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Cities Tap Federal Relief Aid to Reward Workers With Bonuses.

Tens of thousands of U.S. public employees stand to benefit as local officials use \$350 billion of federal virus aid for extra pay.

U.S. states and cities are tapping an enviable war chest as they fight to stop a four-month slide in public-sector employment and reward workers for their efforts during the pandemic.

From California to Kentucky to Massachusetts, dozens of cities, counties and state governments are using some of the \$350 billion they received from the Biden administration's American Rescue Plan to shower extra pay on workers, especially those on the front lines in areas like public safety, health and education. Tens of thousands of public employees stand to receive a financial boost, at a time when an increasing number of Americans are quitting their jobs.

The bonuses are a bid to combat a wave of retirements and resignations that are complicating municipalities' efforts to rebuild their workforces. Despite an increasingly rosy fiscal outlook, state and local payrolls are still down 951,000 jobs from February 2020, after dropping from August through November, Labor Department figures showed Friday.

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