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[How Are Governments Using ARPA Funds? So Far, Very Slowly.](#)

Congress responded to the COVID crisis by allocating unprecedented sums to help cities and states recover. Early data about how they are using the money suggests that big spends can have complications.

How are governments using the \$350 billion in the Coronavirus State and Local Fiscal Recovery Funds program (SLFRF)? So far, they haven't used most of it for anything, according to an [analysis](#) from the University of Illinois Chicago's Government Finance Research Center (GFRC).

Data released this month by the Treasury Department encompasses spending by almost 1,800 states, territories and large cities and counties as of the end of December 2021. GFRC found by that time they had obligated just 28 percent of \$208 billion in the first tranche of SLFRF aid made available to them.

The final rules on how SLFRF funds could be used did not go into effect until April of this year. "The data seems to evince hesitance on the part of state and local governments to use a large chunk of the federal money before the rules on how that money could be used were finalized," says Philip Rocco, associate professor of political science at Marquette University.

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