

State and Local Fiscal Recovery Funds: Supporting Recovery, Equity, and Building Resilience for Stronger Communities

State and Local Fiscal Recovery Funds July 2023 Reporting Data Analysis

Communities across the country are recovering from the COVID-19 pandemic and growing their economies through President Biden’s American Rescue Plan’s State and Local Fiscal Recovery Funds (SLFRF) program. The SLFRF program provides funding to states, territories, Tribes, and local governments to support economic recovery, job creation and workforce expansion, and access to healthy, safe, and affordable housing. Today, the SLFRF program is making a difference in nearly every community across the country.

In the latest quarterly data, through June 30, 2023, recipients continue to make progress in using SLFRF funds, as states and the largest cities and counties have budgeted 85% of their total SLFRF funds.¹ This quarter, the number of projects grew 18% among quarterly reporters.

The data also continue to show that SLFRF funds are instrumental in helping governments maintain services and infrastructure by avoiding deep budget cuts, as SLFRF funds are helping cities and states replace revenue they lost as a result of the pandemic – revenue which is essential to pay for government services like public transportation and emergency services.² As of June 30, 2023, SLFRF recipients reported \$290 billion in lost revenue resulting from the pandemic. Over 19,000 participating governments reported that they are budgeting nearly \$108 billion in SLFRF funds to help replace this lost revenue, funding over 56,000 projects to provide fiscal stability in their jurisdictions.

The data illustrate that the American Rescue Plan prevented severe cuts to public services and helped state, territorial, Tribal, and local governments swiftly resume normal operations. In addition to responding to the immediate aftermath of the

¹ The U.S. Department of the Treasury continues to regularly release SLFRF reporting data received from recipients. This includes the most recent data submitted by quarterly reporters in July 2023, representing spending through June 30, 2023, which is available on Treasury’s SLFRF dashboard. The summary statistics in this blog post reflect these data, as well as the data from annual reporters submitted in April 2023, representing spending through March 31, 2023. Tribally reported information is included in aggregate statistics about the SLFRF program (e.g., the total number of governments using funds for a specific eligible use, total projects reported); however due to privacy considerations, Treasury does not release complete information on all Tribal projects.

² State and local governments were forced to cut budgets due to the 2008 Great Recession resulting in reductions in services and slowing the economic recovery. [Remarks by Secretary of the Treasury Janet L. Yellen at National Association of Counties 2023 Legislative Conference | U.S. Department of the Treasury](#)

pandemic, governments are investing SLFRF funds to respond to the longer-term impacts of the pandemic, including organizing efforts to grow their economies, promote equity, invest in infrastructure and their workforces, and increase the availability of affordable housing.

Key SLFRF Investments through June 30, 2023, for State, Local, Territorial, and Tribal Governments³

Category	Reported Funds Budgeted	Number of Governments Pursuing	Number of Projects Reported
Housing: Emergency Aid, Affordable Housing, Homelessness	\$17.7 Billion	925	2,766
Infrastructure: Water, Sewer, and Broadband	\$31.2 Billion	3,259	12,072
COVID-19 Public Health Response**	\$12.1 Billion	1,688	6,230
Worker Support: Unemployment Aid, Job Training, Public Sector Workforce, Essential Worker Premium Pay	\$12.8 Billion	2,092	4,212
Small Business Assistance	\$5 Billion	692	1,478
Childcare and Early Learning	\$1.2 Billion	252	439

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

The following examples come from data provided to the Treasury Department by SLFRF recipients.⁴ These examples provide a snapshot of the types of projects that recipients are implementing across key categories using SLFRF funds.⁵

³ This chart includes the most recent project and expenditure reporting received by Treasury for quarterly reporters. Specifically, it includes data reported by quarterly reporters (states, territories, and metro cities and counties with a population over 250,000 or an allocation over \$10 million; Tribal governments with an allocation over \$30 million; and non-entitlement units of local government allocated more than \$10 million) from March 31, 2023 through June 30, 2023, and data received from annual reporters (metro cities, counties, and non-entitlement units of local government with populations less than 250,000 and an allocation less than \$10 million, and Tribal governments with an allocation less than \$30 million) from April 1, 2022 through March 31, 2023.

⁴ The examples included throughout this post are based on recipients’ reports, and their inclusion in this document does not constitute an explicit approval of these projects by Treasury.

⁵ This analysis includes quarterly Project and Expenditure reporting covering the period ending June 30, 2023. Recipients file either annually or quarterly based on population and allocation size. The data within this report is inclusive of recipient tiers 1-3’s latest quarterly filing, plus data from tiers 4-5 annual report made in 2023 Q1. Recipient tiers 1-3 report quarterly, while tiers 4-5 report annually.

Investing in and Expanding Affordable Housing

Providing more Americans with access to affordable housing is a key goal for both the Treasury Department and across the Biden-Harris Administration. The SLFRF program is driving investments at every level of government to create new and improve existing affordable housing stock. Treasury is playing a key role by encouraging jurisdictions to consider using their SLFRF funds to support housing stability and the construction and preservation of new affordable housing, or to supplement other American Rescue Plan programs aiding renters and homeowners, such as the [Emergency Rental Assistance program](#) and the [Homeowners Assistance Fund](#). In the summer of 2022, Treasury [expanded the flexibility](#) for recipients to use their SLFRF funds to invest in long-term affordable housing projects.

The following are a sample of housing projects reported by SLFRF recipients:

The **City of Bakersfield, California**, is budgeting \$9 million in SLFRF funds to support long-term housing security, including the development and rehabilitation of affordable housing involving new construction and in-fill development.

The **City of Bangor, Maine**, is dedicating \$540,000 in SLFRF funds for a three-phase affordable housing program. Phase I will construct 40 units of age 55+ housing along with the infrastructure for Phases II and III. In total, the three-phase project is estimated to deliver 115 affordable housing units.

Cobb County, Georgia, is budgeting \$4 million to support the development of 14 single-family, scattered site homes to bolster the county's supply of affordable for-sale single-family homes.

Fairfax County, Virginia, is budgeting approximately \$11 million for a public-private partnership to develop 175 units of affordable multi-family housing. The homes will be located in a high-opportunity and high-income area within walking distance of transit, medical, educational, recreational, and commercial amenities.

Harris County, Texas, is using \$7.3 million to develop mixed-use, mixed-income housing, including 55 single-family units, 3 duplexes, and 70 multi-family units, totaling 131 affordable units.

The **City of Lynn, Massachusetts**, is utilizing \$1 million to create 43 units of mixed-income veteran's housing. The project will consist of 32 one-bedroom units, 10 two-bedroom units, and one studio.

The **State of Missouri** is budgeting \$3 million for the construction of 34 affordable housing units. The project includes ten 1-bedroom units, eight 2-bedroom units, six 3-bedroom units, ten 4-bedroom units, and a 4,000 square foot community facility for supportive services and onsite staffing.

The **State of Nevada** is leveraging \$430 million for two programs: (1) \$300 million will be used to fund the new construction of affordable housing units; and (2) an additional \$130 million is budgeted to fund the preservation and rehabilitation of affordable housing.

Connecting People & Communities with Fiber Internet

The SLFRF program is stimulating investments to strengthen the country's internet infrastructure by funding upgrades – such as laying fiber backbone, completing last-mile connections, and prioritizing equitable access. These investments provide residents with access to education, health care, government services, and economic opportunity. As of June 30, 2023, SLFRF recipients budgeted over \$8.2 billion in SLFRF funds for more than 1,195 broadband internet projects. The SLFRF funds invested in broadband projects complement the American Rescue Plan's expansion of affordable highspeed internet access through Treasury's [Capital Projects Fund](#) as well as the Bipartisan Infrastructure Law.

The following are a sample of broadband projects reported by SLFRF recipients:

The **State of North Carolina** is utilizing \$238 million to provide more than 75 grants to broadband services providers to incentivize the deployment of high-speed internet to underserved areas of the state. An additional \$237 million is being invested in broadband in North Carolina via the [Capital Projects Fund](#).

Okaloosa County, Florida, is utilizing \$2.5 million on a two-phase project to expand affordable broadband service. Phase one will expand existing county-owned fiber optic networks to reach community anchor institutions like schools, libraries, and community centers, as well as provide middle mile capacity for service providers that would otherwise not be able to reach underserved areas. The second phase will expand on phase one efforts to supply the middle mile infrastructure necessary to develop public-private partnerships for high-speed broadband in areas of need.

St. Lawrence County, New York, is budgeting \$3 million to fund 16 broadband projects to provide high-speed internet to approximately 610 residences.

Investing in Our Workforce

Another area of investment of SLFRF funds is supporting and expanding the workforce in response to the negative economic impacts of the pandemic in communities across the country. Primary areas of workforce investment include helping impacted workers enter in-demand careers, with a particular focus on assisting people who face barriers to employment. In addition, these investments can help to prepare workers for industries of the future, such as those catalyzed by the Bipartisan Infrastructure Law, the CHIPS and Science Act, and the Inflation Reduction Act. A key piece of this area of investment is support for childcare to enable more parents to enter, reenter, or remain in the workforce.

The following are a sample of workforce projects reported by SLFRF recipients:

Kenton County, Kentucky, is utilizing approximately \$3 million to train 240 high school students and 400 adults in skilled trades – including carpentry, facilities maintenance, electric, HVAC, welding, and heritage trades.

The **State of Michigan** is leveraging \$30 million for state apprenticeship expansion to support occupations critical to Michigan’s economic recovery, assist citizens in obtaining industry credentials recognized by the U.S. Department of Labor, and support registered apprenticeship program expansion efforts across the state.

The **State of Nebraska** is utilizing over \$10 million for the Workforce Development Center at Northeast Community College’s South Sioux City Extended Campus, which will serve eight counties in the region. The program will provide a wide range of training opportunities to support high wage, high skill, and high demand occupations. It will include a truck driving training facility, shelter and practice range, and expansions of their industrial training building to support upskilling.

The **City and County of Oahu** is budgeting \$5 million for Oahu Back to Work, which will provide training and employment opportunities through the University of Hawaii and other community partners. This workforce training program will offer employment and career advancement opportunities by establishing the pipeline to employers in targeted, economically diverse sectors that are ready to hire or promote trained individuals, including in the green economy.

The **State of Oklahoma** is using \$250,000 for the workforce program at Fab Lab Tulsa, which teaches design thinking and digital fabrication skills. The program covers 3D printing, laser cutting, CNC milling, and electronics through a project-based approach. Students will document their work and build a resume and portfolio to share with future employers.

Strengthening Small Businesses

To ensure sustainable growth for the future, SLFRF recipients have invested in a wide variety of programs that support small businesses' role as key employers and drivers of local economies. To date, governments have budgeted over \$5 billion for over 1,400 projects to support small businesses and small business development.

Examples of small business projects reported by SLFRF recipients include the following:

The **City of Indianapolis, Indiana**, is dedicating approximately \$500,000 for the Alkemy Entrepreneurial Incubator Accelerator program. The program aims to help foster community wealth building in under-resourced and minority communities that have typically lacked access to entrepreneurial and small business start-up resources and technical assistance.

The **State of Michigan** is utilizing \$75 million for the Michigan Strategic Fund, which will be used to create and operate programs to support small businesses disproportionately impacted by the COVID-19 pandemic. The SLFRF funds will be used to make grants for small businesses smart zones and other business entrepreneurial initiatives, as determined by the Michigan Strategic Fund.

Now Streaming: Water and Sewer Investments

Recipients may use SLFRF funds to invest in critical water and sewer infrastructure to improve access to clean drinking water and to support vital wastewater and stormwater projects. To date, governments have invested \$3.5 billion in more than 1,700 projects to meet their water, wastewater, and stormwater goals.

Examples of water and sewer projects reported by SLFRF recipients include the following:

The **State of Arizona** is budgeting \$200 million to create the Water Conservation Grant Fund. The program aims to provide financial resources to eligible governments and non-government organizations for the purpose of conserving water.

The **State of Ohio** is investing more than \$95 million for a project near the City of New Albany. The funds will be used to develop initial water and sewer services for the project, including a 60-inch sanitary sewer line, pump station, force main, and elevated water storage tank.

Placer County, California, is leveraging \$28 million to design and construct a sewer system to serve 28,000 dwelling units in their Placer Ranch and Sunset areas. The service area includes a variety of housing options, commercial and industrial sites, and a university.

The **State of Mississippi** is utilizing over \$14.5 million for Phase A of the Rankin County Watershed Protection and Restoration Program. The program will include bank stabilization and drainage system improvements.

The **State of South Carolina** is budgeting approximately \$1.5 billion across more than 200 water and sewer infrastructure projects. For example, the state has budgeted \$10 million for the Hemphill Water Treatment Plant renovation project aimed at bringing aging components up to current standards and increasing reliability and resiliency. The project is expected to directly serve over 7,000 households and more than 350 businesses.

The **City of Elgin, Illinois**, is using over \$10.5 million to replace approximately 950 residential and commercial lead service lines with copper service lines. The project is anticipated to reduce lead-based health risks in the community.

These opportunities are possible because the economy is in a stronger place today as a result of the American Rescue Plan. Looking forward, the Treasury Department remains focused on ensuring that recipients can leverage SLFRF funds to meet the unique needs of their communities.