The Fiscal Link

NCSL & National Association of Legislative Fiscal Offices (NALFO) Updates

- Check out NCSL’s new database, State Actions on Coronavirus Relief Funds! It provides up-to-date, real-time information on how states are spending Coronavirus Relief Funds.

- Join NCSL’s Director of Budgets and Revenue Committee, Erlinda Doherty and the Fiscal Affairs program’s Emily Maher for a NCSL Living Room Town Hall where they discuss federal aid and its impact on states.

- Check out NCSL’s COVID-19 Budget Shortfall Database! The database tracks state actions to address budget shortfalls, detailing budget-cutting and revenue-increasing measures.

- NCSL’s Director of Budgets and Revenue Committee, Erlinda Doherty wrote a blog outlining the need for more federal assistance for states.

- More than 50 states and territories are tracking, overseeing, and distributing information relating to federal stimulus funds. Stay up to date on state oversight measures.

August Fiscal Brief

How States are Spending Coronavirus Relief Funds

Many states have allocated funding to various relief efforts. Others are meeting in special session to decide how and where to spend the federal funds. As the nation continues to endure this unusual public health and economic crisis, state strategies to spend Coronavirus Relief Funds vary.

Read More
NCSL in DC

Senate COVID-19 Proposal Does Not Include Additional Flexible Funding

The Senate on Monday afternoon introduced a package comprising the next round of pandemic response. The approximately $1 trillion package does not provide any additional flexible state aid but allows for 25% of the remaining funds from a state’s Coronavirus Relief Fund (CRF) allotment to be used for lost revenue after first certifying that 25% of the CRF funds were disbursed to local governments. NCSL issued a statement on the Senate package and continues to advocate for additional flexible funds for states.

State News & Reports

- **Minnesota** | The Senate Counsel, Research, and Fiscal Analysis Office [released](#) a series of issue briefs detailing enacted provisions in major spending categories as a response to the state’s federal COVID-19 funding, including, but not limited to, [Health and Human Services](#), [Judiciary and Public Safety](#), and [K-12 and Higher Education](#).

- **Pennsylvania** | A [report](#) by the Independent Fiscal Office examines the economic impact from the regulation of single-use plastics. The report examines three types of regulations: a ban, a fee, and a ban-plus-fee.

- **South Carolina** | At a meeting with the Board of Economic Advisors, the Revenue and Fiscal Affairs Office [revised](#) revenue declines from June estimates of 16% to 10% of last years revenues.

- **Vermont** | The Joint Fiscal Office is [tracking](#) Coronavirus Relief Funds by allocation type. The state has allocated over $1 billion of its federal funds, including $275 million to a health care provider stabilization grant program.

• **Utah** | The Office of the Legislative Fiscal Analyst and the Governor’s Office of Management and Budget updated its budget stress test to reflect the pandemic. The budget stress test provides policymakers with a road map and options for responding to the fiscal impacts of the pandemic.

**Federal News & Reports**

- The Bureau of Economic Analysis released its annual update of gross domestic product. This year’s update includes quarterly and annual estimates for 2015 through the first quarter of 2020.

- The Congressional Budget Office found that increasing IRS funding for examinations and collections by $20 billion over 10 years would raise federal revenues by $61 billion, while a $40 billion increase would add $103 billion in revenues.

- The Centers for Medicare and Medicaid Services released a report on the effectiveness of the value-based payment system. The report’s data determines provider payment rate adjustments for 2020 by using 2018 data. Of the participating providers, 98% of eligible clinicians avoided negative payments for 2020.

**Other Items of Interest**

- State sales tax receipts shrank by $6 million in May according to a report by the Tax Policy Center. States where leisure and hospitality are critical industries and rely heavily on sales tax revenues are particularly vulnerable to the pandemic’s financial threat.

- The Tax Foundation found reliance on cigarette excise taxes has increased in recent years due to a decline in consumption and cigarette smuggling.

- In response to the COVID-19 fiscal crisis Project SAFE (State Action in Fiscal Emergencies) was created in an effort by academics and their students to help states mitigate fiscal implications by providing federal, state, local, and long-term policy recommendations.

**The Fiscal Link Bonus Reel**

- Webinar: The Tax Foundation: [Figuring Out Phase Four - Next Steps on Federal and State Coronavirus Response](#)

- Webinar: The Tax Policy Center: [State of the States: Pandemic-Driven Budget Innovations](#)

- Webinar: The Volcker Alliance and Penn Institute for Urban Research: [The COVID-19 Crisis Economy: The Role of Federal Dollars of Address Unprecedented State and Local Needs](#)
Additional Resources

- Visit the [NCSL Fiscal Affairs Program homepage](#).
- Visit the [NALFO homepage](#).
- Consult a [list of legislative fiscal offices](#) that maintain a webpage.
- Join [NALFO’s Listserv](#).

If you would like to be added to the distribution list for The Fiscal Link, or know a legislator or legislative staff person who should be added, just ask [Emily Maher](#) or [Erica MacKellar](#).

**NOTE:** Links to external websites and reports are for information purposes only and do not indicate NCSL’s endorsement of the content on those sites.