

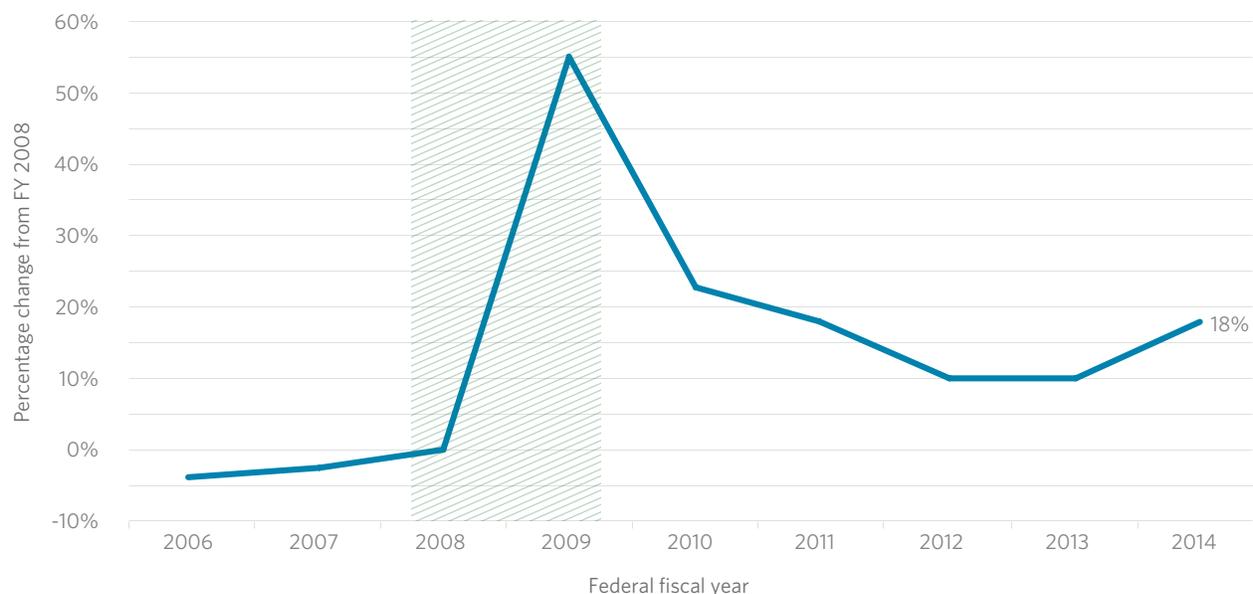


Federal Grants to States Up Since 2008

Federal grants to states are about 18 percent higher overall, after adjusting for inflation, than they were in federal fiscal year 2008, when the recession began. Federal stimulus aid to states resulted in a temporary spike during and immediately after the recession. That aid has been almost entirely phased out, but total grants to states remain above prerecession levels. Medicaid increases are the main driver of this upward trend, while funding for other programs such as education and transportation is declining. (See ["Trends in Federal Grants Vary Between Health and Non-Health Programs."](#))

Federal Grants to States Trending Upward

Percentage change from federal fiscal 2008, adjusted for inflation



Notes: Data are budget authority and include funding from the American Recovery and Reinvestment Act of 2009. The recession period is shaded. Federal Funds Information for States, the source of the data, indicates its database accounts for more than 90 percent of federal funds going to state and local governments.

Source: Pew analysis of Federal Funds Information for States and National Bureau of Economic Research data
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