



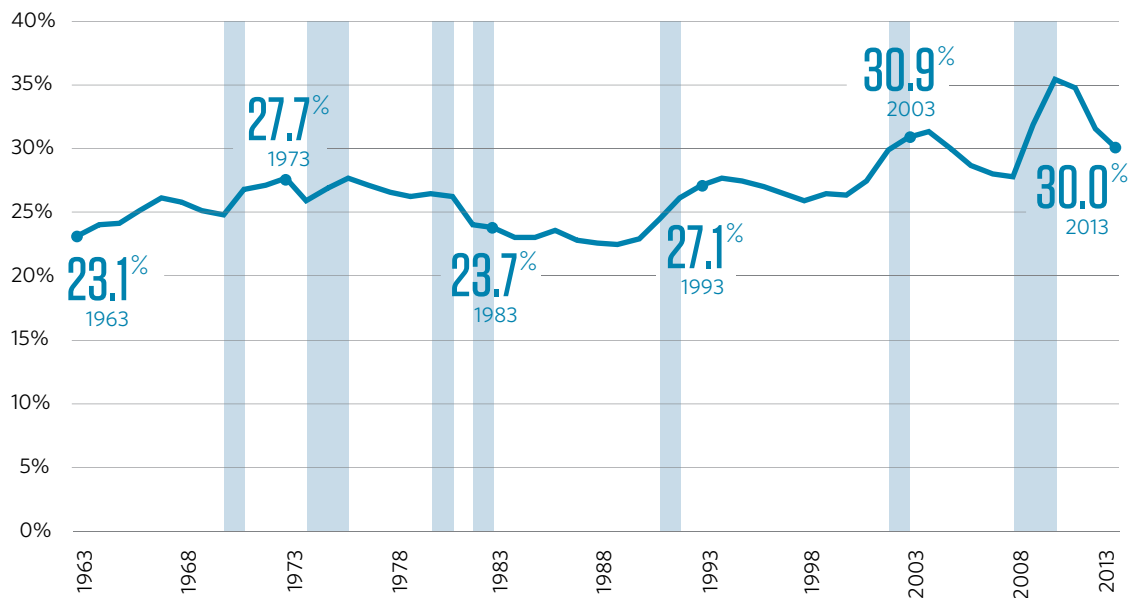
Federal Grants as Share of States' Budgets Decline After Historic High

After the Great Recession, the share of states' revenue coming from federal grants hit a historic high of 35.5 percent in 2010. Increased federal dollars from economic stimulus funds and reduced state tax collections meant that federal dollars made up a bigger proportion of states' revenue than at any time in at least 50 years. After tapering off slightly in 2011, the percentage of states' revenue coming from the federal government fell steeply starting in 2012, dropping to 30 percent by 2013—the result of both the continued recovery of other state revenue sources and the expiration of most stimulus funding.

Despite the recent drop, federal grants as a percentage of state revenue remain high by historical standards, providing nearly \$1 out of every \$3 in state revenue in 2013.

Federal Grants as Share of States' Budgets

Percentage of state revenue, state fiscal years 1963-2013



Notes: Shaded columns indicate recessions.

Source: Pew's analysis of data from U.S. Census Bureau, *2013 Annual Survey of State Government Finances*; and National Bureau of Economic Research

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