

How Governments are Addressing Urgent Needs, Investing in Key Areas, and Making Strategic Investments in their Communities: Insights from State and Local Fiscal Recovery Funds April 2022 Reporting Data

Building on [previous data releases](#) that illustrate how the State and Local Fiscal Recovery Funds (SLFRF) are being spent by recipients to catalyze a robust economic recovery, Treasury has continued its commitment to transparency by releasing the [latest reported data](#) from recipient jurisdictions.

Treasury's review of this [latest data reported by recipients for the period ending March 31, 2022](#) has revealed several important insights and trends:

- **Jurisdictions Are Using Funds to Address Urgent Needs:** The largest metro cities and counties had cumulatively budgeted 100% of total available funds as of March 31, illustrating that these funds have been critical to address deep and immediate needs in their communities in response to the pandemic.¹
- **Recipients Are Investing In Key Areas Like Affordable Housing, Expanding the Workforce, and Public Safety:** Building on the trend from previous reporting periods and Treasury's [call to action](#), governments have dedicated SLFRF funds to boost economic growth in their communities, advance equity, and increase affordability for households through investments in affordable housing, expanding the workforce, and public safety. Through March 31, recipient governments reported over 2,700 workforce projects, provided more than 900,000 workers with premium pay, budgeted approximately \$12.9 billion for affordable housing, and invested in community violence interventions.
- **Governments Are Making Strategic Investments:** Recipients have made strategic investments to respond to the pandemic and fund long-term projects that will support future economic growth and opportunity through areas such as infrastructure, where billions of dollars have been committed amidst increasing investments in this area. For example, broadband projects grew to over \$7 billion and the total amount of funds reported for water projects nearly doubled from the previous reporting period, which ended on December 31, 2021.

This new data emphasizes the scale and breadth of the program while demonstrating that recipients are building on the [previously highlighted projects](#) to deliver even more impact to their communities.

This data includes the Project and Expenditure Reports that were due from *all* SLFRF recipients by April 30, 2022 for the period ending March 31, 2022. This reporting period is prior to when certain recipient governments began receiving their second tranche payments of State and Local Fiscal Recovery Funds in May 2022. Specifically, this reporting data includes quarterly Project and Expenditure reporting data from the largest SLFRF recipients: states, territories, and metro cities and counties with a population over 250,000 or an award over \$10 million, and Tribal

¹ Refers to the total cumulative percent of first tranche funds that have been budgeted by relevant governments as of March 31, 2022.

governments with an award over \$30 million.² For these governments, the latest quarterly report includes all project and fiscal information as of March 31, 2022. This reporting data also includes the first annual Project and Expenditure reports from smaller SLFRF recipients, including metro cities and counties with populations less than 250,000 and an allocation less than \$10 million, Tribal governments with an allocation less than \$30 million, and non-entitlement units of local government.³ For these governments, the reporting period covers March 3, 2021-March 31, 2022.

Jurisdictions Are Using Funds to Address Urgent Local Needs

As highlighted in [previous reporting summaries](#), local governments have made rapid use of their funds to address the deep and immediate needs in their communities. In fact, through March 31, 2022, the largest metro cities and counties had cumulatively budgeted 100% of the total amount of first tranche funds available to them, up from the 83% reported in January (covering the period through December 31, 2021).⁴

This continues to reflect the urgent needs facing local governments throughout the pandemic and demonstrates how fiscal recovery funds prevented devastating cuts to public services like police, fire, emergency medical services, and education. In particular, a national [survey](#) of mayors before the passage of the American Rescue Plan Act found that 70 percent anticipated making dramatic service cuts. As such, a major use of SLFRF for governments of all sizes has been maintaining and rebuilding crucial public services by replacing revenue lost due to the pandemic: over 25,000 governments have reported using SFLRF to replace lost revenue.

Without these fiscal recovery funds, many states, cities, counties, territories, and Tribes would have needed to raise taxes or cut critical services during the pandemic. For example, the latest reporting illustrates how critical these resources were to respond to the pandemic as public health projects are one of the most common uses of funds with more than 4,900 projects in [areas such as vaccination, prevention, and testing](#).

In addition, the latest reporting data also highlights that smaller local governments have quickly identified how these funds will be spent to meet their communities' needs. Through March 31, 2022, these small local governments, which were each allocated less than \$10 million in fiscal recovery funds and the large majority of which have populations less than 50,000 residents, reported to Treasury that they have already collectively obligated approximately three-quarters of their first tranche funds. This significant use of funds by smaller governments underscores the

² Due to privacy considerations, Treasury does not release reporting information from individual Tribal governments. Tribally reported information is included in aggregate statistics about the program (e.g., the total number of governments using funds for a specific eligible use, total projects reported, etc.). All examples of Tribal government projects included in this document are sourced from publicly available information.

³ All non-entitlement units of local government reported in April 2022 for the reporting period March 3, 2021-March 31, 2022. In future reporting periods, non-entitlement units of local government with an allocation greater than \$10 million will report quarterly; while non-entitlement units of local government with an allocation less than \$10 million will continue to report annually.

⁴ Metro cities and counties with populations over 250,000 were required to report adopted budget for each project.

degree to which the SLFRF program was structured to make it easy for these governments with limited administrative capacity to spend the funds efficiently to meet their local priorities.

States are also making progress in allocating SLFRF funds, though state data may reflect continued conservatism in reporting information to Treasury. Of note, tracking by the Center on Budget and Policy Priorities, released in April 2022, found that states and the District of Columbia had appropriated 80 percent of funds available through March 23, 2022, covering a time period similar to the reporting period reflected in the release of data submitted to Treasury in April, and a figure that has likely risen in the meantime as a result of state budget sessions that took place in spring 2022.

Recipients Are Investing in Key Areas Like Affordable Housing, Expanding the Workforce, and Public Safety

The Biden-Harris Administration has been focused on catalyzing a recovery from the pandemic that boosts economic growth in communities across the country; advances equity for communities of color and other underserved populations; and increases affordability for households. To advance these Administration-wide goals, Treasury [identified](#) three key priority areas for recipients to direct SLFRF investments: affordable housing, expanding the workforce, and public safety.

First, investments in affordable housing continue to grow, as recipients have now reported budgeting \$12.9 billion in this area across nearly 1,300 projects. Recipient governments have focused on improving housing stability and bringing down one of the largest costs that families face. This includes both developing new housing and also helping homeowners stay in their homes. In particular, reported obligations as of March 31 for rent, mortgage, and utility assistance have doubled since January's reporting data, in line with Treasury's [encouragement](#) to use SLFRF to finance this assistance.

Building on the figures above, the following provides a few examples of how governments are using SLFRF as an opportunity to dramatically accelerate development and preservation of affordable housing by expanding access to safe, quality, affordable homes that are critical to the well-being of all Americans.⁵

- **Bernalillo County, NM** is supporting affordable housing through the development of a 4.3-acre mixed-use development, comprised of 61 affordable housing units.
- **Sarasota County, FL** is funding the development of 288 units of affordable rental housing, consisting of one, two, and three-bedroom units targeted to low-income persons, families, families with children, elderly and physically or mentally disabled persons at 80% area median income or less.

⁵ The examples included throughout this post are based on recipient reports, and their inclusion in this document does not constitute an explicit approval of these projects by Treasury.

- **South Boston, VA** is working with local nonprofits to redevelop a sub-division and expand the number of low-cost affordable homes in the town.
- The **State of Maine** is using \$50 million to expand long term housing affordability for low- and moderate-income families. This includes a homeownership subsidy program with purchase price caps and covenants to maintain affordability into the future as well as a rental program for households with incomes up to 80% of area median income, which requires that the subsidized rental units be made available to low-income renters and that most units retain their affordability for at least 45 years.

Second, SLFRF recipients continue to make investments that focus on **expanding the workforce**, budgeting approximately \$9 billion for projects in this area of worker support. This focus on workforce is critical in today's economy and many [SLFRF projects](#) are using their funds to train workers for in-demand careers to help underserved workers reenter the labor market. Governments across the country are also using recovery funds to bolster their public workforce by rehiring public workers that educate children, keep communities safe, and administer programs that were crucial during the pandemic. Furthermore, as of March 31, governments have reported to Treasury more than \$2.4 billion in premium pay, serving more than 900,000 eligible workers, to further support the workforce.

Childcare and early learning are another key workforce support with a focus on reducing costs and helping working parents to balance caring for their children and maintaining their jobs. The amount of funds budgeted in this area by the largest governments grew more than 130% from January to April reporting.

In total, governments reported more than 2,700 projects focused on workforce, including:

- **Buffalo, NY** has budgeted \$9 million for the Neighborhood Improvement Corps to provide jobs for individuals who will advance the city's neighborhood improvement efforts. The Corps is intended to be comprised of 50 members and 5 supervisors, with hiring preference for low-income residents who live in neighborhoods of color. In addition to providing services, Corps members will also be able to enroll in academic and enrichment programs. This subsidized work project can act as a vehicle for better employment opportunities while simultaneously improving Buffalo's public spaces.
- **Riverside, CA** is providing scholarships for workforce and job training programs to populations who experienced negative economic impacts. These programs, specifically focused on agriculture, are designed to increase skills while simultaneously increasing food production and building food resiliency.
- The **State of Montana** Department of Labor and Industry is spending \$2 million and adding 10 qualified full-time Rehabilitation Counselors to serve approximately 1,000 additional individuals with disabilities with services that lead to employment. This will serve the majority of the 1,300 individuals with disabilities currently waiting for such an opportunity by funding support staff to offer engagement and assistance.

- **Tacoma, WA** is funding the Transitional Employment Pathway program, a low-barrier, transitional employment approach to move individuals into part-time work that is structured and monitored with a focus on barrier reduction. The program provides employment navigation, case management, employment opportunities, and temporary financial assistance related to employment and housing. Successful participants will become fully eligible for other services leading to full-time employment, permanent housing, and self-sufficiency.
- **Travis County, TX** budgeted more than \$6.5 million for a workforce development program targeting the pandemic's effect on local industries by providing training aligned with industries in the community workforce development plan. Further, the program provides supportive services for participants including childcare, transportation assistance, laptops and mobile hotspots, educational assistance stipends, work-related payments, and subsidized employment while in work-based learning or apprenticeship programs.

Third, to improve **public safety**, recipients have identified over 300 community violence intervention projects totaling more than \$680 million, a significant increase in the federal investment in this area on top of the similar amount that the Department of Justice [awards](#) through its programs. These governments have invested in community-based violence intervention programs and other holistic efforts to prevent and reduce violence such as programs for youth, which offer work experience and training. Examples of projects in this area include:

- **Bridgeport, CT** budgeted \$4.4 million for re-entry job programs to address the negative impact of the COVID-19 on formerly incarcerated citizens. Assistance will include housing support, medical health services, mental health services, substance abuse treatment, conflict mediation, restorative justice, mentorship, financial literacy and debt management education, workforce development, job training and placement, and/or education services. The program is targeted towards male and female returning residents between the age of 17 and 24 years old.
- **Milwaukee, WI** has obligated nearly \$5 million for the EARN & LEARN program, which is designed to support young people in their transition from adolescence to adulthood by providing an opportunity to develop practical workforce skills by providing them with authentic work experience with local businesses, nonprofits, and community and faith-based organizations.
- **New York, NY** created the Summer Youth Employment Program for over 4,000 students, prioritizing those who live in public housing and the 33 neighborhoods identified by the Taskforce on Racial Inclusion and Equity as being most impacted by COVID-19. Participants were matched with local employers, including small businesses, nonprofit, education, and public health organizations.
- **Orlando, FL** is using \$3 million in response to increased homicides by funding Community Violence Intervention initiatives which, when implemented with fidelity, have reduced gun violence by 40-70%. With funding from the American Rescue Plan

Act, the Families, Parks and Recreation Department and Orlando Police Department will collaborate to implement an evidence-based model of Community Violence Intervention.

- **Washington, DC** is using funds to create a Safe Passage program for schools in seven priority areas. This program will include stationing a positive, trusted adult presence for students as they travel to and from school and school-related activities as well as after-school mediation services to resolve and prevent conflicts. This investment seeks to reduce youth violence, chronic absenteeism, and truancy, while increasing student and family safety during travel to school and school-related activities.

Governments Are Making Strategic Investments

Governments have also used SLFRF to make smart long-term investments that will boost growth and opportunity for years to come. For example, funds going to water and sewer projects nearly doubled compared to the previous reporting period to total \$9.1 billion budgeted in this area, underscoring the degree to which these projects can have longer planning timelines but are now getting underway in earnest. Furthermore, recipients have reported budgeting more than \$7 billion for broadband projects through March 31, 2022, which complements the \$10 billion available for broadband and certain other capital projects in Treasury's [Capital Projects Fund](#), as part of the first wave of the Administration's robust broadband build out. Overall, recipients reported over \$16 billion for more than 5,100 infrastructure related projects, including:

- **Akron, OH** has 3,200 active lead water service pipes and the city will establish an aggressive lead removal plan. The work will remove old lead service lines and install new copper service lines, curb valves, and curb boxes. Full lead service line replacement removes the source of corrosion and lead leaching, reducing the likelihood of lead exposure for homeowners, especially for children.
- **Brownsville, TX** is spending \$19.5 million to improve broadband access as nearly 67% of Brownsville households lack access to cable, DSL, or fiber broadband. The City of Brownsville has consistently been ranked as the "least connected City" since 2016. This project will develop a backbone network of "rings" of fiber optic cable to provide a foundation for last mile connectivity and provide resiliency against single fiber cuts or other faults.
- **Dallas, TX** allocated \$35 million to improve equity across Dallas Water Utilities' water and wastewater systems through the Unserved Areas program. The program identified 47 occupied areas that did not have access to water and/or wastewater service, with an estimated cost of \$37.4 million dollars to make these improvements. The goal of the program was to complete all improvements within 10 years but, with the allocation of American Rescue Plan Act funds, estimated completion is within the next 3-4 years. Priority will be given to those unserved areas that are also identified as reinvestment areas in the City's Comprehensive Housing Policy.
- The **State of West Virginia** has allocated \$90 million for the State Broadband Initiative which comprises three award programs: (a) Line Extension Advancement and Development (LEAD) will award competitive grants to internet service providers to

expand existing fiber and cable networks; (b) GigReady Initiative will provide matching state funds for local governments that develop projects to pool their broadband investments; and (c) Major Broadband Project Strategies program will focus on large-scale multicounty projects that require additional resources to achieve rapid implementation.

Key Investments through March 31, 2022 for State, Local, Territorial, and Tribal Governments*			
Category	Reported Funds Budgeted	Number of Governments Pursuing	Number of Projects Reported
Housing: Emergency Aid, Affordable Housing, Homelessness	\$12.97 billion	607	1,311
Infrastructure: Water, Sewer, and Broadband	\$16.42 billion	2,412	5,182
COVID-19 Public Health Response**	\$9.12 billion	1,368	4,192
Worker Support: Unemployment Aid, Job Training, Public Sector Workforce, Essential Worker Premium Pay***	\$8.95 billion	1,716	2,752
Small Business Assistance	\$4.8 billion	417	700
Childcare and Early Learning***	\$617.9 million	145	220

*As with all data provided, these numbers reflect recipient reporting on investments through March 31, 2022; data do not capture investments since that date and may be underestimates due to conservatism in reporting. Categories reflect eligible uses, outside of replacing lost revenue, available to all state, local, and Tribal governments. Some uses of funds are only available to states and territories given their responsibilities.

**Includes vaccinations, testing, contact tracing, PPE, prevention in congregate facilities, medical expenses, and other public health measures.

*** Figures are not comparable to the previous chart from the January reporting data because of changes to the Expenditure Categories associated with Treasury's final rule, beginning with the April 2022 reporting period.