

State and Local Fiscal Recovery Funds

CFDA: 21.027

Administering Federal Agency: U.S. Department of the Treasury

Description: FRF is the largest and most flexible source of American Rescue Plan Act funds to help states, counties, cities and Tribal governments cover increased expenditures, replenish lost revenue and mitigate economic harm from the COVID-19 pandemic.

The Coronavirus State and Local Fiscal Recovery Funds provide substantial flexibility for each jurisdiction to meet local needs within these four separate eligible use categories. Guidance documents and the Final Rule expressly allow funds for courts and legal aid providers. Recipients can use funds to cover costs incurred by [December 31, 2024](#).

Find your state/local administrator: The National Conference of State Legislatures tracks FRF spending in a searchable database [here](#). The last column – “Source” – provides some information about your jurisdiction’s FRF decisionmakers.

Amount of available funding: Detailed allocation information for the \$350 billion to state, local, and Tribal governments broken down by state, non-entitlement unit, territory, county, and city is [here](#).

Matching Requirements: No

Potential uses: Recipients may use FRF funds to:

- **Replace lost public sector revenue**, using this funding to provide government services up to the amount of revenue lost due to the pandemic
- **Respond to the far-reaching public health and negative economic impacts of the pandemic**, by supporting the health of communities, and helping households, small businesses, impacted

industries, nonprofits, and the public sector recover from economic impacts

- **Provide premium pay for essential workers**, offering additional support to those who have and will bear the greatest health risks because of their service in critical sectors
- **Invest in water, sewer, and broadband infrastructure**, making necessary investments to improve access to clean drinking water, to support vital wastewater and stormwater infrastructure, and to expand affordable access to broadband internet

Treasury issued its Final Rule for the FRF program – which took effect on April 1, 2022 – to provide increased flexibility for recipients to pursue a wider range of uses, as well as greater simplicity in administration. As reflected in the Final Rule and the [Interim Final Rule Frequently Asked Questions](#) (reflecting the actual Final Rule language), both the courts and legal aid providers can tap FRF funds including, e.g.:

- FAQ 2.19 states that recipients can use FRF for the courts to reduce backlogs: “Therefore, steps to reduce these backlogs, such as implementing COVID-19 safety measures to facilitate court operations, hiring additional court staff or attorneys to increase speed of case resolution, and other expenses to expedite case resolution are eligible uses.”
- FAQ 2.21 explains how funds can be used for eviction prevention efforts and housing stability services, and notes that: “This also includes **legal aid such as legal services** or attorney’s fees related to eviction proceedings and maintaining housing stability, **court-based eviction prevention or eviction diversion programs**, and **other legal services** that help households maintain or obtain housing. Recipients may

transfer funds to, or execute grants or contracts with, **court systems, non-profits**, and a wide range of other organizations to implement these strategies.

- FAQ 4.8 also mentions courts in response to a question about using funds to prevent and respond to crime, and support public safety: “In all communities, recipients may use resources to ... restore law enforcement and **courts** to their pre-pandemic levels. Additionally, Funds can be used for expenses to address COVID-related **court backlogs**, including hiring above pre-pandemic levels, as a response to the public health emergency.”
- The commentary to the Final Rule also allows for, in certain circumstances, “...capital expenditures in government administration buildings, such as public **courthouses**, as well as technology infrastructure that would allow for remote delivery of public benefits.”

Other Helpful Information:

- Legal aid providers and courts will be best positioned to secure more significant FRF funds by proposing big ideas, with partners, that impact large numbers of people. This is the time to be bold, get out of silos, and collaborate to ensure services are widely available to solve people’s civil justice problems.
- Your court may be in a jurisdiction where the state, county, and city governments will all receive a share of FRF so there may be multiple potential FRF funders for civil justice partners.
- The Center for Community Progress has created an interactive funding map using state, county, and city allocations, available [here](#).
- See National Conference of State Legislatures overview of FRF [here](#).
- A similarly flexible source of federal pass-through funds (no longer available) tapped by many legal aid programs and courts – and source of ideas – was the CARES Act-authorized Coronavirus Relief Funds (CRF). CRF was used for a wide array of pandemic-related needs including technology tools to provide remote services (see

[New Hampshire and Kansas](#)), [eviction defense](#) and diversion programs, foreclosure prevention, domestic violence, and other legal needs. For examples, see [this article](#)