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Federal Covid-19 Aid Aims to Help Cities, States Avoid Cutting Jobs and Services.

Biden administration seeks to avoid prolonged budgetary strain; Republicans say \$350 billion is too much

WASHINGTON — The Biden administration has pitched its \$1.9 trillion Covid-19 aid package as a way to forestall what it saw as a major risk to the economic recovery: a prolonged budget squeeze for state and local governments. Republicans say much of the aid isn't needed, and at least one GOP lawmaker is urging mayors and governors to give some of it back.

As part of the package enacted last week, cities, counties and states will get \$350 billion to distribute vaccines and cover other pandemic-related costs and to invest in infrastructure, such as expanded broadband access.

Administration officials have said the money will help avoid the same outcome as the previous recession, when years of budget shortfalls forced local governments to cut spending, curtail services and lay off workers, all of which weighed on the recovery.

Continue reading.

The Wall Street Journal

By Kate Davidson

March 18, 2021 5:30 am ET

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