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FEDERAL BUDGET ASSISTANCE

FOR STATE & LOCAL GOVERNMENTS

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Key Points

The federal government will be providing at least $1.9 trillion in total assistance to states and local governments this year. That includes $790.7 billion in grants to state and local governments in pre-COVID funding, plus $1.1 trillion in additional support for state and local governments in response to COVID-19.

This massive and unprecedented amount of federal funds, combined with other federal support programs and responsible decision making on the part of state and local policymakers, should allow states and local governments to provide essential services.

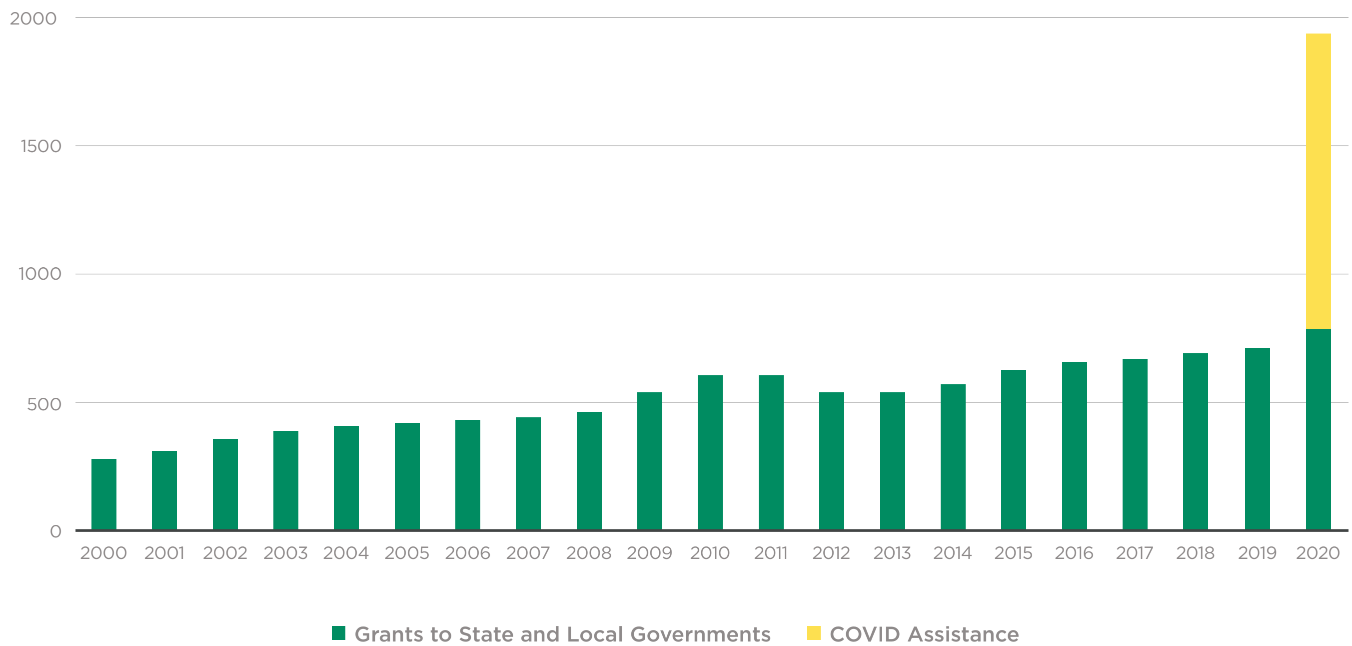
Calls for even more federal bailouts for states should be rejected. Instead, in addition to the current federal support being provided to states, state lawmakers must enact reforms and spending reductions, and take other measures—such as using rainy-day funds—to address state budget challenges, many of which are the result of fiscal mismanagement prior to the COVID-19 crisis.

Overview

The level of federal assistance being made available to state and local governments in 2020 is truly extraordinary. To date, $1.9 trillion in support for state and local budgets is being made available by the federal government. This includes $1.1 trillion in support in response to COVID-19 as well as $791 billion in grants under the pre-COVID-19 budget.

Federal Support for State and Local Governments[1]

(IN BILLIONS OF DOLLARS)



This level of federal aid will have serious implications for core foundational principles of the United States, including federalism, moral hazard, and the need to be fiscally responsible. Despite the assistance that is already available, some politicians and special interests are pushing for more bailouts, even up to $1 trillion in more federal spending for states. These additional bailouts are not just bad policy, they are unnecessary, and should be rejected.

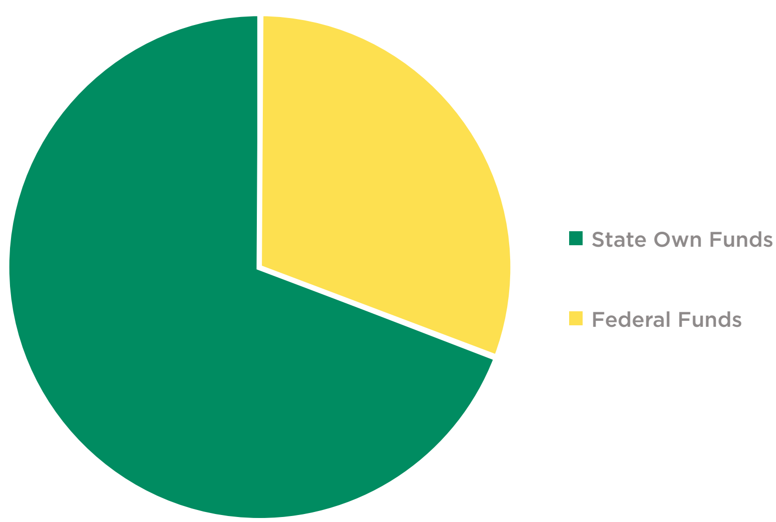
PRE-COVID-19 ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In the pre-COVID-19 Fiscal Year 2020 budget, the federal government was already providing an estimated $790.7 billion in grants to state and local governments. This significant level of financial assistance was being provided through 181 different federal programs.[2] Total grants to state and local governments have increased by 27 percent from 2015 to the pre-COVID-19 FY 2020 budget.[3]

The largest program providing aid to state budgets is Medicaid, costing federal taxpayers an estimated $447 billion in grants to states prior to COVID-19 in FY 2020. Other large programs include federal aid for highways, K-12 education, child nutrition programs, Section 8 housing assistance, the Temporary Assistance for Needy Families (TANF) program, and subsidies for local mass transit.

Federal funds make up a significant portion of state budgets. In Fiscal Year 2019, federal funds comprised 30.7 percent of total state budgets.[4]

2019 State Budgets



COVID-19 ASSISTANCE TO STATE AND LOCAL GOVERNMENTS

In the wake of the COVID-19 outbreak, the federal government has provided an unprecedented level of support for state and local governments. In addition to previously appropriated funds, the federal government is providing more than $1.1 trillion in other support for state and local governments in response to COVID-19.

SOURCE OF ASSISTANCE[5]	ASSISTANCE FOR STATE AND LOCAL GOVERNMENT[6]	ASSISTANCE, IN BILLIONS[7]
FFCRA	Increase Medicaid matching funds to states	$50
FFCRA	Allow states to increase SNAP benefits, waive work requirements	$21
FFCRA	Fund extended unemployment benefits past 26 weeks	$5
FFCRA	Increase funding for nutrition programs	$1
CARES	Expand Unemployment Benefits - expand eligibility, increase benefits by $600/week, extend 13 weeks, and other changes	$268
CARES	Provide aid to states for pandemic-related costs (Coronavirus Relief Fund)	$150
CARES	Expand FEMA Disaster Assistance Fund for COVID-19	$45
CARES	Establish Education Stabilization Fund for states	$31
CARES	Issue infrastructure grants to transit providers, including state & local governments	$25
CARES	Increase SNAP & child nutrition funding	$25
CARES	Boost housing support	$12
CARES	Provide grants to publicly-owned commercial airports	$10
CARES	Increase child & family services funding	$5
FED/CARES	Municipal Liquidity Facility	$500
	TOTAL	**$1,148**

Some of these funds, such as the funding for increased unemployment benefits, are being provided to the states for the purpose of subsequently passing them on to other beneficiaries. These funds still subsidize the budget of the states that receive them, and these types of programs are generally counted by the Office of Management and Budget as grants to state and local governments.[8] Money is fungible, and these additional resources allow the recipients to divert funds that would have otherwise been used to other purposes. For instance, in the case of Unemployment Insurance, the federal government is fully funding benefits that would normally partially be borne by the state governments.

Much of the assistance is being provided to states through additional funding for existing programs for specific purposes, such as Unemployment Insurance or Medicaid. However, two major funding streams, the Coronavirus Relief Fund and the Municipal Liquidity Facility, are novel programs that are meant to provide flexible, general budgetary support to state and local governments.

The CARES Act established a new $150 billion Coronavirus Relief Fund to provide money to states and local governments. The states will automatically get funds based on population, while local governments can request it (which would then reduce the state's share). The money is supposed to only be used for "necessary expenditures incurred due to the public health emergency with respect to COVID-19", through December 30, 2020, that were "not accounted for in the budget most recently approved".[9] This is an open-ended invitation for states to spend on new programs, projects, and activities on the federal the backs of federal taxpayers.

The Federal Reserve has used its Section 13(3) emergency powers to establish a new Municipal Liquidity Facility on April 9, 2020. This Facility will purchase up to $500 billion in debt issued by states, counties, and cities. The Facility is backed by $35 billion from the Treasury provided by the CARES Act. Since the original announcement of the Municipal Liquidity Facility, the Federal Reserve has expanded the scope and duration of the Facility to cover additional local governments.[10] Under this Facility, the Federal reserve will purchase debt from a state, county with at least 500,000 residents, or city with at least 250,000 residents, up to an amount equal to 20 percent of the state or local government's 2017 general revenue.[11] This is the first time the Federal Reserve has engaged in the direct purchase of municipal bonds.[12] While some states currently have restrictions on the issuance of new debt, this assistance is available for states that chose to take advantage of it.

Flexible Assistance Available to State Governments Under Select Programs

	CORONAVIRUS RELIEF FUND: PAYMENTS TO STATES[13]	FEDERAL RESERVE MUNICIPAL LIQUIDITY FACILITY: MAX ELIGIBLE NOTES[14]
Alabama	$1,786,346,250	$3,364,400,000
Alaska	$1,250,000,000	$1,015,300,000
Arizona	$1,856,987,708	$4,197,400,000
Arkansas	$1,250,000,000	$2,637,100,000
California	$9,525,564,744	$39,326,800,000
Colorado	$1,673,849,579	$3,886,100,000
Connecticut	$1,382,477,973	$4,131,200,000
Delaware	$927,233,331	$1,206,300,000
Florida	$5,855,807,380	$11,659,900,000
Georgia	$3,502,871,330	$5,748,300,000
Hawaii	$862,823,979	$2,132,800,000
Idaho	$1,250,000,000	$1,178,900,000
Illinois	$3,518,945,366	$9,676,700,000
Indiana	$2,442,177,436	$4,806,900,000
Iowa	$1,250,000,000	$3,538,900,000
Kansas	$1,034,052,050	$2,705,000,000
Kentucky	$1,598,594,564	$3,395,700,000
Louisiana	$1,802,619,343	$2,985,300,000
Maine	$1,598,594,564	$1,113,700,000
Maryland	$1,802,619,343	$5,670,000,000
Massachusetts	$2,460,842,294	$7,859,000,000
Michigan	$3,080,689,545	$8,534,200,000
Minnesota	$1,869,920,708	$6,115,000,000
Mississippi	$1,250,000,000	$2,157,800,000

Missouri	$1,250,000,000	$3,646,600,000
Montana	$2,083,701,913	$717,700,000
Nebraska	$1,083,865,742	$1,374,900,000
Nevada	$836,051,100	$2,016,800,000
New Hampshire	$1,250,000,000	$872,200,000
New Jersey	$2,393,851,157	$9,249,200,000
New Mexico	$1,067,817,494	$1,897,800,000
New York	$5,135,624,853	$21,907,900,000
North Carolina	$3,585,391,176	$7,291,300,000
North Dakota	$1,250,000,000	$946,300,000
Ohio	$3,754,114,827	$8,895,300,000
Oklahoma	$1,259,072,820	$2,874,700,000
Oregon	$1,388,506,837	$4,057,700,000
Pennsylvania	$3,935,169,363	$10,932,200,000
Rhode Island	$1,250,000,000	$1,043,900,000
South Carolina	$1,905,114,601	$3,758,100,000
South Dakota	$1,250,000,000	$547,900,000
Tennessee	$2,363,433,874	$3,624,200,000
Texas	$8,038,314,291	$16,703,600,000
Utah	$934,765,677	$2,677,400,000
Vermont	$1,250,000,000	$819,900,000
Virginia	$3,109,502,836	$7,306,900,000
Washington	$2,167,079,311	$6,625,100,000
West Virginia	$1,250,000,000	$1,547,700,000
Wisconsin	$1,997,294,786	$5,195,300,000
Wyoming	$1,250,000,000	$592,200,000

TOTAL	**$111,373,744,508**	**$266,165,500,000**

State and local bailouts aren't just bad policy– they aren't needed.

Even if federal bailouts were acceptable policy options, additional funding may not even be warranted. A recent report from Moody's Investors Service estimates that state tax revenues will decline by $160 billion between FY 2019 and FY 2021.[15] The Center for Budget and Policy Priorities projects state budget shortfalls totaling up to $460 billion for FY 2020 and FY 2021.[16] Even if local tax revenue declines are similar in magnitude, it is unlikely additional funds to ensure liquidity would be needed, especially if paired with responsible spending reductions and use of rainy day funds.[17]

In Fiscal Year 2019, states held a total of $74.9 billion in rainy day funds, which are "established to supplement general fund spending during a revenue downturn or other unanticipated shortfall."[18]

With the payments to states under the Coronavirus Relief Fund and the Federal Reserve's commitment to purchase state debt through the Municipal Liquidity Facility, the federal government has provided more than $377 billion in flexible assistance related to COVID-19 as a part of the nearly $2 trillion in federal assistance to state and local governments being made available in FY 2020. Combined with the state rainy day fund balances, state governments have more than $450 billion in liquidity available to address budgetary needs.

This level of federal support is significant compared to state budgets. States collectively spent just over $1.4 trillion using their own revenue sources in Fiscal Year 2019. This means that the flexible federal assistance already provided to states represents more than 26 percent of what states spent in 2019 using their own funds.

Liquidity Available for States: State Rainy Day Funds and Flexible Assistance Available to State Governments Under Select Programs

	State Rainy Day Fund Balances, Fiscal Year 2019[19]	Total, Flexible Federal Assistance for COVID-19[20]	Liquidity[21]	Flexible Federal Assistance as % of 2019 State Own Funds Expenditures[22]	Liquidity as % of 2019 State Own Funds Expenditures
Alabama	$848,000,000	$5,150,746,250	$5,998,746,250	31.69%	36.90%
Alaska	$2,288,000,000	$2,265,300,000	$4,553,300,000	29.30%	58.90%
Arizona	$713,000,000	$6,054,387,708	$6,767,387,708	27.36%	30.58%
Arkansas	$153,000,000	$3,887,100,000	$4,040,100,000	21.73%	22.59%
California	$20,646,000,000	$48,852,364,744	$69,498,364,744	23.96%	34.08%
Colorado	$1,140,000,000	$5,559,949,579	$6,699,949,579	17.45%	21.03%
Connecticut	$2,506,000,000	$5,513,677,973	$8,019,677,973	22.13%	32.19%
Delaware	$240,000,000	$2,133,533,331	$2,373,533,331	24.74%	27.52%
Florida	$1,483,000,000	$17,515,707,380	$18,998,707,380	30.28%	32.84%
Georgia	$2,557,000,000	$9,251,171,330	$11,808,171,330	24.39%	31.13%
Hawaii	$378,000,000	$2,995,623,979	$3,373,623,979	24.82%	27.95%
Idaho	$373,000,000	$2,428,900,000	$2,801,900,000	40.27%	46.46%
Illinois	$4,000,000	$13,195,645,366	$13,199,645,366	24.17%	24.18%
Indiana	$1,436,000,000	$7,249,077,436	$8,685,077,436	35.36%	42.36%
Iowa	$762,000,000	$4,788,900,000	$5,550,900,000	28.10%	32.57%
Kansas	$0	$3,739,052,050	$3,739,052,050	29.65%	29.65%
Kentucky	$129,000,000	$4,994,294,564	$5,123,294,564	22.53%	23.11%
Louisiana	$405,000,000	$4,787,919,343	$5,192,919,343	23.41%	25.39%
Maine	$309,000,000	$2,363,700,000	$2,672,700,000	40.29%	45.55%
Maryland	$877,000,000	$7,323,268,271	$8,200,268,271	23.09%	25.85%
Massachusetts	$2,832,000,000	$10,319,842,294	$13,151,842,294	24.20%	30.84%
Michigan	$1,149,000,000	$11,614,889,545	$12,763,889,545	34.04%	37.40%
Minnesota	$2,474,000,000	$7,984,920,708	$10,458,920,708	27.06%	35.45%
Mississippi	$348,000,000	$3,407,800,000	$3,755,800,000	28.99%	31.95%

Missouri	$651,000,000	$4,896,600,000	$5,547,600,000	27.47%	31.13%
Montana	$61,000,000	$2,801,401,913	$2,862,401,913	66.86%	68.32%
Nebraska	$334,000,000	$2,458,765,742	$2,792,765,742	26.39%	29.97%
Nevada	$332,000,000	$2,852,851,100	$3,184,851,100	29.44%	32.87%
New Hampshire	$115,000,000	$2,122,200,000	$2,237,200,000	55.51%	58.52%
New Jersey	$401,000,000	$11,643,051,157	$12,044,051,157	25.27%	26.15%
New Mexico	$1,868,000,000	$2,965,617,494	$4,833,617,494	25.19%	41.06%
New York	$2,048,000,000	$27,043,524,853	$29,091,524,853	26.02%	27.99%
North Carolina	$1,254,000,000	$10,876,691,176	$12,130,691,176	29.66%	33.08%
North Dakota	$659,000,000	$2,196,300,000	$2,855,300,000	44.78%	58.21%
Ohio	$2,692,000,000	$12,649,414,827	$15,341,414,827	23.96%	29.06%
Oklahoma	$806,000,000	$4,133,772,820	$4,939,772,820	26.87%	32.11%
Oregon	$1,288,000,000	$5,446,206,837	$6,734,206,837	17.30%	21.39%
Pennsylvania	$23,000,000	$14,867,369,363	$14,890,369,363	25.51%	25.55%
Rhode Island	$204,000,000	$2,293,900,000	$2,497,900,000	35.78%	38.96%
South Carolina	$531,000,000	$5,663,214,601	$6,194,214,601	32.45%	35.49%
South Dakota	$170,000,000	$1,797,900,000	$1,967,900,000	59.73%	65.38%
Tennessee	$875,000,000	$5,987,633,874	$6,862,633,874	26.43%	30.29%
Texas	$10,089,000,000	$24,741,914,291	$34,830,914,291	34.38%	48.40%
Utah	$697,000,000	$3,612,165,677	$4,309,165,677	30.07%	35.87%
Vermont	$224,000,000	$2,069,900,000	$2,293,900,000	53.60%	59.40%
Virginia	$792,000,000	$10,416,402,836	$11,208,402,836	24.50%	26.37%
Washington	$1,671,000,000	$8,792,179,311	$10,463,179,311	24.32%	28.95%
West Virginia	$753,000,000	$2,797,700,000	$3,550,700,000	21.07%	26.74%
Wisconsin	$649,000,000	$7,192,594,786	$7,841,594,786	18.70%	20.39%
Wyoming	$1,667,000,000	$1,842,200,000	$3,509,200,000	47.68%	90.82%
TOTAL	**$74,904,000,000**	**$377,539,244,508**	**$452,443,244,508**	**26.43%**	**31.69%**

More Bailout Proposals

Despite the nearly $2 trillion in aid to state and local governments the federal government is already providing, some politicians and special interests are calling for even more.

Speaker Nancy Pelosi has called for "almost $1 trillion" in additional bailouts for state and local governments.[23] Congressional Democrats have previously advocated for varying amounts of additional state and local bailouts, ranging from $200 billion to $750 billion.[24]

H.R. 6800, the 'Health and Economic Recovery Omnibus Emergency Solutions Act, was introduced by House Democrats on May 12, 2020. This massive $3 trillion package would provide nearly $1 trillion in direct bailouts to state and local governments in addition to significant additional funding through other programs. The bill would provide $500 billion to states, $375 billion to local governments, and $20 billion to territories to "respond to, mitigate, cover costs or replace foregone revenues not projected on January 31, 2020 stemming from the public health emergency, or its negative economic impacts".

A bipartisan proposal to aid states is the State and Municipal Aid for Recovery and Transition (SMART) Fund put forward by Senators Bill Cassidy and Bob Menendez. This proposal would provide $500 billion to state and local governments divided using three methods, with:

1. "One-third to eligible entities based on population size to ensure they each receive additional federal resources to meet their growing needs (Same formula used to disburse the $150 billion state stabilization fund created in the CARES Act, but essentially doubles those available funds)
2. One-third to eligible entities based upon the number of COVID-19 cases relative to the U.S. population to target the urgent public health challenge
3. One-third to eligible entities based upon state revenue losses relative to pre-COVID-19 projections to target the urgent economic challenge".[25]

The National Governors Association has requested $500 billion in additional assistance to states.[26] The National Association of Counties, the National League of Cities, and the U.S. Conference of Mayors have also requested another $250 billion for local governments.[27]

Public sector labor unions, including the American Federation of State, County & Municipal Employees, the National Education Association, the American Federation of Teachers and the Service Employees International Union have called for $700 billion in bailouts for state and local governments, including $300 billion in "unrestricted aid".[28]

These calls for more bailouts should be rejected.

Under the Constitution, all powers not granted to the federal government are reserved to the people and the states (unless expressly prohibited.) This includes fiscal policy. States have broad power to tax, spend, make contracts and issue debt. States also have the power to cut spending (or even raise taxes) in order to balance their budgets responsibly.

When the federal government expands beyond its proper role and bails out the states, it can lead to fiscal irresponsibility on the part of the states. Instead of states properly funding rainy day funds or budgeting judiciously, they grow increasingly dependent upon a model of asking the federal government to bail them out. According to the Government Accountability Office (GAO), states have become "less concerned" about adequate fiscal planning for disasters and other emergencies "because they relied on the federal government to provide most of the funding for recovery efforts."[29] Federal funds are also not an effective way for states to avoid tax increases on their citizens, as one study has found that "for every dollar the federal government sends to the states, states' own future taxes increase by between 33 and 42 cents."[30] These bailouts will "set a dangerous precedent for future bailouts," including for states that have irresponsibly underfunded their failing pension systems for years.[31]

The Constitution does not charge the federal government with maintaining state budgets during bad times. Indeed, state governments—as laboratories of democracy—are free to enjoy the fruits of their policies in the good times, but to bear the costs in hard times. States should be responsible for expenses incurred by the states. It is incumbent on politicians to enact responsible fiscal policies in both good and hard times and voters will hold them accountable.

Instead of asking Washington for bailouts, state lawmakers should govern responsibly by finding savings in current budgets, including by ending corporate welfare spending. They should also implement important budget reforms to ensure the long-term solvency of their state and prepare for the future, including by enacting a well-structured constitutional tax and spending limit, budgeting for outcomes, fully funding their pension systems, and increasing rainy day funding.

Even if after taking prudent budget actions state lawmakers still believed they needed additional funding, they should utilize the private sector bond markets. This would incentivize lawmakers to weigh the consequences of all their fiscal decisions and the tradeoffs in issuing more debt with the risk on their own state taxpayers to pay off that debt. There is already a robust bond market for state and local governments, and while taking on additional debt for ongoing operations may raise some eyebrows in the bond markets, the threat of higher debt pricing should also incentivize lawmakers to ensure they are following sound fiscal policy.

Federal bailouts are inefficient and unfair. Taxpayer money should not have to go through a bureaucratic system in Washington before getting redistributed according to political considerations instead of simply allowing those funds to stay with the people who earned them.

The federal government was already on an unsustainable budgetary path, even before the COVID-19 crisis. Total national debt has grown to more than $25 trillion. The Congressional Budget Office preliminarily projects that the federal deficit will be $3.7 trillion in FY 2020, assuming no legislation further adds to the deficit.[32] Over the next decade, the response to COVID-19 and economic downturn are "projected to add nearly $8 trillion to the national debt, pushing the debt held by the public to $41 trillion within a decade, or 128% of the economy." This would be a record, higher even than the levels reached even during World War II.[33] As Congress continues to grapple with COVID-19, it should weigh the tradeoffs of the economic consequences of COVID-19 restrictions and public health. It must also take steps to minimize the impact COVID-19 relief will have on the debt, including by rejecting irresponsible bailouts of states.

Conclusion

Bailouts are a clear example of the federal government overstepping its authority. It is incumbent on states to govern wisely and independently, both reaping the rewards of smart policy, and addressing the consequences of bad.

The federal government has already provided an unprecedented level of assistance to state and local governments. More federal bailouts of state and local governments should be rejected.

ENDNOTES

1 Office of Management and Budget, Historical Tables, Table 12.3, accessed April 30, 2020; and Committee for a Responsible Federal Budget, COVID Money Tracker: Policies Enacted To Date, updated April 20, 2019.

2 Office of Management and Budget, Historical Tables, Table 12.3, accessed April 30, 2020.

3 Office of Management and Budget, Historical Tables, Table 12.3, accessed April 30, 2020.

4 National Association of State Budget Officers, 2019 State Expenditure Report.

5 FFCRA = Families First Coronavirus Response Act; CARES = Coronavirus Aid, Relief, and Economic Security (CARES) Act; Fed = Federal Reserve

6 Accounting of assistance to states is necessarily incomplete given differing interpretations of what should be counted as aid to state and local governments, uncertainty with how certain funding streams will be used, incomplete scoring estimates, and the scope of federal spending – more than $3 trillion. For instance, the Tax Foundation states that "As much as $535 billion of the nearly $3 trillion the federal government has already appropriated flows through to states and localities," a figure which includes $100 billion for Hospital and Health Care Provider Reimbursements, although payments from the Public Health and Social Service Emergency Fund are currently being made by the Secretary of Health and Human Services directly to healthcare providers, and which excludes certain other assistance being provided to states. The President has also declared an emergency under the Stafford Act, which may allow additional funds to be provided to state and local governments. Jared Walczak, Tax Foundation, Designing a State and Local Government Relief Package, May 12, 2020. Other direct aid to businesses and individuals by the federal government will also provide an indirect subsidy to state and local budgets by propping up income levels and thus tax receipts by state and local governments. Rachel Greszler, Heritage Foundation, 3 Reasons Why States Shouldn't Get a Congressional Bailout, April 20, 2020.

7 Dollar figures from Committee for a Responsible Federal Budget, COVID Money Tracker: Policies Enacted To Date, updated April 20, 2019.

8 Office of Management and Budget, Historical Tables, Table 12.3, accessed April 30, 2020.

9 Title V of Public Law 116-136, the Coronavirus Aid, Relief, and Economic Security Act" or the "CARES Act".

10 Federal Reserve, Federal Reserve Board announces an expansion of the scope and duration of the Municipal Liquidity Facility, April 27, 2020.

11 Federal Reserve Bank of New York, FAQs: Municipal Liquidity Facility, April 27, 2020.

12 Kellie Mejdrich and Victoria Guida, Politico, Fed to buy municipal debt for first time, underscoring peril facing cities, April 9, 2020.

13 U.S. Treasury, Payments to States and Eligible Units of Local Government, May 11, 2020.

14 This figure represents the maximum amount of debt issued by the state government that the Municipal Liquidity Facility may purchase under guidelines issued by the Federal Reserve. It does not represent actual purchases made. Federal Reserve Bank of New York, FAQs: Municipal Liquidity Facility Appendix A, Effective April 27, 2020.

15 James Nani, Law360, Moody's Says States Face $160B Tax Loss From COVID-19, April 28, 2020.

16 Michael Leachman, Center for Budget and Policy Priorities, New CBO Projections Suggest Even Bigger State Shortfalls, April 29, 2020.

17 In 2017, revenues by local governments totaled about 83 percent of revenue collections by state governments. However, local governments are much more reliant on property taxes instead of sales or income taxes, and thus local revenues are likely to be less sensitive to the economic downturn compared to state revenues. U.S. Census Bureau, Annual Survey of State and Local Government Finances, 2017 Data Release, Last Revised: October 30, 2019.

18 National Association of State Budget Officers, Fiscal Survey of the States, Fall 2019.

19 National Association of State Budget Officers, Fiscal Survey of the States, Fall 2019. Note: FY 2019 data for Georgia is not available; the figure shown reflects FY 2018.

20 Includes Payments to States under the Coronavirus Relief Fund and Max Eligible Notes under the Federal Reserve's Municipal Liquidity Facility, detailed in the table above.

21 Equals the sum of the state's rainy day fund balance and the flexible federal assistance.

22 State Own Fund Expenditures includes general funds plus other state fund spending and excludes federal funds and spending from bonds. National Association of State Budget Officers, 2019 State Expenditure Report.

23 Speaker Nancy Pelosi, Transcript of Pelosi Weekly Press Conference Today, April 30, 2020.

24 House Appropriations Committee, House Democrats Introduce Take Responsibility for Workers and Families Act, March 23, 2020; and Alexander Bolton, The Hill, Democrats asked for $750B in state stabilization funds in coronavirus stimulus, March 21, 2020.

25 Senators Bill Cassidy and Bob Menendez, Cassidy, Menendez Announce Bipartisan Breakthrough to Deliver Federal Resources to States, Communities on Frontline of COVID-19 Fight, April 19, 2020.

26 National Governors Association, National Governors Association Outlines Need For 'Additional And Immediate' Fiscal Assistance To States, April 11, 2020.

27 National League of Cities, National Association of Counties, National League of Cities and U.S. Conference of Mayors Call For $250 Billion Assistance Package for Local Governments, April 16, 2020.

28 American Federation of State, County & Municipal Employees, Saunders to Congress: Helping States, Localities Must Be Next on Your Agenda, April 24, 2020.

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