



AMERICAN RESCUE PLAN IN ACTION

August 2022 | As a part of its American Rescue Plan (ARP) Toolkit, the Southern Economic Advancement Project publishes its quarterly report for its ARP Local Funds Spending Tracker, highlighting State and Local Fiscal Recovery Funds spending decisions currently underway by local leaders in Alabama, Georgia, Mississippi, North Carolina and Washington.

BACKGROUND

As part of the American Rescue Plan ([ARP](#)), the State and Local Fiscal Recovery Fund (SLFRF) is delivering \$130 billion in direct support across every community in the U.S. The scope and scale of the SLFRF program are unprecedented, and local governments have broad discretion in how to spend these funds, as well as an extended spending timeline (through 12/31/2026).

Since mid-2021, the Southern Economic Advancement Project ([SEAP](#)) has been working to encourage local leaders to choose strategic recovery investments that address the highest priority needs and help residents and neighborhoods most affected by the pandemic. SEAP's [ARP Toolkit](#) provides resources and information to assist local governments and advocates in making the most of their SLFRF funds. SEAP ARP Assistance team's goal is to help residents and local governments work together to build SLFRF spending plans that incorporate community input and achieve a more sustainable, equitable recovery.

NOTABLE TOOLS, DATA & RESOURCES

ARP Local Funds Tracker Shows Real-Time Info on Cities' SLFRF Spending

The data through June 30, 2022, illustrates that the work to set priorities for local recovery funds has accelerated but is still very much in progress. Leaders have yet to allocate significant portions of local recovery funds in many communities. In these places, local government leaders and residents are working to collect input on needs and priorities and to identify investments that will have the most impact. [SEAP's ARP Local Funds Spending Tracker](#) offers insight into the status of over 172 cities' SLFRF spending across several Southern states.

The tracker also provides data on specific SLFRF spending choices for those cities that have made some decisions. It groups SLFRF spending into 13 categories: public health, affordable housing, business support, and general government. Our interactive tool allows viewers to access this information at the city or state level.

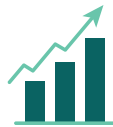
Most communities (such as Non-entitlement Units of Local Government (NEUs) with a population of less than 250,000) were not required to report their SLFRF spending until April 2022. These annual reports will only reflect actual expenses to date, not forward-looking plans. Every month, the SEAP tracker identifies SLFRF plans, assesses the status of local decision-making and visualizes trends in the type of recovery spending underway.

Notes:

Q1-2022 is defined as January – March 2022.

Q2-2022 is defined as April – June of 2022.

SEAP'S ARP LOCAL FUNDS TRACKER CAPTURES FOUR TYPES OF INFORMATION:



Status of SLFRF spending decisions:

- No decisions have been made to date.
- Plans approved for some of the first halves of funds.
- Plans for most/all of the first half of funds.
- Plans for most/all of all funds (includes the second half of funds).



Type of spending where some decisions have been made:

- Dollars associated with decisions are grouped by category.
- Categories are aligned with US Treasury reporting.



Was there evidence of public engagement as part of the SLFRF spending decision? If yes, what type?



Was there an equity strategy evident in SLFRF spending decisions to date?

Dollars associated with SLFRF spending decisions are grouped into the following 12 categories:

- COVID-19 Mitigation
- Public Health
- Capital Expenses
- Household Assistance
- Jobs Training
- Small Business/Non-Profit Assistance
- Healthy Childhood
- Violence Intervention Programs
- Infrastructure – Water, Sewer, Stormwater
- Infrastructure – Broadband
- Premium Pay
- Revenue Replacement/General Gov't

This review focuses on cities in five states (AL, GA, MS, NC, and WA). SEAP reviews SLFRF spending in these states for cities with populations greater than 20,000 (roughly 200 cities). The current dashboard presents SLFRF information for 172 cities. Stakeholders can use this information to learn about the status of spending plans in specific communities and to identify emerging trends in local spending choices. The objective is to provide insight into spending intentions for SLFRF as decisions unfold and to capture a broad sense of investment priorities across a range of communities.

For more information or to include data from your community, please contact Maria Filippelli at southstrong@rooseveltinstitute.org.



THIRD-QUARTER RESULTS:

ALABAMA, GEORGIA, MISSISSIPPI, NORTH CAROLINA AND WASHINGTON

Our data currently covers 172 cities across five states. These cities have a population of more than 20,000 and collectively will receive \$3.1 billion in SLFRF funds. Included in this report are key findings.

Status of SLFRF Decision Making

- The pace of decision-making accelerated during Q2-2022.
- Roughly 74% of the cities have made spending plans for some portion of their recovery funds.
- Across the dataset, 58% of all funds remain unprogrammed.
- There remains a significant opportunity for community engagement to help set spending priorities and advocate for strategic and equitable SLFRF investments.

Most Decisions To Date Have Focused On The First Allocation Of Funds

- Of 127 cities with some SLFRF decisions made, 65% have plans for some or all of the first half of funds.
- The other 45 cities have made plans for their full allocation.

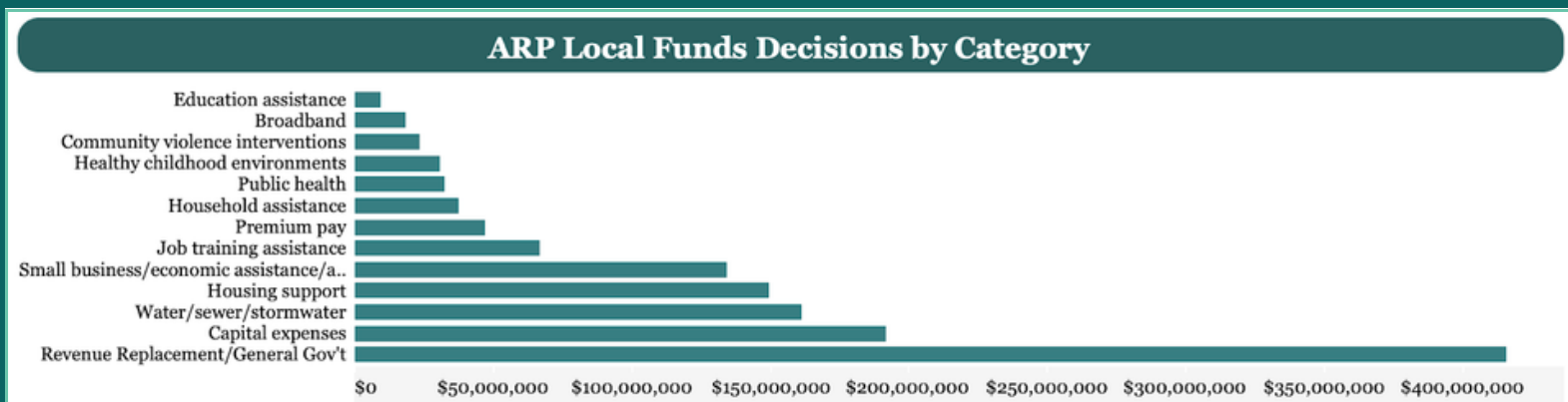
Larger Cities Are Further Along In Their Spending Decisions.

- Reviewing the few cities with populations above 250,000, a greater share of funds have been allocated. These six larger cities have spending plans for 66% of all funds. By comparison, in the 166 smaller cities, only 35% of funding is allocated.
- The more accelerated decision-making in larger cities is indicative of several factors. Larger cities have more capacity and staff to address their SLFRF spending process and are more likely to be familiar with the use and management of federal funding.
- Although few in number, the larger cities' outsized SLFRF allocations and spending decisions can blur the overall spending trends. For this reason, the SEAP's ARP Funds Tracker allows viewers to access this information at either the city or state level.

Results on Type of SLFRF Spending Planned To Date

Spending plans show investments in all spending categories. However, a large share of funds (31%) is directed to Revenue Replacement/General Government. The emphasis on revenue replacement reflects guidance from the US Treasury to encourage this use of funds. Within the dataset, this category also includes a significant single allocation of \$123 million by the City of Atlanta, which accounts for 30% of all Revenue Replacement spending reported.

SLFRF Spending Decisions To Date By Category (172 cities represented)



Other top priorities for spending plans include Capital Expenses, Water/Sewer Infrastructure, and Housing Support.

Other Findings:

Community outreach on SLFRF spending is lacking.

Examples of SLFRF community engagement exist in only 44 cities (out of 172). Of the 44 cities that undertook community engagement, 20 used multiple outreach methods.

Evidence of equity-focused spending is increasing.

Equity-focus spending is indicated by plans within a HUD Qualified Census Tract (QCT) or through clear reference to equity goals in spending decision materials or discussions. These criteria were identified in 51 out of 127 cities with some spending decisions.