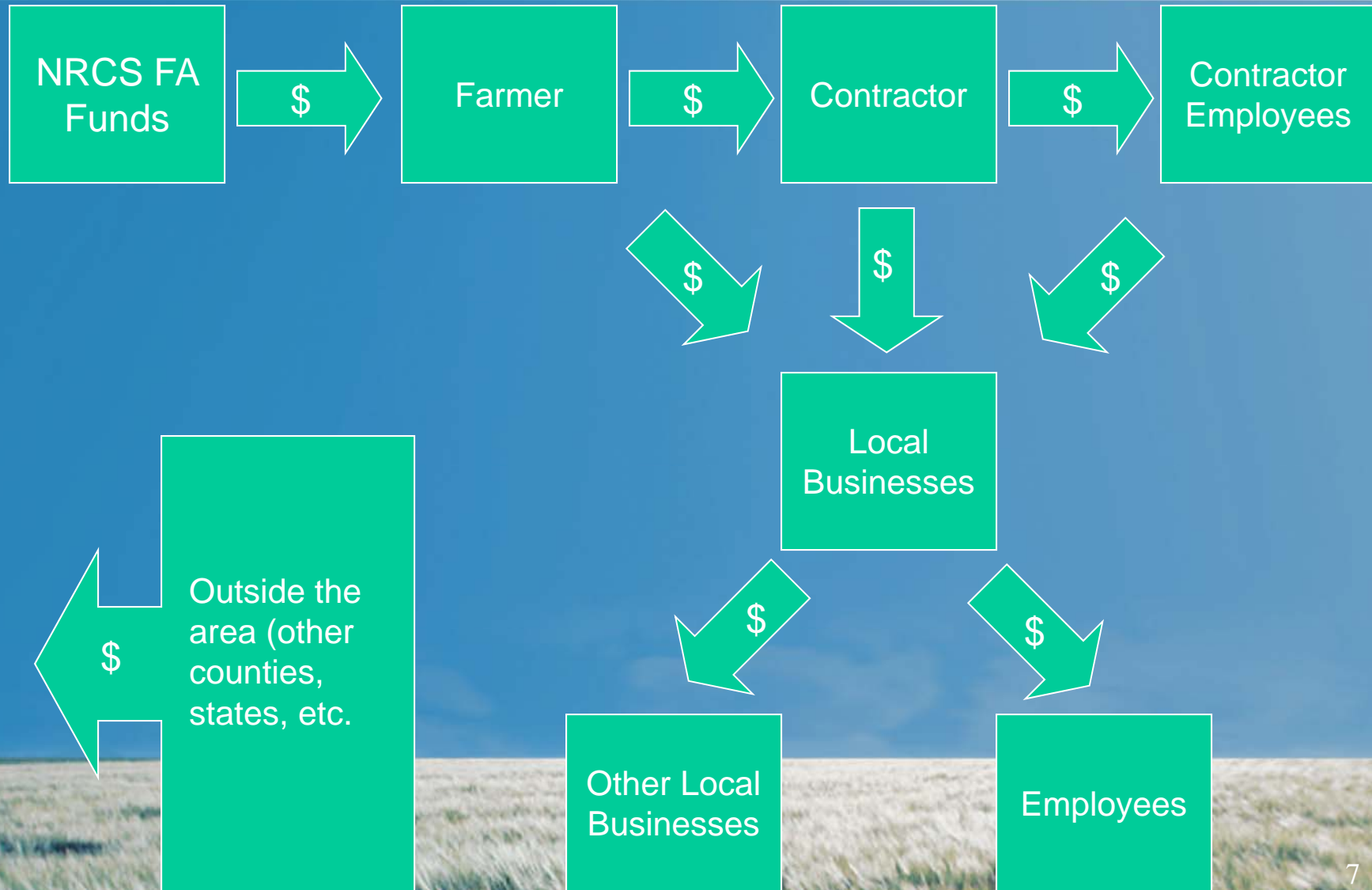
Construction and conservation activities impact local economies with changes in production, recreation, jobs, taxes, and spending.

These impacts don't occur just once, but have a multiplier effect as firms and households spend and re-spend their earnings.

The I-O model calculates the overall economic impact of the initial shock to the economy.



Circulation of Dollars in a Local Economy



NRCS items in Stimulus Bill

\$ 50,000,000 in Watershed Rehabilitation

\$145,000,000 in Watershed Operations

\$145,000,000 in Floodplain Easements

Watershed Operations Assumptions used in ARRA reporting and Job Calculator

16.5 % would be used for NRCS Technical Assistance (NRCS salaries, IMPLAN sector 439, Fed. Emp.)

8.75% would be used for contracted Technical Assistance in Engineering Contracts (IMPLAN sector 369, Architectural-Engineering)

75% for Construction activities (IMPLAN sector 36, Construction)

No assumptions were made on local cost share.

Watershed Rehab Assumptions used in ARRA reporting and Job Calculator

13% would be used for NRCS Technical Assistance
(NRCS salaries, IMPLAN sector 439, Fed. Emp.)

7% would be used for contracted Technical Assistance
on Engineering Contracts (IMPLAN sector 369,
Architectural-Engineering)

80% for Construction activities (IMPLAN sector 36,
Construction)

No assumptions were made on local cost share.

Flood Plain Easement Assumptions used in ARRA reporting and Job Calculator

15 % would be used for TA

(NRCS salaries, IMPLAN sector 439, Fed. Emp.)

25.5% would be used for Restoration (30%*85%)

(IMPLAN sector 36, Construction)

59.5% would be Easement Payments to Households

30% goes to taxes and savings, leaking out.

70% is spent in the economy by households

Used IMPLAN Household Expenditure Vector

(Households \$50K - \$75K Income)

Impacts and Jobs Create/Retained by ARRA NRCS Projects

Initial Impacts:	Federal Cost	Total Output (Sales)	FTE Direct Jobs	FTE Total Jobs	FTE Jobs per \$1M
Impact of \$145 million in Floodplain Easements	\$145,000,000	\$329,935,884	853	2158	14.9
Impact of \$145 million in new PL-566 Projects	\$145,000,000	\$445,095,733	1168	3007	20.7
Impact of \$50 million in Dam Rehab Projects	\$ 50,000,000	\$154,647,687	403	1041	20.8
NRCS Totals	\$340,000,000	\$929,679,305	2,424	6,207	18.3

Job Calculator Spreadsheet

The assumptions were standardized, and locked in with the job multipliers.

The only inputs allowed for Watershed and Rehab are \$TA, \$FA, and \$Local Cost Share

Local Cost Share was added by NHQ and attributed to Construction, the same as FA.

Floodplain Easements inputs are FA Restoration, FA Easement Payments, and NRCS TA.

	A	B	C	D	E	F	G	H	I	J	K
1	EWP Floodplain Easement Job Calculator										
2											
3	Instructions: Populate Yellow Cells with (1) FA Restoration Dollars, (2) FA Easement Payment Dollars, (3) TA Dollars -- Federal and Non Federal Jobs Displayed in Blue Box.										
4											
5	\$36,975,000	FA Restoration Dollars in Project		\$ 86,275,000	Easement Payment Dollars in Project		\$21,750,000	NRCS TA Dollars in Project			
6	*(1) Enter NRCS FA Restoration Dollars			*(2) Enter FA Easement Payment Dollars			*(3) Enter NRCS TA Dollars				
10											
11	Total Non-Federal Jobs on Project - Restoration			783.610							
12	Total Non-Federal Jobs on Project - Easements			981.367							
13	Total Federal Jobs on Project			393.174							
14											
15	Total Federal and Non Federal Jobs			2158.151							
16											
18	21.19	FTE jobs created per million FA Restoration dollars and local cost share									
19	18.08	FTE jobs created per million TA dollars on A&E contracts									
20	21.83	FTE jobs created per million TA dollars on NRCS staff									
21	11.37	FTE jobs created per million TA dollars on Easement Payment									
22	*Non Federal Jobs Created includes jobs created by private and public spending.										
23	*Jobs converted from IMPLAN multiplier jobs created to FTE's using conversion factors.										
24											

New Flood Plain Easement Tool

With new information, we develop a jobs analysis of all accepted Flood Plain Easement on individual easements, then totaled by State or Congressional District.

This uses data from each Easement in seven cost categories, more accurate data than the national analysis.

New Flood Plain Easement Tool

Data	AK	AL
Sum of NRCS Total FA Cost	\$ 2,196,645	\$ 2,476,356
Sum of NRCS TA	\$ 439,329	\$ 495,271
Sum of Total Cost	\$ 2,635,974	\$ 2,971,627
Sum of Direct Jobs for Total Cost	17.48	5.79
Sum of Total Jobs for Total Cost	53.26	43.20
Sum of Direct FTE Jobs	15.90	5.26
Sum of Total FTE Jobs	48.45	39.30

Terminology : Study Area

Most work to date has been on a National Model.

Leakages occur with international trade, savings, taxes, unspent profits, and inventory buildup.

More other NRCS IMPLAN work is based on State or County Models. Leakages increase as the study area becomes smaller, and local areas import more from the rest of the US.

Job Multipliers for Sector 36, Construction

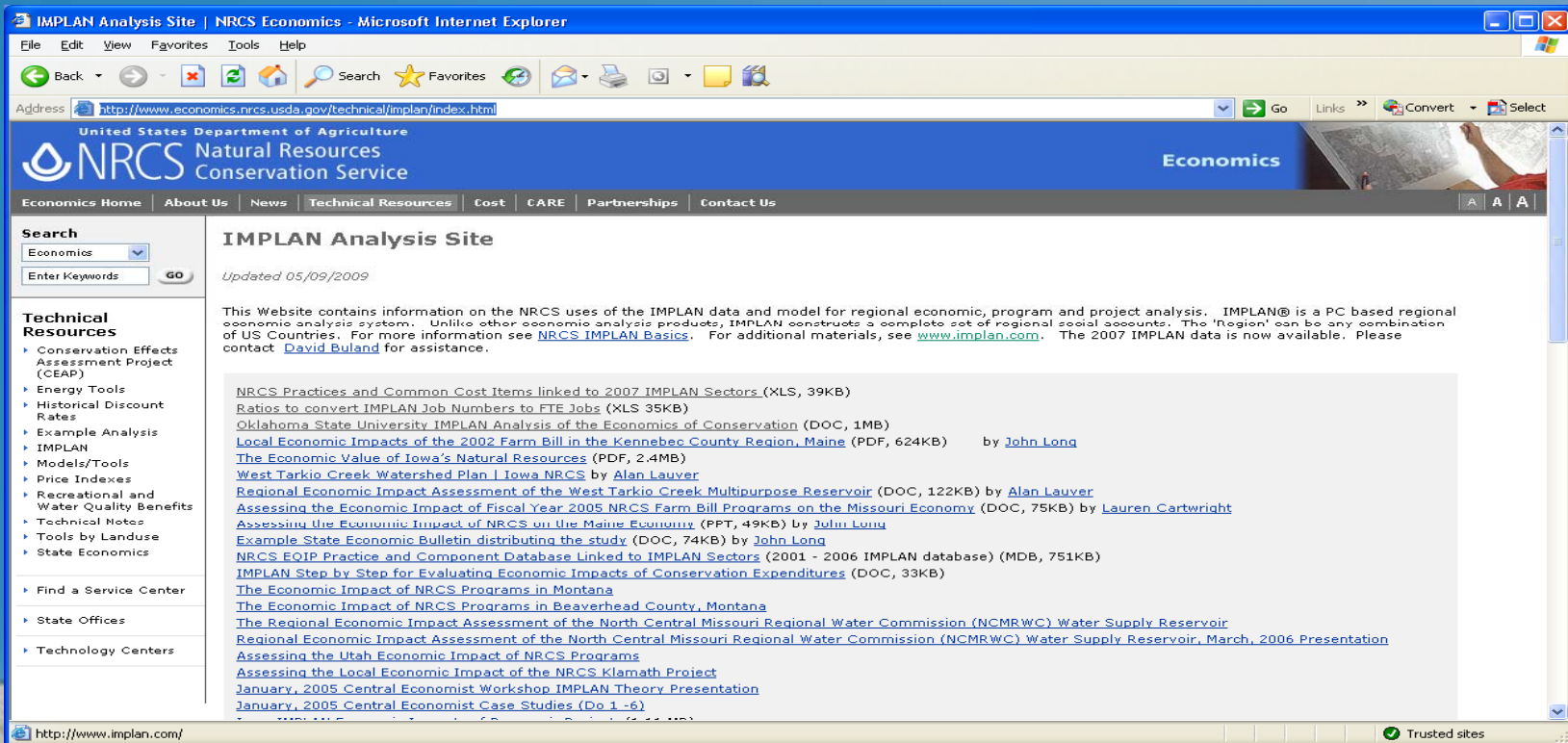
US Job Multiplier	22.8 jobs per \$1M
Texas Job Multiplier	14.8 jobs per \$1M
Fairfax Co. VA Job Multiplier	11.2 jobs per \$1M

All three areas have about 8 direct jobs per \$1M
but the multiplier effect is lower in smaller areas.

Terminology : Jobs Created or Retained.

This \$2,000,000 Watershed Rehab project will create or retained will create about 16 FTE jobs locally. With the economic multiplier impact, this project will create or retain around 42 total jobs nationally, including an estimated 30 jobs within Fairfax County.

Additional Help and Examples, www.economics.nrcs.usda.gov/technical/implan



IMPLAN Analysis Site | NRCS Economics - Microsoft Internet Explorer

Address: <http://www.economics.nrcs.usda.gov/technical/implan/index.html>

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- Technical Notes
- Tools by Landuse
- State Economics

IMPLAN Analysis Site
 Updated 05/09/2009

This Website contains information on the NRCS uses of the IMPLAN data and model for regional economic, program and project analysis. IMPLAN® is a PC based regional economic analysis system. Unlike other economic analysis products, IMPLAN constructs a complete set of regional social accounts. The 'Region' can be any combination of US Counties. For more information see [NRCS IMPLAN Basics](#). For additional materials, see www.implan.com. The 2007 IMPLAN data is now available. Please contact [David Buland](#) for assistance.

[NRCS Practices and Common Cost Items linked to 2007 IMPLAN Sectors \(XLS, 39KB\)](#)
[Ratios to convert IMPLAN Job Numbers to FTE Jobs \(XLS 35KB\)](#)
[Oklahoma State University IMPLAN Analysis of the Economics of Conservation \(DOC, 1MB\)](#)
[Local Economic Impacts of the 2002 Farm Bill in the Kennebec County Region, Maine \(PDF, 624KB\)](#) by [John Long](#)
[The Economic Value of Iowa's Natural Resources \(PDF, 2.4MB\)](#)
[West Tarkio Creek Watershed Plan | Iowa NRCS](#) by [Alan Lauver](#)
[Regional Economic Impact Assessment of the West Tarkio Creek Multipurpose Reservoir \(DOC, 122KB\)](#) by [Alan Lauver](#)
[Assessing the Economic Impact of Fiscal Year 2005 NRCS Farm Bill Programs on the Missouri Economy \(DOC, 75KB\)](#) by [Lauren Cartwright](#)
[Assessing the Economic Impact of NRCS on the Maine Economy \(PPT, 49KB\)](#) by [John Long](#)
[Example State Economic Bulletin distributing the study \(DOC, 74KB\)](#) by [John Long](#)
[NRCS EQIP Practice and Component Database Linked to IMPLAN Sectors \(2001 - 2006 IMPLAN database\) \(MDB, 751KB\)](#)
[IMPLAN Step by Step for Evaluating Economic Impacts of Conservation Expenditures \(DOC, 33KB\)](#)
[The Economic Impact of NRCS Programs in Montana](#)
[The Economic Impact of NRCS Programs in Beaverhead County, Montana](#)
[The Regional Economic Impact Assessment of the North Central Missouri Regional Water Commission \(NCMRWC\) Water Supply Reservoir](#)
[Regional Economic Impact Assessment of the North Central Missouri Regional Water Commission \(NCMRWC\) Water Supply Reservoir, March, 2006 Presentation](#)
[Assessing the Utah Economic Impact of NRCS Programs](#)
[Assessing the Local Economic Impact of the NRCS Klamath Project](#)
[January, 2005 Central Economist Workshop IMPLAN Theory Presentation](#)
[January, 2005 Central Economist Case Studies \(Do 1 -6\)](#)

<http://www.implan.com/>

Trusted sites

FSA items in Stimulus Bill

- FSA Information Technology \$ 50,000,000
- Direct Operating Loans \$ 20,440,000
- Feed Subsidy for Catfish Producers \$ 50,000,000
- Supplemental Revenue Assistance Payments (SURE), \$ 492,000,000
- Supplemental Revenue Assistance Payments (SURE) \$ 135,000,000
- Supplemental Revenue Assistance Payments (SURE) \$ 45,000,000

FSA items in Stimulus Bill

Initial Impacts:	Federal Cost	Direct Impacts	Total Output	FTE Direct Jobs	FTE Total Jobs
FSA Information Technology	\$ 50,000,000	\$ 50,000,000	\$ 158,332,120	306	1,024.0
Direct Operating Loans	\$ 20,440,000	\$ 173,367,000	\$ 483,713,520	1,129	3,059.8
Feed Subsidy for Catfish Producers	\$ 50,000,000	\$ 50,000,000	\$ 177,158,583	84	795.8
Supplemental Revenue Assistance Payments (SURE),	\$ 492,000,000	\$ 492,000,000	\$ 894,845,029	-	5,752.6
SURE (2)	\$ 135,000,000	\$ 135,000,000	\$ 245,536,746	-	1,578.5
SURE (3)	\$ 45,000,000	\$ 45,000,000	\$ 81,845,581	-	526.1
FSA Totals	\$ 792,440,000	\$ 945,367,000	\$ 2,041,431,579	1,518	12,737

Rural Development items in Stimulus Bill

Rural Development ARRA Items	Federal Cost	Direct Impacts	Total Output	FTE Direct Jobs	FTE Total Jobs
Community Facilities, Direct Loans	\$ 67,000,000	\$ 1,171,000,000	\$ 3,544,474,415	12,833	27,732.3
Community Facilities, Grants	\$ 63,000,000	\$ 63,000,000	\$ 195,937,204	482	1,270.1
Water and Waste Direct Loans	\$ 412,000,000	\$ 2,820,000,000	\$ 7,312,379,490	12,491	43,284.9
Water and Waste Direct Grants	\$ 968,000,000	\$ 968,000,000	\$ 2,510,064,905	4,288	14,858.4
Rural Business&Industry Guaranteed Loans Program	\$ 130,000,000	\$ 2,990,000,000	\$ 8,652,942,467	25,598	60,596.7
Rural Business Enterprise Grants	\$ 20,000,000	\$ 20,000,000	\$ 57,879,215	171	405.4
Single Family Housing Direct Loans	\$ 67,000,000	\$ 1,000,000,000	\$ 2,336,706,127	4,686	14,149.0
Single Family Housing Guaranteed	\$ 133,000,000	\$ 10,472,000,000	\$ 20,735,932,353	48,689	129,808.6
Broadband	\$ 2,500,000,000	\$ 2,500,000,000	\$ 6,806,104,568	6,262	32,729.8
RD Salaries and Expenses	\$ 131,000,000	\$ 131,000,000	\$ 332,514,383	1,022	2,394.9
Rural Development Totals	\$ 4,491,000,000	\$ 22,135,000,000	\$ 52,484,935,127	116,522	327,230

QUESTIONS?