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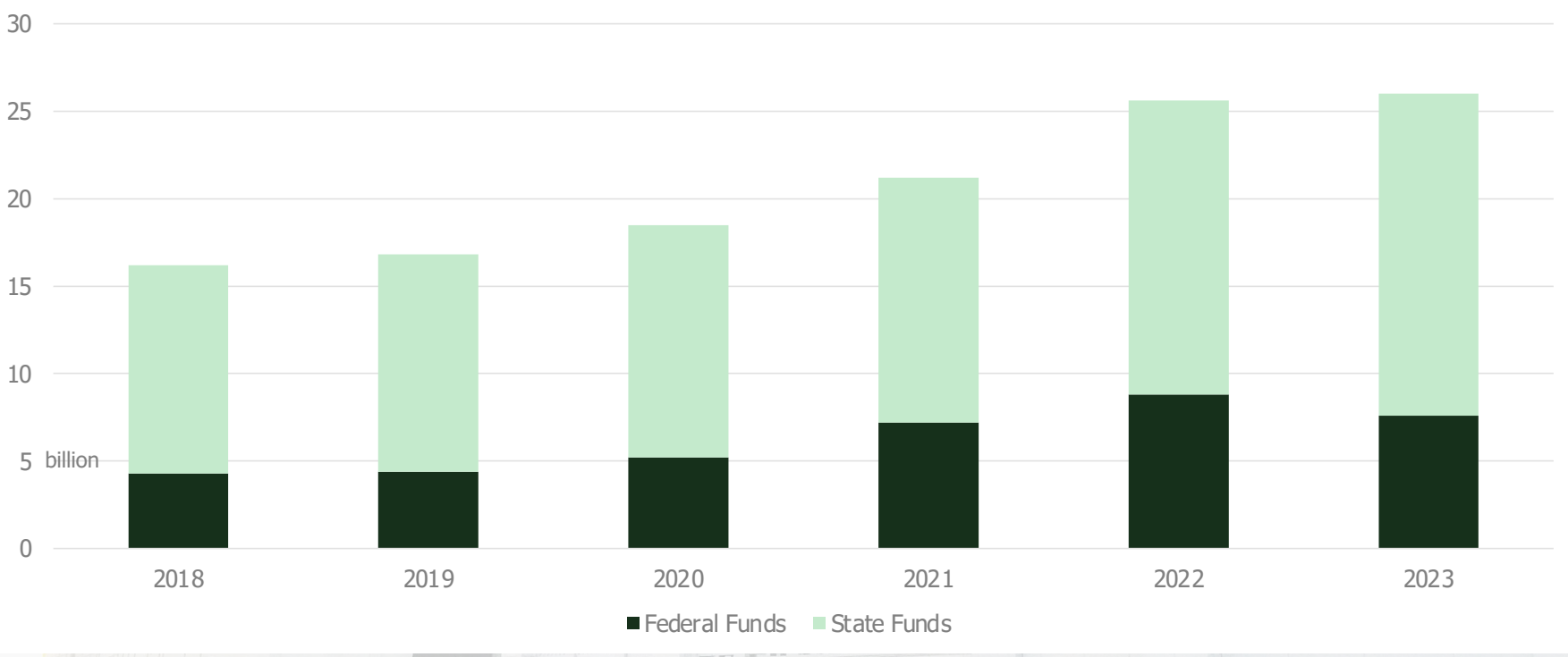
Impact of Inflation on Federal Funds

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Federal Funds as a Share of Utah Budget



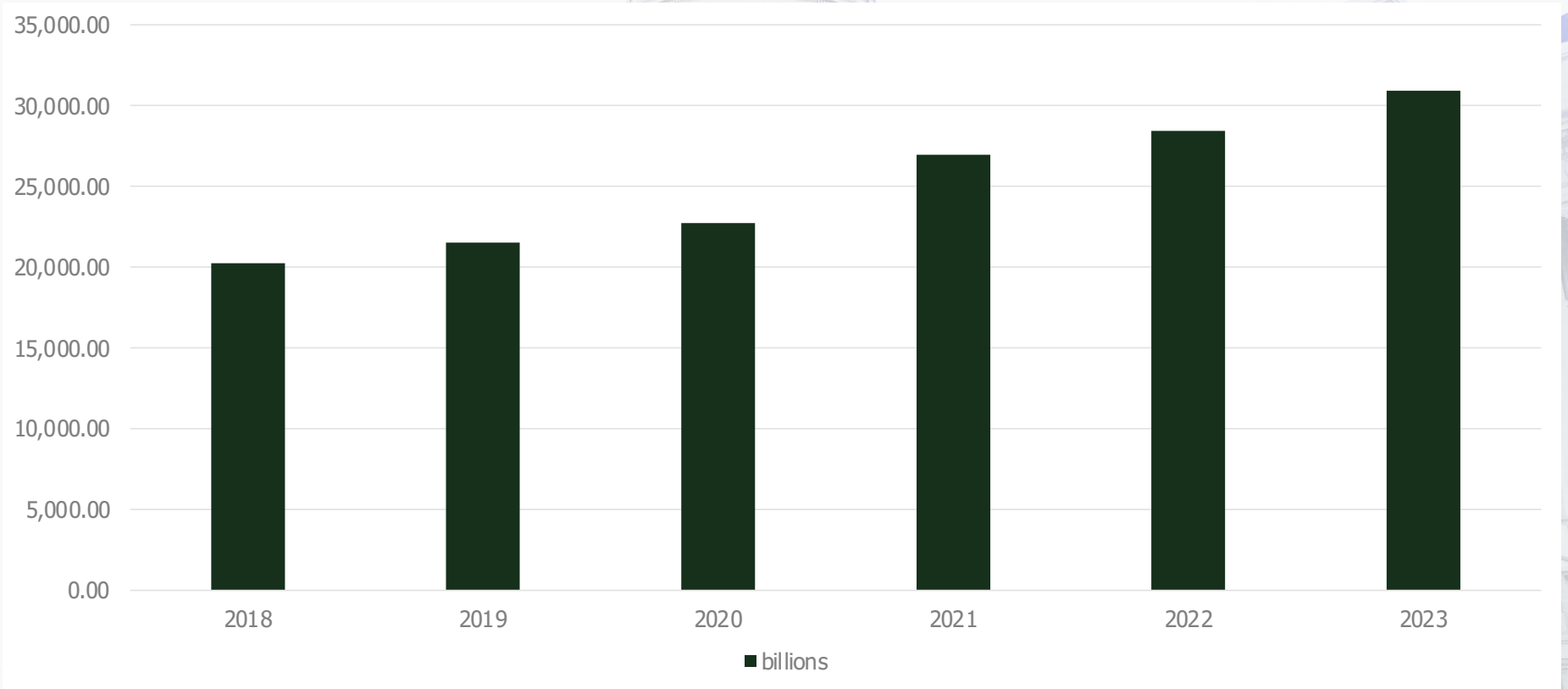
Federal Pandemic Aid Summary

Policy	Amount (billions)
CARES, Family First Coronavirus Response Act	\$6.04
Consolidated Appropriations Act of 2021	\$2.81
American Rescue Plan Act of 2021	\$10.58
Other (i.e., PPP, FEMA)	\$11.78
Total	\$31.23

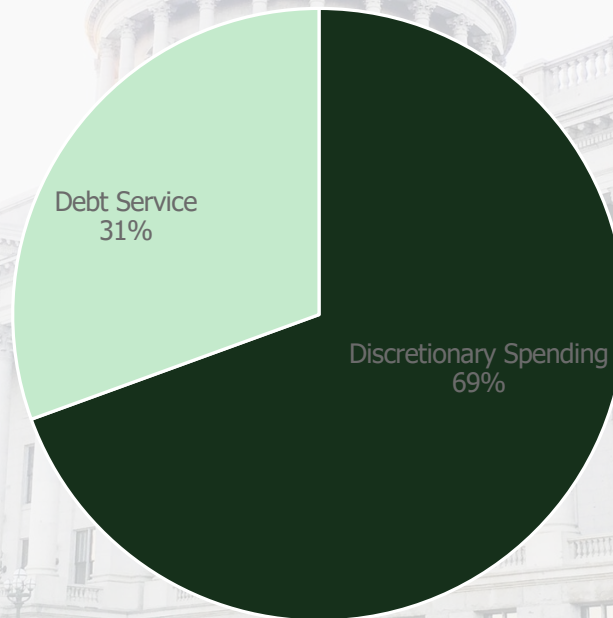
Percentage of State GDP: 13.86%



History of Federal Debt



Debt Service as Proportion of Federal Discretionary Spending for FY 2022

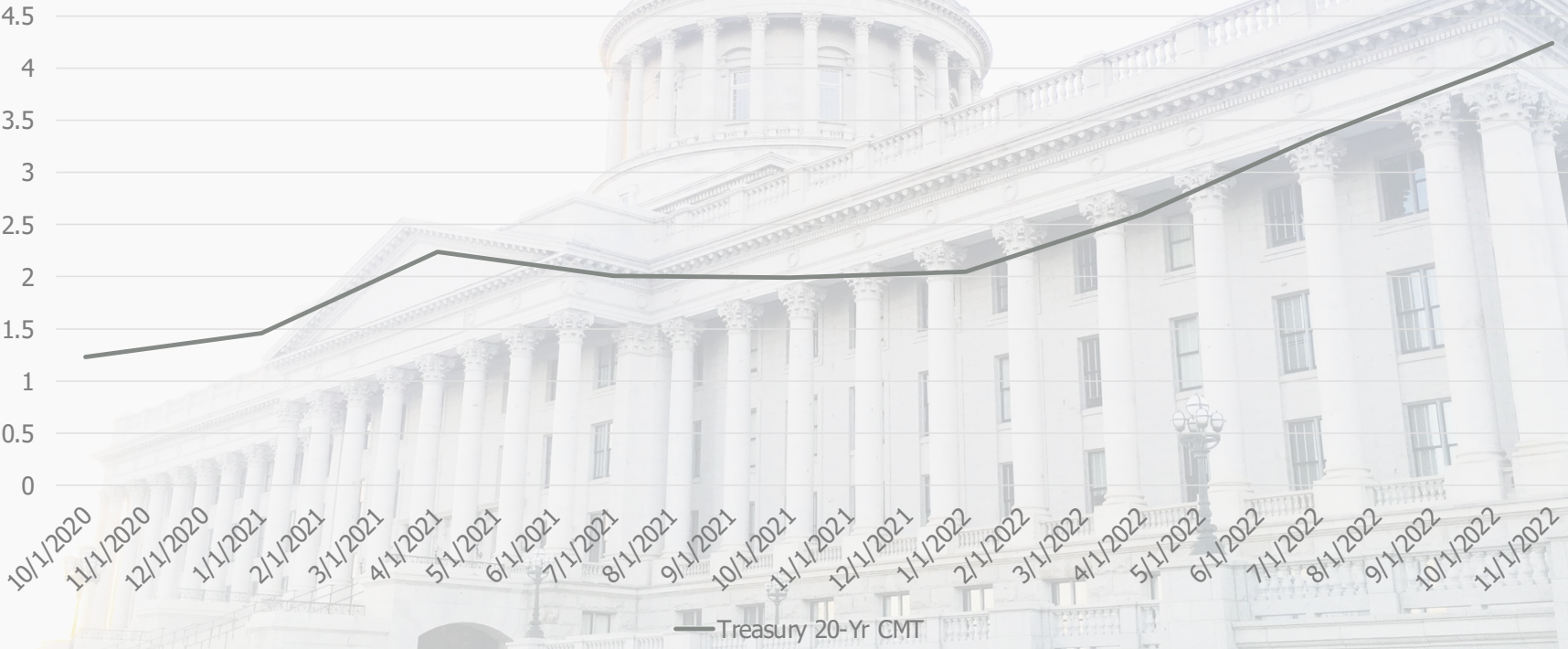


Federal Funds Rate Changes since 2020

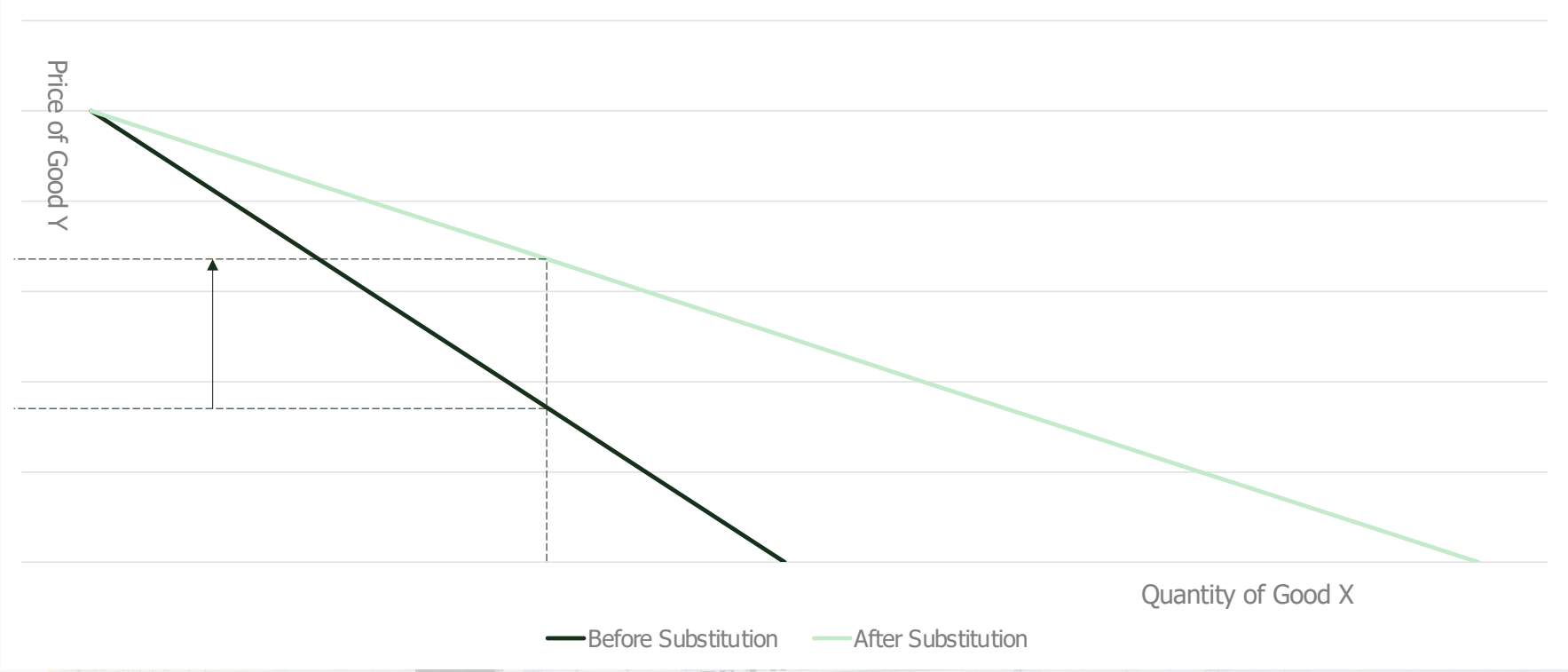
Date	New Amount
March 3, 2020	1.00-1.25
March 16, 2020	0.00-0.25
March 17, 2022	0.25-0.50
May 5, 2022	0.75-1.00
June 16, 2022	1.50-1.75
July 28, 2022	2.25-2.50
September 22, 2022	3.00-3.25
November 3, 2022	3.75-4.00



Daily Treasury Long-Term Rates



Substitution Effect



Current Utah Federal Fund Practices

- Agencies to reduce programs with commensurate reduction in federal funding ([63J-1-218](#))
- Federal Funds Contingency Plans ([63J-1-219](#))
- Federal Funds Trend Analysis ([36-12-13](#))
- Use of General RDF for Loss of Federal Funds ([63J-1-312](#))
- Medicaid Rainy Day Fund ([63J-1-315](#))



Potential Policy Solutions

1. Revamp contingency plan statute (5% and 25%) and ask instead for prioritization of federal programs that state government would take-on as federal support declines
2. Create ongoing revenue set-aside that begins transitioning high priority federal programs to state funding over time
3. Formalize a federal rainy-day fund allowing deposits from GF as well as EF (for child programs and people with a disability)
4. Include federal programs in future budget stress testing

