SOUTHERN
ECONOMIC
ADVANCEMENT
PROJECT

**ALABAMA**

# 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.
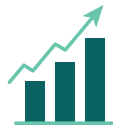
Most communities (such as Non-entitlement Units of Local Government (NEUs) with a population of less than 250,000) were not required to report their SLFRF spending until April 2022. These annual reports will only reflect actual expenses to date, not forward-looking plans. Every month, the SEAP tracker 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](mailto:southstrong@rooseveltinstitute.org).**

# THIRD-QUARTER RESULTS: ALABAMA

Our data currently covers 18 cities in Alabama. These cities have a population of more than 20,000 and collectively will receive $414 million in SLFRF funds. Included in this report are key findings across the state.

**Results on Status of SLFRF Decision Making in AL Cities:**
**Most spending decisions haven't happened.**
- Roughly one-third of the AL cities (33%) have not made any spending decisions.
- Across all AL cities, 68% of funds are not yet programmed. There remains a significant opportunity for community engagement to help set local spending priorities and advocate for strategic and equitable SLFRF investments.

**Spending decisions to date are somewhat limited to the first allocation of funds.**
- Of the 12 cities with some SLFRF decisions, 8 cities have plans limited to some or all of the first half of funds.
- Four cities have made plans for most or all of their total funding.

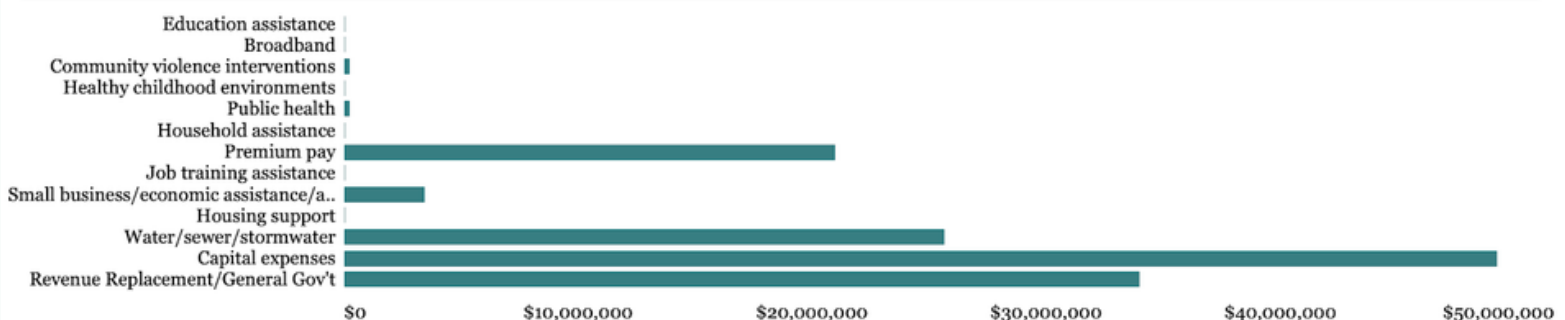**Larger cities are further along in their spending decisions.**
- Alabama's largest city is Huntsville, with a population of 215,000. Similar to other states, this larger city has more developed SLFRF spending plans than smaller cities.
- Huntsville has approved spending plans for all of its total allocation of $34 million.

**Alabama Results on Type of SLFRF Spending Planned To Date**
- Across the Alabama dataset, spending plans show funding in a range of categories. The highest priorities for decisions to date include Capital Expenses, Revenue Replacement/General Gov't., and Premium Pay. Within the Capital Expenses category, more than half of the spending is from Huntsville's spending plans.

**AL SLFRF Spending Decisions To Date By Category (18 cities represented)**



### ARP Local Funds Decisions by Category

**Other AL Findings:**
**Community outreach on SLFRF spending is not robust.**
We found clear examples of community engagement in only 1 out of 18 cities.

**Evidence of equity-focused spending is not robust.**
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 only 1 (Birmingham) out of the 18 cities with some spending decisions.

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