



# THE FISCAL SURVEY OF STATES

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FALL 2023

AN UPDATE OF STATE FISCAL CONDITIONS

A REPORT BY THE NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS

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# PREFACE

*The Fiscal Survey of States* is published twice annually by the National Association of State Budget Officers (NASBO). The series began in 1979. The survey presents aggregate and individual data on the states' general fund expenditures and receipts, annual tax and revenue changes, and balances. Although not the totality of state spending, general funds are raised from states' own taxes and fees, such as state income and sales taxes. These general funds are used to finance most broad-based state services and are the most important elements in determining the fiscal health of the states. A separate survey that includes total state spending, NASBO's *State Expenditure Report*, is conducted annually.

Thirty states operate on an annual budget cycle, while 20 states operate primarily on a biennial (two-year) budget cycle. Additionally, the District of Columbia (DC), Guam, Puerto Rico, and Virgin Islands also operate on an annual budget cycle.

Among the biennial budget states, 17 states enacted two-year budgets during 2023 legislative sessions covering fiscal 2024 and fiscal 2025. Arkansas, counted among the biennial budget states here, practices a hybrid approach, recommending and reviewing budgets on a biennial basis but enacting appropriations before each fiscal year.

Forty-six states and Puerto Rico begin their fiscal years in July and end them in June. New York, starts its fiscal year on April 1; Texas starts on September 1; and Alabama, Michigan, DC, Guam, and the Virgin Islands start their fiscal years on October 1.

The field survey on which this report is based was conducted by NASBO from September through November 2023. The surveys were completed by executive budget officers in 50 states, three territories, and DC.

Generally, fiscal 2022 data represent actual figures, fiscal 2023 figures are preliminary actual, and fiscal 2024 data reflect states' enacted budgets. Footnotes in this report document exceptions to this. Unless otherwise noted, all percentage calculations reported in this survey are in nominal terms and not adjusted for inflation.

NASBO staff member Kathryn Vesey White compiled the data and prepared the text for the report.



# EXECUTIVE SUMMARY

*This edition of the Fiscal Survey of States reflects actual fiscal 2022, preliminary actual fiscal 2023, and enacted fiscal 2024 figures (except where otherwise noted) for all 50 states, three territories, and the District of Columbia. The report includes data on general fund spending, revenue, rainy day funds and total balances, as well as information on enacted changes to general fund revenue sources and state employee compensation. The data were collected in the fall of 2023. All data are reported in nominal terms (not adjusted for inflation) unless otherwise specified.*

## Introduction

State general fund spending growth in fiscal 2024 is expected to moderate following two consecutive years of double-digit percentage increases. States' enacted budgets for fiscal 2024 provide for total general fund spending 6.5 percent above preliminary actual levels for fiscal 2023. This growth builds upon a high baseline established after a 16.0 percent year-over-year spending increase in fiscal 2022 and an additional 11.8 percent bump in fiscal 2023, fueled by strong state tax collections and one-time expenditures from surplus funds. Adjusted for inflation, general fund spending grew 8.0 percent in fiscal 2022 and 7.0 percent in fiscal 2023.

On the revenue side, general fund collections slowed considerably in fiscal 2023, increasing 0.9 percent year-over-year, and are expected to record a decline of 1.8 percent in fiscal 2024 from a high baseline following two consecutive years of double-digit percentage growth in fiscal 2021 and fiscal 2022. The slower revenue growth in fiscal 2023 and decline forecasted for fiscal 2024 reflect the impact of recently enacted tax cuts (both one-time and recurring), a weaker stock market performance in calendar year 2022, slower growth in consumption and changing spending patterns, and lower inflation, among other factors.

Despite the slowdown in revenue growth in fiscal 2023, total state general fund collections exceeded their original revenue forecasts when budgets were enacted by 7.7 percent, with 46 states reporting preliminary actual receipts exceeded original estimates. Fiscal 2024 revenue performance has been a bit more mixed, though most states able to report indicated collections were either meeting or exceeding estimates for the fiscal year to date. Numerous factors are driving variation in revenue performance across states, including differences in

tax structures, prevalent industries, demographic shifts, tax policy changes, and the timing of one-time revenues.

After three consecutive years of revenue surpluses for the vast majority of states, rainy day fund balances have grown considerably, with the median balance as a share of general fund spending reaching 12.3 percent as a percentage of general fund expenditures in fiscal 2023. Based on enacted budgets, most states expect further increases in fiscal 2024, with the median balance projected at 13.8 percent of general fund spending. In addition to rainy day funds, states' general fund balances have also seen tremendous growth in recent years. Despite states' plans to spend down some of their prior-year surplus funds, total balances are projected to represent 23.2 percent as a percentage of general fund spending at the end of fiscal 2024—considerably larger than their pre-pandemic high. While the economy has shown continued resiliency and performed better than expected this year, potential downside risks to the current outlook remain. States' elevated balance levels, coupled with other steps states have taken to strengthen their fiscal position, leave them well-prepared to manage their budgets in the event of a downturn.

## State General Fund Spending

**Fiscal 2024 Enacted Spending.** States' enacted budgets for fiscal 2024 provide for general fund spending totaling \$1.26 trillion, which represents growth of 6.5 percent compared to preliminary actual levels for fiscal 2023. This increase builds upon the high baseline established after two consecutive years of double-digit percentage growth in general fund spending—growth that was partially driven by one-time expenditures using surplus funds. Thirty-four states are projecting year-over-year increases in general fund spending in fiscal 2024. For more information on enacted budgets, including key spending initiatives by program area, see *Summaries of Fiscal Year 2024 Enacted Budgets*, available on NASBO's website.<sup>1</sup>

**Fiscal 2023 Estimated Spending.** In fiscal 2023, state general fund spending totaled \$1.19 trillion, representing annual growth in the aggregate of 11.8 percent. This rate is considerably higher than previously estimated based on states' enacted budgets reported in NASBO's *Fall 2022 Fiscal Survey*, in part due to states recommending or enacting mid-year spending increases in response to revenues exceeding original forecasts used to enact fiscal 2023 budgets. Higher inflation,

<sup>1</sup> National Association of State Budget Officers, *Summaries of Fiscal Year 2024 Enacted Budgets* (October 11, 2023), available at [https://higherlogicdownload.s3.amazonaws.com/NASBO/9d2d2db1-c943-4f1b-b750-0fca152d64c2/UploadedImages/Issue%20Briefs%20Summaries\\_of\\_Fiscal\\_Year\\_2024\\_Enacted\\_Budgets.pdf](https://higherlogicdownload.s3.amazonaws.com/NASBO/9d2d2db1-c943-4f1b-b750-0fca152d64c2/UploadedImages/Issue%20Briefs%20Summaries_of_Fiscal_Year_2024_Enacted_Budgets.pdf).

## Key Report Findings:

- Enacted budgets for fiscal 2024 call for general fund spending of **\$1.26 trillion**, a **6.5 percent** increase over fiscal 2023.
- General fund spending grew **11.8 percent** in fiscal 2023, following an annual increase of **16.0 percent** in fiscal 2022—the highest growth rate recorded in the *Fall Fiscal Survey* in more than 40 years. Adjusted for inflation, spending grew **8.0 percent** in fiscal 2022 and **7.0 percent** in fiscal 2023.
- Twenty-one states reported net mid-year spending increases in fiscal 2023, including one-time expenditures from surplus funds. Nine states reported net mid-year cuts; only one of the nine states attributed the cuts to a revenue shortfall.
- General fund revenue in the aggregate increased **0.9 percent** in fiscal 2023 from the high baseline established in fiscal 2022 and is projected to decline **1.8 percent** in fiscal 2024 enacted budget forecasts.
- **46 states** reported fiscal 2023 general fund revenue collections exceeded original estimates used in enacted budgets for fiscal 2023; preliminary actual collections for fiscal 2023 were up **7.7 percent** compared to original estimates.
- States enacted net tax reductions in fiscal 2024 with a general fund revenue impact of **-\$13.3 billion** (1.1 percent as a percentage of forecasted revenue for fiscal 2024); roughly 40 percent of this total impact (**-\$5.4 billion**) is attributable to one-time/temporary tax cuts.
- **41 states** reported year-over-year increases in the size of their rainy day fund balances in fiscal 2023, measured in nominal dollars. The median rainy day fund balance as a percentage of spending increased from **10.8 percent** in fiscal 2022 to **12.3 percent** in fiscal 2023, and is estimated to reach **13.8 percent** based on enacted budgets for fiscal 2024.
- Total balances (rainy day funds + general fund ending balances) by the end of fiscal 2022 were more than 3.5 times their aggregate level in nominal dollars at the end of fiscal 2020 and represented **37.9 percent** as a percentage of total general fund expenditures. After most states maintained or increased their total balance levels in fiscal 2023, balances are projected to decline to **23.2 percent** as a percentage of general fund spending in fiscal 2024 as states plan to spend down some of their prior-year surplus funds.

spending on one-time investments from surplus funds, and a continued shift towards greater reliance on general funds in place of expiring federal funds in certain areas contributed to the spending growth rate for fiscal 2023. Adjusted for inflation, general fund spending increased 7.0 percent in fiscal 2023.

**Fiscal 2022 Actual Spending.** Total general fund spending came in at \$1.06 trillion in fiscal 2022, representing a 16.0 percent annual increase over fiscal 2021 levels. This is the highest annual growth rate recorded in the *Fall Fiscal Survey* in more than 40 years since states recorded a 16.3 percent increase in fiscal 1981. High inflation, increased spending in response to the pandemic, a lower baseline in fiscal 2021, an uptick in one-time expenditures using surplus funds, and a shift from a reliance on temporary federal funds towards general funds in certain program areas all contributed to this

high growth rate. Adjusted for inflation, general fund spending grew 8.0 percent in fiscal 2022.

## Spending Actions, Budget Management Strategies, and Employment Compensation

**Fiscal 2023 Mid-Year Spending Changes.** Overall, 21 states reported net mid-year increases in general fund spending for fiscal 2023 while nine states reported decreases compared to their originally enacted budgets, resulting in a net mid-year increase of \$7.9 billion. For the states that reported net mid-year increases in general fund spending, these included disaster relief appropriations; one-time investments supported by surplus funds, such as for economic development and capital projects; and other supplemental appropriations to address additional needs. Among the nine states reporting

## Fiscal Data from U.S. Territories and the District of Columbia Now Included

Beginning this year, general fund spending, revenue and balance data are now included in NASBO's *Fiscal Survey of States* for multiple U.S. territories—Guam, Puerto Rico, and the U.S. Virgin Islands (USVI)—as well as the District of Columbia (DC). Unless otherwise noted, aggregate figures cited in the text and tables of this report include data from the 50 states only to allow for comparisons to historical survey data. When including data from the 50 states, three territories reporting, and DC, general fund spending totaled \$1.10 trillion in fiscal 2022 and \$1.21 trillion in fiscal 2023, and is projected to total \$1.29 trillion in fiscal 2024 enacted budgets, while general fund revenue totaled \$1.21 trillion in fiscal 2022 and \$1.22 trillion in fiscal 2023, and is projected to total \$1.20 trillion in fiscal 2024 enacted budgets. When including the 50 states, three territories, and DC, rainy day fund balances and total balances at the end of fiscal 2023 totaled \$168.6 billion and \$414.9 billion, respectively.

net mid-year cuts, only one state attributed these cuts to a revenue shortfall, while the others reported these reductions resulted from caseload adjustments, underspending in some areas, and other appropriations that were not needed.

**Budget Management Strategies for Fiscal 2023 (Mid-Year) and Fiscal 2024.** Reported budget management strategies such as spending reductions, revenue increases, personnel actions, efficiency savings, and one-time measures were minimal in this survey, given widespread fiscal stability in states. In managing their fiscal 2023 budgets in the middle of the year, just six states reported making targeted cuts; additionally, eight states reported use of this strategy in enacted budgets for fiscal 2024. Also in fiscal 2024 enacted budgets, six states imposed or continued hiring freezes or eliminating vacant positions, 11 states reported using prior-year fund balances, and seven states reported using other fund transfers.

**Fiscal 2024 Employment Compensation Changes.** Forty states, the District of Columbia (DC), Guam, and Puerto Rico reported adopting across-the-board (ATB) pay increases in fiscal 2024. Similar to the circumstances last year when states adopted budgets for fiscal 2023, a tight labor market, high inflation, and strong state fiscal conditions continued to keep the number of states adopting across-the-board pay

increases elevated. Additionally, 16 states, DC and Guam adopted at least some merit increases. Some states also adopted other modifications to employee compensation in fiscal 2024 including one-time bonuses, longevity payments or step increases, and targeted salary increases for certain employee groups. Among the states that reported an average percentage ATB increase, the rate of increases ranged from 2.0 to 12.0 percent, with a median pay raise of 5.0 percent.

## State General Fund Revenues

**Fiscal 2024 Revenue Forecasts.** Enacted budgets for fiscal 2024 are based on general fund revenues totaling \$1.18 trillion, which would represent a 1.8 percent decline compared to fiscal 2023 preliminary actual levels. This decrease reflects in part the impact of recently enacted tax reductions (including both one-time and ongoing changes) as well as lower forecasted corporate tax collections after multiple years of robust growth in that more volatile revenue source. Despite this decline, projected revenues for fiscal 2024 in the aggregate are still roughly 34 percent above fiscal 2019 (pre-pandemic) levels (without adjusting for inflation). This increase over five years was especially driven by the double-digit annual percentage growth recorded in fiscal 2021 and fiscal 2022. Among the states able to report at the time of data collection, general fund revenues for fiscal 2024 were exceeding original forecasts at the time of budget enactment for 16 states, on target in 14 states, and below forecast in six states.

**Fiscal 2023 Preliminary Actual.** States reported in this survey fiscal 2023 general fund revenue totaling \$1.20 trillion. This marks a slight increase of 0.9 percent from a very high baseline following two consecutive years of double-digit percentage increases in revenue in fiscal 2021 and fiscal 2022. The lower growth rate in fiscal 2023 reflects in part the impact of recent tax cuts (both one-time and recurring), a weaker stock market performance in calendar year 2022, slower growth in consumption and changing spending patterns, and lower inflation. Despite slower growth, 46 states saw general fund receipts exceed their originally enacted revenue estimates for fiscal 2023, with collections in the aggregate up 7.7 percent compared to original forecasts. Meanwhile, just three states reported general fund collections came in lower than original estimates and one state was on target for fiscal 2023.

**Fiscal 2022 Actual Collections.** States reported in this survey fiscal 2022 general fund revenues totaling \$1.19 trillion, representing a 16.3 percent year-over-year increase. This

marks the second consecutive year of double-digit percentage growth in revenues, after general fund collections grew 16.6 percent in fiscal 2021 year-over-year. The annual revenue growth experienced in fiscal 2021 and fiscal 2022 represent the two highest growth rates recorded in NASBO's *Fiscal Survey* since its inception in 1979. Employment growth and high consumer demand, as well as a strong stock market performance in calendar year 2021, helped to drive revenue gains in fiscal 2022. The inclusion of federal aid in general fund revenues in a few states as well as the economic impacts of federal stimulus contributed to revenue growth in fiscal 2022 as well. The effect of inflation on both consumer prices and wages also contributed to revenue growth; adjusted for inflation, general fund revenues grew 8.3 percent in fiscal 2022.

**Revenue Trends by Tax Source.** Sales and use tax collections came in well ahead of forecast in fiscal 2022, growing 13.8 percent year-over-year, due to pent-up consumer demand, strong economic growth and the impact of high inflation on prices. In fiscal 2023, sales tax collections grew an additional 5.3 percent from this high baseline, as consumption growth slowed somewhat and consumer behavior shifted towards spending more on services rather than goods. Meanwhile, personal income tax collections grew 14.3 percent in fiscal 2022 following already strong growth in fiscal 2021, driven primarily by employment growth, wage increases, and a strong stock market performance in 2021. For fiscal 2023, personal income taxes declined 5.3 percent, which is partially attributable to the high baseline in fiscal 2022 that involved certain one-time factors, a weaker stock market performance, and the impact of both recurring and one-time tax policy changes. Corporate income taxes saw tremendous growth in fiscal 2022 for a second consecutive year, increasing 45.4 percent, followed by a further increase of another 5.1 percent in fiscal 2023. All other general fund revenues, which consist of myriad sources that vary by state (cigarette and other excise taxes, severance taxes, gaming and lottery revenue, insurance taxes, fees, etc.) grew 12.1 percent in fiscal 2022 and 6.0 percent in fiscal 2023.

Compared to fiscal 2023 preliminary actuals, fiscal 2024 revenue forecasts in states' enacted budgets expect a 1.3 percent increase in sales and use taxes, a 2.3 percent decrease in personal income taxes, an 8.0 percent decrease in corporate income taxes, and a 2.7 percent decrease in all other general fund revenue.

## Revenue Actions

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**Fiscal 2024 Enacted Revenue Actions.** Thirty-seven states enacted net decreases in general fund revenue for fiscal 2024, while net increases were adopted in three states, resulting in a projected net impact on general fund revenue of -\$13.3 billion. Measured as a share of general fund revenue, the impact of these enacted changes is equivalent to roughly 1.1 percent of forecasted general fund revenue in fiscal 2024 budgets, a similar percentage to the reductions recorded in the late 1990s and fiscal years 2000–2001. The scale and scope of tax reductions adopted by states in their fiscal 2024 budgets reflect continued strong fiscal conditions. A significant portion of the estimated fiscal 2024 revenue impact of enacted changes reported in this survey (-\$5.4 billion) is attributable to one-time or temporary revenue actions. This means that the recurring revenue impacts of enacted changes in this survey total an estimated -\$7.9 billion in fiscal 2024. Enacted changes to personal income taxes accounted for most of the net revenue impact estimated (-\$10.9 billion), which includes a combination of one-time and recurring changes.

**Fiscal 2023 Enacted Mid-Year Revenue Actions.** The tax changes enacted by states reported in this survey would also reduce general fund revenue for fiscal 2023 by an additional \$3.8 billion, after states already enacted reductions last year that were set to reduce fiscal 2023 general fund revenue by an estimated \$15.5 billion. Net mid-year decreases for fiscal 2023 were adopted in 11 states, while one state enacted a modest net increase. Changes reported in this survey impacting fiscal 2023 revenue include both recurring actions that were enacted for fiscal 2024 that would also affect fiscal 2023 collections depending on their effective date as well as standalone mid-year changes (especially one-time or temporary actions) that do not carry over to fiscal 2024. Of the -\$3.8 billion revenue impact for fiscal 2023, more than half (-\$2.3 billion) is attributable to one-time changes.

## State Balances

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**Rainy Day Fund Balances.** Recent balance trends and current reserve policies demonstrate how states have taken actions to strengthen their rainy day funds, also known as budget stabilization funds. From fiscal 2020 to fiscal 2022, rainy day fund balances more than doubled from \$77.0 billion to \$167.3 billion, as states deposited a portion of their revenue surpluses into these reserve funds. In fiscal 2023, 41 states reported further increases to their rainy day funds, and the



median rainy day fund balance as a percentage of general fund spending rose from 10.8 percent in fiscal 2022 to 12.3 percent in fiscal 2023, and is projected to reach 13.8 percent in fiscal 2024 based on states' enacted budgets. These high rainy day fund levels, coupled with other recent steps states have taken to strengthen their fiscal position, leave states well-prepared to manage their budgets in the event of a downturn.

**Total Balances.** Total balances include general fund ending balances and the amounts in states' rainy day funds. General fund balances have swelled in recent years as a result of revenues far exceeding the revenue forecasts used in enacted budgets for fiscal 2021 and fiscal 2022. At the end of fiscal 2022, total balances had reached \$402.1 billion, more than 3.5 times their aggregate level in nominal dollars at the end of fiscal 2020 and representing 37.9 percent as a share of total

general fund expenditures in fiscal 2022. With the vast majority of states recording revenue surpluses for a third consecutive year in fiscal 2023, total balances ticked up to \$406.9 billion, even as states spent down some of their prior-year surpluses during the year. With many states planning to spend a portion of their ending balances and with more "normal" fiscal conditions anticipated this year, total balances are projected to decline in fiscal 2024 budgets. That said, combined ending balances and rainy day funds are still expected to total 23.2 percent as a percentage of general fund expenditures, considerably above their pre-COVID-19 high in fiscal 2019 and roughly double their level going into the Great Recession. While the economy has shown continued resiliency and performed better than expected this year, potential downside risks remain, and these elevated total balance levels provide an additional budgetary cushion for states.



# STATE EXPENDITURE DEVELOPMENTS

## CHAPTER ONE

### Overview

Enacted budgets for fiscal 2024 provide for general fund spending growth of 6.5 percent compared to estimated levels for fiscal 2023. This increase builds upon the high baseline established after two consecutive years of double-digit percentage growth in general fund spending bolstered by strong tax collections and spending from surplus funds. Thirty-four states are projecting spending increases in fiscal 2024 compared to fiscal 2023 preliminary actual spending.

In fiscal 2023, states recorded spending growth of 11.8 percent. This growth rate is considerably higher than was anticipated in states' original enacted budgets reported in NASBO's *Fall 2022 Fiscal Survey*. After the vast majority of states ended fiscal 2022 and fiscal 2023 with revenue surpluses, and with most states ending fiscal 2023 with collections above forecast, 21 states reported approving mid-year spending increases for fiscal 2023. This additional spending includes supplemental appropriations to meet programmatic needs or for disaster aid, as well as one-time uses of surplus funds such as economic development and capital projects. Meanwhile, nine states reported net reductions compared to originally enacted budgets for fiscal 2023 and only one state attributed these mid-year cuts to a revenue shortfall.

States recorded 16.0 percent growth in general fund spending in fiscal 2022, the highest annual increase recorded in NASBO's *Fall Fiscal Survey* in more than 40 years. High inflation, increased spending in response to the pandemic, and a lower baseline in fiscal 2021 all contributed to this high growth rate. Spending in both fiscal 2022 and fiscal 2023 was also partially driven by an uptick in one-time expenditures using surplus funds.

### State General Fund Spending

**Enacted Spending for Fiscal 2024.** States' enacted budgets call for general fund spending totaling \$1.26 trillion in fiscal 2024, which represents a 6.5 percent increase compared to preliminary actual spending levels for fiscal 2023. This growth rate follows two consecutive years of double-digit percentage growth in general fund expenditures in fiscal 2022 and fiscal 2023. Overall, 34 states are projecting general fund spending increases in fiscal 2024, while 15 states are forecasting declines and one state estimates flat growth. Among the states reporting projected declines in enacted general fund spending for fiscal 2024, all but one experienced double-digit percentage growth in one or both of the preceding two fiscal years—growth which was likely driven in part by one-time expenditures using surplus funds.

Compared to governors' proposals for fiscal 2024, general fund spending in enacted budgets came in \$30.5 billion (2.5 percent) higher. This is likely driven in part by upward revisions to revenue forecasts for fiscal 2023 and fiscal 2024 between the time that governors introduced budgets and when states adopted them. In some states, their fiscal 2024 enacted budgets include plans to spend down prior-year surplus funds on one-time uses.

Because the timing of state spending has been more variable during the pandemic, especially given the sizeable amount of one-time expenditures in many states, it can be helpful to also look at average spending growth over several years. Average annual general fund spending growth for all 50 states over three years (fiscal 2022, fiscal 2023 and fiscal 2024) is estimated at 11.4 percent, with a median average growth rate over three years of 9.9 percent for the 50 states. This growth over three years follows much lower growth rates in fiscal 2020 and fiscal 2021, when some states reduced spending in response to the early economic impacts of the pandemic.



## Biennial Budget States

Thirty states budget on an annual basis, while 20 states budget primarily on a biennial basis. Most biennial budget states enacted two-year budgets during 2023 legislative sessions covering fiscal 2024 and fiscal 2025. These include: Connecticut, Hawaii, Indiana, Maine, Minnesota, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Ohio, Oregon, Texas, Washington, and Wisconsin. [\*Arkansas, counted among the biennial states, practices a hybrid approach, generally recommending budgets on a biennial basis but enacting appropriations before each fiscal year.] Many of these states provided data on their enacted budgets for fiscal 2025 in this survey. (See Table A-3)

The three remaining biennial states—Kentucky, Virginia and Wyoming—enacted budgets in calendar year 2022 covering fiscal 2023 and fiscal 2024. In some of these states, governors proposed and states adopted revised or supplemental budgets for fiscal 2024, the second year of the biennium.

**Preliminary Actual Spending for Fiscal 2023.** Based on preliminary actual data, general fund spending in fiscal 2023 totaled \$1.19 trillion, an 11.8 percent increase over fiscal 2022 levels. Adjusted for inflation, this represents an increase of 7.0 percent in real terms. It should be noted that general fund expenditures for fiscal 2023 came in 2.7 percent above what was projected in NASBO's *Fall 2022 Fiscal Survey* based on states' enacted budgets for fiscal 2023. This uptick in part reflects how states adopted substantial supplemental budgets for fiscal 2023, including one-time expenditures supported by surplus funds resulting from revenues exceeding projections in fiscal 2022 and fiscal 2023. Some of the growth in general fund spending for fiscal 2023 is also attributable to a shift from a reliance on federal funds to general funds in certain program areas. General fund spending grew 10.3 percent on a median basis.

**Actual Spending for Fiscal 2022.** This survey also collected actual general fund spending figures for fiscal 2022, which came to a total of \$1.06 trillion. This represents a 16.0 percent annual increase over fiscal 2021 levels, the highest growth rate recorded in NASBO's *Fall Fiscal Survey of States* since fiscal 1981, when aggregate state general fund spending registered a 16.3 percent increase. A number of variables contributed to the large spending increase in fiscal 2022, including states spending down surplus funds from fiscal 2021 and fiscal 2022 after experiencing double-digit percentage growth in revenues for those two consecutive years. States commonly directed these surplus dollars to one-time uses such as deposits to rainy day funds and other state funds, supplemental pension payments, paying off debt, capital investments, COVID-19-related initiatives, and other purposes. The rising level of inflation is likely another driver of the large spending increase, as states have needed to increase wages to compete for workers and spend more on goods and services. Adjusted for inflation, general fund spending in fiscal 2022 grew 8.0 percent.<sup>2</sup>

Similar to fiscal 2023, fiscal 2022 spending was also driven in part by a shift from relying on federal funds to general funds in some areas. The lower baseline in fiscal 2021, when some states made budget cuts in response to projected revenue shortfalls at the time of budget adoption, also contributed to the high growth rate in spending in fiscal 2022. Additionally, the median growth rate in fiscal 2022, at 9.3 percent, was considerably lower than the aggregate increase, reflecting how the aggregate increase in general fund spending that year was disproportionately driven by significant increases in larger states. In fact, on a median basis, states recorded faster spending growth in fiscal 2023 than in fiscal 2022.

<sup>2</sup> The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on November 29, 2023), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates.



## State Spending from All Sources

This report captures only state general fund spending. General fund spending represents the primary component of expenditures from revenue derived from taxes and other resources which have not been earmarked to other funds. According to the most recent edition of NASBO's *State Expenditure Report*, fiscal 2022 spending from all sources (general funds, federal funds, other state funds and bonds) is estimated to total \$2.86 trillion. While general funds have historically represented the largest category of *total* state spending by fund source, federal funds surpassed them in fiscal 2021 and continued to be the largest source in fiscal 2022 due to the significant amount of federal COVID-19 aid sent to states. In fiscal 2022, federal funds comprised 38.0 percent of total state spending, with general funds at 36.6 percent, other state funds at 23.6 percent, and bonds at 1.8 percent. The program area components of total state spending for fiscal 2022 are: Medicaid, 27.6 percent; elementary and secondary education, 18.8 percent; higher education, 8.7 percent; transportation, 7.3 percent; corrections, 2.5 percent; public assistance, 1.1 percent; and all other expenditures, 34.0 percent.

For fiscal 2022, components of general fund spending are elementary and secondary education, 34.2 percent; Medicaid, 17.3 percent; higher education, 9.2 percent; corrections, 5.5 percent; public assistance, 0.9 percent; transportation, 1.2 percent; and all other expenditures, 31.7 percent.

**Spending Growth by State.** According to enacted budgets for fiscal 2024, 10 states budgeted for general fund spending growth between 0 and 5 percent, three states expect general fund spending growth between 5 and 10 percent, 21 states enacted growth of 10 percent or more, and 16 states are expecting general fund spending to stay flat or decline compared to preliminary actual fiscal 2023 spending. Meanwhile, in fiscal 2023, eight states saw general fund spending grow between 0 and 5 percent, 12 states saw spending increase between 5 and 10 percent, 26 states reported spending growth greater than 10 percent, and four states reported spending declines. In fiscal 2022, 24 states saw general fund spending grow 10 percent or more. Variation in spending growth by state in each year reflects the timing of one-time expenditures, demographic factors, differences in how states used and accounted for federal funds in their budgets, spending policy decisions, and other factors. For states that budget on a biennial basis, spending is not always evenly distributed in a two-year cycle, which can affect year-over-year changes. [\(See Tables 2 and 6\)](#)

**Spending in the Territories and District of Columbia.** Beginning this year, the *Fiscal Survey* now includes general fund spending, revenue and balance data for multiple U.S. territories—Guam, Puerto Rico, and the U.S. Virgin Islands (USVI)—as well as the District of Columbia (DC). In Fiscal 2023, Guam and DC estimate double-digit percentage growth in general fund spending, while Puerto Rico and USVI are on track for significant declines compared to fiscal 2022 levels. In enacted budgets for fiscal 2024, DC and USVI forecast declines in general fund spending, while Guam and Puerto Rico budgeted for increased spending. When including the territories and DC, general fund spending totaled \$1.10 trillion in fiscal 2022 and \$1.21 trillion in fiscal 2023, and is projected to total \$1.29 trillion in fiscal 2024 enacted budgets.

TABLE 1

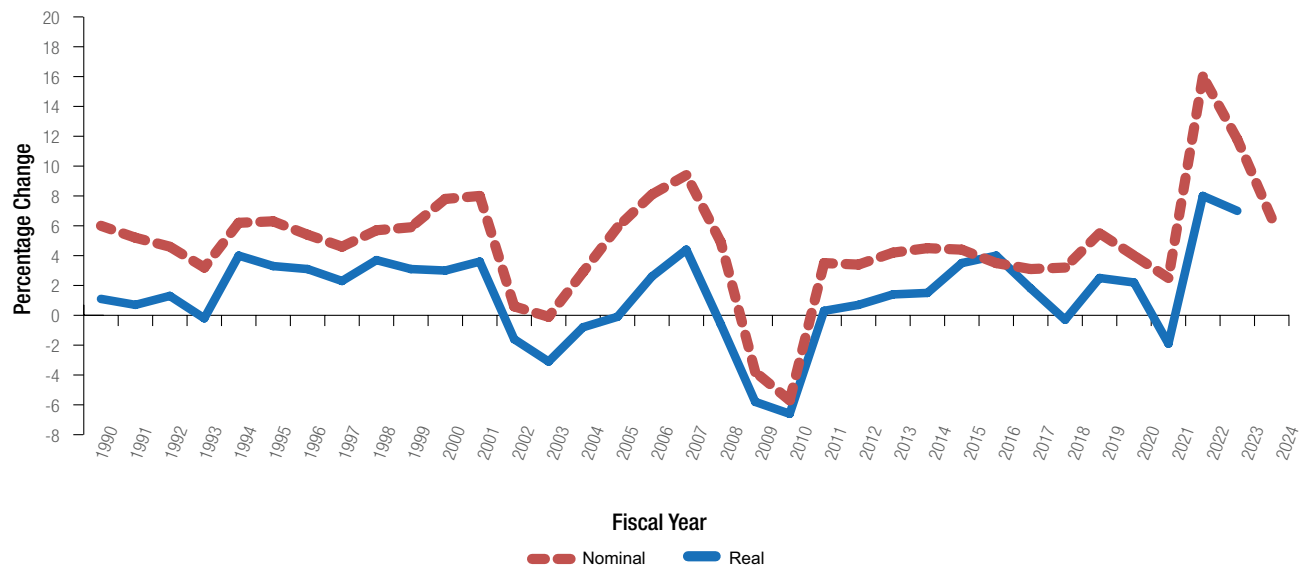
## State Nominal and Real Annual Spending Changes, Fiscal 1979 to Fiscal 2024

Fiscal Year	State General Fund	
	Nominal Increase	Real Increase
2024	6.5%	
2023	11.8	7.0%
2022	16.0	8.0
2021	2.5	-1.9
2020	4.0	2.2
2019	5.5	2.5
2018	3.2	-0.3
2017	3.1	1.8
2016	3.5	4.0
2015	4.4	3.5
2014	4.5	1.5
2013	4.2	1.4
2012	3.4	0.7
2011	3.5	0.3
2010	-5.7	-6.6
2009	-3.8	-5.8
2008	4.9	-0.6
2007	9.4	4.4
2006	8.1	2.6
2005	5.9	-0.1
2004	2.9	-0.8
2003	-0.1	-3.1
2002	0.6	-1.6
2001	8	3.6
2000	7.8	3.0
1999	5.9	3.1
1998	5.7	3.7
1997	4.6	2.3
1996	5.4	3.1
1995	6.3	3.3
1994	6.2	4.0
1993	3.2	-0.2
1992	4.6	1.3
1991	5.2	0.7
1990	6.0	1.1
1989	9.8	5.9
1988	8.3	4.2
1987	6.9	3.2
1986	10.7	7.2
1985	10.2	6.0
1984	8.1	4.0
1983	-0.7	-6.2
1982	6.4	-0.9
1981	16.3	5.2
1980	10.0	-0.5
1979	10.1	3.2
<b>1979–2023 average</b>	<b>5.7%</b>	<b>1.8%</b>

Notes: The state and local government implicit price deflator quarterly data provided by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on November 29, 2023) is used to determine real changes in state expenditures. Fiscal Year (July to June for most states) real changes are based on quarterly averages. Fiscal 2023 figures are based on the change from fiscal 2022 actuals to fiscal 2023 preliminary actuals. Fiscal 2024 figures are based on the change from fiscal 2023 preliminary actuals to fiscal 2024 enacted figures.

**FIGURE 1:**

**Annual General Fund Spending Changes, Fiscal 1990 to Fiscal 2024 (Enacted)**



**TABLE 2**

**State General Fund Expenditure Growth,  
Fiscal 2022 to Fiscal 2024**

Spending Growth	Fiscal 2022 (Actual)	Fiscal 2023 (Preliminary Actual)	Fiscal 2024 (Enacted)
0% or less	9	4	16
> 0.0% but < 5.0%	10	8	10
> 5.0% but < 10.0%	7	12	3
10% or more	24	26	21

NOTE: See Table 6 for state-by-state data.

TABLE 3

## Fiscal 2022 State General Fund, Actual (Millions)

State/Territory	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	\$1,821	\$13,197	\$0	\$15,018	\$10,654	\$941	\$3,423	\$1,449
Alaska*	0	3,870	3,149	7,019	4,591	771	1,657	2,836
Arizona	895	16,705	0	17,599	12,889	0	4,710	982
Arkansas*	0	7,477	0	7,477	5,849	0	1,628	1,212
California*	38,334	221,784	10,771	270,889	216,785	-1,705	55,810	81,288
Colorado**	3,182	17,698	71	20,951	17,839	-91	3,203	1,614
Connecticut	0	21,991	0	21,991	20,731	-1	1,261	3,313
Delaware**	1,833	5,830	0	7,663	5,058	0	2,605	280
Florida*	13,802	44,523	5,725	64,050	38,136	3,111	22,803	2,730
Georgia**	6,632	34,937	-788	40,781	28,562	0	12,219	5,240
Hawaii*	1,250	10,211	0	11,461	8,842	0	2,619	326
Idaho*	890	6,198	-1,349	5,738	4,418	-13	1,334	832
Illinois**	975	50,334	698	52,007	48,332	1,612	2,063	752
Indiana*	2,621	21,443	0	24,064	18,415	1,142	4,508	1,617
Iowa*	0	9,803	234	10,037	8,123	0	1,914	830
Kansas*	2,095	7,916	20	10,031	8,196	0	1,835	969
Kentucky*	1,516	14,832	803	17,152	13,156	2,117	1,878	1,034
Louisiana*	699	12,899	214	13,812	12,730	356	727	721
Maine*	155	5,392	197	5,744	4,074	1,637	34	907
Maryland*	3,239	24,045	-855	26,429	21,199	-268	5,499	1,662
Massachusetts**	12,099	46,305	24,009	82,413	40,204	24,009	18,200	6,938
Michigan*	4,363	14,709	0	19,072	11,428	180	7,464	1,589
Minnesota**	7,026	30,317	313	37,655	24,686	973	11,996	3,252
Mississippi*	11	7,387	0	7,397	5,766	1,627	4	558
Missouri*	2,354	12,881	131	15,366	10,467	0	4,899	772
Montana*	720	3,891	-13	4,598	2,753	-2	1,847	119
Nebraska*	1,849	6,349	-1,032	7,166	4,672	0	2,494	928
Nevada*	1,041	5,537	150	6,727	4,537	349	1,842	340
New Hampshire*	0	1,991	0	1,991	1,607	131	253	160
New Jersey*	6,884	52,135	1,535	60,554	52,234	0	8,319	0
New Mexico**	2,505	8,772	1,939	13,216	8,066	1,920	3,230	3,230
New York**	9,161	91,880	20,930	121,971	84,418	4,500	33,053	3,319
North Carolina*	6,131	33,209	20	39,360	25,793	6,401	7,166	3,116
North Dakota*	1,122	2,390	205	3,718	2,323	18	1,377	717
Ohio*	4,722	28,763	6	33,490	26,943	0	6,547	2,706
Oklahoma*	1,137	9,590	0	10,727	7,442	963	2,323	1,222
Oregon*	4,082	14,890	-26	18,946	13,294	0	5,652	1,660
Pennsylvania*	0	44,293	5,161	49,454	39,351	4,566	5,537	2,869
Rhode Island*	374	5,204	-4	5,575	5,240	125	210	279
South Carolina**	3,615	13,654	-565	16,705	9,596	243	6,866	1,847
South Dakota*	86	2,155	13	2,254	2,047	91	116	307
Tennessee*	4,518	21,452	-747	25,223	15,759	2,032	7,432	1,550
Texas	11,235	76,473	0	87,708	61,465	0	26,243	10,615
Utah*	1,728	11,524	426	13,678	10,254	205	3,220	1,187
Vermont*	104	2,356	0	2,459	2,333	-51	177	266
Virginia*	1,890	29,263	0	31,153	26,420	0	4,733	2,647
Washington*	3,673	30,025	-235	33,463	27,969	0	5,494	335
West Virginia*	679	5,888	183	6,750	4,740	15	1,994	957
Wisconsin*	2,581	20,548	633	23,762	19,377	86	4,299	1,734
Wyoming*	0	1,262	281	1,543	1,543	0	0	1,478
<b>Total (50-State)</b>	<b>\$175,628</b>	<b>\$1,186,179</b>		<b>\$1,434,009</b>	<b>\$1,061,308</b>		<b>\$314,717</b>	<b>\$167,290</b>
District of Columbia*	3,599	11,127	3,623	18,348	11,287	2,169	4,892	746
Guam*	30	869	-86	812	680	15	117	15
Puerto Rico**	0	12,801	10,887	23,688	21,184	0	2,504	328
U.S. Virgin Islands*	152	913	253	1,318	1,307	0	11	16
<b>Total (50-State plus DC, territories)</b>	<b>\$179,409</b>	<b>\$1,211,889</b>		<b>\$1,478,176</b>	<b>\$1,095,766</b>		<b>\$322,241</b>	<b>\$168,394</b>

NOTES: NA Indicates data are not available. \*See Notes to Table 3 at the end of the chapter. \*\*In these states, the ending balance includes the balance in the rainy day fund.

TABLE 4

## Fiscal 2023 State General Fund, Preliminary Actual (Millions)

State/Territory	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	\$3,423	\$13,545	\$0	\$16,969	\$14,027	\$404	\$2,537	\$1,978
Alaska*	0	3,619	3,374	6,993	7,633	108	-748	2,454
Arizona*	4,710	13,416	0	18,127	15,432	0	2,695	1,449
Arkansas*	0	7,059	0	7,059	6,024	0	1,035	1,530
California*	55,810	206,285	-1,151	260,944	234,592	0	26,352	54,161
Colorado**	3,203	18,002	54	21,259	19,032	-114	2,342	1,996
Connecticut	0	22,920	0	22,920	22,327	0	594	3,316
Delaware**	2,605	6,295	0	8,900	5,861	0	3,040	316
Florida*	22,803	47,890	0	70,693	50,893	0	19,801	3,140
Georgia**	12,219	35,952	-1,436	46,735	30,643	0	16,093	5,392
Hawaii*	2,619	10,431	-238	12,811	10,632	0	2,179	974
Idaho*	1,432	5,868	-2,214	5,086	4,583	87	416	1,099
Illinois**	2,063	50,708	2,426	55,197	50,153	1,193	3,852	1,940
Indiana*	4,508	21,594	0	26,103	21,611	3,660	831	2,095
Iowa*	0	9,845	197	10,043	8,212	0	1,831	902
Kansas*	1,835	9,283	20	11,137	8,727	0	2,410	1,610
Kentucky*	1,878	15,266	2,153	19,297	14,466	4,466	366	3,714
Louisiana*	727	12,288	405	13,419	11,871	1,542	7	975
Maine*	34	5,264	186	5,484	4,447	872	165	907
Maryland*	5,499	23,673	1,228	30,399	28,196	-381	2,584	2,958
Massachusetts**	18,200	46,213	15,992	80,405	51,515	15,992	12,898	7,980
Michigan*	7,464	13,161	0	20,625	17,387	100	3,138	1,783
Minnesota**	12,969	30,485	306	43,760	27,243	211	16,305	3,202
Mississippi*	4	6,987	0	6,992	6,292	698	2	581
Missouri*	4,899	13,235	157	18,291	12,525	0	5,766	893
Montana*	1,847	3,756	10	5,613	4,770	-8	851	485
Nebraska*	2,494	6,368	-1,854	7,008	5,154	0	1,854	1,548
Nevada*	1,842	5,669	59	7,569	6,353	608	608	1,174
New Hampshire*	253	2,035	0	2,288	2,136	152	0	289
New Jersey**	8,319	51,357	1,994	61,670	51,461	0	10,209	223
New Mexico**	3,230	10,859	2,291	16,380	9,868	2,213	4,299	4,300
New York**	33,053	102,919	278	136,250	90,449	2,350	43,451	6,256
North Carolina*	7,166	33,535	11	40,712	26,755	9,108	4,849	4,750
North Dakota*	1,377	2,380	345	4,102	2,614	0	1,488	738
Ohio*	6,547	29,584	-66	36,064	27,074	0	8,991	3,501
Oklahoma*	2,323	10,117	0	12,440	8,936	453	3,050	1,675
Oregon*	5,652	15,943	-156	21,439	13,837	-34	7,636	2,064
Pennsylvania*	5,537	44,917	1,491	51,945	40,801	2,161	8,983	5,117
Rhode Island*	210	5,211	128	5,549	5,089	50	410	271
South Carolina**	6,866	13,094	-189	19,771	11,765	1,160	6,846	842
South Dakota*	116	2,309	18	2,443	2,231	116	97	239
Tennessee*	7,432	22,802	-804	29,430	20,768	3,142	5,520	1,800
Texas*	26,243	82,839	0	109,081	67,324	-2,521	39,236	14,174
Utah*	3,220	11,534	29	14,783	11,682	0	3,101	1,187
Vermont*	177	2,331	0	2,508	2,098	73	337	288
Virginia*	4,733	28,459	0	33,192	31,742	0	1,450	3,826
Washington*	5,495	31,059	-1,445	35,109	31,490	0	3,618	652
West Virginia*	1,994	6,483	52	8,530	5,645	0	2,885	943
Wisconsin*	4,299	20,974	1,432	26,705	20,464	-833	7,073	1,800
Wyoming*	0	1,341	434	1,775	1,775	0	0	1,491
<b>Total (50-State)</b>	<b>\$309,329</b>	<b>\$1,197,158</b>		<b>\$1,532,002</b>	<b>\$1,186,605</b>		<b>\$293,332</b>	<b>\$166,979</b>
District of Columbia*	4,892	13,161	0	18,053	13,628	0	4,425	553
Guam*	117	932	-84	965	866	15	84	30
Puerto Rico**	0	12,598	0	12,598	10,782	0	1,816	1,034
U.S. Virgin Islands*	11	861	323	1,195	1,175	0	20	21
<b>Total (50-State plus DC, territories)</b>	<b>\$314,349</b>	<b>\$1,224,709</b>		<b>\$1,564,813</b>	<b>\$1,213,055</b>		<b>\$299,677</b>	<b>\$168,617</b>

NOTES: NA Indicates data are not available. \*See Notes to Table 4 at the end of the chapter. \*\*In these states, the ending balance includes the balance in the rainy day fund.

TABLE 5

## Fiscal 2024 State General Fund, Enacted (Millions)

State/Territory	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance	Enacted Date
Alabama*	\$2,537	\$13,772	\$0	\$16,310	\$11,958	\$1,496	\$2,856	\$2,661	Jun-23
Alaska*	0	2,731	3,537	6,268	5,971	0	297	2,828	Jun-23
Arizona	2,695	15,298	0	17,993	17,819	0	174	1,477	May-23
Arkansas*	0	6,625	0	6,625	6,202	0	423	1,530	Apr-23
California*	26,352	202,364	6,323	235,040	225,928	0	9,112	37,823	Jun-23
Colorado**	2,342	17,310	45	19,697	17,300	0	2,397	2,213	Sep-23
Connecticut*	0	22,505	0	22,505	22,115	0	390	3,853	Jun-23
Delaware**	3,040	6,035	0	9,075	5,922	0	3,153	329	Jun-23
Florida*	19,801	45,833	0	65,633	56,832	0	8,801	4,140	Jun-23
Georgia**	16,093	30,771	0	46,864	30,771	0	16,093	N/A	Jul-23
Hawaii	2,179	10,191	0	12,370	11,675	0	696	1,500	Jun-23
Idaho*	416	5,547	-510	5,454	5,181	0	273	1,161	Apr-23
Illinois**	3,852	50,611	0	54,463	51,248	-682	3,897	2,078	Jun-23
Indiana*	618	21,954	0	22,572	21,991	-22	603	2,076	May-23
Iowa*	0	9,643	875	10,518	8,512	0	2,006	962	Jun-23
Kansas	2,410	10,351	0	12,762	10,023	0	2,739	1,680	May-23
Kentucky*	265	14,257	1,873	16,395	14,276	1,871	248	3,714	Apr-22
Louisiana*	0	11,925	0	11,925	11,789	109	27	1,000	Jul-23
Maine*	165	5,110	34	5,309	5,076	118	115	972	Jul-23
Maryland*	2,392	24,810	301	27,503	27,185	-45	364	2,553	Apr-23
Massachusetts**	12,898	47,482	15,511	75,892	48,976	15,511	11,405	8,711	Aug-23
Michigan*	3,138	12,579	0	15,717	15,222	100	396	1,992	Jul-23
Minnesota**	15,485	28,631	131	44,248	37,552	0	6,695	3,202	Jul-23
Mississippi*	2	7,524	0	7,526	6,663	170	693	634	Jul-23
Missouri*	5,766	13,153	174	19,092	16,116	0	2,976	899	Jun-23
Montana*	851	3,122	0	3,974	3,480	0	494	521	May-23
Nebraska*	1,854	6,437	-1,843	6,448	5,349	471	628	858	May-23
Nevada*	608	5,628	59	6,295	5,796	154	345	1,231	Jun-23
New Hampshire*	0	1,923	-5	1,918	1,876	0	42	289	Jun-23
New Jersey**	10,209	52,148	-254	62,103	53,850	0	8,253	223	Jun-23
New Mexico**	2,839	11,856	1,009	15,704	11,468	832	3,405	3,405	Apr-23
New York**	43,451	100,144	354	143,949	102,162	2,250	39,537	6,256	May-23
North Carolina*	4,849	33,839	87	38,775	29,987	7,223	1,564	4,750	Oct-23
North Dakota*	1,489	2,404	305	4,197	3,048	0	1,149	914	May-23
Ohio*	8,991	28,807	-45	37,753	35,164	854	1,735	3,719	Jul-23
Oklahoma*	3,050	9,312	698	13,061	10,471	340	2,249	2,016	Jun-23
Oregon*	7,636	10,915	-18	18,533	15,618	0	2,915	2,576	Jul-23
Pennsylvania*	8,983	44,881	-813	53,051	44,974	477	7,600	5,271	Aug-23
Rhode Island*	369	5,276	-164	5,481	5,425	55	1	282	Jun-23
South Carolina**	6,846	12,459	-666	18,639	13,215	209	5,215	1,163	Jun-23
South Dakota*	97	2,284	0	2,381	2,284	97	1	336	Mar-23
Tennessee*	5,520	22,862	-800	27,582	25,609	1,916	56	2,050	May-23
Texas*	39,236	82,532	-5,820	115,948	92,102	17,131	6,715	20,089	Jun-23
Utah*	3,245	11,270	137	14,652	14,599	0	52	1,187	Mar-23
Vermont*	337	2,136	0	2,473	2,379	90	4	291	Jun-23
Virginia*	1,450	30,044	0	31,494	31,486	0	7	4,599	Sep-23
Washington*	3,618	30,870	1,033	35,521	32,037	0	3,484	984	May-23
West Virginia*	2,885	4,884	0	7,769	4,838	232	2,699	1,175	Mar-23
Wisconsin*	7,073	21,251	833	29,157	22,651	1,963	4,543	N/A	Jul-23
Wyoming*	0	1,341	434	1,775	1,775	0	0	1,491	Feb-23
<b>Total (50-state)****</b>	<b>\$287,932</b>	<b>\$1,175,638</b>		<b>\$1,486,385</b>	<b>\$1,263,947</b>		<b>\$169,519</b>	<b>\$155,662</b>	
District of Columbia*	4,425	12,138	0	16,563	12,960	0	3,603	653	Jul-23
Guam*	84	909	-80	913	888	17	8	47	Sep-23
Puerto Rico*	0	11,621	1,203	12,824	12,740	0	85	1,034	Jun-23
U.S. Virgin Islands*	20	960	283	1,263	1,150	0	113	21	Sep-23
<b>Total (50-State plus DC, territories)*****</b>	<b>\$292,461</b>	<b>\$1,201,267</b>		<b>\$1,517,949</b>	<b>\$1,291,685</b>		<b>\$173,329</b>	<b>\$157,417</b>	

NOTES: N/A indicates data are not available. Date listed above reflects date budget was enacted into law and/or the date of projections shown for fiscal 2024. See footnotes to this table for more details. \*See Notes to Table 5 at the end of the chapter. \*\*In these states, the ending balance includes the balance in the rainy day fund.

TABLE 6

### General Fund Nominal Percentage Expenditure Changes, Fiscal 2022 to Fiscal 2024

State/Territory	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	9.5%	31.7%	-14.8%
Alaska	-1.0	66.3	-21.8
Arizona	-5.2	19.7	15.5
Arkansas	-0.9	3.0	2.9
California	33.7	8.2	-3.7
Colorado	33.9	6.7	-9.1
Connecticut	3.4	7.7	-0.9
Delaware	12.0	15.9	1.0
Florida	5.1	33.4	11.7
Georgia	13.5	7.3	0.4
Hawaii	1.0	20.2	9.8
Idaho	6.5	3.7	13.1
Illinois	11.1	3.8	2.2
Indiana	3.8	17.4	1.8
Iowa	4.0	1.1	3.7
Kansas	12.8	6.5	14.8
Kentucky	14.3	10.0	-1.3
Louisiana	22.9	-6.7	-0.7
Maine	4.6	9.2	14.2
Maryland	12.1	33.0	-3.6
Massachusetts	30.8	28.1	-4.9
Michigan	14.4	52.1	-12.5
Minnesota	4.4	10.4	37.8
Mississippi	3.7	9.1	5.9
Missouri	6.9	19.7	28.7
Montana	2.0	73.3	-27.0
Nebraska	3.2	10.3	3.8
Nevada	-0.7	40.0	-8.8
New Hampshire	0.1	32.9	-12.2
New Jersey	16.5	-1.5	4.6
New Mexico	-9.4	22.3	16.2
New York	13.9	7.1	12.9
North Carolina	7.6	3.7	12.1
North Dakota	-1.7	12.5	16.6
Ohio	15.4	0.5	29.9
Oklahoma	13.1	20.1	17.2
Oregon	16.1	4.1	12.9
Pennsylvania	15.7	3.7	10.2
Rhode Island	28.5	-2.9	6.6
South Carolina	14.3	22.6	12.3
South Dakota	8.4	9.0	2.4
Tennessee	9.1	31.8	23.3
Texas	20.7	9.5	36.8
Utah	20.5	13.9	25.0
Vermont	33.9	-10.1	13.4
Virginia	16.3	20.1	-0.8
Washington	12.7	12.6	1.7
West Virginia	-0.7	19.1	-14.3
Wisconsin	-0.7	5.6	10.7
Wyoming	0.0	15.0	0.0
<b>Total</b>	<b>16.0%</b>	<b>11.8%</b>	<b>6.5%</b>
<b>Median</b>	<b>9.3%</b>	<b>10.3%</b>	<b>4.2%</b>
District of Columbia	N/A	20.7	-4.9
Guam	N/A	27.3	2.6
Puerto Rico	N/A	-49.1	18.2
U.S. Virgin Islands	N/A	-10.1	-2.1

\*See Notes to Table 6 at the end of the chapter. \*\*Fiscal 2022 reflects changes from fiscal 2021 expenditures (actual) to fiscal 2022 expenditures (actual). Fiscal 2023 reflects changes from fiscal 2022 expenditures (actual) to fiscal 2023 expenditures (preliminary actual). Fiscal 2024 reflects changes from fiscal 2023 expenditures (preliminary actual) to fiscal 2024 expenditures (enacted).

## Mid-Year Spending Actions for Fiscal 2023

Mid-year spending actions refer to any actions, whether authorized by the legislature (appropriation) or the executive branch (e.g., executive order, withholding of excess funds), that change the appropriated or authorized expenditure level compared to the original enacted budget. This survey looks at mid-year actions adopted in fiscal 2023.

After several years of minimal mid-year budget cuts prior to the COVID-19 crisis, fiscal 2020 saw an uptick in states making mid-year reductions due to a shortfall, as reported in the *Fall 2020 Fiscal Survey*, followed by fairly minimal budget cuts in fiscal 2021 and no reductions due to a shortfall in fiscal 2022. In fiscal 2023, nine states reported net reductions in general fund spending compared to originally enacted budgets. However, only one out of these nine states attributed the cuts to a revenue shortfall. (See [Figure 2](#)) The other states attributed decreases to caseload adjustments, underspending in some areas, and other appropriations that were not needed.

Meanwhile, 21 states reported net mid-year increases in general fund spending approved for fiscal 2023. (See [Table 7](#)) For the states that reported net mid-year increases in general fund spending, these included disaster relief appropriations; one-time investments supported by surplus funds, such as for economic development and capital projects; and other supplemental appropriations to address additional needs.

The net impact of states' mid-year budget changes reported for fiscal 2023 was a \$7.9 billion increase. Note that this figure does not account for the entire gap between the amount of general fund spending projected for fiscal 2023 in enacted budgets (as reported in NASBO's *Fall 2022 Fiscal Survey*) and current spending estimates for fiscal 2023 reported in this survey, due to a combination of factors (how some biennial budget states report, how states define "mid-year spending actions," etc.).

## Budget Gaps

In this survey, just two states reported closing general fund budget gaps in fiscal 2023 totaling \$350 million. For fiscal 2024, two states reported closing \$2.9 billion in budget gaps, while one state reported an ongoing gap still to be closed this fiscal year of \$1.5 billion. Looking ahead, five states indicated they are forecasting budget gaps totaling a combined \$23.7 billion for fiscal 2025.

When interpreting NASBO data on budget gaps, it is important to note that states vary greatly in how they define and measure budget gaps, and not all states have a formal process to identify and report gaps. Moreover, budget gap projections are moving targets and can change over the course of the fiscal year.

## Budget Management Strategies for Fiscal 2023 (Mid-Year) and Fiscal 2024

In order to manage their budgets, particularly in an economic downturn, states employ a variety of strategies and tools, including spending reductions (across-the-board or targeted), revenue changes, personnel actions, efficiency savings, and one-time measures. Given stable fiscal conditions in most states, budget management strategies reported in this survey were once again fairly minimal and targeted.

**Strategies for Fiscal 2023 Mid-Year / Post-Enacted.** States reported on the strategies used to manage their budgets in the middle of fiscal 2023, after original budget enactment. Six states reported making targeted cuts while one state reported across-the-board cuts. Another way to reduce spending is through personnel actions—in that regard, five states continued or imposed hiring freezes and/or eliminated vacant positions, while no states implemented furloughs, salary reductions or layoffs. Very few states reported utilizing one-time measures to manage their budgets in the middle of the year. The most commonly reported budget strategy used in the middle of fiscal 2023 was other state fund transfers, followed by prior-year fund balances. (See [Table 8](#))



**Strategies Enacted for Fiscal 2024.** States were also asked to identify the strategies used in enacted budgets for fiscal 2024. With overall fiscal conditions largely stable and most states still holding significant cash balances, the use of budget management strategies in fiscal 2024 budgets closely resembles how states reported this time last year based on their fiscal 2023 adopted budgets. Eight states enacted targeted spending reductions, while six states reported hiring freezes and/or eliminating vacant positions in fiscal 2024. Eleven states reported using prior-year fund balances and seven states reported other fund transfers. Seven states also reported using rainy day funds to manage their budgets (note that some states interpreted this to include depositing excess funds into these reserves, as mentioned in footnotes). Seven states also adopted Medicaid program changes in their fiscal 2024 budgets. Several states also reported actions to increase revenues, adjust pension/OPEB payments, and reorganize agencies. Some states provided more details about budget management strategies used in footnotes. [\(See Table 9\)](#)

## Changes to Employee Compensation, Fiscal 2024

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Forty states, the District of Columbia (DC), Guam, and Puerto Rico reported enacted across-the-board (ATB) pay increases for at least some employee categories in fiscal 2024. Similar to the circumstances last year when states adopted budgets for fiscal 2023, a tight labor market, high inflation, and strong state fiscal conditions continued to keep the number of states adopting ATB pay increases elevated. Among the states that reported an average percentage ATB increase, the rate of increases ranged from 2.0 to 12.0 percent (or 22.0 percent when including territories), with a median pay raise of 5.0 percent. Additionally, 16 states, DC and Guam enacted at least some merit increases. Some states also enacted other modifications to employee compensation in fiscal 2024 including one-time bonuses, longevity payments or step increases, and targeted salary increases for certain employee groups. Not all states had information on adopted compensation changes available to share at the time of data collection, and in some cases these are contingent on ongoing collective bargaining negotiations. [\(See Table 10\)](#)

TABLE 7

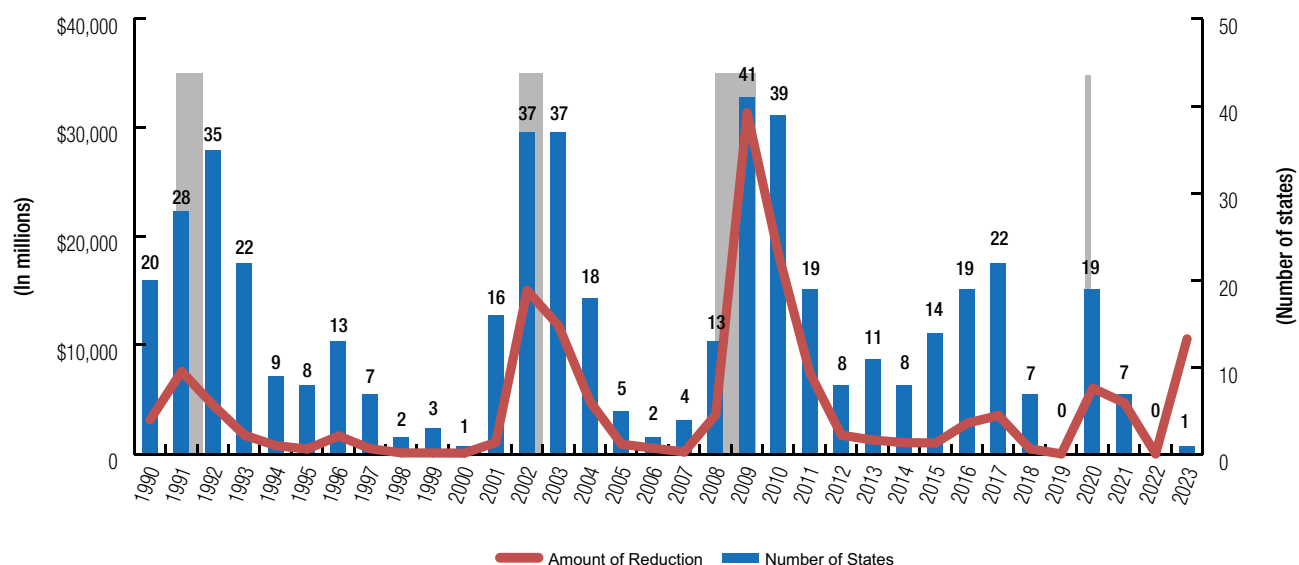
## Fiscal 2023 Mid-Year / Post-Enacted Spending Actions (Enacted)

State/Territory	Total (in millions)	For Decreases Only: Due to a Revenue Shortfall?	Programs or Expenditures Exempted from Cuts (if applicable)
Alabama	\$3,377.2		
Alaska*	108.1		
Arizona*	-163.1	No	
Arkansas			
California*	-10,553.6	Yes	
Colorado*	-135.0	No	
Connecticut			
Delaware			
Florida*	1,451.5		
Georgia	2,013.9		
Hawaii*	-673.6	No	Education, charter school, higher education, debt service, employee retirement and health benefits
Idaho			
Illinois	3,713.0		
Indiana	4,100.2		
Iowa			
Kansas*	-755.8	No	
Kentucky*	-45.3	No	
Louisiana	1,005.3		
Maine	108.2		
Maryland	134.9		
Massachusetts*	589.0		
Michigan	2,406.0		
Minnesota			
Mississippi	57.2		
Missouri			
Montana			
Nebraska	33.6		
Nevada			
New Hampshire	359.7		
New Jersey*	-552.0	No	
New Mexico			
New York			
North Carolina			
North Dakota			
Ohio			
Oklahoma			
Oregon			
Pennsylvania	-1,965.0	No	
Rhode Island	132.0		
South Carolina*	1,204.8		
South Dakota	248.6		
Tennessee	396.8		
Texas			
Utah	57.7		
Vermont	59.6		
Virginia			
Washington			
West Virginia	1,238.9		
Wisconsin	-21.3	No	
Wyoming			
<b>Total</b>	<b>\$7,931.5</b>		
<b>Increases</b>	<b>21</b>		
<b>Decreases</b>	<b>9</b>		
District of Columbia			
Guam*	116		
Puerto Rico*	1,471		
U.S. Virgin Islands			

NOTE: \*See Notes to Table 7 at the end of the chapter.

FIGURE 2:

Figure 2: Budget Cuts Made After the Budget Passed, Fiscal 1990 to Fiscal 2023



Gray boxes denote recessionary periods, based on a July–June fiscal year calendar that most states follow. Recession dates are as follows: Early 1990s recession (July 1990 to March 1991); Early 2000s recession (March 2001 to November 2001); Great Recession (December 2007 to June 2009); COVID-19 Recession (February 2020–April 2020).

Note: Beginning in Fiscal 2018, NASBO asked states reporting net mid-year budget reductions whether the reductions were made due, at least in part, to a revenue shortfall. Effective in FY2018 going forward, only states reporting mid-year budget cuts due to a revenue shortfall are included in the totals reported in this figure. Prior to FY2018, particularly in non-recessionary periods, states that reported mid-year cuts that were due to other reasons, such as a reduction in caseload, would have been included in the counts above.

TABLE 8

## Strategies Used to Manage Budget, Fiscal 2023 (Mid-Year / Post-Enacted)

State/Territory	Across-the-Board % Cuts	Targeted Cuts	Layoffs	Furloughs	Early Retirement	Salary Reductions	Cuts to State Employee Benefits	Eliminating Vacant Positions/ Hiring Freeze	Pension/OPEB Adjustments
Alabama									
Alaska								X	
Arizona									
Arkansas								X	
California*		X							
Colorado									
Connecticut									
Delaware									
Florida									
Georgia									
Hawaii		X							
Idaho									
Illinois									
Indiana*									
Iowa									
Kansas									
Kentucky									
Louisiana*								X	
Maine*									
Maryland									
Massachusetts*									
Michigan									
Minnesota									
Mississippi									
Missouri									
Montana									
Nebraska*									
Nevada									
New Hampshire									
New Jersey*									
New Mexico									
New York									
North Carolina									
North Dakota									
Ohio									
Oklahoma									
Oregon		X						X	
Pennsylvania*		X						X	
Rhode Island*									
South Carolina									
South Dakota		X							
Tennessee*									
Texas*	X								
Utah									
Vermont		X							
Virginia									
Washington*									
West Virginia									
Wisconsin									
Wyoming									
<b>Total</b>	<b>1</b>	<b>6</b>						<b>5</b>	
District of Columbia		X							
Guam*									
Puerto Rico*					X				
U.S. Virgin Islands									

NOTE: \*See Notes to Table 8 at the end of the chapter.

Table 8 continues on next page.

TABLE 8 (CONTINUED)

## Strategies Used to Manage Budget, Fiscal 2023 (Mid-Year / Post-Enacted)

State/Territory	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Revenue Increase	Medicaid Program Changes	Other
Alabama										
Alaska						X				
Arizona										
Arkansas									X	
California*					X		X			X
Colorado										
Connecticut										
Delaware										
Florida										
Georgia										
Hawaii						X				
Idaho										
Illinois										
Indiana*					X					X
Iowa										
Kansas										
Kentucky										
Louisiana*								X		
Maine*					X	X			X	
Maryland										
Massachusetts*					X	X				X
Michigan										
Minnesota										
Mississippi										
Missouri										
Montana										
Nebraska*				X	X					
Nevada										
New Hampshire										
New Jersey*					X					
New Mexico										
New York										
North Carolina										
North Dakota										
Ohio										
Oklahoma										
Oregon		X			X					
Pennsylvania*						X				
Rhode Island*					X	X				
South Carolina										
South Dakota				X						
Tennessee*										X
Texas*										
Utah										
Vermont					X	X				
Virginia										
Washington*								X		
West Virginia										
Wisconsin										
Wyoming										
<b>Total</b>		<b>1</b>		<b>2</b>	<b>9</b>	<b>7</b>	<b>1</b>	<b>2</b>	<b>2</b>	<b>4</b>
District of Columbia										
Guam*				X	X	X		X		
Puerto Rico*			X	X		X				
U.S. Virgin Islands										

NOTE: \*See Notes to Table 8 at the end of the chapter.

TABLE 9

## Strategies Used to Manage Budget, Fiscal 2024 (Enacted)

State/Territory	Across-the-Board % Cuts	Targeted Cuts	Layoffs	Furloughs	Early Retirement	Salary Reductions	Cuts to State Employee Benefits	Eliminating Vacant Positions/ Hiring Freeze	Pension/OPEB Adjustments
Alabama									
Alaska*		X						X	
Arizona*									
Arkansas								X	
California*		X							
Colorado*									
Connecticut									
Delaware									
Florida*									X
Georgia									
Hawaii									
Idaho									
Illinois									
Indiana*									
Iowa									
Kansas									
Kentucky*									
Louisiana*								X	
Maine*									
Maryland*		X							X
Massachusetts*									
Michigan									
Minnesota									
Mississippi*								X	
Missouri*		X						X	
Montana									
Nebraska*									
Nevada									
New Hampshire*		X							
New Jersey*									
New Mexico									
New York									
North Carolina									
North Dakota									
Ohio									
Oklahoma*									
Oregon									
Pennsylvania*		X						X	X
Rhode Island*									
South Carolina*									X
South Dakota		X							
Tennessee*									
Texas*									
Utah									
Vermont		X							
Virginia									
Washington*									
West Virginia									
Wisconsin									
Wyoming									
<b>Total</b>		<b>8</b>						<b>6</b>	<b>4</b>
District of Columbia		X						X	
Guam*									
Puerto Rico*					X				
U.S. Virgin Islands*									

NOTE: \*See Notes to Table 9 at the end of the chapter.

Table 9 continues on next page.

TABLE 9 (CONTINUED)

## Strategies Used to Manage Budget, Fiscal 2024 (Enacted)

State/Territory	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Revenue Increase	Medicaid Program Changes	Other
Alabama										
Alaska*		X		X		X		X	X	
Arizona*		X								
Arkansas		X							X	
California*					X		X	X		X
Colorado*										X
Connecticut									X	
Delaware										
Florida*				X						X
Georgia										
Hawaii						X				
Idaho										
Illinois										
Indiana*					X					X
Iowa										
Kansas										
Kentucky*				X						
Louisiana*								X		
Maine*					X	X			X	X
Maryland*				X		X		X		
Massachusetts*					X	X				X
Michigan										
Minnesota										
Mississippi*										
Missouri*										
Montana										
Nebraska*				X	X				X	X
Nevada										
New Hampshire*										
New Jersey*					X	X				
New Mexico										
New York						X				
North Carolina										
North Dakota										
Ohio										
Oklahoma*						X				
Oregon										
Pennsylvania*						X				
Rhode Island*		X		X		X		X	X	
South Carolina*				X						
South Dakota										
Tennessee*										X
Texas*										
Utah										
Vermont					X	X		X		
Virginia										
Washington*									X	
West Virginia										
Wisconsin										
Wyoming										
<b>Total</b>		<b>4</b>		<b>7</b>	<b>7</b>	<b>11</b>	<b>1</b>	<b>6</b>	<b>7</b>	<b>8</b>
District of Columbia					X	X				
Guam*				X						
Puerto Rico*			X							
U.S. Virgin Islands*										

NOTE: \*See Notes to Table 9 at the end of the chapter.

TABLE 10

## Enacted Changes in State Employee Compensation, Fiscal 2024

State/Territory	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
Alabama	2.0	5.0		
Alaska		3.25		3.25% Merit steps are received by most state employees annually for their first 6 years and bi-annually thereafter.  Mission Critical Incentive Pay was offered to maintenance and operations employees across the state to address recruitment and retention issues.  Hiring/retention bonuses were offered to teachers across the state due to high number of vacant positions/turnover.  Individual bargaining unit agreements included contractual increases that varied depending on the term of the agreement and other factors.
Arizona				
Arkansas		4.5–5		
California	3.16	See note		Across-the-board percentage reflects the weighted average general salary increase received by the majority of state civil service employees. Merit increase depends on eligibility of individual employee.
Colorado	5.0			FY 2023–24 was the second year of the Partnership Agreement—which was amended in November 2022 to create a step plan starting in FY 2024–25.
Connecticut	2.5	0 to 3		
Delaware	See note			Pay scale adjustment for merit plans; 3% increase for all other state employees in addition to annual step increases. Includes 40 collective bargaining units.
Florida	5.0	See note		Effective July 1, 2023, the following pay adjustments were provided: statewide inflationary pay increase of 5.0%; the minimum base rate of pay for correctional and correctional probation officers increased to \$45,760; correctional officers received a hiring and or retention bonus from 500–\$5,000 for specific classes; attorneys of Justice Administrative received a pay increase; and the minimum base rate of pay for administrative judges increased to \$172,000.  The 2023–24 budget includes \$37.8 million in General Revenue for Agency Discretionary Pay to address recruitment and retention issues, effective October 1, 2023.
Georgia	3.0			Compensation Package for FY2024 included an across the board pay raise of \$2,000 per state employee calculated based on 3% of average state employee pay.
Hawaii	4.5		0.4	Only certain bargaining units receive step increases and generally only a portion of those employees will be eligible in any given year.
Idaho				
Illinois	6.5	4.0		
Indiana				To be decided
Iowa	3.0	3.0		Merit is a maximum of 3%.
Kansas	5.0	See note		(1) Based on the department of administration's 2022 market survey summary, effective with the first payroll period chargeable to the fiscal year ending June 30, 2024, the following executive branch benefits—eligible employees shall receive a salary increase, as close as possible based on the closest available step for classified employees, as follows: (A) If an employee's class/job title is under market pay by 15% or greater, such employee's salary shall be increased by the percentage that equals the difference between such under market pay percentage and 10% under market. (B) If an employee's class/job title is under market pay by less than 15% and not greater than 10% over market pay, such employee's salary shall be increased by 5%. (C) If an employee's class/job title is over market pay by greater than 10%, such employee's salary shall be increased by 2.5%.
Kentucky	6.0	See note		Correctional officers and staff at juvenile facilities received a mid-biennium increase in pay—raising starting salaries to \$50,000. The Personnel Cabinet has been conducting reviews of all job classes and specified jobs have received up to 10% salary increases as a result.
Louisiana		3 to 4	See note	Market rate adjustments for classified state employees were increased based upon which quartile their current salary fell in for the position. Previously, the first quartile received 4%, the second quartile received 3%, and the third and fourth quartiles received 2%. Under the new plan, the first and second quartiles received 4% and the third and fourth quartiles received 3%. This increase in compensation was subject to the employee receiving a 'Successful' or above on their annual performance evaluation. Additionally, minimum hourly wages were increased to a new \$10 per hour minimum. Because of the different salaries affected, the percentage increased by a varying amount dependent upon an employee's prior hourly wage.
Maine		4.0		All employees do receive step increases annually providing performance meets expectations and employee is not at top step in the assigned pay grade. The steps are built into the salary schedule and the % increase between steps is not consistent, generally however it averages about 4% per step.
Maryland	2.0	2.5		Non-law enforcement employees will receive a 2% COLA increase on June 1 as well as a merit-based increment. Law enforcement officers negotiated a COLA of 5% and a merit-based increment. Additionally, employees with 5 or more years of state service receive an additional merit-based increment.
Massachusetts	8.2			Generally agreed to 8.16% collective bargaining increases, split into one 4% raise halfway through the year and another at fiscal year close (so impact on FY24 budget is roughly 6%, and another 2% annualizes into next year).
Michigan	2.0			
Minnesota	5.5		3.5	Other: Only about 52% of the employees are eligible for an "other" or Step Increase. Employees are not eligible if they have reached the top of the range. The 3.5% represents an approximation of step size, some are lower and some higher.
Mississippi			2.0	Other: State provided 2% salary progression funded by the Legislature.

\* See Notes to Table 10 at the end of the chapter.

Table 10 continues on next page.



TABLE 10 (CONTINUED)

## Enacted Changes in State Employee Compensation, Fiscal 2024

State/Territory	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
Missouri	8.7		See note	The Missouri Citizens Commission on Compensation for Elected Officials recommended a 2.5% pay increase for General Assembly and Elected Officials.  Increased shift deferential pay by \$2/hr for congregate care workers at 24/7 state facilities.  Targeted increases for the Missouri State Highway Patrol.
Montana	4.0			Effective July 1 2023 and July 1 2024.
Nebraska	5.0	2.0		Targeted special wage adjustments 10%–20% plus 2% merit.
Nevada*	12.0			Raises in FY 2024 alone range from 10 percent to 13 percent, depending on positions. Collective bargaining plays into the level of some raises. In FY 2025, 11% raises will be issued. See additional footnotes in Notes to Table 10 for more details.
New Hampshire	10.0			
New Jersey	See note			The majority of employees (97.5%) in New Jersey are represented by labor groups that do not have settled contracts for fiscal 2024, with the exceptions being STNCOA and STSOA which received 2.75% ATB increases in July of fiscal 2024. All eligible employees will receive increments averaging roughly 1.7% of their salaries regardless of their union contract status. This information is representative of only the Executive Branch workforce.
New Mexico	6.0			
New York	3.0		See note	The State has settled collective bargaining agreements with several unions through Fiscal Year 2026 which provide a three percent General Salary Increase for FYs 2024 through 2026. Additionally, the agreement provides a onetime bonus of \$3,000 in FY 2024, and changes in longevity resulting from changes in the health insurance program that are expected to encourage in-network employee utilization to help control health insurance costs. All contracts contain salary step provisions. The State has commenced labor negotiations with several unions for successor contracts.  The Judiciary has contracts in place with all 12 unions represented within its workforce, which include CSEA; the New York State Supreme Court Officers Association, the New York State Court Officers Association and the Court Clerks Association; and eight other unions. These contracts cover a five-year period from FY 2022 through FY 2026 with terms consistent with the terms described above.
North Carolina	4.0		1.5	Labor market adjustment reserve for specific employees.
North Dakota		6.0		Raises are to average 6%, but are to be based on performance.
Ohio	3.0			
Oklahoma				No changes enacted.
Oregon	6.5	4.8		For the 2023–25 biennium (FY23 & FY24) Oregon approved (in general) cost of living increases of 6.5% effective December 1, 2023 and 6.55% effective February 1, 2025. Annual step increases were approved for employees that were not currently on the top step of their classification were also approved. A step increase is roughly equivalent to a 4.75% salary increase. Additionally, Oregon Approved a one-time COLA payment of \$1,500 for all employees on September 1, 2023.
Pennsylvania	5.0			A tentative new labor agreement has been agreed to with AFSCME, the state's largest union. The agreement calls for a 5% increase immediately. Similar agreements were ratified by several other state worker unions. The increase for management raises is yet to be determined.
Rhode Island	2.5			FY 2024 represents the final year of a four-year labor agreement for State Employees. In addition, both Rhode Island's Public Safety Cabinet Level Agencies (State Troopers and Correctional Officers) finalized their contracts including 2.5% annual COLA's for each of the four contract years, however these two groups also included changes to their classification schedules, notably increasing the base salary for those Correctional Officers at year one along with adding new "senior" level positions/salaries in between existing ranks to help with retention efforts (State Police and Correctional Officers.)
South Carolina	5.0		See note	Base pay increase of \$2,500 for employees making \$50,000 or less and 5% for those making more than \$50,000. Additional compensation made available to certain agencies for public safety, correctional, and natural resource officers, as well as health and social workers.
South Dakota	7.0	10.0		Merit pay is estimated to impact approximately 60% of permanent employees.
Tennessee	5.0			The 5% is a pay for performance pool for executive branch agencies and across-the-board pay for others. Additionally, there are market rate adjustments for certain agency/job classes.
Texas	5.0			
Utah	5.0	2.5	4.1	FY 2024 included target funding increases equal to a 4.1% general increase but disbursed by percentages based upon market pay and other criteria.
Vermont	2.0			
Virginia	7.0			
Washington	4.0	N/A	N/A	State employees received 1k for being vaccinated, as well as 1k for employee retention.
West Virginia	See note			\$2,300 Across the board pay increase including teachers and school service personnel.
Wisconsin	4.0			Effective July 2, increase minimum starting hourly pay for correctional officers to \$33; establish hourly add-on pay for correctional officers working in medium-security institutions and increase hourly add-on pay for correctional officers working in maximum-security institutions.
Wyoming	4.0–7.0			

\* See Notes to Table 10 at the end of the chapter.

Table 10 continues on next page.

TABLE 10 (CONTINUED)

## Enacted Changes in State Employee Compensation, Fiscal 2024

State/Territory	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
District of Columbia	3.0 or 4.0	3.0 or 5.0	See notes	ATB increase for fire is 4%. Please note that the 3% and 4% fire COLA is for our unions that have been approved. Merit increase is 5% for fire and police. Additionally the 3% and 5% for merit increases are based on step increases that aren't all annual. Other amounts are solely discretionary and not all employees in a specific group are eligible.
Guam	22.0	3.10		P.L. 37-03 was adopted by the Legislature on 3/31/23, and authorized a 22% upward adjustment to the General Pay Plan. This is the fourth compensation increase in a series of other pay plan increases, including: Nurse Pay Plan (15%), Law Enforcement Pay Plan (18%), and Educator Pay Plan (20%).
Puerto Rico	8.44			The Commonwealth of Puerto Rico FY22 Certified Fiscal Plan allocated funds for the implementation of a Uniform Renumeration Plan ("URP"). The URP consists of bringing all incumbent central government employees to market competitive salary rates. Total funds allocated amounted to \$144.3m. The FY23 Certified Fiscal Plan added additional funds (\$42m) to further expand the URP.
U.S. Virgin Islands				

\* See Notes to Table 10 at the end of the chapter.

# CHAPTER 1 NOTES

## Notes to Table 3: Fiscal 2022 State General Fund, Actual

For all states, unless otherwise noted, transfers into budget stabilization funds are counted as expenditures, and transfers from budget stabilization funds are counted as revenues.

<b>Alabama</b>	Expenditure adjustments include transferring \$117.7 million from the ETF to the ETF Budget Stabilization Fund, transferring \$750.4 million from the ETF to the ETF Advancement and Technology Fund, and transferring \$72.7 million from the GF to the GF Budget Reserve Fund.
<b>Alaska</b>	Revenue adjustments include statutory draw from the Alaska Permanent Fund Earnings Reserve Account (\$3,069m) and carryforward and other adjustments (\$79.5m). Expenditure adjustments include supplementals and revised programs legislative. Revenue forecast from Spring 2023 Revenue Forecast (March 2023). Expenditure amount and rainy day fund balance based on June 2022 FY2023 Fiscal Summary.
<b>Arkansas</b>	25% of the first \$200M (\$50M) of the ending balance will be transferred to the State Highway and Transportation Department Fund, and 75% of the first \$200M (\$150M) will be transferred to the General Revenue Allotment Reserve Fund. The remaining balance will be transferred to the Catastrophic Reserve Fund if the Catastrophic Reserve Fund balance does not equal or exceed 20% of the total amount of general revenue last distributed. If there is a balance after determining the Catastrophic Reserve Fund equals or exceeds 20% of the total amount of general revenue last distributed or transferring a portion of the remaining balance to ensure the Catastrophic Reserve Fund equals 20% of the total amount of general revenue last distributed, the remaining balance will be transferred to the General Revenue Allotment Reserve Fund. Total available revenue amounts are reported as net of refunds and special dedications/payments.
<b>California</b>	<p>Total Revenues: reflect revenues before transfers and loans to/from the General Fund. Estimated cost recoveries for Fiscal 2022 for COVID-19, wildfires, and various disaster relief are included as “revenue adjustments”.</p> <p>Revenue and expenditure adjustments to the beginning fund balance consist primarily of adjustments made to major taxes and other non K–12 spending. Revenue adjustments include \$9,034.4 million in transfers and loans to/from the General Fund as well as \$1,718.7 million in estimated cost recoveries for COVID-19, wildfires, and other disaster relief.</p> <p>The ending balance includes the Special Fund for Economic Uncertainties (SFEU) and reserve for encumbrances but excludes the BSA (a rainy day reserve held in a separate fund), the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA). The excluded amounts are \$21,708.4 million for the BSA and \$900 million for the Safety Net Reserve Fund, and \$8,141.5 million for the PSSSA at the end of FY 2022. Adding these amounts to the FY 2022 ending balance, the projected total balance is \$86,559.9 million in FY 2022.</p> <p>The rainy day balance is made up of the SFEU, BSA, the Safety Net Reserve Fund, and the PSSSA however, withdrawals of mandatory deposits from the BSA are subject to provisions of Proposition 2, 2014.</p> <p>A reserve for encumbrances of \$5,272.1 million, included in the ending balance, represents amounts which will be expended in the future for state obligations for which goods and services have been ordered/contracted, but have not been received by the end of the fiscal year. These amounts are shown as a reserve to the fund balance instead of a hit to the fund balance.</p>
<b>Colorado</b>	Based on the September 20, 2023 OPSB Forecast—TABLE 4—page 88. Revenue adjustment includes transfers to the general fund (\$71.3m). Expenditure adjustments include reversions and accounting adjustments.
<b>Delaware</b>	FY2022 General Fund balance also included \$287.3 million in the Budget Stabilization Fund.
<b>District of Columbia</b>	The adjustments for revenues are debt issuance, bond sales premiums, leases, transfers in, and capital asset sales. The adjustments for expenses are transfers out and payment to refunded bond escrow agent.
<b>Florida</b>	Revenue and expenditure adjustments are made up of federal COVID-19 funds (American Rescue Plan Act). Total revenues listed reflect official General Revenue Fund Outlook, which includes all collections such as taxes, fees, licenses, and charges for services, as well as adjustments like FEMA reimbursements, reversions, and legal settlements.
<b>Georgia</b>	FY 22 beginning balance reflects the general fund balances for Revenue Shortfall Reserve, Guaranteed Revenue Debt Common Reserve fund, and State Revenue Collections as reported in the June 30, 2021 column on the FY22 combined Budget Sheet of the Budgetary Compliance Report.

<b>Guam</b>	<p>Revenue Adjustments: Income Tax Refund Efficient Payment Trust Fund deposit (\$67,974,116), Transfer out to GMHA Pharmaceuticals Fund (\$17,982,304), Harmon Tax Credit (\$175,000), Transfer out to Better Public Service Fund (\$350,762).</p> <p>Total Expenditures: Includes FY22 General Fund appropriations per the Budget Act (P.L. 36-54) (\$623,577,126), and Legislatively Appropriated funds from excess FY22 General Fund collections (\$56,537,707).</p> <p>Expenditure Adjustments: Deposit to the Rainy Day Fund (\$15,000,000)</p> <p>NOTE: The Fiscal 2022 information is based on preliminary revenue collections and adopted expenditures in Fiscal 2022. The Fiscal 2022 audit has yet to be published by Guam's Office of Public Accountability.</p>
<b>Hawaii</b>	Adjustment in FY 2022 includes a \$89 thousand transfer from non-general funds pursuant to Act 87, SLH 2021.
<b>Idaho</b>	Revenue Adjustment includes \$1.6M re-appropriation, \$69.2M year-end reversions, -\$1,481.8 transfer out, and 62.3M CRF reimbursements. Total expenditures include supplementals/rescissions. Expenditure adjustments include -\$15.3M Reversions, \$.7 misc., and \$1.6M reappropriations.
<b>Illinois</b>	Total revenues include \$43,658M in state sources, \$4,584M in federal, \$2,092M in transfers in. Adjustments include \$736M in CSFRF for revenue replacement and -\$38M in Comptroller budgetary basis adjustments. Total expenditures include \$34,386M in appropriations, \$9,581M in pension contributions, \$1,952M in legislatively required transfers out, \$933M in interfund borrowing repayments, and \$1,480M in one-time transfers out. Expenditure adjustments include -\$831 in unspent appropriations, -\$43M in Comptroller budgetary basis adjustments, \$1,652M in accounts payable, \$1,052M in MLF repayment and -\$218M in transfers for unclaimed property.
<b>Indiana</b>	Expenditure adjustments include \$42.8 million in unspent prior year reversions, a \$1,090.8 million excess reserves transfer that is split evenly between Teachers Retirement Fund pensions and an Automatic Taxpayer Refund, and a transfer of surplus K-12 funding to the Tuition Support Reserve Account (this account is included in the Rainy Day Fund balances).
<b>Iowa</b>	Total Revenues are as actual, also included in revenue adjustments is \$233.6 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. Total Expenditures include \$0.1 million of supplemental appropriations and an adjustment of \$18.0 million to standing appropriations. At the end of the fiscal year, any ending balance is transferred in the subsequent fiscal year to the Reserve Funds. After the Reserve Funds are filled to their statutory limit and other transfers are completed as required by statute, the remaining balance is transferred back to the General Fund. There are no federal funds included in these amounts.
<b>Kansas</b>	\$19.7 million in prior year released encumbrances shows as revenue.
<b>Kentucky</b>	Revenue includes \$129.6 in Tobacco Settlement Funds. Revenue adjustments include \$715.5 million that represents appropriation balances carried forward from the prior fiscal year, and \$87.8 million from fund transfers into the General Fund. Expenditure adjustments include \$2.12 billion in appropriation balances forwarded into the next fiscal year. Ending balance of \$1,878.3 million of which \$1.033.5 million went to the Rainy Day Fund and the remaining \$844.8 million was budgeted carryforward into FY 2023.
<b>Louisiana</b>	<p>Revenue adjustments—Includes \$183.6M of carryforwards and \$30.3M in other transfers</p> <p>Expenditure adjustments—Of the \$699.2M Surplus—25% (\$174.8M) would transfer to the Budget Stabilization Fund and 10% (\$69.92M) to the Retirement System Unfunded Accrued Liability (UAL). The remaining amount is appropriated to Capital Outlay, Coastal Protection and Restoration, and new highway construction projects. FY2022 Actual state general fund (SGF) revenue reported represents the certified number provided by the Office of Statewide Reporting and Accounting Policy (OSRAP), including the total amount of Taxes, Licenses and Fees collected.</p>
<b>Maine</b>	Revenue and Expenditure adjustments reflect legislatively authorized transfers, lapses of unspent balances from prior years and year-end closing adjustments. Transfers In included \$20 million in available balances in the liquor sales account and there was \$116 million in lapsed balances from several Health and Human Services accounts. Transfers Out included \$10 million to support student aid, about \$9 million to support indigent legal services and about \$97 million for a property tax relief program that historically had been a budgeted GF expense. Additionally, there was approximately \$892 million in transfers

of FY22 unappropriated revenue to Other Special Revenue accounts in agencies for a variety of one-time purposes. FY22 actual revenues exceeded budget as well so year-end statutorily required transfers included about \$135 million to Highway and Bridge Capital and Reserve accounts, \$2.5 million to the Reserve for Operating Capital, \$15 million to a newly created Education Stabilization Fund and nearly \$402 million to the Budget Stabilization Fund.

<b>Maryland</b>	Revenue adjustments include a \$500.2 million transfer to the Rainy Day Fund and \$370.0 million transfer to the Fiscal Responsibility Fund (triggered by revenue overattainment), and \$20.4 million in transfers from tax credit reserves .Expenditure adjustments include \$268.2 million in agency reversions.
<b>Massachusetts</b>	General Fund is defined as all budgeted operating funds, adjusted for expenditures funded by federal reimbursements. This is to better align with spending reported in the State Expenditure Report and be more comparable to most other states, which book federally reimbursed expenditures in a separate federal fund; adjustments also account for certain transfers between budgeted funds. FY2022 expenditures include \$1.279 B in CSFRF-associated expenditures, funded via a one-time deposit in FY2021 of \$4.892 B. FY2022 expenditures also include \$418 M in transitional escrow fund expenditures, which are funded out of FY2021 revenues.
<b>Michigan</b>	Revenue totals are net of payments to local government and balance sheet adjustments. Adjustment (Expenditures): Deposit of \$180 million to the Budget Stabilization/Rainy Day Fund.
<b>Minnesota</b>	Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.67 billion. Includes stadium reserve of \$229.4 million
<b>Mississippi</b>	Cash ending balance disposition in accordance with Miss. Code Ann. §27-103-213. Adjustments to revenue and/or expenditures reflect statutory transfers and Reappropriations.
<b>Missouri</b>	Revenue adjustments include transfers from other funds into the General Revenue Fund.
<b>Montana</b>	Revenue adjustments reflect prior year revenue activity and expenditure adjustments reflect prior year expenditure activity and adjustments to fund balance as a result of the annual CAFR reconciliation.
<b>Nebraska</b>	Revenue Adjustments include a transfer of \$535.3 million to the Cash Reserve Fund from FY 2020–21 General Fund tax receipts exceeding the certified forecast, \$339.6 million in re-appropriations, an additional \$50 million transfer to the Cash Reserve Fund, and \$660,000 related to legislative bills. The following General Fund transfers are also included: \$297 million to the Property Tax Credit Fund, \$100 million to the Nebraska Capital Construction Fund, \$15 million to the Shovel-Ready Capital Projects Fund, \$15 million to the Prison Overcrowding Contingency Fund, \$12.8 million in transfers to other cash funds, \$11 million to the Water Sustainability Fund, and \$5 million to the ImagiNE Revolving Loan Fund. Expenditure Adjustments reflect the net mid-biennium budget recommendations of \$8.1 million.
<b>Nevada</b>	Revenue adjustments are restricted revenue, reversions, Rainy Day Fund transfers and reserve transfers. Expenditure adjustments are restricted transfers.
<b>New Hampshire</b>	Expenditure Adjustments: The makeup of this adjustment total for FY2022 includes: a negative \$15.4M standard GAAP adjustment; a negative \$62.9M FEMA future recoveries GAAP adjustment; a \$2.1M transfer to the Rainy Day Fund; a \$50M transfer to the Highway Fund; and a \$0.1M transfer to the Fish & Game Fund.
<b>New Jersey</b>	Revenue adjustments include lapses; transfers to other funds; transfer from Surplus Revenue Fund from General fund.
<b>New Mexico</b>	Adjustments are net of reversions and transfers from other funds. Revenue adjustments include reversions. Expenditure adjustments include appropriations, expenditures and transfers out.
<b>New York</b>	The Rainy Day Reserve increased by \$843 million after a deposit from the General Fund State Purposes Account to the Rainy Day Reserve Fund. Both the State Purposes Account and Rainy Day Reserve Fund are components of New York State's General Fund. Revenue and Expenditures adjustments reflect the receipt & disbursement of \$4.5 billion in unrestricted Federal aid in FY 2022. While this funding is treated in the state budget as a general fund resource, it is displayed as an adjustment to be consistent with survey guidelines requesting federal funds be excluded from revenue and expenditure figures where possible. As part of the State's continuing response to Federal tax law changes, legislation was enacted in FY 2022 to allow an optional Pass-Through Entity Tax (PTET) on the New York-sourced income of partnerships and S corporations.

Qualifying entities that elect to pay PTET will pay a tax of up to 10.9 percent on their taxable income at the partnership or corporation level, and their individual partners, members and shareholders will receive a refundable Personal Income Tax (PIT) credit equal to the proportionate or pro rata share of taxes paid by the electing entity. In December 2021, entities began making PTET payments that were recorded as business taxes which totaled \$16.4 billion in FY 2022. The accompanying tax credits began impacting PIT receipts in April 2022, which would decrease PIT collections. DOB expects that the PTET will be revenue neutral for the State. However, because PTET payments will generally be received in the fiscal year prior to credit claiming, the PTET will not be revenue-neutral within each fiscal year. Therefore, a reserve has been established for PTET collected in FY 2022 for purposes of offsetting the decrease in PIT receipts expected in FY 2023 and beyond, as such the \$16.4 billion of PTET receipts is treated as a revenue adjustment. General Fund revenues and expenditures include operating transfers to/from other funds which constitute legally authorized transfers from a fund receiving revenues, to a fund through which disbursements will ultimately be made. Revenue Transfer (transfers from) totaled (in millions): \$49,696 for 2022. Expenditure transfers (transfers to) totaled (in millions): \$9,813 for 2022.

<b>North Carolina</b>	Revenue adjustments include funds from opioid related litigation. Expenditures adjustments represent large “above the line” transfers to a variety of programs such as the State Capital and Infrastructure Fund.
<b>North Dakota</b>	Revenue adjustments are transfers of \$205.0 million from the strategic investment and improvements fund. Expenditure adjustment is for a contingent appropriation for a loan repayment.
<b>Ohio</b>	The positive revenue adjustment reflects the difference between federal revenues and federal expenditures in the general fund for the fiscal year. This change is needed to tie to the actual ending fund balance. Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are not included in the General Fund number to be consistent with new NASBO survey guidelines.
<b>Oklahoma</b>	Expenditure adjustment includes \$962.5m in deposits into Constitutional Reserve Fund. No Federal Funds are included in calculations.
<b>Oregon</b>	Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief
<b>Pennsylvania</b>	Revenue adjustments include lapses (270), refunds (-1,420), adjustments to beginning balances (4) and federal COVID funds (3,841 (ARPA revenue replacement transfer into the GF) and 2,466). Expenditure adjustments include Federal COVID funds (2,466) and a transfer to the Rainy Day fund (2,100).
<b>Puerto Rico</b>	The original FY22 Certified Budget was \$10,112,390. In February 2022, the Plan of Adjustment “POA” for the Commonwealth of Puerto Rico was confirmed by the Title III Court, as such, the FY22 Certified Budget was amended and increased to \$23,394,505 to cover for payments established in the POA. Total increase was \$13,282,115 and was covered by prior year surpluses in the amount of \$10,886,989 and an amendment of \$2,395,125 to the FY22 Certified Budget.
<b>Rhode Island</b>	Adjustments to revenues reflect a transfer of \$167.4 million to the State Budget Reserve and Cash Stabilization Account (“Rainy Day Fund”) offset by a FEMA receivable of \$155.3 million for reimbursement of FY 2021 expenditures along with a reappropriation total of \$8.4 million from FY 2021. Adjustments to expenditures reflect a transfer of \$75.0 million to the Information Technology Investment Restricted Account, a transfer of \$25.0 million to the Housing Production Restricted Account, and a transfer of \$6.0 million to the Pay for Success Restricted Account and a reappropriation of \$19.4 million from FY 2022.
<b>South Carolina</b>	Revenue Adjustments: (\$650.0) transfer to Tax Relief Trust Fund, \$20.5 transfer from Litigation Recovery, and \$65.0 CARES Act reimbursements. Expenditure Adjustments: \$176.1 FY21 Capital Reserve transfer to agencies, \$67.1 transfer to local tax relief trust fund. Ending Balance: Rainy Day Funds: \$458.9 General Reserve, \$183.6 Capital Reserve, and \$1,204.8 Contingency Reserve. Reserved/Designated: \$1,434.4 agency carryforward appropriations and \$3,584.2 designated for FY23 nonrecurring appropriations.
<b>South Dakota</b>	Adjustments to revenue of \$12.9 million is from prior year revenue, prior period adjustments, and unexpended carryovers and specials. The adjustment to expenditures of \$91.2 million reflects the prior year’s ending balance of \$85.9 million along with an additional \$5.3 million prior period adjustment due to a provision that allows enhanced Medicaid funding for certain home and community-based services in FY21. The ending balance of \$115.5 million is cash that is obligated to reserves the following fiscal year. This \$115.5 million is not included in the total rainy day funds balance of \$307.1 million.

<b>Tennessee</b>	<p>Adjustments (Revenues): -\$100M transfer to Rainy Day Fund, -\$250M transfer to K–12 Mental Health Trust Fund, -\$250M to Retirement System Trust Fund, -\$343.2M to Highway Fund, -\$65.5 transfer to dedicated reserves, \$3M from Debt Service Fund, \$258.9 balancing estimate</p> <p>Adjustments (Expenditures): \$1,633.0M transfer to Capital Outlay Projects Fund, \$12.3M transfer to State Office Buildings and Support Facilities Fund, \$3.6M transfer to Debt Service Fund, \$1.0M transfer to reserves for dedicated revenue appropriations.</p>
<b>Utah</b>	FY 2022 revenue adjustments include transfers to the General Fund and Income Tax Fund, the amount set aside for economic development cash incentives, funds that lapsed to General Fund or Income Tax Fund at the end of FY 2021, and other revenue adjustments. Expenditure adjustments shows \$204.6 million of surplus revenue collections that were automatically transferred to rainy day and other funds at the end of FY 2022 based on statutory formulas.
<b>Vermont</b>	Expenditure adjustment reflects \$51.48m transfer from surplus.
<b>Virgin Islands</b>	Adjustments include appropriated transfers from other state funds as a contribution to General Fund. Information consistent with weekly statement of cash flows bank activity.
<b>Virginia</b>	Total revenue figures include transfers.
<b>Washington</b>	Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments
<b>West Virginia</b>	Fiscal Year 2022 Beginning balance includes \$604.0 million of Reappropriations, Unappropriated Surplus Balance of \$74.849 million, \$212,369 of cash balance adjustments, and FY 2021 13th month expenditures of \$44.1 million. Total Revenues show the FY 2022 actual general revenue collections of \$5,887.9 billion. Adjustments (Revenue) are prior year redeposits of \$723,407 and special revenue expirations of \$182.1 million. Total Expenditures include general revenue appropriated expenditures of \$4,298.6 billion, surplus appropriation expenditures of \$186.4 million, reappropriation expenditures of \$211.5 million, \$-239,562 of cash adjustments, \$44.1 million of reappropriations transferred to FY 2022 collections, and \$28.5 million of 31 day prior year expenditures. Adjustment (Expenditures) represent \$15.4 million which was the amount transferred to the Rainy Day Fund from 1/2 of the FY 2021 surplus. The Ending Balance is mostly the historically carried forward reappropriation from previous fiscal years (estimated amounts that will remain and be reappropriated to the next fiscal year), the estimated 13th month expenditures applicable to the current fiscal year & the any unappropriated surplus balance (estimated) from the current fiscal year.
<b>Wisconsin</b>	<p>Revenue adjustments include Tribal Gaming, \$0; Prior Year Designated Balance, \$62.8m; and Other Revenue, \$569.7m. Expenditure adjustments include Transfers, \$428.5m;</p> <p>Lapses, -\$360.4m; and Compensation Reserves, \$18.2m.</p>
<b>Wyoming</b>	The State of Wyoming budgets on a biennial basis. To arrive at annual figures certain assumptions and estimates are required.

#### Notes to Table 4: Fiscal 2023 State General Fund, Preliminary Actual

For all states, unless otherwise noted, transfers into budget stabilization funds are counted as expenditures, and transfers from budget stabilization funds are counted as revenues.

<b>Alabama</b>	Expenditure adjustments include transferring \$50.0 million from the GF to the GF Budget Reserve Fund and transferring \$353.9 from the ETF to the Educational Opportunities Reserve Fund. Fiscal Year 2022 saw far higher revenues than were expected. This resulted in the passage of \$3,377 million in supplemental appropriations for one-time expenditures in Fiscal Year 2023.
<b>Alaska</b>	Revenue adjustment includes statutory draw from the Alaska Permanent Fund Earnings Reserve Account (\$3,361m) and carryforward and other adjustments (\$13.7m). Expenditure adjustments include supplementals and revised programs legislative. Revenue forecast from Spring 2023 Revenue Forecast (March 2023). Expenditure amount and rainy day fund balance based on June 2023 FY2024 Fiscal Summary. The large increase in Total Expenditures is due to an increase in the amount of Permanent Fund dividend payments.



<b>Arizona</b>	Total revenue figure is net of several one-time revenue changes, including a diversion of Transaction Privilege Tax (TPT) revenues to various non-General Fund agency funds.
<b>Arkansas</b>	25% of the first \$200M (\$50M) of the ending balance will be transferred to the State Highway and Transportation Department Fund, and 75% of the first \$200M (\$150M) will be transferred to the General Revenue Allotment Reserve Fund. The remaining balance will be transferred to the Catastrophic Reserve Fund if the Catastrophic Reserve Fund balance does not equal or exceed 20% of the total amount of general revenue last distributed. If there is a balance after determining the Catastrophic Reserve Fund equals or exceeds 20% of the total amount of general revenue last distributed or transferring a portion of the remaining balance to ensure the Catastrophic Reserve Fund equals 20% of the total amount of general revenue last distributed, the remaining balance will be transferred to the General Revenue Allotment Reserve Fund. Total available revenue amounts are reported as net of refunds and special dedications/payments.
<b>California</b>	<p>Total Revenues: reflect revenues before transfers and loans to/from the General Fund. Estimated cost recoveries for Fiscal 2023 for COVID-19 and wildfires are included as "revenue adjustments".</p> <p>Revenue adjustments include \$1,164.8 million in transfers and loans to/from the General Fund as well as \$14.1 million in estimated cost recoveries for COVID-19 and wildfires.</p> <p>The ending balance includes the SFEU and reserve for encumbrances, but excludes the BSA, the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA). The excluded amounts are \$22,252.4 million for the BSA, \$900 million for the Safety Net Reserve Fund, and \$9,928.6 million for the PSSSA at the end of FY 2023. Adding these amounts to the FY 2023 ending balance, the projected total balance is \$59,433.1 million in FY 2023.</p> <p>The rainy day balance is made up of the SFEU, BSA, the Safety Net Reserve Fund, and the PSSSA however, withdrawals of mandatory deposits from the BSA are subject to provisions of Proposition 2, 2014.</p> <p>A reserve for encumbrances of \$5,272.1 million, included in the ending balance, represents amounts which will be expended in the future for state obligations for which goods and services have been ordered/contracted, but have not been received by the end of the fiscal year. These amounts are shown as a reserve to the fund balance instead of a hit to the fund balance.</p>
<b>Colorado</b>	Based on the September 20, 2023 OPSB Forecast—TABLE 4—page 88. Revenue adjustment includes transfers to the general fund (\$53.6m). Expenditure adjustments include reversions and accounting adjustments.
<b>Delaware</b>	FY2023 General Fund balance also included \$402.6 million in the Budget Stabilization Fund.
<b>District of Columbia</b>	Adjustments are only done in our published yearly expenditure report. We do not do an estimated or outlook in regards to projections or surplus.
<b>Florida</b>	Total revenues listed reflect official General Revenue Fund Outlook, which includes all collections such as taxes, fees, licenses, and charges for services, as well as adjustments like FEMA reimbursements, reversions, and legal settlements.
<b>Georgia</b>	FY 23 Beginning balance reflects the general fund balance for Revenue Shortfall Reserve and Guaranteed Revenue Debt Common Reserve Fund, as reported in the FY 2022 Report of Georgia Revenues and Reserves.
<b>Guam</b>	<p>Revenue Adjustments: Income Tax Refund Efficient Payment Trust Fund deposit (\$62,884,123), Transfer out to GMHA Pharmaceuticals Fund (\$18,700,991), Harmon Tax Credit (\$175,000), Transfer out to Better Public Service Fund (\$349,676). Additional transfer out to GMHA Pharmaceuticals Fund anticipated via passage of P.L.s 37-03 and 37-05 (\$1,881,236).</p> <p>Total Expenditures: Includes FY23 General Fund appropriations per the Budget Act (P.L. 36-107) (\$713,256,152), Legislatively Appropriated funds from excess FY22 General Fund collections (\$87,005,066), and Legislatively Appropriated funds from excess FY23 General Fund collections (\$65,499,738).</p> <p>Expenditure Adjustments: Deposit to the Rainy Day Fund (\$15,366,454)</p>
<b>Hawaii</b>	Adjustment in FY 2023 includes less 338.4 million statutorily required tax refund to Hawai'i State taxpayers, and plus \$100 million FEMA reimbursement for health cost bridge loan



<b>Idaho</b>	Figures are after legislative action during 2023 legislative session, as prepared by Legislative Services Offices as of sine die. Revenue adjustments include -\$500 million in tax rebates, -\$76.6 million in property tax relief, and \$0.4 million for capital investment income tax, as well as transfers out totaling -\$1,638 million. Total expenditures include supplementals and rescissions. Expenditure adjustments include reappropriations of \$86.8 million.
<b>Illinois</b>	Total revenues include \$43,315M in state sources, \$4,013M in federal, \$3,268M in transfers in. Adjustments include \$1,063M in CSFRF for revenue replacement and \$1,363M one-time transfers. Total expenditures include \$38,089M in appropriations, \$9,632M in pension contributions, \$2,432M in transfers out. Expenditure adjustments include -\$1,026 in unspent appropriations, \$2,894 in one-time transfers out and -\$675.5 in adjustments.
<b>Indiana</b>	Expenditure adjustments include a reduction by \$225.0 million for unspent prior year appropriations that reverted, a statutorily directed excess reserves transfer of \$2,500.0 million to Teachers Retirement Fund pensions, \$935.0 million distributed as enhanced automatic taxpayer refunds, and a statutorily calculated transfer from the General Fund to the Rainy Day Fund at \$450.3 million.
<b>Iowa</b>	Total Revenues are actual, also included in revenue adjustments is \$197.3 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. At the end of the fiscal year, any ending balance is transferred in the subsequent fiscal year to the Reserve Funds. After the Reserve Funds are filled to their statutory limit and other transfers are completed as required by statute, the remaining balance is transferred back to the General Fund. There are no federal funds included in these amounts.
<b>Kansas</b>	\$19.9 million in prior year released encumbrances shows as revenue.
<b>Kentucky</b>	Revenue includes \$118.3 in Tobacco Settlement Funds. Revenue adjustments include \$2.116 billion that represents appropriation balances carried forward from the prior fiscal year, and \$36 million from fund transfers into the General Fund. Expenditure adjustments include \$3.0 billion in appropriation balances forwarded into the next fiscal year. Ending balance of \$1,818.3 million of which \$1.455 billion went to the Rainy Day Fund, \$265.4 million was budgeted carryforward into FY 2024, and \$100 million was reserved for authorized, non-sum-specific appropriations.
<b>Louisiana</b>	Revenue adjustments—Includes \$404.9M of carryforwards  Expenditure adjustments—Includes transfers various Funds from Act 167 of the 2022 RS, Act 1 of the 2023 ES, and Act 410 of the 2023 RS. Of the \$726.5M Surplus - 25% (\$181.6M) transfers to the Budget Stabilization Fund and 10% (\$72.7M) to the Retirement System Unfunded Accrued Liability (UAL). The remaining amount is appropriated to: Capital Outlay, Coastal Protection and Restoration, and new highway construction projects.
<b>Maine</b>	Revenue and Expenditure adjustments reflect legislatively authorized transfers and lapses of unspent balances from prior years. Transfers In included \$53.1 million in available balances in the parts one and two biennial budget, with an additional \$129.4 million in subsequent supplemental budget bills and miscellaneous laws. Transfers Out included \$158 million in the parts one and two biennial budget, with an additional \$713.8 million in transfers of FY23 GF unappropriated revenue to Other Special Revenue accounts in agencies for a variety of one-time purposes in subsequent supplemental budget bills and miscellaneous laws.
<b>Maryland</b>	Revenue adjustments include \$41.6 million in transfers from tax credit reserves, \$20.1 million in revenue overattainment from transfers, and \$1.166 billion in transfers from the Revenue Stabilization Account. Expenditure adjustments include \$381 million in agency reversions.
<b>Massachusetts</b>	Data as of October 2023. General Fund is defined as all budgeted operating funds, adjusted for expenditures funded by federal reimbursements. This is to better align with spending reported in the State Expenditure Report and be more comparable to most other states, which book federally reimbursed expenditures in a separate federal fund; adjustments also account for certain transfers between budgeted funds. Fiscal 2023 expenditures reflect the carryforward from fiscal 2021 of \$4.9 billion from the CSFRF and \$1.5 billion in the Transitional Escrow Fund from a fiscal 2021 tax surplus, which were credited as operating revenue in fiscal 2021 and 2022, and excess state tax revenue of \$2.941 B expended by the Department of Revenue in fiscal 2023 pursuant to Chapter 62F, which was credited as operating revenue in fiscal 2022.  FY2023 expenditures include \$731 M in projected CSFRF-associated expenditures, as well as \$1.042 B in transitional escrow fund expenditures funded out of FY2022 revenues. Fiscal 2023 expenditures also reflect the outflow of \$2.941

B pursuant to Chapter 62F, which was credited as operating revenue in Fiscal 2022 but will be expended in Fiscal 2023. Expenditures of these funds in Fiscal 2023 are affordable from these sources, but as they are not matched with Fiscal 2023 operating revenue this creates a Fiscal 2023 operating deficit.

<b>Michigan</b>	<p>Revenue totals are net of payments to local government and balance sheet adjustments.</p> <p>Adjustment (Expenditures): Deposit of \$100 million to the Budget Stabilization/Rainy Day Fund. Stronger than anticipated revenue collections resulted in substantial one-time funds available to support one-time expenditures in FY23 and FY24.</p>
<b>Minnesota</b>	Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.85 billion.
<b>Mississippi</b>	Cash ending balance disposition in accordance with Miss. Code Ann. §27-103-213. Adjustments to revenue and/or expenditures reflect statutory transfers and Reappropriations. Fiscal 2023 (Preliminary Actual) Total Revenues represent the FY 2023 Sine Die Revenue Estimate.
<b>Missouri</b>	Revenue adjustments include transfers from other funds into the General Revenue Fund.
<b>Montana</b>	Revenue adjustments reflect prior year revenue activity and expenditure adjustments reflect prior year expenditure activity and adjustments to fund balance as a result of the annual CAFR reconciliation. Additionally, general fund transfer to reserves (budget stabilization, capital development, and fire suppression fund) are included in the total expenditures.
<b>Nebraska</b>	Revenue adjustments include transfers of \$1.3 billion to the Cash Reserve Fund, \$310 million to the Property Tax Credit Fund, \$100 million to the Water Recreation Enhancement Fund, \$40.7 million to the Capital Construction Fund, \$20 million to the Jobs and Economic Development Fund, \$15 million to the Shovel-Ready Capital Recovery & Investment Cash Fund, \$11 million to Water Sustainability Fund, \$5 million to the Site and Building Development Fund, \$5 million to the ImagiNE Revolving Loan Fund, \$5 million to the Governor's Emergency Fund, \$3.3 million to Water Resources Fund, \$1 million to the Cultural Preservation Fund, and \$1 million to the State Teammate Community College Fund.
<b>Nevada</b>	Revenue adjustments are restricted revenue, reversions, Rainy Day Fund transfers in and reserve transfers in. Expenditure adjustments are restricted transfers out. FY23 is preliminary as Nevada is in the processing of closing out and reconciling the general fund.
<b>New Hampshire</b>	Expenditure Adjustments: The makeup of this adjustment total for FY2023 includes: a (\$11.2M) standard GAAP adjustment; a \$128.8M transfer to the Rainy Day Fund; a \$10M transfer to the Highway Fund; and a \$2M transfer to the Fish & Game Fund.
<b>New Jersey</b>	Revenue adjustments include transfers to other funds and estimated funds and other lapses; transfer to Surplus Revenue Fund from General Fund.
<b>New Mexico</b>	Adjustments are net of reversions and transfers from other funds. Revenue adjustments include reversions. Expenditure adjustments include appropriations, expenditures and transfers out. The beginning balance in FY 2024 differs from the ending balance in FY 2023 as the FY2023 ending balance is based on actual revenue collections for FY2023 whereas the FY2024 beginning balance figure is based on FY 2023 revenue estimates at the time of FY 2024 budget enactment
<b>New York</b>	<p>The Rainy Day Reserve increased by \$2.9 billion after a deposit from the General Fund State Purposes Account to the Rainy Day Reserve Fund. Both the State Purposes Account and Rainy Day Reserve Fund are components of New York State's General Fund.</p> <p>Revenue and Expenditures adjustments reflect the expected receipt &amp; disbursement of \$2.35 billion in unrestricted Federal aid in FY 2023. While this funding is treated in the state budget as a general fund resource, it is displayed as an adjustment to be consistent with survey guidelines requesting federal funds be excluded from revenue and expenditure figures where possible.</p> <p>As described in the FY 2022 footnotes, beginning in FY 2022, the PTET program began affecting reported General Fund tax collections. In FY 2022, the State collected \$16.4 billion in PTET payments through business tax receipts. In FY 2023, it collected another \$14.9 billion from PTET and paid \$17 billion in PIT refunds connected with the program. The General Fund reserved the entire amount of PTET collections received in FY 2022 and used \$2.1 billion of that balance to cover the difference between PTET collections and related PIT refunds in FY 2023. The timing between the initial PTET collections and subsequent refunds will be managed in a similar manner in each year of the Financial Plan. The PTET program is expected</p>

to have no net impact on operations over its life but will distort the annual change for business and PIT receipts. The reserve established for PTET collected in FY 2022 offsets the decrease in PIT receipts in FY 2023, as such, the net \$2.1 billion tax receipts reduction is treated as a revenue adjustment.

Explanation of Increase in Fund Balance: The increase in fund balances is primarily driven by planned deposits totaling \$10.6 billion to the State's principal reserves (Rainy Day Reserves and Reserve for Economic Uncertainties), \$1.9 billion added to the debt management reserve, \$490 million reserved for labor settlements and agency operations and \$1.6 billion set aside for future operations, partially offset by the planned use of the reserve for pandemic assistance (\$1.8 billion), the PTET reserve described above (\$2.1 billion), and \$267 million from the reserved Extraordinary Monetary Settlements to fund planned expenses.

Explanation of Revenue Increase: General Fund receipts, as adjusted, are estimated to total \$102.9 billion in FY 2023, an increase of \$11 billion (12.0 percent) from FY 2022. The increase reflects projected growth in tax receipts and prepayments of debt service due in future years. These transactions reduce reported tax receipts in the fiscal year in which the payments are made and increase tax receipts in the fiscal years in which the debt service was originally scheduled to be paid.

Explanation of Expenditure Increase: General Fund disbursements, as adjusted, are expected to total \$90.4 billion in FY 2023, an increase of \$6.0 billion (7.1 percent) from FY 2022 spending. The growth in spending is attributable to initiatives and investments in nearly all major programs, including health care, School Aid, mental hygiene, social services, one-time bonus payments to health care/direct care workers, recovery assistance to individuals and small businesses and Medicaid growth driven by an updated method for calculating spending growth under the Global Cap. In addition, several transactions that were executed in FY 2022 that temporarily lower spending. These transactions include funding \$2.3 billion of certain eligible health and public safety payroll costs, including fringe benefits, from the CRF and the payment of prior year salary increases.

General Fund revenues and expenditures include operating transfers to/from other funds which constitute legally authorized transfers from a fund receiving revenues, to a fund through which disbursements will ultimately be made. Revenue Transfer (transfers from) totaled (in millions): \$42,331 for 2023. Expenditure transfers (transfers to) totaled (in millions): \$8,325 for 2023.

<b>North Carolina</b>	Revenue adjustments include funds from opioid related litigation. Expenditures adjustments represent large "above the line" transfers to a variety of programs such as the State Capital and Infrastructure Fund. Revenue items updated for Governors Recommended Budget for March 2023, which included updated revenue items as well as recommended expenditures for FY 2023.
<b>North Dakota</b>	Revenue adjustments are transfers of \$205.0 million from the strategic investment and improvements fund and \$140.0 million from other special fund sources to the general fund.
<b>Ohio</b>	The revenue adjustment reflects the difference between federal revenues and federal expenditures in the general fund for the fiscal year. This change is needed to tie to the actual ending fund balance. Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are not included in the General Fund number to be consistent with new NASBO survey guidelines.
<b>Oklahoma</b>	Expenditure adjustment includes \$230.1m in deposits into Revenue Stabilization Fund and \$222.9m in deposits to Constitutional Reserve Fund. No Federal Funds are included in calculations.
<b>Oregon</b>	Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief. Expenditure adjustment includes: the required deposit into the Rainy Day Fund of \$220,722,881, as well as anticipated reversions of unspent General Fund in the 2021–23 Biennium of \$254,596,034.
<b>Pennsylvania</b>	Revenue adjustments include lapses (810), refunds(-1,489), adjustments to beginning balances (9) and federal COVID funds (2,161). Expenditure adjustments include Federal COVID funds (2,161). No transfer to the RDF for fiscal 2023 has been agreed to at this time, but Pennsylvania law requires 10% of the current year operating surplus to be transferred by Sept 30, 2023. It is likely that a transfer will be made to the RDF, so these figures will change.
<b>Rhode Island</b>	Adjustments to revenues reflect \$270.8 million for a FEMA receivable that was disallowed in FY 2022 and instead recognized as a general revenue expenditure. Rhode Island recognizes corresponding FEMA revenue in FY 2023 to offset the general revenue expense along with a reappropriation total of \$19.4 million from FY 2022. There was also a transfer of \$162.6 million

to the Budget Reserve Fund ("Rainy Day Fund"). Adjustments to expenditures reflect a transfer of \$4.4 million to the Workers Compensation Fund Restricted Account and a reappropriation of \$45.2 million from FY 2023.

<b>South Carolina</b>	Revenue Adjustments: (\$768.1) transfer to Tax Relief Trust Fund and \$578.9 transfer from Litigation Recovery. Expenditure Adjustments: \$183.6 FY22 Capital Reserve transfer to agencies, \$976.3 transfer to Individual Income tax rebate fund. Ending Balance: Rainy Day Funds: \$575.2 General Reserve, \$209.2 Capital Reserve, and \$57.9 Contingency Reserve. Reserved/Designated: \$4,051.4 agency carryforward appropriations and \$1,952.1 designated for FY24 nonrecurring appropriations.
<b>South Dakota</b>	The adjustment to revenues of \$18.4 million is from unexpended carryovers and specials, as well as prior year revenue. The adjustment to expenditures of \$115.5 million reflects the prior year's ending balance that was transferred to the State's rain day funds. Included in the total expenditures is a transfer from the rainy day fund to the incarceration construction fund of \$95.2 million for the purpose of building State prisons. The ending balance of \$96.7 million is cash that is obligated to reserves the following fiscal year. This \$96.7 million is not included in the total rainy day funds balance of \$238.9 million. In addition to the previous years ending balance of \$115.5 being transferred into the rainy day fund, the balance change from FY2022 to FY2023 is due to \$183.7 million being transferred from the rainy day fund to the incarceration construction fund for the purpose of building State prisons.
<b>Tennessee</b>	Adjustments (Revenues): -\$250M transfer to Rainy Day Fund, -\$300M transfer to OPEB, -\$350M transfer to Retirement System Trust Fund, \$96.1M transfer from Debt Service Fund, -\$0.06M rounding adjustment.  Adjustments (Expenditures): \$3,125.3M transfer to Capital Outlay Projects Fund, \$12.3M transfer to State Office Buildings and Support Facilities Fund, \$3.4M to Debt Service Fund, \$1.0M transfer to reserves for dedicated revenue appropriations. The revenue estimates for FY 2023 are a mix of original and revised estimates.
<b>Texas</b>	Total Revenue came \$2.3 billion higher than was projected in BRE. FY 2023 Expenditures Adjustment of \$2.5208 billion represents a reserve for transfer of the unencumbered and unobligated fiscal 2023 General Revenue fund ending balance to the rainy day fund in fiscal 2024.
<b>Utah</b>	FY 2023 revenue adjustments include transfers to the General Fund and Income Tax Fund, the amount set aside for economic development cash incentives, and other revenue adjustments. Following the conclusion of the 2023 General Session, FY 2023 revenue estimates were revised to \$11.7 billion. The \$11.5 billion FY 2023 preliminary actual total revenue shown represents pre-closeout revenue when this survey was prepared.
<b>Vermont</b>	Expenditure adjustment reflects \$73.16m transfer to surplus.
<b>Virgin Islands</b>	Adjustments include appropriated transfers from other state funds as contribution to General Fund. Information consistent with weekly statement of cash flows bank activity.
<b>Virginia</b>	Total revenue figures include transfers.
<b>Washington</b>	Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments
<b>West Virginia</b>	Fiscal Year 2023 Beginning balance includes \$597.4 million of Reappropriations, Unappropriated Surplus Balance of \$1,396.2 billion, \$451,931 of cash balance adjustments, and FY 2022 13th month expenditures of \$52.9 million. Total Revenues show FY 2023 actual general revenue collections of \$6,483.3 billion. Adjustments (Revenue) are prior year redeposits of \$241,777 and special revenue expirations of \$52.1 million. Total Expenditures include general revenue appropriated expenditures of \$4,407.3 billion, surplus appropriation expenditures of \$1.022 billion, reappropriation expenditures of \$162.9 million, \$8,528 of cash adjustments, \$52.8 million of reappropriations transferred to FY 2023 collections, and \$32.2 million of 31 day prior year expenditures. No Rainy Day Fund transfer was required for FY 2023, so adjustment was zero. The Ending Balance is mostly the historically carried forward reappropriation from previous fiscal years (estimated amounts that will remain and be reappropriated to the next fiscal year), the estimated 13th month expenditures applicable to the current fiscal year & the any unappropriated surplus balance (estimated) from the current fiscal year.

<b>Wisconsin</b>	Revenue adjustments include Tribal Gaming, \$19.7m; Prior Year Designated Balance, \$677.8m; and Other Revenue, \$734.0m. Expenditure adjustments include Transfers, \$685.1m;  Lapses, -\$1,573.2m; and Compensation Reserves, \$55.1m.
<b>Wyoming</b>	The State of Wyoming budgets on a biennial basis. To arrive at annual figures certain assumptions and estimates are required.

## Notes to Table 5: Fiscal 2024 State General Fund, Enacted

For all states, unless otherwise noted, transfers into budget stabilization funds are counted as expenditures, and transfers from budget stabilization funds are counted as revenues.

<b>Alabama</b>	Expenditure adjustments include an estimated transfer of \$111.7 million to the ETF Budget Stabilization Fund, an estimated transfer of \$988.7 million to the ETF Advancement & Technology Fund, and an estimated transfer of \$395.5 million to the Educational Opportunities Reserve Fund.
<b>Alaska</b>	Revenue adjustment includes statutory draw from the Alaska Permanent Fund Earnings Reserve Account (\$3,526m) and carryforward and other adjustments (\$11m). Expenditure adjustments include supplementals and revised programs legislative. Revenue forecast from Spring 2023 Revenue Forecast (March 2023). Expenditure amount and rainy day fund balance based on June 2023 FY2024 Fiscal Summary.
<b>Arkansas</b>	25% of the first \$200M (\$50M) of the ending balance will be transferred to the State Highway and Transportation Department Fund, and 75% of the first \$200M (\$150M) will be transferred to the General Revenue Allotment Reserve Fund. The remaining balance will be transferred to the Catastrophic Reserve Fund if the Catastrophic Reserve Fund balance does not equal or exceed 20% of the total amount of general revenue last distributed. If there is a balance after determining the Catastrophic Reserve Fund equals or exceeds 20% of the total amount of general revenue last distributed or transferring a portion of the remaining balance to ensure the Catastrophic Reserve Fund equals 20% of the total amount of general revenue last distributed, the remaining balance will be transferred to the General Revenue Allotment Reserve Fund. Total available revenue amounts are reported as net of refunds and special dedications/payments.
<b>California</b>	<p>Total Revenues: reflect revenues before transfers and loans to/from the General Fund. Estimated cost recoveries for Fiscal 2024 for COVID-19 and wildfires are included as “revenue adjustments”.</p> <p>Revenue adjustments include \$2,410.8 million in transfers and loans to/from the General Fund as well as \$3,912.6 million in estimated cost recoveries for COVID-19 and wildfires.</p> <p>The ending balance includes the SFEU and reserve for encumbrances, but excludes the BSA, the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA). The excluded amounts are \$22,252.4 million for the BSA, \$900 million for the Safety Net Reserve Fund, and \$10,831.2 million for the PSSSA at the end of FY 2024. Adding these amounts to the FY 2024 ending balance, the projected total balance is \$43,095.6 million in FY 2024.</p> <p>The rainy day balance is made up of the SFEU, BSA, the Safety Net Reserve Fund, and the PSSSA however, withdrawals of mandatory deposits from the BSA are subject to provisions of Proposition 2, 2014.</p> <p>A reserve for encumbrances of \$5,272.1 million, included in the ending balance, represents amounts which will be expended in the future for state obligations for which goods and services have been ordered/contracted, but have not been received by the end of the fiscal year. These amounts are shown as a reserve to the fund balance instead of a hit to the fund balance.</p>
<b>Colorado</b>	Based on the September 20, 2023 OPSB Forecast—TABLE 4—page 88. Revenue adjustment includes transfers to the general fund (\$45.4m).
<b>Connecticut</b>	Rainy Day Fund Balance—Section 15 of Public Act 23-1 increased the maximum Rainy Day Fund (Budget Reserve Fund or BRF) threshold from 15% to 18% of the appropriations of the ensuing fiscal year beginning in FY 2024. The same section also adjusted the BRF funding order/rules as follows: the Volatility Cap transfer and operating surplus will be transferred to the BRF until the BRF reaches 15% of the appropriations of the ensuing fiscal year. Once the BRF is at 15%, 50% of the Volatility Cap transfer and operating surplus will go to the BRF until it reaches 18% of the appropriations of the ensuing fiscal

year and the other 50% will be transferred to reduce the unfunded pension liabilities. Once the BRF is at and remains at the 18% threshold, all funds in excess of the 18% will be transferred to reduce the unfunded pension liabilities.

<b>Delaware</b>	FY2024 General Fund balance also included \$410.1 million in the Budget Stabilization Fund.
<b>District of Columbia</b>	Adjustments are only done in our published yearly expenditure report. We do not do an estimated or outlook in regards to projections or surplus.
<b>Florida</b>	Total revenues listed reflect official General Revenue Fund Outlook, which includes all collections such as taxes, fees, licenses, and charges for services, as well as adjustments like FEMA reimbursements, reversions, and legal settlements.
<b>Georgia</b>	Georgia is required by its constitution to maintain a balance report. The fund balances for FY24 reflect the enacted balanced budget and estimated revenues. Georgia does not project future Rainy Day fund balances; however, the current balance is beyond the legal limit and Georgia does not anticipate any utilization of the Rainy Day Fund beyond the statutorily mandated 1% mid-term adjustment for K–12 enrollment growth. Fund balance in excess of Rainy Day Fund includes the unreserved undesignated regular surplus
<b>Guam</b>	<p>Revenue Adjustments: Income Tax Refund Efficient Payment Trust Fund deposit (\$57,273,420), Transfer out to GMHA Pharmaceuticals Fund (\$21,714,329), Tiyan Gymnasium Tax Credit (\$250,000), Guam National Tennis Federation Tax Credit (\$300,000), Guam National Youth Football Federation Tax Credit (\$500,000), Transfer out to Better Public Service Fund (\$340,668).</p> <p>Total Expenditures: Includes FY24 General Fund appropriations per the Budget Act (P.L. 37-42) (\$812,294,755), Legislatively Appropriated funds from excess FY22 General Fund collections (\$19,152,116), Legislatively Appropriated funds from excess FY23 General Fund collections (\$40,600,000), and Legislatively Appropriated funds from excess FY24 General Fund collections (\$15,828,000).</p> <p>Expenditure Adjustments: Deposit to the Rainy Day Fund (\$16,577,444)</p>
<b>Idaho</b>	Figures are after legislative action during 2023 legislative session, as prepared by Legislative Services Offices as of sine die. Revenue adjustments include a \$330 million Public School Income Fund deposit, -\$124.2 million in property tax relief, \$34 million for trailer bill, \$0.4 million for county investment income tax, -\$0.1 million for retroactive income tax rates, and -\$4 million for income tax dependent care deduction.
<b>Illinois</b>	Total revenues include \$44,578M in state sources, \$3,883M in federal, \$2,150M in transfers in. Total expenditures include \$39,320M in appropriations, \$9,813M in pension contributions, \$2,115M in transfers out. Expenditure adjustments include -\$820M in unspent appropriations and \$138M budget stabilization fund contribution
<b>Indiana</b>	<p>Starting balance differs from ending FY23 balance because the FY 2024 enacted budget assumed a lower revenue and reversion amount than what actually took place in FY 2023, thus a lower starting balance.</p> <p>Revenue: revenue estimates are based on the April 19, 2023 forecast. A new forecast will be published in mid-December 2023.</p> <p>Expenditure adjustments include an estimated \$22.0 million in unspent prior year reversions.</p>
<b>Iowa</b>	Total Revenues are as estimated at the March 2023 REC, also included in revenue adjustments is \$875.2 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. At the end of the fiscal year, any ending balance is transferred in the subsequent fiscal year to the Reserve Funds. After the Reserve Funds are filled to their statutory limit and other transfers are completed as required by statute, the remaining balance is transferred back to the General Fund. There are no federal funds included in these amounts.
<b>Kentucky</b>	Revenue includes \$102.2 in Tobacco Settlement Funds. Revenue adjustments include \$1.87 billion that represents appropriation balances carried forward from the prior fiscal year, and \$5.3 million from fund transfers into the General Fund. Expenditure adjustments include \$1.87 billion in appropriation balances forwarded into the next fiscal year.
<b>Louisiana</b>	Expenditure Adjustments—include deposits into various Funds: Capital Outlay Savings Fund (\$57.5M), Construction Sub-fund of the Transportation Trust Fund Preservation Account (\$50M), Athletic Trainer Development Fund (\$1.5M)

<b>Maine</b>	Revenue and Expenditure adjustments reflect legislatively authorized transfers and lapses of unspent balances from prior years. Transfers in include about \$34.1 million in lapsed balances. Additionally, there is approximately \$117.9 million in transfers of unappropriated revenue to Other Special Revenue accounts in agencies for a variety of one-time purposes. The 2024–2025 biennial budget was passed in two parts: a current services budget effective on 7/1/23 and a part two budget intended to address additional needs of the State effective 10/25/23. FY24 enacted figures reflect amounts from both budget bills.
<b>Maryland</b>	Revenue adjustments include a total of \$110 million in reduced revenue resulting from legislation; a \$120 million “revenue volatility cap” reduction; a \$479 million transfer from the Rainy Day Fund; and \$52.3 million in transfers from tax credit reserves. The expenditure adjustment includes \$45 million in estimated agency reversions. The FY 2024 Enacted starting balance does not match the FY 2023 Actual ending balance because the FY 2024 Enacted budget did not incorporate updated revenue and expenditure figures from FY 2023. The FY 2024 Rainy Day Fund balance is the estimated balance as of the FY 2024 Enacted budget, which does not include the actual FY 2023 experience. The most recent estimate for the Rainy Day Fund Balance after FY 2024 is \$2,553 million.
<b>Massachusetts</b>	Data as of October 2023. General Fund is defined as all budgeted operating funds, adjusted for expenditures funded by federal reimbursements. This is to better align with spending reported in the State Expenditure Report and be more comparable to most other states, which book federally reimbursed expenditures in a separate federal fund; adjustments also account for certain transfers between budgeted funds.
<b>Michigan</b>	Revenue totals are net of payments to local government and balance sheet adjustments.  Adjustment (Expenditures): Deposit of \$100 million to the Budget Stabilization/Rainy Day Fund. Stronger than anticipated revenue collections resulted in substantial one-time funds available to support one-time expenditures in FY23 and FY24.
<b>Minnesota</b>	Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.85 billion.
<b>Mississippi</b>	Cash ending balance disposition in accordance with Miss. Code Ann. §27-103-213. Adjustments to revenue and/or expenditures reflect statutory transfers and Reappropriations.
<b>Missouri</b>	Revenue adjustments include transfers from other funds into the General Revenue Fund.
<b>Montana</b>	General fund transfer to reserves (budget stabilization, capital development, and fire suppression fund) are included in the total expenditures.
<b>Nebraska</b>	Revenue adjustments include transfers of \$1 billion to the Education Future Fund, \$360 million to the Property Tax Credit Fund, \$11 million to Water Sustainability Fund, \$10 million to the Economic Recovery Act Fund, \$10 million to the Lead Service Line Cash Fund, \$5 million to the Site and Building Development Fund, \$1 million to the State Teammate Community College Fund, and \$1 million to the Cultural Preservation Fund. Expenditure adjustments include carryover obligations of \$555.8 million.
<b>Nevada</b>	Revenue adjustments are restricted revenue, reversions, Rainy Day Fund transfers and reserve transfers. Expenditure adjustments are restricted transfers.
<b>New Hampshire</b>	Adjustment (Revenues) This amount reflects a \$1.1M net increase to the General Fund based on a reallocation of the Business Profits Tax and Business Enterprise Tax between the General and Education Funds and a (\$6.1M) Liquor revenue adjustment to reflect an anticipated transfer to the expanded Medicaid Program which is not included in the State's operating budget. Total Expenditures: The makeup of this amount includes \$1,821.4M appropriations in the operating budget, an additional \$97M of trailer bill appropriations, a (\$11.7M) DHHS salary appropriation reduction; a \$44.9M appropriation for a 10% across the board pay increase; and a (\$76M) estimated lapse projection.
<b>New Jersey</b>	Revenue adjustments include transfer to and from other funds.
<b>New Mexico</b>	Adjustments are net of reversions and transfers from other funds. Revenue adjustments include reversions. Expenditure adjustments include appropriations, expenditures and transfers out. The beginning balance in FY 2024 differs from the ending balance in FY 2023 as the FY2023 ending balance is based on actual revenue collections for FY2023 whereas the FY2024 beginning balance figure is based on FY 2023 revenue estimates at the time of FY 2024 budget enactment



## New York

Revenue and Expenditures adjustments reflect the expected receipt & disbursement of \$2.25 billion in unrestricted Federal aid in FY 2024. While this funding is treated in the state budget as a general fund resource, it is displayed as an adjustment to be consistent with survey guidelines requesting federal funds be excluded from revenue and expenditure figures where possible. As described in the FY 2022 footnotes, beginning in FY 2022, the PTET program began affecting reported General Fund tax collections. In FY 2022, the State collected \$16.4 billion in PTET payments through business tax receipts. In FY 2024, it expects to collect another \$13.0 billion from PTET and pay \$14.9 billion in PIT refunds connected with the program. The General Fund reserved the entire amount of PTET collections received in FY 2022 and will use \$1.9 billion of that balance to cover the difference between PTET collections and related PIT refunds in FY 2024. The timing between the initial PTET collections and subsequent refunds will be managed in a similar manner in each year of the Financial Plan. The PTET program is expected to have no net impact on operations over its life but will distort the annual change for business and PIT receipts. The reserve established for PTET collected in FY 2022 offsets the decrease in PIT receipts expected in FY 2024, as such, the net \$1.9 billion tax receipts reduction is treated as a revenue adjustment. Explanation of Decrease in Fund Balance: The \$3.9 billion decline in General Fund balance is largely attributed to the use of: the reserve for prior year resources to fund certain commitments and operations in FY 2024 (\$2.4 billion); timing of PTET/PIT Credits, described above, (\$1.9 billion); the reserve for extraordinary monetary settlements to fund existing commitments and projects (\$428 million); and the ongoing costs for pandemic assistance (\$245 million), partially offset by deposits to reserves for debt management and labor settlements (\$1.1 billion). Explanation of Revenue Decrease: General Fund receipts, as adjusted, are estimated to total \$100.1 billion in FY 2024, a decrease of \$2.8 billion (-2.7 percent) from FY 2023. The decrease reflects the effects of a mild recession on personal income tax revenues, in addition to, declines in corporate franchise tax receipts, offset by increased projections for consumption-based taxes. Explanation of Expenditure Increase: General Fund disbursements, as adjusted, are expected to total \$102.2 billion in FY 2024, an increase of \$11.7 billion (12.9 percent) from FY 2023 spending. The annual change in spending is primarily attributable to increases in School Aid reflecting the final year of the phase-in of full funding of the current Foundation Aid formula and Medicaid due to investments in health care, offset by the phase down of the eFMAP extension through December 31, 2023. Additional growth is primarily the result of additional assistance to the MTA to address operating shortfalls, initiatives and investments to improve mental health care services, access to affordable housing, additional support for public safety initiatives, wage increases, one-time funding to support asylum seekers services and assistance in New York City, and an increase in hard dollar capital spending. General Fund revenues and expenditures include operating transfers to/from other funds which constitute legally authorized transfers from a fund receiving revenues, to a fund through which disbursements will ultimately be made. Revenue Transfer (transfers from) totaled (in millions): \$42,504 for 2024. Expenditure transfers (transfers to) totaled (in millions): \$8,392 for 2024.

## North Carolina

Reflects tax law changes as well as transfers from previously reserved funds. The adjustments to expenditures reflects considerable transfers into reserves for expenditures and holding (State Capital and Infrastructure Fund, Economic Development Reserves, and Water Infrastructure Reserves).

## North Dakota

Revenue adjustments are transfers of \$50.0 million from the strategic investment and improvements fund and \$254.5 million from the legacy fund.

## Ohio

The revenue adjustment reflects the difference between federal revenues and federal expenditures in the general fund for the fiscal year. This change is needed to tie to the actual ending fund balance. The expenditure adjustment reflects the amount that is expected to be encumbered by the end of fiscal year 2024. Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are not included in the General Fund number to be consistent with new NASBO survey guidelines.

## Oklahoma

Revenue adjustment includes the \$698m "LEAD Act" incentive, which was appropriated in FY 23, expired per SB 1176, and will return to General Revenue in FY 24. Expenditure adjustment includes \$262.2m in projected deposits into Revenue Stabilization Fund and \$78.0m in projected deposits to Constitutional Reserve Fund. No Federal Funds are included in calculations.

## Oregon

Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief.

## Pennsylvania

At the time of data collection, only a general fund appropriation bill had been passed in Pennsylvania (Act 1A—signed 8/3/23). The other code bills, which help direct spending, have yet to be passed. General fund numbers will be impacted when all bills have passed, but these are unknown at the time of reporting. Revenue adjustments include lapses(205), refunds (-1,495), and federal COVID funds (477). Expenditure adjustments include Federal COVID funds (477). If transfer to RDF occurs by 9/30/23, the beginning and ending balance, and the RDF balance will change. Expenditure figures here include yet to be enacted university funding (non-preferred appropriations).



<b>Puerto Rico</b>	<p>FY24 expenditures are based on budgeted amounts. Per the FY24 Certified Budget Section 4 “If actual General Fund revenues for the first eight months of FY2024 fail to reach the revenue forecast for that period, the amount of the withheld percentage of each appropriation that may be encumbered and disbursed shall be reduced proportionally according to the negative budget variance between projected and actual General Fund revenues.” Also, the FY24 Certified Budget includes various incentive milestones, whereas, if the revenue target is not met, the incentive milestone expenditure will not materialize.</p> <p>In compliance with Act No. 53-2021, (October 26, 2021), “Law to End the Bankruptcy of Puerto Rico”, starting in Fiscal Year 2024, certain income that was previously accounted for in other special funds will enter the General Fund. These are: (1) income from taxes on fuel from “crude” petroleum products, (2) vehicle license fees and (3) deposits corresponding to the redemption fund (1.03). The projection for these new concepts presented by the Board for Fiscal Year 2024 is \$730.6 million. When considering this additional amount, along with the comparable revenue base of \$11,621 million, the Total Net Income to the General Fund for Fiscal Year 2024 amounts to \$12,351.9 million.</p>
<b>Rhode Island</b>	<p>Adjustments to revenues reflect a FEMA receivable of \$5.1 million for reimbursement of FY 2023 expenditures. There is also a transfer of \$169.3 million to the State Budget Reserve and Cash Stabilization Account (“Rainy Day Fund”) and a transfer of \$55.0 million to an additional fund to supplement the statutory rainy day fund.</p>
<b>South Carolina</b>	<p>Revenue Adjustments: (\$795.9) transfer to Tax Relief Trust Fund, \$81.9 transfer from Litigation Recovery, \$45.0 from COVID-19 Response Fund, and \$3.2 from securities fees. Expenditure Adjustments: \$209.2 FY23 Capital Reserve transfer to agencies. Ending Balance: Rainy Day Funds: \$715.1 General Reserve, \$390.1 Capital Reserve, and \$57.9 Contingency Reserve. Reserved/Designated: \$4,051.4 agency carryforward appropriations.</p>
<b>South Dakota</b>	<p>The beginning balance of \$96.7 million and adjustment to expenditures reflects the prior year’s ending balance which is transferred to the rainy day fund. \$0.6 million was unappropriated in the FY2024 enacted budget.</p>
<b>Tennessee</b>	<p>Adjustments (Revenues): -\$250M transfer to Rainy Day Fund, -\$250M transfer to OPEB, -\$300M transfer to Retirement System Trust Fund, \$0.4M rounding adjustment.</p> <p>Adjustments (Expenditures): \$1,899.3M transfer to Capital Outlay Projects Fund, \$12.3M transfer to State Office Buildings and Support Facilities Fund, \$3.3M to Debt Service Fund, \$1.0M transfer to reserves for dedicated revenue appropriations. The revenue estimates for FY 2024 are revised estimates.</p>
<b>Texas</b>	<p>CRE amounts. Revenue adjustments include Adjustment to Dedicated Account Balances (\$292.1 million), Reserve for Transfer of Severance Taxes to the Economic Stabilization Fund (\$2,763.8 million) and Reserve for Transfer of Severance Taxes to the State Highway Fund (\$2,763.8 million). Fiscal 2024 expenditures adjustments is the increase of the estimated disbursements by the amounts the fiscal 2023 appropriation authority that was UBed into fiscal 2024. Significant increase in fiscal 2024 expenditures in comparison to previous levels are the results of the significant Investments into the state’s water, infrastructure, public education and for providing property tax relief. Most of those additional appropriations should be approved by the Texas’ voters.</p>
<b>Utah</b>	<p>FY 2024 revenue adjustments include transfers to the General Fund and Income Tax Fund, the amount set aside for economic development cash incentives, and other revenue adjustments. FY 2024 beginning balances were based on FY 2023 revenue projections of \$11.7 billion when the FY 2023 budget was revised during the 2023 General Session.</p>
<b>Vermont</b>	<p>Expenditure adjustment reflects \$90.30m transfer to surplus.</p>
<b>Virgin Islands</b>	<p>Adjustments include appropriated transfers from other state funds as contribution to General Fund.</p>
<b>Virginia</b>	<p>Total revenue figures include transfers.</p>
<b>Washington</b>	<p>Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments</p>
<b>West Virginia</b>	<p>FY 2024 enacted budget has a remaining unappropriated balance of \$46.1m available for supplemental appropriation. Surplus items that were added are included for an addition of \$1,688.3 billion.</p>
<b>Wisconsin</b>	<p>Revenue adjustments include Other Revenue, \$832.6m. Expenditure adjustments include Transfers, \$1,987.0m; Lapses, -\$335.6m; and Compensation Reserves, \$311.2m.</p>

The calculated starting balance is \$196.4 million higher than the FY24 opening balance, July 1st, published in the Comparative Summary of Provisions -2023 Wisconsin Act 19 - 23-25 General Fund Condition Statement.

**Wyoming**

The State of Wyoming budgets on a biennial basis. To arrive at annual figures certain assumptions and estimates are required.

## Notes to Table 6: General Fund Nominal Percentage Expenditure Change, Fiscal 2022 to Fiscal 2024

See Notes to Tables 3–5 for additional explanation of state general fund expenditure amounts used to calculate annual percentage change.

## Notes to Table 7: Fiscal 2023 Mid-Year / Post-Enacted Spending Actions

<b>Alaska</b>	Supplemental and Revised Program funding approved by the Legislature
<b>Arizona</b>	Changes due to mid-year caseload budget adjustments, such as for AHCCCS (Medicaid/Medicare).
<b>California</b>	<p>The 2023 Enacted Budget forecasts lower General Fund revenues compared to the 2022 Enacted Budget and proposes various adjustments to address the budget deficit.</p> <p>Estimated General Fund revenues led to a decrease of approximately \$4.2b based on the updated Proposition 98 calculation (minimum funding guarantee for K–14 education). The net decrease includes adjustments to address an estimated budget deficit including \$2.7b for funding delays, \$2.1b for various reductions and pullbacks, \$1.7b for shifting funding from the General Fund to other funds, and \$0.3b for trigger reductions. These adjustments primarily pair down significant one-time investments, with scheduled expenditures over multiple fiscal years and do not reduce or impact core programs and services.</p>
<b>Colorado</b>	The State of CO budget process provides for adjustments to FY spending within the year itself through a supplemental process. Net of all impacts, FY23 appropriations decreased by \$135m relative to initial appropriation.
<b>Florida</b>	The Florida Legislature held Special Sessions in December 2022 and February 2023. More than \$1.4 billion was appropriated for disaster relief programs following the 2022 Hurricanes Ian and Nicole.
<b>Guam</b>	Of the amount noted in the table, the following breakdown applies: 1) \$47,428,190 was proposed and adopted by the Guam Legislature from FY 2022 General Fund revenues collected in excess of adopted levels via P.L. 36-119, P.L. 36-123, P.L. 36-124, and P.L. 37-16; 2) \$68,191,180 was proposed and adopted by the Guam Legislature from FY 2023 General Fund revenues collected in excess of adopted levels via P.L. 37-03, P.L. 37-05, P.L. 37-15, and P.L. 37-16; 3) The amount above does not include \$39,576,876 in appropriation measures contained in the FY23 budget act (P.L. 36-107) that use prior year General Fund excess revenues.
<b>Hawaii</b>	Some restrictions may have been released.
<b>Kansas</b>	\$551.2 million in expenditure authority reappropriated to FY 2024. Remaining reduction accountable to lapsing reappropriations from FY 2022 that were not needed, reductions in estimates for entitlement spending on Medicaid and K–12 education and small various reductions across agencies.
<b>Kentucky</b>	A few General Fund appropriation changes include the reduction of unneeded appropriations.
<b>Massachusetts</b>	The final “closeout” supplemental budget remains pending before the Legislature in Massachusetts. This will result in formal appropriated spending increasing by upwards of \$3 B, primarily to account for the extension of the federal public health emergency (PHE) and subsequent expanded Medicaid/FFP relative to original FY23 enacted budget expectations. This is accounted for our in spending estimates for the main survey questions, but excluded from the answer to question 6 because the legislation remains pending before the legislature.
<b>New Jersey</b>	A \$400m general fund transfer was made to the Debt Defeasance and Prevention Fund. Historically, New Jersey’s midyear spending figures have reflected normal underspending; due to this, the negative number shown is not reflective of program cuts, but underspending. Further, underspending is also netted against increased appropriations across several program areas.
<b>South Carolina</b>	Joint Resolution passed 3/20/23 to fund \$1.2B for economic development and infrastructure related to Scout Motors project

## Notes to Table 8: Strategies Used to Manage Budget (Mid-Year/Post-Enacted), Fiscal 2023

<b>California</b>	<p>The 2023 Budget Act includes various budget management strategies in fiscal 2023 including:</p> <p>Targeted Cuts—\$2,060.6 million for various reductions and pullbacks</p> <p>Other Fund Transfers—\$1,733.6 million funding shifts from the General Fund to other funds</p> <p>Deferred Payments—\$2,726.9 million in funding delays</p> <p>Other—\$25.0 million in trigger reductions</p>
<b>Guam</b>	<p>Other Fund Transfers: There are currently several Government of Guam Special Revenue Funds that are tracking below adopted levels, and it is likely that the General Fund would have to cover any funding shortfalls in these Special Revenue Funds. Such transfers are conducted on an “as needed” basis at the end of the fiscal year.</p> <p>Prior Year Balance: The Guam Legislature appropriated a total of \$87,005,066 from FY22 General Fund excess revenues collected via P.L. 36-107 (\$39,576,876), P.L. 36-119 (\$250,000), P.L. 36-123 (\$26,381,000), P.L. 36-124 (\$5,215,823), and P.L. 37-16 (\$15,581,367).</p> <p>Current Year Balance: The Guam Legislature appropriated a total of \$25,799,633 from FY23 General Fund excess revenues collected via P.L. 37-15 (\$15,000,000) and P.L. 37-16 (\$10,799,633). It should be noted that P.L. 37-16 used both FY22 and FY23 General Fund surpluses when adopted by the Guam Legislature.</p> <p>Revenue Increase: The Guam Legislature adopted an increase of \$42,391,547 from FY23 General Fund excess revenues (to include offsets to the GMHA Pharmaceutical Fund and the Rainy Day Fund) via P.L. 37-03 (\$21,032,670) and P.L. 37-05 (\$21,358,877).</p> <p>Summary of Cumulative Actions in Addition to Enacted Budget: In in addition to the adopted spending level of \$713,256,152 from the General Fund in the FY23 Budget Act (P.L. 36-107), the Legislature adopted the total of \$155,196,246 from the combination of FY22 General Fund excess revenues (\$87,005,066) and FY23 General Fund excess revenues (\$68,191,180) as detailed above.</p>
<b>Indiana</b>	<p>Indiana’s State Budget Director, Zac Jackson, issued a memo on May 20, 2022 asking all executive branch agencies to hold back a similar reserve on their FY 2023 appropriations from what they held in FY 2022. This resulted in many allotments being reduced by 1–2% from the appropriation amount. Many of these have been released with justification prior to the close of the fiscal year. These are targeted though and not across every agency or appropriation. Use of a dedicated contingency fund has and will be used to address unforeseen and unbudgeted expenditure increases (e.g., salary increases from a Personnel Department led compensation study in the fall of 2022).</p>
<b>Louisiana</b>	<p>Executive Order (JBE 16-03) Hiring Freeze</p>
<b>Maine</b>	<p>The mid-year budgetary actions included further use of available prior year unspent appropriations that had built up in various General Fund accounts that are authorized to carry balances, as well as surplus liquor operation revenues that were transferred to the General Fund. Additionally, adjustments to the Federal Medical Assistance Percentage (FMAP) resulted in an overall reduced need for state General Funds.</p>
<b>Massachusetts</b>	<p>Caps on Full-Time Equivalent employees are in effect for executive department agencies. A portion of FY23 and FY24 expenditures are supported by prior-year fund balances largely driven by federal support. This spending is primarily one-time in nature and reflects our ongoing efforts to fully expend ARPA funds in line with federal guidance.</p>
<b>Nebraska</b>	<p>Utilize Cash Reserve Fund for Capital Construction projects; Usual and Customary Cash Transfers to/from General Fund; Continued increases to Property Tax Relief. Medicaid program changes include increased appropriation for healthcare provider rates and nursing facility rates.</p>
<b>New Jersey</b>	<p>Other Fund Transfers—In fiscal year 2023, a \$400m general fund transfer was made to the State’s Debt Defeasance and Prevention Fund.</p>

<b>Pennsylvania</b>	Agencies were tasked with seeking efficiencies and performance in government, while enhancing flexibility in service delivery. Agencies were encouraged to prioritize sound budget planning, utilizing prior year fund balances where possible. As new sources of federal funding became available due to the pandemic, agencies were tasked with identifying funding opportunities that would advance agency priorities and reduce the need for General Fund appropriations. Finally, agencies were required to evaluate and phase out burdensome or outdated practices in an effort to save money, streamline operations (by reorganizing, if necessary) and improve outcomes. A transfer to our Rainy Day Fund has not yet been agreed to, but will likely occur by 9/30/23. It is not indicated here at this time but could be added once the amount is determined.
<b>Puerto Rico</b>	Due to Puerto Rico Electric and Power Authority (“PREPA”) numerous financial and operational issues which ultimately resulted in PREPA seeking Puerto Rico Oversight, Management and Economic Stability Act (PROMESA) Title III Protection in July 2017, there was a transition to private operators (+ early retirement program), LUMA as the private operator of the grid in FY23 and Genera PR LLC who will manage and operate PREPA’s legacy generation assets in FY24. Also, during FY2023 an early retirement program was approved for the Ports Authority. In May 2023, an amendment to the Certified Budget was approved to increase the Emergency Reserve by \$650,000 as required by the Certified Fiscal Plan. Also, various Prior Year Fund Balance releases were approved during FY23.
<b>Rhode Island</b>	Other Fund Transfers: Due to the state realizing larger than expected revenue surpluses and general revenue savings related to enhanced FMAP, Rhode Island chose to invest these one-time funds responsibly to address long-standing problems and to help reduce future operating costs: \$242.4 million transfer to RICAP, \$4.4 million transfer to the Workers Compensation Fund, and \$28.5 million transferred to the Clean Water/Drinking Water Fund in place of utilizing debt service for this program’s state matching funds.
<b>Tennessee</b>	Agency reserves, base budget reductions, and carryforwards.
<b>Texas</b>	The Legislative Budget Board and the Governor sent a letter to agencies in May of 2020 asking agencies to make 5% strategic cuts to their budgets. These cuts were carried forward to the FY22–23 budget cycle and agencies started with a 5% cut to their base.
<b>Washington</b>	All identified budget management strategies for FY 2023 are the result of executive branch action.

### Notes to Table 9: Strategies Used to Manage Budget (Enacted), Fiscal 2024

<b>Alaska</b>	Continued evaluation of vacant positions, termed capital projects, and opportunities for reorganization to improve efficiencies across agencies. Enacted law to reform Medicaid Postpartum benefits and carbon capture revenue opportunities.
<b>Arizona</b>	The Funeral Board was merged with the Department of Health Services. This was done for pure efficiency reasons and did not lead to an expenditure decrease.
<b>California</b>	<p>The 2023 Budget Act includes various budget management strategies in fiscal 2024 including:</p> <p>Targeted Cuts—\$5,413.1 million for various reductions and pullbacks</p> <p>Other Fund Transfers—\$6,632.2 million funding shifts from the General Fund to other funds</p> <p>Deferred Payments—\$4,814.7 million in funding delays</p> <p>Revenue Increase—\$6,137.1 million in revenue and borrowing</p> <p>Other—\$315.0 million in trigger reductions</p>
<b>Colorado</b>	In FY 2023–24 Colorado used “prepays” which consists of General Fund or ARPA funds to provide one-time General Fund offset in order to address the structural deficit. Those prepays will resolve themselves in the FY 2024–25 budget and the State will return to a “normal” budget cycle.
<b>Florida</b>	<p>Florida’s FY 2023–24 Budget:</p> <ol style="list-style-type: none"> <li>1. Increased the employer contribution for employee Florida Retirement System (FRS) Investment accounts by 2%, for a total employer contribution of 8.3%.</li> </ol>

2. Extended the time FRS members could participate in the Deferred Retirement Optional Program (DROP) by 3 years, for a maximum of 8 years participation period.
3. Increased the interest earned on pension payments accumulated during the DROP participation from 1.3% to 4%.
4. Restored the pre-2011 normal retirement age and years of service for members of the special risk class.
5. Transferred \$1 billion of General Revenue to the Budget Stabilization Fund (rainy day fund).
6. Increased the Health Insurance Subsidy provided to retired employees by 50% from a monthly maximum of \$150 to \$225.
7. Provided a record of \$2.7 billion in tax savings

#### **Guam**

Other Fund Transfers: There are currently several Government of Guam Special Revenue Funds that are tracking below adopted levels, and it is likely that the General Fund would have to cover any funding shortfalls in these Special Revenue Funds. Such transfers are conducted on an “as needed” basis at the end of the fiscal year.

Prior Year Balance: Via the FY24 Budget Act (P.L. 37-42), the Guam Legislature appropriated a total of \$29,752,116 from prior year General Fund excess revenues, of which \$19,152,116 was appropriated from FY22 General Fund excess revenues and \$10,600,000 was appropriated from FY23 General Fund excess revenues. Further, the Guam Legislature appropriated an additional \$30,000,000 from FY23 General Fund excess revenues via P.L. 37-43.

Current Year Balance: The Guam Legislature appropriated a total of \$15,828,000 from FY24 General Fund excess revenues collected via P.L. 37-49.

Revenue Increase: N/A.

Summary of Cumulative Actions in Addition to Enacted Budget: In addition to the adopted spending level of \$812,294,755 from the General Fund in the FY24 Budget Act (P.L. 37-42), the Legislature adopted the total of \$75,580,116 from the combination of FY22 General Fund excess revenues (\$19,152,116), FY23 General Fund excess revenues (\$40,600,000), and FY24 General Fund excess revenues (\$15,828,000) as detailed above.

#### **Indiana**

Indiana’s State Budget Director, Zac Jackson, issued a memo on June 2, 2023 asking all executive branch agencies to hold back a similar reserve on their FY 2024 appropriations from what they held in FY 2023. This resulted in many administrative allotments being reduced by 1–2% from the appropriation amount. Many of these may be released with justification prior to the close of the fiscal year. These are targeted toward administrative functions and not across every agency or appropriation. Use of a dedicated contingency fund has and will be used to address unforeseen and unbudgeted expenditure increases (e.g., salary increases, or health insurance premium increases).

#### **Kentucky**

The Budget Reserve Trust Fund was used to establish recovery funding for historic flooding disaster in Eastern Kentucky.

#### **Louisiana**

Executive Order (JBE 16-03) Hiring Freeze

#### **Maine**

Consistent with past budgets, there was budgeted savings from an increased attrition rate of 8% compared to the 1.6% set out in statute. While past budgets have typically set the attrition rate at 5%, additional Personal Services savings were available due to full year funding of new positions in the part two budget despite its later effective date of 10/25/23. The enacted budget includes further use of available prior year unspent appropriations that had built up in various General Fund accounts that are authorized to carry balances, as well as projected surplus liquor operation revenues that will be transferred to the General Fund. Additionally, a decrease in the Federal Medical Assistance Percentage (FMAP) resulted in increased General Fund obligations.

#### **Maryland**

The planned supplemental contribution to the retirement system (above the actuarial recommended contribution) was reduced from \$75 million to \$35.3 million. The rainy day fund balance was drawn down to 10% of revenues. About \$2 billion of carryover funds from FY 2023 were applied to the FY 2024 budget. An \$18 million increase in general funds is expected from cannabis taxation and that was applied to the budget.

#### **Massachusetts**

Caps on Full-Time Equivalent employees are in effect for executive department agencies. A portion of FY23 and FY24 expenditures are supported by prior-year fund balances largely driven by federal support. This spending is primarily one-time in nature and reflects our ongoing efforts to fully expend ARPA funds in line with federal guidance.

<b>Mississippi</b>	The elimination of vacant positions is a standard practice in the Joint Legislative Budget Committee (JLBC) recommendation relative to the enacted budget. Affected agencies have an opportunity to lobby to have those positions restored during the legislative process. Defunding agencies vacant positions, reduced funding for travel and vehicle purchases, funding only critical equipment/lease purchase obligations, and spending down cash balances of agencies where possible are the JLBC's recommendation relative to the enacted budget. Again, agencies have the opportunity to lobby for certain items to be restored during the legislative process.
<b>Missouri</b>	Some vacant positions were cut by the General Assembly.
<b>Nebraska</b>	Utilize Cash Reserve Fund for Capital Construction projects; Usual and Customary Cash Transfers to/from General Fund; Continued increases to Property Tax Relief. Medicaid program changes include increased appropriation for healthcare provider rates. The "Other" category reflects TEEOSA school aid formula allocation adjustments.
<b>New Hampshire</b>	Enacted budget reflects a (\$11.7M) General Fund reduction to DHHS staffing budget, stating that DHHS shall not exceed 3,000 full-time, authorized positions
<b>New Jersey</b>	Other Fund Transfers—Per historical practice, a list of fund transfers from other funds to the General Fund print at the end of the Schedule 1 revenues.  Prior-year Fund Balance—The budget assumes spending down about \$1.9b of prior year fund balance.
<b>Oklahoma</b>	The FY 2024 General Appropriation bill included expenditures from FY 2021, FY 2022, and FY 2023 surplus funds.
<b>Pennsylvania</b>	Agencies were tasked with seeking efficiencies and performance in government, while enhancing flexibility in service delivery. Agencies were encouraged to prioritize sound budget planning, utilizing prior year fund balances where possible and eliminating any unfunded vacant positions. In addition, the calculation for employee benefits was adjusted to more accurately reflect the commonwealth's contribution amount. As new sources of federal funding became available due to the pandemic, agencies were tasked with identifying funding opportunities that would advance agency priorities and reduce the need for General Fund appropriations. Finally, agencies were required to evaluate and phase out burdensome or outdated practices in an effort to save money, streamline operations (by reorganizing, if necessary) and improve outcomes.
<b>Puerto Rico</b>	Due to Puerto Rico Electric and Power Authority ("PREPA") numerous financial and operational issues which ultimately resulted in PREPA seeking Puerto Rico Oversight, Management and Economic Stability Act (PROMESA) Title III Protection in July 2017, there was a transition to private operators (+ early retirement program), LUMA as the private operator of the grid in FY23 and Genera PR LLC who will manage and operate PREPA's legacy generation assets in FY24.
<b>Rhode Island</b>	Reorganize Agencies: Creation and funding allocation/appropriation for the Department of Housing, which was established as a separate department within the Executive Branch. Rainy Day Fund: The enacted budget creates an additional fund to supplement the existing rainy day fund with \$55.0 million in surplus funds (approximately 1 percent of state general revenues). Revenue Increase: The enacted budget amends the Hospital Licensing Fee (HLF) as authorized by Rhode Island General Law to include an average 6.0 percent inpatient and outpatient three-tiered hospital tax as allowed by CMS, generating an additional \$38.1 million in state revenues. Medicaid Program Changes: The enacted budget includes Managed Care Direct Payments to Hospitals for new managed care organizations direct payments to hospitals to promote systematic access and quality; The budget includes a reduction in general revenue financing for the annual Disproportionate Share Hospitals (DSH) payments to hospitals. This total is compliant with the DSH cap reduction anticipated in federal FY 2024.
<b>South Carolina</b>	Pension—1% employer retirement rate increase to aid funding of OPEB liability. Rainy Day Funds—Increased General Reserve funding from 5.0% to 5.5%
<b>Tennessee</b>	Agency reserves, base budget reductions, and carryforwards.
<b>Texas</b>	No budget cuts were recommended for FY24–25.
<b>Virgin Islands</b>	Vacant positions budgeted at 50%
<b>Washington</b>	All identified budget management strategies for FY 2024 are the result of executive branch action.

## Notes to Table 10: Enacted Changes in State Employee Compensation, Fiscal 2024

### Nevada

In addition to:

- Other elements of AB522 will bring a two-grade pay increase for members of law enforcement in occupations such as University Police Officers, Sergeants, Lieutenants and Detectives, Law Enforcement Training Specialists, Commissioned Park Supervisors and Rangers, Game Wardens, Agriculture Police Officers, Attorney General Deputy Chief Investigators, Department of Public Safety Sergeants and Officers, Correctional Sergeants and Officers, Forensic Specialists and Developmental Support Technicians
- A one-grade pay increase for Captains and Lieutenants of the Department of Public Safety and Compliance Enforcement Investigators.
- A three-grade pay increase for Cybercrime Investigators, Criminal Investigators, Legal Office Managers and Legal Secretaries of the Office of the Attorney General
- A retention incentive of \$250 will be paid in each quarter of the FY 24 and FY 25 biennium to employees who are employed on: (a) September 30, 2023 (b) December 31, 2023 (c) March 31, 2024. (d) June 15, 2024 (e) September 30, 2024. (f) December 31, 2024 (g) March 31, 2025. (h) June 15, 2025
- Longevity pay: A plan to encourage continuity of service was established for employees with 8 years or more of continuous state service. An employee rated standard or better with 8 years or more of continuous service is entitled to receive a semiannual payment of \$100 plus: (a) An annual increase of \$25 in the semiannual payment for each year of the employee's ninth through fourteenth years of continuous service; b) An annual increase of \$50 in the semiannual payment for each year of the employee's fifteenth through twenty-fourth years of continuous service; and (c) An annual increase of \$75 in the semiannual payment for each additional year of continuous service after 24 years, up to a maximum payment of 30 years of continuous state service. 2. An interruption in continuous state service terminates the employee's eligibility for additional pay.





# STATE REVENUE DEVELOPMENTS

## CHAPTER TWO

### Overview

After multiple years of revenues considerably beating projections in virtually all states and record-setting annual increases in collections, revenue growth continues to show signs of returning to more normal levels. For fiscal 2024, states' enacted budgets are forecasting a 1.8 percent decline in general fund revenue compared to preliminary fiscal 2023 levels. This decline is from a high baseline after three consecutive years in which the vast majority of states recorded revenue surpluses and most states enacted tax reductions. Compared to fiscal 2019 pre-pandemic levels, general fund revenue projections for fiscal 2024 are up roughly 34 percent over the five-year period.

Fiscal 2023 general fund revenues recorded a 0.9 percent increase year-over-year, based on preliminary actual data, following two consecutive years of double-digit percentage increases in fiscal 2021 and fiscal 2022. Compared to original revenue forecasts used in enacted budgets for fiscal 2023, collections came in 7.7 percent higher. Overall, 46 states saw general fund receipts exceed their originally enacted revenue projections, while collections came in below forecast in three states and on target in one state.

Factors contributing to the slower revenue growth recorded for fiscal 2023 and decline forecasted for fiscal 2024 include the impact of recently enacted tax cuts (both one-time and recurring), a weaker stock market performance in calendar year 2022, slower growth in consumption and changing spending patterns, and lower inflation. Adjusted for inflation, general fund revenue grew 12.2 percent in fiscal 2021 and 8.3 percent in fiscal 2022, and declined 3.9 percent in fiscal 2023. For fiscal 2024, states enacted a decrease in general fund taxes and fees, with a net impact of -\$13.3 billion.

In contrast to the nearly universal trend of state tax collections beating expectations in recent years, revenue performance in fiscal 2024 to date has been more mixed. Compared to enacted revenue forecasts for fiscal 2024, 16 states reported tax receipts coming in higher at the time of data collection, six states reported lower, and 14 states were coming in on target. This variation can relate to differences in tax structures, prevalent industries, demographic shifts, tax policy changes, the timing of one-time revenues, and other factors.

### Total General Fund Revenue and Annual Growth

**Fiscal 2024 Forecasts.** Enacted budgets for fiscal 2024 are based on general fund revenues totaling \$1.18 trillion. While this represents a decline of 1.8 percent compared to fiscal 2023 preliminary actual collections, it is 3.9 percent above originally forecasted revenue levels for fiscal 2023 based on enacted budgets reported in NASBO's *Fall 2022 Fiscal Survey of States* and a slight 0.5 percent decline from the fiscal 2023 estimates reported in NASBO's *Spring 2023 Fiscal Survey*. This comparison between different baselines speaks to how most states saw revenue collections in fiscal 2023 exceed earlier projections. The forecasted decline for fiscal 2024 revenues follows three consecutive years of revenue surpluses, along with annual percentage growth in the double digits for fiscal 2021 and fiscal 2022.

On average, the revenue projections used in fiscal 2024 budgets were developed roughly two months before the date that preliminary actual revenues for fiscal 2023 were determined, though this time gap varies across states. Ten states separately reported more current revenue projections for fiscal 2024, in addition to the estimates used in enacted budgets. Among those states, five reported upward revisions and five reported downward revisions, with a median upward revision of 0.2 percent from enacted to most current. Overall, recent revenue performance and its impact on fiscal 2024 projections has been somewhat mixed across states.

**Fiscal 2023 Preliminary Actual Collections.** States reported in this survey fiscal 2023 general fund revenues totaling \$1.20 trillion based on preliminary actual data, representing a 0.9 percent increase compared to actual fiscal 2022 levels. This contrasts with the slight annual percentage decline estimated in NASBO's *Spring 2023 Fiscal Survey* and reflects how fiscal 2023 final collections outpaced revenue forecasts for most states. While general fund revenue grew only 0.9 percent in fiscal 2023, this growth is from a very high baseline following two consecutive years of double-digit percentage growth in fiscal 2021 and fiscal 2022. The modest growth recorded in fiscal 2023 reflects a weaker stock market performance in calendar year 2022 and the impact of state tax cuts (both one-time and

recurring) that took effect in fiscal 2023, among other factors. Adjusted for inflation, general fund revenue decreased 3.9 percent in fiscal 2023.

**Fiscal 2022 Actual Collections.** States reported in this survey fiscal 2022 general fund revenues totaling \$1.19 trillion, representing a 16.3 percent year-over-year increase. This marks the second consecutive year of double-digit percentage growth in revenues, after general fund collections grew 16.6 percent in fiscal 2021 year-over-year. The annual revenue growth experienced in fiscal 2021 and fiscal 2022 represent the two highest growth rates recorded in NASBO's *Fiscal Survey* since its inception in 1979. (See Tables 12 and 14)

In fiscal 2021, the strong revenue growth was attributed in part to certain one-time or temporary factors—including the impact of the tax deadline shift in spring 2020, the inclusion of federal aid, borrowing and other non-tax sources in revenue totals in at least a few states, and federal stimulus measures pumping a lot of additional money into the economy and directly boosting personal income. The inclusion of federal aid as well as the impact of federal stimulus likely contributed to revenue growth in fiscal 2022 as well. Employment growth and high consumer demand, as well as a strong stock market performance in calendar year 2021, likely helped to further drive revenue gains in fiscal 2022. The impacts of inflation on both consumer prices and wages also contributed to revenue growth; adjusted for inflation, general fund revenues grew 8.3 percent in fiscal 2022.

**Variation By State.** In fiscal 2022, significant nominal growth in general fund revenues was widespread, with a majority of states (34) seeing increases greater than 10 percent, while another 11 states saw revenue increases between 5 and 10 percent. Meanwhile, in fiscal 2023, 21 states recorded revenue growth between 0 and 5 percent, eight states saw growth between 5 and 10 percent, four states saw growth greater than 10 percent, and 17 states recorded declines. In states' enacted budgets for fiscal 2024, a majority of states (34) are forecasting declines year-over-year, while 11 states expect growth between 0 and 5 percent, and just five states expect growth greater than 5 percent. As is true every year, variation state-to-state in revenue growth can be explained partially by differences across states in tax structures, their most prevalent industries, demographic shifts, tax policy changes, and other factors. How and when some states account for one-time receipts and/or transfers can also have an impact on annual revenue growth. (See Table 13)

**Revenues in the Territories and District of Columbia.** In Fiscal 2023, the District of Columbia (DC) estimated double-digit percentage growth in general fund revenue and Guam recorded moderate growth, while Puerto Rico and the U.S. Virgin Islands (USVI) saw declines compared to fiscal 2022 levels. In enacted budgets for fiscal 2024, DC, Guam and Puerto Rico forecast declines in general fund revenue, while USVI expects an increase in revenue. When including the territories and DC, general fund revenue totaled \$1.21 trillion in fiscal 2022 and \$1.22 trillion in fiscal 2023, and is projected to total \$1.20 trillion in fiscal 2024 enacted budgets.

## General Fund Revenue Collections Compared to Original Estimates

**Fiscal 2023 and Fiscal 2024 from All Sources.** For a third consecutive year, the vast majority of states recorded revenue surpluses compared to original revenue forecasts in fiscal 2023. General fund collections for fiscal 2023 from all revenue sources including sales, personal income, corporate income, and other revenues came in higher than the revenue projections originally used to adopt budgets in 46 states, lower in three states, and on target in one state.

For fiscal 2024, comparing revenue collections at the time of reporting to original forecasts tells a somewhat more mixed story. Sixteen states reported collections running ahead of enacted budget forecasts, six states were running behind, and 14 states were on target. Given that data were collected early in the fiscal year for most states, not all states were able to report on fiscal 2024 revenue performance compared to forecast. (See Table 14)

**Fiscal 2023 by Revenue Type.** Comparing preliminary actual revenue collections to original projections for fiscal 2023, in the aggregate collections came in significantly ahead for sales and use taxes, corporate income taxes and all other general fund revenue, while coming in slightly lower than forecast for personal income taxes. Compared to original revenue estimates, sales and use tax collections came in 8.2 percent higher, personal income taxes were down 0.6 percent, corporate income taxes were up 22.5 percent, and all other general revenue was up 23.1 percent. (See Tables 15 and 16)

## General Fund Collection Growth By Revenue Type

In fiscal 2024 revenue forecasts used in states' enacted budgets, personal income taxes account for 42.4 percent of all forecasted general fund revenues, sales and use taxes for 30.6 percent, corporate income taxes for 10.1 percent, and all other revenues at 16.9 percent. Below is discussion of recent trends in state general fund collections by revenue source.

**Sales & Use Taxes.** Forty-four states have a broad-based sales tax that goes towards the general fund; additionally, Vermont's sales taxes go towards its separate Education Fund (not reported in this survey) and Montana collects a small amount of revenue in the sales and use tax category (reported in this survey). General fund sales and use tax collections for these states in the aggregate grew a robust 13.8 percent in fiscal 2022 and an additional 5.3 percent in fiscal 2023. Continued pent-up consumer demand and the impact of high inflation on prices likely contributed to the high growth rate in fiscal 2022, while the lower growth rate in fiscal 2023 can be attributed to the high baseline established in fiscal 2022 (after two years of accelerated growth), slower growth in consumption, and consumers shifting to spend more on services (which are less often taxed) relative to goods. Sales and use tax collections in fiscal 2024 are projected to total \$359.7 billion, reflecting a modest 1.3 percent increase from preliminary actual levels for fiscal 2023. Projections based on more recent data for fiscal 2024 are higher. Among eight states reporting original enacted and more current estimates for fiscal 2024 sales and use tax collections, revised forecasts are up 0.9 percent compared to projections used in enacted budgets.

**Personal Income Taxes.** Forty-one states collect a broad-based personal income tax. Personal income taxes in fiscal 2021 and fiscal 2022 were bolstered by high employment growth, wage increases (driven in part by inflation), and the strong stock market performance in calendar years 2020 and 2021. After growing 14.3 percent in fiscal 2022, personal income tax collections declined 5.3 percent in fiscal 2023. This decline can be attributed to the high baseline in fiscal 2022 that was partially driven by a weaker stock market performance in calendar year 2022 and the impact of tax policy changes at the state level (including both recurring and one-time chang-

es). Additionally, recently enacted pass-through entity taxes have likely shifted some personal income taxes to corporate income taxes, while tax deadline extensions in some states due to the impact of natural disasters may have contributed to the decline in fiscal 2023 as well. Personal income taxes are forecasted to total \$497.7 billion in fiscal 2024 enacted budgets, which would represent a 2.3 percent decline over preliminary fiscal 2023 levels. Enacted tax changes taking effect in fiscal 2024 are partially attributable to the forecasted decrease. Only seven states provided more current estimates for fiscal 2024 personal income tax collections, with those revised forecasts down 0.6 percent in the aggregate compared to projections used in enacted budgets.

**Corporate Income Taxes.** For the 45 states that collect a corporate income tax, total corporate income tax revenues—which tend to be a more volatile revenue source—increased 45.4 percent in fiscal 2022 after seeing similar growth in fiscal 2021 due to high corporate profits. In fiscal 2023, corporate income tax collections increased another 5.1 percent, significantly outperforming original forecasts for the year. In fiscal 2024 forecasts used in enacted budgets, corporate income tax collections are expected to total \$118.5 billion, an 8.0 percent decline compared to preliminary actual levels for fiscal 2023. Eight states reported revised projections for fiscal 2024, which in the aggregate are running 13.9 percent ahead of estimates used in states' enacted budgets.

**Other General Fund Revenues.** All other general fund revenues may include collections from cigarette and other excise taxes, severance taxes, gaming and lottery revenue, insurance taxes, fees, and other sources. Some states may also use this category to record revenue transfers in and out of the general fund from/to other state fund sources (and federal funds in some cases), which can contribute to large fluctuations year-over-year for some states in this category. All other general fund revenues increased 12.1 percent in fiscal 2022 and grew another 6.0 percent in fiscal 2023. They are projected to total \$197.8 billion in fiscal 2024, a 2.7 percent decline compared to preliminary actual levels for fiscal 2023. Eight states reported updated projections for fiscal 2024, which in the aggregate are running 1.5 percent behind the estimates used in enacted budgets. (*See Tables 17 and 18*)

TABLE 11

## State Nominal and Real Annual Revenue Changes, Fiscal 1979 to Fiscal 2024

Fiscal Year	State General Fund	
	Nominal Increase	Real Increase
2024	-1.8%	
2023	0.9	-3.9%
2022	16.3	8.3
2021	16.6	12.2
2020	-0.6	-2.5
2019	5.7	2.7
2018	6.9	3.4
2017	2.4	1.2
2016	1.8	2.3
2015	5.0	4.1
2014	1.9	-1.1
2013	7.1	4.2
2012	2.9	0.2
2011	6.6	3.4
2010	-2.5	-3.4
2009	-8.0	-10.1
2008	3.9	-1.6
2007	5.4	0.4
2006	9.1	3.6
2005	7.8	1.8
2004	5.4	1.7
2003	8.0	5.0
2002	-6.8	-9.1
2001	4.5	0.1
2000	2.0	-2.7
1999	5.5	2.7
1998	6.1	4.1
1997	5.0	2.7
1996	5.9	3.6
1995	5.3	2.3
1994	5.5	3.3
1993	5.8	2.4
1992	6.6	3.3
1991	4.7	0.2
1990	3.4	-1.5
1989	10.1	6.1
1988	6.5	2.4
1987	8.2	4.5
1986	6.3	2.8
1985	8.8	4.6
1984	12.5	8.4
1983	3.7	-1.8
1982	12.6	5.3
1981	7.9	-3.2
1980	9.8	-0.7
1979	7.8	0.9
1979–2023 average	5.6%	1.6%

Notes: The state and local government implicit price deflator quarterly data provided by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on November 29, 2023) is used to determine real changes in state revenue. Fiscal Year (July to June for most states) real changes are based on quarterly averages. Fiscal 2023 figures are based on the change from fiscal 2022 actuals to fiscal 2023 preliminary actuals. Fiscal 2024 figures are based on the change from fiscal 2023 preliminary actuals to fiscal 2024 enacted figures.

TABLE 12

**State General Fund Revenue Growth,  
Fiscal 2022 to Fiscal 2024**

Revenue Growth	Fiscal 2022 (Actual)	Fiscal 2023 (Preliminary Actual)	Fiscal 2024 (Enacted)
0% or less	4	17	34
> 0.0% but < 5.0%	1	21	11
> 5.0% but < 10.0%	11	8	3
10% or more	34	4	2

NOTE: See Table 13 for state-by-state data.

TABLE 13

### General Fund Nominal Percentage Revenue Change, Fiscal 2022 to Fiscal 2024\*\*

State/Territory	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	17.8%	2.6%	1.7%
Alaska	128.8	-6.5	-24.5
Arizona	18.3	-19.7	14.0
Arkansas	9.2	-5.6	-6.1
California	19.1	-7.0	-1.9
Colorado	23.7	1.7	-3.8
Connecticut	7.1	4.2	-1.8
Delaware	8.2	8.0	-4.1
Florida	19.0	7.6	-4.3
Georgia	22.2	2.9	-14.4
Hawaii	25.0	2.1	-2.3
Idaho	23.7	-5.3	-5.5
Illinois	12.2	0.7	-0.2
Indiana	8.6	0.7	1.7
Iowa	11.4	0.4	-2.1
Kansas	-10.7	17.3	11.5
Kentucky	14.5	2.9	-6.6
Louisiana	20.6	-4.7	-3.0
Maine	19.3	-2.4	-2.9
Maryland	15.4	-1.5	4.8
Massachusetts	20.1	-0.2	2.7
Michigan	17.5	-10.5	-4.4
Minnesota	14.0	0.6	-6.1
Mississippi	9.6	-5.4	7.7
Missouri	14.6	2.7	-0.6
Montana	31.3	-3.5	-16.9
Nebraska	6.5	0.3	1.1
Nevada	23.7	2.4	-0.7
New Hampshire	8.0	2.2	-5.5
New Jersey	8.3	-1.5	1.5
New Mexico	-0.3	23.8	9.2
New York	23.6	12.0	-2.7
North Carolina	11.8	1.0	0.9
North Dakota	27.3	-0.5	1.0
Ohio	7.2	2.9	-2.6
Oklahoma	15.8	5.5	-8.0
Oregon	-3.2	7.1	-31.5
Pennsylvania	9.7	1.4	-0.1
Rhode Island	17.4	0.1	1.2
South Carolina	23.1	-4.1	-4.9
South Dakota	10.5	7.2	-1.1
Tennessee	16.7	6.3	0.3
Texas	26.4	8.3	-0.4
Utah	14.5	0.1	-2.3
Vermont	9.2	-1.1	-8.4
Virginia	24.9	-2.7	5.6
Washington	11.9	3.4	-0.6
West Virginia	18.1	10.1	-24.7
Wisconsin	5.0	2.1	1.3
Wyoming	0.0	6.3	0.0
<b>Total</b>	<b>16.3%</b>	<b>0.9%</b>	<b>-1.8%</b>
<b>Median</b>	<b>15.0%</b>	<b>1.2%</b>	<b>-1.9%</b>
District of Columbia	N/A	18.3	-7.8
Guam	N/A	7.3	-2.4
Puerto Rico	N/A	-1.6	-7.7
U.S. Virgin Islands	N/A	-5.8	11.6

Fiscal 2022 reflects changes from fiscal 2021 revenues (actual) to fiscal 2022 revenues (actual). Fiscal 2023 reflects changes from fiscal 2022 revenues (actual) to fiscal 2023 revenues (preliminary actual). Fiscal 2024 reflects changes from fiscal 2023 revenues (preliminary actual) to fiscal 2024 revenues (enacted).

TABLE 14

## General Fund Revenue Collections Compared to Original Estimates, Fiscal 2023 and Fiscal 2024

State/Territory	Fiscal 2023			Fiscal 2024			N/A
	On Target	Lower	Higher	On Target	Lower	Higher	
Alabama			X				X
Alaska			X				X
Arizona			X		X		
Arkansas			X			X	
California		X			X		
Colorado*			X			X	
Connecticut			X	X			
Delaware			X	X			
Florida			X			X	
Georgia			X				X
Hawaii		X			X		
Idaho			X				X
Illinois			X	X			
Indiana			X	X			
Iowa			X			X	
Kansas			X		X		
Kentucky			X			X	
Louisiana			X				X
Maine			X			X	
Maryland			X				X
Massachusetts			X		X		
Michigan		X					X
Minnesota			X				X
Mississippi			X			X	
Missouri			X	X			
Montana			X	X			
Nebraska			X	X			
Nevada			X				X
New Hampshire			X			X	
New Jersey			X	X			
New Mexico			X			X	
New York			X			X	
North Carolina			X			X	
North Dakota	X			X			
Ohio			X			X	
Oklahoma			X				X
Oregon			X			X	
Pennsylvania			X	X			
Rhode Island			X			X	
South Carolina			X	X			
South Dakota			X	X			
Tennessee			X				X
Texas			X				X
Utah			X	X			
Vermont			X			X	
Virginia			X				X
Washington			X		X		
West Virginia			X			X	
Wisconsin			X				X
Wyoming			X	X			
<b>Total</b>	<b>1</b>	<b>3</b>	<b>46</b>	<b>14</b>	<b>6</b>	<b>16</b>	<b>14</b>
District of Columbia			X				X
Guam			X			X	
Puerto Rico		X				X	
U.S. Virgin Islands		X		X			

NOTES: Fiscal 2023 reflects whether preliminary actual general fund revenues from all sources came in higher, lower, or on target with original estimates used to adopt the Fiscal 2023 budget. Fiscal 2024 reflects whether collections thus far have been coming in higher, lower, or on target with estimates used to adopt the Fiscal 2024 budget. Some states did not have enough data available to provide information on fiscal 2024 at time of data collection.\*See Notes to Table 14 at the end of the chapter.

TABLE 15

## Fiscal 2023 General Fund Revenue Collections Compared to Original Estimates in Fiscal 2023 Enacted Budgets (Millions)

State/Territory	Sales Tax		Personal Income Tax		Corporate Income Tax		All Other Revenue	
	Original Estimate	Preliminary Actual	Original Estimate	Preliminary Actual	Original Estimate	Preliminary Actual	Original Estimate	Preliminary Actual
Alabama	\$3,458	\$3,724	\$4,469	\$5,781	\$661	\$1,195	\$2,318	\$2,846
Alaska					120	105	2,457	3,514
Arizona	5,004	5,390	5,946	5,240	1,133	1,806	241	981
Arkansas	3,167	3,384	3,907	3,874	642	791	609	656
California	33,992	33,072	137,506	122,769	38,464	42,091	6,404	8,352
Colorado	4,373	4,553	10,983	10,953	1,059	2,367	225	130
Connecticut	4,778	5,096	11,707	11,178	1,294	1,522	4,609	5,125
Delaware			2,062	2,113	199	384	3,554	3,798
Florida	29,797	35,800			3,822	5,517	5,422	6,011
Georgia	7,402	8,907	14,102	16,969	1,396	3,808	5,734	6,268
Hawaii	4,329	4,409	3,861	3,100	461	317	1,860	2,366
Idaho	2,233	2,299	2,319	2,149	301	1,032	329	468
Illinois	10,800	10,451	22,577	23,750	4,608	5,828	8,444	10,679
Indiana	9,366	10,465	6,966	7,576	1,059	1,231	1,706	2,323
Iowa	3,993	3,937	5,387	5,599	829	984	-1,074	-675
Kansas	3,414	3,580	4,662	4,507	650	1,505	182	-309
Kentucky	5,283	5,576	5,342	5,844	910	1,222	2,224	2,506
Louisiana	4,467	5,053	4,325	4,534	600	600	1,648	2,100
Maine	2,115	2,167	2,054	2,431	336	395	254	272
Maryland	5,807	6,005	13,426	13,470	1,686	1,816	2,607	2,382
Massachusetts	6,277	6,711	22,897	21,779	4,747	5,062	10,610	12,661
Michigan	2,248	2,310	8,813	7,689	1,055	1,033	1,235	2,130
Minnesota	7,220	7,446	15,697	15,778	2,051	2,929	3,850	4,332
Mississippi	2,971	2,971	2,250	2,250	735	1,037	1,032	1,436
Missouri	2,775	2,880	7,670	8,742	575	884	399	729
Montana	86	95	1,588	2,254	174	310	889	1,097
Nebraska	2,344	2,336	2,795	3,006	462	693	223	333
Nevada	1,442	1,792					3,277	3,971
New Hampshire					623	772	1,033	1,262
New Jersey	13,417	14,162	19,985	18,841	5,330	5,534	11,094	12,821
New Mexico	3,047	4,000	2,039	2,654	68	447	3,896	3,758
New York	15,391	16,152	64,354	65,522	9,751	10,384	6,548	10,861
North Carolina	10,183	10,801	15,471	16,763	1,156	1,635	3,700	4,337
North Dakota	920	1,155	297	483	108	308	372	434
Ohio	13,334	13,483	10,152	10,797	2,069	2,152	2,735	3,152
Oklahoma	3,258	3,524	2,993	3,730	356	726	1,630	2,137
Oregon			13,166	13,247	1,493	1,490	957	1,050
Pennsylvania	13,815	14,024	18,164	17,628	4,900	6,143	6,701	7,122
Rhode Island	1,509	1,565	1,775	1,814	215	273	1,403	1,561
South Carolina	3,853	4,660	5,648	5,758	560	1,262	1,209	1,414
South Dakota	1,332	1,481					735	828
Tennessee	11,471	13,841		3	3,696	4,823	4,732	3,812
Texas	35,823	42,179					27,792	40,660
Utah	2,833	3,263	5,731	6,432	529	870	632	969
Vermont			1,103	1,210	187	281	700	839
Virginia	4,498	4,735	16,733	18,984	1,737	2,031	1,904	2,161
Washington	15,404	15,739					13,290	13,875
West Virginia	1,510	1,750	2,190	2,664	150	420	786	1,649
Wisconsin	6,845	7,456	9,116	9,415	2,160	2,749	1,338	1,355
Wyoming	531	600					610	683
<b>Total</b>	<b>\$328,112</b>	<b>\$354,977</b>	<b>\$512,227</b>	<b>\$509,274</b>	<b>\$105,116</b>	<b>\$128,763</b>	<b>\$165,058</b>	<b>\$203,221</b>
District of Columbia*	1,773	1,975	3,109	3,094	711	894	4,637	4,739
Guam	4	12	94	90	86	105	627	725
Puerto Rico	2,716	2,778	3,036	2,883	3,245	2,954	3,896	3,982
U.S. Virgin Islands			472	434	117	85	344	344

NOTES: Unless otherwise noted, original estimates reflect the figures used when the fiscal 2023 budget was adopted. \*See Notes to Tables 15 and 16 at the end of the chapter.



TABLE 16

# Fiscal 2023 General Fund Revenue Collections Compared to Original Estimates in Fiscal 2023 Enacted Budgets (Percentage Above or Below)

State/Territory	Sales Tax	Personal Income Tax	Corporate Income Tax	All Other Revenue
Alabama	7.7%	29.4%	80.8%	22.8%
Alaska	N/A	N/A	-12.5	43.0
Arizona	7.7	-11.9	59.5	307.0
Arkansas	6.9	-0.9	23.1	7.7
California	-2.7	-10.7	9.4	30.4
Colorado	4.1	-0.3	123.4	-42.1
Connecticut	6.7	-4.5	17.6	11.2
Delaware	N/A	2.5	92.6	6.9
Florida	20.1	N/A	44.3	10.9
Georgia	20.3	20.3	172.8	9.3
Hawaii	1.9	-19.7	-31.2	27.2
Idaho	3.0	-7.3	242.9	42.2
Illinois	-3.2	5.2	26.5	26.5
Indiana	11.7	8.7	16.2	36.2
Iowa	-1.4	3.9	18.8	-37.1
Kansas	4.9	-3.3	131.5	-270.0
Kentucky	5.5	9.4	34.3	12.7
Louisiana	13.1	4.8	0.0	27.5
Maine	2.5	18.3	17.7	7.0
Maryland	3.4	0.3	7.7	-8.6
Massachusetts	6.9	-4.9	6.6	19.3
Michigan	2.8	-12.8	-2.0	72.4
Minnesota	3.1	0.5	42.8	12.5
Mississippi	0.0	0.0	41.0	39.2
Missouri	3.8	14.0	53.8	82.5
Montana	9.7	41.9	78.1	23.5
Nebraska	-0.3	7.5	49.9	49.2
Nevada	24.3	N/A	N/A	21.2
New Hampshire	N/A	N/A	23.9	22.2
New Jersey	5.5	-5.7	3.8	15.6
New Mexico	31.3	30.2	556.8	-3.5
New York	4.9	1.8	6.5	65.9
North Carolina	6.1	8.3	41.5	17.2
North Dakota	25.5	62.4	186.8	16.7
Ohio	1.1	6.4	4.0	15.2
Oklahoma	8.2	24.6	104.0	31.1
Oregon	N/A	0.6	-0.2	9.7
Pennsylvania	1.5	-3.0	25.4	6.3
Rhode Island	3.7	2.2	26.8	11.2
South Carolina	21.0	2.0	125.2	16.9
South Dakota	11.2	N/A	N/A	12.8
Tennessee	20.7	N/A	30.5	-19.4
Texas	17.7	N/A	N/A	46.3
Utah	15.2	12.2	64.4	53.3
Vermont	N/A	9.7	50.2	20.0
Virginia	5.3	13.5	16.9	13.5
Washington	2.2	N/A	N/A	4.4
West Virginia	15.9	21.6	180.0	110.0
Wisconsin	8.9	3.3	27.2	1.3
Wyoming	13.0	N/A	N/A	12.0
<b>Total</b>	<b>8.2%</b>	<b>-0.6%</b>	<b>22.5%</b>	<b>23.1%</b>
On Target (# of states)	2	3	2	0
Higher (# of states)	40	27	40	44
Lower (# of states)	3	11	3	6
District of Columbia	11.4	-0.5	25.6	2.2
Guam	196.0	-3.8	22.0	15.7
Puerto Rico	2.3	-5.0	-9.0	2.2
U.S. Virgin Islands	N/A	-8.2	-27.1	0.0

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of Tax.  
 \*See Notes to Tables 15 and 16 at the end of the chapter.

TABLE 17

## Comparison of General Fund Revenue Collections in Fiscal 2022, Fiscal 2023, and Enacted Fiscal 2024 (\$ in millions)

State/Territory	Sales Tax			Personal Income Tax		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	\$3,531	\$3,724	\$3,770	\$5,985	\$5,781	\$6,254
Alaska	0	0	0	0	0	0
Arizona	7,209	5,390	8,078	7,530	5,240	5,305
Arkansas*	3,155	3,384	3,405	4,172	3,874	3,587
California*	33,026	33,072	33,366	137,144	122,769	118,161
Colorado*	4,322	4,553	4,639	11,718	10,953	10,918
Connecticut*	4,818	5,096	5,300	12,132	11,178	11,023
Delaware	0	0	0	1,909	2,113	2,089
Florida*	34,040	35,800	34,577	0	0	0
Georgia	8,317	8,907	8,353	18,287	16,969	14,707
Hawaii*	3,980	4,409	4,363	3,760	3,100	3,505
Idaho	2,195	2,299	2,078	2,603	2,149	2,163
Illinois	10,234	10,451	10,415	24,839	23,750	25,711
Indiana	9,991	10,465	10,815	8,181	7,576	7,907
Iowa	3,854	3,937	3,925	5,780	5,599	5,133
Kansas	3,534	3,580	3,620	4,836	4,507	4,799
Kentucky*	5,063	5,576	5,625	6,048	5,844	5,249
Louisiana*	4,886	5,053	4,854	4,556	4,534	4,486
Maine	2,079	2,167	2,190	2,581	2,431	2,395
Maryland*	5,967	6,005	6,048	13,548	13,470	14,339
Massachusetts*	6,228	6,711	6,958	24,337	21,779	23,637
Michigan	2,389	2,310	2,238	9,199	7,689	7,552
Minnesota	6,644	7,446	7,403	16,873	15,778	14,305
Mississippi	2,983	2,971	3,127	2,500	2,250	2,431
Missouri	2,692	2,880	2,857	9,010	8,742	8,920
Montana	93	95	110	2,393	2,254	2,054
Nebraska	2,133	2,336	2,495	3,243	3,006	3,065
Nevada*	1,680	1,792	1,920	0	0	0
New Hampshire	0	0	0	0	0	0
New Jersey	13,447	14,162	14,432	20,738	18,841	19,499
New Mexico*	3,491	4,000	3,771	2,328	2,654	2,322
New York	13,815	16,152	17,797	59,519	65,522	64,125
North Carolina	10,201	10,801	10,749	17,568	16,763	16,584
North Dakota	976	1,155	1,081	456	483	388
Ohio*	13,030	13,483	13,791	10,752	10,797	9,977
Oklahoma	3,320	3,524	3,555	3,488	3,730	3,671
Oregon	0	0	0	12,437	13,247	8,695
Pennsylvania*	13,914	14,024	14,013	18,126	17,628	18,125
Rhode Island	1,511	1,565	1,607	1,986	1,814	1,886
South Carolina	4,402	4,660	4,505	6,828	5,758	5,827
South Dakota	1,385	1,481	1,458	0	0	0
Tennessee*	12,092	13,841	13,405	4	3	0
Texas	38,827	42,179	43,348	0	0	0
Utah	3,099	3,263	3,403	6,772	6,432	6,275
Vermont	0	0	0	1,268	1,210	1,138
Virginia*	4,558	4,735	4,420	20,410	18,984	17,836
Washington*	14,898	15,739	15,827	0	0	0
West Virginia*	1,655	1,750	1,764	2,518	2,664	2,004
Wisconsin	6,978	7,456	7,640	9,214	9,415	9,623
Wyoming	563	600	618	0	0	0
<b>Total***</b>	<b>\$337,204</b>	<b>\$354,977</b>	<b>\$359,709</b>	<b>\$537,572</b>	<b>\$509,274</b>	<b>\$497,668</b>
District of Columbia*	1,814	1,975	1,995	3,117	3,094	3,231
Guam	5	12	7	108	90	95
Puerto Rico*	2,686	2,778	2,692	2,806	2,883	2,604
U.S. Virgin Islands	0	0	0	462	434	459

NOTES: Unless otherwise noted, fiscal 2022 figures reflect actual tax collections, fiscal 2023 figures reflect preliminary actual tax collections, and fiscal 2024 figures reflect the projections used in states' enacted budgets. \*See Notes to Tables 17 and 18 at the end of the chapter.

Table 17 continues on next page.

TABLE 17 (CONTINUED)

## Comparison of General Fund Revenue Collections in Fiscal 2022, Fiscal 2023, and Enacted Fiscal 2024 (\$ in millions)

State/Territory	Corporate Income Tax			All Other Revenue		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	\$1,198	\$1,195	\$1,246	\$2,484	\$2,846	\$2,502
Alaska	112	105	125	3,758	3,514	2,606
Arizona	1,163	1,806	1,709	802	981	207
Arkansas*	837	791	519	610	656	625
California*	45,128	42,091	42,081	6,485	8,352	8,757
Colorado*	1,569	2,367	1,151	90	130	-12
Connecticut*	1,401	1,522	1,515	3,640	5,125	4,668
Delaware	314	384	283	3,606	3,798	3,663
Florida*	3,762	5,517	5,482	6,234	6,011	5,242
Georgia	2,510	3,808	1,402	5,823	6,268	6,310
Hawaii*	256	317	162	2,216	2,366	2,383
Idaho	1,039	1,032	873	360	468	434
Illinois	5,407	5,828	5,116	9,854	10,679	9,369
Indiana	1,540	1,231	1,358	1,732	2,323	1,873
Iowa	919	984	893	-749	-675	-308
Kansas	806	1,505	1,295	-1,261	-309	638
Kentucky*	933	1,222	964	2,660	2,506	2,316
Louisiana*	600	600	600	1,692	2,100	1,985
Maine	416	395	356	316	272	169
Maryland*	1,700	1,816	1,673	2,829	2,382	2,750
Massachusetts*	5,069	5,062	5,113	10,672	12,661	11,774
Michigan	1,529	1,033	990	1,592	2,130	1,800
Minnesota	2,823	2,929	2,663	3,978	4,332	4,261
Mississippi	855	1,037	898	1,050	1,436	1,068
Missouri	711	884	727	468	729	648
Montana	294	310	276	1,111	1,097	680
Nebraska	715	693	568	258	333	309
Nevada*	0	0	0	3,759	3,971	3,805
New Hampshire	750	772	735	1,242	1,262	1,188
New Jersey	5,800	5,534	5,329	12,150	12,821	12,889
New Mexico*	344	447	265	2,610	3,758	5,499
New York	8,482	10,384	9,316	10,064	10,861	8,906
North Carolina	1,626	1,635	1,686	3,815	4,337	4,707
North Dakota	213	308	195	745	434	741
Ohio*	1,996	2,152	2,273	2,986	3,152	2,766
Oklahoma	662	726	435	2,120	2,137	1,651
Oregon	1,539	1,490	1,136	889	1,050	1,066
Pennsylvania*	5,324	6,143	5,651	10,770	7,122	7,092
Rhode Island	288	273	276	1,418	1,561	1,508
South Carolina	1,129	1,262	762	1,295	1,414	1,366
South Dakota	0	0	0	770	828	826
Tennessee*	4,309	4,823	4,739	5,048	3,812	4,955
Texas	0	0	0	37,646	40,660	39,184
Utah	937	870	699	717	969	894
Vermont	223	281	181	865	839	817
Virginia*	1,979	2,031	1,900	1,988	2,161	2,354
Washington*	0	0	0	14,892	13,875	16,076
West Virginia*	366	420	210	1,363	1,649	906
Wisconsin	2,960	2,749	2,681	1,396	1,355	1,307
Wyoming	0	0	0	929	683	618
<b>Total***</b>	<b>\$122,530</b>	<b>\$128,763</b>	<b>\$118,504</b>	<b>\$191,786</b>	<b>\$203,221</b>	<b>\$197,834</b>
District of Columbia*	728	894	731	5,007	4,739	4,616
Guam	87	105	102	669	725	706
Puerto Rico*	2,608	2,954	3,238	4,701	3,982	3,088
U.S. Virgin Islands	109	85	81	331	344	341

NOTES: Unless otherwise noted, fiscal 2022 figures reflect actual tax collections, fiscal 2023 figures reflect preliminary actual tax collections, and fiscal 2024 figures reflect the projections used in states' enacted budgets. \*See Notes to Tables 17 and 18 at the end of the chapter.

TABLE 18

## Percentage Change in General Fund Revenue Collections in Fiscal 2022, Fiscal 2023, and Enacted Fiscal 2024

State/Territory	Sales Tax			Personal Income Tax		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	9.1%	5.5%	1.2%	24.7%	-3.4%	8.2%
Alaska	N/A	N/A	N/A	N/A	N/A	N/A
Arizona*	15.4	-25.2	49.9	15.3	-30.4	1.2
Arkansas*	9.4	7.3	0.6	5.1	-7.1	-7.4
California*	13.6	0.1	0.9	6.4	-10.5	-3.8
Colorado*	19.0	5.3	1.9	23.6	-6.5	-0.3
Connecticut	0.5	5.8	4.0	17.3	-7.9	-1.4
Delaware	N/A	N/A	N/A	1.1	10.7	-1.1
Florida*	25.3	5.2	-3.4	N/A	N/A	N/A
Georgia	19.7	7.1	-6.2	28.6	-7.2	-13.3
Hawaii	30.3	10.8	-1.0	12.1	-17.5	13.1
Idaho	9.5	4.7	-9.6	6.4	-17.4	0.7
Illinois	9.2	2.1	-0.3	10.3	-4.4	8.3
Indiana	10.1	4.7	3.3	8.6	-7.4	4.4
Iowa	9.7	2.2	-0.3	6.4	-3.1	-8.3
Kansas	13.1	1.3	1.1	5.4	-6.8	6.5
Kentucky*	11.0	10.1	0.9	17.6	-3.4	-10.2
Louisiana*	18.3	3.4	-3.9	15.2	-0.5	-1.1
Maine	12.0	4.2	1.1	24.7	-5.8	-1.5
Maryland	19.6	0.6	0.7	15.7	-0.6	6.5
Massachusetts	-20.5	7.8	3.7	24.0	-10.5	8.5
Michigan*	6.7	-3.3	-3.1	19.3	-16.4	-1.8
Minnesota	7.7	12.1	-0.6	19.6	-6.5	-9.3
Mississippi*	12.4	-0.4	5.2	12.3	-10.0	8.1
Missouri	14.2	7.0	-0.8	15.7	-3.0	2.0
Montana	67.4	1.6	15.8	35.5	-5.8	-8.9
Nebraska	6.1	9.5	6.8	3.6	-7.3	2.0
Nevada	21.7	6.7	7.2	N/A	N/A	N/A
New Hampshire	N/A	N/A	N/A	N/A	N/A	N/A
New Jersey	10.4	5.3	1.9	18.7	-9.1	3.5
New Mexico	19.8	14.6	-5.7	22.2	14.0	-12.5
New York	23.8	16.9	10.2	35.2	10.1	-2.1
North Carolina	13.0	5.9	-0.5	11.0	-4.6	-1.1
North Dakota	14.4	18.3	-6.4	-2.0	5.9	-19.6
Ohio*	6.9	3.5	2.3	5.4	0.4	-7.6
Oklahoma	0.1	6.1	0.9	18.3	6.9	-1.6
Oregon*	N/A	N/A	N/A	-2.6	6.5	-34.4
Pennsylvania*	8.4	0.8	-0.1	11.3	-2.7	2.8
Rhode Island*	12.7	3.5	2.7	22.9	-8.7	4.0
South Carolina	15.1	5.9	-3.3	25.9	-15.7	1.2
South Dakota	13.3	6.9	-1.5	N/A	N/A	N/A
Tennessee*	15.6	14.5	-3.2	-92.7	-29.3	N/A
Texas	20.4	8.6	2.8	N/A	N/A	N/A
Utah	18.0	5.3	4.3	10.8	-5.0	-2.5
Vermont	N/A	N/A	N/A	18.5	-4.6	-6.0
Virginia*	9.4	3.9	-6.6	18.0	-7.0	-6.0
Washington*	12.1	5.6	0.6	N/A	N/A	N/A
West Virginia	7.7	5.7	0.8	11.7	5.8	-24.8
Wisconsin	9.5	6.8	2.5	-0.7	2.2	2.2
Wyoming	14.2	6.6	3.0	N/A	N/A	N/A
<b>Total***</b>	<b>13.8%</b>	<b>5.3%</b>	<b>1.3%</b>	<b>14.3%</b>	<b>-5.3%</b>	<b>-2.3%</b>
<b>Median</b>	<b>12.7%</b>	<b>5.6%</b>	<b>0.9%</b>	<b>15.2%</b>	<b>-5.8%</b>	<b>-1.1%</b>
District of Columbia*	N/A	8.9	1.0	N/A	-0.7	4.4
Guam	N/A	130.1	-43.3	N/A	-16.4	5.1
Puerto Rico*	N/A	3.4	-3.1	N/A	2.8	-9.7
U.S. Virgin Islands	N/A	N/A	N/A	N/A	-6.2	5.8

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. Unless otherwise noted, fiscal 2022 figures reflect actual tax collections, fiscal 2023 figures reflect preliminary actual tax collections, and fiscal 2024 figures reflect the projections used in states' enacted budgets. \*See Notes to Tables 17 and 18 at the end of the chapter.

Table 18 continues on next page.

TABLE 18 (CONTINUED)

## Percentage Change in General Fund Revenue Collections in Fiscal 2022, Fiscal 2023, and Enacted Fiscal 2024

State/Territory	Corporate Income Tax			All Other Revenue		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	41.9%	-0.3%	4.3%	6.8%	14.6%	-12.1%
Alaska	9.1	-6.4	19.0	136.6	-6.5	-25.8
Arizona*	37.4	55.3	-5.4	63.0	22.2	-78.9
Arkansas*	28.4	-5.6	-34.3	-1.0	7.6	-4.8
California*	99.8	-6.7	0.0	15.2	28.8	4.8
Colorado*	32.6	50.9	-51.4	428.8	44.6	-109.0
Connecticut	21.5	8.6	-0.5	-14.3	40.8	-8.9
Delaware	49.8	22.2	-26.3	9.5	5.3	-3.6
Florida*	10.8	46.7	-0.6	8.9	-3.6	-12.8
Georgia	43.4	51.7	-63.2	2.7	7.6	0.7
Hawaii	37.2	23.9	-48.8	-7.9	6.8	0.7
Idaho	197.9	-0.7	-15.4	71.5	29.9	-7.3
Illinois	51.8	7.8	-12.2	4.9	8.4	-12.3
Indiana	11.1	-20.1	10.4	-1.4	34.2	-19.4
Iowa	-6.6	7.1	-9.2	-33.7	9.9	54.4
Kansas	23.6	86.7	-13.9	353.2	-75.5	-306.6
Kentucky*	5.6	31.0	-21.1	18.7	-5.8	-7.6
Louisiana*	-25.5	0.0	0.0	7.7	24.1	-5.5
Maine	46.3	-5.0	-9.9	1.7	-14.0	-37.9
Maryland	16.3	6.8	-7.9	5.7	-15.8	15.4
Massachusetts	39.8	-0.1	1.0	42.9	18.6	-7.0
Michigan*	26.3	-32.5	-4.1	17.9	33.8	-15.5
Minnesota	18.2	3.8	-9.1	1.4	8.9	-1.6
Mississippi*	1.1	21.4	-13.5	3.3	36.8	-25.6
Missouri	4.9	24.4	-17.8	12.6	55.7	-11.1
Montana	10.2	5.5	-11.0	26.8	-1.3	-38.0
Nebraska	25.2	-3.1	-18.0	4.0	29.4	-7.3
Nevada	N/A	N/A	N/A	21.5	5.6	-4.2
New Hampshire	18.6	3.0	-4.9	2.4	1.7	-5.9
New Jersey	15.9	-4.6	-3.7	-9.9	5.5	0.5
New Mexico	129.7	30.1	-40.9	-16.3	44.0	46.3
New York	32.1	22.4	-10.3	-20.8	7.9	-18.0
North Carolina	4.8	0.6	3.1	15.6	13.7	8.5
North Dakota	45.4	44.5	-36.9	80.6	-41.7	70.7
Ohio*	19.7	7.8	5.6	8.2	5.6	-12.2
Oklahoma	17.8	9.8	-40.1	46.3	0.8	-22.7
Oregon*	4.1	-3.2	-23.8	-14.7	18.1	1.5
Pennsylvania*	20.3	15.4	-8.0	57.2	-33.9	-0.4
Rhode Island*	42.9	-5.5	1.3	11.4	10.0	-3.4
South Carolina	68.8	11.8	-39.6	10.5	9.1	-3.4
South Dakota	N/A	N/A	N/A	5.9	7.6	-0.2
Tennessee*	33.0	11.9	-1.7	8.9	-24.5	30.0
Texas	N/A	N/A	N/A	33.3	8.0	-3.6
Utah	26.2	-7.2	-19.7	21.8	35.1	-7.7
Vermont	67.4	26.0	-35.6	-9.3	-2.9	-2.7
Virginia*	30.5	2.6	-6.5	5.0	8.7	8.9
Washington*	N/A	N/A	N/A	4.5	-6.8	15.9
West Virginia	14.3	14.6	-50.0	55.6	21.0	-45.1
Wisconsin	15.6	-7.1	-2.5	2.9	-2.9	-3.5
Wyoming	N/A	N/A	N/A	1.6	-26.5	-9.5
<b>Total***</b>	<b>45.4%</b>	<b>5.1%</b>	<b>-8.0%</b>	<b>12.1%</b>	<b>6.0%</b>	<b>-2.7%</b>
<b>Median</b>	<b>25.2%</b>	<b>7.1%</b>	<b>-9.9%</b>	<b>7.9%</b>	<b>8.0%</b>	<b>-5.7%</b>
District of Columbia*	N/A	22.7	-18.2	N/A	-5.4	-2.6
Guam	N/A	20.3	-2.8	N/A	8.4	-2.6
Puerto Rico*	N/A	13.3	9.6	N/A	-15.3	-22.4
U.S. Virgin Islands	N/A	-21.9	-4.6	N/A	4.1	-0.9

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. Unless otherwise noted, fiscal 2022 figures reflect actual tax collections, fiscal 2023 figures reflect preliminary actual tax collections, and fiscal 2024 figures reflect the projections used in states' enacted budgets. \*See Notes to Tables 17 and 18 at the end of the chapter.

## Enacted Fiscal 2023 (Mid-Year) and Fiscal 2024 Revenue Actions

Forty states enacted tax and fee changes in fiscal 2024 affecting general fund revenue, including 37 states adopting tax cuts and three states adopting tax increases. On net, these changes are estimated to result in \$13.3 billion less in general fund revenue for fiscal 2024 than would be collected absent these changes. This impact is equivalent to roughly 1.1 percent of forecasted general fund revenues in fiscal 2024 enacted budgets. This follows \$15.5 billion in net tax reductions enacted in fiscal 2023 and marks the second largest net tax cut on record in the history of the *Fiscal Survey*, measured in nominal dollars. (See Table 20 and Figure 3) Measured as a share of general fund revenue, the percentage cut would be similar to the reductions recorded in the late 1990s and fiscal years 2000–2001.

Additionally, states reported on tax changes enacted since original fiscal 2023 budgets were approved with an impact on fiscal 2023 general fund revenue. States adopted mid-year tax changes that reduced net revenue for fiscal 2023 by an estimated \$3.8 billion; this is in addition to the \$15.5 billion in tax cuts approved in original enacted budgets for fiscal 2023. Most of the net revenue impact of mid-year changes reported in this survey affecting fiscal 2023 revenue is attributable to one-time changes that are non-recurring.

The scale and scope of tax reductions enacted by states in their fiscal 2024 budgets reflect continued strong fiscal conditions. Enacted tax cuts include measures to return part of states' revenue surplus to taxpayers, provide inflation relief to families, support businesses, and promote prosperity and economic opportunity. Tax reductions ranged from targeted, one-time tax relief measures to permanent, broad-based rate reductions—often phased in over a series of years.

Multiple years of significant budget surpluses in most states led to an uptick in one-time or temporary tax relief measures proposed and adopted by states recently, prompting NASBO to begin asking states this year to identify if reported tax and fee changes are one-time or non-recurring. Of the -\$3.8 billion impact of mid-year changes on fiscal 2023 revenue, -\$2.3 billion (60 percent) is attributable to one-time changes. For fiscal 2024, out of the -\$13.3 billion net revenue impact of enacted changes, -\$5.4 billion (40 percent) is from one-time changes. This means that the recurring revenue impacts of enacted changes in this survey total an estimated -\$1.5 billion in fiscal 2023 (mid-year changes only) and -\$7.9 billion in fiscal 2024.

Below is a summary of the revenue impacts of enacted tax policy and fee changes by source. More detailed, state-by-state information on tax and fee changes enacted by states for fiscal 2023 (mid-year) and fiscal 2024 is available in the Appendix of this report. (See Tables 20 and 21, Appendix Table A-1)

**Sales Taxes.** Three states enacted sales and use tax increases, while 13 states enacted decreases, which on net will reduce general fund revenue in fiscal 2024 by \$1.5 billion. Roughly -\$980 million of the total revenue impact is attributable to one-time changes, with the remaining -\$481 million impact being recurring. Several changes would also have modest impacts on revenue in fiscal 2023, resulting in \$10.5 million in net additional revenue for that year.

Some of the more impactful recurring changes to sales taxes include eliminating or reducing state sales taxes on groceries in Alabama and South Dakota. Another trend in this category was exempting baby and/or feminine hygiene products from taxation in Florida and Ohio. Among the one-time changes, Florida enacted a host of temporary exemptions and sales tax holidays, while Tennessee approved a three-month food tax holiday. Regarding net increases, Kentucky approved the expansion of sales tax to additional services, generating additional revenue for fiscal 2023 and fiscal 2024.

**Personal Income Taxes.** Two states enacted net increases to personal income taxes, while 30 states adopted net decreases in this category. These changes have a net general fund revenue impact of -\$10.9 billion in fiscal 2024. Additionally, enacted changes reported in this survey would result in a mid-year revenue impact for fiscal 2023 of -\$1.9 billion. For fiscal 2024, -\$4.1 billion of that revenue impact is attributable to one-time changes, while the changes affecting fiscal 2023 include -\$481 million in one-time impacts.

States reported enacted reductions to personal income tax rates, including Arkansas, Connecticut, Indiana, Iowa, Kentucky, Mississippi, Montana, Nebraska, North Carolina, North Dakota, Ohio, South Carolina, Utah, West Virginia, and Wisconsin. Several states expanded their earned income tax credits (EITCs), including Connecticut, Indiana, Maryland, Massachusetts, Michigan, Rhode Island, while several states created or enhanced child and/or dependent tax credits and exemptions. States including Iowa, Maryland, Michigan, and Missouri made changes to exempt or reduce taxes on retirement income. One-time tax rebates or temporary rate reductions were adopted in fiscal 2023 and/or fiscal 2024 in Arizona, Michigan, Minnesota, Utah, and Virginia.

**Corporate Income Taxes.** Two states reported corporate income tax increases, while 19 states reported decreases, for a net general fund revenue impact of -\$537 million in fiscal 2024. Just three states reported modest changes that affect fiscal 2023 revenue in the mid-year, with an impact of -\$31 million. Among the fiscal 2024 changes reported, only one state (Tennessee) reported some actions that were one-time in nature, with a net revenue impact of -\$71 million.

Some of the more impactful corporate income tax cuts reported in this survey include rate reductions and increased exemptions or exclusions in several states and the expiration of a surcharge in New Jersey. Increases include an extension of a surcharge tax in Connecticut and changes related to federal conformity and the dividend received deduction in Minnesota.

**All Other General Fund Revenue.** Four states enacted net increases to all other general fund revenue while 16 states enacted decreases, for a net impact of -\$463 million in fiscal 2024. A portion of that net impact (-\$197 million) is one-time in nature and mostly attributable to tax rebates in New Mexico and the temporary suspension of certain utilities taxes in Rhode Island. Some of the more significant ongoing changes in this category include provisions to reduce estate tax liability in Massachusetts and a rate cut for Nevada's Modified Business Tax. Other changes in this category involve cannabis taxes, gaming and lottery revenue, excise taxes on cigarettes and alcohol, miscellaneous tax credits, and changes to various program fees. Two states reported enacted changes in this category with a mid-year impact on fiscal 2023 general fund revenue of -\$1.8 billion (nearly all one-time changes), with most of that impact driven by a temporary gas tax suspension in Georgia and tax rebates in New Mexico.

**Enacted Revenue Measures.** In addition to tax and fee changes, some states also reported on revenue measures affecting general fund revenue, with a total net impact of -\$1.6 billion in fiscal 2023 (mid-year) and -\$2.0 billion in fiscal 2024. These measures in most cases do not affect taxpayer liability and include actions to enforce existing laws, tax amnesties, additional audits and compliance efforts, as well as fund transfers, earmarks, and diversions. A couple states reported on temporary revenue measures in this section as well. ([See Appendix Table A-2](#))

TABLE 19

### Enacted State General Fund Revenue Changes, Fiscal 1979 to Fiscal 2023 and Recommended Fiscal 2024

Fiscal Year	Revenue Impact (Billions)
2024	-\$13.3
2023	-15.5
2022	-1.7
2021	4.1
2020	0.7
2019	2.7
2018	9.9
2017	1.3
2016	0.5
2015	-2.3
2014	-2.1
2013	6.9
2012	-0.7
2011	6.2
2010	23.9
2009	1.5
2008	4.5
2007	-2.1
2006	2.5
2005	3.5
2004	9.6
2003	8.3
2002	0.3
2001	-5.8
2000	-5.2
1999	-7.0
1998	-4.6
1997	-4.1
1996	-3.8
1995	-2.6
1994	3.0
1993	3.0
1992	15.0
1991	10.3
1990	4.9
1989	0.8
1988	6.0
1987	0.6
1986	-1.1
1985	0.9
1984	10.1
1983	3.5
1982	3.8
1981	0.4
1980	-2.0
1979	-2.3

SOURCES: Fiscal 1979–1987 data from Advisory Commission on Intergovernmental Relations, Significant Features of Fiscal Federalism, 1985–86 edition, page 77, based on data from the Tax Foundation and the National Conference of State Legislatures. Fiscal 1988–2024 data provided by the National Association of State Budget Officers. Figures previously printed in this table for fiscal 2019–2023 have been revised to only show total general fund revenue impact.



**FIGURE 3:**  
**Enacted State Revenue Changes, Fiscal 1979 to Fiscal 2024**

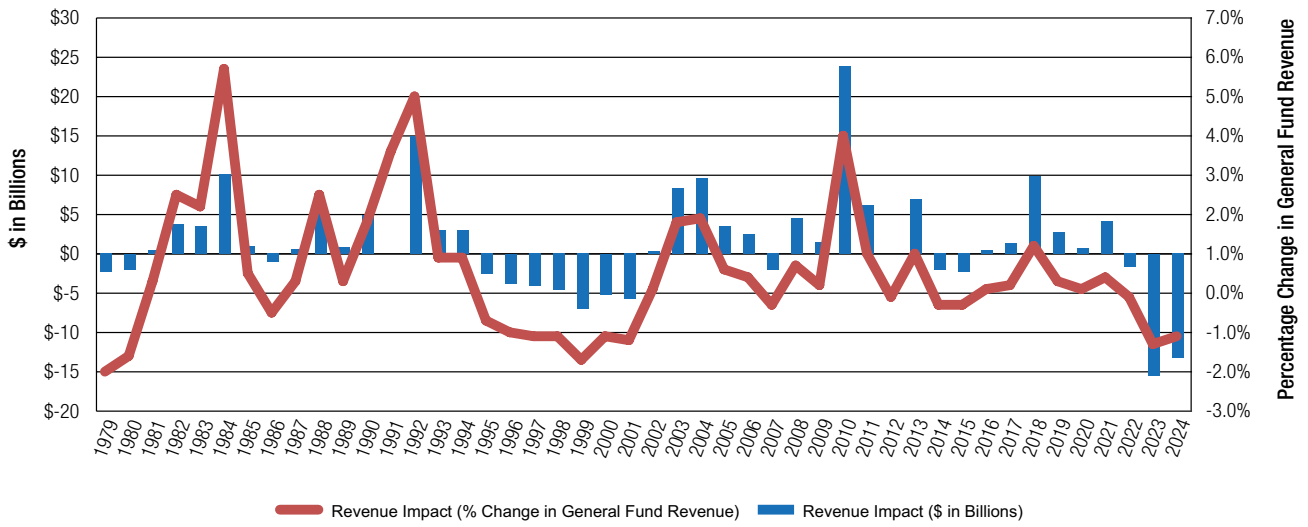


TABLE 20

## Enacted General Fund Revenue Actions by Type of Revenue, Fiscal 2023 Mid-Year (Millions)

State/Territory	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Other General Fund Revenue	Total	One-time
Alabama						
Alaska						
Arizona						
Arkansas						
California						
Colorado						
Connecticut						
Delaware						
Florida	-\$20.3				-\$20.3	-\$20.3
Georgia				-\$1,100.0	-1,100.0	-1,100.0
Hawaii						
Idaho						
Illinois						
Indiana						
Iowa		-\$551.9	-\$23.1		-575.0	
Kansas						
Kentucky	37.5	-313.0		-57.0	-332.4	
Louisiana						
Maine						
Maryland						
Massachusetts						
Michigan		-915.0			-915.0	-531.0
Minnesota						
Mississippi		-92.5		8.0	-84.5	
Missouri						
Montana						
Nebraska						
Nevada						
New Hampshire						
New Jersey						
New Mexico		-0.3		-666.1	-666.4	-666.6
New York						
North Carolina						
North Dakota						
Ohio	-18.8				-18.8	
Oklahoma						
Oregon						
Pennsylvania						
Rhode Island						
South Carolina						
South Dakota						
Tennessee						
Texas						
Utah			-6.7		-6.7	
Vermont						
Virginia		-0.2			-0.2	
Washington	12.1		-0.9	-4.0	7.2	
West Virginia		-65.0			-65.0	50.0
Wisconsin						
Wyoming						
<b>Total</b>	<b>\$10.5</b>	<b>-\$1,937.9</b>	<b>-\$30.7</b>	<b>-\$1,819.1</b>	<b>-\$3,777.1</b>	<b>-\$2,267.9</b>
Increases	2			1	1	
Decreases	2	7	3	4	11	
District of Columbia				7.0	7.0	
Guam				-70.2	-70.2	
Puerto Rico			336.8	938.8	1,275.5	
U.S. Virgin Islands						

NOTE: See Appendix Table A-1 for details on specific revenue changes. \*See Notes to Table 20 at the end of the chapter.

TABLE 21

## Enacted General Fund Revenue Actions by Type of Revenue, Fiscal 2024 (Millions)

State/Territory	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Other General Fund Revenue	Total	One-time
Alabama	-\$152.0	-\$34.0	-\$23.0		-\$209.0	
Alaska						
Arizona		-259.8			-259.8	-\$259.8
Arkansas*		-190.0	-10.6		-200.6	
California		24.4	-1.6		22.8	
Colorado*						
Connecticut	-2.2	-222.5	70.7	-\$0.7	-154.7	
Delaware						
Florida	-869.7		-23.3		-893.0	-699.7
Georgia						
Hawaii		-89.2			-89.2	
Idaho						
Illinois		75.0	-41.0		34.0	75.0
Indiana	-35.6	-171.8	-3.1	-2.4	-212.9	
Iowa		-310.5	-80.9		-391.4	
Kansas		-1.2	-4.7	-1.0	-6.9	
Kentucky	91.2	-1,031.0		9.7	-930.1	
Louisiana						
Maine*			-1.1		-1.1	
Maryland	23.2	-202.4		14.2	-165.0	
Massachusetts*		-448.8		-127.8	-576.6	
Michigan		-836.0			-836.0	-228.0
Minnesota	-38.2	-1,674.9	344.7	-4.8	-1,373.1	-1,130.9
Mississippi		-143.4		15.7	-127.7	
Missouri		-135.4		-26.1	-161.5	
Montana		-34.5	-1.4	-1.0	-36.9	
Nebraska	-3.0	-80.7	-7.1	-1.5	-92.3	
Nevada				-137.6	-137.6	
New Hampshire						
New Jersey		-123.0	-333.0	-11.7	-467.7	-11.7
New Mexico		-2.8		-148.1	-150.9	-150.0
New York	-5.0				-5.0	
North Carolina	-11.3	-161.7		-2.1	-175.1	
North Dakota		-179.1			-179.1	
Ohio	-69.9	-1,129.8	-191.7		-1,391.4	-543.3
Oklahoma		-138.7		-55.9	-194.5	
Oregon		-22.7			-22.7	
Pennsylvania*						
Rhode Island		-1.1		-22.4	-23.6	-35.6
South Carolina		-96.2		-2.8	-99.0	
South Dakota	-102.4				-102.4	
Tennessee	-280.0		-130.3		-410.3	-351.3
Texas						
Utah	-1.8	-453.2	-42.0		-497.0	-101.0
Vermont			-6.1		-6.1	
Virginia		-1,969.3	-10.3		-1,979.6	-1,906.8
Washington	11.7		-1.5	44.5	54.7	
West Virginia		-750.5			-750.5	-50.0
Wisconsin	-15.5	-86.8	-39.4	-1.4	-143.1	
Wyoming						
<b>Total</b>	<b>-\$1,460.5</b>	<b>-\$10,881.4</b>	<b>-\$536.8</b>	<b>-\$463.1</b>	<b>-\$13,341.9</b>	<b>-\$5,393.1</b>
Increases	3	2	2	4	3	
Decreases	13	30	19	16	37	
District of Columbia	9.1		3.5	36.0	48.6	
Guam				-71.6	-71.6	
Puerto Rico*			667.0	532.0	1,199.0	
U.S. Virgin Islands						

NOTE: See Appendix Table A-1 for details on specific revenue changes. \*See Notes to Table 21 at the end of the chapter.



# CHAPTER 2 NOTES

## Notes to Table 13: General Fund Nominal Percentage Revenue Changes, Fiscal 2022 to Fiscal 2024

See Notes to Tables 3–5 for additional explanation of state general fund revenue amounts used to calculate annual percentage change.

## Notes to Table 14: General Fund Revenue Collections Compared to Projections, Fiscal 2023 and Fiscal 2024

<b>Colorado</b>	Revenues for FY 2022–2023 are coming in higher compared to the March 2022 OSPB forecast and the March 2022 LCS forecast (i.e., the figures reported in this survey). However, note that the Joint Budget Committee balanced the original budget for FY 2022–2023 to the Legislative Council Staff (LCS) forecast; revenues are coming in higher compared to that forecast.
<b>District of Columbia</b>	FY 2023 response is based on the data the cash collection data was generated, covering the period October through September of FY 2023. With just one month into FY 2024, there is not enough year-to-date data to compare with the FY 2024 enacted budget projections.
<b>Nebraska</b>	Fiscal 2023 response based on original 7/18/22 forecast. Fiscal 2024 response based on revised forecast on 4/26/23.

## Notes to Tables 15 and 16: Fiscal 2023 General Fund Revenue Collections Compared to Original Estimates in Fiscal 2023 Enacted Budgets (\$ Amounts and Percentage Difference)

<b>District of Columbia</b>	Original estimates include policy proposals enacted to support the original FY2023 budget. Preliminary actual figures represent the preliminary actual data based on an updated cash report for the period October 2022 through September 2023 (FY 2023).
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## Notes to Tables 17 and 18: Comparison of Tax Collections in Fiscal 2022, Fiscal 2023, and Enacted Fiscal 2024 (\$ Amounts and Percentage Change)

<b>Arizona</b>	Sales and use tax revenues reported for FY 2023 are after \$2,287.5 million in revenue diversions for several capital projects, border security, water projects, and others. Income tax revenues for FY 2024 include \$259.8 million in one-time tax rebates and increased deductions for adoption expenses. Corporate income tax revenues include some revenues which were previously classified as individual income tax revenues. This is due to a technical tax law change from a prior year which allowed pass-through entities to be taxed at the entity level. These taxpayers still pay the applicable individual rate, but the revenues flow through the corporate stream. As a result, individual revenues are artificially suppressed while corporate revenues are artificially boosted beginning in FY 2023.
<b>Arkansas</b>	Revenue amounts here are reported as “gross” (before refunds and special dedications/payments).
<b>California</b>	<p>The 2023 Budget Act forecast for personal income tax revenues includes credits derived from the Pass-Through Entity (PTE) Elective Tax payments, reducing revenues by \$19b in Fiscal 2022, \$18b in Fiscal 2023, and \$18.7b in Fiscal 2024. The 2022 Budget Act projected a reduction of \$15b in Fiscal 2023.</p> <p>The 2023 Budget Act forecast for corporate income tax revenues includes payments related to the Pass-Through Entity (PTE) Elective Tax, increasing revenues by \$21.6b in Fiscal 2022, \$19.3b in Fiscal 2023, and \$19.3b in Fiscal 2024. The 2022 Budget Act projected an increase of \$16b in Fiscal 2023.</p> <p>All Other General Fund Revenue excludes cost recoveries from wildfires and COVID-19, as well as transfers and loans:</p> <ul style="list-style-type: none"><li>A. Fiscal 2022 does not include \$9b in revenue transfers and loans to the General Fund or \$1.7b in cost recoveries from COVID-19 and wildfires.</li><li>B. The 2022 Budget Act estimate for Fiscal 2023 does not include \$3.3b in revenue transfers and loans from the General Fund or \$6.7b in cost recoveries from COVID-19 and wildfires.</li><li>C. Fiscal 2023 does not include \$1.2b in revenue transfers and loans from the General Fund or \$14m in cost recoveries from COVID-19 and wildfires.</li></ul>

D. Fiscal 2024 does not include \$2.4b in revenue transfers and loans to the General Fund or \$3.9b in cost recoveries from COVID-19 and wildfires.

<b>Colorado</b>	These numbers are pulled from TABLE 3 of the OSPB March forecasts—since there is a diversion of money that is collected from Individual and Corporate income taxes to the State Education Fund and starting in FY 23–24 Prop 123 fund—the “Other income” shows a negative because it is impossible to determine of Individual or Corporate Income taxes which amount should be reduced to account for the transfer to the SEF. That transfer is large enough to reduce the other sources.
<b>District of Columbia</b>	All Other General Fund revenue includes Unincorporated business tax, Property Tax, gross receipts tax, deed and inheritance tax, and general purpose non-tax revenue all before earmarks.
<b>Florida</b>	Figures show revenue from taxes, fees, licenses, and charges for services, but do not include FEMA reimbursements, reversions, and legal settlements.
<b>Kentucky</b>	Revenue figures exclude Tobacco Settlement Funds.
<b>Louisiana</b>	State general fund (SGF) revenue figures for FY2022 reflected here are from the Revenue Estimating Conference (REC). REC only reflects the amounts from certain Taxes, Licenses and Fees as dictated in legislation. For example, state law directs REC to only recognize corporate income tax revenue up to \$600 million. Actual corporate tax collections exceeded this amount, and this is reflected in the total revenue amount reported in Table 3.
<b>Michigan</b>	Revenue totals for fiscal 2023 are based on May consensus forecast, not preliminary actuals. Michigan’s 2023 fiscal year does not end until September 30, 2023.
<b>Mississippi</b>	Preliminary Actual Fiscal 2023 Revenue is actual revenue collected at period ending 8/31/2023.
<b>Ohio</b>	Corporate Income Tax: Ohio does not have a corporate income tax and instead has a commercial activities tax (CAT).
<b>Oregon</b>	Revenue figures are after statutory transfer to local governments for local property tax relief.
<b>Pennsylvania</b>	Revenues for fiscal 2022 as reported here do not include the \$3.841 billion transfer of SLFRF revenue replacement money into the General Fund in 2021–22. Our Official revenue reports show \$48.134 billion in 2021–22. The SLFRF transfer is shown as an adjustment to revenue as indicated in survey instructions. Revenues for fiscal 2024 shown here are our current certified revenues (with just an appropriations bill). If code bills are enacted, it is likely that the estimates will change modestly.
<b>Puerto Rico</b>	Those enacted for the accumulated period from July to August 2023 (FY 2024) are \$1,307.8 million. Preliminary collections as of this date total \$1,614.6 million. This represents a surplus over the projected amount of \$306.8 million or 23.5 percent more. These differences refer to the total income base (\$12,351.9 million). In addition, as part of “Other income to the General Fund”, a series of income representing mainly transfers to other entities or agencies whose source of income is income classified in the main “basket” of the General Fund are accounted for as gross income to the General Fund. Among these, transfers of tax payments on income of entities with contributory decrees that are redirected to finance economic development programs and transfers to municipal funds which originate from the Sales and Use tax income generated. These funds are estimated for FY24 at an additional \$473 million. Thus, total resources available in the General Fund amount to \$12,824,461 million.
<b>Rhode Island</b>	The FY 2024 enacted revenue projections do not include the estimated revenue from iGaming legalization because this initiative passed as a stand-alone bill after the budget had been passed.
<b>Tennessee</b>	FY 2023 figures are revised estimates. FY 2024 estimates are original.
<b>Virginia</b>	Revenue figures exclude transfers.
<b>Washington</b>	Total revenue figures reported here are before transfers and other adjustments.

## Notes to Table 21: Enacted Fiscal 2024 Revenue Actions by Type of Revenue and Net Increase or Decrease

<b>Arkansas</b>	The response is not reflective of all potential FY2024 revenue and tax impacts due to the majority of revenue changes being reviewed and analyzed. Impact reported under personal income taxes also includes estimated impact on corporate income taxes.
<b>Colorado</b>	Any change in tax policy in Colorado requires a vote of the people. The most recent vote of the people was approval of Prop FF in 2022 and Prop 123 in 2022—neither of these ballot measures were requested as part of the Governor’s budget. Colorado has two measures on the 2023 ballot that will impact the amount of General Fund the State can retain. If approved, Prop II will allow the State to keep higher than anticipated tax revenue from Tobacco & Nicotine products to fund universal preschool. If approved, Prop HH will adjust the State’s earnings cap under TABOR to backfill revenue loss for local governments/schools as a result of property tax savings.
<b>Maine</b>	The impact of the tax decrease reported is split between personal and corporate income tax.
<b>Massachusetts</b>	Various tax credit expansions (HDIP, Dairy Farmer, Apprenticeship, LIHTC) could be considered both income and corporate tax relief
<b>Pennsylvania</b>	At the time of data collection, there have been no tax or revenue changes in the budget, and since no code bills have passed, no tax changes have been adopted. If fiscal, tax, education, or other code bills are enacted, this could change.
<b>Puerto Rico</b>	Act 52-2022 was applied to most foreign entities as of February of fiscal year 2023. This law allowed entities that paid the excise tax based on Total Acquisition of Act 154-2010 to amend their decrees under the new Act 52-2022. The Act in general terms taxes at a higher income tax rate than what these entities paid under their previous decrees. This Law also creates a special rate structure for these entities in withholding payments at source to non-residents. The change in Act 52-2022 represents a reduction in the collections of Act 154-2010, given that a minority of foreign entities remained under this regime. For Fiscal Year 2023, the projection of the FOMB (Financial Oversight and Management Board for Puerto Rico) for Act 154/Act 52 was \$1,447 million.





# STATE BALANCES

## CHAPTER THREE

### Overview

Most states are on track to end fiscal 2023 with larger rainy day fund balances than the previous year, building on two years of substantial increases in reserves in fiscal 2021 and fiscal 2022. From fiscal 2020 to fiscal 2022, rainy day fund balances more than doubled from \$77.0 billion to \$167.3 billion, as states deposited a portion of their revenue surpluses into these reserve funds. In fiscal 2023, 41 states are estimating further increases to their rainy day funds, though in the aggregate balances in nominal dollars and as a percentage of total general fund expenditures are expected to drop slightly. For the median state, rainy day funds as a share of general fund spending continue to rise from 10.8 percent in fiscal 2022 to 12.3 percent in fiscal 2023 and 13.8 percent (enacted) in fiscal 2024. While the economy has shown continued resiliency and performed better than expected this year, potential downside risks to the current outlook remain. These high rainy day fund levels, coupled with other recent steps states have taken to strengthen their fiscal position, leave states well-prepared to manage their budgets in the event of a downturn.

In addition to rainy day funds, states' general fund balances have also seen substantial growth in recent years. States' total balances (rainy day funds combined with general fund ending balances) grew from \$111.2 billion in fiscal 2020 to more than 3.5 times that level in fiscal 2022, reaching \$402.1 billion. While they were expected to decline in fiscal 2023 as states planned to spend down prior-year surpluses, they recorded a slight increase in nominal dollars based on preliminary actual data, ending fiscal 2023 at \$406.9 billion (equivalent to 34.3 percent of general fund expenditures). Based on enacted budgets for fiscal 2024, total balance levels are projected to drop considerably to \$288.5 billion. That said, balances are projected to represent 23.2 percent of general fund expenditures, considerably higher than their pre-COVID-19 high in fiscal 2019. These elevated total balance levels provide an additional budgetary cushion for states.

### Rainy Day Funds

All 50 states report having at least one rainy day fund or budget stabilization fund established to supplement general fund

spending during a revenue downturn or other unanticipated shortfall (if the specific restrictions on the use of the fund are met).<sup>3</sup> Rainy day funds are a reflection of deliberate state policy choices by elected officials, and recent balance trends and current fund policies demonstrate how states have taken actions to strengthen their reserves such as by refining methods of deposit and tying target fund size to revenue volatility.

Since the Great Recession, governors and state lawmakers focused on rebuilding their states' rainy day funds, or budget stabilization funds. At their lowest point during the Great Recession, rainy day fund balances totaled \$27.4 billion in fiscal 2010, with a median balance of just 2.0 percent as a share of general fund expenditures. After substantial growth, those balances reached \$79.1 billion in fiscal 2019 (with a median balance of 7.9 percent as a share of general fund spending). Overall, states were in a relatively strong position in terms of their reserve levels as they entered the COVID-19 pandemic. By comparison, when states entered the Great Recession crisis in fiscal 2008, the median rainy day fund balance was 4.8 percent. (See Table 24 and Figure 4)

Some states turned to their rainy day funds to close shortfalls in fiscal 2020, leading balances to decline slightly in the aggregate that year. Then, in fiscal 2021 and again in fiscal 2022, total rainy day fund balances and the median balance as a share of general fund spending both rose to new all-time highs, largely the result of significantly stronger-than-anticipated revenue growth for those two consecutive years. By fiscal 2022, total rainy day fund balances reached \$167.3 billion, representing 15.8 percent of total general fund spending, with a median balance of 10.8 percent.

Based on preliminary actual data, rainy day fund balances ended fiscal 2023 at a level equivalent to 14.1 percent of general fund expenditures. In the aggregate, combined rainy day funds are estimated to total \$167.0 billion, just a slight decline from fiscal 2022. This decline is primarily attributable to reduced reserves in one large state. Forty-one states reported nominal increases in their rainy day fund balances compared to the prior year, and the median rainy day fund balance as a percentage of general fund spending rose in fiscal 2023 to 12.3 percent, even with higher spending levels.

<sup>3</sup> For more details on states' budget stabilization or rainy day funds, see NASBO's *Budget Processes in the States* (2021), Table 13.

According to enacted budgets, rainy day fund balances are projected to total \$155.7 billion at the end of fiscal 2024, excluding data from two states. Accounting for these exclusions, projected rainy day fund balances in fiscal 2024 are down \$4.1 billion on net. However, the median balance as a percentage of general fund spending is expected to tick up further to 13.8 percent in fiscal 2024, reflecting how most states are forecasting continued increases to their rainy day funds in the next fiscal year. (See Table 24)

**Rainy Day Fund Levels Vary Across States.** Rainy day fund levels as a share of expenditures vary across states, ranging in fiscal 2023 from a low of 0.4 percent to a high of 84.0 percent. This variation is related to differing rainy day fund structures, policy decisions, revenue volatility levels, fiscal conditions, and other factors. That said, as more states have deliberately focused on building reserves and changed deposit rules in recent years to align with this goal, rainy day fund balance growth has been widespread. At the end of fiscal 2023, 34 states held rainy day fund balances greater than 10 percent as a percentage of their general fund expenditures, 13 states had balances between 5 percent and 10 percent, and the remaining three states had balances below 5 percent. In states' enacted budgets for fiscal 2024, this breakdown is similar and a majority of states are forecasting increases in rainy day fund balance levels measured in nominal dollars. (See Table 23)

**Rainy Day Fund Names.** All states now have at least one rainy day fund established to supplement general fund spending during a revenue downturn or other unanticipated shortfall, also commonly referred to as a "budget stabilization fund" or "budget reserve fund." Some states also have a reserve fund dedicated to supplement education funding or for other specific purposes. States reported to NASBO the name of the fund(s) included in their rainy day fund balance amounts. (See Table 25). For more details on how these funds are structured, as well as information on other more targeted state rainy day funds not included here, see NASBO's *Budget Processes in the States* (2021), Table 13.

## Total Balances

Total balances include ending balances (both reserved and unreserved) and the amounts in states' budget stabilization or rainy day funds. Since fiscal 2009 and fiscal 2010, when states' total balance levels declined due to the severe drop in revenues resulting from the Great Recession, states made

significant progress rebuilding budget reserves. In fiscal 2019—before the COVID-19 crisis—total balances reached an all-time high in actual dollars, totaling \$121.6 billion, and as a percentage of general fund spending, at 14.0 percent of general fund expenditures. As states grappled with the early impacts of the COVID-19 pandemic, the cash flow challenges created by the tax deadline shift, and other factors, total balance levels recorded a decline in fiscal 2020—the first substantive year-over-year reduction in total balance levels since fiscal 2009. However, due mainly to revenues beating state forecasts—by a considerable margin in many cases—along with other one-time factors, total balances experienced sharp increases in fiscal 2021 and again in fiscal 2022. By the end of fiscal 2022, total balances reached \$402.1 billion, or 37.9 percent as a percentage of total general fund expenditures. (See Table 26 and Figure 5)

In fiscal 2023, state total balance levels were previously expected to decline as states planned to spend down some of their prior-year surplus funds. However, due in part to most states experiencing a revenue surplus for a third consecutive year in fiscal 2023, rainy day fund balances in the aggregate recorded a further increase year-over-year—reaching \$406.9 billion in fiscal 2023. As a percentage of general fund spending, total balances at the end of fiscal 2023 were equivalent to 34.3 percent in fiscal 2023, and the median balance was lower at 32.6 percent.

In enacted budgets for fiscal 2024, total balance levels are projected to drop considerably to \$288.5 billion, though this figure excludes data from one state. Accounting for this exclusion, aggregate total balances are projected to drop by roughly \$110 billion in fiscal 2024. That said, balances are projected to represent 23.2 percent of general fund expenditures, which is still considerably higher than their pre-COVID-19 high in fiscal 2019 and roughly double their level going into the Great Recession in fiscal 2007/2008.

In fiscal 2023, 47 states reported total balances greater than 10 percent as a percentage of their general fund expenditures, with the remaining three states reporting total year-end balances between 5 percent and 10 percent. According to enacted budgets, most states are projecting decreases to their total balance levels in fiscal 2024, though 43 states are still forecasting end-of-year balances greater than 10 percent. (See Tables 27 and 28)

TABLE 22

**Rainy Day Fund Balances, Fiscal 1988 to Fiscal 2024**

Fiscal Year	RDF Balance (Billions)	Total RDF Balance (Percentage of Expenditures)	Median RDF Balance (Percentage of Expenditures)
2024*	\$155.7	12.9%	13.8%
2023*	167.0	14.1	12.3
2022	167.3	15.8	10.8
2021	121.8	13.3	10.3
2020	77.0	8.6	8.4
2019	79.1	9.1	7.9
2018	68.1	8.3	6.5
2017	55.7	6.9	5.6
2016	52.0	6.6	5.3
2015	48.2	6.4	4.9
2014	48.1	6.6	4.4
2013	41.8	6.0	3.6
2012	36.9	5.5	2.4
2011	29.0	4.5	1.8
2010	27.4	4.4	2.0
2009	29.4	4.4	2.6
2008	33.2	4.8	4.8
2007	31.1	4.8	4.7
2006	31.9	5.3	4.6
2005	25.0	4.5	2.5
2004	12.3	2.4	1.8
2003	8.4	1.7	0.7
2002	10.9	2.1	1.7
2001	22.0	4.4	4.6
2000	27.9	6.0	4.1
1999	21.0	4.8	3.5
1998	19.5	4.8	3.3
1997	13.7	3.5	2.6
1996	11.0	3.0	2.4
1995	9.1	2.6	1.9
1994	5.7	1.7	1.6
1993	5.3	1.7	1.0
1992	3.0	1.0	0.0
1991	3.0	1.0	0.0
1990	3.6	1.3	0.7
1989	4.2	1.6	1.5
1988	3.0	1.3	0.8

NOTE: \*Figures for fiscal 2023 are preliminary; figures for fiscal 2024 are projected based on states' enacted budgets. Figures for fiscal 2024 exclude Georgia and Wisconsin. Historical rainy day fund balance data shown in this table may differ from figures published in previous editions of The Fiscal Survey of States, as figures for some years were updated based on a review of original source data.

TABLE 23

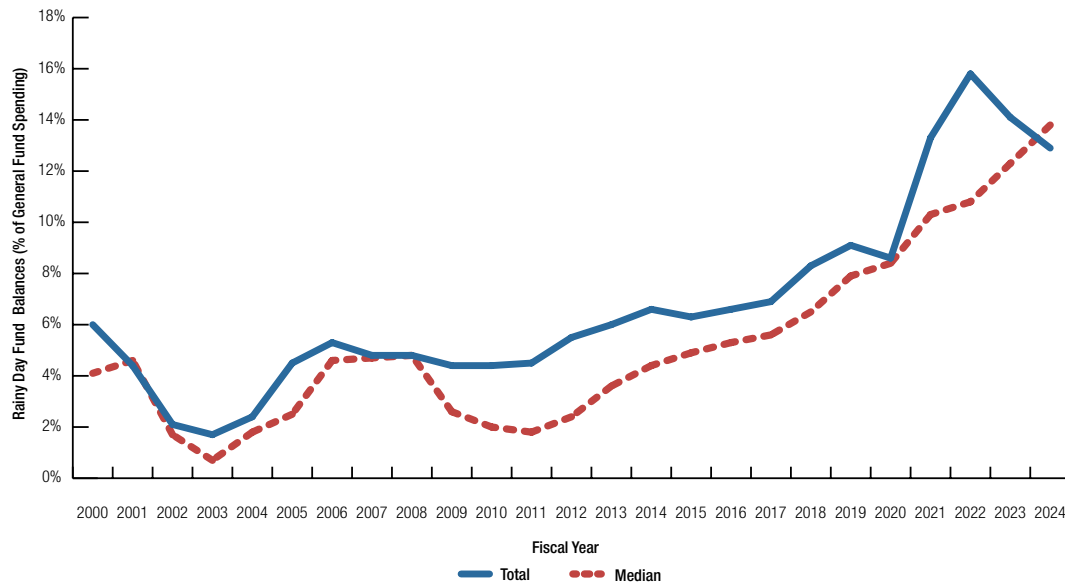
### Rainy Day Fund Balances as a Percentage of Expenditures, Fiscal 2022 to Fiscal 2024

Percentage	Number of States		
	Fiscal 2022 (Actual)	Fiscal 2023 (Preliminary Actual)	Fiscal 2024 (Enacted)
Less than 1%	1	1	1
> 1% but < 5%	5	2	2
> 5% but < 10%	16	13	14
10% or more	28	34	31
N/A	0	0	2

NOTE: See Table 24 for state-by-state data.

**FIGURE 4:**

**Rainy Day Fund Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2024**



**FIGURE 5:**

**Total Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2024**

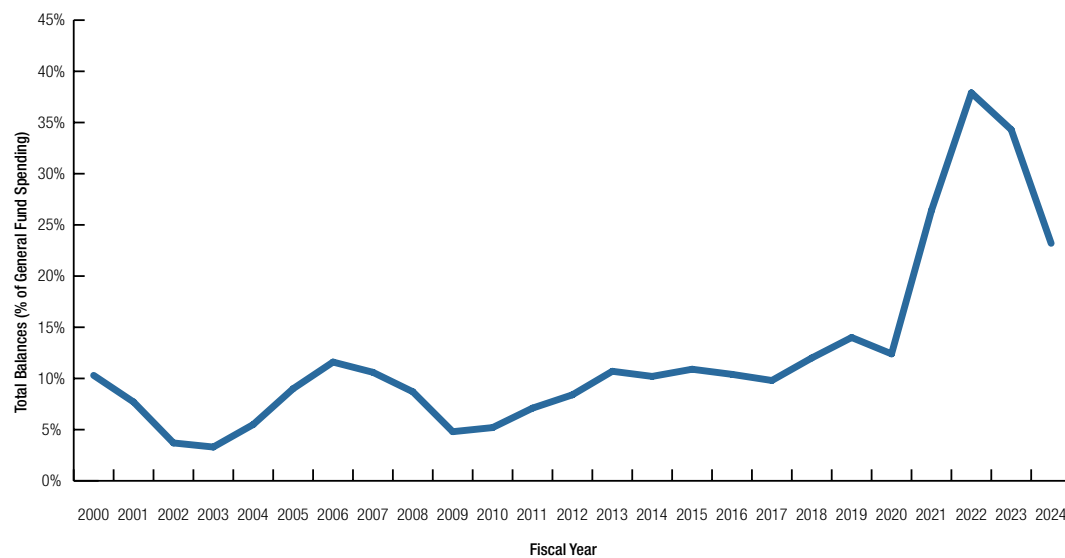


TABLE 24

# Rainy Day Fund Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2022 to Fiscal 2024

State/Territory	Rainy Day Fund Balances (\$ in Millions)			Rainy Day Fund Balances as a Percent of General Fund Expenditures		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	\$1,449	\$1,978	\$2,661	13.6%	14.1%	22.2%
Alaska	2,836	2,454	2,828	61.8	32.1	47.4
Arizona	982	1,449	1,477	7.6	9.4	8.3
Arkansas	1,212	1,530	1,530	20.7	25.4	24.7
California	81,288	54,161	37,823	37.5	23.1	16.7
Colorado	1,614	1,996	2,213	9.0	10.5	12.8
Connecticut	3,313	3,316	3,853	16.0	14.9	17.4
Delaware	280	316	329	5.5	5.4	5.6
Florida	2,730	3,140	4,140	7.2	6.2	7.3
Georgia	5,240	5,392	N/A	18.3	17.6	N/A
Hawaii	326	974	1,500	3.7	9.2	12.9
Idaho	832	1,099	1,161	18.8	24.0	22.4
Illinois	752	1,940	2,078	1.6	3.9	4.1
Indiana	1,617	2,095	2,076	8.8	9.7	9.4
Iowa	830	902	962	10.2	11.0	11.3
Kansas	969	1,610	1,680	11.8	18.5	16.8
Kentucky	1,034	3,714	3,714	7.9	25.7	26.0
Louisiana	721	975	1,000	5.7	8.2	8.5
Maine	907	907	972	22.3	20.4	19.1
Maryland	1,662	2,958	2,553	7.8	10.5	9.4
Massachusetts	6,938	7,980	8,711	17.3	15.5	17.8
Michigan	1,589	1,783	1,992	13.9	10.3	13.1
Minnesota	3,252	3,202	3,202	13.2	11.8	8.5
Mississippi	558	581	634	9.7	9.2	9.5
Missouri	772	893	899	7.4	7.1	5.6
Montana	119	485	521	4.3	10.2	15.0
Nebraska	928	1,548	858	19.9	30.0	16.0
Nevada	340	1,174	1,231	7.5	18.5	21.2
New Hampshire	160	289	289	9.9	13.5	15.4
New Jersey	0	223	223	0.0	0.4	0.4
New Mexico	3,230	4,300	3,405	40.0	43.6	29.7
New York	3,319	6,256	6,256	3.9	6.9	6.1
North Carolina	3,116	4,750	4,750	12.1	17.8	15.8
North Dakota	717	738	914	30.9	28.2	30.0
Ohio	2,706	3,501	3,719	10.0	12.9	10.6
Oklahoma	1,222	1,675	2,016	16.4	18.7	19.2
Oregon	1,660	2,064	2,576	12.5	14.9	16.5
Pennsylvania	2,869	5,117	5,271	7.3	12.5	11.7
Rhode Island	279	271	282	5.3	5.3	5.2
South Carolina	1,847	842	1,163	19.3	7.2	8.8
South Dakota	307	239	336	15.0	10.7	14.7
Tennessee	1,550	1,800	2,050	9.8	8.7	8.0
Texas	10,615	14,174	20,089	17.3	21.1	21.8
Utah	1,187	1,187	1,187	11.6	10.2	8.1
Vermont	266	288	291	11.4	13.8	12.2
Virginia	2,647	3,826	4,599	10.0	12.1	14.6
Washington	335	652	984	1.2	2.1	3.1
West Virginia	957	943	1,175	20.2	16.7	24.3
Wisconsin	1,734	1,800	N/A	8.9	8.8	N/A
Wyoming	1,478	1,491	1,491	95.8	84.0	84.0
<b>Total**</b>	<b>\$167,290</b>	<b>\$166,979</b>	<b>\$155,662</b>	<b>15.8%</b>	<b>14.1%</b>	<b>12.9%</b>
				<b>Median</b>	<b>10.8%</b>	<b>12.3%</b>
District of Columbia	746	553	653		6.6	4.1
Guam	15	30	47		2.2	3.5
Puerto Rico	328	1,034	1,034		1.5	9.6
U.S. Virgin Islands	16	21	21		1.2	1.8

NOTES: N/A indicates data not available. Fiscal 2022 are actual figures, fiscal 2023 are preliminary actual figures, and fiscal 2024 are enacted figures. \*\*Total amount for fiscal 2024 excludes Georgia and Wisconsin, as rainy day fund balance projections were unable for these states.

TABLE 25

## State Rainy Day Fund Names

State/Territory	Fund Name(s)
Alabama	Education Trust Fund Budget Stabilization Fund, General Fund Budget Reserve Fund, Education Trust Fund Rainy Day Account, General Fund Rainy Day Account, and the Educational Opportunities Reserve Fund
Alaska	Constitutional Budget Reserve Fund, Statutory Budget Reserve Fund
Arizona	Budget Stabilization Fund
Arkansas*	Catastrophic Reserve Fund
California*	Special Fund for Economic Uncertainties (SFEU) Budget Stabilization Account (BSA) Safety Net Reserve Public School System Stabilization Account (PSSSA)
Colorado	General Fund Statutory Reserve
Connecticut	Budget Reserve Fund
Delaware	Budget Reserve Account
Florida	Budget Stabilization Fund
Georgia	Revenue Shortfall Reserve
Hawaii	Emergency and Budget Reserve Fund
Idaho	Budget Stabilization Fund, Public Education Stabilization Fund, Higher Education Stabilization Fund, 27th Payroll Fund
Illinois	Budget Stabilization Fund
Indiana	Medicaid Contingency & Reserve, State Tuition Reserve, Counter-Cyclical Revenue and Economic Stabilization Fund ("Rainy Day Fund")
Iowa	Cash Reserve Fund, Economic Emergency Fund
Kansas	Budget Stabilization Fund
Kentucky	Budget Reserve Trust Fund
Louisiana	Budget Stabilization Fund
Maine	Budget Stabilization Fund, Reserve for Operating Capital
Maryland	Revenue Stabilization Account
Massachusetts	Commonwealth Stabilization Fund
Michigan	Countercyclical Budget and Economic Stabilization Fund
Minnesota	Budget Reserve, Cashflow Account
Mississippi	Working Cash Stabilization Fund
Missouri	Budget Reserve Fund
Montana	Budget Stabilization Reserve Fund
Nebraska	Cash Reserve Fund
Nevada	Account to Stabilize the Operation of State Government ("Rainy Day Fund")
New Hampshire	Revenue Stabilization Reserve Account
New Jersey	Surplus Revenue Fund
New Mexico	Tax Stabilization Reserve Fund, Operating Reserves, Appropriation Contingency, State Support Reserves, Tobacco Settlement Permanent Fund
New York*	Tax Stabilization Reserve, Rainy Day Reserve
North Carolina	Savings Reserve
North Dakota	Budget Stabilization Fund
Ohio	Budget Stabilization Fund
Oklahoma	Constitutional Reserve Fund, Revenue Stabilization Fund
Oregon	Rainy Day Fund, Education Stability Fund
Pennsylvania	Budget Stabilization Reserve Fund
Rhode Island	Budget Reserve and Cash Stabilization Fund
South Carolina	5.5% General Reserve, 3% Capital Reserve, and Contingency Reserve
South Dakota	Budget Reserve Fund, General Revenue Replacement Fund
Tennessee	Revenue Fluctuation Reserve
Texas	Economic Stabilization Fund
Utah	General Fund Budget Reserve Account, Income Tax Fund Budget Reserve Account
Vermont	Budget Stabilization Reserve, Human Services Caseload Reserve, General Fund Balance Reserve, 27/53 Reserve, NTIA Broadband Reserve
Virginia	Revenue Stabilization Fund, Revenue Cash Reserve
Washington	Budget Stabilization Account
West Virginia	Revenue Shortfall Reserve Fund, Revenue Shortfall Reserve Fund Part B
Wisconsin	Budget Stabilization Fund
Wyoming	Legislative Stabilization Reserve Account (LSRA)
District of Columbia	Emergency Cash; Contingency Cash Reserve; Fiscal Stabilization Reserve
Guam	Rainy Day Fund
Puerto Rico	Emergency Reserve
U.S. Virgin Islands	GVI Budget Stabilization Fund

Notes: \*See Notes to Table 25 at the end of the chapter. Above are the names of those funds that are included in the rainy day fund balances reported in this survey. For more details on how these funds are structured, as well as information on other more targeted state budget stabilization funds not included here, see NASBO's *Budget Processes in the States* (2021), Table 13.

TABLE 26

**Total Balances, Fiscal 1979 to Fiscal 2024**

Fiscal Year	Total Balance (Billions)	Total Balance (Percentage of Expenditures)
2024*	\$288.5	23.2%
2023*	406.9	34.3
2022	402.1	37.9
2021	241.3	26.4
2020	111.2	12.4
2019	121.6	14.0
2018	98.9	12.0
2017	79.4	9.8
2016	81.8	10.4
2015	82.5	10.9
2014	74.0	10.2
2013	74.4	10.7
2012	55.8	8.4
2011	46.0	7.1
2010	32.1	5.2
2009	31.6	4.8
2008	60.1	8.7
2007	69.2	10.6
2006	69.5	11.6
2005	50.0	9.0
2004	28.7	5.5
2003	16.9	3.3
2002	18.7	3.7
2001	38.8	7.7
2000	48.1	10.3
1999	39.3	9.0
1998	35.4	8.6
1997	30.7	7.9
1996	25.1	6.8
1995	20.6	5.8
1994	16.9	5.1
1993	13.0	4.2
1992	5.3	1.8
1991	3.1	1.1
1990	9.4	3.4
1989	12.5	4.8
1988	9.8	4.2
1987	6.7	3.1
1986	7.2	3.5
1985	9.7	5.3
1984	6.4	3.8
1983	2.3	1.5
1982	4.5	2.9
1981	6.5	4.4
1980	11.8	9.4
1979	11.2	9.8

NOTE: \*Figures for fiscal 2023 are preliminary; figures for fiscal 2024 are projected based on states' enacted budgets. Figures for fiscal 2024 exclude Wisconsin. Historical total balance data shown in this table may differ from figures published in previous editions of the Fiscal Survey of States, as figures for some years were updated based on a review of original source data.



TABLE 27

### Total Balances as a Percentage of Expenditures, Fiscal 2022 to Fiscal 2024

Percentage	Number of States		
	Fiscal 2022 (Actual)	Fiscal 2023 (Preliminary Actual)	Fiscal 2024* (Enacted)
Less than 1%	0	0	0
> 1% but < 5%	1	0	0
> 5% but < 10%	2	3	6
10% or more	47	47	43
N/A	0	0	1

NOTE: See Table 28 for state-by-state data.

TABLE 28

## Total Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2022 to Fiscal 2024

State/Territory	Total Balances (\$ in Millions)			Total Balances as a Percent of General Fund Expenditures		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	\$4,872	\$4,515	\$5,516	45.7%	32.2%	46.1%
Alaska	2,836	2,454	2,828	61.8	32.1	47.4
Arizona	5,693	4,144	1,652	44.2	26.9	9.3
Arkansas	2,840	2,564	1,953	48.6	42.6	31.5
California	86,560	59,433	43,096	39.9	25.3	19.1
Colorado	3,203	2,342	2,397	18.0	12.3	13.9
Connecticut	3,313	3,316	3,853	16.0	14.9	17.4
Delaware	2,605	3,040	3,153	51.5	51.9	53.2
Florida	25,533	22,941	12,941	67.0	45.1	22.8
Georgia	12,219	16,093	16,093	42.8	52.5	52.3
Hawaii	2,945	3,153	2,196	33.3	29.7	18.8
Idaho	2,165	1,516	1,434	49.0	33.1	27.7
Illinois	2,063	3,852	3,897	4.3	7.7	7.6
Indiana	6,125	2,926	2,679	33.3	13.5	12.2
Iowa	2,745	2,733	2,968	33.8	33.3	34.9
Kansas	2,804	4,021	4,419	34.2	46.1	44.1
Kentucky	2,912	4,079	3,962	22.1	28.2	27.7
Louisiana	1,448	981	1,027	11.4	8.3	8.7
Maine	941	1,072	1,087	23.1	24.1	21.4
Maryland	7,161	5,542	2,917	33.8	19.7	10.7
Massachusetts	18,200	12,898	11,405	45.3	25.0	23.3
Michigan	9,052	4,921	2,388	79.2	28.3	15.7
Minnesota	11,996	16,305	6,695	48.6	59.8	17.8
Mississippi	563	583	1,327	9.8	9.3	19.9
Missouri	5,671	6,659	3,875	54.2	53.2	24.0
Montana	1,966	1,336	1,015	71.4	28.0	29.2
Nebraska	3,422	3,402	1,486	73.2	66.0	27.8
Nevada	2,182	1,782	1,576	48.1	28.0	27.2
New Hampshire	413	289	331	25.7	13.5	17.6
New Jersey	8,319	10,209	8,253	15.9	19.8	15.3
New Mexico	3,230	4,299	3,405	40.0	43.6	29.7
New York	33,053	43,451	39,537	39.2	48.0	38.7
North Carolina	10,282	9,599	6,314	39.9	35.9	21.1
North Dakota	2,095	2,226	2,063	90.2	85.2	67.7
Ohio	9,253	12,491	5,453	34.3	46.1	15.5
Oklahoma	3,545	4,726	4,265	47.6	52.9	40.7
Oregon	7,312	9,700	5,492	55.0	70.1	35.2
Pennsylvania	8,406	14,100	12,871	21.4	34.6	28.6
Rhode Island	489	681	283	9.3	13.4	5.2
South Carolina	6,866	6,846	5,215	71.5	58.2	39.5
South Dakota	423	336	336	20.6	15.0	14.7
Tennessee	8,982	7,320	2,106	57.0	35.2	8.2
Texas	36,857	53,410	26,804	60.0	79.3	29.1
Utah	4,407	4,288	1,239	43.0	36.7	8.5
Vermont	443	626	295	19.0	29.8	12.4
Virginia	7,380	5,276	4,606	27.9	16.6	14.6
Washington	5,829	4,271	4,468	20.8	13.6	13.9
West Virginia	2,951	3,828	3,874	62.2	67.8	80.1
Wisconsin	6,033	8,873	N/A	31.1	43.4	N/A
Wyoming	1,478	1,491	1,491	95.8	84.0	84.0
<b>Total**</b>	<b>\$402,079</b>	<b>\$406,937</b>	<b>\$288,532</b>	<b>37.9%</b>	<b>34.3%</b>	<b>23.2%</b>
				<b>Median</b>	<b>40.0%</b>	<b>32.6%</b>
District of Columbia	5,638	4,978	4,256		50.0	36.5
Guam	132	114	55		19.5	13.2
Puerto Rico	2,832	2,850	1,119		13.4	26.4
U.S. Virgin Islands	27	41	134		2.1	3.5

NOTES: Total balances include both the ending balance and Rainy Day Funds. Fiscal 2022 are actual figures, fiscal 2023 are preliminary actual figures, and fiscal 2024 are enacted figures. \*\*Fiscal 2024 total amount excludes Wisconsin, as complete data were not available for that state. N/A indicates data not available.

# CHAPTER 3 NOTES

## Notes to Table 24: Rainy Day Fund Balances, Dollar Amount and as a Percentage of Expenditures, Fiscal 2022 to Fiscal 2024

See Notes to Tables 3–5 in Chapter One for explanation of state rainy day fund balances reported.

## Notes to Table 25: State Rainy Day Fund Names

<b>Arkansas</b>	Due to Act 2 of the 2nd Extraordinary Session of 2021, Arkansas's rainy day fund name changed from Long Term Reserve Fund to Catastrophic Reserve Fund.
<b>California</b>	Safety Net Reserve Fund created in the 2018 Budget Act to maintain existing benefits and services for Medi-Cal and CalWORKs during economic downturns. Public School System Stabilization Account enacted in 2014 as part of Proposition 2 to serve as a Proposition 98 Rainy Day Fund to lessen the impact of volatile state revenues on K–14 schools.
<b>New York</b>	The State has three principal reserves to address operating risks: the Tax Stabilization Reserve, the Rainy Day Reserve, and amounts informally reserved for economic uncertainties. The first two, which are known collectively as the “Rainy Day Reserves,” have specific statutory limits on how much can be deposited annually and specific conditions on when they can be used. The reserve for economic uncertainties, totaling \$13.3 billion, is an informal designation of General Fund resources that was initiated in FY 2020 and is not subject to any statutory limitations as to size or restriction as to use. Together, these funds provide a prudent buffer against financial risks.

# APPENDIX

TABLE A-1

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State/Territory	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
SALES & USE TAXES					
Alabama	To define "food" and begin reducing the state sales and use tax on food on September 1, 2023; to require certain growth targets in the Education Trust Fund for future sales tax reductions on food; to establish the sales and use tax rate on food for purposes of county and municipal sales and use taxes as the existing general or retail sales and use tax rate; and to authorize a county and municipality to reduce the sales and use tax rate or exempt food from local sales and use taxes.	09-23		-\$152.0	
Connecticut	Increase Film Production Tax Credit Discount from 78% to 92% for 2 Income Years Against SUT	01-24		-2.2	
	Exempt Narcan (The fiscal impact of this policy is estimated to be less than \$100,000.)	07-23			
Florida	Exemption for Certain Charges for Private Investigations	07-23		-1.2	
	Exemption for Renewable Natural Gas Machinery & Equipment	07-23		-1.5	
	Fencing	07-23		-0.5	
	Tool Time	07-23		-12.1	X
	Business Rent Tax Rate Reduction	07-23		-191.2	X
	Diapers and Incontinence Products	07-23		-19.9	
	Energy Star Appliances	07-23		-62.4	X
	Exemption for Baby and Toddler Products	07-23		-114.9	
	Natural Gas Ranges and Cooktops	07-23		-4.9	X
	Oral Hygiene Products Permanent	07-23		-28.7	
	Back-to-School	07-23		-126.8	X
	Freedom Summer	05-23		-181.6	X
	Thoroughbred Breeders Distributions	07-23		-27.5	X
	Firearm Safety Devices	07-23		-3.3	
	Disaster Preparedness	05-23	-\$20.3	-93.2	X
Indiana	Increases tax exemption for certified technology parks	07-23		-1.4	
	Increases tax capture for 3 cities' Professional Sports Development Areas	07-23		-4.2	
	Research and ag machinery deductions	07-23		-30.0	
Kentucky	Expansion of sales tax to additional services	01-23	43.2	104.8	
	Exempt materials used in constructing water/sewer projects by municipal governments or special districts	01-23	-5.7	-13.6	
Maryland	Possession and permits to carry, wear, and transport a handgun			5.3	
	Cannabis Reform			17.9	
Massachusetts	Single Sales Factor—shifts from three-factor apportionment system based on business's share of sales, payroll, and property to apportionment based solely on sales (starting next fiscal year)	01-24		0.0	

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State/Territory	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
SALES & USE TAXES					
Minnesota	23, CH 64—SalesTax, Local Sales Tax Exemptions	07-23		-\$8.3	
	23, CH 64—SalesTax, Certain Natural Gas Fees to Residential Customers	07-23		-7.6	
	23, CH 64—SalesTax, MSP Airport	07-23		-7.6	
	23, CH 64—SalesTax, Suite Licenses & Amenities Included with Admission	07-23		-1.8	
	23, CH 64—SalesTax, Nonprofit Blood Centers	07-23		-1.4	
	23, CH 64—SalesTax, Disregarded LLCs	07-23		-0.7	
	23, CH 64—SalesTax, Solid Waste Tax Transfer	07-23		-3.4	
	23, CH 64—SalesTax, Forgive MPLS Interest on Construction Obligation	07-23		-6.2	
	23, CH 63—SalesTax, Legalizing Adult-Use Cannabis	07-23		4.8	
	23, CH 72—SalesTax, Warroad Event Center	07-23		-0.3	
	23, CH 68—SalesTax, Auto Parts Sales Tax Reallocation	07-23		-5.5	
	23, CH 68—SalesTax, Tribal Agreements	07-23		-0.3	
	Nebraska	Sports Arena Facility Financing	01-24		-1.0
Development District Tax Rate		01-24		-2.0	
New York	Increase the State Excise Tax Rate on Cigarettes	09-23		-5.0	
North Carolina	Exemption for Continuing Care Retirement Communities—exemption for items sold besides alcohol	11-23		-5.3	
	Exemption for breast pumps and breast pump accessories	11-23		-2.0	
	Exemptions and Refunds for Motorsports Industry Extension	01-24		-4.0	
Ohio	Exemption for infant items (cribs, strollers, car seats, diapers, wipes, lotions)	10-23		-10.3	
	Exemptions for tax filing services, motor dealer documentary charges, and seasonally stored watercraft	05-23	-\$5.3	-32.0	
	Expand exemption for pollution control equipment	04-23	-13.5	-2.6	
	Deduction for sales tax remitted on bad debt of private label credit cards	03-23		-25.0	
South Dakota	Eliminate sales tax on groceries.	07-23		-102.4	
Tennessee	Sales—Three-month holiday on food and food ingredients	07-23		-280.0	X
Utah	Exemption	07-23		-1.8	
Washington	Senior Living Meals/Tax	07-23	-1.3	-1.5	
	Nontax Statutes/DOR	07-23	13.8	14.4	
	Newspaper Publishers/Tax	01-24	-0.4	-1.2	
Wisconsin	Increase the sales tax retailer's discount rate from 0.5% to 0.75%, and increase the maximum discount a retailer may claim per reporting period from \$1,000 to \$8,000.	10-23		-15.5	
Total Revenue Changes—Sales & Use Tax			\$10.5	-\$1,460.5	
One-Time Changes Only			-\$20.3	-\$979.7	
District of Columbia	Decrease tax revenue earmarked for transit subsidy and Commission on Arts	10-24		1.6	
	Increases in compliance audit initiatives	10-24		7.5	

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
PERSONAL INCOME TAXES					
Alabama	Gross Income, to exclude hours worked above 40 in any given week from gross income.	01-24		-\$34.0	
Arizona	Income Tax Rebate	10-23		-259.8	X
Arkansas*	Reduce top marginal income tax rates to 4.7% (individual) and 5.1% (corporate)	01-23		-186.0	
	LEARNS Act includes \$4M increase in income tax credits for nonpublic scholarship contribution	08-23		-4.0	
California	Incomplete Non-Grantor Trusts	01-23		30.0	
	ARPA Conformity—Student Loan Debt Forgiveness	01-21		-0.1	
	Exclude Kincade and Zogg Wildfire Settlements from Taxation	01-20		-5.5	
Connecticut	Reduce Personal Income Tax Rates—5% Rate to 4.5% & 3% Rate to 2% for AGI under \$150K Single & \$300K Joint	01-24		-166.8	
	Establish a Phase-Out for the Pension & Annuity and IRA Exemption for Retirees Against the PIT	01-24		-21.1	
	Student Loan Reimbursement Deduction (Student loan debt ‘discharge’ is not included in federal AGI from income year 2020 through income year 2025, inclusive. Any student loan deduction could not be applied to Connecticut’s tax return until filing income year 2026 taxes)	01-24			
	Cannabis—Allow Deductions for Expenses Beyond Costs of Goods Sold. (No fiscal impact was adopted. The fiscal impact is indeterminable for CT at this time.)	01-23			
	Baby Bonds—Exemption (Policy would not have a fiscal impact until filing income year 2042 Personal Income Taxes)	01-42			
	PIT Exemption for Shares Received from a Business Share Plan	01-25			
	Angel Investor Tax Credit—Repeal Cannabis Expansion	07-23		12.5	
	Youth Development Organization Contribution—50% Tax Credit	01-24		-2.5	
	EITC—Increase Rate from 30.5% to 40% Beginning for IY 2023	01-23		-44.6	
	ABLE Account Contributions—PIT Deduction (The fiscal impact of this policy is estimated to be less than \$100,000.)	01-24			
Hawaii	Tax Credits	01-23		-89.2	
Illinois	Held standard exemption to \$2,245	12-23		75.0	X
Indiana	Dependent exemption increase	07-23		-3.8	
	Income tax rate cut	07-23		-137.2	
	Earned Income Tax Credit	07-23		-30.8	
Iowa	Retirement income is state tax exempt and top personal income tax rate drops from 8.53% to 6.5%	01-23	-\$551.9	-310.5	
Kansas	Apprenticeship/Engineering Tax Credits	07-23		-1.2	
Kentucky	Tax rate reduction	01-23	-291.5	-988.7	
	SALT workaround-new pass-through entity tax	01-23	-2.7	-13.0	
	IRS Code update	01-22	-7.5	-10.5	
	Expansion of the historic rehabilitation credit	01-22	-7.5	-10.0	
	Decontamination credit	01-22	-3.8	-8.8	

\*See Notes to Table A-1 at the end of the Appendix.

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
	PERSONAL INCOME TAXES				
Maryland	Earned Income Tax Credit			-\$154.4	
	Child Tax Credit			-17.9	
	Military retirement tax reduction			-11.2	
	Income tax subtraction modification for union dues			-9.9	
	Student loan debt relief tax credit			-9.0	
Massachusetts*	Increases the maximum rental deduction from \$3 K to \$4 K	01-23		-40.0	
	Expands eligibility for certain commuting costs as a deduction, including expanded transit/biking eligibility	01-23		-11.0	
	Increases EITC state credit from 30% to 40% of the federal credit	01-23		-84.5	
	Child and Family Tax Credit—Eliminates two-dependent cap and increases credit from \$180 per dependent child, disabled adult, or senior to \$310 for 2023 and to \$440 on a permanent basis, starting in 2024.	01/23 and 01/24		-164.6	
	Short-Term Capital Gains—reduces rate from 12% to 8.5%	01-23		-58.3	
	Low-Income Housing Tax Credit (LIHTC)—increases annual program cap from \$40 million to \$60 million	01-23		-19.4	
	Housing Development Incentive Program (HDIP)—increases annual program cap from \$10 million to \$57 million in 2023, and thereafter to \$30 million annually	01-23		0.0	
	Senior Circuit Breaker Tax Credit—doubles credit, indexed to inflation, which equates to an increase from \$1,200 to \$2,400	01-23		-60.0	
	Miscellaneous Minor Changes—incl. expanded apprenticeship tax credit, municipal affordable housing property tax exemption, expanded septic tank credits, expanded lead paint abatement credits, lower cider tax rates, and expanded dairy tax credit	01-23		-11.0	
Michigan*	Temporary rollback of rate from 4.25% to 4.05%	01-23	-\$531.0	-228.0	X
	Expansion of EITC from 6% to 20%	90 days after legislature adjourns in 2023	-384.0	-384.0	
	Rollback of Retirement Tax	90 days after legislature adjourns in 2023		-224.0	

\*See Notes to Table A-1 at the end of the Appendix.

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
PERSONAL INCOME TAXES					
Minnesota	23, CH 64—IncTax, One-time Refundable Credit	07-23		-\$1,130.9	X
	23, CH 64—IncTax, MN Child Tax Credit	07-23		-455.4	
	23, CH 64—IncTax, Working Family Credit for ITINs, incl. interactions	07-23		-54.7	
	23, CH 64—IncTax, Modify Working Family Credit	07-23		150.0	
	23, CH 64—IncTax, Newly Eligible Dependents	07-23		-58.4	
	23, CH 64—IncTax, Dependent Care Credit Newborn Credit to Unmarried Filers	07-23		-1.6	
	23, CH 64—IncTax, Social Security Subtraction	07-23		-235.8	
	23, CH 64—IncTax, Public Pension Subtraction, incl. interactions	07-23		-40.3	
	23, CH 64—IncTax, K–12 Credit; Education Expenses, incl. interactions	07-23		-11.1	
	23, CH 64—IncTax, Angel Tax Credit	07-23		-5.0	
	23, CH 64—IncTax, Beginning Farmer Credit	07-23		-4.0	
	23, CH 64—IncTax, Film Production Credit	07-23		-8.5	
	23, CH 64—IncTax, Sexual Harassment Payment Subtraction	07-23		-0.1	
	23, CH 64—IncTax, Military Credit Due Date	07-23		-0.2	
	23, CH 64—IncTax, Manufactured Home Park Credit	07-23		-0.4	
	23, CH 64—IncTax, Short Line Railroad Credit	07-23		-1.4	
	23, CH 64—IncTax, Standard/Itemized Deduction Phase-Out	07-23		173.8	
	23, CH 64—IncTax, Federal Conformity Limit on Excess Business Losses, Nonresident Income Calc.	07-23		4.4	
	23, CH 64—IncTax, Federal Conformity Secure Act 2.0	07-23		2.7	
	23, CH 64—IncTax, Federal Conformity Repeal GILTI Subtraction	07-23		3.5	
	23, CH 64—IncTax, 2023 Tax Bill Individual Income Tax Interactions	07-23		0.0	
	23, CH 64—IncTax, Repeal \$50 Fee for Payment Agreement Plan	07-23		-1.5	
Mississippi	Phase out of 4% income tax	01-23	-\$92.5	-92.5	
	Phase out of 5% to 4.7%	01-24		-50.9	
Missouri	Farm Deductions	01-24		-5.6	
	Retirement Income Subtraction	01-24		-129.8	
Montana	Reduce top marginal rate	01-24		-28.3	
	Revise income tax rates for net-long term capital gains	01-24		-3.0	
	Establish adoption tax credit	05-23		-3.3	
Nebraska	Individual Income Tax Rate	01-24		-72.5	
	Social Security Exemption	01-24		-8.2	
New Jersey	Doubling of child care tax credit	07-23		-123.0	
New Mexico	SB 147: Tax Changes	07-23	-0.3	-2.8	
North Carolina	Rate reduction and contingent future reductions	01-24		-161.7	
North Dakota	Tax rate changes	01-23		-179.1	

Table A-1 continues on next page.



TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
	PERSONAL INCOME TAXES				
Ohio	Consolidate tax brackets and reduce tax rates; suspend personal exemption and bracket inflation indexing in tax years 2023 and 2024	01-23		-\$545.3	
	Reduce income tax withholding rates	11-23		-543.3	X
	Three new housing tax credit programs: low-income housing credit; single-family affordable housing credit; Welcome Home Ohio credit	10-23		-16.5	
	Tax credit for beginning farmers	07-22		-2.0	
	Repeal adoption tax credit and replace with deduction for adoption expenses	01-23		5.5	
	Deduction for contributions to and gains from non-Ohio 529 plans	01-23		-10.0	
	Increase maximum scholarship donation credit; enact commercial vehicle training tax credit	01-23		-18.2	
Oklahoma	HB1040X—Eliminate Marriage Penalty	01-24		-5.0	
	HB1029X—Caring for Caregivers Tax Credit	01-24		-1.3	
	HB1934—Parental Choice Tax Credit	01-24		-132.4	
Oregon	Refundable Child Tax Credit (HB 3235). Will impact FY 25 (-\$24.8M)	01-23		-35.2	
	Sunsets Opportunity Grant Tax Credit (SB 129)	01-23		13.1	
	Estate Tax Exclusion (SB 498). Will have a larger impact on FY 25 (-\$7.4M)	07-23		-0.6	
Rhode Island	EITC to 16% of Federal Rate	01-23		-1.1	
South Carolina	Comprehensive Tax Cut S.1087	01-24		-96.2	
Utah	Rate cut	01-23		-323.0	
	Rate cut	01-23		-101.0	X
	Income tax credits	01-23		-17.0	
	Child tax credit	01-23		-9.6	
	Adoption tax credit	01-23		-2.6	
Virginia	Military Retirement (eliminate age requirement)			-37.8	
	Increase Standard Deduction			-48.1	
	Conformity	07-23	-\$0.2	23.4	
	Pass-through Entity Tax Refund			-1,000.0	X
	2023 Tax Rebate			-906.8	X
West Virginia	21.25% Tax Rate Cut	01-23	-115.0	-696.0	
	SALT Workaround	01-22	50.0	-50.0	X
	Gambling Loss Deduction	01-20		-4.5	
Wisconsin	Reduce tax rate for second individual income tax bracket from 4.65% to 4.40% and reduce the rate for the tax bottom bracket from 3.54% rate to 3.50%.	01-23		-86.8	
Total Revenue Changes—Personal Income Tax			-\$1,937.9	-\$10,881.4	
One-Time Changes Only			-\$481.0	-\$4,144.8	

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
CORPORATE INCOME TAXES					
Alabama	To extend the Alabama Jobs Act sunset date to July 31, 2028; to increase the annualized cap on outstanding Alabama Jobs Act incentives by twenty-five million dollars each year for five years up to four hundred seventy-five million dollars; to increase the investment tax credit transfer time to provide that the first five years of the investment credit may be transferred by the incentivized company and applied by another person or company under the Alabama Jobs Act; to extend the Growing Alabama Act sunset date to July 31, 2028, to increase the annual cap on funding approved pursuant to the Growing Alabama Act to thirty-five million dollars; to remove certain programs from the Growing Alabama Act for the transfer to Innovate Alabama.	08-23		-\$23.0	
Arkansas	Repeals throwback rule through phase-out	01-24		-10.6	
	Reduce top marginal income tax rates to 4.7% (individual) and 5.1% (corporate)	01-23		See note	
California	New Employment Credit Expansion for CHIPS	01-23		-1.6	
Connecticut	Enhance Human Capital Investment Tax Credit—Increase From 5% to 10% overall & to 25% for Child Care-Related	01-24		-2.1	
	10% Surcharge—Extend for 3 IYs (2023–2025)	01-23		80.0	
	Cannabis—Deductions for Expenses Beyond Costs of Goods Sold	01-23		-4.7	
	Fixed Capital Investment Tax Credit—Allow Pass-through Entities to Earn & Owners to Claim	07-25			
	Broadway Theater Production—30% Tax Credit	01-24		-2.5	
	Workforce Housing Development—100% Tax Credit for Projects in Opportunity Zones	01-25			
	ABLE Accounts—Tax Credit for Contributions (The fiscal impact of this policy is estimated to be less than \$100,000.	01-24			
	Housing Program Contribution Tax Credit—Includes Workforce Housing Development Projects	06-24			
	Business Share Plan—Tax Credit or Exemption from Corporation Tax Surcharge if Share Plan is Established	01-25			
Florida	Brownfield Tax Credit Cap Increase	07-23		-22.5	
	Manufacturing of Human Breast Milk Fortifiers	07-23		-0.8	
Illinois	Allow for an exemption from taxes collected under Section 280E of the IRC	01-23		-41.0	
Indiana	Excludes Broadband grants from AGI	07-23		-3.1	
Iowa	Top corporate income tax rate drops from 9.8% to 8.4%	01-23	-\$23.1	-80.9	
Kansas	Apprenticeship/Engineering Tax Credits	07-23		-4.7	
Maine	Allows several cannabis-related businesses to take existing deductions under state income tax law.	01-23		-1.1	
Minnesota	23, CH 64—CorpTax, Historic Rehabilitation Credit	07-23		-0.7	
	23, CH 64—CorpTax, Federal Conformity Repeal GILTI Subtraction with DRD	07-23		249.2	
	23, CH 64—CorpTax, Reduce Dividend Received Deduction	07-23		74.1	
	23, CH 64—CorpTax, Reduce NOL Limit to 70%	07-23		22.1	
Montana	Revise corporate income tax apportionment	01-25			
	Revise corporate income tax water's edge election laws	05-23		-1.4	

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
CORPORATE INCOME TAXES					
Nebraska	Corporate Income Tax Rate	01-24		-\$6.1	
	Research & Development Credits	01-24		-1.0	
New Jersey	Expiration of 2.5% surcharge	07-23		-333.0	
Ohio	Expand commercial activity tax (CAT) exclusion amount and repeal CAT minimum tax	01-24		-191.7	
Oregon	R&D Tax Credit (HB 2009)	01-24		0.0	
Tennessee	Franchise & Excise—Transition to single sales factor	07-23		16.8	
	Excise—Bonus depreciation coupling	07-23		-64.0	X
	Excise—Small business deduction first \$50K	07-23		-37.8	
	Excise—Paid family leave tax credit	07-23		-7.3	X
	Franchise—Exempt first \$500K owned in TN	07-23		-20.4	
	Business—Manufacturer storage exemption	07-23		-0.8	
	Franchise—Top rate reduction from 0.3% to 0.1%	07-23		-0.2	
	Business—Technical update	07-23		-0.8	
	Business—Increase exemption to \$100K per jurisdiction	07-23		-7.9	
	Franchise & Excise—Expanded eligibility for distribution sales	07-23		-7.2	
	Franchise & Excise—Extends carryforward period for certain F&E credits	07-23		-0.7	
Utah	Rate cut	01-23	-\$6.7	-34.0	
	Low-income housing tax credit	05-23		-8.0	
Vermont	Home Health Agency Tax Sunset	07-23		-6.1	
Virginia	Increase Business Expense Deduction			-10.3	
Washington	Leasehold Tax/Arenas	07-23	-0.9	-1.5	
Wisconsin	Exclude from taxable income the income of a financial institution derived from a commercial loan of \$5 million or less provided to a person residing in this state and used primarily for a business or agricultural purpose.	01-23		-35.9	
	Limit circumstances where net gains from trading assets can be used for income apportionment. Apply retroactively to January 1, 2022.	01-22		-3.5	
Total Revenue Changes—Corporate Income Tax			-\$30.7	-\$536.8	
One-Time Changes Only			\$0.0	-\$71.3	
District of Columbia	Increases in compliance audit initiatives	10-24		3.5	
Puerto Rico	New Regime according with Act 53-2022	02-23	336.8	667.0	

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
ALL OTHER GENERAL FUND REVENUE					
Connecticut	Historic Homes Rehabilitation Tax Credit—Only Applicable to PIT (This policy is changing the applicability of the tax credit. Instead of the tax credit being allowed to be applied against multiple tax types, this policy makes the tax credit only applicable to the Personal Income Tax. The net change to bottom-line revenues of this policy is \$0.)	01-24			
	Reduce Various Social Worker Licensing Fees	07-23		-\$0.7	
	Bottle Deposits—Adjust Unclaimed Requirements (Due to various provisions, the fiscal impact of this policy will reduce revenues beginning in FY 2025 and each year thereafter.)	Passage			
	Bottle Bill—Exempts Wine/Spirits & Other Certain Drinks (The fiscal impact of this policy is estimated to be less than \$100,000.)	Passage			
Georgia	Gas tax suspension	03-22	-\$1,100.0		X
Indiana	Collection Fee reduction	07-23		-1.1	
	Cigarette tax stamp allowance	07-23		-1.3	
Kansas	Cigarette minimum age to purchase from 18 to 21	07-23		-1.0	
Kentucky	Freezing of motor vehicle property valuations	01-22	-65.1	-29.7	
	New car sharing or rental excise tax of 6% of gross receipts	01-23	7.9	39.0	
	Change in cigarette vendor compensation	08-22	-3.4	-3.4	
	Pari-mutuel tax rate made uniform for in-person and advanced deposit wagering	08-22	3.6	3.8	
Maryland	Camden Yards Sports Facilities Funds and Bus Rapid Transit Fund			14.2	
Massachusetts	Estate Tax—increases threshold from \$1 million to \$2 million with a universal credit, which also reduces liability for larger estates	01-23		-127.8	
Minnesota	23, CH 64—Lawful Gambling Tax, Combined Net Receipt Tax Rate Reduction	07-23		-13.6	
	23, CH 63—Cannabis Gross Receipts Tax	07-23		10.6	
	23, CH 70—CigTax, Transition MERC to SPECREV	07-23		0.1	
	23, CH 61—MSOP, DHS Collections	07-23		2.5	
	23, CH 61—SOS, DHS Collections	07-23		15.2	
	23, CH 61—DE, DHS Elimination of Parental Fees under TEFRA	07-23		-5.2	
	23, CH 43—DE, MDA Food Licensing Modernization	07-23		-3.8	
	23, CH 52—DE, Probation Reform Revenue Loss	07-23		-5.9	
	23, CH 60—DE, DNR Lottery in-Lieu Percentage Change and New Accts	07-23		-5.5	
	23, CH 63—DE, Office of Cannabis Mgmt, Licensing Fees	07-23		3.3	
23, CH 64—PPA, Advance Reimbursement (from MPLS)	07-23		-2.5		
Mississippi	Taxation of Medical Marijuana	07-22	8.0	15.7	
Missouri	Biodiesel Tax Credit	08-23		-1.5	
	Broadband Grant Subtraction	08-23		-16.6	
	Film Tax Credit	08-23		-8.0	
Montana	Increase business equipment tax exemption	01-24		-1.0	
Nebraska	E-Cigarette Tax	01-24		1.2	
	Mainstreet Revitalization Tax Credits	01-24		-1.7	
	Rural Development Tax Credits	01-24		-1.0	

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
ALL OTHER GENERAL FUND REVENUE					
Nevada	S.B. 483 requires the Modified Business Tax (MBT)-Nonfinancial rate to be reduced from 1.378% to 1.17% on all taxable wages in excess of \$50,000 per calendar quarter, and the MBT-Financial and MBT-Mining rates to be reduced from 1.853% to 1.554% on all taxable wages, effective at the beginning of FY 2024 (July 1, 2023). See “State General Fund Revenue Sources—Modified Business Tax” herein.	07-23		-\$136.7	
	A.B. 232 revises the tax on other tobacco products to specify that the tax on premium cigars, defined as a cigar that is rolled by hand, has a wrapper made of whole tobacco leaves, and which does not have a filter or mouthpiece, is 30 percent of the wholesale price of the cigar, but cannot be less than 30 cents per premium cigar or more than 50 cents per premium cigar.	07-23		-1.0	
	S.B. 448 eliminates the distribution of certain court administrative assessment fees to the Office of the Court Administrator and other functions pursuant to subsection 8 of NRS 176.059, and instead requires that those proceeds be deposited in the State General Fund in addition to the \$5 per assessment that is currently deposited pursuant to subsections 5 and 6 of NRS 176.059, effective July 1, 2023. The elimination of this revenue distribution additionally eliminates the provisions that require court administrative assessment revenue that was not used or distributed for these purposes to be deposited in the State General Fund.	07-23		-15.5	
	S.B. 448 eliminates the distribution of certain court administrative assessment fees to the Office of the Court Administrator and other functions pursuant to subsection 8 of NRS 176.059, and instead requires that those proceeds be deposited in the State General Fund in addition to the \$5 per assessment that is currently deposited pursuant to subsections 5 and 6 of NRS 176.059, effective July 1, 2023. The elimination of this revenue distribution additionally eliminates the provisions that require court administrative assessment revenue that was not used or distributed for these purposes to be deposited in the State General Fund.	07-23		15.6	
New Jersey	Teacher certification fee holiday	07-23		-5.0	X
	Park entrance fee holiday	07-23		-2.7	X
	Public Defender client receipt holiday	07-23		-4.0	X
New Mexico	SB 251: Metro Development Act Changes	07-23 to 07-24		-1.0	
	HB 462: Nuisance Penalties & Procedures	06-23	\$0.6	2.9	
	Tax Changes (rebates)	01-23 and 04-23	-666.6	-150.0	X
North Carolina	Privilege Tax on Professionals Repeal	07-24		-2.1	
Oklahoma	HB1039X—Franchise Tax Elimination	07-23		-55.9	
Rhode Island*	Suspend collection of public utilities gross earnings tax for four months	12-23		-35.6	X
	Restructure and Reinstate Hospital Licensing Fee	07-23		33.3	
	Legalize iGaming	10-23		7.0	
	Low-Income Housing Tax Credit	07-23		-27.0	
South Carolina	Athletic Event Admission Tax exemption	01-24		-2.8	

\*See Notes to Table A-1 at the end of the Appendix.

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

## Enacted Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
	ALL OTHER GENERAL FUND REVENUE				
Washington	Periodic Adjustments/DOR	07-23	\$1.3	\$0.3	
	Hog Fuel/Tax Exemption	07-23		-1.8	
	Municipal Annexations	07-23		-1.7	
	Auto Theft Authority Account	07-23	-4.0	-4.0	
	Internet Projects/Tribes	07-23	-1.3	-2.5	
	Hospital Safety Net Program	Contingent		54.2	
Wisconsin	Increase the cigarette tax stamp discount rate that cigarette manufacturers and distributors receive as compensation for their administrative costs from 0.8% to 1.25%.	10-23		-1.4	
Total Revenue Changes—Other Taxes			-\$1,819.1	-\$463.1	
One-Time Changes Only			-\$1,766.6	-\$197.3	
District of Columbia	Decrease the gross receipts tax revenue earmarked for neighborhood safety and early childhood development	10-24		6.9	
	Enhanced Automated Traffic Enforcement program and decreases in earmarks	10-24	7.0	18.2	
	Increases in per-trip fees for For-Hire vehicles, expansion of enforcement officers	10-24		10.9	
Guam	Decrease in Business Privilege Tax (i.e. Gross Receipt Tax) from 5% to 4%	One Month After Enactment	-70.2	-71.6	
Puerto Rico	New Regime Non Resident Withholding Tax—Act 52-2023	02-23	196.9	459.0	
	Act 154-2010	02-23	741.8	73.0	

TABLE A-2

## Enacted Revenue Measures, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
SALES TAXES					
Idaho	HB292 + HB376	01-23		-\$117.1	
Nebraska	Aircraft Sales Tax	07-23		1.4	
New Mexico	HB 78: Aviation Fund GRT Distribution Sunset	07-23		3.0	
New York	Extend and Limit the Vending Machine Sales Tax Exemption to Business Enterprise Program Vendors for One Year	06-23		-8.0	
	Amend Motor Fuel Reporting Designation	09-23		1.0	
Ohio	Increase Local Government Fund percentage of GRF tax revenue to 1.75 (from current 1.66%)	07-23		-6.0	
Rhode Island	Pawtucket Economic Activity Taxes Transfer	07-23		-1.6	
PERSONAL INCOME TAXES					
Connecticut	Make Pass-through Entity Tax Optional	01-24		-2.7	
Idaho	Conformity HB021	01-23		1.7	
	HB059	01-23	\$0.4	0.4	
	HB288	01-23		-9.7	
Maryland	Distribution from income tax revenues to the Blueprint for Maryland's Future Fund	06-23	-800.0		
Ohio	Increase Local Government Fund percentage of GRF tax revenue to 1.75 (from current 1.66%)	07-23		-12.0	
Rhode Island	Pawtucket Economic Activity Taxes Transfer	07-23		-1.2	
Wisconsin	Use data analytics to enhance collection of delinquent taxes.	07-23		7.6	
CORPORATE INCOME TAXES					
Michigan*	Earmarking for housing, revitalization, and economic development programs	90 days after legislature adjourns in 2023	-600.0	-600.0	
New Hampshire	Change in Allocation of Business Profits Tax b/w General Fund & Education Trust Fund	07-23		-185.6	
	Change in Allocation of Business Enterprise Tax b/w General Fund & Education Trust Fund	07-23		186.7	
Ohio	Increase GRF share of net commercial activity tax revenue to 100% (from previous 85%)	07-23		305.9	
Rhode Island*	Pawtucket Economic Activity Taxes Transfer	07-23		-0.1	
OTHER GENERAL FUND REVENUE					
Arkansas	Extends vehicle registration deadline from 30 days to 60 days	07-23		-28.6	
California	Shift Individual Shared Mandate Penalty revenue from the General Fund to Health Care Affordability Reserve Fund	07-23		-361.7	
Connecticut	Cap Revenue at \$300M for FY 2026 & Transfer Excess to Housing Trust Fund	07-25		0.0	
	iLottery—Eliminate Transfer to Debt Free Community College	07-23		2.0	
	Higher Education Fringe Benefits—Restructure	07-23		-85.0	
	Add'l Fringes (in Insurance Fund)—Expansion of Staffing in Office of Health Strategy	07-23		0.2	
	Federal Funds—Revenue Attributable to Expenditure Changes	Passage		40.3	

\* See Notes to Table A-2 at the end of the appendix.

Table A-2 continues on next page.

TABLE A-2 (CONTINUED)

## Enacted Revenue Measures, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
OTHER GENERAL FUND REVENUE					
Florida	Doc Stamp GR Service Charge Exemption/Redirect	07-23		-1\$50.0	
	Clerk of Courts	07-23		-15.7	
	Inmate Welfare Trust Fund	07-23		-27.1	
	Thoroughbred Breeders Distributions	07-23		-27.5	X
Illinois	Corporate franchise tax exemption from \$1,000 liabilities to \$5,000 liabilities			-30.0	
Indiana	Gas use tax distribution from General Fund to instead State Highway Fund accelerated by a year	07-23		-65.3	X
	Alcohol gallonage tax accounted for separately from General Fund	07-23		-11.1	
	Cigarette tax distribution	07-23		2.2	
	Court fee distribution	07-23		10.7	
	Firework fee distribution	07-23		2.0	
Montana	Increase coal severance tax distribution to Coal Board	04-23		-2.2	
	Move treasury cash account investment earnings from general fund to state special revenue fund	03-23	-\$118.5	-126.6	X
	Move state-levied property tax revenue to state special revenue fund	07-23		-427.3	
Nebraska	DMV Fee Reallocation	07-24		-4.3	
	Workers Comp Assessment	07-23		-2.0	
Nevada	S.B. 452 requires 100% of the proceeds from the portion of the Governmental Services Tax (GST) generated from the 10% depreciation schedule change, approved in S.B. 429 (2009), to be permanently allocated to the State Highway Fund, effective July 1, 2023. As approved under this bill, the State General Fund will no longer receive proceeds from this tax beginning in FY 2024.	07-23		-27.6	
	The 81st Regular Session imposed an annual tax on each business entity engaged in the business of extracting gold or silver in this State whose Nevada gross revenue in a taxable year exceeds \$20 million, effective July 1, 2021. The tax rate is 0.75% of all taxable revenue in excess of \$20 million, but not more than \$150 million; and 1.1% of all Nevada gross revenue in excess of \$150 million. The proceeds from this tax were deposited in the State General Fund in FY 2022 and FY 2023 only. Beginning in FY 2024, the revenue will be deposited in the State Education Fund as a dedicated state funding source for the benefit of K–12 education under the Pupil-Centered Funding Plan.	07-23		-65.7	
	S.B. 124 amends the provisions originally approved in S.B. 3 of the 31st Special Session (July 2020), which required the prepayment of the State General Fund portion of the Net Proceeds of Minerals Tax for FY 2021, FY 2022, and FY 2023 based on the estimated mining activity during each of those calendar years, to revert the payment of the tax back to its former method (tax due based on actual mining activity from the preceding calendar year) of taxing net proceeds on July 1, 2022, rather than on July 1, 2023, as originally approved in S.B. 3. The passage of S.B. 124 will require these tax proceeds to be paid based on actual calendar year 2023 mining activity during FY 2024, and the proceeds will be deposited in the State Education Fund, pursuant to A.B. 495 (2021); thus, the resultant forecast for this tax remains zero in FY 2024 and FY 2025, based on current law. Because this bill was signed by the Governor on February 27, 2023 and became effective upon passage and approval, the Economic Forum’s May 1, 2023, forecast includes the effect of this legislation.	05-23	-65.0	-65.0	
	S.B. 266 excludes, for the purposes of gross gaming revenue for the calculation of the percentage fee tax on gross gaming revenue, cash received as entry fees for the right to participate in a contest or tournament conducted on the premises of a licensed gaming establishment with the participants physically present at those premises when participating under certain circumstance.	07-23		-1.6	

Table A-2 continues on next page.



TABLE A-2 (CONTINUED)

## Enacted Revenue Measures, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
	OTHER GENERAL FUND REVENUE				
New Mexico	SB 6: Hermits Peak-Calf Canyon Fire Recovery Funds	02-23		\$25.0	
	SB 336: Use of Racetrack Funds for Insurance (gaming excise)	04-23	-\$0.8	-3.1	
	South Campus TIDD	04-23		-5.5	
North Carolina	Healthcare Access and Stabilization Program—increases gross premiums tax from Medicaid Prepaid Health Plans	07-23		80.0	
	Medicaid Expansion—impact on gross premiums tax	12-23		21.5	
	Delay of Behavioral Health and Intellectual/Developmental Disabilities Tailored Plan—impact on gross premiums tax	10-23		-39.4	
	Insurance Regulatory Fund—reimburses GF for portion of DOI's operating budget associated with regulating the insurance industry	07-23		2.9	
	Increases transfer to Golden LEAF from MSA funds	07-23		-7.5	
	Sports Wagering and Horse Racing Fee revenue	01-24		8.5	
	Lobbyist and Lobbyist Principal Fees	07-23		1.2	
	Removes reimbursement for State Treasurer's banking operations costs from GF	07-23		-5.1	
North Dakota	Change in where revenue is deposited	07-23		-85.7	
Ohio	Increase Local Government Fund percentage of GRF tax revenue to 1.75 (from current 1.66%)	07-23		-6.0	
Oklahoma	HB1956—Dixon Act (enforcement enhancement)	11-23		4.5	
Oregon	New Permits revenue for the delivery of alcoholic beverages (HB 3308)	07-23		2.0	
Rhode Island*	Shift duplicate driver license fees to Highway Maintenance Account	07-23		-1.0	
	Lottery Accounting Change	06-23	-13.5	-12.8	X
Vermont	Tax Computer Modernization Fund Restructure	07-23		-2.7	
Virginia	2022 Tax Policy Actions			-44.4	
Total Revenue Changes—Other Taxes			-\$1,596.6	-\$1,970.7	
One-Time Changes Only			-\$132.0	-\$232.2	

\* See Notes to Table A-2 at the end of the appendix.

TABLE A-3

**Fiscal 2025 State General Fund, Enacted (Millions)**

State/Territory	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Connecticut*	\$0	\$23,104	\$0.0	\$23,104	\$22,806	\$0.0	\$298	\$4,105
Hawaii	696	10,650		11,346	10,872		473.8	1,550
Indiana*	603	22,425	0	23,028	22,485	-22	565	N/A
Maine*	115	5,186	22	5,323	5,265	29	28	972
Minnesota*	6,695	29,995	60	36,751	31,965	0	4,785	3,202
Montana	494	3,077		3,571	2,982		589	521
Nebraska*	628	6,378	-945	6,061	5,370	5	686	832
North Carolina*	1,564	33,875	-451	34,989	30,903	3,866	221	4,875
North Dakota*	1,149	2,121	140	3,410	3,048		362	914
Ohio*	1,735	29,728	-53	31,410	31,065		345	3,786
Wisconsin*	4,543	22,014	735	27,292	21,041	1,987	4,264	N/A

NOTES: The states listed above opted to provide fiscal 2025 data based on their states' enacted budgets. In addition, the states of Nevada, New Hampshire, Oregon, Texas, and Washington enacted fiscal 2024–2025 biennial budgets. \*See Notes to Table A-3 at the end of the appendix.

# APPENDIX NOTES

## Notes to Table A-1: Enacted Revenue Changes by Type of Revenue, Fiscal 2023 (Mid-Year) and Fiscal 2024

<b>Arkansas</b>	The personal and corporate income tax changes adopted will have a combined revenue impact of -\$186 million. Impact is reported under personal income tax category.
<b>Massachusetts</b>	Various tax credit expansions (HDIP, Dairy Farmer, Apprenticeship, LIHTC) could be considered both income and corporate tax relief.
<b>Michigan</b>	<p>A temporary rollback in the individual income tax rate was triggered for 2023 tax year based on a calculation of 2022 general fund/general purpose revenue exceeding inflation.</p> <p>House Bill 4001 (now Public Act 4 of 2023) was adopted without immediate effect, so changes are not in effect until 90 days after the legislature adjourns the 2023 session.</p>
<b>Rhode Island</b>	<p>The Hospital Licensing Fee (HLF) is re-enacted on an annual basis one fiscal year at-a-time. The number reported here is not the entire estimated HLF for FY 2024, but the marginal increase in the estimated HLF revenue from FY 2023 to the FY 2024 enacted budget. The FY 2024 budget includes an increase in the HLF rate allowable under CMS.</p> <p>The RI General Assembly passed legislation legalizing iGaming after it passed the FY 2024 budget. Therefore, the revenue from iGaming is not included in the FY 2024 enacted budget estimates, though it has an FY 2024 impact.</p> <p>The revenue impact of the Low-Income Housing Tax Credit is offset by a general revenue appropriation to a fund that will reimburse the State for the impact of the credits claimed. The \$27 million estimate reflects three years of pre-funding of the credits that was appropriated in the FY 2024 enacted budget. The credits for owners' interests in qualified projects can be redeemed against tax liability for corporate income tax, insurance gross premiums tax, public service corporations (public utilities) gross earnings tax, financial institutions tax, or personal income tax.</p>

## Notes to Table A-2: Enacted Revenue Measures by Type of Revenue, Fiscal 2023 (Mid-Year) and Fiscal 2024

<b>Michigan</b>	House Bill 4001 (now Public Act 4 of 2023) was adopted without immediate effect, so changes are not in effect until 90 days after the legislature adjourns the 2023 session.
<b>Rhode Island</b>	<p>Pawtucket Economic Activity Taxes Transfer is a single revenue measure with a total FY 2024 general revenue impact of -\$2,899,352. This represents a transfer of general revenues generated by an economic development district to support an infrastructure project. This transfer is pursuant to a pre-existing agreement. For the purposes of Question 8b, we report it on three separate lines (one of which is under the \$1 million reporting threshold for the question) to demonstrate how the impact is spread across three different tax types.</p> <p>The lottery accounting change revenue measure is the result of a change in how two large, infrequently recurring contract payments from the State's third-party lottery contractor will be recognized as revenue, from being recognized all at once to being amortized over the 20-year term of the current contract. This measure is not a budget initiative, but the revenue adjustment was recognized at the May 2023 Revenue Estimating Conference, and it affects FYs 2023 and 2024. It is given a June 2023 effective date for this survey because the first of the two lump-sum payments was due June 30, 2023.</p>

## Notes to Table A-3: Fiscal 2025 State General Fund, Enacted

<b>Connecticut</b>	Rainy Day Fund Balance—FY 2025—The Rainy Day Fund (Budget Reserve Fund or BRF) balance for FY 2025 reflects 18% of FY 2025 appropriations since FY 2026 appropriations have not yet been adopted.
<b>Indiana</b>	Adjustments include a placeholder estimate of prior year reversions.
<b>Maine</b>	Revenue and Expenditure adjustments reflect legislatively authorized transfers and lapses of unspent balances from prior years. Transfers Out include about \$21.9 million in lapsed balances. Additionally, there is approximately \$29.3 million in transfers of unappropriated revenue to Other Special Revenue accounts in agencies for a variety of one-time purposes.
<b>Minnesota</b>	Revenue Adjustments include: dedicated revenue, transfers from other funds, and prior period adjustment estimates

<b>Nebraska</b>	Revenue adjustments include transfers of \$395 million to the Property Tax Credit Fund, \$250 million to the Education Future Fund, \$40 million to the Economic Recovery Act Fund, \$11 million to Water Sustainability Fund, \$1.5 million to the State Team-mate Community College Fund, and \$1 million to the Cultural Preservation Fund.
<b>North Carolina</b>	Revenue adjustments include tax law changes and transfers from reserves. Adjustments include transfers into reserves.
<b>North Dakota</b>	Revenue adjustments are transfers of \$140.0 million from other special fund sources to the general fund.
<b>Ohio</b>	The revenue adjustment reflects the difference between federal revenues and federal expenditures in the general fund for the fiscal year. This change is needed to tie to the actual ending fund balance. The FY 2025 expenditure estimate includes \$1,568.4 million in transfers out of the GRF.
<b>Wisconsin</b>	Revenue adjustments include Tribal Gaming, \$8.9m; Other Revenue, \$726.5m. Expenditure adjustments include Transfers, \$1,973.2m; Lapses, -\$384.2m; and Compensation Reserves, \$397.9m.  The calculated starting balance is \$196.4 million higher than the FY24 opening balance, July 1st, published in the Comparative Summary of Provisions -2023 Wisconsin Act 19 - 23-25 General Fund Condition Statement.





