**Fiscal Impact:** Our quarterly measure of fiscal impact shows how much federal, state, and local government taxes and spending added to or subtracted from the overall pace of economic growth. A positive number indicates that government policy has been stimulative; a negative number indicates restraint. (For more detail on how this measure was constructed and how to interpret it, see our methodology.)

**Panel One: Jobs and Public Construction:**  State and local government hiring has picked up in recent years, following large declines between 2009 and 2012; in contrast, state and local construction spending remains low. Federal government employment—which accounts for only 10 percent of total government employment-- has begun to stabilize after falling last year.

**Monthly Change in State and Local Employment**: Trends in state and local hiring are a good indicator of the overall contribution of the state and local sector to economic activity.

**Monthly Change in Federal Employment**: Monthly changes in the number of employees hired by the federal government.

**State and Local Government Spending on Real Structures:** State and local government total investment in structures (such as highways and schools) is beginning to stabilize after years of steep declines.

**Panel two: Taxes and Spending:** Fiscalpolicy consists of taxes and spending decisions made at the state, local, and federal levels. Click on each chart for more detail.

**State and Local Tax Receipts**: This chart displays the year-over-year change in the amount of money that state and local governments collect in taxes.

**Federal Receipts and Outlays:** This tablebreaks down the government’s revenues and spending by category over the last year. We compare the government tax receipts and spending over the last 12 months to the total amount spent over the previous 12 months.

**Panel three: The Longer Run:** The federal government pays for its various spending programs (outlays) by raising revenue from taxes and borrowing from the public. Click on each chart for more detail.

**Revenues and Outlays**: The Congressional Budget Office (CBO) expects spending to continue to exceed revenues over the next 10 years.

**Federal Budget Deficit or Surplus:** The federal budget surplus is the amount of money the federal government takes in (revenues) minus the amount of money it spends (outlays) in a given year. A positive number indicates that the government is running a surplus, and a negative number indicates a deficit.

**Debt Held by the Public:** The Congressional Budget Office (CBO) expects the federal debt—the amount the federal government owes to its lenders—to rise over the coming decade, relative to the size of the economy.

**Federal Spending by Category:** Government spending on health care, which includes Medicare and Medicaid, is the fastest-growing component of the budget.