

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

State and Local Fiscal Recovery Funds October 2023 Reporting Data Analysis

President Biden’s American Rescue Plan is helping communities across the country recover from the COVID-19 pandemic and grow their economies. The State and Local Fiscal Recovery Funds (SLFRF) program, a major facet of the American Rescue Plan, provides funding to states, territories, Tribes, and local governments to support economic recovery, job creation, 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 submitted to the Treasury Department, through September 30, 2023, recipients continue to report progress in executing on their planned uses of SLFRF award funds. States and the largest cities and counties have reported budgeting 88% of their total SLFRF funds to specific projects, with the total number of reported projects growing 10% since the previous quarter, demonstrating continued steady progress in recipients’ planning for the use of these funds.¹

The data continue to show that by helping state and local governments replace lost revenue, the SLFRF program has helped local leaders avoid steep budget cuts. Using their SLFRF award funds, governments maintain key services and infrastructure, such as public transportation connecting workers to jobs and emergency services.² As of September 30, 2023, SLFRF recipients reported \$296 billion in lost revenue resulting from the pandemic. Over 19,000 participating governments reported that they are budgeting nearly \$113 billion in SLFRF funds to help replace this lost revenue, funding over 57,000 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

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 October 2023, representing spending through September 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](#)

normal operations. In addition to responding to the immediate aftermath of the pandemic, governments are investing SLFRF funds to address long-standing structural challenges in the economy that the pandemic surfaced and exacerbated, especially the need to increase the availability of affordable housing and invest in their workforces.

Key SLFRF Investments through September 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	\$18.5 Billion	943	2,965
Infrastructure: Water, Sewer, and Broadband	\$32.8 Billion	3,315	13,857
COVID-19 Public Health Response**	\$12.2 Billion	1,707	6,399
Worker Support: Unemployment Aid, Job Training, Public Sector Workforce, Essential Worker Premium Pay	\$12.8 Billion	2,112	4,352
Small Business Assistance	\$5 Billion	702	1,579
Childcare and Early Learning	\$1.2 Billion	266	459

**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 reported by SLFRF recipients to the Treasury Department.⁴ These examples provide a snapshot of the types of projects that recipients are implementing across key eligible use categories of 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) through September 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) 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 approval of these projects by Treasury.

⁵ This analysis includes quarterly Project and Expenditure reports covering the period ending September 30, 2023. Recipients file either annually or quarterly based on population and allocation size. The data in this report is

Providing More Americans Access to Affordable Homes

Investing in and expanding access to affordable homes is a key goal of the Treasury Department and the Biden-Harris Administration. Governments across the country are leveraging SLFRF award funds to construct new homes and rehabilitate or repair existing ones. Treasury encourages jurisdictions to consider using their SLFRF funds to support [housing stability](#), the construction and preservation of new affordable homes, 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 making homes more affordable. Since then, spending on affordable housing continues to accelerate. Compared to data from July 2022, SLFRF funds budgeted for housing stability, preservation, and construction increased by 59% to a total of \$7 billion. Since [last quarter](#), communities have increased their SLFRF budgets for housing investment by 4%. In the coming weeks, Treasury also plans to release updated guidance that further expands recipients' flexibility to invest SLFRF funds in increasing the number of affordable homes in their communities.

The following are a sample of activities being undertaken by SLFRF recipients to increase the supply of affordable homes:

Boone County, Missouri is budgeting \$5 million to construct 77 total units with 22 one-bedroom units, 36 two-bedroom units, 15 three-bedroom units, and four four-bedroom units.

The City of Bremerton, Washington is leveraging \$500,000 to purchase 36 apartment units to serve low-income individuals.

Erie County, New York is allocating \$13.5 million for the development of approximately 40 single-family, new construction, homeownership units for sale to low- and moderate-income buyers. These units will be infill housing constructed on vacant lots which are being rededicated to affordable family housing.

Harris County, Texas is using \$10 million to increase the supply of permanent supportive housing by 112 units. Additionally, Harris County is using \$5.1 million to convert an existing hotel built in 2008 into 81 affordable housing units. Harris County

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.

Public Health will offer on-site supportive services. Participants will be referred through the Homeless Response Service and have dedicated case managers.

Hillsborough County, New Hampshire is using \$2.3 million for the development of 118 new affordable housing units in its more rural communities.

Riverside County, California is allocating \$4 million for a multi-family affordable rental housing project that will consist of 212 affordable units and two on-site resident manager units. The homes will be built on 7.5 acres of vacant land in the City of Murrieta.

Supporting 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 are providing communities with tools and resources to ensure that Americans can get the skills they need to take advantage of the jobs created by President Biden's Investing in America agenda. The Bipartisan Infrastructure Law, the CHIPS and Science Act, and the Inflation Reduction Act are expanding economic opportunity to urban and rural communities in every corner of the U.S., and the SLFRF program's investments in workforce development are making sure that those opportunities are available to American workers – whether or not they have a college degree.

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

Hamilton County, Ohio is budgeting \$1.8 million to expand the number of childcare teachers within the County to help offset the shortage of teachers generated from the pandemic. The grant will work directly with students to assist them in all facets to achieve required certifications, overcome barriers, and receive support for job placement.

The **City of Miami** is budgeting \$200,000 to offer short-term pre-apprenticeship programs (approximately 15 weeks). The first cohort will focus on unaccompanied youth ages 18-24 who are experiencing homelessness. By the end of the course, participants will be certified in cloud computing and scrum specialization.

The **State of Michigan** is budgeting \$15 million to operate a talent fast track system. Funds will be used to provide specialized economic assistance to qualified businesses that are locating or expanding in the state. Funds will also be used to collaborate with institutions of higher education, community colleges, Michigan Works agencies, private training providers, nonprofit entities, state agencies, and local units of government to tailor talent solutions, provide customized employee recruitment and screening, and provide workforce training for businesses that are locating or expanding in the state.

The **State of Nebraska** is using nearly \$4.3 million to construct an approximately 80,000 square foot standalone Welding Technology Center. The objective of this project is to create appropriate learning spaces for Welding Technology students seeking a Certificate, Diploma, or Associate of Applied Science degree, as well as industry-specific training. Additionally, the space will be used for the college's American Welding Society Certified Testing Center to certify welding skills for employment needs.

The **State of Ohio** is leveraging more than \$2.3 million as part of its Appalachian Community Grant Program, which provides planning and development grants for communities located in Ohio's 32-county Appalachian region. This includes the Utica Shale Academy project, which will assist unemployed and underemployed workers by creating a workforce training center and training services in Salineville, Ohio. The project will establish a new facility with training equipment and instructors to provide quality workforce training equipment for residents in Columbiana, Carroll, Jefferson, and Mahoning Counties, especially those who are at risk of ongoing unemployment and low income. Participants will also have access to Community Health Workers.

The **State of Virginia** is utilizing \$3 million for the development of a Commercial Driver's License training program and driving range at a community college.

Strengthening Small Businesses

SLFRF recipients have invested in a wide variety of programs that [support small businesses'](#) role as key employers and drivers of local economies, utilizing federal funds to sustain the continued record growth in small business creation. Through September 30, 2023, governments have budgeted over \$5 billion for over 1,500 projects to support small businesses and small business development.

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

The **City of Asheville, North Carolina** is investing almost \$1.3 million for a loan guarantee program to help meet the growing access-to-capital needs for low-income entrepreneurs and entrepreneurs of color. It will build on a successful pilot program, leverage an additional \$5.4 million in program funding from SLFRF in order to improve the funding landscape and access to capital for equitable small business development.

Fairfax County, Virginia is budgeting approximately \$7 million for their Technical Assistance Grant program. The program will provide eligible entities with business counseling and the most needed technical assistance service(s). The program model will increase awareness of public small business support programs, subsidize the costs of the consultant services, encourage peer support networks, and seek to provide assistance in various languages. It is estimated that approximately 600 businesses will have the opportunity to receive consulting services.

The **City of Taunton, Massachusetts** is budgeting \$135,000 for supporting small businesses. Through the program, recipient businesses can be granted professionally designed websites and logos, digital point-of-sale systems, and social media coaching which will help drive customers to the businesses.

Washoe County, Nevada is leveraging \$150,000 for their Economic Development Authority of Western Nevada's Startup Ecosystem Support Program. The program aims to foster a vibrant and diverse entrepreneurial ecosystem within the County by organizing Startup Week, a week-long event series focused on educating entrepreneurs, promoting innovation, and highlighting the role of startups in the local economy. In addition to Startup Week, the initiative will support year-round programming, promote diversity, and strengthen the entrepreneurial community.

Improving Internet Speeds and Access

SLFRF funds are being invested to strengthen the country's internet infrastructure by laying fiber backbone, completing last-mile connections, and prioritizing equitable access to broadband. These investments provide residents with access to education, health care, government services, and economic opportunity. As of September 30, 2023, SLFRF recipients budgeted over \$8.2 billion in SLFRF funds for more than 1,278 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:

Culpeper County, Virginia is utilizing \$6.6 million for a new fiber to the home deployment that will make fiber service available to currently unserved locations in the County. The network includes approximately 536 miles of distribution fiber.

The State of Kansas is budgeting \$30 million to provide competitive grants to enable the deployment of last mile and middle mile broadband infrastructure in areas of the state that lack access to high-speed internet.

The Commonwealth of Kentucky is using over \$11 million for a project that encompasses four far western counties of Kentucky, including all of the unserved rural areas of Hickman and Fulton counties, as well as significant portions of Carlisle County. A small number of locations along the western edge of Graves County are also included. In total, the project will provide 1 gigabit per second, fiber based, high-speed broadband to 1,763 potential subscribers.

The State of South Carolina is using approximately \$7.3 million to build a fiber to the home network to serve the citizens of Calhoun, Richland, and Orangeburg Counties.

In the Flow: 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 \$4 billion in more than 1,900 projects to meet their water, wastewater, and stormwater goals.

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

The City of Corpus Christi , Texas is leveraging \$10 million to rehabilitate and/or replace aging stormwater infrastructure. The project will assess existing conditions of stormwater pipes, ditches, channels, and other aging systems that have reached the end of their useful life and will address identified needs.

The State of Michigan is investing \$20 million to upgrade a wastewater treatment plant in Ironwood, Michigan. The project includes improvements to the headworks and electrical systems, primary treatment components, oxidation ditch processes, final

treatment mechanisms, chemical building components, sludge handling processes, and equipment associated with digester processes. The plant will also be upgrading to a class A biosystems treatment process.

The **State of New Jersey** is budgeting approximately \$250 million for sewer overflow projects.

The **State of Ohio** is allocating \$5 million for a project in the City of Kenton to update sewer, storm, and water mains in their downtown. The upgrades offer an opportunity to provide the infrastructure replacement and supplements needed to revitalize their downtown. It also provides the City with the ability to provide better levels of service to the downtown community with less occurrences of water main breaks, better pressures, improved flows, adequate fire protection, eliminate lead service lines, and provide better water quality for downtown residents and businesses.

The **County of Riverside, California** is budgeting \$5.8 million to extend sewer service to disadvantaged, unincorporated communities that currently use septic systems.

The **State of Utah** is allocating \$30 million for water improvements at Utah Lake and its watershed including wastewater upgrades, stormwater improvements, and agricultural nonpoint source as well as in-lake water quality improvements.

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 their SLFRF award funds to meet the unique needs of their communities in ways that will power inclusive and equitable economic growth for decades to come.