**HUTCHINS’ FISCAL IMPACT MEASURE: SECOND QUARTER UPDATE**

The combined effect of federal, state and local spending and tax policies —which significantly restrained overall economic growth from 2011 through 2014— had little effect on growth in Gross Domestic Product in the second quarter of 2017, the latest reading on the Hutchins’ Fiscal Impact Measure shows. The modestly positive impact of federal spending was offset by persistent weakness in state and local spending. Worries about unfunded pension liabilities and weaker than expected tax revenues this year appear to be restraining spending on both current operations and infrastructure.

The Hutchins’ FIM has been hovering near zero over the past year, suggesting that, on balance, local, state and federal fiscal policies have neither subtracted from nor added to the change in GDP. The GDP grew at a 2.6 percent annual rate in the quarter, according to the government’s first estimate.

Check out the interactive charts and more analysis here (embed link to updated site).