



Research Brief

The Commonwealth's Official Source for Population and Economic Statistics

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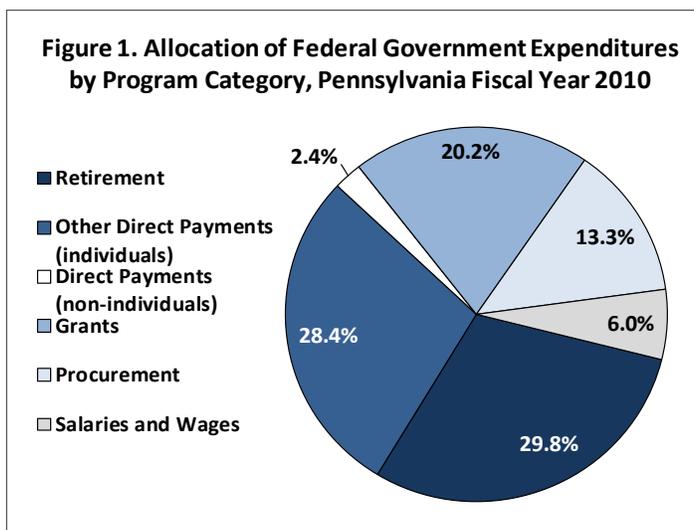
Pennsylvania Receives \$145.9 Billion in Federal Funds, 5th highest in Nation

PENN STATE HARRISBURG – Pennsylvania received \$145.9 billion in federal funding in 2010 according to the recently released *Consolidated Federal Funds Report for Fiscal Year 2010*. The Commonwealth's share of funding represents 4.5 percent of the \$3.3 trillion spent by the federal government and ranks 5th among the states.

Published annually by the U.S. Census Bureau since 1983, the *Consolidated Federal Funds Report* details expenditures on benefits, subsidies, grants, goods and services, salaries and wages, and contains federal agency and program-level data on grants to state and local governments. This report provides data at the state, county, and local levels for federal domestic spending. The report does not contain interest on national debt because there is no meaningful way to assign payments on the national debt to a particular geography. Also, expenditures for the Central Intelligence Agency, the Defense Intelligence Agency, and the National Security Agency are excluded from coverage.

Distribution of Federal Funds

Of the \$145.9 billion distributed to Pennsylvania in 2010, \$43.5 billion, or 29.8 percent of the total, went to retirement and disability programs, \$41.4 billion (28.4 percent) was allotted to other direct payments, \$29.4 billion went toward grants (20.2 percent), \$19.4 billion was spent on procurement (13.3 percent), and \$8.8 billion was paid out in salaries and wages (6.0 percent) (see Figure 1.). Nationally, 27.9 percent of total federal expenditures went towards retirement and disability programs.



Growth in Federal Expenditures

The \$145.9 billion in federal funds that Pennsylvania received in 2010 represents a 4.3 percent increase over 2009. Nationally, federal spending has grown 2.4 percent. Since 2000, the amount of federal funding directed to the Commonwealth has increased by 97.9 percent compared to 98.5 percent nationwide.

Per Capita Federal Spending

On a per capita basis, Pennsylvania received \$11,488.70 per person from the federal government in 2010. Table 1 shows the per capita breakdown of expenditures by program category. Please note that the 2010 Census count of 12,702,379 was used for these calculations.

Table 1. Per Capita Amounts of Federal Government Expenditures by Major Category, Pennsylvania: Fiscal Year 2010		
Program	Amount*	Per Capita
Pennsylvania	\$145,934	\$11,488.70
Retirement and Disability	\$43,458	\$3,421.26
Other Direct Payments (individuals)	\$41,386	\$3,258.15
Other Direct Payments	\$3,523	\$277.36
Grants	\$29,411	\$2,315.41
Procurements	\$19,352	\$1,523.53
Salaries and Wage	\$8,803	\$692.99

*amount of federal expenditures in millions

Other Selected Data:

- A total of \$22.1 billion went to Social Security retirement insurance, accounting for just over half (50.9 percent) of all Retirement and Disability expenditures in 2010. Social Security survivor's insurance (\$7.1 billion) and Social Security disability insurance (\$5.6 billion) accounted for another 29.1 percent of Retirement and Disability expenditures.
- Medicare benefits accounted for two-thirds (66.8 percent) of the \$41.4 billion expended on other direct payments. In 2010, a total of \$27.7 billion was spent on Medicare benefits, an increase of more than \$955 million over 2009, while unemployment compensation experienced a decreased by \$1.3 billion dollars, or 23.4 percent, to \$4.2 billion in 2010.
- Medical assistance programs (\$12.5 billion) and highway planning and construction (\$1.7 billion) were among the top federal grant recipients in Pennsylvania in 2010.
- In 2010, defense spending accounted for about \$16.3 billion or 11.1 percent of total federal expenditures.
- Pennsylvania students received \$3.5 billion in federal direct student loans in 2010, more than doubling 1.5 billion received in 2009.

For additional information on the *Consolidated Federal Funds Report for Fiscal Year 2010*, including data at the county and place levels, contact the Pennsylvania State Data Center at 717.772.2710.

A copy of the report may be downloaded at: <http://www.census.gov/prod/2011pubs/cffr-10.pdf>

Source: U.S. Census Bureau, *Consolidated Federal Funds Report for Fiscal Year 2010*; U.S. Census Bureau, 2010 Census Summary File 1.

The Pennsylvania State Data Center is the commonwealth's official source for population and economic statistics. It is based at Penn State Harrisburg's Institute of State and Regional Affairs. The Pennsylvania State Data Center is part of the U.S. Census Bureau's National State Data Center Program.

Editors: For additional data, contact the Pennsylvania State Data Center's State Capital Office at 717.772.2710 or for faculty comment on this topic, contact Penn State Harrisburg's Public Information Office at 717.948.6029.

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