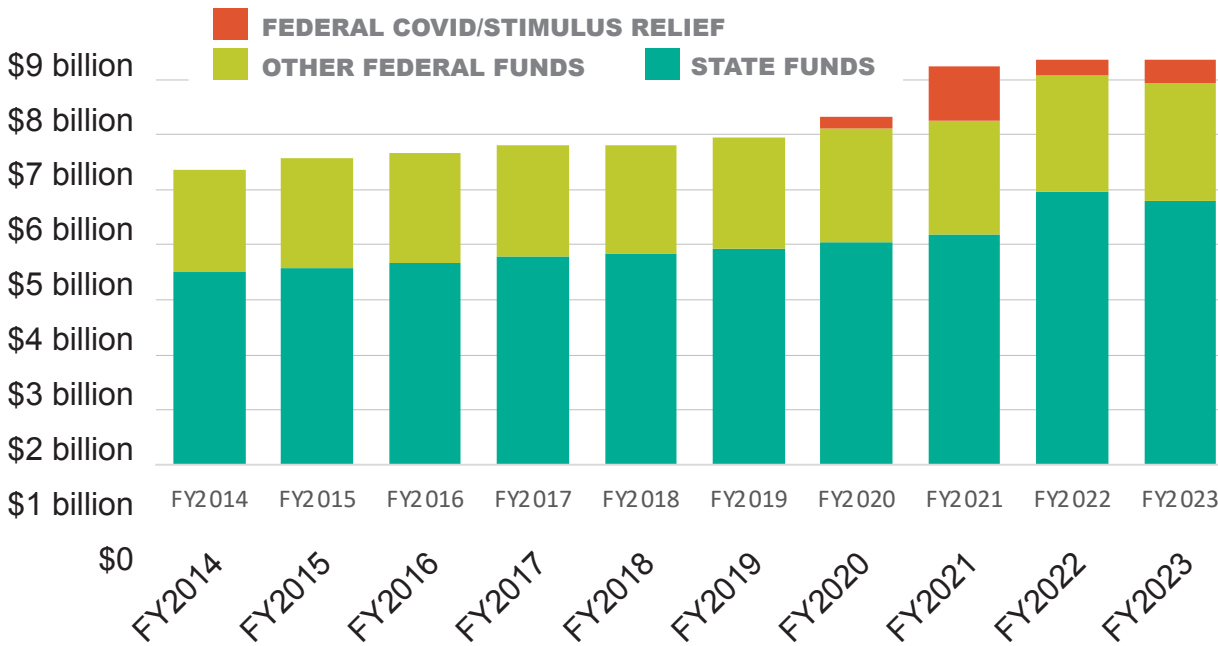


COVID relief boosted both federal and state funding

Total Vermont budget appropriations by funding source, FY2014-FY2023



STATE APPROPRIATIONS

Vermont has a variety of government accounts that are supported by state taxes and fees. The primary accounts, comprising 90 percent of state funds, are the General Fund, Transportation Fund, and Education Fund. In addition, Vermont receives federal funds, which in normal times support about a third of the state's annual appropriations.

Note: For FY2020-FY2023, federal COVID relief plus other federal funds represent total annual federal funds; allocation between these two categories for each year is estimated based on the pre-pandemic federal funding trend.

Data source: Vermont Joint Fiscal Office
©2022 Public Assets Institute

Vermont state government, along with businesses and individuals, received a massive amount of federal support to respond to the health and economic crises brought on by the COVID-19 pandemic. As a small state, Vermont received the minimum allocation set by Congress when it approved some of the federal aid packages, which meant the state got more money per capita than many larger states. As intended, putting more money in people's pockets stimulated the economy, which in turn boosted state tax revenue. The direct and indirect effects of this federal assistance allowed Vermont to increase the state budget by about a third. Total state spending in fiscal 2019 was just under \$6 billion. By fiscal 2022 it had risen to \$8 billion and in fiscal 2023 will exceed \$8.3 billion.