

How States Are Using Federal Fiscal Recovery Funds

The American Rescue Plan provided some \$195 billion in Fiscal Recovery Funds (FRF) to states, plus additional funding to the U.S. Territories, to help address pandemic-related budget gaps and help the hardest-hit people and businesses. Our review shows that many states are using these funds to provide health and human services, support job training and economic development, and start new efforts to address racial and economic inequities — all constructive uses of FRF. But some states' decisions are not constructive. All offer important lessons for the remaining \$90 billion of FRF, which will be critical to addressing the pandemic's ongoing damage.

\$ 197.8 billion

Fiscal Recovery Funds granted to states

41 states,

including D.C. and Puerto Rico, have appropriated funds

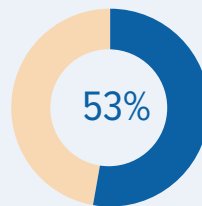
Investment Recommendations



- Affordable housing
- Food assistance
- Job training
- Behavioral health
- Education
- Immigration assistance
- Policing alternatives

\$105 billion

Current total state appropriations



Leading Ways States Are Spending Funds



- Investments unrelated to the pandemic
- Replenishing Unemployment Trust Funds

For a deeper dive, read the full report at [CBPP.org](https://www.cbpp.org): "How States Can Best Use Federal Fiscal Recovery Funds: Lessons From State Choices So Far"

Source: CBPP analysis