GOV. MSG. NO. 1

EXECUTIVE CHAMBERS

HONOLULU

DAVID Y. IGE
GOVERNOR

January 27, 2017

The Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Joseph M. Souki
Speaker of the House of Representatives
Twenty-Ninth State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear Senate President Kouchi and Speaker Souki:

For your information and consideration, I am transmitting one (1) copy for each of you of the Office of the Governor's Interim Report on the actions taken pursuant to Act 225, Session Laws of Hawaii 2016. In accordance with Section 93-16, HRS, I am also informing you that the report may be viewed electronically at https://governor.hawaii.gov/wp-content/uploads/2017/01/Act255-SLH2016_Interim-Report-1.pdf.

Should you have any questions or concerns, please contact Elizabeth Kim, Senior Special Assistant, Federal Maximization, at 586-0034.

With warmest regards,

David Y. Ige
Governor, State of Hawai'i

Enclosure

c: Legislative Reference Bureau

INTERIM REPORT TO THE 29th LEGISLATURE
ACT 225 - RELATING TO FEDERAL FUNDS

OVERVIEW

The Office of the Governor submits the following Interim Report on actions taken pursuant to Act 225 ("Act"), which requires the Office of the Governor to conduct a federal funding policy study. The Office of the Governor sought assistance from the Department of Budget and Finance (B&F) to start looking into some of the information requested in Section 2(b) of the Act. In response, B&F was able to provide the information that follows. These are preliminary findings provided by B&F. As this is an Interim Report, it does not include any of the policy recommendations requested in Section 2(c).

B&F relies on the budget preparation process to determine anticipated federal revenues for the State fiscal year together with analysis provided by the Federal Fund Information for States (FFIS).

It has become increasingly difficult to predict future federal funding levels. Congress has relied on continuing resolutions to fund the federal government verses enacting a budget for the entire federal fiscal year on a timely basis. The recent election will also likely result in changes in both the composition and the amount of federal funds made available. Since it is unclear what changes the Trump Administration and Congress will make, B&F has opted to maintain a status quo funding situation for the next biennium. Two major assumptions made in this outlook are that: (1) the spending caps established in the Budget Control Act will continue; and (2) most sources of federal funds will remain stable except for Medicaid related funds which will continue to increase.

FINDINGS REQUESTED IN SECTION 2(b) OF THE ACT

1. ***Identify the federal fund awards that State Executive Departments regularly receive to pay for programs and projects.***

B&F makes use of FFIS data to identify the federal awards that State Executive Departments can expect to receive on a regular basis and identifies these awards as "Major, Recurring Federal Awards." The list of "Major, Recurring Federal Awards" for State Fiscal Biennium 2017-2019 is included in the appendix of this report. It is also available on-line at http://federalawards.hawaii.gov/sga/. This list was based on the budget enacted for Federal Fiscal Year 2016 as the entire budget for Federal Fiscal Year 2017 has not been enacted as yet.

If an anticipated award is included on the list of "Major, Recurring Federal Awards", State Executive Departments must budget for the federal award using Method of Financing "N" (Federal Funds). All other federal awards are budgeted using Method of Financing "P" (Other Federal Funds). Awards appropriated under Method of Financing "P" may also be recurring but because FFIS does not identify these awards as '"Major, Recurring Federal Awards", B&F does not as well.

By looking at the appropriations in the budget bill for MOF "N" and MOF "P," policy makers can get an idea of anticipated federal funding by department as well as by individual program ID. For detailed information on the composition of the anticipated federal funds, reference should be made to the Form FF, a budget worksheet that identifies the individual federal awards expected to be awarded to each Program ID.

A federal award means "financial assistance that provides support or stimulation to accomplish a public purpose. Awards include grants and other agreements in the form of money or property in

lieu of money, by the Federal Government to an eligible recipient. The term does not include technical assistance (which provides services instead of money), other assistance in the form of loans, loan guarantees, interest subsidies, or insurance, direct payments of any kind to individuals, and contracts which are required to be entered into and administered under procurement laws and regulations.

2. Estimate the amount of federal funds to be expended by the state government in the next two fiscal biennium.

The amount of federal funds to be expended by State Executive Agencies (excluding UH) in FB 2017-2019 can be estimated by looking at actual federal funds expenditures in the state's Financial Accounting and Management Information System (FAMIS) then projecting what future spending could be.

The estimate takes into account the expectation that spending caps established by the BCA will continue and that little or no growth for most streams of funding is expected except for Medicaid spending which will continue to increase.

To provide an estimate we first calculated the average of the actual federal fund expenditures for the previous three state fiscal years:

Calculation of Three Year Average Federal Fund Expenditures: SFY 2014 to SFY 2016

State Fiscal Year	Expenditures
2016	$ 2,939,757,585
2015	$ 2,646,397,787
2014	$ 2,566,559,147
3 Year Average	$ 2,717,571,506

Next, the three-year average expenditure amount is used to forecast future federal spending for State Executive Departments (excluding UH) based on a 0%, 5%, and 7% growth per year:

Forecast of Federal Spending: SFY2018 – SFY2021

Growth Estimate	Average Expenditure Amount	SFY 2018	SFY 2019	SFY 2020	SFY 2021
0%	$ 2,717,571,506	$ 2,717,571,506	$ 2,717,571,506	$ 2,717,571,506	$ 2,717,571,506
5%	$ 2,717,571,506	$ 2,853,450,081	$ 2,996,122,585	$ 3,145,928,715	$ 3,303,225,150
10%	$ 2,717,571,506	$ 2,989,328,656	$ 3,288,261,522	$ 3,617,087,674	$ 3,978,796,442

Finally, data on actual expenditures for SFY 2001 to 2016 is shown below so that policy makers may use the data to produce their own forecasts of future federal funding expenditures.

INTERIM REPORT TO THE 29th LEGISLATURE
ACT 225 - RELATING TO FEDERAL FUNDS

Federal Fund Expenditures for MOF "N", "P", and "V"
State Fiscal Years 2001 to 2016

State Fiscal Year	Expenditure Amount	
2016	$	2,939,757,585
2015	$	2,646,397,787
2014	$	2,566,559,147
2013	$	2,304,310,809
2012	$	2,281,662,775
2011	$	2,887,274,348
2010	$	2,725,764,157
2009	$	2,190,208,963
2008	$	2,009,258,094
2007	$	1,919,267,366
2006	$	1,856,833,747
2005	$	1,825,753,073
2004	$	1,656,736,534
2003	$	1,529,725,021
2002	$	1,349,854,229
2001	$	1,227,868,105

Source: FAMIS RevExpendTransDate report.

3. ***Analyze the extent of the dependence of state executive departments on federal funds to pay for major programs and projects.***

In general, the receipt of any federal funds makes state executive departments 'dependent' on federal funds. However, no promise is made by the state that non-federal funds will be made available to fund program costs if federal funds are not available in the future.

To determine the degree of dependence on federal funds by a department to pay for major programs and projects, we have calculated federal funds appropriations as a percentage of total appropriations for all sources of funding, reflected in the chart below. The following approach was taken:

- Appropriated amounts are taken from the SFY 2017 Budget Worksheets.
- The values for MOF "N" and MOF "P" equal federal fund appropriations.
- A comparison of federal fund appropriations is calculated as percentage of total appropriation.
- Departments that have a higher percentage are deemed to be more dependent on federal funds. Departments with a lower percentage value are less dependent on federal funds.

Appropriations - State Fiscal Year 2017

Federal Fund Appropriations as Percentage of Total Appropriations State Fiscal Year 2017			
Department	**Federal Fund Appropriations**	**Total Appropriations**	**Federal Funds as a Percentage of Total Appropriations**
AGR	$ 1,827,140	$ 51,593,696	3.54%
AGS	$ 16,647,895	$ 230,448,715	7.22%
ATG	$ 32,658,368	$ 95,922,803	34.05%
BED	$ 6,616,265	$ 344,855,259	1.92%
BUF	$ 853,446	$ 2,619,248,478	0.03%
CCA	$ 250,000	$ 78,584,094	0.32%
DEF	$ 113,257,146	$ 134,396,901	84.27%
EDN	$ 268,403,843	$ 2,051,272,247	13.08%
GOV	$ -	$ 3,816,705	0.00%
HHL	$ 23,782,094	$ 61,552,735	38.64%
HMS	$ 2,062,863,890	$ 3,304,666,056	62.42%
HRD	$ -	$ 23,237,486	0.00%
HTH	$ 152,037,127	$ 1,702,786,444	8.93%
LBR	$ 56,879,089	$ 472,627,929	12.03%
LNR	$ 26,773,540	$ 128,655,600	20.81%
LTG	$ -	$ 1,081,703	0.00%
PSD	$ 2,675,304	$ 272,731,954	0.98%
SUB	$ -	$ 2,500,000	0.00%
TAX	$ -	$ 28,756,116	0.00%
TRN	$ 31,255,092	$ 970,496,250	3.22%
UOH	$ 12,736,694	$ 1,123,058,394	1.13%
TOTAL	**$ 2,809,516,933**	**$ 13,702,289,565**	**20.50%**

Source: Budget bill. Note: not all federal awards are appropriated in the budget bill.

4. Address the likelihood of a reduction of federal funds for state programs and projects in the next two fiscal biennium:

It is not possible to provide reliable guidance on the likelihood of a reduction of federal funds for state programs and projects given the start of the new administration next month. Currently, the assumption is that there will be no reduction in the total amount of federal funds received by the state nor a change in the composition of federal funds, and that federal fund expenditure amounts will increase primarily for Medicaid related awards.

5. Discuss generally the impact on state government and Hawaii residents if federal funding levels are reduced:

A reduction in federal funding levels would have a direct impact on the operation of state government, the beneficiaries of federally funded state-run programs, and have a larger economic impact for Hawaii residents.

For illustrative purposes, the chart below shows the impact to total sales, household income, state taxes, and jobs with a reduction in state government expenditure of federal funds of 2.5%, 5%, and 10% respectively. For ease of calculation the federal expenditure amount is assumed to be $3 billion.

Impact to State Government and Hawaii Residents of Reduction in Federal Funding

(Amount of federal expenditures assumed to be $3 billion for illustrative purposes)

Reduction %	Total Sales	Household Income	State Taxes	Jobs
2.5% (-$75,000,000)	-$138,750,000	-$54,000,000	-$5,925,000	-1,005
5% (-$150,000,000)	-$277,500,000	-$108,000,000	-$11,850,000	-2,010
10% (-$300,000,000)	-$555,000,000	-$216,000,000	-$23,700,000	-4,020

Analysis provided by State Economist Eugene Tian 12/23/2016

CONCLUSION

The Office of the Governor is pleased to submit this Interim Report for consideration by the Legislature. As a part of our Interim Report, we have included additional briefing materials from FFIS that provide detailed information on the type and amount of future federal spending Hawaii can expect to receive as well as analysis on possible changes to funding streams.

Attachments:
Past Proposals Could Foreshadow Changes to Come (FFIS)
Expiring Mandatory Programs (FFIS)
The Role of Federal Funds in State Spending (FFIS)
Federal Spending Traceable to States (FFIS)
Grants 101: Intro to Federal Grants for State and Local Governments (FFIS)
Major Recurring List of Federal Awards for FB 2017-19

Federal Funds Information for States
444 North Capitol Street, NW
Suite 642
Washington, DC 20001
www.ffis.org

Budget Brief 16-11, November 21, 2016

Past Proposals Could Foreshadow Changes to Come

Marcia Howard • 202-624-5848 • mhoward@ffis.org

Summary

The outcome of the presidential election increases the likelihood that next year will bring big changes to state grant programs. One party will control the administration, House, and Senate, increasing the likelihood that legislation will move through the legislative process and to the president's desk.

Any legislation will be informed by past efforts. Specifically, the House budget committee has released a series of budget documents that recommend precedent-setting changes to state grant programs. More recently, the speaker of the House released six policy reform documents, two of which focus on health care and poverty. Both have implications for grant programs.

The following themes are prominent in these recommendations:

- Controlling entitlement spending
- Eliminating and consolidating programs
- Measuring results
- Trading flexibility for funding
- Focusing on work and employment

This *Budget Brief* uses these documents to flag proposals that could gain currency in the coming months and years. It focuses on policies that would have the biggest impact on state and local governments.

Reconciliation Proposals

The Senate can filibuster legislation, and 60 votes are required to shut down a filibuster. This prevents many proposals from moving through the Senate. However, a process known as "reconciliation" provides an expedited procedure to consider mandatory and tax legislation, with no allowance for filibuster and limited opportunity for amendment.

Analysts have identified two areas where reconciliation may be used in 2017:

1. Repealing and replacing the Affordable Care Act (ACA)
2. Implementing tax reform and possibly an infrastructure program

Media reports suggest that the House might resurrect its fiscal year (FY) 2017 budget resolution (which never made it to the House floor last spring), and amend it to accommodate reconciliation instructions to repeal the ACA. That would allow the FY 2018 budget resolution to address tax reform.

Repealing and Replacing ACA

Congress most recently used reconciliation to repeal portions of the ACA in late 2015, but the bill was vetoed. Repealing and replacing the ACA is reportedly a top priority for the new Congress and administration, but few details are currently available. The repeal and replace will likely move in tandem, and some parts of the ACA may be retained. Moreover, a transition period will be part of any legislation.

Previous proposals shed light on the types of reforms that might be considered. For example, last year's reconciliation bill to repeal the ACA (H.R. 3762) eliminated the following:

- Prevention and Public Health Fund
- premium assistance tax credit and cost-sharing reductions
- penalties for failing to comply with the individual and employer mandates
- Medicaid expansion
- reductions in Medicaid disproportionate share hospital (DSH) payments
- various taxes and fees

Moreover, health reform proposals from the speaker of the House (described in a subsequent section) provide insight into a possible replacement.

Tax Reform/ Infrastructure Investment

No details have been released on what tax reform might look like; speculation is that Congress will use tax policy to help finance infrastructure investments. Proposals could include new tax credits and other incentives to spur privately funded infrastructure improvements, while reducing other tax credits and "loopholes" to increase the federal resources available for infrastructure investment and other tax changes.

Ironically, some analysts believe the federal tax exemption for interest on municipal bonds (which fund public infrastructure) could be at risk in this exercise, even as an increased private investment in infrastructure is pursued.

Other Recurring Proposals

While budget resolutions do not include specific policy recommendations, they often are accompanied by reports and other documents that spell out the changes being sought. That has been true over the last several years, and many of the proposals have been recurring.

The following sections describe the policies implicit or explicit in recent House budget resolutions. (For more detail on some of these proposals, see *Budget Brief 12-03*, *Budget Brief 15-03*, and *Budget Brief 15-08*.) Table 1 at the end of this brief lists the FY 2016 funding associated with some of the programs identified in major policy proposals.

Mandatory Several mandatory proposals have been released over the years. Those with the largest potential impact involve Medicaid and the Supplemental Nutrition Assistance Program (SNAP). These are described in more detail below. The next table lists past proposals that would affect mandatory grant programs.

Mandatory Spending Proposals in Past House Budget Resolutions	
Agriculture	-Reduce fixed payments to farmers -End "open-ended" nature of crop insurance
Education	-Reduce Pell grant eligibility and freeze awards
Health	-Repeal ACA Prevention and Public Health Fund -Repeal ACA, including Medicaid expansion -Convert Medicare to premium support; other reforms -Reform medical liability insurance -Convert Medicaid to "State Flexibility Fund" -Apply work requirements to Medicaid -Convert Medicare and Medicaid DSH payments into a single flexibility fund -Reform Medicaid eligibility to eliminate waste, fraud, and abuse -Reform section 1115 Medicaid waiver process -Reduce Medicaid provider tax threshold -Eliminate ACA's enhanced matching rate for Children's Health Insurance Program (CHIP)
Nutrition	-Convert SNAP to "State Flexibility Fund" -Eliminate SNAP's broad-based categorical eligibility -Restrict eligibility for SNAP via Low Income Home Energy Assistance Program (LIHEAP) -Shift SNAP outreach funding to job-training programs
TANF/Human Services	-Strengthen work requirements under Temporary Assistance for Needy Families (TANF); allow pilot projects for work-based reforms -Eliminate the Social Services Block Grant (SSBG) -Increase state flexibility in child welfare, including privatization -Modernize Child Support Enforcement (increase user fee for non-TANF families, modify matching rate and incentive program) -Reform Supplemental Security Income
Transportation	-Pilot transportation program whereby states would opt out of federal taxes and spending -Align trust fund spending with revenues

Medicaid. Major reforms to Medicaid will likely be considered; whether the reforms will be part of the ACA “repeal and replace” proposal remains uncertain. Some of the recent proposals provide states the option of choosing a block grant or a per capita cap. Most proposals have provided a general framework and not specific design features. Alternative financing reform proposals are summarized in the next table.

Medicaid Financing Proposals
Block grant
• fixed, state-specific allotments • indexing mechanism • state flexibility • maintenance-of-effort (MOE) requirement • no matching requirement
Per capita caps
• per enrollee limits on federal payments • indexing mechanism • states pay for spending above cap • state flexibility
Capped allotments
• cap on federal contribution • state-specific allotments • federal matching funds provided up to cap • similar to CHIP
Shared savings
• maintains Federal Medical Assistance Percentage (FMAP), establishes per enrollee spending targets • states with lower per capita costs share in savings • states above cost trend pay a higher share of costs

SNAP. Reforming SNAP may also be a priority. Past House reconciliation proposals have included a variety of proposed changes, ranging from restricting outreach and automatic enrollment to converting the entire program to a block grant, as described below.

SNAP Reform Proposals
Block grant
• allotment tailored for each state's low-income population • states must meet work targets and program integrity requirements
Work requirements
• eliminate waivers from work requirements
Eligibility determinations
• eliminate broad-based categorical eligibility • restrict eligibility for SNAP via LIHEAP
Account balances
• Limit SNAP account balances to three months' worth of benefits

Discretionary The table below summarizes proposals for discretionary programs that have appeared once or more in House budget resolution materials. Discretionary programs can be changed through reauthorization or through the appropriations process.

Discretionary Spending Proposals in Past House Budget Resolutions	
Commerce	-Eliminate Economic Development Administration -Eliminate Hollings Manufacturing Extension Program and Advanced Manufacturing Technology Consortia
Disaster Relief	-Include under Budget Control Act (BCA) discretionary spending caps
Education	-Eliminate "unsuccessful and duplicative" K-12 programs -Prioritize Individuals with Disabilities Education Act (IDEA) funding -Eliminate Institute of Museum and Library Services -Eliminate funding for National Endowment for the Arts, National Endowment for the Humanities, Corporation for Public Broadcasting, and Corporation for National and Community Service
Environment	-Reduce EPA funding
Early Childhood	-Phase out or reform ineffective early childhood programs, such as Head Start
Homeland Security	-Provide Urban Areas Security Initiative (UASI) grants to fewer cities -Reform Federal Emergency Management Administration (FEMA) state and local programs -Reform disaster relief to update eligibility indicators, cost-share levels, and waivers -Eliminate or consolidate Intercity Passenger Rail Grant Program and Intercity Bus Security Grant Program -Eliminate Emergency Food and Shelter National Board Program (EFS)
Housing and Urban Development	-Reform Community Development Block Grant (CDBG) to introduce poverty element and exclude communities with high average incomes -Reform housing programs
Justice	-Consolidate grant programs
Labor	-Further consolidate job training programs
Transportation	-Eliminate Transportation Investment Generating Economic Recovery (TIGER) grants -Eliminate high-speed rail funding -Phase out Capital Investment Grants (CIG)

Other Past budget resolutions have included other proposals, such as changes to the federal budget process, as described below.

Other Proposals in Past House Budget Resolutions	
Budget Process	-New point of order for long-term spending increases -Forbid offsetting new mandatory spending with tax increases -New point of order against advance appropriations -Long-term projections beyond current 10-year window -Reform baseline estimates to omit inflation -Implement dynamic scoring -Regular congressional review of mandatory programs -Rescind unobligated balances -Require authorizing committees to annually identify programs that are "duplicative, wasteful, outmoded, or excessively expensive for the benefits received"

Task Force Reports

In addition to past budget resolutions, the speaker of the House released six task force reports that provide a broad framework for addressing:

1. The Constitution
2. The economy
3. National security
4. Tax reform
5. Poverty
6. Health care

Collectively titled, *A Better Way*, these reports are broad policy documents rather than specific proposals, although some specifics are included. FFIS focused on the two reports that address state grant programs. Table 2 and Table 3 summarize the task force proposals related to poverty and health.

Next Steps

A continuing resolution (CR) is currently in force for FY 2017, but will expire on December 9. Recent reports indicate that congressional leadership will pursue another CR that extends through March 31, 2017. This will delay final FY 2017 appropriations until a new administration is sworn in, and could allow a reconciliation package to move as part of the FY 2017 budget process.

To say that much remains uncertain is an understatement, but it seems clear that big changes for state grants programs could be in store. FFIS will continue to monitor and report on budget developments as the FY 2017 process proceeds and plans for FY 2018 begin to take shape.

Table 1

Funding Associated with Programs Identified in Recent House Budget Proposals

(dollars in millions)

Program	FY 2016 Estimate
Agriculture	
SNAP Benefits	$70,124
SNAP Adminitrative Costs	5,085
Commerce	
Economic Development Assistance Programs	365
Education	
Federal K-12 Grants	41,473
Environmental Protection Agency	
State and Tribal Assistance Grants	3,768
Health and Human Services	
Grants to States for Medicaid	367,229
Social Services Block Grant	1,771
Head Start	9,168
Homeland Security	
State and Local Programs	2,730
Emergency Food and Shelter	121
Housing and Urban Development	
Community Development Block Grant	3,000
Justice	
State and Local Law Enforcement Assistance	1,281
Labor	
Training and Employment Services Grants	2,844
Transportation	
Capital Assistance for High Speed Rail Corridors	2,065
Capital Investment Grants	2,177
Other Independent Agencies	
Corporation for Public Broadcasting	485
National Endowments for the Arts	49
Office of Museum and Library Services: Grants and Administration	213
Operating Expense, Corp. for National and Community Services	280

Source: Office of Management and Budget, FFIS Database

Table 2

A Better Way Anti-Poverty Proposals

Type	Proposal
Recipients	-Reauthorize TANF to strengthen work requirements -Better connect child support enforcement to workforce development -Use waivers to get unemployment insurance (UI) to target effective reemployment strategies -Reform Supplemental Security Income (SSI) to focus on needed services in lieu of cash assistance -Require work for work-capable SNAP adults -Align housing benefits with TANF benefits for all work-capable recipients
Incentives	-Remove incentives for states to enroll people in solely federally funded programs -Provide state flexibility in exchange for greater accountability -Reform federal matching rates to encourage automation and coordination, and providing more services initially -Enhance the portability of housing vouchers -Consolidate or streamline overlapping or duplicative programs
Results	-Create a culture of evidence-based policymaking -Require social programs to use a three-tiered funding model to build evidence -Develop and implement common metrics (pay-for-outcomes) -Base funding on evaluation and results -Expand data availability -Implement Social Impact Financing (SIF)
Targeting	-Use better information technology to align program data and reduce error rates
Workforce	-Support research into pre-K services that work -Re-examine 45 overlapping or duplicative early childhood programs -Include faith-based programs in array of options for parents
At-Risk Youth	-Better training to understand needs of at-risk youth -Hold states accountable for meeting grant requirements -Allow state and local innovation -Expand state and local educational choice
Technical Ed	-Allow flexibility in how states spend federal funds -Streamline duplicative reporting requirements -Align spending with in-demand jobs -Restrict federal involvement
Higher Ed	-Improve information about schools and financial aid options -Simplify and improve financial aid -Reduce federal red tape and support innovation (e.g., online learning) -Repeal unnecessary federal reporting requirements
Nutrition	-Update one-size-fits-all nutrition requirements -Provide more flexibility for summer meals and reduce red tape -Explore new delivery methods
Retirement	-Prevent taxpayer bailout of Pension Benefit Guarantee Corporation -Ensure plans are well-funded and employers stay in system -Protect access to retirement advice -Improve ability of employers to band together to offer 401(k)s -Reduce red tape
Banking	-Change focus from compliance and regulation to expanding new credit

Source: A Better Way, *June 7, 2016*

Table 3

A Better Way Health Proposals

Type	Proposal
Health Care Reform	-Repeal ACA -Expand health savings account -Make support for coverage portable -Cap tax exclusion on employer-sponsored insurance for most generous plans (includes cost-of-living adjustments) -Allow purchasing across state lines -Expand opportunities for pooling for small businesses and voluntary organizations -Preserve employee wellness programs -Protect employers' flexibility for self-insurance -Reform medical liability system -Maintain pre-existing condition protections -Maintain provision to allow dependents up to age 26 to stay on parents' plan -Implement various coverage protections -Set default age-rating ratio for premium adjustments at five-to-one, allow states flexibility to modify -Provide $25 billion for State Innovation Grants for developing effective reforms that make health care more affordable and accessible -Provide $25 billion for high-risk pools
Medicaid	-Eliminate open-ended entitlement by giving states option of per capita allotment or block grant Per capita allotment: • states draw down funds based on FMAP • cap provided for four major groups (aged, blind and disabled, children, and adults), and adjusted for inflation; certain categories of spending (such as DSH payments) would be excluded • phases down enhanced FMAP for expansion adult population to regular FMAP; maintains CHIP (eliminates ACA matching rate increase) • increases state flexibility • modernizes waiver process Block grant: maximum flexibility
Medicare	Several reforms including premium support and structural changes
Other	Repeal the Center for Medicare and Medicaid Innovation

Source: A Better Way, *June 22, 2016*

Major, Recurring Federal Awards For State Fiscal Biennium 2017-19

	State Expending Agency	CFDA	Program	FFY 2016 (Thousands)
1	AGR	10.170	Specialty Crop Block Grant	$ 453
2	AGR	10.435	State Mediation Grants	$ 63
3	AGS	93.618	Voting Access for Individuals with Disabilities - P & A	$ 70
4	AGS	45.024, 45.025	Natl. Endowment for the Arts- State Programs	$ 655
5	ATG	16.017	Sexual Assault Services Formula Program	$ 360
6	ATG	16.575	Crime Victims Fund - Assistance	$ 12,101
7	ATG	16.588	STOP Grants	$ 1,171
8	ATG	16.593	Res. Substance Abuse Trtmnt for State Prisoners	$ 65
9	ATG	16.738	Justice Assistance Grants - State	$ 833
10	ATG	16.741	DNA Backlog Reduction Program	$ 199
11	ATG	16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	$ 72
12	ATG	93.563	Child Supp. Enforcement Administration	$ 14,370
13	BED	11.419	Coastal Zone Management	$ 2,471
14	BED	14.239	HOME Investment Partnerships - Nonentitlement (States)	$ 3,191
15	BED	81.041	State Energy Program	$ 283
16	DEF	97.042	Emergency Management Performance Grants	$ 3,549
17	DEF	97.067	State Homeland Security Grant Program	$ 3,735
18	EDN	10.553	Child Nutrition - School Breakfast	$ 13,102
19	EDN	10.555	Child Nutrition - Commodities	$ 3,861
20	EDN	10.555	Child Nutrition - School Lunch	$ 47,066
21	EDN	10.556	Special Milk Program	$ 1
22	EDN	10.558	Child Nutrition - Adult & Child Care Food	$ 7,167
23	EDN	10.559	Child Nutrition - Summer Food Program	$ 610
24	EDN	10.560	Child Nutrition - State Admin Expenses	$ 835
25	EDN	10.582	Fresh Fruit and Vegetable Program	$ 2,152
26	EDN	11.303	EDA - Technical Assistance	$ 235
27	EDN	45.310	State Library Program	$ 1,213
28	EDN	84.002	Adult Education Basic Grant	$ 1,734
29	EDN	84.002	English Literacy and Civics Education State Grants	$ 471
30	EDN	84.010	Comp Ed (Title I) - Local Education Agencies	$ 48,677
31	EDN	84.013	Comp Ed (Title I)- State Agency Neglect & Delinq.	$ 409
32	EDN	84.027	Special Education Basic State Grant	$ 40,682
33	EDN	84.041	Impact Aid - Basic Support Payments	$ 46,985
34	EDN	84.041	Impact Aid - Special Education Payment	$ 1,459
35	EDN	84.173	Special Education Preschool Grants	$ 941
36	EDN	84.196	Education For Homeless Youth	$ 222
37	EDN	84.287	21st Century Community Learning Centers	$ 5,717
38	EDN	84.365	Language Acquis. Grants	$ 4,075
39	EDN	84.366	Mathematics and Science Partnerships	$ 760
40	EDN	84.367	State Grants for Improving Teacher Quality	$ 10,833
41	EDN	84.369	State Testing Funds	$ 3,837
42	EDN	84.377	Comp Ed (Title I) - State School Improvement Grants	$ 1,379
43	EDN	93.600	Head Start	$ 27,460
44	EDN	84.011, 84.144	Comp Ed (Title I) - Migrant	$ 794
45	HMS	10.551	Supplemental Nutrition Assistance Program (SNAP) Benefits	$ 509,089
46	HMS	10.561	SNAP State Administration	$ 25,626
47	HMS	14.231	Emergency Solutions Grants - Nonentitlement (States)	$ 443
48	HMS	14.241	Housing Opportunities for Persons with AIDS	$ 651
49	HMS	14.850	Public Housing Operating Fund	$ 24,059
50	HMS	14.872	Public Housing Capital Fund	$ 9,157

Major, Recurring Federal Awards For State Fiscal Biennium 2017-19

	State Expending Agency	CFDA	Program	FFY 2016 (Thousands)
51	HMS	16.540	Juvenile Justice Formula Grants	$ 411
52	HMS	84.126	Rehab. Services - Basic State Grant	$ 12,298
53	HMS	84.161	Client Assistance State Grants	$ 132
54	HMS	84.169	ACL - Independent Living State Grants	$ 305
55	HMS	84.177	Services for Older Blind Individuals	$ 225
56	HMS	84.187	Supported Employment State Grants	$ 300
57	HMS	84.240	Protection & Advocacy Individual Rts	$ 172
58	HMS	93.464	Assistive Technology State Grant Program (WAS cfda:84.224)	$ 440
59	HMS	93.556	Promoting Safe and Stable Families	$ 1,053
60	HMS	93.558	Temporary Assistance For Needy Families	$ 98,905
61	HMS	93.568	Low Income Home Energy Assistance	$ 5,622
62	HMS	93.575	Child Care & Devel. Block Grant	$ 9,786
63	HMS	93.596	Child Care Entitle. Mandatory & Matching	$ 12,189
64	HMS	93.599	Chafee Education and Training Vouchers	$ 115
65	HMS	93.643	Children's Justice Act	$ 109
66	HMS	93.645	Child Welfare Services	$ 1,103
67	HMS	93.658	Foster Care	$ 15,587
68	HMS	93.659	Adoption Assistance	$ 13,755
69	HMS	93.667	Social Services Block Grant	$ 7,014
70	HMS	93.669	CAPTA State Grants	$ 143
71	HMS	93.671	Battered Women's Shelters	$ 973
72	HMS	93.674	Chafee Foster Care Independence	$ 500
73	HMS	93.767	Children's Health Insurance Program	$ 51,488
74	HMS	93.778	Medicaid - Administration	$ 33,937
75	HMS	93.778	Medicaid - Vendor Payments	$ 1,486,352
76	HTH	10.557	WIC - Supplemental Feeding Program	$ 30,689
77	HTH	66.001	EPA - State and Local Air Quality Management	$ 952
78	HTH	66.419	EPA - Pollution Control (Sec. 106)	$ 2,106
79	HTH	66.432	EPA - Public Water System Supervision	$ 474
80	HTH	66.433	EPA - Underground Injection Control	$ 56
81	HTH	66.454	EPA - Water Quality Management (WAS: 66.458)	$ 106
82	HTH	66.458	EPA - Clean Water SRF Grants	$ 10,462
83	HTH	66.460	EPA - Nonpoint Source (Sec. 319)	$ 1,211
84	HTH	66.468	EPA - Drinking Water SRF Grants	$ 8,422
85	HTH	66.700	EPA - Pesticides Enforcement	$ 151
86	HTH	66.801	EPA - Hazardous Waste Financial Assistance	$ 612
87	HTH	84.181	Special Education Infants & Toddlers	$ 2,247
88	HTH	93.043	Preventive Health Services	$ 99
89	HTH	93.044	Administration on Aging Support Services	$ 1,728
90	HTH	93.045	Administration on Aging Congregate Meals	$ 2,228
91	HTH	93.045	Administration on Aging Home Delivered Meals	$ 1,125
92	HTH	93.052	Family Caregiver	$ 748
93	HTH	93.053	Nutrition Services Incentive Program	$ 447
94	HTH	93.092	Personal Responsibility Education Program	$ 250
95	HTH	93.136	Preventive Health -- Rape Prevention and Education	$ 292
96	HTH	93.138	Protection and Advocacy for Individuals with Mental Illness	$ 428
97	HTH	93.150	Homeless Mental Health (PATH)	$ 300
98	HTH	93.217	Family Planning Services	$ 2,157
99	HTH	93.224	Consolidated Health Centers	$ 25,749
100	HTH	93.235	Abstinence Education Program	$ 189

Major, Recurring Federal Awards For State Fiscal Biennium 2017-19

	State Expending Agency	CFDA	Program	FFY 2016 (Thousands)
101	HTH	93.251	Universal Newborn Hearing Screening	$ 547
102	HTH	93.268	Section 317 - Immunization Grants	$ 2,007
103	HTH	93.268	Vaccines for Children	$ 20,981
104	HTH	93.590	Community-Based Child Abuse Prevention	$ 454
105	HTH	93.630	Devel Disabilities - Basic Support	$ 481
106	HTH	93.630	Devel Disabilities - Protection & Advoc.	$ 363
107	HTH	93.758	Preventive Health Block Grant	$ 1,193
108	HTH	93.913	State Offices of Rural Health	$ 172
109	HTH	93.917	Ryan White - HIV/AIDS Part B	$ 2,395
110	HTH	93.919	State-Based Comprehensive Breast and Cervical Cancer Early Detection	$ 982
111	HTH	93.958	Mental Health Block Grant	$ 2,637
112	HTH	93.959	Substance Abuse Prevent. & Treatment Block Grant	$ 8,385
113	HTH	93.977	Sexually Transmitted Disease Prevention	$ 380
114	HTH	93.994	Maternal & Child Health Block Grant	$ 2,172
115	HTH	93.041, 93.042	Vulnerable Elder Rights Protection Activities	$ 103
116	HTH	93.074, 93.889	Hospital Preparedness Program	$ 1,221
117	JUD	93.597	Access and Visitation Grants	$ 100
118	LBR	10.568	TEFAP - Emergency Food Asst. Administration	$ 169
119	LBR	10.569	TEFAP - Emergency Food Asst. Commodities	$ 978
120	LBR	10.576	Senior Farmer's Market Nutrition Program	$ 468
121	LBR	17.207	Employment Service State Grants	$ 2,395
122	LBR	17.207	Workforce Information Grants	$ 325
123	LBR	17.225	UI State Administration Base Allocation	$ 15,444
124	LBR	17.235	Community Service Employ for Older Americans	$ 1,846
125	LBR	17.258	WIOA - Adult Training	$ 2,049
126	LBR	17.259	WIOA - Youth Activities	$ 2,139
127	LBR	17.264	National Farmworker Jobs Program	$ 320
128	LBR	17.271	Work Opportunity Tax Credit Program	$ 66
129	LBR	17.278	WIOA- Dislocated Workers	$ 1,940
130	LBR	17.801	Disab. Veterans' Outreach Program	$ 359
131	LBR	17.804	Local Veterans Employment Representative Program	$ 350
132	LBR	81.042	Weatherization Assistance Program	$ 197
133	LBR	93.566	Refugee Assistance Cash & Medical	$ 32
134	LBR	93.566	Refugee Assistance Social Services	$ 78
135	LBR	93.569	Community Services Block Grant	$ 3,768
136	LNR	15.605	Fish & Wildlife - Fish Restoration	$ 3,344
137	LNR	15.611	Fish & Wildlife - Hunter Safety	$ 1,055
138	LNR	15.611	Fish & Wildlife - Wildlife Restoration	$ 2,175
139	LNR	15.626	Fish & Wildlife - Enhanced Hunter Safety	$ 80
140	LNR	15.634	State Wildlife Grants	$ 477
141	LNR	15.904	Historic Preservation Fund	$ 575
142	LNR	97.012	Boating Safety	$ 721
143	PSD	16.576	Crime Victims Fund - Compensation	$ 308
144	PSD	16.606	State Criminal Alien Assistance Program - State	$ 258
145	TRN	20.106	FAA - Airport Improvement Program	$ 37,348
146	TRN	20.205	FHWA - Congestion Mitigation & Air Quality	$ 10,319
147	TRN	20.205	FHWA - Highway Safety Improvement Program	$ 8,788
148	TRN	20.205	FHWA - Metropolitan Planning	$ 1,742
149	TRN	20.205	FHWA - National Highway Freight Program	$ 4,915
150	TRN	20.205	FHWA - National Highway Performance Program	$ 95,845

Major, Recurring Federal Awards For State Fiscal Biennium 2017-19

	State Expending Agency	CFDA	Program	FFY 2016 (Thousands)
151	TRN	20.205	FHWA - Railway Highway Crossings	$ 1,750
152	TRN	20.205	FHWA - Surface Transportation Block Grant	$ 48,017
153	TRN	20.218	FMCSA - National Motor Carrier Safety Assistance Program	$ 749
154	TRN	20.500	FTA - Bus and Bus Facilities Formula Grants	$ 5,192
155	TRN	20.500	FTA - Capital Investment Grants	$ 264,067
156	TRN	20.507	FTA - Urbanized Area Formula	$ 30,909
157	TRN	20.509	FTA - Nonurbanized Area Formula	$ 2,719
158	TRN	20.513	FTA - Enhanced Mobility of Seniors and Individuals with Disabilities	$ 1,150
159	TRN	20.525	FTA - State of Good Repair Grants	$ 1,349
160	TRN	20.600	NHTSA - State & Community Highway Safety	$ 1,826
161	TRN	20.602	NHTSA - National Priority Safety Program	$ 1,892
162	UOH	10.202	Coop State Research Coop Forestry	$ 275
163	UOH	10.203	Coop State Research Hatch Act	$ 1,641
164	UOH	10.207	Coop State Research Animal Health/Disease	$ 12
165	UOH	10.500	Extension Service Expand Food & Nutrition	$ 347
166	UOH	10.500	Extension Service Renewable Resources	$ 46
167	UOH	10.500	Extension Service Smith Lever	$ 1,385
168	UOH	84.007	Supplemental Educ. Opportunity Grants	$ 1,635
169	UOH	84.033	College Work-Study	$ 2,282
170	UOH	84.048	Career and Technical Education State Grants	$ 5,497
171	UOH	84.063	Pell Grants	$ 81,000
172	UOH	45.129, 45.130, 45.149, 45.161, 45.164	Natl. Endowment for the Humanities	$ 1,313

Federal Funds Information for States
444 North Capitol Street, NW
Suite 642
Washington, DC 20001
www.ffis.org

Issue Brief 16-45, September 19, 2016

Expiring Mandatory Programs

By FFIS Staff • For more information, contact: Trinity Tomsic • 202-624-8577 • ttomsic@ffis.org

Summary

Congress provides funding for discretionary grant programs through the annual appropriations process. It is not uncommon for these programs to receive funding even when their authorizations have expired. However, discretionary programs account for only about 25% of federal grant funding to state and local governments. The remaining 75% is for mandatory programs, which derive their budget authority directly from authorizing legislation. Most of these programs are funded apart from the appropriations process, and must be reauthorized in a timely manner to continue to operate or undertake new activities.

There are a few exceptions. Some mandatory programs are permanently authorized, including Medicaid, foster care, and adoption assistance. Others, such as certain child nutrition programs, are "appropriated mandatory programs" and can receive funding via appropriations bills absent a current authorization. Nevertheless, most mandatory programs depend on timely reauthorizations.

Table 1 at the end of this brief lists major mandatory grants programs and their expiration dates. It lists fiscal year (FY) 2016 funding, and identifies appropriated mandatory programs that are part of the annual appropriation process.

The table below highlights mandatory programs expiring in FY 2016 or FY 2017.

Mandatory Programs Expiring in FY 2016 or FY 2017

FY 2016		FY 2017	
Program	**Date**	**Program**	**Date**
Temporary Assistance for Needy Families (TANF)	9/30/2016	TANF Contingency Fund	9/30/2017
Child Care and Development Fund (mandatory/matching)	9/30/2016	Personal Responsibility Education Program	9/30/2017
Healthy Marriage Promotion and Responsible Fatherhood	9/30/2016	Abstinence Education	9/30/2017
Promoting Safe and Stable Families	9/30/2016	Maternal, Infant, and Early Childhood Home Visiting	9/30/2017
		Health Profession Opportunity Grants	9/30/2017
		Children's Health Insurance Program	9/30/2017
		Community Health Centers (mandatory funding)	9/30/2017
		Airport Improvement Program	9/30/2017

For those programs expiring at the end of this month, Congress must extend Temporary Assistance for Needy Families, the Child Care and Development Fund, and Healthy Marriage Promotion and Responsible Fatherhood grants; Promoting Safe and Stable Families is an appropriated mandatory program. All programs expiring at the end of FY 2017 will require a reauthorization or extension, as none are appropriated mandatory programs. The Secure Rural Schools formula enhancement expired at the end of FY 2015. Absent reauthorization, FY 2016 forest service payment to states (which are disbursed in FY 2017) will revert to the permanently authorized 25% formula (see *Issue Brief 16-15*).

Table 1

Expiration Dates for Mandatory Programs

(dollars in millions)

Department and Program	CFDA #	Citation	Expiration	Appropriated	FY 2016 Funding
Department of Agriculture					
Child Nutrition - Summer Food Program	10.559	Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296)	9/30/2015	X	$555.7
Child Nutrition - State Admin Expenses	10.560	(P.L. 111-296)	9/30/2015	X	270.9
Specialty Crop Block Grant	10.170	Agriculture Act of 2014 (P.L. 113-79)	9/30/2018		67.6
Supplemental Nutrition Assistance Program (SNAP) Benefits	10.551	(P.L. 113-79)	9/30/2018	X	70,124.3
SNAP State Administration and Employment and Training	10.561	(P.L. 113-79)	9/30/2018	X	5,085.3
The Emergency Food Assistance Program (TEFAP) Commodities	10.569	(P.L. 113-79)	9/30/2018	X	318.0
Senior Farmer's Market Nutrition Program	10.576	(P.L. 113-79)	9/30/2018		19.1
Fresh Fruit and Vegetable Program	10.582	(P.L. 113-79)	9/30/2018	X	177.0
Child Nutrition - Commodities	10.555	Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296)	9/30/2020	X	1,815.7
Child Nutrition - School Breakfast	10.553	(P.L. 111-296)	none	X	4,338.6
Child Nutrition - School Lunch	10.555	(P.L. 111-296)	none	X	12,528.3
Child Nutrition - Adult & Child Care Food	10.558	(P.L. 111-296)	none	X	3,340.1
Special Milk Program	10.556	Child Nutrition Act of 1966 (P.L. 89-642)	none	X	8.8
Nutrition Assistance for Puerto Rico	10.566	Healthy, Hunger-Free Kids Act of 2010 (P.L. 111-296)	none	X	1,959.1
Forest Service Payments to States (Secure Rural Schools) 1/	10.665	Medicare Access and CHIP Reauthorization Act of 2015 (P.L. 114-10)	none for 25% payments; SRS provisions expired		56.4
Department of Education					
Rehabilitation Services - Basic State Grant	84.126	Workforce Innovation and Opportunity Act (P.L. 113-128)	9/30/2020	X	3,161.1
Department of Health and Human Services					
Healthy Marriage Promotion and Responsible Fatherhood Grants	93.086	Consolidated Appropriations Act, 2016 (P.L. 114-113)	9/30/2016		148.2
Temporary Assistance For Needy Families (TANF)	93.558	P.L. 114-113	9/30/2016		16,566.5
Child Care and Development Fund (mandatory/matching)	93.596	P.L. 114-113			2,917.0
Promoting Safe and Stable Families (mandatory funding) 2/	93.556	Child and Family Services Improvement and Innovation Act (P.L. 112-34)	9/30/2016	X	321.5
TANF Contingency Fund	93.558	P.L. 114-113	9/30/2017		583.0
Personal Responsibility Education Program (PREP)	93.092	Medicare Access and CHIP Reauthorization Act of 2015 (P.L. 114-10)	9/30/2017		75.0
Abstinence Education Program	93.235	(P.L. 114-10)	9/30/2017		75.0
Maternal, Infant, and Early Childhood Home Visiting	93.505	(P.L. 114-10)	9/30/2017		400.0
Health Profession Opportunity Grants	93.093	(P.L. 114-10)	9/30/2017		85.0
Children's Health Insurance Program (CHIP) (state allotments)	93.767	(P.L. 114-10)	9/30/2017		14,612.5
Community Health Centers (mandatory funding)	93.224	(P.L. 114-10)	9/30/2017		3,600.0
Vaccines for Children	93.268	Social Security Act, Section 1928(a)	none	X	4,160.7
Child Support Enforcement Federal Share Collection	93.558	Social Security Act, Title IV, Part D	none	X	(639.0)
Child Support Enforcement Administration	93.563	Title IV, Part D	none	X	4,260.0
Access and Visitation Grants	93.597	Title IV, Part D	none	X	10.0
Children's Justice Act	93.643	CAPTA Reauthorization Act of 2010 (P.L. 111-320)	none		17.0
Foster Care	93.658	Social Security Act, Title IV-E	none	X	4,799.6
Adoption Assistance	93.659	Title IV-E	none	X	2,674.0
Social Services Block Grant	93.667	Social Security Act, Title XX	none	X	1,584.4
Chafee Foster Care Independence	93.674	Social Security Act, Title IV, Part E	none	X	140.0
Medicaid - Administration	93.778	Social Security Act, Title XIX	none	X	16,702.7
Medicaid - Vendor Payments	93.778	Title XIX	none	X	364,700.4
Department of Homeland Security					
Boating Safety	97.012	Fixing America's Surface Transportation Act of 2015 (P.L. 114-94)	9/30/2021		114.3
Customs Service Miscellaneous Permanent Appropriations	21.xxx	A bill to authorize appropriations for certain insular areas of the United States, and for other purposes (P.L. 96-205)	none		99.1
Department of the Interior and Related					
Land and Water Conservation Fund (LWCF) - State Assistance Grants	15.916	Consolidated Appropriations Act, 2016 (P.L. 114-113)	9/30/2018	X	94.9
Abandoned Mine Reclamation Fund (mandatory only)	15.252	Tax Relief and Health Care Act of 2006 (P.L. 109-432)	9/30/2021		224.6
Fish & Wildlife - Fish Restoration	15.605	Fish and Wildlife Programs Improvement and National Wildlife Refuge System Centennial Act of 2000 (P.L. 106-408)	none		334.4
Fish & Wildlife - Hunter Safety	15.611	(P.L. 106-408)	none		122.5
Fish & Wildlife - Wildlife Restoration	15.611	(P.L. 106-408)	none		576.3
Fish & Wildlife - Enhanced Hunter Safety	15.626	(P.L. 106-408)	none		0.0
Minerals Mgmt. Service: Mineral Leasing	15.437	Mineral Leasing Act (30 U.S.C. 181)	none		1,380.3
Tennessee Valley Authority (TVA) - Payments in Lieu of Taxes	62.xxx	Tennessee Valley Authority Act (P.L. 73-17)	none		523.9

Table 1

Expiration Dates for Mandatory Programs

(dollars in millions)

Department and Program	CFDA #	Citation	Expiration	Appropriated	FY 2016 Funding
Department of Justice					
Crime Victims Fund - Assistance	16.575	Victims of Crime Act of 1984 (VOCA; Pub. L. 98–473)	none	X	$2,296.9
Crime Victims Fund - Compensation	16.576	(VOCA; Pub. L. 98–473)	none	X	165.7
Department of Treasury					
Internal Revenue Collections for Puerto Rico	21.xxx	Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act of 2010 (P.L. 111-312)	none		403.0
Department of Transportation 3/					
FAA - Airport Improvement Program	20.106	FAA Extension, Safety, and Security Act of 2016	9/30/2017	X	3,350.0
FHWA - Congestion Mitigation & Air Quality	20.205	Surface Transportation Extension Act of 2015 (P.L. 114-73)	9/30/2020	X	2,309.1
FHWA - Highway Safety Improvement Program	20.205	P.L. 114-73	9/30/2020	X	2,100.6
FHWA - Metropolitan Planning	20.205	P.L. 114-73	9/30/2020	X	329.3
FHWA - National Highway Performance Program	20.205	P.L. 114-73	9/30/2020	X	22,288.8
FHWA - Railway Highway Crossings	20.205	P.L. 114-73	9/30/2020	X	350.0
FHWA - Surface Transportation Block Grant	20.205	P.L. 114-73	9/30/2020	X	11,162.6
FHWA - Territorial & Puerto Rico Highway Programs	20.205	P.L. 114-73	9/30/2020	X	200.0
FHWA - National Freight Program	20.205	P.L. 114-73	9/30/2020	X	1,140.3
FMCSA - National Motor Carrier Safety Assistance Program	20.218	P.L. 114-73	9/30/2020	X	218.0
FTA - Bus and Bus Facilities Formula Grants	20.500	P.L. 114-73	9/30/2020	X	424.6
FTA - Urbanized Area Formula	20.507	P.L. 114-73	9/30/2020	X	4,911.1
FTA - Nonurbanized Area Formula	20.509	P.L. 114-73	9/30/2020	X	626.8
FTA - Enhanced Mobility of Seniors and Individuals with Disabilities	20.513	P.L. 114-73	9/30/2020	X	262.9
FTA - State of Good Repair Grants	20.525	P.L. 114-73	9/30/2020	X	2,507.0
NHTSA - State & Community Highway Safety	20.600	P.L. 114-73	9/30/2020	X	243.5
NHTSA - National Priority Safety Program	20.602	P.L. 114-73	9/30/2020	X	274.7

1/ Funding for FY 2016 reflects payments based on FY 2016 receipts but made in FY 2017 under that year's budget authority and sequestration rate.

2/ Mandatory funds shown for Promoting Safe and Stable Families include $20 million for state court improvement, which is not part of the CBO baseline after 9/30/16. Absent reauthorization, it is unclear if this portion will be funded through the appropriations process.

3/ Appropriations bills set obligation limitations and liquidate contract authority for federal surface transportation programs.

Grants 101:

Intro to Federal Grants for State and Local Governments

Introduction

FFIS has been in the federal grant reporting business for a long time—about 30 years. The main thing we've learned in that time is that this stuff is complicated, almost a language unto itself. For example, when a person refers to "total federal grants," that could mean any number of things—with different amounts associated with it.

The charts, graphs, and words in this report are meant to demystify the flow of federal funds to their many recipients. It begins with the big picture and slowly works its way down to a more nuanced description of federal grants and how they work. It even explains why different amounts are attached to grant totals on different pages of the report.

Many thanks to Nick Jacobs, without whom this report would not have been possible. Matthew Reese, Carol Ryder, Curtis Smith, and Trinity Tomsic also contributed significantly to the project.

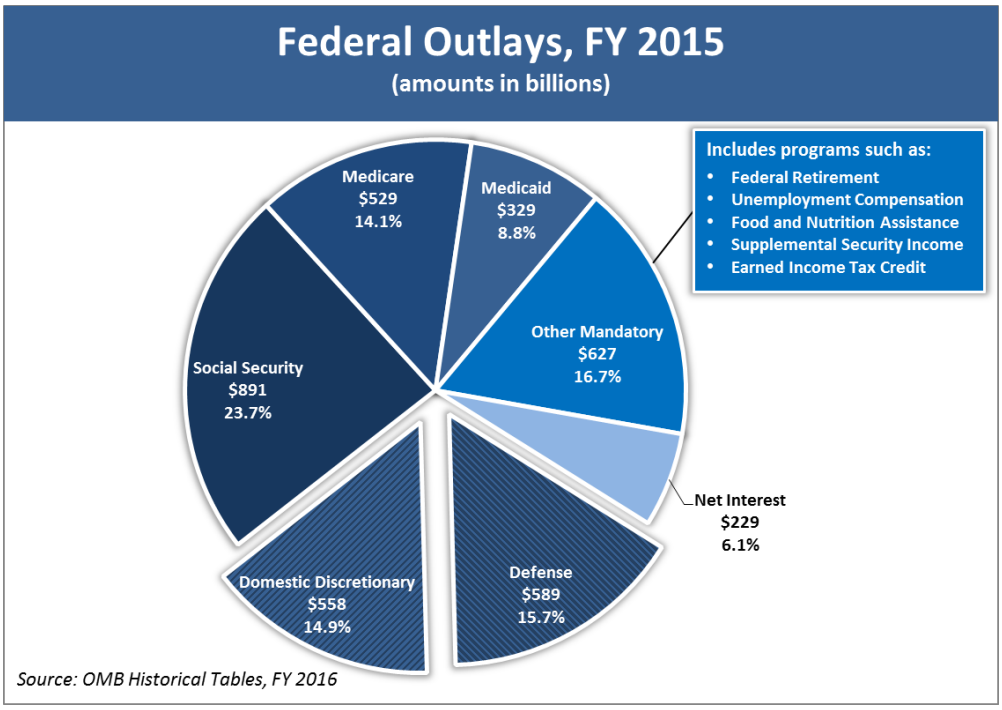
Marcia Howard
Executive Director

Federal Funds Information for States (FFIS)—founded by the National Governors Association and the National Conference of State Legislatures—helps states manage federal funds by analyzing the impact of federal actions.

Federal Funds Information for States
444 North Capitol St, NW
Suite 642
Washington, DC 20001
202.624.5849
www.ffis.org

Q. What are the pieces of the federal budget pie?

A. In FY 2015, federal outlays totaled $3.8 trillion. The composition of federal spending changes over time. Mandatory programs—including Social Security, Medicare, and Medicaid—represent the largest share of federal spending. Discretionary spending for domestic and defense programs (accounted for by just two slices of the pie chart below) has seen its share decline.



Percentage-Point Change in Share of Federal Outlays, FY 2005 - FY 2015			
Category	**FY 2005**	**FY 2015**	**Change**
Domestic Discretionary	19.9%	14.9%	-5.1%
Defense	18.1%	15.7%	-2.4%
Net Interest	7.3%	6.1%	-1.2%
Medicaid	7.9%	8.8%	0.8%
Medicare	11.9%	14.1%	2.2%
Social Security	21.1%	23.7%	2.7%
Other Mandatory	13.8%	16.7%	2.9%
Source: OMB Historical Tables, FY 2016			

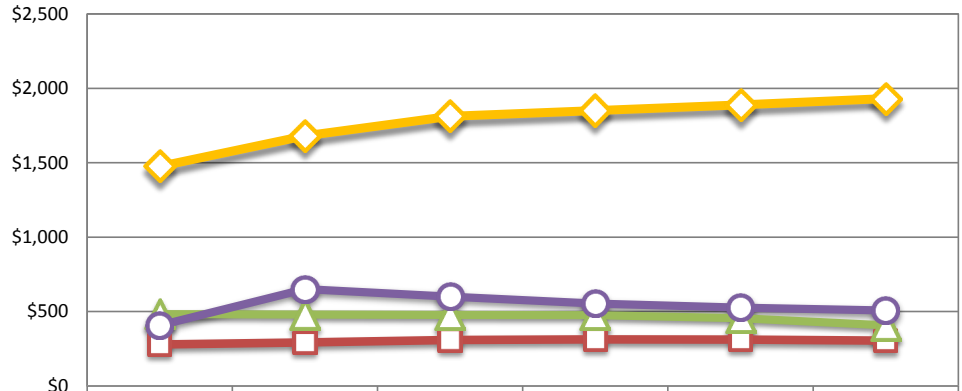
Q. How do federal funds make their way to states?

A. There are four major fiscal flows, which totaled $3.1 trillion in FY 2013 (the most recent year for which this breakdown is available):

1. **Direct payments** go directly from the federal treasury to individuals. Examples include Social Security, federal retirement and disability payments, veterans' benefits, Medicare, unemployment compensation, Supplemental Nutrition Assistance Program (SNAP) benefits, housing assistance, farm payments, and the Earned Income Tax Credit.
2. **Grants** are funds provided to state and local governments, and other entities to carry out federal programs. Examples include Medicaid, highway programs, and education assistance for low-income students.
3. **Procurement** is the federal purchase of goods and services, such as consultants, weaponry, and fleets.
4. **Salaries/wages** compensate federal military and civilian employees.

Other than procurement, every category increased between FYs 2008 and 2013. The following page shows that total federal funding averaged just less than $10,000 per person in FY 2013.

Federal Spending, FY 2008 - FY 2013
(inflation-adjusted, amounts in billions)



	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Direct Payments	$1,476	$1,681	$1,812	$1,851	$1,889	$1,931
Salaries/Wages	278	292	308	313	311	304
Procurement	483	481	478	477	456	407
Grants	408	651	600	553	527	506

Source: Pew Charitable Trusts, 2014

Q. How much does each state receive in federal funds?

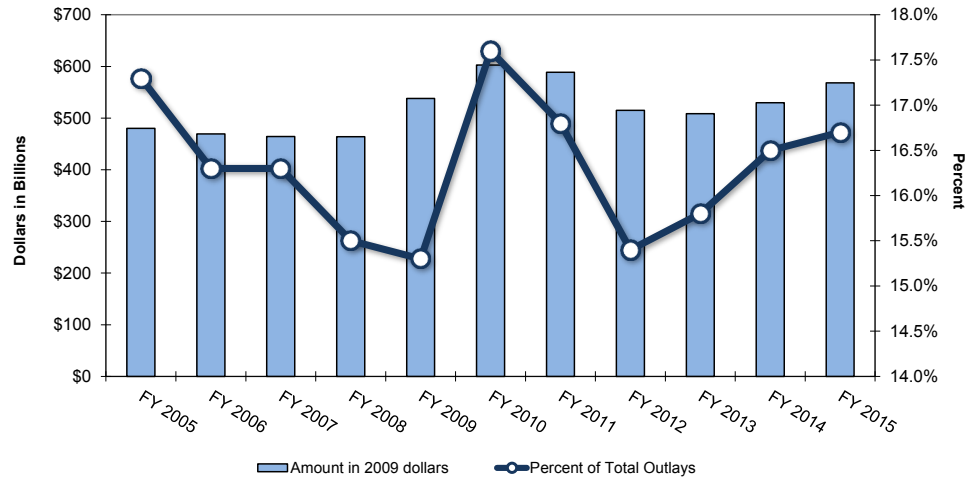
Per Capita Federal Spending by Category, FY 2013					
State	**Total**	**Direct Payments**	**Grants**	**Procurement**	**Salaries/ Wages**
Alabama	$11,742	$7,361	$1,273	$2,000	$1,108
Alaska	14,334	4,967	3,594	2,208	3,564
Arizona	10,144	6,122	1,365	1,861	795
Arkansas	9,637	6,820	1,854	319	644
California	8,944	5,214	1,735	1,240	755
Colorado	9,230	5,106	1,345	1,520	1,260
Connecticut	11,516	6,160	1,958	2,890	509
Delaware	9,778	6,853	1,883	294	748
District of Columbia	73,617	7,675	7,646	25,857	32,438
Florida	9,736	7,321	973	719	723
Georgia	8,858	5,751	1,163	763	1,180
Hawaii	13,704	6,232	2,045	1,347	4,081
Idaho	9,386	5,623	1,474	1,596	693
Illinois	8,183	5,726	1,366	504	587
Indiana	8,446	6,082	1,436	478	451
Iowa	8,370	5,872	1,547	517	434
Kansas	8,372	5,912	652	594	1,214
Kentucky	10,916	6,766	1,501	1,463	1,186
Louisiana	9,656	6,176	1,948	743	790
Maine	12,101	7,214	2,398	1,565	923
Maryland	15,658	6,545	1,675	4,310	3,127
Massachusetts	11,273	6,252	2,242	2,172	608
Michigan	9,498	6,925	1,666	486	422
Minnesota	8,171	5,463	1,669	562	477
Mississippi	11,466	6,901	1,722	1,934	909
Missouri	10,828	6,422	1,913	1,643	849
Montana	9,999	6,232	2,238	436	1,093
Nebraska	8,366	5,635	1,358	518	855
Nevada	8,304	5,561	975	1,033	735
New Hampshire	9,386	6,294	1,246	1,352	494
New Jersey	9,266	6,306	1,727	723	510
New Mexico	13,203	6,316	2,247	3,208	1,431
New York	9,918	6,145	2,684	546	543
North Carolina	9,535	6,386	1,442	503	1,204
North Dakota	9,401	5,131	2,164	677	1,429
Ohio	8,777	6,261	1,402	541	573
Oklahoma	9,823	6,424	1,661	527	1,211
Oregon	8,328	6,325	1,149	286	568
Pennsylvania	10,561	6,979	1,713	1,266	603
Rhode Island	10,964	6,872	2,288	728	1,076
South Carolina	10,223	6,921	1,193	1,140	969
South Dakota	9,492	5,851	1,842	668	1,130
Tennessee	9,928	6,678	1,443	1,176	631
Texas	8,846	5,179	1,327	1,473	866
Utah	7,103	4,183	1,211	771	938
Vermont	11,032	6,522	3,012	628	870
Virginia	16,690	6,364	1,098	6,189	3,039
Washington	10,459	5,913	1,511	1,683	1,351
West Virginia	11,500	7,737	2,154	622	988
Wisconsin	8,312	5,877	1,501	561	372
Wyoming	8,876	5,302	1,854	543	1,177
United States	**$9,949**	**$6,102**	**$1,600**	**$1,287**	**$960**

Source: Pew Charitable Trusts, 2014

Q. How important a role do grants play in federal spending?

A. Grants to state and local governments accounted for 16.7% of federal outlays in FY 2015 and totaled $628 billion in current dollars ($568 billion in constant 2009 dollars). These grants are concentrated in Medicaid, other mandatory, and domestic discretionary spending, as shown in the pie chart on page 2.

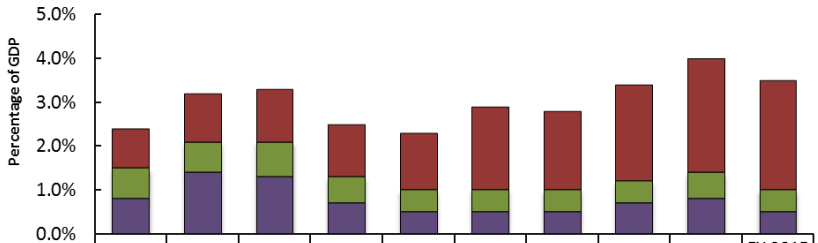
Outlays for Grants to State and Local Governments



Source: OMB Historical Tables, FY 2016

The composition of federal grants to state and local governments has changed over time, with payments for individuals (such as Medicaid, housing assistance, and social services) becoming more prominent.

Federal Outlays for State and Local Grants as a Share of GDP



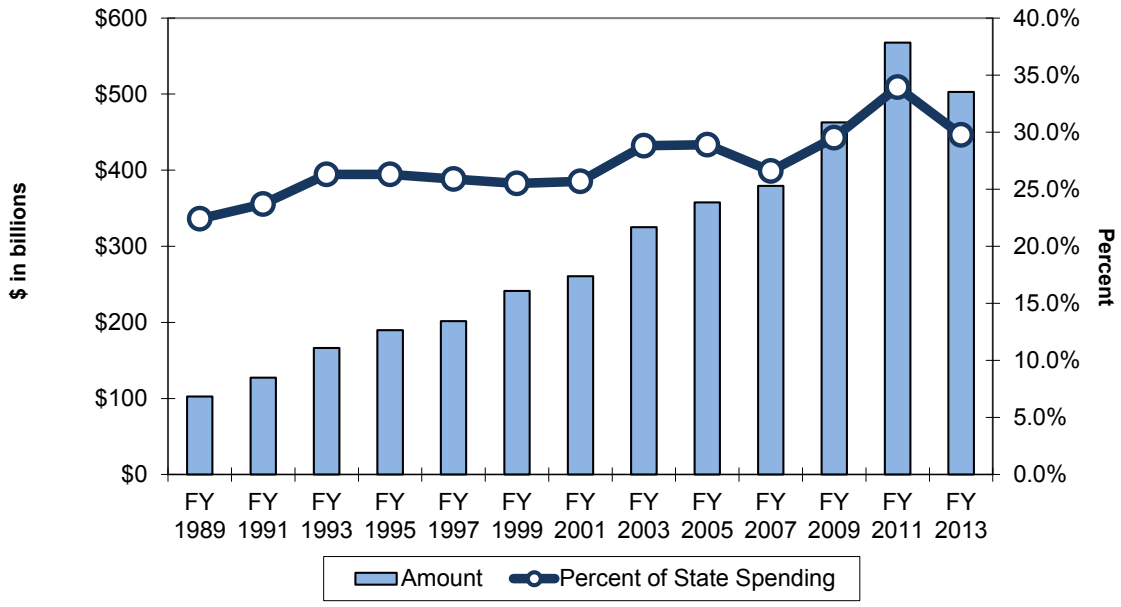
	FY 1970	FY 1975	FY 1980	FY 1985	FY 1990	FY 1995	FY 2000	FY 2005	FY 2010	FY 2015 est.
Individuals	0.9%	1.1%	1.2%	1.2%	1.3%	1.9%	1.8%	2.2%	2.6%	2.5%
Capital	0.7%	0.7%	0.8%	0.6%	0.5%	0.5%	0.5%	0.5%	0.6%	0.5%
Other	0.8%	1.4%	1.3%	0.7%	0.5%	0.5%	0.5%	0.7%	0.8%	0.5%

Source: OMB Histrorical Tables, FY 2016

Q. How important a role do federal grants play in state spending?

A. Federal grants accounted for 29.8% of total state spending in FY 2013, and totaled $502.7 billion. Federal funds make up almost half of Mississippi's revenue, but only 20% of Alaska's.

Federal Funds as a Share of State Spending



Source: NASBO State Expenditure Report, various years

Intergovernmental Revenue as a Percent of State General Revenue, FY 2012

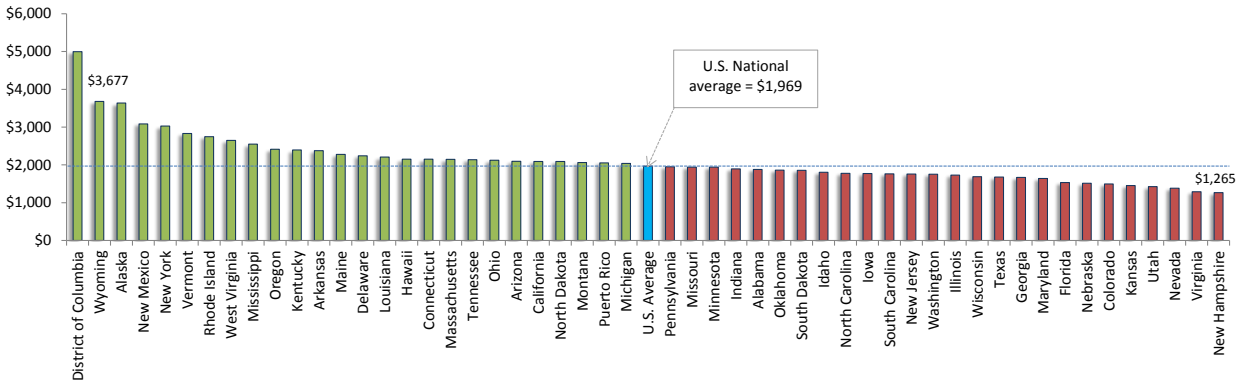
Rank	State	Percent	Rank	State	Percent
1	Mississippi	45.8%	50	Alaska	20.0%
2	Louisiana	44.3%	49	North Dakota	21.0%
3	South Dakota	41.5%	48	Hawaii	23.6%
4	Tennessee	41.3%	47	Connecticut	23.7%
5	Missouri	40.8%	46	Virginia	24.8%

Source: Census Bureau, State Government Finances

Q. Which states receive the most federal grant funds?

A. Among states, Wyoming received the most grant funding per capita in FY 2014, at $3,677. New Hampshire received the least, $1,265 per capita.

Per Capita Distribution of Federal Grant Spending, FY 2014



Source: FFIS Grants Database

States with large populations receive the most federal grant funding, but states with smaller populations often do better on a per capita basis. Factors that affect a state's receipts of federal funds awarded by formula are listed below.

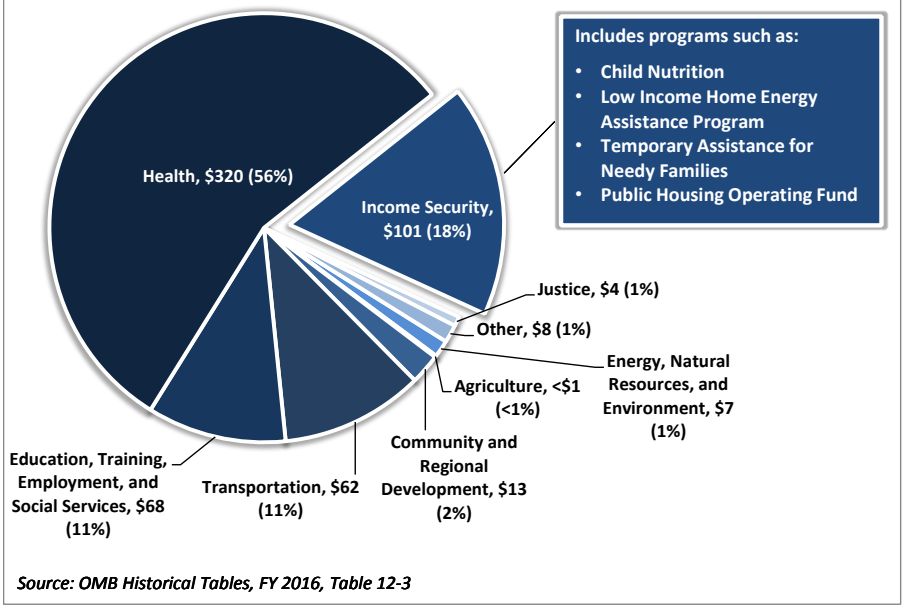
- Medicaid accounts for 57% of all state and local grant funding, so state rankings are sensitive to annual changes in the Medicaid matching rate and how much a state spends on the program.
- A variety of federal programs share the revenues from natural resources extracted from federal lands in a state.
- Many federal grant allocations are determined by demography and income. For example, some education grants are targeted to low-income, school-aged children.
- Small-state minimums in grant formulas guarantee every state a certain minimum share of total funding.

Q. What types of programs do federal grants support?

A. Health, income security, education, and transportation combined account for about 95% of federal grant funding. Medicaid alone makes up 57% of grants to state and local governments.

Many of the federal grant funds that ultimately go to local governments or individuals flow through state governments first.

Grants to State and Local Governments by Function, FY 2014
(amounts in billions)



Source: OMB Historical Tables, FY 2016, Table 12-3

10 Largest State-Local Grants, FY 2014
(amounts in billions)

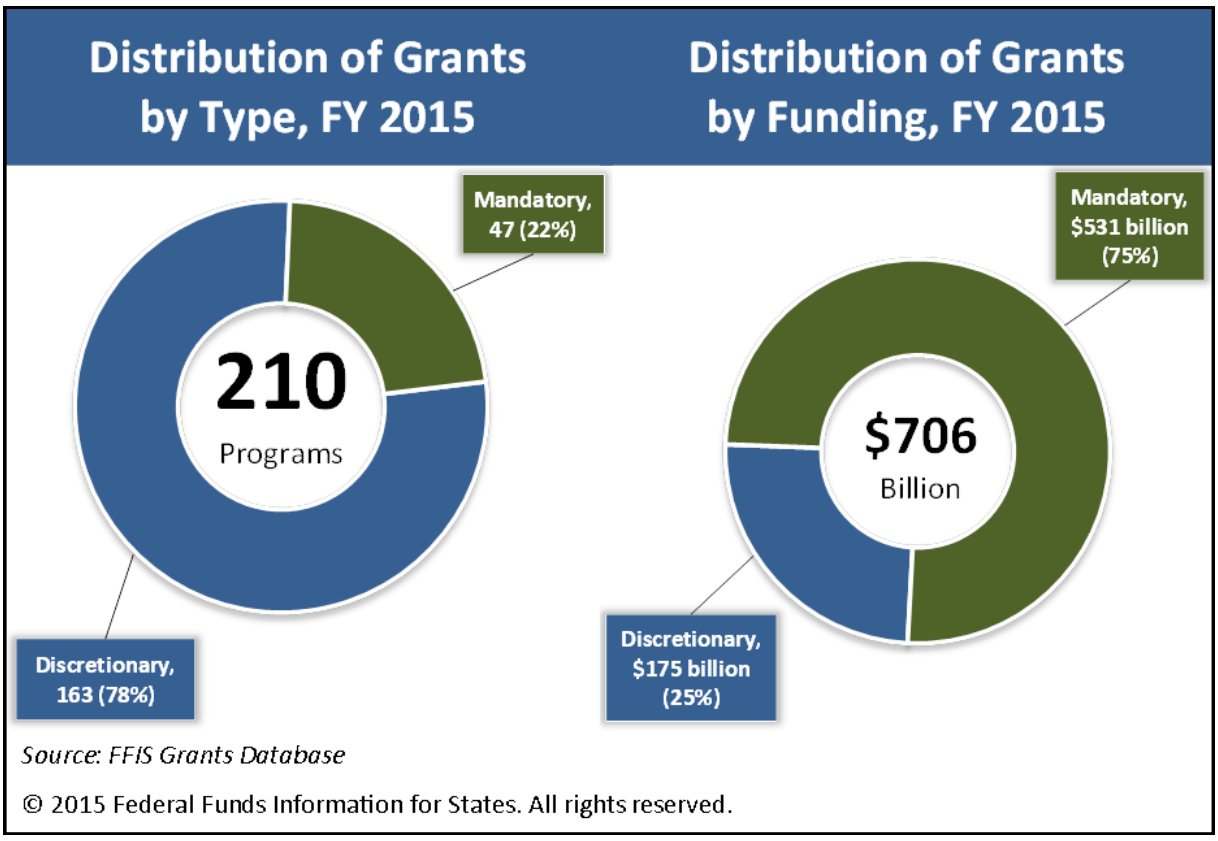
Rank	Program	Funding	Cumulative Percentage
1	Medicaid	$329	57.0%
2	Federal-Aid Highways	40	63.9%
3	Section 8 Housing Vouchers	19	67.2%
4	Temporary Assistance to Needy Families	17	70.1%
5	Title I - Grants to Local Education Agencies	14	72.6%
6	Special Education Grants to States	11	74.6%
7	National School Lunch Program	11	76.5%
8	Transit Formula Grants	11	78.5%
9	Children's Health Insurance Program	10	80.1%
10	Head Start	9	81.6%

Source: OMB Analytical Perspectives, FY 2016, Table 15-3

Q. What is the difference between mandatory and discretionary grants?

A. While the vast majority of grant programs are discretionary, most grant funding is for mandatory programs.

- **Discretionary programs:** Congress determines how much funding each grant program receives through the annual appropriations process. Such grants may be either formula or competitive.
- **Mandatory programs:** Funding is set by the law that creates or reauthorizes the grant. For some programs, such as Medicaid, funding increases or decreases depending on the number of eligible beneficiaries and authorized benefit payments.

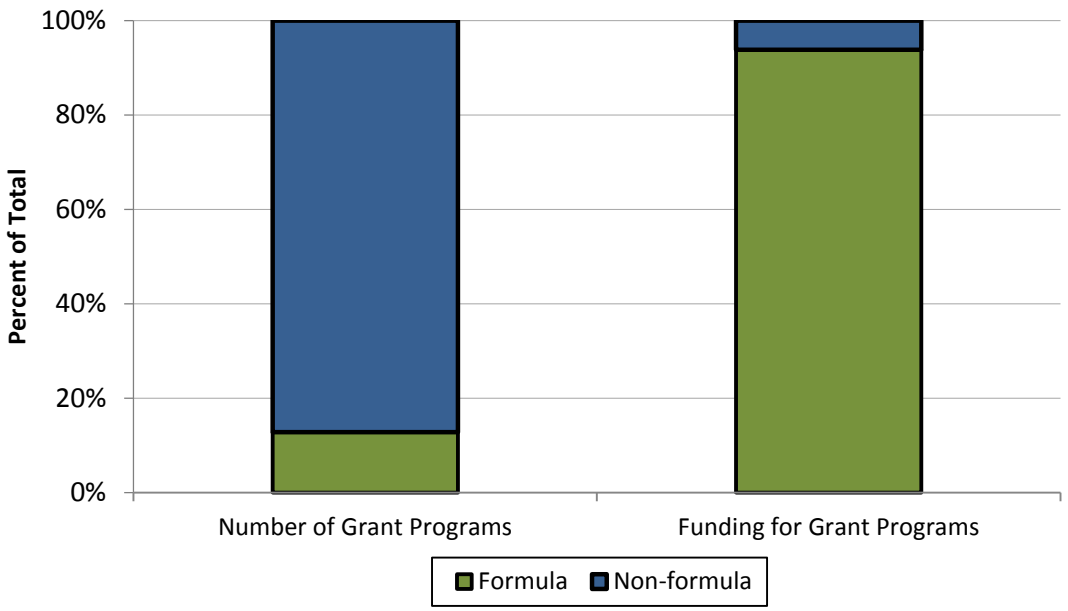


Source: FFIS Grants Database

Q. What are competitive grants?

A. While included in federal grant totals, competitive grants are not awarded by formula; therefore, not every state receives them. Instead, federal agencies review applications and select grantees using criteria established for each program. There are many more competitive grants than formula grants. They account for 87% of all grant programs. However, they are typically very small programs and altogether account for just 6% of all grant funding provided to state and local governments.

Competitive Grants as a Share of Total Federal Grants and Funding to State and Local Governments, FY 2015



Source: FFIS Grants Database, OMB Analytical Perspectives, FY 2016

Q. What is a block grant and how is it different from a categorical grant?

A. Block grants and categorical grants are the main two types of federal grants. The former are allocated by formula, and the latter can be either formula or competitive grants. The table below outlines their differences, and the table at the bottom of the page lists the largest grants of each type.

Block Grants	Categorical Grants
Block grants provide greater flexibility, allowing recipients to tailor programs to better suit their needs, and avoiding a "one-size-fits-all" approach. Block grants may be used for any activity that fits within overall program goals.	Categorical grants may be used for only specific purposes. Some categorical grants can be used to support multiple activities whereas other programs exist for a limited purpose only.

5 Largest Block Grants, FY 2015 (amounts in billions)		5 Largest Categorical Grants, FY 2015 (amounts in billions)	
Program	**Funding**	**Program**	**Funding**
Temporary Assistance For Needy Families	$17.1	Medicaid	$358.8
Surface Transportation Program	10.3	National Highway Performance Program	22.4
Low Income Home Energy Assistance Program	3.4	Children's Health Insurance Program	16.5
Community Development Block Grant	3.0	Title I - Grants to Local Education Agencies	14.4
Child Care and Development Block Grant	2.4	Child Nutrition - School Lunch	11.9

Source: CRS; FFIS Grants Database for funding levels

Q. How do maintenance-of-effort (MOE) and matching requirements work?

A. Federal grants are usually intended to supplement the efforts of state and local governments. As such, many grant programs require state and local governments to contribute resources.

Maintenance-of-Effort	Matching
Specifies the level of financial effort a grant recipient must maintain in a certain program area to receive federal funds. This is similar to non-supplanting requirements, which are attached to many grants and require that federal funds be used to supplement, rather than supplant, non-federal funds for a specified purpose.	Represents the portion of costs that are not borne by the federal government. In some cases, the authorizing legislation allows the recipient share to consist of in-kind contributions, such as property and equipment. Matching requirements typically range from 5% to 50% of total costs.

Requirements for Largest Grants

Program	Matching	MOE
Medicaid	x	
National Highway Performance Program	x	
Temporary Assistance for Needy Families		x
Children's Health Insurance Program	x	
Title I - Grants to Local Education Agencies		x
Child Nutrition - School Lunch	x	
Special Education Basic State Grant		x
Surface Transportation Program	x	
Head Start	x	
Consolidated Health Centers	x	

Source: FFIS Grants Database

Q. What sources are available to track federal funds?

A. The federal government eliminated the only source of comprehensive state-by-state data on federal spending: the Census Bureau's Consolidated Federal Funds Report (CFFR). Below is a list of other data sources on federal funds:

FFIS Grants Database—The grants database provides state allocations for 240+ programs—approximately 91% of total grant funding to state and local governments. FFIS tracks primarily formula grants, although several project grants are included in the database. The database provides both historical and current-year data.

USAspending.gov—This website reports the recipients of federal spending, but it lacks the consistency, methodology, and historical perspective that the CFFR provided. It provides information for contracts, grants, loans, and direct payments, but not for federal wages.

Tracking Accountability in Government Grants System (TAGGS)—This is a central repository for grants awarded by the Department of Health and Human Services (HHS). It tracks obligated grant funds at the transaction level.

State-Specific Reports—Some states, such as **Maryland** and **Illinois**, have created annual reports to measure federal funds coming into the state.

State Government Finances—The Census Bureau publishes an annual report on state government finances, which captures federal intergovernmental revenue by state. No program-specific data are provided.

Pew Federal Spending in the States—Pew Charitable Trusts' Fiscal Federalism Initiative compiled data on the four main fiscal flows going to states.

Catalog of Federal Domestic Assistance (CFDA)—CFDA does not provide state-specific funding data. It does provide detailed program descriptions for all federal assistance programs, including eligibility, formulas, and use restrictions.

Single State Audit Report—All states publish audit reports that include financial statements and expenditures of federal awards by all state agencies. The reports do not reflect grant awards, but rather expenditures of grant funds.

Grants.gov—The website includes a searchable database for all types of federal financial opportunities.

Q. Why don't federal grant totals match?

A. In this report, the total grant funding provided to state and local government is not the same in every instance. The table below explains why there are differences.

Page	Description	Amount	Source	Notes
5	Outlays for Grants to State and Local Governments	$628 billion (FY 2015)	Historical Tables, President's Budget	Outlays are funds actually transmitted (versus available) to state and local governments.
6	Federal Funds as a Share of State Spending	$503 billion (FY 2013)	NASBO State Expenditure Report	Includes state-reported spending of federal funds. Excludes any grants that go to local governments directly.
9	Distribution of Grants by Funding Type	$706 billion (FY 2015)	FFIS Grants Database	Figures are primarily available funds (rather than outlays), and include SNAP benefits and Pell Grants, which the federal budget categorizes as aid to individuals.

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S/P/R
STATE POLICY REPORTS

VOLUME 33

JOINT ISSUE 15-16

AUGUST 2015

IN THIS ISSUE

Federal Spending Traceable to States

This issue of *Reports* provides a summary of detail released by The Pew Charitable Trusts, which has cataloged federal spending by state from fiscal year (FY) 2004 to FY 2013. Pew's analysis fills a void left by the discontinuation of the *Consolidated Federal Funds Report*, a Census Bureau publication that last reported data for FY 2010.

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FEDERAL SPENDING TRACEABLE TO STATES

This issue of *Reports* provides a summary of detail released by The Pew Charitable Trusts, which has cataloged federal spending by state from fiscal year (FY) 2004 to FY 2013. Pew's analysis parallels the *Consolidated Federal Funds Report* (*CFFR*), a Census Bureau publication that was discontinued after the FY 2010 report. Per capita figures listed here reflect population estimates for July 1, 2013. This issue also looks back at changes in federal spending since FY 2008, shedding light on spending trends that have taken place over the five-year period.

Federal spending traceable to states increased 19% between FY 2008 and FY 2013. The table below lists the four main flows of federal funds examined by Pew, and indicates the share of the total represented by each in FYs 2008 and 2013. The four categories are described more fully in later sections.

Direct payments saw a 5.5 percentage-point increase in share and grants saw a 0.7 percentage-point increase. Procurement declined significantly, reflecting a phase-down of military operations in the Middle East, and salaries and wages fell modestly as a share of total spending traceable to states.

A quick way to assess how states are doing in their fiscal relationship with the federal government is to calculate the share of each of these four spending categories that each state receives. If the share is roughly equivalent to each state's share of the national population, a crude measure of parity has been satisfied.

The table on page 3 shows this calculation for each state. The first column lists each state's share of the national population. The next column lists its share of total federal spending, which is then broken out into its components.

Kentucky provides a good example of a state with an "average" performance, with 1.4% of the national population and a similar share of each of the components of federal spending. In contrast, federal funding is concentrated more heavily in a particular component for **Virginia** (procurement, salaries and wages) and **New York** (grants). This type of comparison is most useful for grants, because many grant formulas rely on some variation of population data to distribute funds.

Distribution of Federal Fiscal Flows
($ in billions)

		FY 2008		FY 2013	
Category	**Description**	**Amount**	**% of Total**	**Amount**	**% of Total**
Direct Payments	Directed to individuals	$1,476	55.8%	$1,931	61.3%
Grants	Fund programs at subnational level	408	15.4%	506	16.1%
Procurement	Purchases and contracts	483	18.3%	407	12.9%
Salaries/Wages	Federal workers	278	10.5%	304	9.7%
Total		**$2,645**	**100.0%**	**$3,149**	**100.0%**

Source: Pew Charitable Trusts, 2014

State Share of Population, Federal Spending by Category, FY 2013

State	Population	Total Federal Spending	Direct Payments		Grants	Procurement	Salaries/ Wages
			Retirement	Nonretirement			
Alabama	1.5%	1.8%	2.0%	1.7%	1.2%	2.4%	1.8%
Alaska	0.2	0.3	0.2	0.2	0.5	0.4	0.9
Arizona	2.1	2.1	2.1	2.1	1.8	3.0	1.7
Arkansas	0.9	0.9	1.1	1.0	1.1	0.2	0.6
California	12.1	10.9	9.6	11.3	13.2	11.7	9.5
Colorado	1.7	1.5	1.5	1.3	1.4	2.0	2.2
Connecticut	1.1	1.3	1.1	1.2	1.4	2.6	0.6
Delaware	0.3	0.3	0.3	0.3	0.3	0.1	0.2
District of Columbia	0.2	1.5	0.3	0.2	1.0	4.1	6.9
Florida	6.2	6.1	7.3	7.6	3.8	3.5	4.7
Georgia	3.2	2.8	3.0	2.9	2.3	1.9	3.9
Hawaii	0.4	0.6	0.5	0.4	0.6	0.5	1.9
Idaho	0.5	0.5	0.5	0.4	0.5	0.6	0.4
Illinois	4.1	3.3	3.6	4.1	3.5	1.6	2.5
Indiana	2.1	1.8	2.1	2.0	1.9	0.8	1.0
Iowa	1.0	0.8	1.0	0.9	0.9	0.4	0.4
Kansas	0.9	0.8	0.9	0.8	0.4	0.4	1.2
Kentucky	1.4	1.5	1.6	1.5	1.3	1.6	1.7
Louisiana	1.5	1.4	1.4	1.6	1.8	0.8	1.2
Maine	0.4	0.5	0.5	0.5	0.6	0.5	0.4
Maryland	1.9	3.0	2.2	1.7	2.0	6.3	6.1
Massachusetts	2.1	2.4	2.0	2.4	3.0	3.6	1.3
Michigan	3.1	3.0	3.5	3.6	3.3	1.2	1.4
Minnesota	1.7	1.4	1.6	1.5	1.8	0.7	0.9
Mississippi	0.9	1.1	1.0	1.1	1.0	1.4	0.9
Missouri	1.9	2.1	2.1	1.9	2.3	2.4	1.7
Montana	0.3	0.3	0.4	0.3	0.4	0.1	0.4
Nebraska	0.6	0.5	0.6	0.5	0.5	0.2	0.5
Nevada	0.9	0.7	0.8	0.8	0.5	0.7	0.7
New Hampshire	0.4	0.4	0.5	0.4	0.3	0.4	0.2
New Jersey	2.8	2.6	2.7	3.2	3.0	1.6	1.5
New Mexico	0.7	0.9	0.7	0.6	0.9	1.6	1.0
New York	6.2	6.2	5.8	6.9	10.4	2.6	3.5
North Carolina	3.1	3.0	3.4	3.1	2.8	1.2	3.9
North Dakota	0.2	0.2	0.2	0.2	0.3	0.1	0.3
Ohio	3.7	3.2	3.7	3.8	3.2	1.5	2.2
Oklahoma	1.2	1.2	1.4	1.2	1.3	0.5	1.5
Oregon	1.2	1.0	1.4	1.2	0.9	0.3	0.7
Pennsylvania	4.0	4.3	4.6	4.6	4.3	4.0	2.5
Rhode Island	0.3	0.4	0.4	0.4	0.5	0.2	0.4
South Carolina	1.5	1.5	1.8	1.6	1.1	1.3	1.5
South Dakota	0.3	0.3	0.3	0.2	0.3	0.1	0.3
Tennessee	2.1	2.0	2.3	2.2	1.9	1.9	1.3
Texas	8.4	7.4	6.8	7.5	6.9	9.6	7.5
Utah	0.9	0.7	0.7	0.6	0.7	0.5	0.9
Vermont	0.2	0.2	0.2	0.2	0.4	0.1	0.2
Virginia	2.6	4.4	3.3	2.1	1.8	12.6	8.3
Washington	2.2	2.3	2.3	1.9	2.1	2.9	3.1
West Virginia	0.6	0.7	0.8	0.7	0.8	0.3	0.6
Wisconsin	1.8	1.5	1.8	1.6	1.7	0.8	0.7
Wyoming	0.2	0.2	0.2	0.1	0.2	0.1	0.2
United States	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**	**100.0%**

Source: Pew Charitable Trusts, 2014

TOTAL FEDERAL SPENDING

The table on the right lists total federal spending relative to population in each state. States at the top of the table received more than twice as much federal spending per capita as bottom-ranking states. The **District of Columbia** dwarfs all states in per capita federal spending due to its unique status and special relationship with the federal government, as well as its small population. **Virginia** and **Maryland** also rank high in per capita spending, due to significant federal procurement contracts and high numbers of federal government employees. **Utah** received the lowest level of spending, at $7,103 per capita, 28.6% less than the national average.

The tables on pages 5 and 6 look at the relative importance of the four spending categories in each state, the first by listing the share of each state's total federal funding accounted for by a particular category, and the second by listing state per capita funding in each of the four categories.

It's easy to see that some states diverge from national averages, relying more heavily on one or two types of funding. For instance, 43.9% of federal spending in **Oregon** came in the form of retirement payments, compared to the national average of 33.7%. **Florida** provides another example, where 34.9% of federal spending the state received was delivered as direct payments other than for retirement and disability (consisting primarily of Medicare benefits, unemployment compensation, and food assistance).

Vermont received 27.3% of its federal funding in the form of grants, compared to a national average of 16.1%. In **Virginia**, 37.1% of federal spending was related to federal procurement. The **District of Columbia** led the salaries and wages category; this type of federal spending constituted 44.1% of its total federal funding. Similarly, **Hawaii** received 29.8% of its federal funding in the form of salaries and wages due to the presence of military bases in the state.

Per Capita Federal Spending, FY 2013

Rank	State	Amount
1	District of Columbia	$73,617
2	Virginia	16,690
3	Maryland	15,658
4	Alaska	14,334
5	Hawaii	13,704
6	New Mexico	13,203
7	Maine	12,101
8	Alabama	11,742
9	Connecticut	11,516
10	West Virginia	11,500
11	Mississippi	11,466
12	Massachusetts	11,273
13	Vermont	11,032
14	Rhode Island	10,964
15	Kentucky	10,916
16	Missouri	10,828
17	Pennsylvania	10,561
18	Washington	10,459
19	South Carolina	10,223
20	Arizona	10,144
21	Montana	9,999
	United States	**9,949**
22	Tennessee	9,928
23	New York	9,918
24	Oklahoma	9,823
25	Delaware	9,778
26	Florida	9,736
27	Louisiana	9,656
28	Arkansas	9,637
29	North Carolina	9,535
30	Michigan	9,498
31	South Dakota	9,492
32	North Dakota	9,401
33	Idaho	9,386
34	New Hampshire	9,386
35	New Jersey	9,266
36	Colorado	9,230
37	California	8,944
38	Wyoming	8,876
39	Georgia	8,858
40	Texas	8,846
41	Ohio	8,777
42	Indiana	8,446
43	Kansas	8,372
44	Iowa	8,370
45	Nebraska	8,366
46	Oregon	8,328
47	Wisconsin	8,312
48	Nevada	8,304
49	Illinois	8,183
50	Minnesota	8,171
51	Utah	7,103

Source: Pew Charitable Trusts, 2014

Distribution of Federal Spending by State, FY 2013

State	Total	Direct Payments		Grants	Procurement	Salaries/Wages
		Retirement	Nonretirement			
Alabama	100.0%	36.9%	25.8%	10.8%	17.0%	9.4%
Alaska	100.0	19.6	15.0	25.1	15.4	24.9
Arizona	100.0	33.2	27.1	13.5	18.3	7.8
Arkansas	100.0	41.6	29.2	19.2	3.3	6.7
California	100.0	29.6	28.7	19.4	13.9	8.4
Colorado	100.0	32.9	22.4	14.6	16.5	13.6
Connecticut	100.0	28.1	25.4	17.0	25.1	4.4
Delaware	100.0	40.6	29.5	19.3	3.0	7.7
District of Columbia	100.0	6.5	3.9	10.4	35.1	44.1
Florida	100.0	40.3	34.9	10.0	7.4	7.4
Georgia	100.0	36.0	28.9	13.1	8.6	13.3
Hawaii	100.0	27.6	17.8	14.9	9.8	29.8
Idaho	100.0	35.9	24.0	15.7	17.0	7.4
Illinois	100.0	36.1	33.9	16.7	6.2	7.2
Indiana	100.0	40.3	31.8	17.0	5.7	5.3
Iowa	100.0	40.4	29.7	18.5	6.2	5.2
Kansas	100.0	40.6	30.0	7.8	7.1	14.5
Kentucky	100.0	34.9	27.1	13.7	13.4	10.9
Louisiana	100.0	33.0	31.0	20.2	7.7	8.2
Maine	100.0	34.9	24.7	19.8	12.9	7.6
Maryland	100.0	25.5	16.3	10.7	27.5	20.0
Massachusetts	100.0	28.0	27.5	19.9	19.3	5.4
Michigan	100.0	39.4	33.5	17.5	5.1	4.4
Minnesota	100.0	38.1	28.8	20.4	6.9	5.8
Mississippi	100.0	32.5	27.7	15.0	16.9	7.9
Missouri	100.0	33.9	25.4	17.7	15.2	7.8
Montana	100.0	38.8	23.6	22.4	4.4	10.9
Nebraska	100.0	39.9	27.5	16.2	6.2	10.2
Nevada	100.0	37.5	29.5	11.7	12.4	8.9
New Hampshire	100.0	41.0	26.0	13.3	14.4	5.3
New Jersey	100.0	34.6	33.5	18.6	7.8	5.5
New Mexico	100.0	28.0	19.9	17.0	24.3	10.8
New York	100.0	31.3	30.6	27.1	5.5	5.5
North Carolina	100.0	38.1	28.8	15.1	5.3	12.6
North Dakota	100.0	32.5	22.0	23.0	7.2	15.2
Ohio	100.0	38.7	32.7	16.0	6.2	6.5
Oklahoma	100.0	38.6	26.8	16.9	5.4	12.3
Oregon	100.0	43.9	32.1	13.8	3.4	6.8
Pennsylvania	100.0	36.2	29.9	16.2	12.0	5.7
Rhode Island	100.0	33.1	29.6	20.9	6.6	9.8
South Carolina	100.0	39.7	28.0	11.7	11.2	9.5
South Dakota	100.0	36.9	24.7	19.4	7.0	11.9
Tennessee	100.0	37.7	29.6	14.5	11.8	6.4
Texas	100.0	30.9	27.7	15.0	16.7	9.8
Utah	100.0	34.4	24.5	17.1	10.8	13.2
Vermont	100.0	34.1	25.0	27.3	5.7	7.9
Virginia	100.0	25.2	13.0	6.6	37.1	18.2
Washington	100.0	33.7	22.9	14.5	16.1	12.9
West Virginia	100.0	39.8	27.5	18.7	5.4	8.6
Wisconsin	100.0	41.0	29.7	18.1	6.8	4.5
Wyoming	100.0	37.4	22.4	20.9	6.1	13.3
United States	**100.0%**	**33.7%**	**27.6%**	**16.1%**	**12.9%**	**9.7%**

Source: Pew Charitable Trusts, 2014

Per Capita Federal Spending by Category, FY 2013

State	Total	Direct Payments	Grants	Procurement	Salaries/ Wages
Alabama	$11,742	$7,361	$1,273	$2,000	$1,108
Alaska	14,334	4,967	3,594	2,208	3,564
Arizona	10,144	6,122	1,365	1,861	795
Arkansas	9,637	6,820	1,854	319	644
California	8,944	5,214	1,735	1,240	755
Colorado	9,230	5,106	1,345	1,520	1,260
Connecticut	11,516	6,160	1,958	2,890	509
Delaware	9,778	6,853	1,883	294	748
District of Columbia	73,617	7,675	7,646	25,857	32,438
Florida	9,736	7,321	973	719	723
Georgia	8,858	5,751	1,163	763	1,180
Hawaii	13,704	6,232	2,045	1,347	4,081
Idaho	9,386	5,623	1,474	1,596	693
Illinois	8,183	5,726	1,366	504	587
Indiana	8,446	6,082	1,436	478	451
Iowa	8,370	5,872	1,547	517	434
Kansas	8,372	5,912	652	594	1,214
Kentucky	10,916	6,766	1,501	1,463	1,186
Louisiana	9,656	6,176	1,948	743	790
Maine	12,101	7,214	2,398	1,565	923
Maryland	15,658	6,545	1,675	4,310	3,127
Massachusetts	11,273	6,252	2,242	2,172	608
Michigan	9,498	6,925	1,666	486	422
Minnesota	8,171	5,463	1,669	562	477
Mississippi	11,466	6,901	1,722	1,934	909
Missouri	10,828	6,422	1,913	1,643	849
Montana	9,999	6,232	2,238	436	1,093
Nebraska	8,366	5,635	1,358	518	855
Nevada	8,304	5,561	975	1,033	735
New Hampshire	9,386	6,294	1,246	1,352	494
New Jersey	9,266	6,306	1,727	723	510
New Mexico	13,203	6,316	2,247	3,208	1,431
New York	9,918	6,145	2,684	546	543
North Carolina	9,535	6,386	1,442	503	1,204
North Dakota	9,401	5,131	2,164	677	1,429
Ohio	8,777	6,261	1,402	541	573
Oklahoma	9,823	6,424	1,661	527	1,211
Oregon	8,328	6,325	1,149	286	568
Pennsylvania	10,561	6,979	1,713	1,266	603
Rhode Island	10,964	6,872	2,288	728	1,076
South Carolina	10,223	6,921	1,193	1,140	969
South Dakota	9,492	5,851	1,842	668	1,130
Tennessee	9,928	6,678	1,443	1,176	631
Texas	8,846	5,179	1,327	1,473	866
Utah	7,103	4,183	1,211	771	938
Vermont	11,032	6,522	3,012	628	870
Virginia	16,690	6,364	1,098	6,189	3,039
Washington	10,459	5,913	1,511	1,683	1,351
West Virginia	11,500	7,737	2,154	622	988
Wisconsin	8,312	5,877	1,501	561	372
Wyoming	8,876	5,302	1,854	543	1,177
United States	**$9,949**	**$6,102**	**$1,600**	**$1,287**	**$960**

Source: Pew Charitable Trusts, 2014

With total federal spending averaging just less than $10,000 per person, 20 states and the **District of Columbia** exceed it, suggesting at least one category in which those states are outliers. For example, as shown on page 6, **Alabama** and **West Virginia** receive above-average direct payments. **Alaska** and **Vermont** benefit from high grant funding. **Connecticut**, **New Mexico**, and **Virginia** are major recipients of procurement dollars. **Alaska**, **Hawaii**, **Maryland**, and **Virginia** benefit from high federal salaries and wages.

The graph below shows the five-year trend for federal spending traceable to states. Total federal spending increased 19.0% over the period. The largest increase came in 2009 with enactment of the American Recovery and Reinvestment Act (ARRA). It included sizeable increases in many types of federal funds, most notably direct payments and grants.

Each spending category grew except procurement, which fell by -15.7% relative to FY 2008. Pew's analysis does not include the components of procurement spending, but this period coincided with a scaling back of military activities in the Middle East. Spending on direct payments grew at the fastest rate over this period, increasing 30.8%. This largely reflects the ongoing retirement of Baby Boomers, and the fact that Social Security benefits receive a cost-of-living adjustment each year. Grant spending rose 24.2%, while salary and wage spending climbed just 9.3%.

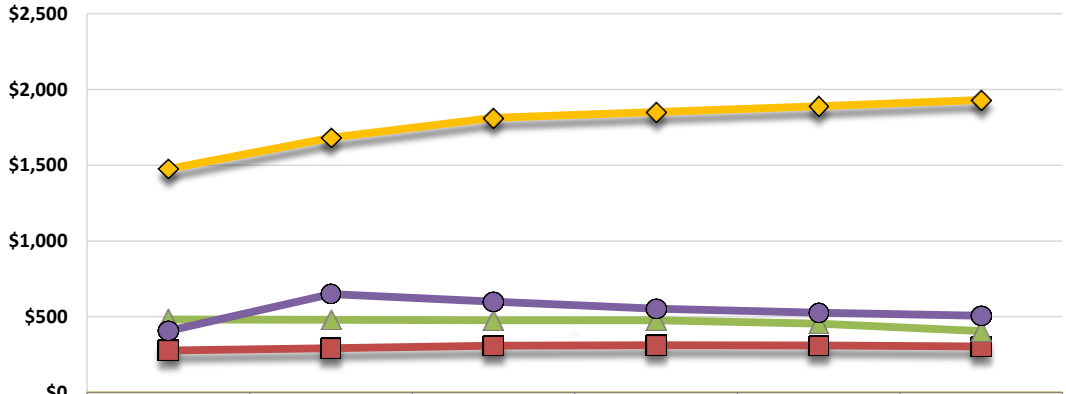
The table on page 8 lists the percent change in state per capita federal funding in each state between FYs 2008-2013. All states recorded per capita growth, with **Delaware** experiencing a 30.5% increase in per capita federal spending and **Kansas** seeing the smallest increase, 1.6%.

ARRA and the BCA. The five-year period from FY 2008 and FY 2013 included two significant events in federal fiscal management. First, the enactment of ARRA in 2009 led to historically large increases in federal spending, most of which occurred in FY 2009 and FY 2010.

On its heels, the Budget Control Act of 2011 (BCA) placed significant limits on federal spending. These limits were especially evident in FY 2013, which helps to explain the decline in some areas of federal spending in that year. Among the four types of fiscal flows, direct payments are the least affected by the BCA.

Federal Spending, FY 2008 - FY 2013

(amounts in billions)



	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
Direct Payments	$1,476	$1,681	$1,812	$1,851	$1,889	$1,931
Salaries	278	292	308	313	311	304
Procurement	483	481	478	477	456	407
Grants	408	651	600	553	527	506

Source: Pew Charitable Trusts, 2014

Percent Change in Per Capita Federal Spending, FY 2008 - FY 2013

Rank	State	Percent
1	Delaware	30.5%
2	Idaho	30.0
3	Colorado	29.5
4	Maine	29.2
5	Nevada	27.9
6	Minnesota	26.8
7	Washington	26.6
8	North Carolina	25.1
9	New York	25.0
10	Vermont	24.5
11	California	24.4
12	Florida	23.6
13	New Jersey	22.8
14	Montana	22.1
15	Ohio	21.9
16	Tennessee	21.6
17	Pennsylvania	21.4
18	Wisconsin	21.1
19	Utah	20.8
20	Hawaii	20.6
21	Oklahoma	20.2
22	Arkansas	20.2
23	Michigan	19.8
24	Iowa	19.5
	United States	**19.0**
25	Massachusetts	18.7
26	South Dakota	18.6
27	Maryland	18.5
28	West Virginia	18.5
29	Rhode Island	18.4
30	Georgia	18.4
31	New Hampshire	18.1
32	Nebraska	17.9
33	North Dakota	17.6
34	Oregon	17.5
35	Kentucky	17.2
36	Wyoming	16.7
37	Arizona	16.6
38	Alabama	16.4
39	South Carolina	16.3
40	Texas	14.0
41	Illinois	13.6
42	New Mexico	13.4
43	Missouri	12.6
44	Indiana	12.1
45	Mississippi	12.1
46	Connecticut	11.2
47	Virginia	9.9
48	Louisiana	8.9
49	Alaska	5.0
50	District of Columbia	3.8
51	Kansas	1.6

Source: Pew Charitable Trusts, 2014

DIRECT PAYMENTS

Direct payments, or payments to individuals, are funds that go directly from the federal treasury to someone's bank account. The most obvious of these is Social Security, but direct payments also include federal retirement and disability payments, veterans' benefits, Medicare, unemployment compensation, Supplemental Nutrition Assistance Program (SNAP) benefits, housing assistance, farm payments, and payments for the federal Earned Income Tax Credit.

The table on the left side of page 9 shows per capita federal spending attributable to direct payments in each state in FY 2013. Of the national average per capita spending shown on page 4 ($9,949), more than half ($6,102) was accounted for by direct payments. The range is wide, with top-ranking **West Virginia** ($7,737) receiving 1.85 times more than bottom-ranking **Utah** ($4,183).

States listed near the top of the table are often those from which young people have emigrated (leaving a relatively elderly population that receives Social Security and Medicare benefits), or retiree destinations. States may also rank high due to increases in Medicare spending generally or Medicare prescription drug payments, and agricultural subsidies. In contrast, states that receive relatively low per capita direct payments are those with younger populations. **Utah** is widely cited as the state with the lowest average age.

The table on the right side of page 9 lists the percent change in per capita direct payments from FY 2008 to FY 2013. Nationally, per capita spending on direct payments increased 25.7%, the largest increase among the four types of fiscal flows. **Alaska** had the largest increase, 40.1%. **North Dakota** saw the smallest increase, 7.6%. Given the strength of North Dakota's economy during this period, it is not surprising that it had the smallest increase in this category, some of which is accounted for by "safety net" programs such as food assistance and unemployment insurance.

Per Capita Federal Spending on Direct Payments, FY 2013

Rank	State	Amount
1	West Virginia	$7,737
2	District of Columbia	7,675
3	Alabama	7,361
4	Florida	7,321
5	Maine	7,214
6	Pennsylvania	6,979
7	Michigan	6,925
8	South Carolina	6,921
9	Mississippi	6,901
10	Rhode Island	6,872
11	Delaware	6,853
12	Arkansas	6,820
13	Kentucky	6,766
14	Tennessee	6,678
15	Maryland	6,545
16	Vermont	6,522
17	Oklahoma	6,424
18	Missouri	6,422
19	North Carolina	6,386
20	Virginia	6,364
21	Oregon	6,325
22	New Mexico	6,316
23	New Jersey	6,306
24	New Hampshire	6,294
25	Ohio	6,261
26	Massachusetts	6,252
27	Montana	6,232
28	Hawaii	6,232
29	Louisiana	6,176
30	Connecticut	6,160
31	New York	6,145
32	Arizona	6,122
	United States	**6,102**
33	Indiana	6,082
34	Washington	5,913
35	Kansas	5,912
36	Wisconsin	5,877
37	Iowa	5,872
38	South Dakota	5,851
39	Georgia	5,751
40	Illinois	5,726
41	Nebraska	5,635
42	Idaho	5,623
43	Nevada	5,561
44	Minnesota	5,463
45	Wyoming	5,302
46	California	5,214
47	Texas	5,179
48	North Dakota	5,131
49	Colorado	5,106
50	Alaska	4,967
51	Utah	4,183

Source: Pew Charitable Trusts, 2014

Percent Change in Per Capita Direct Payments, FY 2008 - FY 2013

Rank	State	Percent
1	Alaska	40.1%
2	Arizona	34.5
3	Georgia	33.5
4	New Hampshire	33.3
5	Colorado	31.7
6	Oregon	30.2
7	Utah	29.7
8	Michigan	29.2
9	Washington	29.1
10	Delaware	28.8
11	Idaho	28.6
12	Vermont	28.0
13	Nevada	28.0
14	Wisconsin	27.5
15	Maine	27.1
16	Illinois	27.0
17	Ohio	26.9
18	Tennessee	26.9
19	South Carolina	26.7
20	New Jersey	26.6
21	Indiana	26.5
22	New York	26.2
23	New Mexico	25.9
24	North Carolina	25.9
25	California	25.8
26	Maryland	25.8
	United States	**25.7**
27	Minnesota	25.4
28	Missouri	25.0
29	Rhode Island	24.9
30	Virginia	24.6
31	Montana	24.5
32	Florida	24.3
33	Hawaii	24.3
34	Mississippi	24.1
35	Texas	24.1
36	Alabama	24.0
37	Connecticut	24.0
38	Kentucky	24.0
39	Kansas	23.2
40	Pennsylvania	22.4
41	Massachusetts	22.3
42	South Dakota	21.9
43	Wyoming	21.1
44	Iowa	20.7
45	West Virginia	20.5
46	Arkansas	20.2
47	Louisiana	20.0
48	Nebraska	19.7
49	Oklahoma	19.4
50	District of Columbia	17.3
51	North Dakota	7.6

Source: Pew Charitable Trusts, 2014

ARRA contributed to the overall growth in direct payments by providing a large funding increase for different types of assistance. For example, it provided a one-time payment of $250 to nearly 55 million Social Security and other beneficiaries, increased and extended unemployment insurance benefits, and increased monthly benefits for SNAP participants through October 31, 2013.

GRANTS

When it discontinued the *CFFR*, the federal government shifted its resources to USAspending.gov, which is intended to be the repository of a host of federal spending data. From the outset, the website has been plagued with data quality issues, which are especially apparent in the grants data. In fact, a footnote on Pew's spreadsheet cautions, "USAspending.gov has well-known problems with data quality." The U.S. Treasury Department, which has assumed responsibility for the website, has reportedly made significant improvements to the website and the underlying data in recent months.

Grants were the second-largest source of federal funding traceable to states in FY 2013. Some of the states with above-average per capita federal grant spending in FY 2013 were those with significant natural resources extracted from their public lands, especially when measured against relatively small populations (including **Alaska**, **New Mexico**, **North Dakota**, **Louisiana**, and **Wyoming**). The table on the right shows the detail.

The national average of per capita federal spending on grants in FY 2013 was $1,600. Among states, **Alaska** is always a top performer on this measure; it received more than $3,500 per capita. In contrast, **Florida** and **Nevada** received slightly less than $1,000 per capita, while **Kansas** received just $652.

The size of a state's Medicaid program and its federal matching rate are big determinants of how states rank on grants. For example, the **District of Columbia**, **Maine**, **New Mexico**, and **Montana**

Per Capita Spending on Grants, FY 2013

Rank	State	Amount
1	District of Columbia	$7,646
2	Alaska	3,594
3	Vermont	3,012
4	New York	2,684
5	Maine	2,398
6	Rhode Island	2,288
7	New Mexico	2,247
8	Massachusetts	2,242
9	Montana	2,238
10	North Dakota	2,164
11	West Virginia	2,154
12	Hawaii	2,045
13	Connecticut	1,958
14	Louisiana	1,948
15	Missouri	1,913
16	Delaware	1,883
17	Wyoming	1,854
18	Arkansas	1,854
19	South Dakota	1,842
20	California	1,735
21	New Jersey	1,727
22	Mississippi	1,722
23	Pennsylvania	1,713
24	Maryland	1,675
25	Minnesota	1,669
26	Michigan	1,666
27	Oklahoma	1,661
	United States	**1,600**
28	Iowa	1,547
29	Washington	1,511
30	Wisconsin	1,501
31	Kentucky	1,501
32	Idaho	1,474
33	Tennessee	1,443
34	North Carolina	1,442
35	Indiana	1,436
36	Ohio	1,402
37	Illinois	1,366
38	Arizona	1,365
39	Nebraska	1,358
40	Colorado	1,345
41	Texas	1,327
42	Alabama	1,273
43	New Hampshire	1,246
44	Utah	1,211
45	South Carolina	1,193
46	Georgia	1,163
47	Oregon	1,149
48	Virginia	1,098
49	Nevada	975
50	Florida	973
51	Kansas	652

Source: Pew Charitable Trusts, 2014

receive a high federal match, while **Vermont**, **New York**, and **Massachusetts** run large Medicaid programs. All of them rank near the top of the table.

Accordingly, the table should not be used to assess states' "success" at maximizing federal funds. How a state fares on this factor is determined largely by 1) formula, 2) natural resources, over which it has little control, and 3) how much it chooses to spend on Medicaid.

While there are hundreds of competitive grants for which states can and do compete, their value is small compared to the large formula grant programs for health care, education, and transportation. Moreover, states are not the only recipients of the funds included in the figures in the table. Funds that go directly or ultimately to local governments are included, as are funds that are awarded to non-governmental entities.

The table on the right shows the change in per capita federal grant spending in each state over the five-year period from FY 2008 to FY 2013. National per capita federal spending on grants rose 19.4% over the period, while spending in top-ranking **New Jersey**, **Pennsylvania**, and **Texas** increased more than 40%.

Eleven states and the **District of Columbia** saw declines in per capita federal grant spending. **Kansas** saw the largest reduction (-45.2%), followed by the **District of Columbia** (-32.6%). These large changes seem anomalous, and may reflect underlying problems with USAspending.gov's grant data.

Medicaid. The sheer size of Medicaid can cause big shifts in how a state fares in its relationship with the federal government. While total Medicaid spending is on the rise, a given state could experience a smaller-than-average increase in federal spending if its federal Medicaid matching rate declines. Conversely, a state experiencing an increase in its federal matching rate could see a disproportionate rise in federal grants.

Percent Change in Per Capita Spending on Grants, FY 2008 - FY 2013

Rank	State	Percent
1	New Jersey	45.8%
2	Pennsylvania	44.2
3	Texas	41.3
4	Ohio	39.3
5	California	36.3
6	New York	36.0
7	Vermont	35.6
8	Minnesota	33.8
9	Missouri	32.9
10	Hawaii	28.9
11	Oklahoma	28.1
12	Connecticut	27.4
13	Michigan	26.8
14	Colorado	26.4
15	Indiana	24.7
16	Delaware	24.2
17	Utah	23.2
18	Maryland	23.0
19	Maine	22.9
20	Illinois	21.2
21	Arkansas	20.6
	United States	**19.4**
22	Wisconsin	18.2
23	Montana	17.6
24	Idaho	17.0
25	Iowa	16.3
26	West Virginia	16.0
27	Rhode Island	14.8
28	North Dakota	10.2
29	Nevada	9.6
30	Massachusetts	9.4
31	Washington	9.2
32	North Carolina	6.1
33	Nebraska	5.3
34	South Dakota	5.3
35	Virginia	3.9
36	Florida	3.3
37	Georgia	3.2
38	Tennessee	3.0
39	Kentucky	0.7
40	Louisiana	-0.9
41	Alaska	-2.9
42	Alabama	-4.2
43	Arizona	-6.8
44	New Mexico	-7.1
45	South Carolina	-8.1
46	Wyoming	-8.7
47	New Hampshire	-9.4
48	Oregon	-10.8
49	Mississippi	-16.2
50	District of Columbia	-32.6
51	Kansas	-45.2

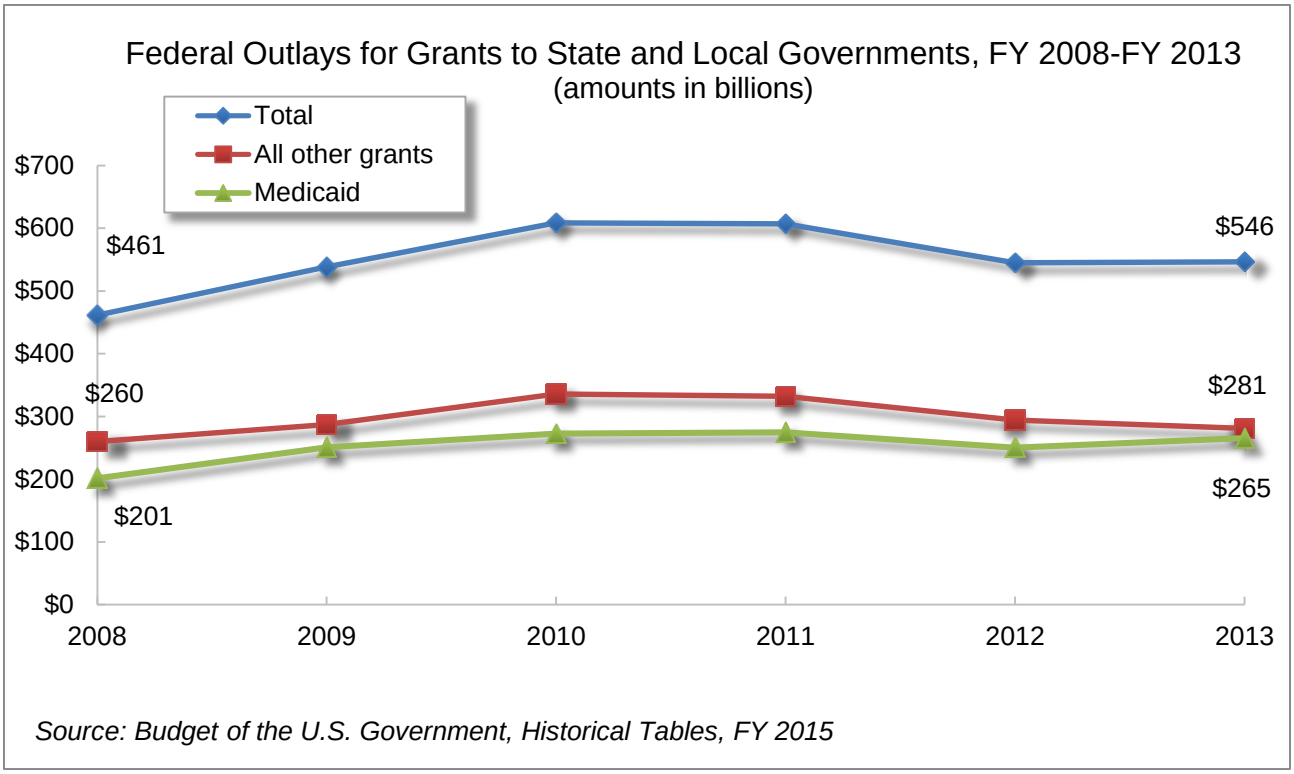
Source: Pew Charitable Trusts, 2014

The chart below displays the growth in Medicaid grants relative to other federal grants to state and local governments from FY 2008 to FY 2013. All types of federal grants increased in FY 2009 and FY 2010 under ARRA. After leveling off in FY 2011, both Medicaid and other grants declined in FY 2012, the former with the expiration of additional federal matching dollars provided through ARRA, and the latter as a result of heightened fiscal frugality. FY 2013 shows the impact of the BCA—and its across-the-board sequestration—on non-Medicaid spending, while Medicaid grew modestly.

The Pew report does not provide enough detail to explain variations in overall grant funding, but the Federal Funds Information for States (FFIS) grants database can shed light on Medicaid. The table on page 13 shows per capita Medicaid grants in FY 2013. It includes the federal share of all Medicaid program costs, as reported by the Centers for Medicare and Medicaid Services.

The national average for per capita federal spending on Medicaid was $858 in FY 2013. The **District of Columbia**, **New York**, and **Vermont** received the most federal Medicaid spending on a per capita basis. **Nevada** and **Virginia** ranked at the bottom, receiving about half of the national average.

For many states, Medicaid rankings approximate overall grant rankings. An exception is those states that receive extraordinary minerals payments or disaster assistance in a given year; this can make them rank higher overall than they do on the Medicaid component. Given the enactment of the Affordable Care Act (ACA)—and the prominent role Medicaid plays in it—such grants can be expected to increase markedly in the coming years. This increase should become apparent in the FY 2014 data, which will reflect the beginning of the ACA Medicaid expansion.



Source: Budget of the U.S. Government, Historical Tables, FY 2015

Per Capita Federal Medicaid Spending, FY 2013

Rank	State	Amount
1	District of Columbia	$2,516
2	New York	1,528
3	Vermont	1,378
4	Mississippi	1,280
5	West Virginia	1,233
6	Alaska	1,211
7	New Mexico	1,202
8	Maine	1,183
9	Louisiana	1,111
10	Massachusetts	1,091
11	Rhode Island	1,062
12	Arkansas	1,061
13	Tennessee	1,055
14	Delaware	1,022
15	California	989
16	Ohio	963
17	Connecticut	958
18	Kentucky	947
19	Missouri	941
20	Pennsylvania	926
21	Oregon	912
22	Arizona	900
23	Minnesota	882
24	Michigan	879
25	Indiana	876
	United States	**858**
26	Idaho	834
27	Wisconsin	819
28	North Carolina	817
29	Oklahoma	809
30	Alabama	786
31	Iowa	732
32	South Carolina	719
33	Montana	714
34	Texas	702
35	Hawaii	702
36	Maryland	694
37	Illinois	660
38	North Dakota	634
39	New Jersey	628
40	Nebraska	610
41	Florida	581
42	South Dakota	581
43	Georgia	577
44	Washington	560
45	Wyoming	537
46	Kansas	533
47	Utah	524
48	Colorado	502
49	New Hampshire	493
50	Virginia	473
51	Nevada	404

Source: FFIS, 2015

PROCUREMENT

The federal government is an enormous purchaser of goods and services. Procurement—especially for defense activities—had been the fastest-growing category of federal spending in recent years. Wars in Iraq and Afghanistan, along with increased spending on homeland security, led to rapid growth in government contracting between FY 2001 and FY 2008.

The table on the left of page 14 shows the distribution of procurement spending among states in FY 2013 on a per capita basis. Predictably, the **District of Columbia**, **Virginia**, and **Maryland** are big winners; the government consultants and contractors who populate the Washington, DC, metro area receive billions in federal contracts each year.

Among the states that do well in the procurement arena are those with ties to the defense and energy departments, including **New Mexico** (Lockheed Martin and Los Alamos), **Connecticut** (United Technologies and General Dynamics), **Massachusetts** (Raytheon), and **Washington** and **Missouri** (Boeing).

The table on the right side of page 14 shows the change in per capita federal spending on procurement from FY 2008 to FY 2013. National per capita federal spending declined -19.0%. **Maine** experienced the largest increase, 83.1%, and **Idaho** ranked #2 with a 24.2% increase. All but six states saw a decrease in federal procurement spending. At the bottom of the list, **Indiana**, **Kansas**, and **Oregon** experienced federal procurement decreases greater than -50%.

Per Capita Federal Spending on Procurement, FY 2013

Rank	State	Amount
1	District of Columbia	$25,857
2	Virginia	6,189
3	Maryland	4,310
4	New Mexico	3,208
5	Connecticut	2,890
6	Alaska	2,208
7	Massachusetts	2,172
8	Alabama	2,000
9	Mississippi	1,934
10	Arizona	1,861
11	Washington	1,683
12	Missouri	1,643
13	Idaho	1,596
14	Maine	1,565
15	Colorado	1,520
16	Texas	1,473
17	Kentucky	1,463
18	New Hampshire	1,352
19	Hawaii	1,347
	United States	**1,287**
20	Pennsylvania	1,266
21	California	1,240
22	Tennessee	1,176
23	South Carolina	1,140
24	Nevada	1,033
25	Utah	771
26	Georgia	763
27	Louisiana	743
28	Rhode Island	728
29	New Jersey	723
30	Florida	719
31	North Dakota	677
32	South Dakota	668
33	Vermont	628
34	West Virginia	622
35	Kansas	594
36	Minnesota	562
37	Wisconsin	561
38	New York	546
39	Wyoming	543
40	Ohio	541
41	Oklahoma	527
42	Nebraska	518
43	Iowa	517
44	Illinois	504
45	North Carolina	503
46	Michigan	486
47	Indiana	478
48	Montana	436
49	Arkansas	319
50	Delaware	294
51	Oregon	286

Source: Pew Charitable Trusts, 2014

Percent Change in Per Capita Federal Spending on Procurement, FY 2008 - FY 2013

Rank	State	Percent
1	Maine	83.1%
2	Idaho	24.2
3	Washington	7.9
4	Massachusetts	7.3
5	Mississippi	2.2
6	Colorado	0.1
7	Nevada	-2.5
8	New Hampshire	-3.6
9	Minnesota	-4.2
10	Kentucky	-4.3
11	Tennessee	-6.7
12	Alabama	-6.8
13	Maryland	-6.8
14	New Mexico	-8.4
15	West Virginia	-8.8
16	Iowa	-8.9
17	Rhode Island	-9.3
18	California	-10.4
19	Pennsylvania	-10.9
20	District of Columbia	-11.2
21	North Carolina	-11.5
22	South Dakota	-12.2
23	Arizona	-12.3
24	Virginia	-12.4
25	North Dakota	-14.6
26	Nebraska	-16.3
27	New York	-16.9
	United States	**-19.0**
28	Florida	-19.5
29	Connecticut	-20.5
30	Delaware	-21.7
31	Wyoming	-23.7
32	Montana	-25.1
33	Wisconsin	-25.8
34	Arkansas	-26.8
35	Vermont	-27.0
36	New Jersey	-28.4
37	Utah	-28.7
38	Hawaii	-30.2
39	Ohio	-30.2
40	Oklahoma	-31.3
41	Missouri	-32.3
42	South Carolina	-32.4
43	Georgia	-32.8
44	Michigan	-38.2
45	Texas	-40.9
46	Alaska	-43.1
47	Louisiana	-47.4
48	Illinois	-48.1
49	Oregon	-54.0
50	Kansas	-58.3
51	Indiana	-64.9

Source: Pew Charitable Trusts, 2014

SALARIES AND WAGES

The table on page 2 underscores the extent to which the federal government serves more of a check-writing than an employment function. While direct payments to individuals represented more than half of total federal spending traceable to states, spending on salaries and wages represented just 9.7% of such spending in FY 2013.

Salaries and wages had been the slowest-growing component of federal spending for many years, even as a new cabinet-level department was created (Homeland Security) and troop levels increased to support two wars. While procurement is now the slowest-growing component, salaries and wages are likely to continue on their recent path, hastened by the retirement of Baby Boomers and a federal budget climate that resists hiring.

In the last several years, the federal government has moved toward increased competitive contracting in lieu of hiring employees. This holds down growth in direct spending for salaries and wages, while pushing up procurement spending. As the table on the right shows, states that do well in this category are those with large amounts of federal land, large military bases and operations, other federal installations, and close proximity to Washington, DC.

The combination of extensive federal land holdings and a small underlying population assures a high ranking for **Hawaii**, **Alaska**, **New Mexico**, and **North Dakota**. Conversely, a number of midwestern and northeastern states have large populations and a smaller federal presence and, therefore, hold some of the lowest ranks on the table.

The table on page 16 shows the growth in spending on salaries and wages per capita between FY 2008 to FY 2013. Nationally, per capita spending on salaries and wages grew a modest 5.0% over this period. Spending grew 10%-15% in top-ranked **Maryland**, **Vermont**, and **Kansas.** Fifteen states saw reductions in this type of federal spending over the period. **New Jersey** saw the largest reduction, -10.8%, followed by **Minnesota**, with a -5.4% reduction.

Per Capita Federal Spending on Salaries and Wages, FY 2013

Rank	State	Amount
1	District of Columbia	$32,438
2	Hawaii	4,081
3	Alaska	3,564
4	Maryland	3,127
5	Virginia	3,039
6	New Mexico	1,431
7	North Dakota	1,429
8	Washington	1,351
9	Colorado	1,260
10	Kansas	1,214
11	Oklahoma	1,211
12	North Carolina	1,204
13	Kentucky	1,186
14	Georgia	1,180
15	Wyoming	1,177
16	South Dakota	1,130
17	Alabama	1,108
18	Montana	1,093
19	Rhode Island	1,076
20	West Virginia	988
21	South Carolina	969
	United States	**960**
22	Utah	938
23	Maine	923
24	Mississippi	909
25	Vermont	870
26	Texas	866
27	Nebraska	855
28	Missouri	849
29	Arizona	795
30	Louisiana	790
31	California	755
32	Delaware	748
33	Nevada	735
34	Florida	723
35	Idaho	693
36	Arkansas	644
37	Tennessee	631
38	Massachusetts	608
39	Pennsylvania	603
40	Illinois	587
41	Ohio	573
42	Oregon	568
43	New York	543
44	New Jersey	510
45	Connecticut	509
46	New Hampshire	494
47	Minnesota	477
48	Indiana	451
49	Iowa	434
50	Michigan	422
51	Wisconsin	372

Source: Pew Charitable Trusts, 2014

LOOKING AHEAD

A significant factor in federal spending in FY 2013 was the BCA. It caps spending growth for both defense and non-defense discretionary spending, while also mandating cuts to certain mandatory programs. In addition, the BCA requires that both defense and non-defense discretionary spending be further reduced by "sequestration" because Congress was unable to agree on additional spending cuts or revenue increases. Such cuts were implemented in FY 2013, resulting in an across-the-board reduction in many programs. Since then, in FY 2014 and FY 2015, legislators have tweaked the BCA to reduce its adverse spending impacts, but it continues to shape federal spending and the four fiscal flows.

Among these flows, direct payments are least affected by the BCA. Direct payments make up the largest category of federal spending traceable to states and they have outpaced other federal spending categories in percent terms from FY 2008 to FY 2013. With Baby Boomers living longer and continuing to retire, direct payments will likely continue to set the spending pace.

Grant spending will also continue to grow, mostly due to Medicaid. Its growth will be fueled by expansions in the ACA that took effect in 2014, and it is unhindered by the BCA. Combined with the BCA's strict caps on discretionary spending, this should insure that Medicaid's share of total grant funding will continue to rise.

Procurement spending has been negatively affected by the BCA. The law's caps on defense and non-defense discretionary spending restrict military expenditures, which are a large source of procurement spending. The most adversely affected states are those with ties to the defense and energy departments, as well as jurisdictions around the **District of Columbia**. The federal government may continue its long-term trend of contracting out employment, as opposed to hiring. Such contracting will limit spending on salaries and wages, while simultaneously increasing federal procurement spending.

Percent Change in Per Capita Spending on Salaries and Wages, FY 2008 - FY 2013

Rank	State	Percent
1	Maryland	14.2%
2	Vermont	13.9
3	Kansas	10.0
4	Michigan	9.8
5	Colorado	9.7
6	New Mexico	9.6
7	Rhode Island	9.3
8	Nevada	9.2
9	Arizona	7.8
10	Washington	6.4
11	Ohio	6.1
12	South Carolina	5.9
13	North Carolina	5.7
14	Kentucky	5.6
15	California	5.5
16	District of Columbia	5.5
17	Alabama	5.5
	United States	**5.0**
18	Hawaii	4.9
19	New York	4.8
20	Nebraska	4.7
21	West Virginia	3.4
22	Virginia	3.3
23	Tennessee	2.9
24	Georgia	2.8
25	South Dakota	2.8
26	Delaware	2.7
27	Florida	2.6
28	Texas	2.4
29	Missouri	2.3
30	Indiana	1.4
31	Connecticut	0.9
32	Oklahoma	0.8
33	New Hampshire	0.8
34	Alaska	0.7
35	Louisiana	0.7
36	Wisconsin	0.6
37	Mississippi	-0.1
38	Illinois	-0.3
39	Montana	-0.7
40	Utah	-1.1
41	Oregon	-1.6
42	Massachusetts	-1.8
43	Pennsylvania	-2.4
44	Iowa	-2.9
45	Wyoming	-3.0
46	Arkansas	-3.1
47	Idaho	-4.1
48	North Dakota	-4.4
49	Maine	-4.9
50	Minnesota	-5.4
51	New Jersey	-10.8

Source: Pew Charitable Trust, 2014

TECHNICAL NOTES

Federal Spending. The Pew analysis is available at the www.pewtrusts.org. All population data are available from the Census Bureau: www.census.gov. The chart on page 12 is based on data from the *FY 2015 Budget of the U.S. Government, Historical Tables*, Table 12.3. Per capita Medicaid spending was calculated using grants data from FFIS, available to subscribers at www.ffis.org.

State Policy Reports (ISSN #8750-6637) is published by Federal Funds Information for States (FFIS) at an annual subscription rate of $420. Editor: Marcia Howard, 444 N. Capitol Street, NW, Suite 642, Washington, DC 20001 (phone: 202-624-5848, fax: 202-624-7745, e-mail: mhoward@ffis.org, website: www.ffis.org). Contributing editor: Curtis Smith (phone: 202-624-5848). For ordering and subscription services, contact Carol Ryder at FFIS (phone: 202-624-5849, e-mail: ryder@ffis.org).

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SUITE 642
WASHINGTON, DC 20001
www.ffis.org

Special Analysis 15-02, April 22, 2015

Federal Grant Inventory

By FFIS Staff • For more information, contact: Trinity Tomsic • 202-624-8577 • ttomsic@ffis.org

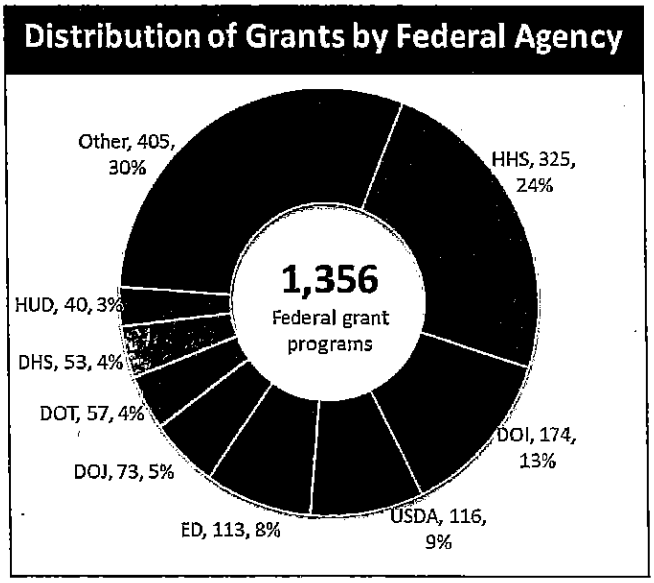
Summary

The federal government spends more than $500 billion on grants. While the lion's share of funding is in formula grants to states, there are hundreds of project grants that are awarded primarily on a competitive basis to a variety of entities, including state and local governments, institutions of higher education (IHE), school districts, nonprofits, and businesses.

This *Special Analysis* is designed to help states identify the universe of federal grants. It provides a comprehensive listing of all federal grants awarded in fiscal year (FY) 2013 using data from USAspending.gov. It includes the following information, sorted by federal agency: grant name, Catalog of Federal Domestic Assistance (CFDA) number, type of grant, and types of entities receiving funding. Because of data shortcomings, it does not provide grant amounts but does indicate whether any entity in a state received funding for a particular grant.

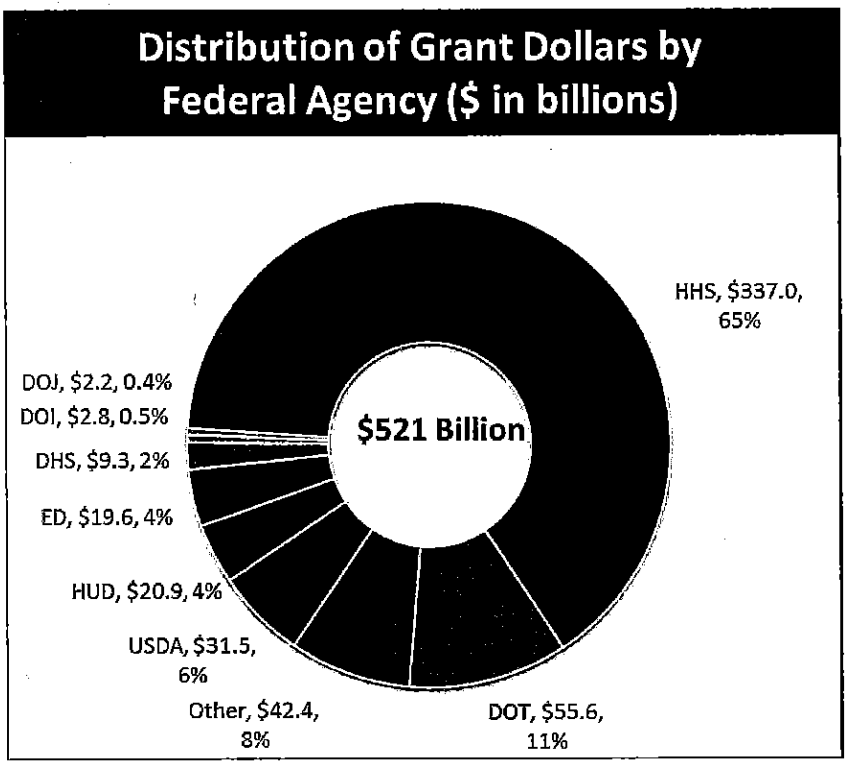
Distribution of Grants by Agency

Overall, this analysis identified 1,356 federal grants across 32 federal agencies. The chart below shows the number of grant programs by major department or agency in FY 2013. The Department of Health and Human Services (HHS) administers the most grant programs (325, or 24% of the total), followed by the Department of Interior (DOI) at 13%.



The next chart shows the distribution of grant dollars by federal agency. According to USAspending.gov, federal grants totaled $521 billion in FY 2013. While award amounts for individual grants may be problematic due to data quality issues with USAspending.gov, the magnitude of the totals by federal agency appear fairly consistent with other data sources.

In addition to HHS administering the most grants, it distributes the most funding (65%). This large share of total funding is driven primarily by Medicaid. Federal Medicaid grants totaled $243 billion in FY 2013 or 47% of total grant funding. For other federal agencies, the number of grants doesn't necessarily mirror the amount of grant dollars. The Department of Transportation (DOT) ranks #6 for the number of federal grants at 4%, but distributes the second-largest amount of grant funding ($55.6 billion, 11% of the total). In contrast, DOI administers the second largest number of grants, but distributes only 0.5% of total funding.



Grant Inventory

The summary tables that accompany this analysis list the grant programs—including program name, CFDA, and type of grant—by federal agency.

A detailed inventory is available to FFIS database subscribers here. The first tab includes a table of contents with links to other tabs that include details by agency. Each agency has its own tab, which includes the inventory of grants it administers. The following information is provided for each grant:

- Grant name
- CFDA number

- Whether any entity within a state received funding (denoted by an "x")
- Total FY 2013 funding
- Type of grant (block, formula, project, and cooperative agreement)
- Types of entities receiving funding (state government, county government, city or township, special district government, independent school district, state-controlled institution of higher education, private institutions higher education, Indian tribe, for-profit/small business, and all other)

The CFDA (www.cfda.gov) is a good resource to learn more about the grants included in the inventory. For each grant, it provides program and financial information, eligibility requirements, and federal contact information.

Methodology

For this analysis, FFIS downloaded all FY 2013 grant data from USAspending.gov. In general, FFIS did not modify the data. However, it populated the state field if blank, and corrected obvious coding errors. For example, in many instances, a state-controlled institution of higher education was coded incorrectly as a state government.

USAspending.gov uses four categories to characterize grant type: block grant, formula grant, project grant, and cooperative agreement. A grant can be assigned multiple types. It defines the types as follows:

Block Grant	A large sum of money granted to a regional government with only general provisions as to the way it is spent.
Formula Grant	Allocations of money to states or their subdivisions in accordance with distribution formulas prescribed by law or administrative regulation, for activities of a continuing nature not confined to a specific project.
Project Grant	The funding, for fixed or known periods, of specific projects.
Cooperative Agreement	A financial assistance mechanism used when substantial federal programmatic involvement with the recipient is anticipated by the funding agency during performance of the project.

The FFIS grant inventory does not report award data because several data quality issues still exist with the federal website. Instead, it indicates whether a state (or entities located in the state) received funding in FY 2013 under a particular grant. To give a sense of the program's magnitude, total dollar amounts for a program are included.

Award data in USAspending.gov are comprised of both obligations and deobligations. A deobligation or negative amount occurs when the amount of federal resources authorized to be spent has been reduced. According to USAspending.gov, negative amounts may occur because the agency reduced or rescinded a portion of the original award amount or duplicate corrections

reports have been submitted by federal agencies. If a federal agency modifies an award made in a previous fiscal year, the modification is shown in the year in which the transaction occurred (not in the fiscal year that the original award was made).

FFIS eliminated grants from the inventory with only negative award amounts. If an entity within a state received a positive and negative award of the same amount, FFIS did not show the state as receiving funds. However, it did not make adjustments for negative awards when the overall grant total was positive. In most cases, this means that entities received new awards but also had a deobligation from a prior-year award.

Next Steps

This analysis is a starting point for identifying the universe of federal grants. However, states still lack comprehensive, reliable state-by-state data on federal grants. While USAspending.gov is designed to serve that purpose, data quality issues exist with the site.

The Digital Accountability and Transparency Act (DATA Act) enacted last year includes provisions to improve USAspending.gov. In addition, the Treasury Department is now responsible for operating the site and is working with federal agencies to make modifications. It recently redesigned the website to improve navigation, provide interactive mapping, enhance agency and state summary pages, and expand search capabilities. It also improved validation checks. Treasury is working on further improvements to address data quality issues.

FEDERAL FUNDS INFORMATION FOR STATES
444 NORTH CAPITOL STREET, NW
SUITE 642
WASHINGTON, DC 20001
www.ffis.org

Special Analysis 15-01, February 26, 2015

The Role of Federal Funds in State Spending

Contact: Marcia Howard • 202-624-5848 • mhoward@ffis.org

Summary

Over the years—most often during periods of federal budget retrenchment—analysts have considered whether the federal government and states should "swap" responsibilities. That is, whether the federal government should reduce or eliminate its grants in one program area, and redirect those resources into another. Such sorting out holds the promise of allowing the entity with full funding responsibility over an area to improve its efficiency and effectiveness. For states, it could provide flexibility that federal oversight typically precludes, and reduce or eliminate costly and often-burdensome requirements that accompany most federal assistance.

During the Reagan administration, it was suggested that states assume full funding responsibility for the major welfare program (Aid to Families with Dependent Children) while the federal government would take full responsibility for Medicaid. In retrospect, this would have been an excellent deal for states, but it never gained traction.

We are now in another period of federal budget retrenchment. Due to efforts to reduce the federal budget deficit, most federal grant programs outside those designated as "mandatory" have seen level funding at best, and sometimes significant reductions, especially in inflation-adjusted terms. The prospect of swapping greater federal responsibility in one program area for greater state responsibility in another is gaining renewed interest.

To understand the potential impact of federal-state responsibility swaps, it is necessary to consider the importance of federal funding in each of the major categories of public spending. This *Special Analysis* examines the major areas of state-federal fiscal relations, and provides background information on states' reliance on federal funds in a host of program areas.

How Important are Federal Funds?

In fiscal year (FY) 2012, intergovernmental revenue accounted for about one-third of state general revenue (32.8%). The vast majority of that intergovernmental revenue came from the federal government (31.6%). This makes the federal government the single largest source of state general revenue. The table on the next page lists the share of each state's general revenue provided by federal or local governments.

States vary greatly in their reliance on intergovernmental funds, with such funds accounting for 45.8% of general revenues in **Mississippi** and 20% in **Alaska**. The relative importance of federal funding to a state is determined

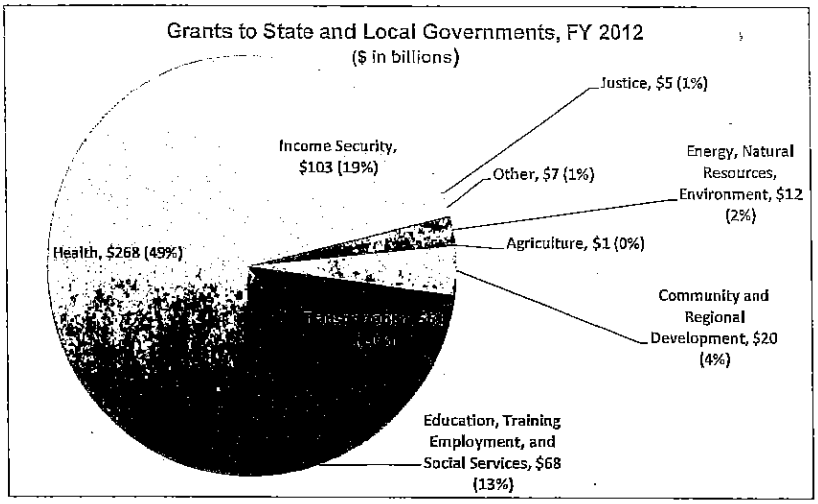
by two factors: how much a state collects in general revenue overall, and how it performs in its fiscal relationship with the federal government (i.e., how much it gets back for every dollar it sends to Washington).

Intergovernmental Revenue as a Percent of State General Revenue, FY 2012

Rank	State	Percent	Rank	State	Percent
1	Mississippi	45.8%	27	Michigan	34.1%
2	Louisiana	44.3	28	North Carolina	33.9
3	South Dakota	41.5	29	Indiana	33.2
4	Tennessee	41.3		**United States**	**32.8**
5	Missouri	40.8	30	Florida	32.6
6	Wyoming	39.7	31	New Hampshire	32.1
7	Arizona	39.4	32	Utah	31.7
8	Georgia	38.9	33	Maryland	31.3
9	Montana	38.5	34	Pennsylvania	30.9
10	New Mexico	37.9	35	Massachusetts	29.6
11	New York	37.7	36	Washington	29.4
12	Alabama	37.0	37	Colorado	29.2
13	Maine	36.6	38	Wisconsin	28.9
14	Oklahoma	36.2	39	California	28.8
15	Oregon	36.2	40	Minnesota	28.5
16	Ohio	35.9	41	New Jersey	27.5
17	Kentucky	35.8	42	Nevada	27.5
18	West Virginia	35.5	43	Kansas	27.2
19	Idaho	35.2	44	Illinois	26.2
20	Texas	35.1	45	Delaware	25.4
21	Nebraska	34.9	46	Virginia	24.8
22	Vermont	34.9	47	Connecticut	23.7
23	Iowa	34.8	48	Hawaii	23.6
24	Arkansas	34.5	49	North Dakota	21.0
25	South Carolina	34.5	50	Alaska	20.0
26	Rhode Island	34.5			

Source: Census Bureau, State Government Finances

While the federal government is an important player in state fiscal policy, its involvement is concentrated in certain areas. The pie chart on the next page shows the allocation of federal grant funds in FY 2012, according to budget documents from the Office of Management and Budget (OMB). Health programs constituted the largest share (49%); followed by income security (19%); education, training, employment, and social services (13%); and transportation (11%). Other program areas play only minor roles.



Evaluating the State-Federal Fiscal Relationship

The prospect for states and the federal government to swap certain programs can be better evaluated with an understanding of the current fiscal relationship. To provide that baseline, federal grant funding was evaluated in the following program areas:

- Education
- Welfare/Hospitals
- Highways
- Natural resources/Recreation
- Health
- Police/Corrections
- Unemployment insurance

Two primary sources provided data on the role of federal funding:

- The Census Bureau's *State Government Finances in 2012*, which reports on state spending in a variety of general expenditure functions.
- FFIS's database, which includes 240+ programs accounting for about 90% of total grant funding flowing to state and local governments.

Together, these two sources allow comparisons of how important a role federal funds play in major state spending areas. That said, the Census Bureau codes state spending in ways that differ from other federal and state practices, so a crosswalk between the two data sources had to be developed. Moreover, programs were excluded from the analysis if:

- The program flows directly to an individual, such as Pell Grants and Supplemental Nutrition Assistance Program (SNAP) benefits.
- The program flows directly to local governments, such as several programs in the Department of Housing and Urban Development and the Federal Transit Administration.
- Program funding is based on a share of federal revenues or fees, such as mineral leasing payments and crime victim assistance.
- Census excludes the program from its categories (and reports them in "other spending"), such as workforce investment programs and environmental revolving loan programs.

To provide a sense of perspective, the table below lists the amount of federal funds each state received in FY 2012 in the program areas included in the analysis.

Federal Grants Flowing to States in Major Programs, FY 2012
(dollars in thousands)

State	Education	Welfare/ Hospitals	Highways	Natural Resources/ Recreation	Health	Police/ Corrections	Unemployment Insurance	Total
Alabama	$839,252	$4,584,844	$624,709	$57,898	$323,269	$16,840	$47,716	$6,494,528
Alaska	166,371	1,079,061	476,661	45,224	105,962	8,518	34,803	1,916,600
Arizona	1,052,476	6,720,517	701,185	28,476	362,415	28,499	53,983	8,947,551
Arkansas	564,241	3,653,690	503,713	36,870	204,073	13,784	31,744	5,008,115
California	6,079,469	36,897,186	3,559,072	83,166	2,571,910	194,267	542,354	49,927,423
Colorado	606,341	3,115,751	521,695	41,599	277,252	20,231	58,933	4,641,802
Connecticut	454,406	3,731,103	483,532	17,887	188,909	14,302	68,288	4,958,427
Delaware	164,243	990,417	167,706	16,328	64,828	9,293	14,023	1,426,837
Florida	2,771,519	13,401,478	1,810,578	55,084	1,060,059	66,007	137,222	19,301,947
Georgia	1,782,703	7,034,445	1,224,285	47,270	636,949	30,663	99,339	10,855,653
Hawaii	192,976	1,119,847	167,325	14,695	95,762	9,673	20,493	1,620,770
Idaho	242,159	1,468,425	275,512	24,164	108,818	10,315	28,235	2,157,628
Illinois	2,103,016	9,667,707	1,377,034	70,882	737,308	50,088	209,710	14,215,745
Indiana	1,032,462	6,222,813	910,622	52,790	313,311	19,879	66,430	8,618,307
Iowa	414,833	2,812,646	470,920	36,892	155,232	13,117	35,405	3,939,045
Kansas	444,575	2,101,857	372,039	29,109	143,469	13,297	28,207	3,132,552
Kentucky	794,893	5,151,134	604,750	102,233	268,434	14,735	43,702	6,979,880
Louisiana	924,707	5,999,869	682,628	37,861	331,310	17,095	43,090	8,036,560
Maine	208,879	1,757,312	182,720	20,414	84,856	9,583	22,216	2,285,979
Maryland	742,718	4,754,084	570,955	30,329	328,029	23,231	81,076	6,530,421
Massachusetts	890,200	8,399,560	595,244	21,651	328,641	25,116	84,802	10,345,215
Michigan	1,702,223	10,532,190	1,022,081	56,088	514,903	30,719	173,095	14,031,300
Minnesota	688,212	5,973,513	633,983	49,448	255,955	17,688	61,404	7,680,203
Mississippi	665,898	4,539,563	464,266	34,100	244,459	12,726	31,880	5,992,892
Missouri	920,243	6,889,611	913,516	51,658	314,410	19,750	56,562	9,165,750
Montana	170,022	1,006,855	394,907	43,462	75,793	9,108	15,404	1,715,551
Nebraska	294,485	1,420,478	284,162	24,596	102,933	11,026	23,816	2,161,495
Nevada	359,822	1,282,962	351,561	18,734	140,769	16,879	43,396	2,214,123
New Hampshire	167,060	854,760	162,154	14,870	61,938	9,782	19,595	1,290,158
New Jersey	1,191,330	7,929,316	962,878	25,016	431,662	36,519	144,455	10,721,176
New Mexico	425,005	3,467,845	355,594	28,874	171,190	12,373	22,428	4,483,310
New York	3,394,222	37,401,720	1,630,223	51,879	1,274,336	129,395	250,605	44,132,380
North Carolina	1,505,546	9,414,543	973,336	59,720	529,434	30,666	86,208	12,599,453
North Dakota	132,759	615,333	244,666	24,831	48,179	8,280	13,784	1,087,833
Ohio	1,838,772	14,185,970	1,272,615	67,455	550,365	32,227	136,629	18,084,034
Oklahoma	657,498	3,922,124	616,068	42,567	219,490	15,562	35,775	5,509,085
Oregon	549,166	3,805,843	488,372	32,128	228,435	16,831	64,565	5,185,340
Pennsylvania	1,810,610	14,635,832	1,488,453	131,805	616,201	37,197	184,835	18,904,933
Rhode Island	182,900	1,404,231	216,036	13,569	80,617	9,705	18,374	1,925,432
South Carolina	811,771	4,281,530	599,689	35,350	300,219	18,428	44,992	6,091,980
South Dakota	158,206	676,189	274,763	21,758	60,650	8,511	11,648	1,211,724
Tennessee	1,048,443	7,206,499	791,139	50,184	346,948	22,025	54,645	9,519,877
Texas	5,081,130	21,803,222	3,022,378	92,675	1,507,028	86,758	206,757	31,799,948
Utah	414,405	1,812,337	313,316	28,863	146,488	13,086	35,023	2,763,518
Vermont	132,673	1,005,580	200,683	13,501	51,101	8,222	11,482	1,423,243
Virginia	1,014,780	4,755,763	945,129	56,627	351,853	26,783	66,887	7,217,821
Washington	876,015	5,581,444	665,206	36,610	424,112	24,552	128,204	7,736,144
West Virginia	360,144	2,579,128	384,832	101,780	132,568	10,447	22,479	3,591,378
Wisconsin	817,993	5,257,638	722,219	49,593	267,117	18,863	87,835	7,221,258
Wyoming	123,077	395,505	248,661	171,609	38,111	7,978	13,607	998,549
State Subtotal	**49,966,850**	**315,301,268**	**36,925,770**	**2,300,169**	**18,178,060**	**1,310,616**	**3,818,141**	**427,800,874**
District of Columbia	139,823	1,779,330	158,443	6,221	89,779	9,480	15,023	2,198,100
Puerto Rico	1,013,483	3,285,015	155,811	22,760	452,785	14,332	29,055	4,973,241
Virgin Islands	43,570	51,106	17,511	6,788	20,942	3,315	3,437	146,669
American Samoa	27,679	23,068	5,511	6,475	14,058	2,838	0	79,629
Guam	51,220	49,007	17,511	6,948	19,989	3,750	328	148,753
Northern Mariana Islands	16,713	23,920	4,937	6,006	12,208	2,613	0	66,397
Unallocated	597,313	7,666,858	101,953	96,257	2,163,859	345,057	59,906	11,031,202
National Total	**$51,856,650**	**$328,179,572**	**$37,387,447**	**$2,451,625**	**$20,951,681**	**$1,692,000**	**$3,925,890**	**$446,444,864**

While the preceding table provides a sense of the dollars in play in various federal grant areas, the table below lists the share of total federal funding each state receives. This share is listed along with the state's share of the national population for comparison.

State Shares of Federal Grant Funds and of National Population, FY 2012

State	Education	Welfare/ Hospitals	Highways	Natural Resources/ Recreation	Health	Police/ Corrections	Unemployment Insurance	Total	Population
Alabama	1.7%	1.5%	1.7%	2.5%	1.8%	1.3%	1.2%	1.5%	1.5%
Alaska	0.3%	0.3%	1.3%	2.0%	0.6%	0.6%	0.9%	0.4%	0.2%
Arizona	2.1%	2.1%	1.9%	1.2%	2.0%	2.2%	1.4%	2.1%	2.1%
Arkansas	1.1%	1.2%	1.4%	1.6%	1.1%	1.1%	0.8%	1.2%	0.9%
California	12.2%	11.7%	9.6%	3.6%	14.1%	14.8%	14.2%	11.7%	12.1%
Colorado	1.2%	1.0%	1.4%	1.8%	1.5%	1.5%	1.5%	1.1%	1.7%
Connecticut	0.9%	1.2%	1.3%	0.8%	1.0%	1.1%	1.8%	1.2%	1.1%
Delaware	0.3%	0.3%	0.5%	0.7%	0.4%	0.7%	0.4%	0.3%	0.3%
Florida	5.5%	4.3%	4.9%	2.4%	5.8%	5.0%	3.6%	4.5%	6.2%
Georgia	3.6%	2.2%	3.3%	2.1%	3.5%	2.3%	2.6%	2.5%	3.2%
Hawaii	0.4%	0.4%	0.5%	0.6%	0.5%	0.7%	0.5%	0.4%	0.4%
Idaho	0.5%	0.5%	0.7%	1.1%	0.6%	0.8%	0.7%	0.5%	0.5%
Illinois	4.2%	3.1%	3.7%	3.1%	4.1%	3.8%	5.5%	3.3%	4.1%
Indiana	2.1%	2.0%	2.5%	2.3%	1.7%	1.5%	1.7%	2.0%	2.1%
Iowa	0.8%	0.9%	1.3%	1.6%	0.9%	1.0%	0.9%	0.9%	1.0%
Kansas	0.9%	0.7%	1.0%	1.3%	0.8%	1.0%	0.7%	0.7%	0.9%
Kentucky	1.6%	1.6%	1.6%	4.4%	1.5%	1.1%	1.1%	1.6%	1.4%
Louisiana	1.9%	1.9%	1.8%	1.6%	1.8%	1.3%	1.1%	1.9%	1.5%
Maine	0.4%	0.6%	0.5%	0.9%	0.5%	0.7%	0.6%	0.5%	0.4%
Maryland	1.5%	1.5%	1.5%	1.3%	1.8%	1.8%	2.1%	1.5%	1.9%
Massachusetts	1.8%	2.7%	1.6%	0.9%	1.8%	1.9%	2.2%	2.4%	2.1%
Michigan	3.4%	3.3%	2.8%	2.4%	2.8%	2.3%	4.5%	3.3%	3.2%
Minnesota	1.4%	1.9%	1.7%	2.1%	1.4%	1.3%	1.6%	1.8%	1.7%
Mississippi	1.3%	1.4%	1.3%	1.5%	1.3%	1.0%	0.8%	1.4%	1.0%
Missouri	1.8%	2.2%	2.5%	2.2%	1.7%	1.5%	1.5%	2.1%	1.9%
Montana	0.3%	0.3%	1.1%	1.9%	0.4%	0.7%	0.4%	0.4%	0.3%
Nebraska	0.6%	0.5%	0.8%	1.1%	0.6%	0.8%	0.6%	0.5%	0.6%
Nevada	0.7%	0.4%	1.0%	0.8%	0.8%	1.3%	1.1%	0.5%	0.9%
New Hampshire	0.3%	0.3%	0.4%	0.6%	0.3%	0.7%	0.5%	0.3%	0.4%
New Jersey	2.4%	2.5%	2.6%	1.1%	2.4%	2.8%	3.8%	2.5%	2.8%
New Mexico	0.9%	1.1%	1.0%	1.3%	0.9%	0.9%	0.6%	1.0%	0.7%
New York	6.8%	11.9%	4.4%	2.3%	7.0%	9.9%	6.6%	10.3%	6.3%
North Carolina	3.0%	3.0%	2.6%	2.6%	2.9%	2.3%	2.3%	2.9%	3.1%
North Dakota	0.3%	0.2%	0.7%	1.1%	0.3%	0.6%	0.4%	0.3%	0.2%
Ohio	3.7%	4.5%	3.4%	2.9%	3.0%	2.5%	3.6%	4.2%	3.7%
Oklahoma	1.3%	1.2%	1.7%	1.9%	1.2%	1.2%	0.9%	1.3%	1.2%
Oregon	1.1%	1.2%	1.3%	1.4%	1.3%	1.3%	1.7%	1.2%	1.2%
Pennsylvania	3.6%	4.6%	4.0%	5.7%	3.4%	2.8%	4.8%	4.4%	4.1%
Rhode Island	0.4%	0.4%	0.6%	0.6%	0.4%	0.7%	0.5%	0.5%	0.3%
South Carolina	1.6%	1.4%	1.6%	1.5%	1.7%	1.4%	1.2%	1.4%	1.5%
South Dakota	0.3%	0.2%	0.7%	0.9%	0.3%	0.6%	0.3%	0.3%	0.3%
Tennessee	2.1%	2.3%	2.1%	2.2%	1.9%	1.7%	1.4%	2.2%	2.1%
Texas	10.2%	6.9%	8.2%	4.0%	8.3%	6.6%	5.4%	7.4%	8.3%
Utah	0.8%	0.6%	0.8%	1.3%	0.8%	1.0%	0.9%	0.6%	0.9%
Vermont	0.3%	0.3%	0.5%	0.6%	0.3%	0.6%	0.3%	0.3%	0.2%
Virginia	2.0%	1.5%	2.6%	2.5%	1.9%	2.0%	1.8%	1.7%	2.6%
Washington	1.8%	1.8%	1.8%	1.6%	2.3%	1.9%	3.4%	1.8%	2.2%
West Virginia	0.7%	0.8%	1.0%	4.4%	0.7%	0.8%	0.6%	0.8%	0.6%
Wisconsin	1.6%	1.7%	2.0%	2.2%	1.5%	1.4%	2.3%	1.7%	1.8%
Wyoming	0.2%	0.1%	0.7%	7.5%	0.2%	0.6%	0.4%	0.2%	0.2%
State Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Program Specifics

The following section describes the variability in federal assistance to states within each of the major spending areas, and helps to explain why a given state might receive a share of federal grant funds that seems out of line with its underlying population. For example, **Wyoming** receives a large share of natural resources/recreation grant funding, explained mostly by grant funds related to mining.

In addition to the supplementary tables provided at the end of this report, a list of the specific grant programs that were included in each spending section is available here, while programs in the FFIS database that were excluded from this analysis are listed here.

Education

Federal grants for education account for a significant share of federal grant spending but only a small share of total spending on education; state and local governments play a much larger funding role. Table 1.1 lists the share of state spending on education that is accounted for by federal grants. The state spending data are from the Census Bureau, while federal grant funding data are from FFIS. There are 35 federal grants included, most within the education budget function, plus several from child nutrition.

In *State Government Finances*, the Census Bureau reports a single figure for state spending on education. Accordingly, that spending includes higher, adult, and other types of education spending beyond K-12. This means that the federal contribution to state education spending that is listed on the table understates the importance of federal grants in K-12 education. Why? Because states spend significant amounts on higher education—which is included in the Census spending figures (the denominator)—but receive virtually no federal grant funding for higher education (the numerator).

This analysis excludes federal funding directed toward individuals or local governments. That means federal spending on Pell grants and the like, as well as grants that flow directly to local education agencies (LEAs) are excluded from state totals. Impact Aid is an example of a large grant program that flows directly to LEAs.

The Importance of Federal Grants. Based on Census and FFIS data, federal funds accounted for an average of 8.5% of total state education spending in FY 2012. Federal funds ranged from a high of 13% in **South Dakota** to a low of 5.4% in **Minnesota**, as shown in Table 1.1. Results depend on various factors:

- Is the state a big spender on education? In states that spend relatively modestly on education, federal funds frequently make up a larger share of total spending.
- Does the state have attributes that attract federal funds? These include high poverty rates, and a large population of migrant students, non-English speakers, and special education recipients.

States ranking high on the table have one or both of these attributes: relatively low total spending and a relatively high level of need. Such need can be manifest in large urban areas, poor rural areas, or Indian lands. Conversely, states in the bottom ranks are typified by higher overall spending and/or low measures of need. Many states with high personal incomes or low poverty rates have low rankings.

Federal Funds Per Capita. While federal funds as a share of total state spending vary, based partly on how much a state spends in total, federal funding per capita allows an apples-to-apples comparison of the variation in state receipts of federal funds. Table 1.2 shows the state detail, with the average state receiving $159 per capita in federal education grants. **Alaska** receives the most, $228 per capita, and **Colorado** receives the least, $117 per capita.

States with small populations often do well on such measures because grant programs sometimes contain a "small-state minimum" that provides a state a larger share of total funding than it would otherwise receive. States with high child poverty rates also do well, not only because many education programs target such populations, but also because child nutrition programs do the same.

Many of the states with relatively high per capita incomes are clustered at the bottom of the table, suggesting that federal education programs are somewhat redistributive.

Public Welfare/ Hospitals

Evaluating the role of federal funds in public welfare and hospitals requires a shift in conventional thinking about what constitutes public welfare. In contrast to both state and federal budgeting practices, the Census Bureau does not assign state spending for Medicaid and the Children's Health Insurance Program (CHIP) to health, but instead to public welfare or hospitals, depending on the nature of the expenditure. In addition, the Census category for public welfare includes more traditional income security programs, such as child nutrition programs that are not school-based, adoption and foster care assistance, Temporary Assistance for Needy Families (TANF), and programs for the elderly. As a result, the Census figure for public welfare expenditures is very large, representing 49 programs and almost three-fourths of the federal grant funds included in this analysis (73.7%).

On average (and in 38 states), federal funds constitute the majority of state spending on public hospitals and welfare. Table 2.1 shows the state detail, with federal funds accounting for a high of 80.5% of spending in **Arizona** and a low of 37.7% in **Virginia.** As with education, state outcomes reflect both state spending and state characteristics. Given the importance of Medicaid vendor payments in determining overall results (representing $249 billion out of $315 billion in total federal welfare grants), both the breadth of a state's Medicaid program and its federal matching rate are important.

Equally important is whether a state elects to spend its own funds on other welfare programs and hospitals. Unlike education, where most states face constitutional requirements to provide education services—and many face judicial mandates to fund education at "adequate" levels—requirements for welfare programs typically have their origins in federal statute. As such, states may be required to match federal spending or provide maintenance-of-effort spending for certain grant programs.

The Importance of Federal Grants. As Table 2.1 shows, federal grants are an important component of most states' spending on welfare and hospital programs. If states limit such programs to those mandated by federal law, and

limit their spending on them to the levels stipulated by federal statutes and regulations, they are likely to rank high on the table. In addition, if states receive a relatively high federal matching rate for Medicaid, they also will rank higher.

Many of the states that rank lower on the table have high personal incomes, low poverty rates, extensive state-funded welfare programs, or relatively strong state economies (in 2012), which would have reduced the demand for welfare ("safety net") services.

Federal Funds Per Capita. Reflecting the fact that welfare programs are largely federal programs run by states, federal per capita spending on welfare and hospitals is relatively high, as shown on Table 2.2. In contrast to education spending, where the state role is most prominent, federal spending plays a more prominent role in programs that redistribute income to persons meeting specified standards of need.

On average, federal spending was more than $1,000 per capita in 2012, with **New York** receiving the highest amount. States receiving the most assistance per capita are mixed, including states that run large Medicaid programs, as well as those with relatively low personal incomes or high concentrations of poverty or need. **Nevada** received the lowest amount of per capita assistance in FY 2012. In general, states ranking low on the table run relatively limited, lower-cost Medicaid programs.

With the Affordable Care Act's (ACA) optional Medicaid expansion, these figures can be expected to diverge even more in the coming years. States electing to expand Medicaid will receive 100% federal funding for the expansion in the early years, followed by 90% federal funding thereafter. This will cause a large chasm in per capita federal aid between states that elect to implement the ACA Medicaid expansion and those that do not.

Highways

State reliance on federal funds for highways is greater than that for education but less than that for welfare programs. Table 3.1 lists the share of each state's highway spending that is accounted for by federal grants in the FFIS database. Grants included are only those for highways; transit and other transportation-related grants are excluded.

Unlike education and welfare grant programs, highway programs take no account of income or poverty. Instead, their formulas rely on data that include factors such as the number of interstate road-miles and traffic volume. Typically, the major federal highway programs provide a federal share of 80% and a state match of 20%.

The role of federal funds in state highway spending depends on factors beyond how each state fares in the apportionment of funds from the various formula programs. A state that has a large number of non-federal highways and roads will find the federal share of its spending diminished by state-only spending. Conversely, states where interstates carry a large share of traffic are likely to see federal funds play a more prominent role. Also, a state that has a large number of interstate miles but a small underlying state population is likely to see higher per capita federal aid, while a geographically small state with a large population will see lower aid.

The Importance of Federal Grants. Nationally, federal grants accounted for 32.5% of state highway spending in FY 2012, ranging from 64.7% in **Georgia** to 13.6% in **Maryland**. Table 3.1 shows the detail. States ranking at the top of the table are diverse, representing rural and urban states in all geographic regions with large and small populations. The same can be said of bottom-ranking states, making it difficult to generalize about factors that explain state results.

Federal Funds Per Capita. In contrast to the difficulty of generalizing about the importance of federal funds in total state highway spending, it is easy to generalize about per capita federal funding. As shown on Table 3.2, states received an average of $118 per capita in federal highway funds in FY 2012, but the range was enormous, especially on the high side. **Alaska**, a huge state with a very small population, received $652 per capita, while **New York**, which ranks #30 in land area but #4 in population, received $83. In general, states with small populations do very well on this measure and states with denser populations do worse. An anomaly is **Utah**, which one would expect to rank higher given its large geography and small population.

Also important is the fact that highly urbanized states—which are clustered at the bottom of the table—are more likely to receive federal transit assistance, which is not reflected in the figures reported here.

Natural Resources/ Parks and Recreation

On the grants side, federal spending in this category ranges from programs in the Department of the Interior that fund hunting and fishing, to watershed and resource conservation activities in the Department of Agriculture. Extension and cooperative research activities are included, as is historic preservation, boating safety, and mine reclamation. In other words, it covers a lot of area.

On the state spending side, the category combines Census data for two spending categories: natural resources, and parks and recreation. As with every other category, state outcomes depend both on how much a state receives in federal funds and how much it elects to spend in state funds.

The Importance of Federal Grants. Table 4.1 lists the share of state spending on natural resources/parks and recreation that is accounted for by federal grant funds in the FFIS database. On average, federal grants represent 8.3% of total spending, ranging from 41% in **Wyoming** to just 1.7% in **California**. Wyoming's top ranking owes largely to its receipts under the Abandoned Mine Reclamation Fund; it received almost one-third of funding for that program in FY 2012. **West Virginia** and **Kentucky** also receive large payments from the program.

Federal Funds Per Capita. The relative importance of the abandoned mine program is reflected in the per capita spending figures listed in Table 4.2. While the average state received $7 per capita in federal funding for the spending included in this category, **Wyoming** received $297 per capita in FY 2012. The combination of high payments and a small population makes the state an outlier.

Health

In addition to non-Medicaid health programs funded by the Department of Health and Human Services (e.g., Preventive Health Block Grant, Maternal

and Child Health Block Grant), this category includes spending that benefits public health, including many Environmental Protection Agency (EPA) programs. It also includes the Supplemental Feeding Program for Women, Infants, and Children (WIC).

The Importance of Federal Grants. Table 5.1 lists the share of each state's total spending on health that is accounted for by federal grants. Such grants accounted for 29.7% of the average state's spending in FY 2012, with a range extending from 74.2% in **Minnesota** to 13.7% in **Wyoming.** Minnesota is reported as having unusually low total spending. **Colorado**, for example, has about the same population as Minnesota but Colorado spent almost three times more on health in 2012, according to Census. Given the varied collection of programs that Census groups into this category, it's possible that the crosswalk from state spending categories and definitions to Census classifications led to this anomalous result.

Federal Funds Per Capita. In per capita terms, the average state received $58 in federal funds for health programs in FY 2012. The amounts range from a high of $145 in **Alaska** to a low of $43 in **Virginia**, as shown on Table 5.2. The disparate types of spending included in this category make it difficult to discern what explains state differences.

Police/Corrections

The federal role in state spending for police and corrections is very small, both in terms of its share of total spending and its per capita amounts. The major funding included in this area is for juvenile justice grants, Violence Against Women Grants, Justice Assistance Grants, and the State Criminal Alien Assistance Program. Table 6.1 lists federal grants as a share of state spending and Table 6.2 lists federal grants per capita.

The Importance of Federal Grants. Federal grants represent just 2.1% of total state spending on police and corrections, with grants in **North Dakota** representing the highest share of spending (6.2%) and those in **Maryland** and **Virginia** accounting for the smallest share (1.2%).

Federal Funds Per Capita. The per capita grant payments each state received in FY 2012 are small, averaging just $4 and ranging from $14 in **Wyoming** to $3 in a number of states. Given the concentration of states with small populations at the top of the list, it follows that there is a small-state minimum in one or more program formula. Such a provision would tend to benefit states with lower relative populations.

Unemployment Insurance

Finally, federal aid for unemployment insurance (UI) consists of grants for state administration of UI and employment service state grants. Census reports spending for unemployment compensation systems as insurance trust expenditures (in contrast to general expenditures, which describe all the other categories reported here).

The Importance of Federal Grants. Table 7.1 shows that federal grants accounted for an average of 4% of the total amount states spent on unemployment insurance systems in FY 2012. At one extreme, federal grants provided 25.5% of **South Dakota's** total spending, while at the other, they provided just 2.4% of **New Jersey's**.

Federal Funds Per Capita. Table 7.2 reports the per capita information, with the average state receiving $12 in federal funds per capita for unemployment compensation systems. **Alaska** received the most in FY 2012, $48 per capita, and **Florida** the least, $7.

Next Steps

In 1992, an earlier period of federal retrenchment, Alice Rivlin authored *Reviving the American Dream: The Economy, the States, and the Federal Government*. It laid out a proposal for state-federal swaps that FFIS reviewed in *State Policy Reports*, Volume 30, Issue 22.

In contrast, this analysis makes no effort to identify program areas that might be appropriate for federal-state swaps. It merely identifies how important a role federal funding plays in a given program area and how much each state receives in grants relative to its population. This approach highlights areas where certain states—or groups of states—might have an interest in preserving the status quo, while others might be more willing to entertain some type of swap.

Tables 1.1, 1.2

Education: Supplemental Information on Federal Funds

Table 1.1: Federal Grants as a Share of State Education Spending, FY 2012

Rank	State	Share
1	South Dakota	13.0%
2	Illinois	12.2%
3	Florida	12.1%
4	Mississippi	12.0%
5	Arizona	11.5%
6	Tennessee	10.6%
7	Texas	10.4%
8	Georgia	10.3%
9	Louisiana	10.3%
10	Maine	10.0%
11	South Carolina	10.0%
12	Missouri	9.9%
13	Rhode Island	9.4%
14	Montana	9.4%
15	Idaho	9.2%
16	Nebraska	8.9%
17	Oklahoma	8.9%
18	Ohio	8.7%
	United States	**8.5%**
19	Nevada	8.4%
20	California	8.4%
21	Kentucky	8.3%
22	West Virginia	8.3%
23	Pennsylvania	8.2%
24	Alabama	8.1%
25	New York	8.1%
26	New Mexico	8.0%
27	New Hampshire	7.9%
28	North Carolina	7.7%
29	Oregon	7.6%
30	Michigan	7.4%
31	Arkansas	7.4%
32	Kansas	7.4%
33	Wyoming	7.3%
34	Wisconsin	7.3%
35	North Dakota	7.2%
36	New Jersey	7.1%
37	Indiana	7.0%
38	Massachusetts	6.9%
39	Connecticut	6.8%
40	Virginia	6.7%
41	Iowa	6.6%
42	Delaware	6.5%
43	Colorado	6.5%
44	Maryland	6.4%
45	Alaska	6.4%
46	Utah	6.1%
47	Washington	5.8%
48	Vermont	5.7%
49	Hawaii	5.5%
50	Minnesota	5.4%

Table 1.2: Federal Education Spending Per Capita, FY 2012

Rank	State	Amount
1	Alaska	$228
2	Mississippi	223
3	Wyoming	213
4	Vermont	212
5	New Mexico	204
6	Louisiana	201
7	Texas	195
8	West Virginia	194
9	Arkansas	191
10	South Dakota	190
11	North Dakota	189
12	Kentucky	181
13	Georgia	180
14	Delaware	179
15	Alabama	174
16	Rhode Island	174
17	New York	173
18	Oklahoma	172
19	Michigan	172
20	South Carolina	172
21	Montana	169
22	Illinois	163
23	Tennessee	162
24	Arizona	161
25	California	160
	United States	**159**
26	Ohio	159
27	Nebraska	159
28	Indiana	158
29	Maine	157
30	North Carolina	154
31	Kansas	154
32	Missouri	153
33	Idaho	152
34	Utah	145
35	Florida	143
36	Wisconsin	143
37	Pennsylvania	142
38	Oregon	141
39	Hawaii	139
40	Iowa	135
41	New Jersey	134
42	Massachusetts	134
43	Nevada	131
44	Minnesota	128
45	Washington	127
46	New Hampshire	126
47	Connecticut	126
48	Maryland	126
49	Virginia	124
50	Colorado	117

Tables 2.1, 2.2

Welfare/Hospitals: Supplemental Information on Federal Funds

Table 2.1: Federal Grants as a Share of State Welfare/Hospital Spending, FY 2012

Rank	State	Share
1	Arizona	80.5%
2	West Virginia	75.4%
3	Louisiana	72.7%
4	Montana	71.8%
5	Indiana	71.2%
6	New Mexico	71.2%
7	Idaho	71.0%
8	South Dakota	70.8%
9	Missouri	70.3%
10	Mississippi	69.9%
11	Vermont	66.4%
12	North Carolina	64.8%
13	Oklahoma	64.5%
14	Ohio	64.4%
15	North Dakota	64.0%
16	New York	63.8%
17	Tennessee	63.8%
18	Kentucky	61.0%
19	Georgia	60.6%
20	Texas	60.5%
21	Michigan	60.1%
22	Arkansas	60.0%
23	Florida	59.3%
24	Maine	59.2%
25	Rhode Island	58.6%
26	South Carolina	57.8%
	United States	**56.5%**
27	Nebraska	56.3%
28	Pennsylvania	56.2%
29	Alabama	55.2%
30	Wisconsin	54.5%
31	Massachusetts	53.6%
32	Washington	53.2%
33	Illinois	52.0%
34	Alaska	51.5%
35	Wyoming	51.5%
36	Nevada	51.0%
37	Delaware	50.8%
38	Colorado	50.7%
39	Oregon	49.3%
40	Minnesota	47.4%
41	New Hampshire	47.3%
42	New Jersey	46.8%
43	Connecticut	46.5%
44	Maryland	46.1%
45	California	45.9%
46	Utah	45.4%
47	Kansas	43.2%
48	Iowa	42.5%
49	Hawaii	40.8%
50	Virginia	37.7%

Table 2.2: Federal Welfare/Hospital Spending Per Capita, FY 2012

Rank	State	Amount
1	New York	$1,908
2	New Mexico	1,664
3	Vermont	1,606
4	Mississippi	1,520
5	Alaska	1,476
6	West Virginia	1,389
7	Rhode Island	1,334
8	Maine	1,323
9	Louisiana	1,303
10	Massachusetts	1,262
11	Arkansas	1,239
12	Ohio	1,228
13	Kentucky	1,175
14	Pennsylvania	1,146
15	Missouri	1,143
16	Tennessee	1,116
17	Minnesota	1,110
18	Delaware	1,080
19	Michigan	1,065
20	Connecticut	1,038
21	Oklahoma	1,028
22	Arizona	1,025
	United States	**1,006**
23	Montana	1,002
24	Oregon	976
25	California	969
26	North Carolina	966
27	Indiana	952
28	Alabama	952
29	Idaho	920
30	Wisconsin	918
31	Iowa	914
32	South Carolina	907
33	New Jersey	893
34	North Dakota	877
35	Texas	836
36	South Dakota	810
37	Washington	809
38	Maryland	807
39	Hawaii	804
40	Nebraska	766
41	Illinois	751
42	Kansas	728
43	Georgia	709
44	Florida	692
45	Wyoming	686
46	New Hampshire	647
47	Utah	635
48	Colorado	600
49	Virginia	580
50	Nevada	466

Tables 3.1, 3.2

Highways: Supplemental Information on Federal Funds

Table 3.1: Federal Grants as a Share of State Highway Spending, FY 2012

Rank	State	Share
1	Georgia	64.7%
2	Rhode Island	61.6%
3	New Mexico	50.2%
4	South Carolina	49.3%
5	Missouri	48.9%
6	Montana	46.8%
7	Connecticut	44.8%
8	Texas	44.5%
9	Alaska	44.5%
10	Wyoming	43.2%
11	Arkansas	42.9%
12	Michigan	42.6%
13	Tennessee	41.9%
14	South Dakota	41.5%
15	Nebraska	41.3%
16	Hawaii	41.3%
17	Idaho	39.1%
18	Colorado	38.8%
19	Alabama	37.6%
20	Vermont	36.2%
21	Arizona	36.1%
22	Nevada	35.8%
23	Louisiana	35.5%
24	New York	34.6%
25	Ohio	34.0%
26	Oregon	34.0%
27	Florida	33.7%
28	Oklahoma	32.7%
	United States	**32.5%**
29	New Jersey	32.4%
30	Mississippi	32.0%
31	West Virginia	31.6%
32	California	30.9%
33	Wisconsin	30.8%
34	Indiana	30.8%
35	New Hampshire	30.6%
36	Minnesota	30.0%
37	Maine	29.6%
38	Massachusetts	28.9%
39	Delaware	28.8%
40	Kansas	28.7%
41	Illinois	27.7%
42	North Carolina	27.6%
43	Kentucky	27.0%
44	Iowa	26.6%
45	Virginia	24.4%
46	North Dakota	22.1%
47	Washington	20.6%
48	Utah	20.3%
49	Pennsylvania	19.6%
50	Maryland	13.6%

Table 3.2: Federal Highway Spending Per Capita, FY 2012

Rank	State	Amount
1	Alaska	$652
2	Wyoming	431
3	Montana	393
4	North Dakota	349
5	South Dakota	329
6	Vermont	321
7	West Virginia	207
8	Rhode Island	205
9	Delaware	183
10	Idaho	173
11	Arkansas	171
12	New Mexico	171
13	Oklahoma	161
14	Mississippi	155
15	Nebraska	153
16	Iowa	153
17	Missouri	152
18	Louisiana	148
19	Indiana	139
20	Kentucky	138
21	Maine	138
22	Connecticut	135
23	Alabama	130
24	Kansas	129
25	Nevada	128
26	South Carolina	127
27	Wisconsin	126
28	Oregon	125
29	Georgia	123
30	New Hampshire	123
31	Tennessee	123
32	Hawaii	120
33	Minnesota	118
	United States	**118**
34	Pennsylvania	117
35	Texas	116
36	Virginia	115
37	Ohio	110
38	Utah	110
39	New Jersey	108
40	Illinois	107
41	Arizona	107
42	Michigan	103
43	Colorado	100
44	North Carolina	100
45	Maryland	97
46	Washington	96
47	Florida	94
48	California	94
49	Massachusetts	89
50	New York	83

Tables 4.1, 4.2

Natural Resources/Recreation: Supplemental Information on Federal Funds

Table 4.1: Federal Grants as a Share of State Natural Resources/Recreation Spending, FY 2012

Rank	State	Share
1	Wyoming	41.0%
2	West Virginia	32.2%
3	Kentucky	24.2%
4	Alabama	19.8%
5	New Hampshire	15.9%
6	Montana	15.9%
7	Utah	15.3%
8	Ohio	15.0%
9	Rhode Island	14.9%
10	Illinois	14.5%
11	Michigan	14.4%
12	Pennsylvania	13.9%
13	Oklahoma	13.6%
14	Missouri	13.3%
15	Vermont	13.2%
16	Indiana	13.2%
17	Nevada	13.1%
18	South Carolina	12.8%
19	Alaska	12.5%
20	Delaware	12.3%
21	Arkansas	11.6%
22	Tennessee	11.5%
23	Kansas	10.8%
24	New Mexico	10.8%
25	Maine	10.8%
26	South Dakota	10.6%
27	Idaho	10.5%
28	Iowa	10.0%
29	Colorado	9.4%
30	Mississippi	9.1%
31	Nebraska	8.7%
	United States	**8.3%**
32	Arizona	7.9%
33	Hawaii	7.8%
34	North Carolina	7.7%
35	Texas	7.6%
36	Wisconsin	7.5%
37	Connecticut	7.3%
38	Georgia	7.3%
39	Virginia	7.1%
40	Minnesota	6.2%
41	Oregon	6.1%
42	North Dakota	5.5%
43	New York	5.2%
44	Florida	4.5%
45	Maryland	4.5%
46	Washington	4.3%
47	Massachusetts	4.0%
48	Louisiana	3.6%
49	New Jersey	2.7%
50	California	1.7%

Table 4.2: Federal Per Capita Spending on Natural Resources/Recreation, FY 2012

Rank	State	Amount
1	Wyoming	$297
2	Alaska	62
3	West Virginia	55
4	Montana	43
5	North Dakota	35
6	South Dakota	26
7	Kentucky	23
8	Vermont	22
9	Delaware	18
10	Maine	15
11	Idaho	15
12	New Mexico	14
13	Nebraska	13
14	Rhode Island	13
15	Arkansas	13
16	Alabama	12
17	Iowa	12
18	Mississippi	11
19	New Hampshire	11
20	Oklahoma	11
21	Hawaii	11
22	Pennsylvania	10
23	Utah	10
24	Kansas	10
25	Minnesota	9
26	Wisconsin	9
27	Missouri	9
28	Oregon	8
29	Louisiana	8
30	Indiana	8
31	Colorado	8
32	Tennessee	8
33	South Carolina	7
	United States	**7**
34	Virginia	7
35	Nevada	7
36	North Carolina	6
37	Ohio	6
38	Michigan	6
39	Illinois	6
40	Washington	5
41	Maryland	5
42	Connecticut	5
43	Georgia	5
44	Arizona	4
45	Texas	4
46	Massachusetts	3
47	Florida	3
48	New Jersey	3
49	New York	3
50	California	2

Tables 5.1, 5.2

Health: Supplemental Information on Federal Funds

Table 5.1: Federal Grants as a Share of State Health Spending, FY 2012

Rank	State	Share
1	Minnesota	74.2%
2	Arkansas	70.3%
3	New Hampshire	65.6%
4	Idaho	63.7%
5	Iowa	62.0%
6	Louisiana	58.4%
7	Mississippi	58.4%
8	Indiana	56.3%
9	Texas	56.1%
10	Nevada	55.8%
11	Georgia	53.9%
12	Alabama	51.9%
13	Rhode Island	50.3%
14	Montana	45.0%
15	Utah	41.4%
16	Michigan	39.7%
17	Kentucky	38.2%
18	North Carolina	37.7%
19	North Dakota	37.6%
20	West Virginia	36.7%
21	New Mexico	36.3%
22	Tennessee	36.1%
23	Kansas	35.7%
24	Wisconsin	35.3%
25	New Jersey	35.2%
26	South Dakota	35.1%
27	Virginia	33.1%
28	California	32.9%
29	Alaska	30.4%
30	South Carolina	30.1%
31	Oregon	29.8%
	United States	**29.7%**
32	Illinois	29.5%
33	Massachusetts	29.4%
34	Colorado	28.4%
35	Florida	28.1%
36	Vermont	27.8%
37	Oklahoma	24.7%
38	Washington	23.6%
39	Ohio	23.3%
40	Nebraska	22.8%
41	Missouri	21.0%
42	Pennsylvania	20.6%
43	Connecticut	20.1%
44	Hawaii	19.4%
45	Arizona	18.3%
46	Maine	16.9%
47	Maryland	16.5%
48	Delaware	14.9%
49	New York	14.0%
50	Wyoming	13.7%

Table 5.2: Federal Per Capita Spending on Health, FY 2012

Rank	State	Amount
1	Alaska	$145
2	New Mexico	82
3	Mississippi	82
4	Vermont	82
5	Rhode Island	77
6	Montana	75
7	South Dakota	73
8	Louisiana	72
9	West Virginia	71
10	Delaware	71
11	Arkansas	69
12	Hawaii	69
13	North Dakota	69
14	Idaho	68
15	California	68
16	Alabama	67
17	Wyoming	66
18	New York	65
19	Georgia	64
20	Maine	64
21	South Carolina	64
22	Washington	61
23	Kentucky	61
24	Oregon	59
	United States	**58**
25	Texas	58
26	Oklahoma	58
27	Illinois	57
28	Maryland	56
29	Nebraska	55
30	Arizona	55
31	Florida	55
32	North Carolina	54
33	Tennessee	54
34	Colorado	53
35	Connecticut	53
36	Missouri	52
37	Michigan	52
38	Utah	51
39	Nevada	51
40	Iowa	50
41	Kansas	50
42	Massachusetts	49
43	New Jersey	49
44	Pennsylvania	48
45	Indiana	48
46	Ohio	48
47	Minnesota	48
48	New Hampshire	47
49	Wisconsin	47
50	Virginia	43

Tables 6.1, 6.2

Police/Corrections: Supplemental Information on Federal Funds

Table 6.1: Federal Grants as a Share of State Police/Corrections Spending, FY 2012

Rank	State	Share
1	North Dakota	6.2%
2	New Hampshire	5.8%
3	South Dakota	5.6%
4	Maine	4.6%
5	Nevada	4.4%
6	Hawaii	4.2%
7	Wyoming	4.1%
8	Rhode Island	3.9%
9	Vermont	3.8%
10	Montana	3.7%
11	Idaho	3.6%
12	New York	3.4%
13	Nebraska	3.3%
14	Kansas	3.1%
15	Utah	3.0%
16	South Carolina	2.8%
17	West Virginia	2.8%
18	Illinois	2.8%
19	Iowa	2.7%
20	Mississippi	2.7%
21	Arkansas	2.7%
22	Arizona	2.4%
23	New Mexico	2.4%
24	Florida	2.4%
25	Alabama	2.3%
26	Delaware	2.3%
27	Indiana	2.3%
28	Kentucky	2.1%
29	Oklahoma	2.1%
	United States	**2.1%**
30	Minnesota	2.1%
31	Tennessee	2.1%
32	Missouri	2.0%
33	Texas	2.0%
34	Alaska	2.0%
35	Washington	1.9%
36	California	1.9%
37	Oregon	1.9%
38	Ohio	1.7%
39	New Jersey	1.7%
40	Colorado	1.7%
41	Georgia	1.7%
42	North Carolina	1.7%
43	Michigan	1.6%
44	Connecticut	1.6%
45	Louisiana	1.6%
46	Wisconsin	1.5%
47	Massachusetts	1.4%
48	Pennsylvania	1.3%
49	Maryland	1.2%
50	Virginia	1.2%

Table 6.2: Federal Per Capita Spending on Police/Corrections, FY 2012

Rank	State	Amount
1	Wyoming	$14
2	Vermont	13
3	North Dakota	12
4	Alaska	12
5	South Dakota	10
6	Delaware	10
7	Rhode Island	9
8	Montana	9
9	New Hampshire	7
10	Maine	7
11	Hawaii	7
12	New York	7
13	Idaho	6
14	Nevada	6
15	Nebraska	6
16	New Mexico	6
17	West Virginia	6
18	California	5
19	Arkansas	5
20	Kansas	5
21	Utah	5
22	Arizona	4
23	Oregon	4
24	Iowa	4
25	Mississippi	4
	United States	**4**
26	New Jersey	4
27	Oklahoma	4
28	Connecticut	4
29	Maryland	4
30	South Carolina	4
31	Colorado	4
32	Illinois	4
33	Massachusetts	4
34	Louisiana	4
35	Washington	4
36	Alabama	3
37	Tennessee	3
38	Florida	3
39	Kentucky	3
40	Texas	3
41	Wisconsin	3
42	Minnesota	3
43	Missouri	3
44	Virginia	3
45	North Carolina	3
46	Michigan	3
47	Georgia	3
48	Indiana	3
49	Pennsylvania	3
50	Ohio	3

Tables 7.1, 7.2

Unemployment Insurance: Supplemental Information on Federal Funds

Table 7.1: Federal Grants as a Share of State Unemployment Insurance Spending, FY 2012

Rank	State	Share
1	South Dakota	25.5%
2	North Dakota	17.6%
3	Wyoming	11.0%
4	New Hampshire	10.8%
5	Alaska	9.9%
6	Nebraska	9.0%
7	Louisiana	8.2%
8	Vermont	8.1%
9	Utah	8.0%
10	Idaho	7.9%
11	Mississippi	7.3%
12	Maine	7.2%
13	Montana	7.2%
14	Oklahoma	6.9%
15	Alabama	6.7%
16	West Virginia	6.4%
17	Virginia	5.9%
18	Michigan	5.4%
19	Maryland	5.3%
20	Arkansas	5.2%
21	Arizona	5.1%
22	Iowa	5.0%
23	Wisconsin	4.9%
24	South Carolina	4.7%
25	Georgia	4.6%
26	Washington	4.5%
27	Missouri	4.5%
28	Hawaii	4.4%
29	Ohio	4.4%
30	Illinois	4.2%
31	Tennessee	4.2%
32	Florida	4.0%
	United States	**4.0%**
33	New Mexico	4.0%
34	Minnesota	4.0%
35	Texas	3.8%
36	Indiana	3.8%
37	Colorado	3.8%
38	Oregon	3.8%
39	Kansas	3.8%
40	Delaware	3.7%
41	Connecticut	3.7%
42	California	3.5%
43	Nevada	3.5%
44	New York	3.4%
45	Rhode Island	3.4%
46	Kentucky	3.3%
47	Pennsylvania	3.1%
48	North Carolina	2.6%
49	Massachusetts	2.5%
50	New Jersey	2.4%

Table 7.2: Federal Per Capita Spending on Unemployment Insurance, FY 2012

Rank	State	Amount
1	Alaska	$48
2	Wyoming	24
3	North Dakota	20
4	Connecticut	19
5	Washington	19
6	Vermont	18
7	Idaho	18
8	Michigan	18
9	Rhode Island	17
10	Maine	17
11	Oregon	17
12	Illinois	16
13	New Jersey	16
14	Nevada	16
15	Wisconsin	15
16	Montana	15
17	Delaware	15
18	New Hampshire	15
19	Hawaii	15
20	Pennsylvania	14
21	California	14
22	South Dakota	14
23	Maryland	14
24	Nebraska	13
25	New York	13
26	Massachusetts	13
27	Utah	12
	United States	**12**
28	West Virginia	12
29	Ohio	12
30	Iowa	12
31	Minnesota	11
32	Colorado	11
33	Arkansas	11
34	New Mexico	11
35	Mississippi	11
36	Indiana	10
37	Georgia	10
38	Kentucky	10
39	Alabama	10
40	Kansas	10
41	South Carolina	10
42	Missouri	9
43	Oklahoma	9
44	Louisiana	9
45	North Carolina	9
46	Tennessee	8
47	Arizona	8
48	Virginia	8
49	Texas	8
50	Florida	7

Appendix A: Grant Programs in FFIS Database Included in Study

CFDA #	Spending Category/Program	FY 2012 Funding (dollars in thousands)
	EDUCATION	
84.010	Comp Ed (Title I) - Local Education Agencies	14,516,458
84.027	Special Education Basic State Grant	11,577,855
10.555	Child Nutrition - School Lunch	10,414,679
10.553	Child Nutrition - School Breakfast	3,276,964
84.126	Rehab. Services - Basic State Grant	3,121,712
84.367	State Grants for Improving Teacher Quality	2,466,567
84.287	21st Century Community Learning Centers	1,151,673
84.048	Career and Technical Education State Grants	1,123,030
84.365	Language Acquisition. Grants	732,144
84.377	Comp Ed (Title I) - State School Improvement Grants	533,552
84.002	Adult Education Basic Grant	520,285
84.181	Special Education Infants & Toddlers	442,710
84.011, 84.144	Comp Ed (Title I) - Migrant	393,236
84.369	State Testing Funds	389,214
84.173	Special Education Preschool Grants	372,645
84.378	College Access Challenge Grants	150,000
84.366	Mathematics and Science Partnerships	149,717
84.358B	Rural and Low-Income Schools Program	89,596
84.358A	Small, Rural School Achievement Program	89,596
84.002	English Literacy and Civics Education State Grants	74,709
84.196	Education For Homeless Youth	65,173
84.013	Comp Ed (Title I)- State Agency Neglect & Delinq.	50,231
84.177	Services for Older Blind Individuals	34,019
84.187	Supported Employment State Grants	29,068
84.224	Assistive Technology State Grant Program	25,561
84.169	Independent Living	23,359
84.240	Protection & Advocacy Individual Rights	18,031
10.556	Special Milk Program	12,629
84.161	Client Assistance State Grants	12,240
84.213, 84.214, 84.258	Comp Ed (Title I)- Even Start	0
84.186	Drug - Free Schools & Communities State Grants	0
84.318	Education Technology State Grants	0
84.298	Innovative Educ. Prog. Strategies State Grants	0
84.357	Reading First State Grants	0
84.331	State Grants for Workplace and Community Transition Training for Incarcerated Indiv.	0
	Subtotal-Education	**51,856,650**
	WELFARE-HOSPITALS	
93.778	Medicaid - Vendor Payments	250,466,998
93.558	Temporary Assistance For Needy Families	17,175,369

93.767	Children's Health Insurance Program	14,982,000
93.778	Medicaid - Administration	11,132,563
93.658	Foster Care	4,178,286
93.563	Child Supp. Enforcement Administration	4,134,026
10.561	SNAP State Administration	3,742,000
93.568	Low Income Home Energy Assistance	3,471,672
93.596	Child Care Entitle. Mandatory & Matching	2,917,000
10.558	Child Nutrition - Adult & Child Care Food	2,846,404
93.659	Adoption Assistance	2,294,068
93.575	Child Care & Devel. Block Grant	2,278,313
10.566	Nutrition Assistance for Puerto Rico	1,835,464
93.667	Social Services Block Grant	1,700,000
93.569	Community Services Block Grant	677,357
93.045	Administration on Aging Congregate Meals	439,070
93.556	Promoting Safe and Stable Families	423,065
10.559	Child Nutrition - Summer Food Program	399,860
93.044	Administration on Aging Support Services	366,916
10.561	SNAP Employment and Training Program	334,480
14.241	Housing Opportunities for Persons with AIDS	332,000
93.566	Refugee Assistance Cash & Medical	323,195
93.645	Child Welfare Services	280,650
10.560	Child Nutrition - State Admin Expenses	275,954
93.045	Administration on Aging Home Delivered Meals	216,831
10.565	Commodity Supp. Food Program	176,788
10.582	Fresh Fruit and Vegetable Program	163,500
93.053	Nutrition Services Incentive Program	160,389
93.052	Family Caregiver	153,621
93.674	Chafee Foster Care Independence	140,000
14.231	Emergency Solutions Grants - Nonentitlement (States)	139,764
93.671	Battered Women's Shelters	129,547
93.566	Refugee Assistance Social Services	124,304
93.092	Personal Responsibility Education Program	75,000
93.630	Devel Disabilities - Basic Support	74,774
81.042	Weatherization Assistance Program	68,000
93.235	Abstinence Education Program	50,000
10.568	TEFAP - Emergency Food Asst. Administration	48,000
93.599	Chafee Education and Training Vouchers	45,174
93.590	Community-Based Child Abuse Prevention	41,527
93.630	Devel Disabilities - Protection & Advoc.	40,865
93.584	Refugee Targeted Assistance	28,073
93.669	CAPTA State Grants	26,432
10.576	Senior Farmer's Market Nutrition Program	22,241
93.041 and 93.042	Vulnerable Elder Rights Protection Activities	21,797
93.597	Access and Visitation Grants	10,000
93.618	Voting Access for Individuals with Disabilities - P & A	5,235
93.617	Voting Access for Individuals with Disabilities - State	0
93.558	Child Supp. Enforcement Fed Share Collection	-789,000

	Subtotal-Welfare-Hospitals	328,179,572
	HIGHWAYS	
20.205	FHWA - Equity Bonus	8,315,627
20.205	FHWA - Surface Transportation Program	7,105,340
20.205	FHWA - National Highway System	6,773,380
20.205	FHWA - Interstate Maintenance	5,538,630
20.205	FHWA - Bridge Replacement & Rehabilitation	4,721,806
20.205	FHWA - Congestion Mitigation & Air Quality	1,927,090
20.205	FHWA - Highway Safety Improvement Program	1,182,755
20.205	FHWA - Metropolitan Planning	283,773
20.602	NHTSA - National Priority Safety Program	254,000
20.600	State & Community Highway Safety	235,000
20.218	FMCSA - National Motor Carrier Safety Assistance Program	212,000
20.205	FHWA - Railway Highway Crossings	205,385
20.205	FHWA - Coordinated Border Infrastructure Program	196,049
20.205	FHWA - Territorial & Puerto Rico Highway Programs	190,000
20.205	FHWA - Safe Routes to School	168,042
20.219	FHWA - Recreational Trails	78,569
20.205	FHWA - High Priority Projects	0
20.205	FHWA - National Highway Performance Program	0
	Subtotal-Highways	**37,387,447**
	NATURAL RESOURCES-RECREATION	
15.252	Abandoned Mine Reclamation Fund	485,513
15.605	Fish & Wildlife - Fish Restoration	349,764
10.500	Extension Service Smith Lever	294,000
15.611	Fish & Wildlife - Wildlife Restoration	292,167
10.203	Coop State Research Hatch Act	236,334
97.012	Boating Safety	113,199
15.611	Fish & Wildlife - Hunter Safety	71,107
15.250	Surface Mining Reclamation	68,784
10.500	Extension Service Expand Food & Nutrition	67,934
11.419	Coastal Zone Management	65,700
10.170	Specialty Crop Block Grant	55,000
10.205	Evans-Allen Research Grants	50,898
81.041	State Energy Program	50,000
45.024, 45.025	Natl. Endowment for the Arts- State Programs	48,805
15.634	State Wildlife Grants	47,860
15.904	Historic Preservation Fund	46,925
10.500	Extension Service 1890 Colleges	42,592
10.202	Coop State Research Coop Forestry	32,934
10.500	Extension Service Pest Management	9,918
15.626	Fish & Wildlife - Enhanced Hunter Safety	8,000
15.805	Water Resources Research Act-State Institutes	6,490
10.207	Coop State Research Animal Health/Disease	4,000
10.500	Extension Service Renewable Resources	3,700
10.901	Resource Conservation Dev. Tech. Assistance.	0

10.904	Watershed - Flood Financial Assistance	0
10.906	Watershed Planning	0
15.668	Coastal Impact Assistance Program	0
	Subtotal-Natural Resources-Recreation	**2,451,625**
	HEALTH	
10.557	WIC - Supplemental Feeding Program	6,618,497
93.268	Vaccines for Children	4,000,453
93.224	Consolidated Health Centers	2,766,892
93.959	Substance Abuse Prevent. & Treatment Block Grant	1,800,332
93.917	Ryan White - HIV/AIDS Part B	1,360,827
93.069, 93.074	CDC: Public Health Emergency Preparedness	657,418
93.994	Maternal & Child Health Block Grant	638,646
93.268	CDC - Immunization Grants	557,870
93.958	Mental Health Block Grant	459,756
93.889, 93.074	Hospital Preparedness Program	379,639
66.419	EPA - Pollution Control (Sec. 106)	238,403
66.001	EPA - State and Local Air Quality Management	235,729
93.919	State-Based Comprehensive Breast and Cervical Cancer Early Detection	214,779
66.460	EPA - Nonpoint Source (Sec. 319)	164,493
93.977	Sexually Transmitted Disease Prevention	153,788
66.432	EPA - Public Water System Supervision	105,320
66.801	EPA - Hazardous Waste Financial Assistance	102,974
93.275	Access to Recovery	98,268
93.991	Preventive Health Block Grant	79,849
93.150	Homeless Mental Health (PATH)	64,794
93.780	State High-Risk Pools	44,000
93.136	Preventive Health -- Rape Prevention and Education	39,389
93.138	Protection and Advocacy for Individuals with Mental Illness	36,238
93.043	Preventive Health Services	20,944
10.572	WIC Farmers' Market Nutrition Program	20,517
93.253	Poison Control Center Program	18,830
93.251	Universal Newborn Hearing Screening	18,660
66.700	EPA - Pesticides Enforcement	18,644
66.458	EPA - Water Quality Management	14,843
66.433	EPA - Underground Injection Control	10,852
93.913	State Offices of Rural Health	10,036
	Subtotal-Health	**20,951,681**
	CORRECTIONS-POLICE	
16.738	Justice Assistance Grants	$370,000
97.042	Emergency Management Performance Grants	350,000
97.067	State Homeland Security Grant Program	294,000
16.606	State Criminal Alien Assistance Program	240,000
16.588	Violence Against Women	189,000
16.741	DNA Backlog Reduction Program	117,000
16.540	Juvenile Justice Formula Grants	40,000

16.523	Juvenile Accountability Block Grant	30,000
16.017	Sexual Assault Services Formula Program	23,000
93.643	Children's Justice Act	17,000
16.742	Paul Coverdell Forensic Sciences Improvement Grant Program	12,000
16.593	Res. Substance Abuse Trtmnt - State Prisoners	10,000
97.053	Citizen Corps	0
	Subtotal-Corrections-Police	**1,692,000**
	UNEMPLOYMENT COMPENSATION	
17.225	UI State Administration Base Allocation	3,225,048
17.207	Employment Service State Grants	700,842
	Subtotal-Unemployment Compensation	**3,925,890**
	GRAND TOTAL	**$446,444,864**

Appendix B: Grant Programs in FFIS Database Excluded from Study

CFDA #	Department/Program	Discretionary or Mandatory	Type of Grant	FY 2012 Funding (dollars in thousands)
	Department of Agriculture			
10.551	Supplemental Nutrition Assistance Program (SNAP) Benefits	Mandatory	Individuals/Other	$74,619,345
10.555	Child Nutrition - Commodities	Mandatory	Other State Grants	1,463,619
10.569	TEFAP - Emergency Food Asst. Commodities	Mandatory	Other State Grants	260,250
10.665	Forest Service - National Forests	Mandatory	Other State Grants	291,403
		Subtotal-Department of Agriculture		**76,634,616**
	Department of Commerce			
11.300	EDA - Public Works	Discretionary	Local Government	129,181
11.302	EDA - Planning	Discretionary	Local Government	29,196
11.303	EDA - Technical Assistance	Discretionary	Local Government	12,000
11.307	EDA - Economic Adjustment	Discretionary	Local Government	50,060
		Subtotal-Department of Commerce		**220,437**
	Department of Housing and Urban Development			
14.218	Comm Devel. Block Grant - Entitlement (Locals)	Discretionary	Local Government	2,066,339
14.228	Comm Devel. Block Grant - Nonentitlement (States)	Discretionary	Other State Grants	882,327
14.231	Emergency Solutions Grants - Entitlement (Locals)	Discretionary	Local Government	146,236
14.239	HOME Investment Partnerships - Entitlement (Locals)	Discretionary	Local Government	608,326
14.239	HOME Investment Partnerships - Nonentitlement (States)	Discretionary	Other State Grants	395,857
14.850	Public Housing Operating Fund	Discretionary	Local Government	3,961,854
14.872	Public Housing Capital Fund	Discretionary	Local Government	1,875,000
		Subtotal-HUD		**9,935,939**
	Department of Interior			
15.226	BLM - Payments in Lieu of Taxes	Mandatory	Local Government	393,044
15.437, 15.430	Minerals Mgmt. Service: Mineral Leasing	Mandatory	Other State Grants	2,121,570
		Subtotal-Department of Interior		**2,514,614**
	Department of Justice			
16.575	Crime Victims Fund - Assistance	Mandatory	Other State Grants	379,669
16.576	Crime Victims Fund - Compensation	Mandatory	Other State Grants	178,147
		Subtotal-Department of Justice		**557,816**
	Department of Labor			
17.207	Workforce Information Grants	Discretionary	Other State Grants	31,940
17.235	Community Service Employ for Older Americans	Discretionary	Other State Grants	448,251
17.258	Workforce Investment Act - Adult Training	Discretionary	Other State Grants	770,811
17.259	Workforce Investment Act - Youth Activities	Discretionary	Other State Grants	824,353
17.264	National Farmworker Jobs Program	Discretionary	Other State Grants	78,105
17.271	Work Opportunity Tax Credit Program	Discretionary	Other State Grants	18,485
17.278	Workforce Investment Act - Dislocated Workers	Discretionary	Other State Grants	1,232,218
17.801	Disab. Veterans' Outreach Program	Discretionary	Other State Grants	85,092
17.804	Local Veterans Employment Representative Program	Discretionary	Other State Grants	72,174
		Subtotal-Department of Labor		**3,561,428**
	Department of Transportation			
20.106	Airport Improvement Program	Discretionary	Other State Grants	3,350,000
20.500	FTA - Bus and Bus Facilities Formula Grants	Discretionary	Local Government	976,676

20.500	FTA - Fixed Guideway Capital Investment Grants ("New Starts")	Discretionary	Local Government	1,955,000
20.500	FTA - Fixed Guideway Modernization	Discretionary	Local Government	1,672,874
20.507	FTA - Urbanized Area Formula	Discretionary	Local Government	4,572,122
20.509	FTA - Nonurbanized Area Formula	Discretionary	Other State Grants	515,950
20.513	FTA - Enhanced Mobility of Seniors and Individuals with Disabilities	Discretionary	Local Government	134,141
20.516	FTA - Job Access and Reverse Commute	Discretionary	Other State Grants	176,475
20.521	FTA - New Freedoms	Discretionary	Other State Grants	100,656
20.525	FTA - State of Good Repair Grants	Discretionary	Local Government	0
		Subtotal-Department of Transportation		**13,453,894**
	Department of Treasury			
21.xxx	Customs Service Misc. Permanent Appr.	Mandatory	Other State Grants	107,000
21.xxx	Internal Revenue Collections For PR	Mandatory	Other State Grants	376,000
		Subtotal-Department of Treasury		**483,000**
	Appalachian Regional Commission			
23.003	Appalachian Regional Comm - Highways	Discretionary	Local Government	438,777
23.009	Appalachian Regional Comm - Local Development	Discretionary	Local Government	7,371
		Subtotal-ARC		**446,148**
	Other Endowments/Institutions			
45.310	State Library Program	Discretionary	Other State Grants	156,345
45.129, 45.130, 45.149, 45.161, 45.164	Natl. Endowment for the Humanities	Discretionary	Individuals/Other	119,284
		Subtotal-Other Endowments/Instns.		**275,629**
	Other Endowments/Institutions			
62.xxx	TVA Payments in Lieu Of Taxes	Mandatory	Local Government	579,021
		Subtotal-TVA		**579,021**
	Environmental Protection Agency			
66.458	EPA - Clean Water SRF Grants	Discretionary	Other State Grants	1,441,871
66.468	EPA - Drinking Water SRF Grants	Discretionary	Other State Grants	917,892
		Subtotal-EPA		**2,359,763**
	Department of Education			
84.007	Supplemental Educ. Opportunity Grants	Discretionary	Individuals/Other	734,599
84.033	College Work-Study	Discretionary	Individuals/Other	976,682
84.040	Impact Aid - Construction	Discretionary	Local Government	17,441
84.041	Impact Aid - Basic Support Payments	Discretionary	Local Government	1,153,540
84.041	Impact Aid - Special Education Payment	Discretionary	Local Government	48,413
84.060	Indian Education - Grants to Local Educ. Agencies	Discretionary	Local Government	105,921
84.063	Pell Grants	Discretionary-Mandatory	Individuals/Other	32,163,000
84.069	Leveraging Educational Assistance Partnership	Discretionary	Other State Grants	0
84.132	Centers for Independent Living	Discretionary	Individuals/Other	79,954
84.185	Byrd Honors Scholarships	Discretionary	Other State Grants	0
84.243	Voc Ed - Technical Prep	Discretionary	Other State Grants	0
		Subtotal-Department of Education		**35,279,550**
	U.S. Election Assistance Commission			
90.401	Election Reform Requirements Payments	Discretionary	Other State Grants	0
		Subtotal-U.S. EAC		**0**
	Department of Health and Human Services			

93.217	Health Services - Family Planning	Discretionary	Local Government	293,870
93.600	Head Start	Discretionary	Local Government	7,968,544
93.623	Runaway & Homeless Youth - Basic Center	Discretionary	Individuals/Other	53,536
93.914	Ryan White - HIV/AIDS Part A	Discretionary	Local Government	666,071
93.926	Healthy Start	Discretionary	Local Government	103,532
93.965	Health Services - Black Lung	Discretionary	Local Government	7,139
		Subtotal-HHS		**9,092,692**
	Department of Homeland Security			
97.024	Emergency Food and Shelter Program	Discretionary	Local Government	120,000
		Subtotal-DHS		**120,000**
		Total Excluded Programs		**$155,514,549**