

THE FISCAL SURVEY OF STATES

SPRING 2020

AN UPDATE OF STATE FISCAL CONDITIONS

A REPORT BY THE NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS

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National Association of State Budget Officers
444 North Capitol Street, NW, Suite 642
Washington, DC 20001-1511
Tel: (202) 624-5382 Fax: (202) 624-7745
www.nasbo.org

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THE NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS

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Julian Rogers, Alabama

Amy Moselle, Alaska

Yan Gao, Arizona

Eva Yung, Arkansas

Susan Wekanda, California

Matthew Westbrook, California

Cynthia Kelly, Colorado

Daniel Innes, Connecticut

Bert Scoglietti, Delaware

Ebony Kiffin, Florida

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Janice Tomes, Kentucky

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J. Travis McIlwain, Louisiana

Ying Mei Chen, Maine

Carissa Ralbovsky, Maryland

Bran Shim, Massachusetts

Terese Walsh, Michigan

James Stelzner, Minnesota

Sherry Norwood, Mississippi

Marianne Mills, Missouri

Ryan Evans, Montana

Joe Wilcox, Nebraska

Darlene Baughn, Nevada

Joe Bouchard, New Hampshire

Stacy Pingitor, New Jersey

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Patricia Holtzman, New York

Thomas Cheek, North Carolina

Becky Deichert, North Dakota

Joe Morrissette, North Dakota

Craig Rethman, Ohio

Shelly Paulk, Oklahoma

Dustin Ball, Oregon

Mary Kenee, Pennsylvania

Kathleen Wallace, Pennsylvania

Ryan Gardiner, Rhode Island

Thomas Mullaney, Rhode Island

David Seigler, South Carolina

Derek Johnson, South Dakota

Susan Burdette, Tennessee

Sallie Bentley, Texas

Duncan Evans, Utah

Richard Donahey, Vermont

Sara Tatum, Virginia

Rachel Knutson, Washington

Michael Cook, West Virginia

Dan Subach, Wisconsin

Folbert Ware, Jr., Wyoming



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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 was started in 1979. The survey presents aggregate and individual data on the states' expenditures, general fund receipts, annual tax and revenue changes, and balances. Although not the totality of state spending, these 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 on a biennial (two-year) budget cycle. Among the biennial budget states, governors in three states (Kentucky, Virginia and Wyoming) recommended fiscal 2021–2022 budgets. Sixteen biennial budget states passed a two-year budget for fiscal 2020 and fiscal 2021 during 2019 legislative sessions, though a few of these states proposed and acted upon supplemental appropriations and other mid-biennium budget changes in 2020 sessions. 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 begin their fiscal years in July and end them in June. The exceptions are New York, which starts its fiscal year on April 1; Texas, with a September 1 start date; and Alabama and Michigan, which start their fiscal years on October 1. [For fiscal 2020 only, New Jersey extended its fiscal year so that

fiscal 2021 will begin on October 1, 2020 and end on June 30, 2021; however, New Jersey's survey data in this report predate this change and do not reflect that adjustment.]

The field survey on which this report is based was conducted by NASBO from March through May 2020. The surveys were completed by executive state budget officers in all 50 states. Subsequent budget recommendations from governors to state legislatures may have occurred after the survey responses were submitted.

Fiscal 2019 data represent actual figures, fiscal 2020 figures are estimated, and fiscal 2021 data generally reflect governors' recommended budgets. However, for some biennial budget states that are in the second year of their biennium, data for fiscal 2021 reflect enacted budgets, as detailed in footnotes.

Unless otherwise noted, all percentage calculations reported in this survey are in nominal terms and not adjusted for inflation.

All state-reported data in this survey reflect fiscal conditions prior to the COVID–19 crisis, unless noted otherwise. The COVID–19 pandemic and ensuing recession have rapidly altered state budget situations and led to steep revenue declines. NASBO expects the data in this report will serve as a historical baseline for comparison to post-COVID–19 fiscal conditions, as states release revised revenue estimates and projections, and make budget adjustments for fiscal 2020 and fiscal 2021.

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



EXECUTIVE SUMMARY

Special Note on COVID–19 Impacts on State Budgets

Every spring, NASBO conducts this survey to assess the fiscal health of the states based on governors' budget recommendations. In a typical year, executive budget proposals and revenue projections align fairly closely with the enacted expenditure and revenue plans reported on in NASBO's Fall Survey, at least for most states. However, this is not a typical year.

This report reflects state fiscal conditions before the effects of COVID–19 and its economic fallout, and therefore does not capture the current state of the states. Most governors proposed their budgets in December or January, with the earliest coming out in November and the latest released in early March. These budget proposals reflect another era, before “coronavirus” and “COVID–19” were household words, when unemployment was at a 50-year low of 3.5 percent, and state revenues were on track to grow for a 10th consecutive year. Just a few months later, national unemployment stood at 13.3 percent, retail sales were plummeting, and state and local governments had already shed 1.5 million jobs.

As this survey shows, before the COVID pandemic, state fiscal conditions were strong overall following a decade of revenue growth and strengthening reserves. Most states had multiple consecutive years of faster-than-expected revenue growth, leading to sizeable budget surpluses in many cases. States were focused on investing in key priorities while at the same time being cautious about taking on too many new ongoing spending commitments, in preparation for the next downturn.

However, no states could have prepared for the economic fallout of COVID–19. In just a few months, state fiscal conditions have experienced a dramatic shift for the worse. States have begun to release updated revenue forecasts that project the impacts of COVID over the next one to two years, and early analyses suggest potential revenue losses double what states experienced during the Great Recession, when states saw a more than 11 percent decline in revenues over two years. A number of states have already announced multi-billion-dollar budget shortfalls and revenue losses, as others are preparing to release updated projections in the coming weeks and months.

In this new fiscal environment, states are facing tough decisions, looking at cutting spending, instituting layoffs, and weighing when to use the reserves they worked hard to build in recent years. As this report went to print, states were also waiting to see what additional aid would come from the federal government. Though not expected to eliminate the need for spending reductions, additional federal aid will be necessary to avoid even more drastic and painful cuts that will hurt state residents and significantly dampen the nation's economic recovery.

NASBO expects the data in this report will serve as a historical baseline for comparison to post-COVID fiscal conditions, as states release revised revenue estimates and projections, and make budget adjustments for fiscal 2020 and fiscal 2021.

Introduction

Governors' budget proposals were introduced following nine consecutive years of growth in both state general fund spending and revenue (fiscal 2011–2019), with most states expecting fiscal 2020 to mark a tenth straight year. Before COVID–19 and its economic fallout upended state budgets, most states were planning for another year of spending growth in fiscal 2021, though at a slower rate compared to the past couple of years. More modest projected revenue growth and governors' emphasis on fiscal discipline contributed to this slower growth rate.

Overall, 43 states were expecting general fund spending to grow in fiscal 2021 based on governors' budgets, with the majority of states calling for increases of less than 5 percent. In their budgets, governors recommended most new money go towards K–12 education and Medicaid, the two largest categories of state general fund budgets, with the "all other" category receiving sizeable proposed increases as well, including for one-time investments and reserve deposits.

As governors were introducing their budget proposals for fiscal 2021, most states were seeing tax collections coming in above budget projections in fiscal 2020 and forecasting modest revenue growth for fiscal 2021. The onset of the COVID–19 pandemic and ensuing recession have dramatically altered revenue projections for the remainder of fiscal 2020 and fiscal 2021, which begins on July 1, 2020 for the vast majority of states.¹ States rely on personal income taxes and sales taxes combined for roughly 75 percent of their general fund revenue. These sources have been hit hard in light of stay-at-home orders, business closures, and rising unemployment claims that have resulted in the worst economic situation this country has faced since the Great Depression. As this report went to print, states were beginning to release updated revenue forecasts that account for the impacts of COVID on their economies and tax collections.

When governors proposed their budgets for fiscal 2021, rainy day fund balances were at an all-time high in the aggregate, both in nominal dollars and as a percentage of state spending, following steady growth in the years since the Great Recession. Since fiscal 2010, the median rainy day fund balance level as a percentage of general fund spending had grown from 1.6 percent to an estimated 7.8 percent in fiscal 2020. As states cope with precipitous revenue declines and increased

Key Report Findings:

- Governors' (pre-COVID) budgets for fiscal 2021 called for modest general fund spending growth of **2.8 percent**, a slower rate than the past couple of years.
- Governors' proposed appropriation increases total **\$33.2 billion**, directing more funding to Medicaid, K–12 education, reserves, and other key areas.
- States estimated general fund spending was on track to grow **5.8 percent** in fiscal 2020 before the impact of COVID–19 on state budgets.
- **42 states** reported fiscal 2020 general fund revenue collections were meeting or exceeding original budgeted revenue projections before the COVID–19 crisis.
- Governors' (pre-COVID) budgets were based on forecasted general fund revenue growth of **3.4 percent** in fiscal 2021.
- Governors proposed mostly modest tax changes in their budgets, with a net revenue impact of **\$2.4 billion** in fiscal 2021, with most additional revenue going toward non-general fund sources.
- The median rainy day fund balance as a share of general fund spending was set to reach an estimated **7.8 percent** in fiscal 2020, a new all-time high.
- Medicaid spending from all funds (pre-COVID) was expected to grow by a median of **3.4 percent** in fiscal 2021, with state general funds increasing **4.2 percent**, other state funds remaining flat, and federal funds growing **3.5 percent**.

spending demands in the wake of the COVID–19 pandemic, these rainy day funds and other reserves will be a critical budget management tool for states, though they will not be enough to cover the massive budget shortfalls expected this year and in the years to come.

The data in this report for virtually all states contain state general fund spending, revenue, and balance estimates for fiscal 2020 and projections for fiscal 2021 before the impact of the COVID–19 crisis, and will serve as a baseline for comparison as more post-COVID fiscal data become available.

¹ See Preface of this report for more details on when states start their fiscal year.



State General Fund Spending

Fiscal 2021 Recommended Spending. Before the COVID crisis hit, governors proposed general fund spending in the amount of \$944.6 billion in fiscal 2021 according to recommended budgets. This represented a modest 2.8 percent increase compared to estimated spending levels for fiscal 2020. Overall, 43 states were forecasting nominal spending increases in fiscal 2021.

Fiscal 2020 Estimated Spending. Based on pre-COVID estimates, general fund spending was on track to total \$919.1 billion in fiscal 2020, a 5.8 percent increase, with this growth partially driven by one-time investments and rainy day fund deposits made with surplus funds. After steep declines during the Great Recession, state general fund spending just barely returned to inflation-adjusted pre-recession fiscal 2008 levels in fiscal 2019. Even in fiscal 2020, according to pre-COVID estimated spending levels, 24 states were expecting to spend less from their general funds than they did in fiscal 2008, after adjusting for inflation.²

Recommended and Mid-Year Spending Actions

Fiscal 2021 Recommended Spending Changes. Governors recommended \$33.2 billion in general fund appropriation increases in their fiscal 2021 budgets, with Medicaid as the largest recipient of new money in fiscal 2021, receiving an \$11.2 billion funding boost, after smaller increases in recent years. Elementary and secondary education, by far the largest recipient of new money in fiscal 2020, received an additional \$8.1 billion in governors' fiscal 2021 budgets to build upon recent funding increases. Every other program area received net increases in governors' fiscal 2021 budgets as well.

Fiscal 2020 Mid-Year Spending Actions. Nineteen states reported making mid-year spending increases in fiscal 2020, while just four states reported net mid-year spending reductions, for a net increase of \$4.1 billion. Among those states reporting net decreases in spending, only two states reported that the mid-year reductions were made in response to revenue shortfalls. One of those two states, Arkansas, is the only state that reported in this survey based on the state's post-COVID-19 spending and revenue data.

State General Fund Revenues

Fiscal 2021 Revenue Forecasts. According to governors' pre-COVID recommended budgets, general fund revenue collections were forecasted to grow 3.4 percent in fiscal 2021 to total \$943.9 billion. Broken down by tax type, general fund collections from sales taxes were forecasted to grow 3.3 percent, personal income taxes by 3.7 percent, corporate income taxes by 2.7 percent, gaming and lottery revenues by 2.5 percent, and all other revenues by 0.9 percent in fiscal 2021.

Revenue Collections in Fiscal 2020. Before COVID-19 hit, revenues were on track to increase 3.0 percent in fiscal 2020 over fiscal 2019, slower than the level of growth observed over the past couple of years. Despite more modest growth, 32 states were seeing revenue collections exceeding original budget projections, with 10 states reporting collections as on target and only eight states reporting collections coming in lower than their original budget forecasts. A few states with collections coming in below projections reported that some early impacts of COVID-19 were observed in their collections and incorporated into their responses, based on when they reported. General fund collections from sales taxes were on track to grow 5.0 percent in fiscal 2020, personal income taxes were set to increase by an estimated 2.7 percent, and corporate income taxes, a more volatile revenue source, were estimated to increase by 1.0 percent in fiscal 2020.

Recommended and Mid-Year Revenue Actions

When governors proposed their fiscal 2021 budgets, fiscal conditions were stable in the vast majority of states, and recommended revenue actions were for the most part limited and modest in size. According to executive budgets, 14 states proposed net increases in taxes and fees while 15 states proposed net decreases, resulting in a projected net positive revenue impact in fiscal 2021 of \$2.4 billion. (See [Table 20](#) and [Figure 3](#)) Most of the additional revenue that would be generated by these proposals would go towards non-general fund sources for dedicated purposes such as transportation and health care. In fact, looking at general fund revenue impacts only, governors proposed a net decrease in general fund revenue of \$588 million.

² 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 May 28, 2020), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates.

Additionally, 13 states enacted changes in taxes and fees in the middle of fiscal 2020, with four states enacting increases and nine states enacting decreases, for a total net revenue decrease of \$123 million.

State Balances

In recent years, states have focused on strengthening their reserves in preparation for the next economic downturn. Improved revenue conditions coupled with deliberate policy choices contributed to many states bolstering savings accounts.

Rainy Day funds. Rainy day fund balances have grown substantially since the Great Recession, reaching \$75.5 billion in fiscal 2019. Since fiscal 2010, the median rainy day fund balance level as a percentage of general fund spending grew from 1.6 percent to 7.3 percent in fiscal 2019. Before the COVID-19 crisis, states were expecting to end fiscal 2020 with a median rainy day fund balance of 7.8 percent, a new all-time high. By comparison, going into the last recession, the median rainy day fund balance in fiscal 2007 was 4.6 percent. Governors' pre-COVID-19 budget proposals for fiscal 2021 planned to continue prioritizing rainy day funds, with 28 states projecting increases in fiscal 2021 based on governors' budgets, following 36 states with estimated increases in fiscal 2020. Rainy day fund balance levels continue to vary by state, but most states have made significant progress in strengthening their reserves since the Great Recession, and in fiscal 2019, 35 states reported rainy day fund balances exceeding 5 percent of general fund spending.

Total Balances. Total balances include both general fund ending balances and the amounts in states' rainy day funds, and reflect the funds that states may use for cashflow liquidity, to respond to unforeseen circumstances and to help resolve revenue shortfalls, though in some states, part of the ending balance may already be reserved for expenditure in a subsequent year. Since fiscal 2009, when states were in the depths of the Great Recession, total balances more than tripled on a dollar basis, from \$31.6 billion to \$118.8 billion in fiscal 2019, an all-time high in nominal dollars and as a share of general fund spending.

Medicaid Outlook

The Spring Fiscal Survey also includes a special feature on the outlook of state Medicaid programs in terms of spending and programmatic changes. The numerical figures on Medicaid expenditures provided in Chapter Four, as with other sections of this report, do not reflect COVID-19 impacts. However, states did share qualitative information in their responses about their significant concerns related to COVID-19 and its economic fallout, including expected enrollment increases.

Spending Trends. Medicaid spending from all fund sources was estimated to grow by a median of 5.8 percent in fiscal 2020 compared to fiscal 2019 levels. Looking just at spending from state fund sources, general fund spending on Medicaid was on track to grow 5.0 percent and spending from other state funds was estimated to grow 9.9 percent in fiscal 2020. Federal fund spending on Medicaid was on track to grow 7.6 percent for fiscal 2020. Looking ahead, Medicaid spending growth was forecasted to slow somewhat in fiscal 2021, based on governors' proposed budgets. The median growth rate for total Medicaid spending was projected at 3.4 percent for fiscal 2021. State general fund spending was projected to grow by 4.2 percent, other state funds were projected to be flat, while federal fund spending was expected to increase 3.5 percent.

Medicaid Expansion. States that expanded Medicaid also reported on their expenditures for the new adult eligibility group (including both "newly eligible" and "not newly eligible") by fund source. States began paying 5 percent of the costs for newly eligible adults in calendar year 2017, with the state share gradually set to increase to 10 percent by 2020. As states have begun to pick up a larger share of the cost, Medicaid expansion spending from state funds is estimated to increase by \$2.1 billion in fiscal 2020, and is projected to grow by another \$2.5 billion in fiscal 2021. These increases are also driven in part by more states adopting Medicaid expansion. In Idaho, Nebraska, and Utah, voters approved expansion in 2018 ballot initiatives with expansion implemented during fiscal 2020 and fiscal 2021. As of May 2020, 36 states and the District of Columbia have adopted Medicaid expansion. Additionally, governors in two states that have yet to expand, North Carolina and Oklahoma, included funding in fiscal 2021 for Medicaid expansion in their recommended budgets.



Programmatic Changes. States reported the types of changes they made in the Medicaid program in fiscal 2020 and recommended changes for fiscal 2021 for both enhancing programs and containing costs. Trends for program enhancement varied with 35 states increasing payments to providers, 26 states expanding access to behavioral health services, and 21 states expanding or restoring benefits as the most frequent actions in fiscal 2020. About the same number of states proposed program enhancements for recommended fiscal 2021 budgets with 35 states proposing to increase provider payments, 24 states expanding access to behavioral health services, 19 states planning to expand or restore benefits, and 17 states planning delivery system changes as the most common

responses. States were also asked about changes to contain costs and the most common responses were enhanced program integrity efforts in 16 states, changes to delivery systems in 14 states, and policies to cuts costs for prescription drugs in 13 states for fiscal 2020. For recommended fiscal 2021 budgets, 15 states proposed changes to delivery systems to contain costs, 12 states proposed policies to reduce prescription drugs, and 11 states planned enhanced program integrity. Additionally, for fiscal 2020, 17 states have raised or plan to raise provider taxes or fees while 17 states have plans to raise provider taxes or fees in governors' recommended budgets for fiscal 2021.

This edition of the Fiscal Survey of States reflects actual fiscal 2019, estimated fiscal 2020, and recommended fiscal 2021 figures (except where otherwise noted). The data were collected in the spring of 2020. Unless otherwise noted, the data in this report for fiscal 2020 and fiscal 2021 does not reflect the impact of COVID-19 on state fiscal conditions, given the timing of data collection.

STATE EXPENDITURE DEVELOPMENTS

CHAPTER ONE

Overview

Governors' budget proposals for fiscal 2021 were introduced following nine consecutive years of growth in both state general fund spending and revenue, and most states were expecting fiscal 2020 to mark a tenth straight year of growth. Before the COVID-19 pandemic, most states were planning for another year of spending growth in fiscal 2021, though at a slower rate compared to the past couple of years, due to lower expected revenue growth and governors' emphasis on fiscal discipline.

State general fund spending was expected to grow to \$944.6 billion in fiscal 2021 across all 50 states, according to governors' recommended budgets (and enacted budgets for some biennial states). This represents a modest increase of 2.8 percent compared to estimated spending levels for fiscal 2020. Overall, 43 states were expecting general fund spending to grow in fiscal 2021 based on governors' budgets, with the majority of states calling for increases of less than 5 percent.

In their budget proposals, governors recommended most new money go towards Medicaid and K-12 education, the two largest categories of state general fund budgets. Once again, the "all other" category received sizeable proposed spending increases as well, which include certain one-time investments, reserve deposits, and pension fund contributions, along with recurring expenditures in a broad range of programs.

At the time governors released their fiscal 2021 budgets, states were on track to increase spending in fiscal 2020 by 5.8 percent — which would have marked the fastest rate of growth in nominal terms since fiscal 2007, when general fund spending increased 9.4 percent. Ultimately, actual state general fund spending will come in lower than the estimates in this report, as states take steps to balance their budgets amidst sharp declines in revenue due to COVID-19 and its economic impacts. (See Table 1, Figure 1)

After roughly a decade of budget growth for most states following the Great Recession, aggregate general fund spending was estimated to total \$919.1 billion in fiscal 2020 before the pandemic. Adjusting for inflation (but not population growth), this is roughly 5 percent above the pre-recession peak spending level in fiscal 2008.³ However, even following the longest economic expansion in history, 24 states estimated general fund spending levels in fiscal 2020 that were lower than their fiscal 2008 levels, before accounting for the effects of COVID-19 on their budgets.

State General Fund Spending

Recommended Spending for Fiscal 2021. Before the COVID crisis hit, governors proposed general fund spending in the amount of \$944.6 billion in fiscal 2021 according to recommended budgets, representing a modest 2.8 percent increase compared to estimated spending levels for fiscal 2020. The median growth rate is similar at 3.4 percent. A majority of states (32) expected general fund spending to grow between 0 and 5 percent in fiscal 2021, according to governors' budgets (and enacted budgets for some states that passed two-year budgets during 2019 legislative sessions). Enacted spending plans for fiscal 2021 are expected to look very different due to the dramatic shift in state fiscal conditions due to COVID-19.

Estimated Spending for Fiscal 2020. This edition of the *Fiscal Survey of States* shows general fund spending, based on pre-COVID estimates, was on track to increase 5.8 percent in fiscal 2020 to total \$919.1 billion. This would mark the fastest annual rate of growth in nominal terms since fiscal 2007, when general fund spending increased by 9.4 percent. In addition to increased spending for key priorities, this spending growth rate reflects a number of one-time investments and additional rainy day fund deposits made with surplus funds. Adjusting for inflation, general fund spending in fiscal 2020 was expected

³ Adjusted for inflation, the aggregate general fund spending amount in fiscal 2008 was \$875.2 billion, 5.0 percent above the \$919.1 billion estimated figure for fiscal 2020 reported in this survey. 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 May 28, 2020), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates. The fiscal 2008 figure used for this comparison was adjusted to account for a change in Massachusetts' reporting methodology. Beginning with the Fall 2019 Fiscal Survey edition, Massachusetts now excludes federal reimbursements in its general fund spending and revenue totals. NASBO has adjusted prior 50-state totals from the Fiscal Survey to remove Massachusetts' federal reimbursement amounts (as reported in the state's Comprehensive Annual Financial Report, or CAFFR) for comparison purposes.

Technical Note: Biennial Budget States

Thirty states budget on an annual basis, while 20 states budget on a primarily biennial basis. Most biennial budget states (17) enacted two-year budgets during 2019 legislative sessions covering fiscal 2020 and fiscal 2021. These include: Arkansas*, Connecticut, Hawaii, Indiana, Maine, Minnesota, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Ohio, Oregon, Texas, Washington, and Wisconsin. Most of these states reported on fiscal 2021 in this survey based on their enacted biennial budget, some with the governor's proposed revisions and supplementals and some with enacted revisions, while a couple reported based on the governor's original biennial budget proposal. See footnotes to Table 5 for more details. For simplicity, this report refers to all aggregate fiscal 2021 data as based on governors' budget proposals.

Governors in the remaining three biennial states — Kentucky, Virginia and Wyoming — proposed spending plans for fiscal 2021 and fiscal 2022 for consideration during the 2020 legislative sessions. Kentucky provided data for fiscal 2022 based on the governor's budget recommendation as part of this survey. (See [Tables A-5 to A-9](#))

**Arkansas practices a hybrid approach, recommending budgets on a biennial basis but enacting appropriations before each fiscal year.*

to increase 3.8 percent.⁴ (See [Tables 3–5](#)) Ultimately, actual state general fund spending will likely come in lower than the estimates in this report, as states take steps to balance their budgets amidst sharp declines in revenue due to COVID–19.

Spending Growth by State. According to recommended budgets for fiscal 2021, 32 states forecasted general fund spending growth between 0 and 5 percent, 11 states expected general fund spending growth between 5 and 10 percent, and seven states forecasted general fund spending to stay flat or decline. In fiscal 2020, 21 states had estimated spending

growth between 0 and 5 percent, 19 states had growth tracking between 5 and 10 percent, five states reported spending growth greater than 10 percent, and only five states reported estimated spending declines. 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. For example, Texas's biennial budget process results in the first year of the biennium (fiscal 2020) being front loaded, and the subsequent fiscal year not carrying those funding levels forward, which explains the large year-over-year spending change swings reported for that state. (See [Tables 2 and 6](#)).

⁴ 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 May 28, 2020), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates.



TABLE 1

State Nominal and Real Annual Budget Increases, Fiscal 1979 to Fiscal 2021

Fiscal Year	State General Fund	
	Nominal Increase	Real Increase
2021	2.8%	
2020	5.8	3.8%
2019	5.5	2.4
2018	3.2	-0.1
2017	3.1	1.6
2016	3.5	3.7
2015	4.4	3.2
2014	4.5	1.5
2013	4.2	1.4
2012	3.4	0.7
2011	3.5	0.3
2010	-5.7	-6.7
2009	-3.8	-5.9
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	8.0	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
1979–2020 average	5.4%	1.6%

Notes: 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 May 28, 2020), is used for state expenditures in determining real changes. Fiscal Year real changes are based on quarterly averages. Fiscal 2019 figures are based on the change from fiscal 2018 actuals to fiscal 2019 actuals. Fiscal 2020 figures are based on the change from fiscal 2019 actuals to fiscal 2020 estimates. Fiscal 2021 figures are based on the change from fiscal 2020 estimates to fiscal 2021 recommended figures.

FIGURE 1:
Annual General Fund Spending Changes, Fiscal 1990 to Fiscal 2021

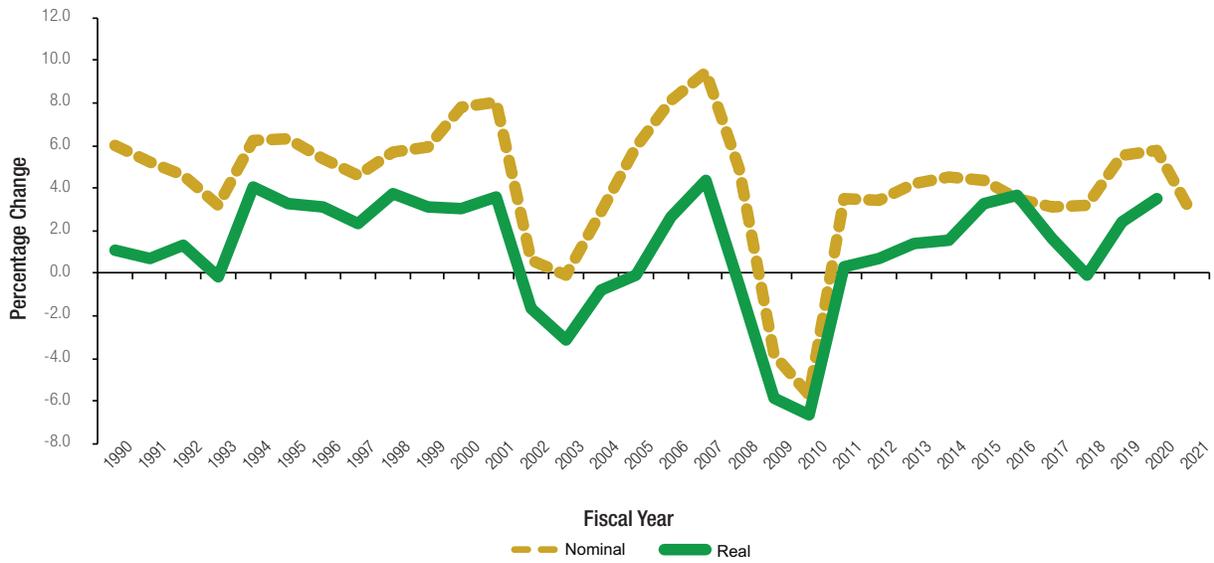


TABLE 2
**State General Fund Expenditure Growth,
 Fiscal 2019 to Fiscal 2021**

Spending Growth	Fiscal 2019 (Actual)	Fiscal 2020 (Estimated)	Fiscal 2021 (Recommended)
0% or less	3	5	7
> 0.0% but < 5.0%	29	21	32
> 5.0% but < 10.0%	12	19	11
10% or more	6	5	0

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

TABLE 3
Fiscal 2019 State General Fund, Actual (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	\$593	\$9,367	\$0	\$9,960	\$8,649	\$337	\$974	\$848
Alaska*	0	2,632	2,785	5,417	4,889	1,052	-523	2,288
Arizona*	450	11,232	0	11,681	10,453	271	957	458
Arkansas*	0	5,921	0	5,921	5,626	0	295	153
California*	11,419	139,379	-20	150,778	141,861	420	8,497	21,221
Colorado* **	1,366	12,584	17	13,967	12,828	0	1,140	1,140
Connecticut*	0	19,650	0	19,650	19,279	0	371	2,506
Delaware* **	750	4,592	0	5,342	4,394	0	947	240
Florida	1,646	34,106	0	35,752	33,262	0	2,490	1,483
Georgia* **	2,806	25,571	154	28,531	25,484	0	3,047	2,808
Hawaii	750	7,917	0	8,667	7,915	0	752	378
Idaho*	118	3,735	-68	3,785	3,653	31	101	421
Illinois* **	125	39,195	1,057	40,377	36,361	3,551	466	4
Indiana*	366	16,693	56	17,116	16,280	1	835	1,436
Iowa*	0	7,859	71	7,930	7,528	113	289	762
Kansas*	762	7,368	8	8,138	7,033	0	1,105	0
Kentucky*	29	11,510	475	12,014	11,661	223	130	129
Louisiana*	308	10,140	191	10,639	10,002	103	535	405
Maine*	75	3,849	4	3,927	3,720	68	139	309
Maryland*	590	18,399	-181	18,807	17,912	-79	974	877
Massachusetts* **	2,387	34,611	13,765	50,763	33,038	13,765	3,959	3,424
Michigan*	788	10,661	0	11,449	10,432	100	917	1,149
Minnesota* **	3,283	23,651	91	27,026	23,054	0	3,971	2,425
Mississippi*	5	5,968	0	5,973	5,534	434	5	350
Missouri*	495	9,567	132	10,195	9,541	0	654	651
Montana*	187	2,574	-1	2,760	2,405	-7	361	60
Nebraska*	454	4,894	-244	5,103	4,367	0	737	334
Nevada*	425	4,288	143	4,855	4,419	83	353	304
New Hampshire*	74	1,622	0	1,696	1,505	-1	193	115
New Jersey* **	991	38,349	-119	39,221	37,510	0	1,711	421
New Mexico**	1,185	7,910	0	9,094	7,514	-50	1,630	1,088
New York* **	9,445	70,544	0	79,989	72,783	0	7,206	2,048
North Carolina*	995	24,827	0	25,822	23,664	449	1,709	1,254
North Dakota*	161	1,916	649	2,726	2,112	549	65	114
Ohio*	1,221	33,768	0	34,989	33,451	0	1,538	2,692
Oklahoma*	0	7,691	-12	7,679	7,015	355	310	806
Oregon*	1,471	11,634	-164	12,942	10,172	190	2,579	1,288
Pennsylvania*	22	34,858	-1,162	33,718	33,402	317	0	23
Rhode Island*	53	4,025	-112	3,965	3,924	10	31	204
South Carolina* **	1,187	8,805	4	9,996	8,142	145	1,709	531
South Dakota*	17	1,641	16	1,674	1,638	17	19	170
Tennessee*	1,140	15,443	-94	16,490	14,266	582	1,642	875
Texas*	1,906	58,704	128	60,737	52,281	2,799	5,657	11,043
Utah*	317	7,543	43	7,903	7,578	34	292	697
Vermont*	0	1,683	11	1,693	1,597	97	0	224
Virginia	212	21,462	0	21,674	21,445	0	230	792
Washington*	2,016	22,288	-368	23,936	22,937	0	999	1,618
West Virginia*	378	4,756	5	5,139	4,604	18	518	753
Wisconsin*	589	17,341	769	18,699	17,964	-352	1,087	649
Wyoming*	0	1,286	341	1,627	1,627	0	0	1,572
Total	\$53,555	\$886,006		\$957,932	\$868,707		\$63,602	\$75,535

NOTES: NA Indicates data are not available. *See Notes to Table 3 on page 18. **In these states, the ending balance includes the balance in the rainy day fund.

TABLE 4
Fiscal 2020 State General Fund, Estimated (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	\$593	\$9,774	\$0	\$10,748	\$9,485	\$579	\$684	\$968
Alaska*	0	2,116	3,749	5,865	4,701	1,183	-19	2,275
Arizona*	957	11,635	0	12,592	11,650	271	671	1,000
Arkansas*	0	5,384	0	5,384	5,384	0	0	153
California*	8,497	146,486	0	154,983	149,749	0	5,234	20,532
Colorado* **	1,140	13,207	0	14,346	13,308	0	1,038	1,038
Connecticut*	0	19,391	0	19,391	19,449	0	-59	2,765
Delaware* **	947	4,741	0	5,688	4,671	0	1,017	252
Florida	2,490	33,688	0	36,178	34,244	0	1,934	1,574
Georgia*	3,047	25,739	0	28,786	25,739	0	3,047	N/A
Hawaii*	752	8,200	0	8,952	8,370	0	582	396
Idaho*	101	3,961	-78	3,985	3,910	15	60	463
Illinois* **	466	40,040	550	41,056	37,678	3,278	100	52
Indiana*	835	17,051	5	17,891	16,831	427	633	1,446
Iowa*	0	8,015	195	8,210	7,638	107	465	784
Kansas*	1,105	7,652	-400	8,358	7,757	68	533	0
Kentucky*	130	11,701	539	12,370	11,867	400	103	306
Louisiana*	535	9,725	88	10,347	9,813	0	535	568
Maine	139	3,998	30	4,167	3,934	41	193	271
Maryland*	974	18,733	186	19,893	19,642	-164	414	1,186
Massachusetts* **	3,959	35,235	13,276	52,470	35,182	13,168	4,120	3,990
Michigan*	916	10,374	0	11,290	10,688	0	603	1,184
Minnesota* **	3,971	23,714	27	27,712	23,929	0	3,782	2,709
Mississippi*	5	5,996	0	6,001	5,746	255	0	465
Missouri*	654	9,798	173	10,625	10,104	0	521	652
Montana	361	2,509	0	2,870	2,574	0	295	117
Nebraska*	737	5,090	-463	5,363	4,625	233	505	436
Nevada*	353	4,446	104	4,903	4,408	79	415	401
New Hampshire*	193	1,590	0	1,782	1,563	231	-12	115
New Jersey* **	1,711	39,118	327	41,156	39,643	0	1,513	732
New Mexico**	1,834	7,805	-4	9,636	8,030	36	1,569	1,340
New York* **	7,206	78,332	0	85,538	79,011	0	6,527	2,476
North Carolina*	1,709	25,070	0	26,779	24,407	116	2,257	1,169
North Dakota*	65	2,184	461	2,710	2,422	0	288	727
Ohio*	1,538	34,163	0	35,701	35,045	0	656	2,692
Oklahoma*	310	7,844	53	8,206	7,494	0	712	N/A
Oregon*	2,579	10,272	-22	12,829	10,981	0	1,848	1,486
Pennsylvania*	0	35,697	-1,097	34,600	34,596	1	3	340
Rhode Island*	31	4,197	-117	4,111	4,086	0	25	211
South Carolina* **	1,709	9,284	30	11,023	8,575	537	1,912	569
South Dakota*	19	1,695	24	1,739	1,717	19	3	172
Tennessee*	1,642	16,054	-209	17,486	15,805	439	1,242	1,100
Texas*	4,721	60,779	194	65,693	60,775	2,912	2,006	10,090
Utah*	292	7,811	18	8,121	7,927	0	194	791
Vermont*	0	1,687	1	1,687	1,655	32	0	228
Virginia	230	22,529	0	22,759	22,751	0	8	1,375
Washington*	999	24,632	-193	25,438	24,675	0	763	1,874
West Virginia*	518	4,710	-17	5,211	4,821	18	372	830
Wisconsin*	1,087	17,699	561	19,347	18,387	-188	1,148	N/A
Wyoming*	0	1,286	341	1,627	1,627	0	0	1,572
Total	\$62,056	\$912,833		\$993,600	\$919,067		\$50,439	\$75,871

NOTES: NA Indicates data are not available. *See Notes to Table 4 on page 22. **In these states, the ending balance includes the balance in the rainy day fund.

TABLE 5
Fiscal 2021 State General Fund, Recommended* (Millions)**

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	\$684	\$9,957	\$0	\$10,641	\$10,101	\$377	\$164	\$1,104
Alaska*	0	1,968	3,092	5,059	4,651	2,074	-1,667	835
Arizona*	671	11,828	0	12,499	12,309	25	165	1,025
Arkansas*	0	5,687	0	5,687	5,687	0	0	153
California*	5,234	151,635	0	156,869	153,083	0	3,785	21,005
Colorado* **	1,038	13,546	0	14,584	13,640	0	944	944
Connecticut*	0	20,357	0	20,357	20,204	0	154	2,936
Delaware* **	1,017	4,818	0	5,834	5,024	0	810	263
Florida	1,934	35,090	0	37,024	35,263	0	1,760	1,674
Georgia*	3,047	26,632	0	29,679	26,632	0	3,047	N/A
Hawaii*	582	8,188	0	8,770	8,730	0	40	404
Idaho*	60	4,129	-71	4,118	4,096	-39	61	478
Illinois* **	100	42,131	0	42,231	39,826	2,255	150	112
Indiana*	633	17,518	10	18,161	17,253	100	808	1,455
Iowa*	0	8,249	225	8,474	8,088	0	386	824
Kansas	533	7,676	278	8,486	7,859	0	628	0
Kentucky*	103	11,916	473	12,492	12,077	330	85	316
Louisiana*	0	10,044	103	10,147	10,147	0	0	593
Maine*	193	4,070	3	4,266	4,152	1	113	271
Maryland*	414	19,339	31	19,784	19,710	-35	108	1,213
Massachusetts* **	4,120	36,421	13,068	53,609	36,147	13,068	4,394	4,301
Michigan*	603	10,581	0	11,183	11,104	0	80	1,219
Minnesota* **	3,726	24,983	37	28,746	24,741	0	4,005	2,709
Mississippi	0	5,966	0	5,966	5,845	119	1	464
Missouri*	521	9,984	238	10,743	10,639	0	104	652
Montana	295	2,573	0	2,868	2,555	0	314	117
Nebraska*	505	5,150	-455	5,201	4,730	130	341	531
Nevada*	415	4,596	58	5,069	4,540	10	519	0
New Hampshire*	-12	1,611	0	1,599	1,580	24	-4	115
New Jersey* **	1,513	40,791	-194	42,110	40,474	0	1,636	745
New Mexico**	1,893	7,873	-121	9,646	7,941	36	1,668	1,396
New York* **	6,527	81,298	0	87,825	81,921	0	5,904	2,476
North Carolina*	2,257	26,091	0	28,348	24,733	151	3,464	1,320
North Dakota*	288	1,748	552	2,588	2,422	0	166	727
Ohio*	656	36,195	0	36,851	36,453	0	398	2,800
Oklahoma*	712	7,323	N/A	8,035	7,554	0	481	N/A
Oregon*	1,848	11,186	-232	12,802	11,429	220	1,154	1,823
Pennsylvania*	3	37,300	-1,241	36,062	36,056	2	5	341
Rhode Island*	25	4,355	-131	4,249	4,248	0	1	219
South Carolina* **	1,912	9,420	0	11,332	9,244	1,012	1,076	616
South Dakota	0	1,723	0	1,723	1,723	0	0	172
Tennessee*	1,242	16,445	-315	17,371	16,952	402	17	1,150
Texas*	2,893	62,351	194	65,438	57,951	3,428	4,059	7,830
Utah*	194	8,142	64	8,400	8,314	0	86	791
Vermont*	0	1,682	24	1,705	1,700	5	0	233
Virginia	8	24,017	0	24,025	23,569	0	456	1,646
Washington*	763	25,563	-105	26,221	26,188	0	33	1,859
West Virginia*	372	4,585	0	4,957	4,575	0	383	830
Wisconsin*	1,148	18,078	580	19,805	19,202	-102	705	N/A
Wyoming*	0	1,125	364	1,489	1,489	0	0	1,388
Total	\$50,669	\$943,933		\$1,011,128	\$944,550		\$42,989	\$74,074

NOTES: N/A indicates data are not available. *See Notes to Table 5 on page 26. **In these states, the ending balance includes the balance in the rainy day fund. ***For some states that enacted biennial budgets for fiscal 2020-2021, the fiscal 2021 data in this survey reflect enacted budget information. See footnotes to this table for more details.



TABLE 6

General Fund Nominal Percentage Expenditure Change, Fiscal 2019 to Fiscal 2021

State	Fiscal 2019	Fiscal 2020	Fiscal 2021
Alabama	4.1%	9.7%	6.5%
Alaska	8.9	-3.8	-1.1
Arizona	6.6	11.5	5.7
Arkansas	2.4	-4.3	5.6
California	13.7	5.6	2.2
Colorado	14.4	3.7	2.5
Connecticut	3.2	0.9	3.9
Delaware	6.7	6.3	7.5
Florida	4.5	3.0	3.0
Georgia	5.6	1.0	3.5
Hawaii	1.4	5.7	4.3
Idaho	5.4	7.1	4.8
Illinois	2.7	3.6	5.7
Indiana	3.5	3.4	2.5
Iowa	4.2	1.5	5.9
Kansas	5.8	10.3	1.3
Kentucky	2.9	1.8	1.8
Louisiana	4.1	-1.9	3.4
Maine	5.8	5.8	5.6
Maryland	3.6	9.7	0.3
Massachusetts	4.9	6.5	2.7
Michigan	3.5	2.4	3.9
Minnesota	3.2	3.8	3.4
Mississippi	-0.8	3.8	1.7
Missouri	3.0	5.9	5.3
Montana	5.2	7.0	-0.8
Nebraska	0.4	5.9	2.3
Nevada	10.0	-0.2	3.0
New Hampshire	0.0	3.9	1.1
New Jersey	5.0	5.7	2.1
New Mexico	21.4	6.9	-1.1
New York	4.4	8.6	3.7
North Carolina	4.0	3.1	1.3
North Dakota	-2.2	14.7	0.0
Ohio	5.2	4.8	4.0
Oklahoma	16.3	6.8	0.8
Oregon	4.1	7.9	4.1
Pennsylvania	4.5	3.6	4.2
Rhode Island	3.3	4.1	4.0
South Carolina	3.1	5.3	7.8
South Dakota	2.9	4.8	0.4
Tennessee	3.2	10.8	7.3
Texas*	-6.7	16.2	-4.6
Utah	12.4	4.6	4.9
Vermont	2.1	3.7	2.7
Virginia	4.9	6.1	3.6
Washington	12.2	7.6	6.1
West Virginia	8.8	4.7	-5.1
Wisconsin	4.8	2.4	4.4
Wyoming	6.3	0.0	-8.5
Average	5.5%	5.8%	2.8%
Median	4.3%	4.8%	3.4%

*See Notes to Table 6 on page 31. **Fiscal 2019 reflects changes from fiscal 2018 expenditures (actual) to fiscal 2019 expenditures (actual). Fiscal 2020 reflects changes from fiscal 2019 expenditures (actual) to fiscal 2020 expenditures (estimated). Fiscal 2021 reflects changes from fiscal 2020 expenditures (estimated) to fiscal 2021 expenditures (recommended).

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 2019 spending from all sources (general funds, federal funds, other state funds and bonds) is approximately \$2.12 trillion. General funds represent the largest category of total state spending by fund source at 40.8 percent, followed by federal funds at 30.7 percent, other state funds at 26.6 percent, and bonds at 1.9 percent. The program area components of total state spending for fiscal 2019 are: Medicaid, 28.9 percent; elementary and secondary education, 19.5 percent; higher education, 10.1 percent; transportation, 8.1 percent; corrections, 3.0 percent; public assistance, 1.2 percent; and all other expenditures, 29.1 percent.

For fiscal 2019, components of general fund spending are elementary and secondary education, 35.6 percent; Medicaid, 19.7 percent; higher education, 9.6 percent; corrections, 6.6 percent; public assistance, 0.9 percent; transportation, 0.9 percent; and all other expenditures, 26.7 percent.

Recommended Appropriation Changes for Fiscal 2021

States entered the fiscal 2021 budget cycle with a moderate level of new money available to spend on key priorities. Overall, governors proposed general fund budgets for fiscal 2021 that called for \$33.2 billion in increases over fiscal 2020 enacted appropriation levels. Notably, Medicaid was the largest recipient of new money in fiscal 2021 based on executive budgets, receiving a funding boost of \$11.2 billion, after smaller increases in recent years. Elementary and secondary education, by far the largest recipient of new money in fiscal 2020, received an additional \$8.1 billion in governors' fiscal 2021 budgets to build upon recent funding increases. Higher education received \$1.3 billion, Corrections received \$1.3 billion, and Public Assistance (narrowly defined in this report to include only TANF and other cash assistance) received an additional \$614 million. Transportation received \$245 million

in additional general fund dollars; however, 46 states rely on a separate transportation fund to finance transportation spending, as reported in NASBO's 2019 *State Expenditure Report*, so general fund spending adjustments are not necessarily reflective of overall recommended state spending changes for transportation.

The "all other" category of general fund spending received sizeable proposed general fund appropriation increases as well, with governors directing \$10.4 billion in additional funding (nearly one third of all new money) to this broad category comprised of a diverse range of programs. Some states provided further detail on proposed appropriation changes in this category, which include spending increases for housing programs, other health programs besides Medicaid, deposits to reserve funds, pension fund contributions, public safety, environment and conservation projects, economic development, capital construction and debt service, children and family services, local government assistance, and state parks. (See [Table 9](#))

Mid-Year Budget Actions for Fiscal 2020

Mid-year budget actions include any actions, whether legislative or executive (e.g., executive order, withholding of excess funds), that change the appropriated or authorized expenditure level compared to the original enacted budget. Looking at mid-year budget actions in fiscal 2020 offers another indicator of strong state fiscal conditions pre-COVID. In fiscal 2020, only two states reported making mid-year budget reductions due to a revenue shortfall, including the one state (Arkansas) that reported data in this survey reflecting spending and revenue impacts of COVID-19. Two additional states reported net mid-year spending reductions not attributable to a revenue shortfall. Besides Arkansas, no states reported in this survey on budget cuts made in response to the precipitous declines in revenues due to the economic fallout of COVID-19, due to the timing of data collection and the focus of this report on governors' budget proposals. NASBO's *Fall 2020 Fiscal Survey of States* will provide an update on state budget actions taken during 2020 regular and special sessions. (See [Table 7](#) and [Figure 2](#))

Meanwhile, 19 states reported making mid-year spending increases in fiscal 2020, for a net mid-year increase of \$4.1 billion in general fund spending after accounting for minimal reductions. Higher education, Medicaid, corrections, transportation and all other were recipients of net increases in spending due to mid-year budget actions in fiscal 2020, while

public assistance saw a slight decline and K–12 education was relatively unchanged on net. The “all other” category was the largest recipient of mid-year (post-enacted) spending increases. Some of the more sizable increases in this area included funding for disaster response activities, supplemental pension payments, rainy day fund deposits, and child welfare services. At least one state (Washington) reported on supplemental appropriations for COVID–19 response here. Some program area general fund appropriation changes — particularly reductions — were partially or fully offset by other state fund changes. (See [Table 8](#))

Budget Gaps

Strong fiscal conditions in fiscal 2020 meant few states reported having to close budget gaps prior to the pandemic. Eight states reported closing budget gaps in fiscal 2020, and seven states reported on budget gaps still to close for the current fiscal year. For fiscal 2021, 10 states forecasted budget gaps before incorporating governors’ budget recommendations. It is important to note that budget gap projections tend to be moving targets and can change over the course of the fiscal year, and are surely rising dramatically as states face the impacts of COVID–19. States also vary greatly in the methods and assumptions used to measure projected budget gaps, and not all states have a formal process to identify gaps.

Budget Management Strategies. In order to manage their budgets, states employ a variety of strategies. The survey asked states about budget management strategies used after the fiscal 2020 budget was enacted and strategies used in the development of the fiscal 2021 proposed budget. Once again, the strategies reported here predate the COVID crisis for virtually all states. In fiscal 2020, nine states reported that targeted cuts were used to reduce expenditures during the fiscal year (or after budget enactment), while four states made across-the-board percentage cuts. Other common budget management strategies for fiscal 2020 included: eliminating vacant positions or hiring freezes (5 states); withdrawing, diverting or making deposits into rainy day funds (5 states); transferring from other state funds (besides the rainy day fund) (6 states); and using prior-year fund balances (7 states). For fiscal 2021, among the most common strategies used, 14 governors recommended targeted spending cuts, 8 eliminated vacant positions or imposed hiring freezes, and 10 states used transfers from other funds. Many states provided more details on these strategies in footnotes, printed at the end of this chapter. (See [Tables 10–11](#))

TABLE 7

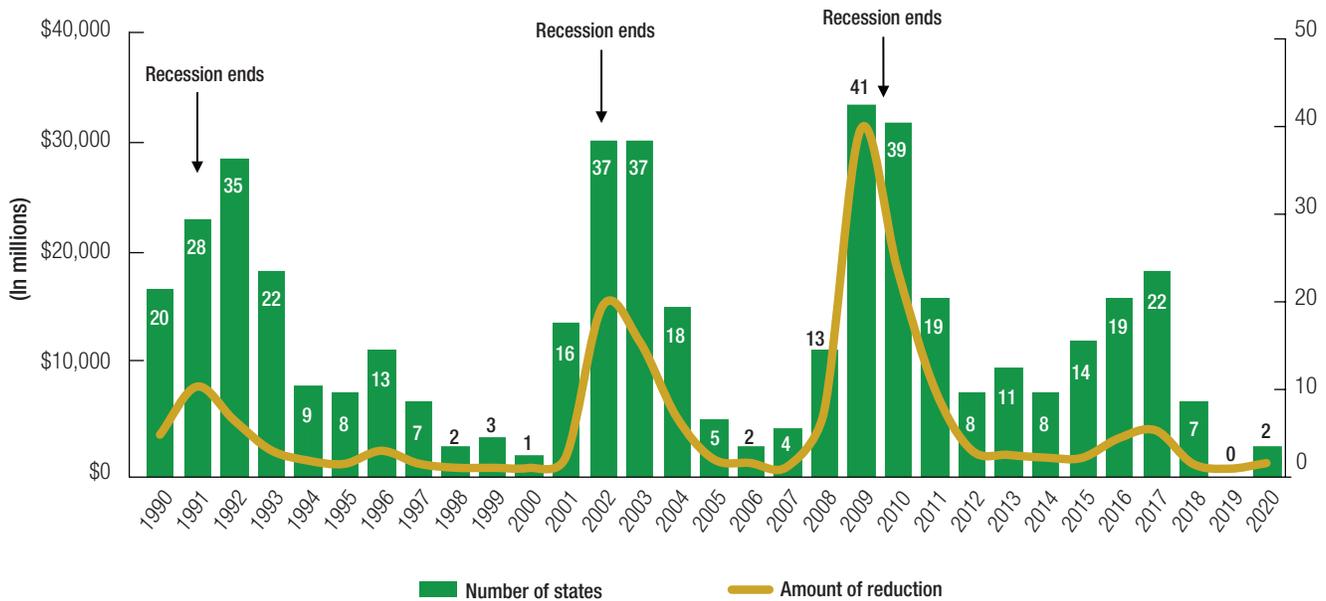
States with Net Mid-Year Cuts in Fiscal 2020 Due to a Shortfall

State	FY 2020 Size of Cuts (\$ in Millions)	Programs or Expenditures Exempted from Cuts
Arkansas*	\$365.5	No programs were exempt.
Georgia	148.2	Formula and enrollment driven programs
Total	\$513.7	

See Notes to Table 7 on page 31.

FIGURE 2:

Budget Cuts Made After the Budget Passed, Fiscal 1990 to Fiscal 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

Fiscal 2020 Mid-Year Program Area Adjustments by Dollar Value (Millions)

State	K-12 Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	Other	Total
Alabama*	\$0.0	\$0.0	\$0.0	\$65.6	\$22.3	\$0.0	\$84.4	\$172.3
Alaska	0.0	0.0	0.0	128.3	0.0	0.0	126.3	254.6
Arizona	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arkansas*	-126.2	-45.7	0.0	-114.5	-24.7	0.0	-54.5	-365.5
California*	0.0	0.0	0.0	0.0	0.0	2.2	1,400.4	1,402.6
Colorado	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Connecticut*	-5.0	-0.1	-18.8	104.2	8.9	12.9	-9.1	93.0
Delaware	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Florida	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Georgia	123.9	-22.8	-48.2	-17.3	-81.1	-9.8	-92.8	-148.2
Hawaii*	-14.3	-11.3	-5.2	-10.5	-1.5	0.0	-51.5	-94.3
Idaho*	0.0	0.0	2.3	18.6	23.4	0.0	-18.4	25.9
Illinois	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indiana*	0.0	291.2	0.0	0.0	0.0	0.0	0.0	291.2
Iowa*	0.0	0.0	0.0	89.0	0.0	0.0	22.0	111.0
Kansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kentucky*	0.0	15.0	0.0	0.0	11.7	0.0	-1.8	24.9
Louisiana*	0.5	0.0	0.0	23.2	7.6	0.0	56.6	87.9
Maine	0.4	0.0	0.0	0.1	3.5	0.0	6.8	10.8
Maryland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Massachusetts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Michigan*	0.0	3.9	0.0	73.3	0.0	0.0	409.6	486.8
Minnesota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Missouri	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Montana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nebraska*	-0.1	0.0	-4.0	0.0	2.8	0.0	2.0	0.6
Nevada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Jersey	289.2	1.0	3.1	0.0	29.3	8.7	723.1	1,054.4
New Mexico	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New York	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
North Carolina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oregon*	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pennsylvania	0.0	0.0	-0.2	478.3	89.9	0.0	30.1	598.1
Rhode Island*	0.0	0.0	-1.3	-16.4	-3.8	0.0	30.2	8.7
South Carolina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Dakota	-3.8	5.0	-2.9	-6.9	0.1	0.0	24.4	15.9
Tennessee	0.0	0.0	0.0	0.0	33.2	0.0	41.0	74.2
Texas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utah*	0.0	0.0	0.0	0.0	0.0	0.0	3.0	3.0
Vermont	0.1	0.0	3.3	3.1	2.9	0.0	1.4	10.8
Virginia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Washington*	-291.2	-6.6	15.3	121.0	13.3	-0.4	128.9	-19.8
West Virginia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wisconsin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	-\$26.6	\$229.5	-\$56.6	\$939.0	\$137.8	\$13.6	\$2,862.1	\$4,098.9
Increases	5	5	4	11	13	3	16	19
Decreases	6	5	7	5	4	2	6	4

NOTE: *See Notes to Table 8 on page 31.

TABLE 9

Fiscal 2021 Recommended Program Area Appropriation Changes by Dollar Value (Millions)

State	K-12 Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	Other	Total
Alabama*	\$290.8	\$109.6	\$11.0	\$94.4	\$41.8	\$0.0	\$187.5	\$735.1
Alaska	-17.5	-22.7	7.5	128.0	39.9	80.6	122.4	338.1
Arizona	499.5	20.3	72.4	195.1	80.9	77.7	-219.8	726.1
Arkansas	9.7	5.6	0.0	65.4	5.8	0.0	2.5	89.0
California*	863.7	-39.0	283.7	3,176.7	623.9	-88.5	482.1	5,302.6
Colorado*	82.2	55.2	24.6	182.3	8.5	-250.0	229.4	332.2
Connecticut	96.8	69.7	39.2	178.6	53.1	113.1	343.0	893.5
Delaware	84.1	10.7	3.0	-10.2	7.7	0.0	82.3	177.6
Florida	552.8	-8.1	-15.0	128.4	127.6	0.0	247.0	1,032.7
Georgia*	270.6	60.0	-66.8	217.8	-84.9	40.6	51.2	488.7
Hawaii*	85.8	34.0	5.0	53.6	8.3	0.0	143.0	329.7
Idaho*	77.7	8.9	-0.5	24.8	30.2	0.0	5.8	146.9
Illinois*	474.6	129.5	0.0	0.0	24.0	0.0	1,570.1	2,198.2
Indiana*	207.0	61.5	0.0	133.5	2.9	0.0	-15.4	389.5
Iowa*	107.0	27.0	-0.5	78.1	5.9	0.0	123.1	340.6
Kansas*	88.2	19.2	-47.1	65.5	-17.4	0.0	-74.2	34.2
Kentucky*	95.0	49.0	0.0	43.4	23.1	6.7	127.7	344.8
Louisiana	115.5	40.3	1.7	239.9	-3.8	0.0	29.4	423.0
Maine	42.1	2.5	0.0	11.9	2.0	0.0	5.2	63.7
Maryland*	221.3	136.4	7.0	308.5	-7.5	0.0	156.4	822.1
Massachusetts*	291.4	-11.4	60.9	101.7	52.3	54.9	433.2	983.2
Michigan*	0.0	63.9	0.9	114.7	15.0	0.0	184.1	378.5
Minnesota	27.0	0.0	0.0	28.9	24.3	3.7	271.0	355.0
Mississippi	83.9	-2.0	15.2	0.0	1.8	0.0	0.6	99.5
Missouri*	36.1	7.5	0.3	213.0	44.5	-50.8	170.0	420.6
Montana*	13.2	4.6	0.0	30.2	-2.8	0.0	-15.2	30.0
Nebraska*	13.0	4.0	-4.0	0.0	6.2	0.0	105.6	124.8
Nevada	-1.2	10.1	1.2	92.4	8.7	0.0	27.0	138.2
New Hampshire*	0.0	4.3	0.0	0.0	3.3	0.0	-179.6	-172.0
New Jersey	566.7	-29.6	-10.7	339.6	0.4	99.3	-134.7	830.6
New Mexico	162.8	46.6	5.9	55.8	18.0	0.0	313.6	602.7
New York*	708.0	-45.0	-14.0	1,430.0	-153.0	197.0	4,106.0	6,229.0
North Carolina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio*	-97.9	86.1	0.0	1,838.7	80.3	0.0	119.7	2,026.9
Oklahoma*	24.1	-7.0	0.0	0.0	-12.0	0.0	-87.8	-82.7
Oregon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pennsylvania	271.1	55.8	-0.5	973.1	-73.2	0.0	234.1	1,460.4
Rhode Island*	44.7	0.8	3.9	21.3	0.0	0.0	99.6	170.2
South Carolina	388.9	88.6	75.1	69.2	56.8	5.8	-1.0	683.5
South Dakota	8.9	0.7	0.6	6.0	1.5	0.0	5.0	22.7
Tennessee	366.2	95.7	0.0	65.3	54.3	0.0	554.7	1,136.2
Texas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utah*	189.7	-10.0	0.0	-2.3	-26.1	67.3	135.6	354.2
Vermont	6.4	1.4	4.9	4.0	-0.6	0.0	28.9	45.0
Virginia	454.6	183.0	57.5	163.2	115.2	-40.0	-112.5	821.0
Washington*	-23.5	10.7	91.7	167.5	60.1	2.9	200.1	509.5
West Virginia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wisconsin*	277.9	-0.1	0.0	208.8	11.3	-74.9	391.9	814.9
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	\$8,058.9	\$1,328.3	\$614.1	\$11,236.7	\$1,258.0	\$245.4	\$10,448.7	\$33,190.1
Increases	38	33	22	37	32	12	35	42
Decreases	4	10	9	2	10	5	9	2

NOTE: *See Notes to Table 9 on page 32. Value of changes are in reference to funding level of FY 2020 enacted budget.

TABLE 10

Strategies Used to Manage Budget, Fiscal 2020 Mid-Year (Post-Enacted)

State	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	X						X	
California*									X
Colorado									
Connecticut*									
Delaware									
Florida									
Georgia*		X							
Hawaii		X							
Idaho*	X								
Illinois*									
Indiana*	X								
Iowa									
Kansas*									
Kentucky									
Louisiana*								X	
Maine*									
Maryland*		X						X	
Massachusetts*									
Michigan*									
Minnesota									
Mississippi									
Missouri									
Montana									
Nebraska*		X						X	
Nevada									
New Hampshire									
New Jersey*									
New Mexico									
New York*		X							
North Carolina									
North Dakota*									
Ohio									
Oklahoma									
Oregon									
Pennsylvania									
Rhode Island*	X	X							
South Carolina									
South Dakota*		X							
Tennessee*									
Texas									
Utah									
Vermont									
Virginia*									
Washington*									
West Virginia									
Wisconsin									
Wyoming									
Total	4	9	0	0	0	0	0	5	1

NOTE: *See Notes to Tables 10 and 11 on page 34.

Table 10 continues on next page.

TABLE 10 (CONTINUED)

Strategies Used to Manage Budget, Fiscal 2020 Mid-Year (Post-Enacted)

State	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Other (Specify)
Alabama								
Alaska*		X						
Arizona*								
Arkansas*						X		
California*								
Colorado								
Connecticut*								
Delaware								
Florida								
Georgia*								
Hawaii						X		
Idaho*								
Illinois*								
Indiana*								
Iowa								
Kansas*								
Kentucky								
Louisiana*								
Maine*					X	X		
Maryland*	X			X	X			
Massachusetts*								X
Michigan*								
Minnesota								
Mississippi								
Missouri								
Montana		X			X			
Nebraska*	X			X		X		X
Nevada								
New Hampshire								
New Jersey*				X				
New Mexico								
New York*							X	
North Carolina								
North Dakota*								
Ohio								
Oklahoma								
Oregon								
Pennsylvania								
Rhode Island*					X	X		
South Carolina								
South Dakota*				X	X			
Tennessee*								X
Texas								
Utah								
Vermont						X		
Virginia*								
Washington*				X	X	X		
West Virginia								
Wisconsin								
Wyoming								
Total	2	2	0	5	6	7	1	3

NOTE: *See Notes to Tables 10 and 11 on page 34.

TABLE 11

Strategies Used to Manage Budget, Fiscal 2021 Recommended

State	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	X						X	
California*									X
Colorado									
Connecticut*		X							X
Delaware									
Florida		X						X	
Georgia*		X							
Hawaii									
Idaho*	X								
Illinois*									
Indiana*									
Iowa									
Kansas*									X
Kentucky									
Louisiana*		X							
Maine*									
Maryland*		X						X	X
Massachusetts*									
Michigan*		X							
Minnesota									
Mississippi									
Missouri		X						X	
Montana									
Nebraska*		X						X	X
Nevada									
New Hampshire									
New Jersey*									X
New Mexico									
New York*	X	X						X	
North Carolina									
North Dakota*									
Ohio									
Oklahoma									
Oregon									
Pennsylvania									
Rhode Island*	X	X							
South Carolina									
South Dakota*		X							
Tennessee*								X	
Texas									
Utah									
Vermont		X							
Virginia*									
Washington*									
West Virginia									
Wisconsin									
Wyoming									
Total	4	14	0	0	0	0	0	8	6

NOTE: *See Notes to Tables 10 and 11 on page 34.

Table 11 continues on next page.

TABLE 11 (CONTINUED)

Strategies Used to Manage Budget, Fiscal 2021 Recommended

State	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Other (Specify)
Alabama								
Alaska*	X	X	X	X				
Arizona*				X	X			
Arkansas*								
California*	X	X						
Colorado								
Connecticut*								X
Delaware								
Florida					X			
Georgia*								
Hawaii						X		
Idaho*								
Illinois*		X						
Indiana*								
Iowa								
Kansas*								
Kentucky					X	X		
Louisiana*								
Maine*								
Maryland*	X				X		X	
Massachusetts*								X
Michigan*								
Minnesota								
Mississippi								
Missouri								
Montana								
Nebraska*	X			X				X
Nevada								
New Hampshire								
New Jersey*		X		X				
New Mexico								
New York*					X			X
North Carolina								
North Dakota*					X			
Ohio								
Oklahoma								
Oregon								
Pennsylvania					X			
Rhode Island*	X		X		X			
South Carolina								
South Dakota*								
Tennessee*								X
Texas								
Utah								
Vermont						X		
Virginia*					X			
Washington*					X	X		
West Virginia								
Wisconsin								
Wyoming								
Total	5	4	2	4	10	4	1	5

NOTE: *See Notes to Tables 10 and 11 on page 34.

CHAPTER 1 NOTES

Notes to Table 3: Fiscal 2019 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.

Alabama	Expenditure adjustments include an Actual transfer of \$64.2M to the ETF Budget Stabilization Fund and an Actual transfer of \$272.3M to the ETF Advancement & Technology Fund.
Alaska	Revenues: Fall 2019 Revenue Sources Book (Total Revenue pg. 6) Revenue Adjustments: Fiscal Year 2021 Fiscal Summary Expenditures: Fiscal Year 2021 Fiscal Summary Expenditure Adjustments: State of Alaska Fiscal Summary — FY20 and FY21 Rainy Day Balance: State of Alaska Fiscal Summary FY20 and FY21 Number listed is EoY Balance Ending balance includes multi-year appropriations.
Arizona	\$271.1 million rainy day fund deposit from the General Fund
Arkansas	16.3% of the ending balance was transferred to create a restricted reserve fund for FY19, 58.7% was transferred to the General Revenue Allotment Reserve Fund, and the remaining 25% was transferred to the Arkansas Highway Transfer Fund. Total available revenue amounts are reported as net of refunds and special dedications/payments.
California	Revenue and expenditure adjustments to the beginning fund balance consist primarily of adjustments made to major taxes and other non K-12 spending. Total Revenues: reflect revenues after transfers to the rainy day fund. The ending balance includes the Special Fund for Economic Uncertainties (SFEU), but excludes the BSA (a rainy day reserve held in a separate fund) and the Safety Net Reserve Fund. The excluded amount is \$13,968.4 million for the BSA and \$900 million for the Safety Net Reserve Fund at the end of FY 2019. Adding these amounts to the FY 2019 ending balance, the projected total balance is \$23,365.4 million in FY 2019. The rainy day balance is made up of the SFEU, BSA, and the Safety Net Reserve Fund, however, withdrawals of mandatory deposits from the BSA are subject to provisions of Proposition 2, 2014. Includes a reserve for encumbrances of \$2,144.5 million representing 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.
Colorado	Revenue adjustments include transfers to the General Fund. Colorado's rainy day fund is included within the General Fund.
Connecticut	Rainy Day Fund balance includes \$949.7 million transfer to the fund due to the volatility cap. The state of CT has a volatility cap that applies to the Estimates and Finals component of the Personal Income Tax and the state's Pass-through Entity Tax. The cap was \$3,196.8 million in FY 2019 which resulted in a deposit of \$949.6 million to the Budget Reserve Fund. The cap is \$3,294.2 million in FY 2020 with an estimated deposit of \$318.3 million. The cap is \$3,408.3 million in FY 2021 with an estimated a deposit of \$274.6 million. These amounts are deposited to the Rainy Day Fund in addition to the operating surplus/deficit at the end of each fiscal year, therefore, the Rainy Day Fund balance includes the ending balance in each fiscal year.
Delaware	FY 2019 General Fund figures are as per December, 2019 DEFAC. Fiscal year ending balance includes encumbered appropriations and those appropriations legislatively continued into the ensuing fiscal year.

Georgia	FY 19 beginning balance reflects general fund balances as of June 30, 2019 for Revenue Shortfall Reserve, Guaranteed Revenue Debt Common Reserve Fund, and State Revenue Collections as reported on the Combined Balance Sheet of the Budgetary Compliance Report. Adjustments to Revenues include FY18 agency surplus returned and early remittance of FY19 surplus from state agencies. FY 2019 Actual Expenditures include \$26,177,641,116 in State General Fund expenditures.
Idaho	Revenue adjustments include prior year reversions, reappropriation, and cancelled prior year encumbrances. Expenditures adjustments include transfers to other funds, reappropriations, and end of year cash adjustments.
Illinois	Total revenues include \$33,560M in state sources, \$3,600M in federal sources, and \$2,035M in transfers in. Revenues adjustments include \$250M in interfund borrowing and fund reallocations, \$750M in Treasurer's investment borrowing, and \$57M in Comptroller budgetary basis adjustments. Total expenditures include \$29,756.4M in appropriations, -\$840M in unspent appropriations, \$7,478.2M in pension contributions, and -\$34M in Comptroller budgetary basis adjustments. Expenditure adjustments include \$3,906.7M in transfers out, -\$6,178.8M in accounts payable at the end of FY19, \$5,822.7M in accounts payable at the end of FY18.
Indiana	Revenue adjustments include a transfer to the General Fund to assist with the Integrated Tax System and a one-time deposit of gaming license transfer fees. Expenditure adjustments include reversions from prior year distributions, capital, and reconciliations; reversions from prior year Medicaid appropriations; state agency and university line item capital projects; the cost of a 13th check for pension recipients; a one-time appropriation for the Indiana Biosciences Research Institute; and a one-time transfer to teachers retirement fund pensions.
Iowa	Total Revenues are as actual, also included in revenue adjustments is \$71.0 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. Total Expenditures actual appropriations including \$168.6 million of supplemental appropriations for FY2019. Included in expenditure adjustments is a transfer from the General Fund to the State's Cash Reserve Fund of \$113.1 million. The ending balance of the General Fund is transferred in the current year to the Reserve funds in the subsequent fiscal year. After the Reserve Funds are at their statutorily set maximum amounts, the remainder of the funds are transferred back to the General Fund in that subsequent fiscal year.
Kansas	\$7.8 million in prior year released encumbrances shows as revenue.
Kentucky	Revenue includes \$117.6 million in Tobacco Settlement funds. Adjustment for Revenues includes \$168.0 million that represents appropriation balances carried over from the prior fiscal year, and \$307.0 million from fund transfers into the General Fund. Adjustment to Expenditures represents appropriation balances forwarded to the next fiscal year.
Louisiana	Revenue adjustments — Includes \$53.3m BP settlement payment, \$137.8m of other obligations against cash carried over from FY18 to FY19 Expenditure adjustments — Includes \$87.9m of carryforwards, \$13.8m of pending transfers to be completed in FY20, \$1.2m of unappropriated uses of surplus
Maine	Revenue and Expenditure adjustments reflect Legislatively authorized transfers.
Maryland	Revenue adjustments include a \$200 million diversion to the Excellence in Education Fund and \$23.3 million in transfers from tax credit reserves. Expenditure adjustments represent \$79.0 million in reversions to the unappropriated General Fund balance.
Massachusetts	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. Ending balance includes \$521.3 million in reserved balances projected to be spent in the next fiscal year.
Michigan	Revenue totals are net of payments to local government and balance sheet adjustments. Adjustments (Expenditures): \$100 million transfer to Budget Stabilization Fund/Rainy Day Fund.
Minnesota	Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.0785 billion. Does not include stadium reserve of \$70.978 million.

Mississippi	Ending balance includes reappropriation of funds from FY 2018 to 2019 among various agencies.
Missouri	Revenue adjustments include transfers from other funds into the General Revenue Fund.
Montana	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.
Nebraska	Revenue adjustments are transfers between the General Fund and other funds. Among others, this includes a \$221 million transfer from the General Fund to the Property Tax Credit Cash Fund, as well as a \$62 million Transfer to the Cash Reserve for Revenues in excess of the Certified Forecast for FY 2018. Also included is a transfer \$48 million from the Cash Reserve Fund to the General Fund for budget stabilization.
Nevada	Revenue adjustments are restricted revenue, Rainy Day Funds transfers ins and Prior Year Reversions. Expenditures adjustments are restricted transfers out, rainy day funds, transfers out, and Prior Year Account adjustments.
New Hampshire	Expenditure Adjustments: The make up of this adjustment total for FY 2019 includes a positive pick up of \$9.4 million through a GAAP adjustment, a movement of \$ 5.3 million to the Rainy Day Fund, and the movement of \$3.5 million to the Public School Infrastructure Fund at year end. The entire amount of the General Fund undesignated fund balance of \$ 192.5 million from FY 2019 was obligated in FY 2020.
New Jersey	Budget to GAAP adjustments and transfers to other funds
New York	The Rainy Day Reserve increased by \$250 million after a deposit from the General Fund. This was the result of a transfer from the State Purposes Account to the Rainy Day Reserve Fund. These funds are components of New York State's General Fund.
North Carolina	Expenditure adjustments includes funds transferred to Budget Stabilization Reserve (Savings Reserve), \$221.5 million, Medicaid Transformation Reserve, \$135 million, and funds to the Department of Transportation from the General Fund of \$90 million. Budget Stabilization Reserve (Rainy Day) balance was reduced in the middle of FY 2019 to aid in the Hurricane Florence recovery efforts. The funds were placed in restricted statewide reserve similar to the Rainy Day Fund and transferred to the operating budget as needed to cover FEMA federal match and state supported programs for Hurricane Florence Recovery efforts. Ending Balance is higher than normal due to North Carolina not having a comprehensive budget at the time of this survey due to the Governor's veto of the General Assembly's budget. Normally, some of the year-end credit balance is directed by an approved budget to areas like capital, repair and renovation, and the Rainy Day Fund.
North Dakota	Revenue adjustments are transfers of \$455.3 million from the legacy fund, \$124.0 million from the strategic investment and improvements fund and \$70.0 million from other special fund sources, to the general fund. Expenditure adjustments include a transfer of \$548.0 million to the budget stabilization fund and \$.9 million in misc adjustments.
Ohio	<p>FY 2019 includes expenditures against prior year encumbrances and \$773.0 million in transfers out of the GRF. The fiscal 2019 ending balance included funds to support \$314.1 million in open encumbrances and \$77.5 million for the 27th pay period. The 27th pay will be disbursed in fiscal year 2020 using fiscal year 2019 appropriation, and is therefore considered a fiscal year 2019 obligation.</p> <p>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 contained in the General Fund number to be consistent with Ohio accounting practices and with other portrayals of Ohio's general fund. This will tend to make Ohio's GRF revenue and expenditures look higher relative to most other states that don't follow this practice.</p>
Oklahoma	FY-2019 Revenue adjustments include \$15.7 million negative cash flow and \$3.7 million returned to the GRF from unused revenues the Legislature pulled back from the Department of Health. The adjustment to expenditures reflects the end-of-year deposit into the Rainy Day Fund.
Oregon	Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief as well as a statutory required distribution from Corporate Income Taxes to the Rainy Day Fund and the PERS Liability. Additionally, the Oregon Office of Economic Analysis made an adjustment to its revenue forecast to fix a previous error of \$71.1M. This was an error in the amount transferred to the Rainy Day Fund from corporate income tax revenues.

Expenditure adjustment includes: the cost of Tax Anticipation Notes, as well as the required deposit into the Rainy Day Fund.

Because General Fund revenues for the 2017–19 biennium are anticipated to exceed projections by more than two percent, there will be a refund of personal income taxes “Kicker”. This refund, which is projected at roughly \$1,687.6 million will be returned to taxpayers as a credit on their 2019 income tax return (filed in 2020).

Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (rainy day).

Pennsylvania	Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (rainy day).
Rhode Island	Adjustments to revenues reflect a transfer of \$122.3 million to the Budget Reserve Fund offset by a reappropriation total of \$10.1 million from FY 2018. No, reappropriation to FY 2019 is accounted for in the adjustments to expenditures field.
South Carolina	Revenue Adjustments: Litigation Recovery Account (\$4.1M). Expenditure Adjustments: Prior Yr 2% Capital Reserve (\$145.1M) transferred to state agencies. Designated portion of ending balance: Capital Reserve Fund -\$151.6M; Appropriations Carried Forward \$432.0M
South Dakota	The beginning balance of \$16.9 million and adjustment to expenditures reflects the prior year’s ending balance that is transferred to the rainy day fund. Adjustments to revenue of \$15.8 million is from one-time receipts. The ending balance of \$19.3 million is cash that is obligated to the Budget Reserve fund the following fiscal year. This \$19.3 million is not included in the total rainy day fund balance of \$169.8 million.
Tennessee	Revenue adjustments: \$43 million transfer from debt service fund unexpended appropriations. -\$75 million transfer to Rainy Day Fund. -\$34.8 million transfer to Highway Fund. \$34.2 million transfer to dedicated revenue reserves. -\$61.2 million balancing estimate. Expenditure adjustments: \$235.5 million transfer to capital outlay projects fund. \$29.3 million transfer to state office buildings and support facilities fund. \$3.7 million transfer to debt service fund. \$1.0 million transfer to reserves for dedicated revenue appropriations. \$311.8 million transfer to reserves for unexpended appropriations. \$0.9 million transfer to systems development fund. Ending Balance: \$865.5 million reserve for appropriations 2019–2020. \$776.7 million unappropriated budget surplus at June 30, 2019. -\$0.4 million rounding.
Texas	Revenue adjustment of \$128.0 m from general fund dedicated account balances. Expenditure adjustment of \$2,799.2 m reserved for transfer (50/50) to the Rainy Day Fund and State Highway Fund. Figures can be found in 2020–2021 CRE on Table A-1 and A-8
Utah	Expenditure adjustments include \$33.5 million of surplus revenue collections were automatically transferred to rainy day funds and other funds at the end of FY 2019 based on statutory formulas. FY 2019 revenue adjustments include transfers to the General Fund and Education fund, the amount set aside for economic development cash incentives, funds that lapsed to General Fund or Education Fund at the end of FY 2018, and other revenue adjustments. \$206.2 million of the \$291.8 million FY 2019 ending balance was reserved for one-time appropriations in FY 2020.
Vermont	\$10.5M in adjusted revenues reflect amounts reserved at the end of FY2018, that were subsequently unreserved in fiscal year 2019, and were intended to address potential tax refunds due in fiscal year 2019, as well other general appropriations. \$96.9M in adjusted expenditures reflect the following net-transfers among state special funds and the General Fund, and General Fund reserves including; the payment-in-full of a \$22.3M interfund loan due to the General Fund, a \$13.3M additional contribution to the Vermont State Employees’ Retirement System above and beyond the ADEC, and a combination of statutory and supplemental contributions to the state’s General Fund reserves (“Rainy Day” funds).
Washington	Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments.

West Virginia	Fiscal Year 2019 Beginning balance includes \$297.3 million of Reappropriations, Unappropriated Surplus Balance of \$36.1 million, \$1.3 million of cash balance adjustments, and FY 2018 13th month expenditures of \$42.9 million. Total Revenues show the FY 2019 actual general revenue collections of \$4,756.3 million. Adjustments (Revenue) are prior year redeposits of \$0.74 million and special revenue expirations of \$4.7 million. Total Expenditures include current year general revenue appropriated expenditures of \$4.470.6 million, surplus appropriation expenditures of \$10.7 million, reappropriation expenditures of \$81.7 million, -\$2.4 million of cash adjustments, \$42.9 million of reappropriations transferred to FY 2019 collections, and \$15.5 million of 31 day prior year expenditures. Adjustment (Expenditures) represent \$18.0 million which was the amount transferred to the Rainy Day Fund from 1/2 of the FY 2018 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.
Wisconsin	Revenue adjustments include Tribal Gaming, \$29.1m; Prior Year Designated Balance, \$238.5m; and Other Revenue, \$501.7m. Expenditure adjustments include Transfers, \$363.3m; Lapses, -\$755.8m; and Compensation Reserves, \$40.5m.
Wyoming	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 2020 State General Fund, Estimated

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.

Alabama	Expenditure adjustments include an Actual transfer of \$66.5M to the ETF Budget Stabilization Fund and an Actual transfer of \$512.9M to the ETF Advancement & Technology Fund. We anticipate spending \$110.7m of a carryover balance in 2020.
Alaska	Revenues: Fall 2019 Revenue Sources Book (Total Revenue pg. 6) Revenue Adjustments: Fiscal Year 2021 Fiscal Summary Expenditures: Fiscal Year 2021 Fiscal Summary Expenditure Adjustments: State of Alaska Fiscal Summary — FY20 and FY21 Rainy Day Balance: State of Alaska Fiscal Summary FY20 and FY21 Number listed is EoY Balance Ending balance includes multi-year appropriations.
Arizona	\$271.1 million rainy day fund deposit from the General Fund
Arkansas	All survey responses reflect revenue and programmatic changes due to COVID19. Total available revenue amounts are reported as net of refunds and special dedications/payments.
California	Total Revenues: reflect revenues after transfers to the rainy day fund. The ending balance includes the SFEU, but excludes the BSA, the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA) (a rainy day reserve for schools). The excluded amount is \$16,018.4 million for the BSA, \$900 million for the Safety Net Reserve Fund, and \$524.2 million for the PSSSA at the end of FY 2020. Adding these amounts to the FY 2020 ending balance, the projected total balance is \$22,676.5 million in FY 2020. The rainy day balance is made up of the SFEU, BSA, the Safety Net Reserve Fund, and PSSSA, however, withdrawals of mandatory deposits from the BSA are subject to provisions of Proposition 2, 2014. Includes a reserve for encumbrances of \$2,144.5 million representing 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.

Colorado	Colorado's rainy day fund is included within the General Fund.
Connecticut	<p>FY 2020 Rainy Day Fund balance includes a projected deposit of \$318.3 million due to the volatility cap. The revenue cap amount for FY 2020 of \$96.8 million is expected to be used to cover the current shortfall (already included in ending balance above). The revenue cap limits the amount of appropriations that can be made based on a certain percentage of revenue: 99.5% in FY 2020 & 99.25% in FY 2021.</p> <p>The state of CT has a volatility cap that applies to the Estimates and Finals component of the Personal Income Tax and the state's Pass-through Entity Tax. The cap was \$3,196.8 million in FY 2019 which resulted in a deposit of \$949.6 million to the Budget Reserve Fund. The cap is \$3,294.2 million in FY 2020 with an estimated deposit of \$318.3 million. The cap is \$3,408.3 million in FY 2021 with an estimated a deposit of \$274.6 million. These amounts are deposited to the Rainy Day Fund in addition to the operating surplus/deficit at the end of each fiscal year, therefore, the Rainy Day Fund balance includes the ending balance in each fiscal year.</p>
Delaware	FY 2020 General Fund figures are as per December, 2019 DEFAC. Fiscal year ending balance includes encumbered appropriations and those appropriations legislatively continued into the ensuing fiscal year.
Georgia	Georgia is required by its constitution to maintain a balanced report. The fund balances for FY 20 and 21 reflect the Governor's balanced budget. Georgia does not project future Rainy Day fund balances, but expects the reserve to continue to grow in future years.
Hawaii	Hawaii is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Hawaii reported in this survey based on the Governor's FY 2020 and FY 2021 supplemental budget request.
Idaho	Revenue adjustments include prior year reversions and reappropriations. Expenditure adjustments include transfer to other funds, prior year reappropriations, supplementals, rescissions, and change in variable benefits (sick leave rate holiday).
Illinois	Total revenues include \$34,235.8M in state sources, \$3,154M in federal sources, and \$2,650.2M in transfers in. Revenues adjustments include \$150M in interfund borrowing and fund reallocations and \$400M in Treasurer's investment borrowing. Total expenditures includes \$30,496.6M in appropriations, -\$1,023M in unspent appropriations, \$8,112.9M in pension contributions, and \$91.2M in supplemental appropriations. Expenditure adjustments include \$2,798.2M in transfers out, -\$5,698.8M in accounts payable at the end of FY20, \$6,178.8M in accounts payable at the end of FY19, and \$0.1M for rounding.
Indiana	Revenue adjustments include a transfer to the General Fund to assist with the Integrated Tax System and a casino relocation fee. Expenditure adjustments include reversions from prior year distributions, capital, and reconciliations; reversions from prior year Medicaid appropriations; state agency and university line item capital projects; the cost of a 13th check for pension recipients; minimal one-time expenditures; and \$291.2 million cash funding in lieu of bond issuance for several university capital projects per enacted legislation in 2020.
Iowa	<p>Total revenues are as estimated by the December 2019 Revenue Estimating Conference. Revenue adjustments include -\$0.3 million which is the fiscal impact of the Governor's recommendation to expand the Early Development and Child Development Tax Credits. Also included in revenue adjustments is \$195.6 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts and legally required funds are transferred to the Taxpayer Trust Fund. Expenditure adjustments include -\$3.8 adjustment in standing appropriations and Governor recommended supplemental appropriations of \$111.1 million.</p> <p>The ending balance of the General Fund is transferred in the current year to the Reserve funds in the subsequent fiscal year. After the Reserve Funds are at their statutorily set maximum amounts, the remainder of the funds are transferred back to the General Fund in that subsequent fiscal year.</p>
Kansas	(\$399.6 million) Governor's recommended changes to approved SGF transfers. Mainly consists of paying back internal borrowing. \$67.7 Governor's recommended expenditures in addition to amount approved by the 2019 Legislature. Consist mainly of paying off bonds early.
Kentucky	Revenue includes \$110.9 million in Tobacco Settlement funds. Adjustment for Revenues includes \$222.8 million that represents appropriation balances carried over from the prior fiscal year, and \$315.9 million from fund transfers into the General Fund. Adjustment to Expenditures represents appropriation balances forwarded to the next fiscal year.

Louisiana	Revenue adjustments — Includes \$87.9m of carryforwards Expenditure adjustments — none FY20 numbers are budgeted, not actuals.
Maryland	Revenue adjustments include a \$158 million transfer from the Rainy Day Fund and \$27.6 million in transfers from tax credit reserves. Expenditure adjustments represent \$163.5 million in reversions to the unappropriated General Fund balance.
Massachusetts	Data as of 1/29/20, prior to measures enacted to mitigate the impact and breadth of COVID-19. 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. Ending balance includes \$119.2 million in reserved balances projected to be spent in the next fiscal year.
Michigan	Revenue totals are net of payments to local government and balance sheet adjustments.
Minnesota	Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.359 billion. Does not include stadium reserve of \$129.714 million.
Mississippi	Ending balance includes reappropriation of funds from FY 2019 to 2020 among various agencies.
Missouri	Revenue adjustments include transfers from other funds into the General Revenue Fund.
Montana	Our responses incorporate very little of the impacts we are currently managing related to COVID-19, rather they largely reflect the budgets and revenue estimates adopted by our legislature in 2019.
Nebraska	Revenue adjustments are transfers between the General Fund and other funds. These include a \$272 million transfer from the General Fund to the Property Tax Credit Cash Fund. There is an additional \$11 million transfer to the Water Sustainability Cash Fund, \$3.3 million to the Water Resources Cash Fund, and \$500,000 to the Cultural Preservation Endowment Fund. There are also \$48.5 million in usual and customary transfers into the General Fund from other cash funds, which is included in the net receipts line. There was also a \$176.4 million transfer to the Cash Reserve Fund for revenues in excess of the Certified Forecast for FY 2019. Expenditure adjustments include \$243.5 million reserved for unexpended FY 2019 carryover obligations, and of these obligations, an estimated lapse of \$10.7 million.
Nevada	Revenue adjustments are restricted revenue, Rainy Day Fund transfers in and Prior Year Reversions. Expenditures adjustments are restricted transfers out and rainy day transfers out.
New Hampshire	Expenditure Adjustments: The enacted budget bills for the FY 2020-2021 Biennium anticipated one time appropriations of \$162.9 million for a number of initiatives, with an additional \$68.1 million being transferred to the Education Trust Fund. The choice to appropriate funds for these one time expenditures was predicated on the anticipated FY 2019 unexpended available general fund surplus which was estimated preliminarily to be \$191.6 million. Special Note: It is not a requirement of New Hampshire law that the first year of the biennial budget have revenues and unexpended general surplus be in balance with anticipated expenditures.
New Jersey	Transfers to other funds and estimated lapses
New York	The Rainy Day Reserve is expected to increase by \$428 million after a planned deposit from the General Fund, fiscal conditions permitting. This will be the result of a transfer from the State Purposes Account to the Rainy Day Reserve Fund. These funds are components of New York State's General Fund.
North Carolina	Expenditure adjustments includes funds transferred to Budget Stabilization Reserve (Savings Reserve), \$36.5 million, General Fund dollars transferred to the Highway Fund for the NC Department of Transportation, \$64 million, and Funds transferred to the Department of Information Technology for a rural Broadband program, \$15 million.
North Dakota	Revenue adjustments are transfers of \$8.6 million from the tax relief fund, \$382.2 million from the strategic investment and improvements fund and \$140.0 million from other special fund sources, to the general fund.

Ohio	<p>FY 2020 expenditures include anticipated disbursements of prior year encumbrances totaling \$391.6 million and \$683.7 million in transfers out of the GRF. The estimated ending balance includes cash to support \$312.4 million in surplus transfers occurring in fiscal 2021</p> <p>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 contained in the General Fund number to be consistent with Ohio accounting practices and with other portrayals of Ohio's general fund. This will tend to make Ohio's GRF revenue and expenditures look higher relative to most other states that don't follow this practice.</p>
Oklahoma	<p>At the time of this report submission amounts estimated for the FY-2020 budget reflect the official estimate upon which the enacted budget was built. Due to dropping energy prices and effects of COVID-19, a revenue failure has been declared for FY-2020. Amounts reflected for FY-2020 may be made whole by legislative action or expenditures could be cut to some extent. In any case, there is unlikely to be an ending balance and will likely affect the balance in the Rainy Day Fund.</p>
Oregon	<p>Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief.</p> <p>All revenue amounts in this report are based on the March 2020 forecast which was released prior to the significant economic downturn. It is anticipated that the May 2020 revenue forecast will see a substantial downward adjustment to revenues.</p> <p>Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (rainy day).</p>
Pennsylvania	<p>Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (rainy day).</p>
Rhode Island	<p>Adjustments to revenues reflect a transfer of \$126.8 million to the Budget Reserve Fund offset by a reappropriation total of \$10.3 million from FY 2019.</p>
South Carolina	<p>Revenue Adjustments: Litigation Recovery Account (\$9.6M); Transfer of Non-Recurring Revenue to Recurring Revenue (\$20.4M) Expenditure Adjustments: Prior Yr 2% Capital Reserve (\$151.6M) transferred to state agencies; Taxpayer Rebate Fund (\$61.4M); FY19 Non-Recurring Supplemental Appropriations (\$323.8M). Designated portion of ending balance: Capital Reserve Fund -\$162.5M; Appropriations Carried Forward \$432.0M</p>
South Dakota	<p>The beginning balance of \$19.4 million and adjustment to expenditures reflects the prior year's ending balance that is transferred to the rainy day fund. Adjustments to revenue of \$24.0 million is from one-time receipts.</p>
Tennessee	<p>Revenue adjustments: \$22 million transfer from debt service fund unexpended appropriations. -\$225 million transfer to Rainy Day Fund. -\$6.1 million transfer to Highway Fund.</p> <p>Expenditure adjustments: \$396.6 million transfer to capital outlay projects fund. \$38.1 million transfer to state office buildings and support facilities fund. \$3.7 million transfer to debt service fund. \$1.0 million transfer to reserves for dedicated revenue appropriations.</p> <p>Ending Balance: \$1,241.6 million unappropriated budget surplus at June 30, 2020.</p>
Texas	<p>Revenue adjustment of \$193.8m in general fund dedicated account balances. Expenditure adjustment of \$2,913.2 reserved for transfer (50/50) to the Rainy Day Fund and the State Highway Fund. Figures can be found in 2020-2021 CRE on Table A-1 and A-8</p>
Utah	<p>FY 2020 revenue adjustments include transfers to the General Fund and Education fund, the amount set aside for economic development cash incentives, and other revenue adjustments. Based on FY 2020 revenue projections when the FY 2021 Governor's budget proposal was released.</p>
Vermont	<p>Fiscal year 2020 estimated adjusted revenues include the use of \$.9M reserved at the end of fiscal year 2019, to be unreserved in fiscal year 2020, for general appropriations during fiscal year 2020. Fiscal year 2020 estimated adjusted expenditures include \$3.89M in contributions to General Fund reserves ("Rainy Day" funds), \$9.7M in transfers from the General Fund to other state funds, and \$18.4M in temporary reserves for use in fiscal year 2021.</p>

Washington	Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments.
West Virginia	Total Revenue is the official estimate for FY 2020 Total General Revenue collections. Total Expenditures are FY 2020 general revenue appropriations of \$4,693.6 million, FY 2020 surplus appropriations of \$48.1 million, and FY 2019's 13th month expenditures of \$79.3 million. Adjustment (Expenditures) represents the \$18.4m transferred in August 2019 to the Rainy Day Fund from 1/2 of the FY 2019 surplus. The Ending Balance is mostly the historically carried forward reappropriation amounts that will remain and be reappropriated to the next fiscal year, the 13th month expenditures from the previous fiscal year & any unappropriated surplus balance.
Wisconsin	Revenue adjustments include Tribal Gaming, \$24.6m; and Other Revenue, \$535.9m. Expenditure adjustments include Transfers, \$232.6m; Lapses, -\$420.4m; Sum Sufficient Reestimates, -\$13.7m; and Compensation Reserves, \$13.4m. There is no official estimate for the rainy day fund (Budget Stabilization Fund).
Wyoming	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 2021 State General Fund, Recommended

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.

Alabama	Expenditure adjustments include an estimated transfer of \$71.3M to the ETF Budget Stabilization Fund and an estimated transfer of \$305.2M to the ETF Advancement & Technology Fund.
Alaska	Revenues: Fall 2019 Revenue Sources Book (Total Revenue pg. 6) Revenue Adjustments: Fiscal Year 2021 Fiscal Summary Expenditures: Fiscal Year 2021 Fiscal Summary Expenditure Adjustments: State of Alaska Fiscal Summary — FY20 and FY21 Rainy Day Balance: State of Alaska Fiscal Summary FY20 and FY21 Number listed is EoY Balance. Ending balance includes multi-year appropriations.
Arizona	\$25 million rainy day fund deposit from the General Fund
Arkansas	All survey responses reflect revenue and programmatic changes due to COVID19. Arkansas recommends and reviews budgets on a biennial basis, but enacts budgets annually before the start of each fiscal year. Fiscal 2021 budget figures in this survey are based on: the Governor's Fiscal 2020–2021 biennial budget in addition to any changes made due to Act 910 of 2019, the Transformation and Efficiencies Act of 2019. 75% of the ending balance will be transferred to the restricted reserve fund for FY21 and the remaining 25% will be transferred to the Arkansas Highway Transfer Fund. Total available revenue amounts are reported as net of refunds and special dedications/payments.
California	The ending balance includes the SFEU, but excludes the BSA, the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA) (a rainy day reserve for schools). The excluded amount is \$17,977.4 million for the BSA, \$900 million for the Safety Net Reserve Fund, and \$486.5 million for the PSSSA at the end of FY 2021. Adding these amounts to the FY 2021 ending balance, the projected total balance is \$23,149.3 million in FY 2021. Total Revenues: reflect revenues after transfers to the rainy day fund. The rainy day balance is made up of the SFEU, BSA, the Safety Net Reserve Fund, and PSSSA, however, withdrawals of mandatory deposits from the BSA are subject to provisions of Proposition 2, 2014.

Includes a reserve for encumbrances of \$2,144.5 million representing 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.

Colorado

Colorado's rainy day fund is included within the General Fund.

Connecticut

Connecticut is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget, with Governor's proposed revisions/supplemental items.

FY 2021 Ending Balance includes revenue cap amount of \$152.7 million. The revenue cap limits the amount of appropriations that can be made based on a certain percentage of revenue: 99.5% in FY 2020 & 99.25% in FY 2021. FY 2021 Rainy Day Fund balance includes a projected deposit of \$274.6 million due to the volatility cap. Once the Rainy Day Fund reaches 15% of the following fiscal year's expenditures, Connecticut statute requires funds in excess of the 15% to be transferred from the Rainy Day Fund to reduce the unfunded liability of the SERs Fund, TRS Fund, and to reduce bonded indebtedness. The projected Rainy Day Fund balance for FY 2021 reaches 15% of FY 2022 expenditures and includes a transfer of \$257.5 million to the unfunded liabilities of the SERS/TRS Funds.

The state of CT has a volatility cap that applies to the Estimates and Finals component of the Personal Income Tax and the state's Pass-through Entity Tax. The cap was \$3,196.8 million in FY 2019 which resulted in a deposit of \$949.6 million to the Budget Reserve Fund. The cap is \$3,294.2 million in FY 2020 with an estimated deposit of \$318.3 million. The cap is \$3,408.3 million in FY 2021 with an estimated a deposit of \$274.6 million. These amounts are deposited to the Rainy Day Fund in addition to the operating surplus/deficit at the end of each fiscal year, therefore, the Rainy Day Fund balance includes the ending balance in each fiscal year.

Delaware

Fiscal year ending balance includes encumbered appropriations and those appropriations legislatively continued into the ensuing fiscal year.

Georgia

Georgia is required by its constitution to maintain a balanced report. The fund balances for FY 19 and 20 reflect the Governor's balanced budget. Georgia does not project future Rainy Day fund balances, but expects the reserve to continue to grow in future years.

Hawaii

Hawaii is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Hawaii reported in this survey based on the Governor's FY 2020 and FY 2021 supplemental budget request.

Idaho

Revenue adjustments include legislation with a fiscal impact. Expenditure adjustments include transfer to rainy day funds and to other funds, rescissions, and change in variable benefits (sick leave rate holiday).

Illinois

Total revenues include \$35,013.3M in state sources, \$3,651M in federal sources, and \$2,031.8M in transfers in. Total revenue also includes \$1,435M in increases from individual and corporate income taxes assuming SJRCA 1 passes. Total expenditures include \$32,183M in appropriations, -\$981M in unspent appropriations, and \$8,624.3M in pension contributions. Expenditure adjustments include \$2,197M in transfers out, -\$5,641M in accounts payable at the end of FY21, \$5,698.8 in accounts payable at the end of FY20.

Indiana

Indiana is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget, with enacted revisions.

Revenue adjustments include a non-recurring transfer to the General Fund from a dedicated agency settlement fund.

Expenditure adjustments include estimated reversions from prior year distributions, capital, and reconciliations; state agency and university line item capital projects.

Iowa

Total revenues are as estimated by the December 2019 Revenue Estimating Conference. Revenue adjustments include a net -\$7.3 million for various tax law changes recommended by the Governor. Also included in revenue adjustments is \$232.6 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts and the legally required funds are estimated to be transferred to the Taxpayer Trust Fund.

The ending balance of the General Fund is transferred in the current year to the Reserve funds in the subsequent fiscal year. After the Reserve Funds are at their statutory set maximum amounts, the remainder of the funds are transferred back to the General Fund in that subsequent fiscal year.

Kansas	Governor's recommended changes to revenues consists of SGF transfers and tax policy changes from the Fall 2019 Consensus Revenue Estimate. Total change to SGF transfers of \$258.8 million mainly due to reduction in transfers resulting from paying internal debt early in FY 20 and \$18.7 million increase in SGF revenues from recommended tax policy change.
Kentucky	Revenue includes \$106.3 million in Tobacco Settlement funds. Adjustment for Revenues includes \$320.1 million that represents appropriation balances carried over from the prior fiscal year, and \$153.2 million from fund transfers into the General Fund. Adjustment to Expenditures represents appropriation balances forwarded to the next fiscal year.
Louisiana	Revenue adjustments — DOA Proposed Forecast net increase as of 1/31/2020 Expenditure adjustments — none
Maine	Maine is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget, with Governor's proposed revisions/supplemental items. Revenue and Expenditure adjustments reflect Legislatively authorized transfers.
Maryland	Revenue adjustments include \$30.5 million in transfers from tax credit reserves. Expenditure adjustments represent \$35 million in reversions to the unappropriated General Fund balance. FY 2021 proposed spending reflects \$530.6 million in reductions contingent on legislation.
Massachusetts	Data as of 1/29/20. 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. Ending balance includes \$84.9 million in reserved balances projected to be spent in the next fiscal year.
Michigan	Revenue totals are net of payments to local government and balance sheet adjustments.
Minnesota	Minnesota is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget, with Governor's proposed revisions/supplemental items. Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.359 billion. Does not include stadium reserve of \$129.714 million.
Missouri	Revenue adjustments include transfers from other funds into the General Revenue Fund.
Nebraska	Nebraska is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget, with Governor's proposed revisions/supplemental items. Revenue adjustments are transfers between the General Fund and other funds. These include a \$272 million transfer from the General Fund to the Property Tax Credit Cash Fund. There is an additional \$11 million transfer to the Water Sustainability Cash Fund, \$3.3 million to the Water Resources Cash Fund, and \$500,000 to the Cultural Preservation Endowment Fund. There are also \$48.5 million in usual and customary transfers into the General Fund from other cash funds, which is included in the net receipts line. There is also a projected \$161 million transfer to the Cash Reserve Fund from revenues in excess of the Certified Forecast for FY 2020. Expenditure adjustments include \$140 million for additional property tax relief, \$4 million for the Nebraska Career Scholarships, \$2.4 million for mid-biennium adjustments for Corrections and other state agencies. It also includes a reduction in General Funds necessary to complete the Capitol HVAC Financing reducing \$8.1 million and repealing the personal property tax exemption reducing anticipated expenditures by an additional \$14.8 to steer towards property tax relief.
Nevada	Nevada is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget. Revenue adjustments are restricted revenue and Prior Year Reversions. Expenditures adjustments are restricted transfers out and rainy day transfer out.

New Hampshire New Hampshire is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget.

FY 2021 responses in this survey are based on New Hampshire's enacted fiscal 2020–2021 biennial budget. Expenditure Adjustments: The enacted budget bills for the FY 2020–2021 Biennium anticipated one time appropriations of \$23.6 million in one time initiatives. Special Note: The carry forward ending balance for FY 2019 from the audited State of New Hampshire Comprehensive Annual Financial Report was \$4.0 million less than the numbers estimated for the FY 2020–2021 Biennial Budget passed into law on October 1, 2019 causing the ending balance for FY 2021 to be presented as negative.

New Jersey Transfers to other funds

New York This survey was completed using data from our most recently published Financial Plan, the FY 2021 Executive Budget Financial Plan, Updated for Governor's Amendments and Forecast Revisions, released in February 2020. As such, this completed survey does not reflect the fiscal impact of COVID 19 on New York State's Financial Plan.

North Carolina North Carolina is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget.

Important Note: The amounts shown for North Carolina are based on the approved expenditures for FY 2021 by the North Carolina General Assembly during the first year of our biennial budget process. All amounts listed are Pre-COVID 19, and do not reflect the economic impact on revenue, beginning year credit balance, or expenditures.

Expenditure adjustment: The General Assembly approved an increase to the Budget Stabilization Reserve (Rainy Day) of \$150.5 million for FY 2021 during the first year of the biennial session.

North Dakota North Dakota is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget.

Revenue adjustments are transfers of \$100.0 million from the legacy fund, \$382.2 million from the strategic investment and improvements fund and \$140.0 million from other special fund sources, to the general fund.

Ohio Ohio is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget, with enacted revisions.

FY 2021 expenditures include \$455.8 million in transfers out of the GRF.

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 contained in the General Fund number to be consistent with Ohio accounting practices and with other portrayals of Ohio's general fund. This will tend to make Ohio's GRF revenue and expenditures look higher relative to most other states that don't follow this practice.

Oklahoma The estimated beginning balance for FY-2021 uncertain, due to declaration of revenue failure for FY-2020, yet to be fully addressed by the legislature. No adjustments to revenues or expenditures can be calculated at this time. These amounts do, however, reflect the Governor's proposed expenditures and revenues expected at the time his budget was proposed to the legislature in early February. His proposal included reduced expenditures of \$82.7 million and included setting aside additional savings of \$100 million. No beginning balance is assumed in any up-coming year budget since the current year has not been reconciled.

Oregon Oregon is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget, with enacted revisions.

Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief as well as a statutory required distribution from Corporate Income Taxes to the Rainy Day Fund and the PERS Liability.

Expenditure adjustment includes: the cost of Tax Anticipation Notes, as well as the required deposit into the Rainy Day Fund.

All revenue amounts in this report are based on the March 2020 forecast which was released prior to the significant economic downturn. It is anticipated that the May 2020 revenue forecast will see a substantial downward adjustment to revenues.



Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (rainy day).

Pennsylvania Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (rainy day).

Rhode Island Adjustments to revenues reflect a transfer of \$131.4 million to the Budget Reserve Fund.

South Carolina Revenue Adjustments: Expenditure Adjustments: Prior Yr 2% Capital Reserve (\$162.5M) transferred to state agencies; Nonrecurring Supplemental Expenditures (\$350M) from FY19 Contingency Reserve Fund; Nonrecurring Supplemental expenditures from FY20 Est. Surplus (\$465.5M); Transfer to General Reserve Fund (\$34M). Designated portion of ending balance: Capital Reserve Fund -\$176.0M; Appropriations Carried Forward \$432.0M (estimated)

Tennessee Revenue adjustments: -\$50 million transfer to Rainy Day Fund. -\$15 million transfer to Ed Trust fund. -\$250 million transfer to K-12 MH Trust Fund.

Expenditure adjustments: \$365.3 million transfer to capital outlay projects fund. \$32.3 million transfer to state office buildings and support facilities fund. \$3.7 million transfer to debt service fund. \$1.0 million transfer to reserves for dedicated revenue appropriations.

Ending Balance: \$17.4 million undesignated balance.

Texas Revenue adjustment of \$193.8 m in general fund dedicated account balances. Expenditure adjustment of \$3,427.9 m reserved for transfer (50/50) to the Rainy Day Fund and the State Highway Fund. Figures can be found in 2020–2021 CRE on Table A-1 and A-8

Utah FY 2021 revenue adjustments include transfers to the General Fund and Education fund, the amount set aside for economic development cash incentives, and other revenue adjustments. Based on FY 2021 revenue projections when the FY 2021 Governor’s budget proposal was released

Vermont Fiscal year 2021 recommended General Fund revenue adjustments are entirely attributable to reserving \$23.6M at the end of fiscal year 2020 (as originally recommended in the Governor’s fiscal year 2020 Budget Adjustment proposal), to be subsequently unreserved in fiscal year 2021 and used for proposed one-time appropriations. Fiscal year 2021 expenditure adjustments reflect statutory contributions to General Fund reserves (“Rainy Day” funds).

Washington Washington is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget, with enacted revisions.

Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments.

West Virginia Total Revenue is the official estimate as revised is for FY 2021 Total General Revenue collections. FY 2021 appropriated expenditures are \$4,574m. 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.

Wisconsin Wisconsin is a biennial budget state, and enacted a fiscal 2020–2021 budget in 2019. Fiscal 2021 budget figures in this survey are based on: Enacted fiscal 2020–2021 biennial budget with Governor’s vetoes. No further legislation was included due to the pre-COVID view of this survey.

Revenue adjustments include Tribal Gaming, \$25.8m; and Other Revenue, \$553.7m. Expenditure adjustments include Transfers, \$263.8m; Lapses, -\$449.1m; Sum Sufficient Reestimates, -\$11.7m; and Compensation Reserves, \$94.5m. There is no official estimate for the rainy day fund (Budget Stabilization Fund).

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 2019 to Fiscal 2021

Texas The spending decreases in fiscal 2019 and fiscal 2021, and large increase in fiscal 2020, is due to the state's biennial budget process, with the first year of the biennium being front loaded and the subsequent fiscal year not carrying those funding levels forward. The levels vary across individual programs for a large swath of state agencies. The funding from the prior year is often able to be carried forward within the biennium should the agency not have expended the funds during the previous fiscal year.

Notes to Table 7: States With Mid-Year Budget Cuts Due to Revenue Shortfall

Arkansas All survey responses reflect revenue and programmatic changes due to COVID19.

The Governor extended the state income tax return deadline to July 15 to match the federal income tax return deadline due to COVID-19. There is an estimated \$353 million shortfall. All agencies receiving general revenue have received 100% cut in C-funding, 100% in B-funding, and 4.2% in A-funding.

Notes to Table 8: Fiscal 2020 Mid-Year Program Area Adjustments by Dollar Value

Alabama Medicaid State GF carryover, 2% COLA Increase, and a conditional appropriation for the state's share of federal matching funds for payment of inpatient and outpatient services delivered in Alabama Hospitals. Corrections — Reversion Reappropriated and 2% COLA increase. All Other — Supplemental Appropriations, Reversion Reappropriations for all other agencies other than those listed above.

Arkansas All survey responses reflect revenue and programmatic changes due to COVID19.

Due to the revenue shortage, the state will be utilizing other revenue streams (i.e. Educational Adequacy Fund) to continue funding K-12 Education. The state will be utilizing other revenue streams (i.e. COVID Rainy Day Fund and Restricted Reserve Fund) to fund higher education. The state will be utilizing other revenue streams (i.e. Medicaid Trust Fund) to continue funding Medicaid. The state will be utilizing other revenue streams (i.e. COVID Rainy Day Fund) to fund Corrections.

California All Other includes: \$0.5b for supplemental pension payments, \$0.5b to CalRecycle for disaster recovery, \$0.3b for National Mortgage Settlement, \$0.2b for employee compensation adjustments, and smaller reductions to various departments.

Connecticut Medicaid — Reflects increased hospital payments pursuant to settlement agreement — \$95 million for supplemental payments and \$9.2 million for rate increases and one-time payments

Hawaii Some restrictions may have been released. Debt service, employee retirement and health benefits were exempt from cuts.

Idaho All Other — This includes an across the board General Fund holdback. This was in anticipation of reduced revenue and recommended as a budget reset. K-12 was exempt from cuts.

Indiana Higher Education — House Enrolled Act 1007-2020 appropriated \$291.2 million in FY2020 to cash fund university capital projects rather than bond them.

Iowa Medicaid — Increase to cover anticipated need in program

All Other — \$20 million for flood relief, \$1.7 million for State Children's Health Insurance, \$0.9 million for Glenwood Institution under Department of Human Services, \$0.6 million to the State Hygienic Lab

Kentucky Higher Education — Higher lottery revenues than originally budgeted that are dedicated to student financial aid.

Supplemental funding for Corrections.

All Other — Supplemental funding for several areas and decrease in debt service requirements.

Louisiana Spending changes represent state general fund carryforward from FY19

Michigan Medicaid — Caseload and non-caseload costs; includes \$50 million for ACA health insurer fee. All Other — Supplementals included \$150 million for COVID-19; large adjustments to base operating budgets for several agencies.

Nebraska	<p>K–12 — TEEOSA Formula Reduction, Operating Cost increase. Public Assistance — Rebase to align with current expenditure. Corrections — Hiring and retention bonuses and new staffing program. All Other — Homestead Exemption \$4.1m, rebase HHS programs to align with projections \$3.6m, HHS Child Welfare contract savings -\$6m</p> <p>All Other — Net Neutral Actions. The Emergency Board acted in March 2020 to distribute funds to several “All Other” agencies. E-Board is an agency for budgetary purposes, hence net-neutral actions.</p>
Rhode Island	All Other — Increased spending primarily in Child Welfare and Legislature reappropriation. State aid programs were not specifically exempted, but were not targeted for any cuts during mid-year revisions.
Utah	All Other — Legal settlements and census outreach
Washington	All Other — Legislative, Judicial, General Government, and Human Services other than Medicaid, Public Assistance and Corrections.
Wyoming	The 2020 Budget Session appropriation is for the 2021–2022 Biennium.

Notes to Table 9: Fiscal 2021 Recommended Program Area Adjustments by Dollar Value

Alabama	<p>Appropriations from the Education Trust Fund are capped according to the recurring revenues over the last 15 years. Appropriations are split between K–12 and Higher Ed using a pre-determined percentage. Public Assistance — Increases will support staff retention and training in Child Welfare as well as additional funding for Family Support Resource Centers. Medicaid — Includes MCHIP match including the MCHIP match portion previously included in Public Health’s appropriation, inflationary, service utilization and rate increases, Transformation Quality Initiatives, and increase in administrative costs and paybacks. It includes a reduction for the FMAP change and a continuation of \$15 million increase for the Children’s Hospital of Alabama. Corrections — The increase will fund the 500 additional officers hired in FY20, and allows for the hiring of 200 additional security staff in FY21 and 104 additional FTE’s in Mental Health. It will also cover vehicle replacement and an increase in the inmate healthcare contract. All Other — Changes in all other agencies excluding those listed above.</p>
California	<p>Higher Education — Includes reduction of one-time funding authorized in fiscal year 2019–20.</p> <p>Transportation — Includes reduction of one-time funding authorized in fiscal year 2019–20 for the California Highway Patrol.</p> <p>All Other includes: \$0.8b for Department of Social Services for the California Access to Housing and Services Fund, \$0.6b for the Department of Development Services, and \$0.4b for supplemental pension loan repayment. Several departments had reductions due to one-time funding authorized in fiscal year 2019–20 including the Department of Housing and Community Development of \$0.9b.</p>
Colorado	All Other — Transfers to other funds and TABOR refund
Georgia	All Other — Increase primarily due to debt service while reducing other general government appropriations
Hawaii	K–12 — includes Charter Schools and Public Libraries
Idaho	Higher Ed includes: Colleges & Universities, Community Colleges, Ag. Research, Health Education, and Special Programs (except scholarships)
Illinois	All Other — Economic Development, Public Safety less Corrections, Healthcare, Human Services, Environment, Government Services, Pensions
Indiana	All Other — Includes increases and decreases for General Government, Public Safety, Conservation and Environment, Health/ Human Services, Economic Development, and Capital appropriations that net to a reduction of \$15.4 million.
Iowa	All Other — Increase funding for the following: \$80.6 million mental health, \$20 million for state children’s health insurance, \$10 million for rural broadband, \$7.2 million for courts and the remaining are increases and decreases across various programs.

Kansas	Public Assistance — FY 2020 reflects unusually high expenditures because of paying off bonds used to finance a large stimulus assistance program in the great recession. All Other — FY 2020 reflects unusually high expenditures because of paying off bonds.
Kentucky	All Other — Largest amount reflects pension contribution increase.
Maryland	Increased spending from the Higher Education Investment Fund (HIEF), due to an increase in anticipated revenues in FY 2021 from the corporate income tax. The HIEF supplements general funds for selected higher education institutions, and offsets other general fund expenses. Public Assistance — Partially offset by net changes in Public Assistance including TANF, Refugee Assistance, and various State Special Funds. Medicaid — Lower ACA New Adults match increases GF, other state funds increase to offset impact. Corrections — Large decrease in GFs is a result of fenced off appropriations by the General Assembly. The GA directed these funds to be used for Correctional Officer salary increases. Funding was not released by the Governor, therefore \$7 million must be reverted by the Department at the end of FY 2020.
Massachusetts	Appropriation changes compare fiscal 2020 and 2021 spending projections as of January 29, 2020. Higher Ed — FY20 estimated spending includes various one-time funding; FY21 reflects a \$33 million or 3% increase above the FY20 enacted budget. Medicaid — Reflects modest reduction in enrollment, ability to pay claims faster due to sustainability efforts, and successful pharmacy reforms implemented in FY20
Michigan	For this comparison, FY 2021 Executive Recommendation is compared to revised FY 2020 appropriation. K-12 — \$670.1 million funded from School Aid Fund. Higher Ed — 2.5% across-the-board; student loan refinance program; replace \$6m TANF with GF. Medicaid — Funding included for outpatient rate increases; expanded access to behavioral health programs; private duty nursing rate increases; tribal health center increases. Corrections — Training for new custody staff; health care cost increase. All Other — Funding for expanded maternal and infant health programs; lead poisoning prevention; paid parental leave; climate resilience infrastructure grants for locals; rapid response for environmental contamination.
Missouri	Medicaid — Legislature funded part of FY 20 costs through a supplemental.
Montana	All Other — Net change of all other HB 2 general fund changes not specified above.
Nebraska	K-12 — TEEOSA Increase, Operating Cost increase. Higher Education — Nebraska Career Scholarships. Public Assistance — Contract re-basing. Medicaid — Federal change \$11.1 million. Corrections — Hiring and retention bonuses and new staffing program. All Other — Homestead Exemption: \$5m, Rebase HHS Programs: \$9m, Child Welfare contract savings: -\$27m, Additional Property Tax Relief: \$125.2 net appropriation increase
New Hampshire	All Other — A number of one time initiatives were funded in FY 2020 with funds from the FY 2019 prior year carry forward un-designated fund balance.
New York	All Other includes Economic Development, Children and Family Services, Mental Hygiene, Local Government Assistance and transfers in support of Capital Projects and Debt Service As in other surveys, the appropriations changes for Fiscal Year 2021 were provided using cash estimates per 2020 Enacted and 2021 Executive Budget, as amended Financial Plans.
Ohio	K-12 — \$145M additional K-12 funding provided through non-GRF Sources. Medicaid -\$1.3B of this increase is in federal share appropriations
Oklahoma	All other — The Governor recommended reducing \$151.7 million of one-time expenditures from the previous year, overall, and added back \$69 million in total to agencies for specific programs or duties. These totals include the details requested in this section.
Rhode Island	All Other — Includes increases for Child Welfare, Motor Vehicle Excise Tax phase-out; debt service
Utah	Higher Education — Includes facilities. Corrections — includes prison construction

Washington All Other — Legislative, Judicial, General Government, and Human Services other than Medicaid, Public Assistance and Corrections.

Wisconsin Figures reflect enacted fiscal 2021 appropriation changes relative to enacted fiscal 2020 levels.

Notes to Table 10: Strategies Used to Manage Budget (Mid-Year/Post-Enacted), Fiscal 2020 and Table 11: Strategies Used to Manage Budget (Recommended), Fiscal 2021

Alaska Reduce local aid — reduction to K–12 aid and higher education.

Arizona \$25 million rainy day fund deposit. \$0.1M OF transfer to GF

Arkansas Due to COVID–19, funding from Category B & C have been cut 100% and Category A has been cut 4.195% across all general revenue agencies in FY20. Arkansas' Revenue Stabilization Law prioritizes the General Revenue funding into three categories: A, B, and C. A is prioritized first, then B, and then C. If revenue forecast is projected to be low, C gets cut first, then B, and then A.

Act 565 of 2019 proposes to cut all general revenue spending by 1% based on FY19 actual general revenue expenditures in FY21.

Due to COVID–19, all agencies' discretionary travel has been suspended.

Act 1 of the First Extraordinary Session of 2020 established a COVID Rainy Day Fund starting in FY20. Funding is provided from the 58.7% ending balance transferred to the General Revenue Allotment Reserve Fund in FY19.

California OPEB — The state and its employees will continue equally prefunding retiree health benefits for active employees, as collectively bargained with the state's 21 bargaining units. Reduce Local Aid — Board of State and Community Corrections — reduction is mainly related to one-time resources authorized in the 2019–20 Budget Act. Reorganize Agencies — As part of Governor's Budget, the Administration proposes to shift the California Seismic Commission into the Governor's Office of Emergency Services.

Connecticut Teacher Retirement Changes; Other — Debt Service Reductions

Georgia Targeted cuts of 4% for FY2020 and 6% for FY2021

Idaho The Governor recommended a one-time 1% cut across all General Fund for FY20 and an ongoing 2% cut across all General Fund for FY21. For both cuts, K–12 was held harmless.

Illinois The Coroner Training Board will merge into the Department of Public Health, the Anti-Fraud program at the Illinois Workers' Compensation Commission is merging with the Anti-Fraud program at the Department of Insurance, and the Drycleaner Environmental Response Trust Fund Council will be absorbed by the Environmental Protection Agency.

Indiana Agencies were instructed to hold 2% of operating appropriations in reserve.

Kansas Governor's recommendation includes reamortization of Kansas Public Retirement System unfunded liability to lower and stabilize employer contributions.

Louisiana Executive Order (JBE 16-03) Hiring Freeze

Maine Transfers \$20M from the Liquor Operation Revenue Fund to unappropriated surplus General Fund.

Transfer \$4M from accumulated balance of the Maine Governmental Facilities Fund to the General Fund.

Maryland \$25 million reduction to mandated retirement reinvestment sweeper provision, \$25 million reduction to mandated OPEB sweeper provision (contingent upon legislation).

FY 2020 — \$2.5 million targeted reversion for K–12 aid formula aid that was overbudgeted and would go unspent, \$0.8 million targeted reversion to library retirement aid based on projections, \$0.3 million similar targeted reversion to community college retirement aid; FY 2021 — \$18.2 million reduction to mandated Community College Aid contingent upon legislation.



FY 2020 \$158 M was transferred from Rainy Day Fund due to excess of statutory mandate in the fund; the fund still remained over 6.0% of revenues, well above required 5.0%

\$33.3 M payment to the Local Reserve Account was deferred contingent upon legislation

Massachusetts Other — Caps on Full-Time Equivalent employees are in effect for executive department agencies

Michigan Targeted cuts — The Governor’s FY21 budget recommendation redirected \$178 million in funding to priority programs.

Nebraska Targeted cuts — Rebase HHS programs in line with estimated expenditures.

Hiring Freeze for non-essential personnel

Pension/OPEB — Change tax level on Military Retirement Benefits

Reduce local Aid — TEEOSA State Aid to K–12 Schools Formula

Rainy Day Fund — Transfers from Cash Reserve for Flood Disaster Relief Aid and for Capital Construction projects

Other Fund Transfers — Lapse \$10.7 million of FY 2019 carryover (re-appropriation) to FY 2020

Other — IT Consolidations, Process Improvement Strategies to identify Savings

New Jersey Pension/OPEB — Recommended benefit changes that require legislation were assumed for teacher health benefits. This would bring those benefits closer in line with plan designs for other public service employees.

Reorganize Agencies — Per P.L.2019, c.153, the New Jersey Compassionate Use Medical Marijuana Act account (Medical Marijuana) was moved from the Department of Health to an “in-but-not-of” the Department of the Treasury. At the time of reorganization, the name was also changed to the Cannabis Regulatory Commission.

Rainy Day Fund — Pursuant P.L.1990, c.44 (C.52:9H-18 and C.52:9H-19), excess revenue was credited to the Surplus Revenue Fund

New York Targeted Cuts — In FY 2020 Medicaid spending was reduced to reflect implementation of the FY 2020 Savings Plan, which includes a one percent across-the-board reduction in rates paid to providers and health plans, and reductions in discretionary payments. FY 2021 Executive Budget includes \$2.5 billion in cost-containment measures that are expected to be identified by the MRT II, as well as recurring savings from the FY 2020 Savings Plan (\$851 million). Actions taken in both years was done to limit Medicaid spending to the Global Cap indexed rate.

Deferred Payments — In FY 2020, there was permanent adjustment to the timing of certain health care payments, consistent with contractual terms and past practice which was done to limit Medicaid spending to the Global Cap indexed rate.

Other — Other gap closing measures in FY 2021 savings related to debt management

North Dakota Transfers of \$382.2 million from the strategic investment and improvements fund and \$140.0 million from other special fund sources, to the general fund.

Rhode Island Across-the-board Cuts: Updated medical benefit rates resulted in adjustments to personnel funding under all agency budgets compared to FY 2020 enacted and to FY 2021 requested agency funding.

Reduce Local Aid: Motor Vehicle Excise Tax Phase-out funding is recommended at a lower level than current law calculations; implementation timeline was lengthened to smooth out increasing costs; Distressed Communities Aid was cut in half.

Privatization: Proposal to privatize the remaining state-run component of the developmental disabilities group home system.

Other Fund Transfers: Transfers of surplus balances from quasi-public agencies

Prior year balance increased by approximately \$5.0 million from enacted budget estimate



- South Dakota** Rainy Day Fund — The practice of the Governor and the Legislature is to maintain a rainy day fund balance equal to 10% of the next year’s General Appropriations Act. Any funds used from the rainy day fund are in excess of the 10% reserve.

- Tennessee** FY2020 — Other — Agency Reserves and Carryforwards. FY2021 — Other — Base Budget Reductions. FY2021 — Recommended eliminating positions that had been vacant for three years to cover cost increases.

- Virginia** Supplant GF Transportation with NGF Revenue

- Washington** Rainy Day Fund — \$200 million was appropriated from the Budget Stabilization Account to be spent on items related to the COVID-19 pandemic.

STATE REVENUE DEVELOPMENTS

CHAPTER TWO

Overview

As governors were introducing their budget proposals for fiscal 2021, most states were seeing tax collections coming in above budget projections in fiscal 2020 and forecasting modest revenue growth for fiscal 2021. According to governors' recommended budgets, general fund revenue collections were forecasted to grow 3.4 percent in fiscal 2021, with most states expecting revenue growth between 0 and 5 percent. General fund revenues were on track to grow 3.0 percent in fiscal 2020 over fiscal 2019, based on pre-COVID revenue estimates. These revenue growth projections were weaker than the 5.1 percent general fund revenue growth states experienced in fiscal 2019. This slower growth can be attributed to continued volatility in the nonwithholding component of personal income tax collections in part due to changes in taxpayer behavior stemming from federal tax legislation, lower corporate profits, and falling oil prices.

The onset of the COVID-19 pandemic and ensuing recession upended revenue projections for the remainder of fiscal 2020 and fiscal 2021, which begins on July 1, 2020 for 45 out of 50 states.⁵ States rely on personal income taxes and sales taxes combined for roughly 75 percent of their general fund revenue. These sources have been hit hard in light of stay-at-home orders, business closures, and rising unemployment claims that have resulted in the worst economic situation this country has faced since the Great Depression. As this report went to print, states were beginning to release updated revenue forecasts that account for the impacts of COVID on their economies and tax collections. While states have been able to see the impacts on their monthly tax collections for March, April and May, there is much uncertainty about what the ensuing months have in store as states begin to face the longer-term effects of the pandemic on their economies and revenues, particularly once unemployment benefits are exhausted.

Before the public health and economic crisis hit, governors also recommended a number of mostly modest revenue actions for fiscal 2021 as part of the budget process. Compared to last year, states reported fewer and smaller proposed tax increases in executive budgets for fiscal 2021, along with some

decreases as well. Most of the additional revenue that would be generated by these proposals would go towards non-general fund sources for dedicated purposes such as transportation and health care.

The data in this chapter contain state general fund revenue estimates for fiscal 2020 and projections for fiscal 2021 before the impact of the COVID-19 crisis, and will serve as a baseline for comparison as more post-COVID state revenue data becomes available.

General Fund Revenue Trends

Fiscal 2021 Forecasts. According to governors' recommended budgets for fiscal 2021, general fund revenues were expected to total \$943.9 billion, a 3.4 percent increase compared to fiscal 2020 estimated revenues, before the pandemic. The median growth rate is somewhat lower at 2.6 percent. A majority of states (36) forecast revenue growth between 0 and 5 percent for fiscal 2021. (*See Tables 13 and 14*)

Fiscal 2020 Estimated Collections. According to estimates as of the time of data collection, fiscal 2020 general fund revenues totaled \$912.8 billion, representing 3.0 percent growth over fiscal 2019 actual collections of \$886.0 billion. These estimates predate COVID impacts on revenues for all states except Arkansas.

Fiscal 2019 Actual Collections. States saw robust revenue growth in fiscal 2019 for a second consecutive year, with general fund revenues growing 5.1 percent — with a higher median growth rate of 6.1 percent. Revenue gains were led by unusually high personal income tax payments from non-withholding income sources, significant percentage increases in corporate income tax receipts, strong sales tax collections, a modest recovery in most energy-producing states following steep oil and gas price declines, and, in a few states, enacted tax increases.

Revenue Growth Since the Great Recession. In the wake of the last recession, general fund revenues dropped to \$601.3 billion in fiscal 2010 from \$673.7 billion in fiscal 2008 (an 11

⁵Forty-six states typically begin their fiscal years in July and end them in June. The exceptions are New York, which starts its fiscal year on April 1; Texas, with a September 1 start date; and Alabama and Michigan, which start their fiscal years on October 1. [For fiscal 2020 only, New Jersey extended its fiscal year so that fiscal 2021 will begin on October 1, 2020 and end on June 30, 2021; however, New Jersey's survey data in this report predate and do not reflect this change.]

percent decline over two years), according to historical Fiscal Survey data.⁶ General fund revenues for fiscal 2020 were up \$238.7 billion over collections in fiscal 2008 (without adjusting for inflation). Adjusting for inflation, aggregate general fund revenues in fiscal 2020 are roughly 5.4 percent above fiscal 2008 levels, though 19 states still reported estimated revenues for fiscal 2020 below fiscal 2008 levels.⁷ Since that time, most of the revenue gains have been due to the gradual strengthening of the economy. On a nominal basis, general fund revenue collections increased by 6.9 percent in fiscal 2018, 2.4 percent in fiscal 2017, 1.8 percent in fiscal 2016, 5.0 in fiscal 2015, 1.9 percent in fiscal 2014, 7.1 percent in fiscal 2013, 2.9 percent in fiscal 2012, and 6.6 percent in fiscal 2011. After the Great Recession, even though revenues began to grow again in fiscal 2011, it took until fiscal 2013 for state general fund revenue to surpass its fiscal 2008 levels without adjusting for inflation. (See [Table 12](#))

State by State Variation. For fiscal 2021, a majority of states (36) were forecasting revenue growth between 0 and 5 percent in governors' budgets, released before the onset of the COVID-19 crisis. Six states were predicting growth between 5 and 10 percent, and no states were forecasting growth greater than 10 percent. The remaining eight states were forecasting general fund revenue growth of 0 percent or less based on governors' fiscal 2021 budgets compared to what they collected in fiscal 2020. Falling energy prices contributed to forecasted declines; six of the seven states projecting revenue declines before COVID-19 are states with a heavy reliance on the energy industry for their economies and revenues.

Based on pre-COVID estimates, 32 states were expecting revenue growth between 0 and 5 percent in fiscal 2020. Three states estimated growth between 5 and 10 percent, and three states estimated growth greater than 10 percent. Twelve states were estimating flat or declining revenues in fiscal 2020 as of the time of data collection, including a number of energy-dependent states and other states that saw above-average revenue gains in fiscal 2019. As with other data in this report, Arkansas's estimated revenue decline incorporates COVID-19 impacts. (See [Tables 13 and 14](#))

⁶ Aggregate historical general fund spending and revenue figures have been adjusted to account for a change in Massachusetts' reporting methodology in the *Fiscal Survey*. Beginning with the Fall 2019 *Fiscal Survey* edition, Massachusetts now excludes federal reimbursements in its general fund spending and revenue totals. NASBO has adjusted prior 50-state totals from past editions of the *Fiscal Survey* to remove Massachusetts' federal reimbursement amounts (as reported in the state's Comprehensive Annual Financial Report, or CAFR) for comparison purposes.

⁷ 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 May 28, 2020), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates.

Comparing General Fund Collections to Budget Projections

Fiscal 2020 from All Sources. General fund collections for fiscal 2020 from all revenue sources including sales, personal income, corporate income, gaming and other revenues at the time of data collection were coming in above original budget projections in 32 states, on target in 10 states, and below forecast in eight states. States revisited their budgeted fiscal 2020 revenue forecasts when planning for their fiscal 2021 budgets. Compared to revised revenue forecasts for fiscal 2020, 17 states reported that collections were coming in above projections, 22 states reported that collections were on target, and eight states were seeing collections coming in below most recent projections. For the vast majority of states, responses are based on data and forecasts available prior to the impacts of COVID-19 on state economies and revenues. A few states reporting collections coming in lower than original and revised forecasts indicated that based on when they reported, some early impacts of COVID-19 were observed in their collections and therefore incorporated into their response, as described in chapter footnotes. (See [Table 15](#))

NASBO's Fall 2020 *Fiscal Survey of States* will provide an update on how general fund revenues performed in fiscal 2020 compared to budgeted estimates. With all 50 states expecting revenue losses due to the COVID-19 downturn, the vast majority of states can be expected to end fiscal 2020 with revenues coming in below original budget projections.

Fiscal 2020 Collections Compared to Forecast by Revenue Type. Before the COVID crisis, revenue estimates were revised upward for sales taxes by 0.8 percent and personal income taxes by 0.4 percent. Estimates at the time of data collection for corporate income taxes, a more volatile revenue source, were up 8.4 percent compared to original budget forecasts. Gaming and lottery revenues were down 4.3 percent in revised estimates, though this is driven mostly by the elimination of this revenue source in Florida. All other general fund revenues were up 1.6 percent compared to original projections. (See [Tables 16 and 17](#))

General Fund Collection Growth By Revenue Type

In fiscal 2021 recommended budgets, personal income taxes accounted for 45.6 percent of all forecasted general fund revenues, sales and use taxes for 30.8 percent, corporate income taxes for 6.7 percent, gaming and lottery revenues for 1.0 percent, and all other revenues at 15.9 percent. Before COVID-19, four of the five general fund revenue categories were estimated to have increased in the aggregate in fiscal 2020 over fiscal 2019 levels, and all were forecasted to continue increasing in fiscal 2021, according to governors' budget proposals. Gaming and lottery revenues were estimated to decline in fiscal 2020, but once again, this is driven mainly by the elimination of this as a general fund revenue source in Florida. Virtually all estimated and forecasted growth rates reported below and in the tables reflect pre-COVID figures.

Sales & Use Taxes. Forty-four states have a broad-based sales tax that goes towards the general fund (Vermont's sales taxes now go towards its separate Education Fund), and Montana collects a small amount of revenue in the sales and use tax category. General fund sales and use tax collections for these states in the aggregate were on track to grow 5.0 percent in fiscal 2020 over fiscal 2019 levels, and were projected to grow 3.3 percent in fiscal 2021, based on governors' budgets.

Personal Income Taxes. Forty-one states collect a broad-based personal income tax, while New Hampshire and Tennessee collect taxes on interest and dividends only. Total personal income tax collections were set to increase by an estimated 2.7 percent in fiscal 2020 compared to fiscal 2019, and were forecasted to grow a moderate 3.7 percent in fiscal 2021 budget recommendations.

Corporate Income Taxes. For the 45 states that collect a corporate income tax, total corporate income tax revenues increased by an estimated 1.0 percent in fiscal 2020, after experiencing robust growth of 22.3 percent in fiscal 2019. The aggregate growth rate for corporate income tax forecasts in fiscal 2021 proposed budgets was 2.7 percent.

Gaming/Lottery Revenues. Twenty-eight states reported on general fund collections from these sources (some states direct revenues in this category, particularly from lotteries, into special funds, which are not reported on in this survey). The median increase in gaming and lottery revenue in fiscal 2020 was estimated at -0.4 percent, with an aggregate change of -3.6 percent, driven mostly by the elimination of this revenue source in Florida this year. In governors' recommended budgets for fiscal 2021, 2.5 percent revenue growth is projected in this category.

Other General Fund Revenues. All other general fund revenues may include collections from cigarette and other excise taxes, severance taxes, 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. All other general fund revenues were estimated to increase by a modest 0.7 percent in fiscal 2020 and were projected to increase by 0.9 percent in fiscal 2021 recommended budgets. (*See Tables 18 and 19*)

TABLE 12

State Nominal and Real Annual Revenue Increases, Fiscal 1979 to Fiscal 2021

Fiscal Year	State General Fund	
	Nominal Increase	Real Increase
2021	3.4%	
2020	3.0	1.0%
2019	5.1	2.0
2018	6.9	3.6
2017	2.4	0.9
2016	1.8	2.0
2015	5.0	3.9
2014	1.9	-1.1
2013	7.1	4.3
2012	2.9	0.2
2011	6.6	3.4
2010	-2.5	-3.5
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	19.2	16.3
1998	-0.6	-2.6
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
1979–2020 average	5.4%	1.5%

Notes: 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 May 28, 2020), is used for state revenues in determining real changes. Fiscal Year real changes are based on quarterly averages. Fiscal 2019 figures are based on the change from fiscal 2018 actuals to fiscal 2019 actuals. Fiscal 2020 figures are based on the change from fiscal 2019 actuals to fiscal 2020 estimates. Fiscal 2021 figures are based on the change from fiscal 2020 estimates to fiscal 2021 recommended figures.

TABLE 13
State General Fund Revenue Growth,
Fiscal 2019 to Fiscal 2021

Revenue Growth	Fiscal 2019 (Actual)	Fiscal 2020 (Estimated)	Fiscal 2021 (Recommended)
0% or less	2	12	8
> 0.0% but < 5.0%	17	32	36
> 5.0% but < 10.0%	25	3	6
10% or more	6	3	0

NOTE: See Table 14 for state-by-state data.

TABLE 14
General Fund Nominal Percentage Revenue Change,
Fiscal 2019 to Fiscal 2021

State	Fiscal 2019	Fiscal 2020	Fiscal 2021
Alabama	7.1%	4.3%	1.9%
Alaska	9.1	-19.6	-7.0
Arizona	12.0	3.6	1.7
Arkansas	7.8	-9.1	5.6
California	6.3	5.1	3.5
Colorado	7.3	4.9	2.6
Connecticut	8.0	-1.3	5.0
Delaware	4.5	3.2	1.6
Florida	6.7	-1.2	4.2
Georgia	5.1	0.7	3.5
Hawaii	3.3	3.6	-0.1
Idaho	0.1	6.1	4.2
Illinois	6.1	2.2	5.2
Indiana	5.4	2.1	2.7
Iowa	6.4	2.0	2.9
Kansas	1.0	3.9	0.3
Kentucky	5.2	1.7	1.8
Louisiana	2.4	-4.1	3.3
Maine	9.8	3.9	1.8
Maryland	5.9	1.8	3.2
Massachusetts	6.7	1.8	3.4
Michigan	0.9	-2.7	2.0
Minnesota	6.1	0.3	5.4
Mississippi	4.8	0.5	-0.5
Missouri	1.0	2.4	1.9
Montana	7.0	-2.5	2.6
Nebraska	7.2	4.0	1.2
Nevada	6.7	3.7	3.4
New Hampshire	1.6	-2.0	1.4
New Jersey	8.0	2.0	4.3
New Mexico	14.9	-1.3	0.9
New York	-1.2	11.0	3.8
North Carolina	5.4	1.0	4.1
North Dakota	-2.8	14.0	-20.0
Ohio	4.0	1.2	5.9
Oklahoma	16.4	2.0	-6.6
Oregon	13.2	-11.7	8.9
Pennsylvania	0.8	2.4	4.5
Rhode Island	3.0	4.3	3.8
South Carolina	8.4	5.4	1.5
South Dakota	3.0	3.3	1.7
Tennessee	4.0	4.0	2.4
Texas	2.7	3.5	2.6
Utah	7.2	3.6	4.2
Vermont	2.9	0.2	-0.3
Virginia	8.0	5.0	6.6
Washington	2.7	10.5	3.8
West Virginia	12.0	-1.0	-2.7
Wisconsin	7.4	2.1	2.1
Wyoming	14.2	0.0	-12.5
Average	5.1%	3.0%	3.4%
Median	6.1%	2.1%	2.6%

Fiscal 2019 reflects changes from fiscal 2018 revenues (actual) to fiscal 2019 revenues (actual). Fiscal 2020 reflects changes from fiscal 2019 revenues (actual) to fiscal 2020 revenues (estimated). Fiscal 2021 reflects changes from fiscal 2020 revenues (estimated) to fiscal 2021 revenues (recommended).

TABLE 15

General Fund Revenue Collections Compared to Projections, Fiscal 2020

State	Original Fiscal 2020			Most Recent Fiscal 2020		
	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			
North Dakota			X			
Ohio*			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		
Total	10	8	32	22	8	17

NOTES: Original Fiscal 2020 reflects whether general fund revenues from all sources thus far have come in higher, lower, or on target with original projections used to adopt the Fiscal 2020 budget. Most Recent Fiscal 2020 reflects whether collections thus far have been coming in higher, lower, or on target with a state's most recent revenue projection. *See Notes to Table 15 on page 59.

TABLE 16

Fiscal 2020 General Fund Revenue Collections Compared with Projections Used in Adopting Fiscal 2020 Budgets (Millions)**

State	Sales Tax		Personal Income Tax		Corporate Income Tax	
	Original Estimate	Current Estimate	Original Estimate	Current Estimate	Original Estimate	Current Estimate
Alabama	\$2,696	\$2,803	\$4,017	\$4,259	\$420	\$494
Alaska	N/A	N/A	N/A	N/A	135	100
Arizona	5,365	5,444	4,961	5,164	435	523
Arkansas*	2,572	2,515	3,579	3,243	405	434
California	27,241	27,185	102,413	101,682	13,133	15,305
Colorado	3,530	3,820	8,303	8,541	766	852
Connecticut	4,444	4,472	9,673	9,343	1,100	1,060
Delaware	N/A	N/A	1,590	1,610	112	158
Florida	26,059	26,186	N/A	N/A	2,695	2,830
Georgia	6,525	6,450	12,754	12,299	1,260	1,408
Hawaii	3,643	3,665	2,659	2,657	128	157
Idaho	1,702	1,699	1,785	1,751	282	272
Illinois	8,543	8,740	19,703	19,435	2,444	2,490
Indiana	8,076	8,205	6,174	6,202	851	875
Iowa	3,316	3,224	4,831	4,949	653	729
Kansas	2,785	2,840	3,750	3,910	450	465
Kentucky	4,056	4,194	4,661	4,673	768	637
Louisiana	3,861	3,861	3,513	3,513	400	400
Maine	1,630	1,675	1,770	1,810	205	217
Maryland	5,026	4,952	10,377	10,587	962	1,011
Massachusetts	5,177	5,177	17,386	17,486	2,525	2,525
Michigan	1,605	1,615	7,028	7,007	514	592
Minnesota	5,824	5,928	12,352	12,493	1,650	1,589
Mississippi	2,481	2,491	1,900	1,943	555	631
Missouri	2,313	2,286	6,840	6,831	315	319
Montana	58	58	1,411	1,411	166	166
Nebraska	1,750	1,780	2,625	2,675	325	405
Nevada*	1,364	1,364	N/A	N/A	N/A	N/A
New Hampshire	N/A	N/A	N/A	N/A	434	434
New Jersey	11,152	11,266	16,493	16,802	3,607	4,225
New Mexico	2,716	3,012	1,605	1,623	116	56
New York	15,136	15,010	52,150	53,016	6,104	6,400
North Carolina	8,203	8,203	13,030	13,030	736	736
North Dakota	928	980	397	408	65	101
Ohio	11,014	11,014	8,726	8,726	1,639	1,639
Oklahoma	2,919	2,748	3,110	2,991	237	379
Oregon	N/A	N/A	8,512	8,718	479	731
Pennsylvania	11,454	11,595	14,570	14,742	3,558	3,401
Rhode Island	1,180	1,192	1,427	1,444	164	144
South Carolina	3,294	3,418	4,096	4,356	353	446
South Dakota	1,075	1,072	N/A	N/A	N/A	N/A
Tennessee	8,914	9,096	69	86	2,394	2,673
Texas	32,570	32,779	N/A	N/A	N/A	N/A
Utah	2,247	2,257	4,410	4,637	527	477
Vermont	N/A	N/A	894	894	108	108
Virginia	3,730	3,845	15,263	15,439	1,031	1,032
Washington	12,352	12,619	N/A	N/A	N/A	N/A
West Virginia	1,390	1,390	2,155	2,155	137	137
Wisconsin	5,877	5,930	8,923	8,950	1,166	1,495
Wyoming*	448	545	N/A	N/A	N/A	N/A
Total	\$278,241	\$280,599	\$411,882	\$413,488	\$56,504	\$61,256

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. **Unless otherwise noted, original estimates reflect the figures used when the fiscal 2020 budget was adopted, and current estimates reflect most current pre-COVID revenue forecast for fiscal 2020. See Notes to Table 16 and Table 17 on page 59.

Table 16 continues on next page.



TABLE 16 (CONTINUED)

Fiscal 2020 General Fund Revenue Collections Compared with Projections Used in Adopting Fiscal 2020 Budgets (Millions)**

State	Gaming/Lottery Revenue		All Other Revenue	
	Original Estimate	Current Estimate	Original Estimate	Current Estimate
Alabama	N/A	N/A	\$2,125	\$2,210
Alaska	\$13	\$9	2,156	1,480
Arizona	96	94	298	409
Arkansas*	33	39	467	465
California	5	6	1,016	2,313
Colorado	N/A	N/A	507	490
Connecticut	594	589	3,649	3,927
Delaware	202	206	2,713	2,768
Florida	347	0	4,407	4,233
Georgia	N/A	N/A	5,605	5,581
Hawaii	0	0	1,715	1,721
Idaho	N/A	N/A	193	193
Illinois	1,003	961	8,495	8,414
Indiana	427	445	1,024	1,064
Iowa	92	88	-1,052	-976
Kansas	N/A	N/A	447	437
Kentucky	256	271	1,721	1,802
Louisiana	416	416	1,535	1,535
Maine	57	57	155	239
Maryland	548	531	1,652	1,652
Massachusetts	1,355	1,338	8,766	8,710
Michigan	N/A	N/A	1,151	1,161
Minnesota	60	62	3,632	3,669
Mississippi	142	142	781	790
Missouri	N/A	N/A	353	361
Montana	75	75	799	799
Nebraska	N/A	N/A	229	230
Nevada*	811	811	2,271	2,271
New Hampshire	N/A	N/A	1,132	1,132
New Jersey	N/A	N/A	6,947	6,826
New Mexico	64	67	2,933	3,019
New York	15	15	3,712	3,891
North Carolina	N/A	N/A	3,101	3,101
North Dakota	10	15	662	679
Ohio	N/A	N/A	12,784	12,784
Oklahoma	176	185	1,402	1,219
Oregon	N/A	N/A	1,029	801
Pennsylvania	181	180	5,733	5,779
Rhode Island	413	377	995	1,040
South Carolina	N/A	N/A	974	1,064
South Dakota	126	127	500	496
Tennessee	388	400	3,771	3,798
Texas	1,431	1,431	25,656	26,568
Utah	N/A	N/A	617	604
Vermont	N/A	N/A	645	685
Virginia	N/A	N/A	1,534	1,677
Washington	N/A	N/A	11,748	11,820
West Virginia	N/A	N/A	1,028	1,012
Wisconsin	0	0	1,338	1,324
Wyoming*	N/A	N/A	569	650
Total	\$9,335	\$8,937	\$145,620	\$147,919

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. **Unless otherwise noted, original estimates reflect the figures used when the fiscal 2020 budget was adopted, and current estimates reflect most current pre-COVID revenue forecast for fiscal 2020. See Notes to Table 16 and Table 17 on page 59.

TABLE 17

Fiscal 2020 General Fund Revenue Collections Compared With Projections (Percentage Above or Below)**

State	Sales Tax	Personal Income Tax	Corporate Income Tax	Gaming/ Lottery Revenue	All Other Revenue
Alabama	4.0%	6.0%	17.6%	N/A	4.0%
Alaska	N/A	N/A	-25.9	-30.5%	-31.3
Arizona	1.5	4.1	20.3	-1.7	37.1
Arkansas	-2.2	-9.4	7.3	17.7	-0.5
California	-0.2	-0.7	16.5	29.8	127.6
Colorado	8.2	2.9	11.3	N/A	-3.4
Connecticut	0.6	-3.4	-3.6	-0.8	7.6
Delaware	N/A	1.3	40.6	1.6	2.0
Florida	0.5	N/A	5.0	-100.0	-3.9
Georgia	-1.1	-3.6	11.8	N/A	-0.4
Hawaii	0.6	-0.1	22.9	N/A	0.4
Idaho	-0.1	-1.9	-3.4	N/A	0.0
Illinois	2.3	-1.4	1.9	-4.2	-1.0
Indiana	1.6	0.5	2.8	4.2	3.9
Iowa	-2.8	2.4	11.6	-3.7	-7.3
Kansas	2.0	4.3	3.3	N/A	-2.1
Kentucky	3.4	0.3	-17.1	5.9	4.7
Louisiana	0.0	0.0	0.0	0.0	0.0
Maine	2.7	2.3	6.1	0.0	54.7
Maryland	-1.5	2.0	5.1	-3.0	0.0
Massachusetts	0.0	0.6	0.0	-1.3	-0.6
Michigan	0.6	-0.3	15.2	N/A	0.9
Minnesota	1.8	1.1	-3.7	2.7	1.0
Mississippi	0.4	2.2	13.7	-0.2	1.2
Missouri	-1.2	-0.1	1.2	N/A	2.3
Montana	0.0	0.0	0.0	0.0	0.0
Nebraska	1.7	1.9	24.6	N/A	0.4
Nevada	0.0	N/A	N/A	0.0	0.0
New Hampshire	N/A	N/A	0.0	N/A	0.0
New Jersey	1.0	1.9	17.1	N/A	-1.7
New Mexico	10.9	1.1	-51.9	4.4	2.9
New York	-0.8	1.7	4.8	0.0	4.8
North Carolina	0.0	0.0	0.0	N/A	0.0
North Dakota	5.6	2.9	55.0	48.5	2.6
Ohio	0.0	0.0	0.0	N/A	0.0
Oklahoma	-5.9	-3.8	60.0	4.9	-13.1
Oregon	N/A	2.4	52.6	N/A	-22.2
Pennsylvania	1.2	1.2	-4.4	-0.4	0.8
Rhode Island	1.0	1.2	-12.4	-8.6	4.6
South Carolina	3.8	6.4	26.4	N/A	9.2
South Dakota	-0.3	N/A	N/A	1.1	-0.7
Tennessee	2.0	24.9	11.7	3.1	0.7
Texas	0.6	N/A	N/A	0.0	3.6
Utah	0.5	5.1	-9.5	N/A	-2.2
Vermont	N/A	0.0	0.0	N/A	6.2
Virginia	3.1	1.2	0.1	N/A	9.3
Washington	2.2	N/A	N/A	N/A	0.6
West Virginia	0.0	0.0	0.0	N/A	-1.6
Wisconsin	0.9	0.3	28.3	N/A	-1.0
Wyoming	21.7	N/A	N/A	N/A	14.2
Total	0.8%	0.4%	8.4%	-4.3%	1.6%
On target	13	12	9	8	12
Higher	25	23	27	11	24
Lower	7	7	9	9	14

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. **Unless otherwise noted, original estimates reflect the figures used when the fiscal 2020 budget was adopted, and current estimates reflect most current pre-COVID revenue forecast for fiscal 2020. For some states, original budget projections are the most current estimates available. See Notes to Table 16 and Table 17 on page 59.

TABLE 18

Comparison of Tax Collections in Fiscal 2019, Fiscal 2020, and Recommended Fiscal 2021 (\$ in millions)

State	Sales Tax			Personal Income Tax			Corporate Income Tax		
	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2019	Fiscal 2020	Fiscal 2021
Alabama	\$2,647	\$2,803	\$2,878	\$4,094	\$4,259	\$4,390	\$455	\$494	\$487
Alaska	N/A	N/A	N/A	N/A	N/A	N/A	115	100	75
Arizona	5,097	5,444	5,670	5,009	5,164	5,312	514	523	534
Arkansas*	2,465	2,515	2,569	3,520	3,243	3,359	570	434	449
California	26,128	27,185	28,243	98,599	101,682	102,878	14,063	15,305	16,007
Colorado	3,592	3,820	4,002	8,247	8,541	8,836	920	852	920
Connecticut	4,338	4,472	4,652	9,640	9,343	9,701	1,061	1,060	1,087
Delaware	N/A	N/A	N/A	1,528	1,610	1,689	148	158	143
Florida	25,385	26,186	27,025	N/A	N/A	N/A	3,140	2,830	2,762
Georgia	6,250	6,450	6,722	12,177	12,299	12,653	1,271	1,408	1,536
Hawaii	3,542	3,665	3,692	2,568	2,657	2,608	164	157	156
Idaho	1,598	1,699	1,783	1,661	1,751	1,868	283	272	287
Illinois	8,409	8,740	9,038	19,236	19,435	20,126	2,389	2,490	2,489
Indiana	7,915	8,205	8,460	6,057	6,202	6,396	948	875	872
Iowa	3,046	3,224	3,333	4,944	4,949	5,038	706	729	701
Kansas	2,767	2,840	2,905	3,756	3,910	4,065	437	465	475
Kentucky*	3,938	4,194	4,241	4,545	4,673	4,794	763	637	601
Louisiana	3,836	3,861	3,911	3,719	3,513	3,611	631	400	400
Maine	1,563	1,675	1,752	1,701	1,810	1,850	253	217	212
Maryland	4,812	4,952	5,041	10,272	10,587	11,030	1,033	1,011	1,101
Massachusetts	4,852	5,177	5,313	17,109	17,486	17,909	2,927	2,525	2,865
Michigan	1,552	1,615	1,665	7,114	7,007	7,115	699	592	527
Minnesota	5,762	5,928	6,116	12,405	12,493	13,495	1,660	1,589	1,525
Mississippi	2,465	2,491	2,520	1,898	1,943	1,943	644	631	563
Missouri	2,198	2,286	2,364	6,664	6,831	6,936	348	319	321
Montana	65	58	58	1,429	1,411	1,464	187	166	167
Nebraska	1,658	1,780	1,820	2,546	2,675	2,750	424	405	360
Nevada	1,285	1,364	1,411	N/A	N/A	N/A	N/A	N/A	N/A
New Hampshire	N/A	N/A	N/A	N/A	N/A	N/A	475	434	413
New Jersey	10,847	11,266	11,633	15,903	16,802	17,795	4,344	4,225	4,029
New Mexico	2,738	3,012	3,092	1,672	1,623	1,661	123	56	17
New York	14,165	15,010	15,656	48,088	53,016	56,810	5,501	6,400	7,228
North Carolina	7,751	8,203	8,611	13,166	13,030	13,515	830	736	795
North Dakota	957	980	940	414	408	407	148	101	67
Ohio*	10,573	11,014	11,181	8,910	8,726	9,187	1,630	1,639	1,653
Oklahoma	2,779	2,748	2,933	2,713	2,991	3,087	293	379	260
Oregon	N/A	N/A	N/A	9,909	8,718	9,726	927	731	554
Pennsylvania	11,100	11,595	12,213	14,096	14,742	15,467	3,398	3,401	3,693
Rhode Island	1,126	1,192	1,269	1,397	1,444	1,497	155	144	155
South Carolina	3,186	3,418	3,572	4,161	4,356	4,378	449	446	394
South Dakota	1,025	1,072	1,088	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee*	8,758	9,096	9,398	131	86	48	2,515	2,673	2,786
Texas*	29,839	32,779	33,911	N/A	N/A	N/A	N/A	N/A	N/A
Utah	2,116	2,257	2,369	4,320	4,637	4,924	521	477	490
Vermont*	N/A	N/A	N/A	875	894	909	134	108	95
Virginia	3,580	3,845	3,893	15,227	15,439	16,164	943	1,032	1,019
Washington	11,864	12,619	12,861	N/A	N/A	N/A	N/A	N/A	N/A
West Virginia	1,370	1,390	1,422	2,097	2,155	2,156	198	137	145
Wisconsin	5,696	5,930	6,010	8,994	8,950	9,235	1,338	1,495	1,505
Wyoming	519	545	553	N/A	N/A	N/A	N/A	N/A	N/A
Total	\$267,153	\$280,599	\$289,790	\$402,510	\$413,488	\$428,784	\$60,673	\$61,256	\$62,919

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. *See Notes to Table 18 on page 59. Unless otherwise noted, fiscal 2019 figures reflect actual tax collections, fiscal 2020 figures reflect estimated tax collections, and fiscal 2021 figures reflect the estimates based on governors' recommended budgets.

Table 18 continues on next page.

TABLE 18 (CONTINUED)

Comparison of Tax Collections in Fiscal 2019, Fiscal 2020, and Recommended Fiscal 2021 (\$ in millions)

State	Gaming/Lottery Revenue			All Other Revenue		
	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2019	Fiscal 2020	Fiscal 2021
Alabama	N/A	N/A	N/A	\$2,172	\$2,210	\$2,215
Alaska	\$13	\$9	\$5	2,500	1,480	1,073
Arizona	83	94	102	529	409	210
Arkansas*	72	39	33	517	465	484
California	6	6	6	588	2,313	4,506
Colorado	N/A	N/A	N/A	504	490	501
Connecticut	619	589	614	3,991	3,927	4,150
Delaware	216	206	210	2,701	2,768	2,776
Florida	248	0	0	4,641	4,233	4,576
Georgia	N/A	N/A	N/A	5,873	5,581	5,720
Hawaii	0	0	0	1,643	1,721	1,732
Idaho	N/A	N/A	N/A	193	193	191
Illinois	1,000	961	986	8,162	8,414	8,057
Indiana	443	445	464	1,043	1,064	1,068
Iowa	90	88	90	-927	-976	-912
Kansas	N/A	N/A	N/A	408	437	231
Kentucky*	264	271	277	2,091	1,802	1,809
Louisiana	411	416	411	1,444	1,535	1,711
Maine	63	57	57	269	239	200
Maryland	552	531	565	1,729	1,652	1,602
Massachusetts	1,335	1,338	1,368	8,387	8,710	8,966
Michigan	N/A	N/A	N/A	1,295	1,161	1,273
Minnesota	70	62	63	3,779	3,669	2,541
Mississippi	143	142	142	818	790	798
Missouri	N/A	N/A	N/A	358	361	363
Montana	75	75	75	818	799	809
Nebraska	N/A	N/A	N/A	266	230	220
Nevada	759	811	822	2,244	2,271	2,363
New Hampshire	N/A	N/A	N/A	1,147	1,132	1,159
New Jersey	N/A	N/A	N/A	7,256	6,826	7,334
New Mexico	65	67	69	3,412	3,019	3,044
New York	15	15	15	2,775	3,891	1,589
North Carolina	N/A	N/A	N/A	3,079	3,101	3,115
North Dakota	15	15	10	382	679	324
Ohio*	N/A	N/A	N/A	12,655	12,784	14,174
Oklahoma	155	185	180	1,751	1,219	1,203
Oregon	N/A	N/A	N/A	635	801	674
Pennsylvania	132	180	211	6,134	5,779	5,717
Rhode Island	397	377	396	950	1,040	1,039
South Carolina	N/A	N/A	N/A	1,007	1,064	1,076
South Dakota	124	127	131	492	496	504
Tennessee*	385	400	403	3,653	3,798	3,810
Texas*	1,523	1,431	1,454	27,343	26,568	26,986
Utah	N/A	N/A	N/A	586	604	614
Vermont*	N/A	N/A	N/A	684	685	701
Virginia	N/A	N/A	N/A	1,557	1,677	1,613
Washington	N/A	N/A	N/A	10,056	11,820	12,597
West Virginia	N/A	N/A	N/A	1,091	1,012	862
Wisconsin	0	0	0	1,314	1,324	1,328
Wyoming	N/A	N/A	N/A	875	650	572
Total	\$9,273	\$8,937	\$9,157	\$146,865	\$147,919	\$149,269

NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. *See Notes to Table 18 on page 59. Unless otherwise noted, fiscal 2019 figures reflect actual tax collections, fiscal 2020 figures reflect estimated tax collections, and fiscal 2021 figures reflect the estimates based on governors' recommended budgets.

TABLE 19

Percentage Change in Tax Collections in Fiscal 2019, Fiscal 2020, and Recommended Fiscal 2021

State	Sales Tax			Personal Income Tax			Corporate Income Tax		
	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2019	Fiscal 2020	Fiscal 2021
Alabama	7.1%	5.9%	2.7%	7.1%	4.0%	3.1%	17.8%	8.6%	-1.5%
Alaska	N/A	N/A	N/A	N/A	N/A	N/A	-4.0	-12.9	-25.0
Arizona	6.5	6.8	4.1	10.2	3.1	2.9	37.8	1.7	2.1
Arkansas*	2.0	2.0	2.2	4.8	-7.9	3.6	40.2	-23.9	3.5
California	4.6	4.0	3.9	5.1	3.1	1.2	14.2	8.8	4.6
Colorado	5.5	6.3	4.8	8.8	3.6	3.5	17.6	-7.3	7.9
Connecticut	3.2	3.1	4.0	-10.5	-3.1	3.8	15.2	-0.1	2.6
Delaware	N/A	N/A	N/A	7.0	5.4	4.9	64.8	6.6	-9.5
Florida	5.2	3.2	3.2	N/A	N/A	N/A	30.1	-9.9	-2.4
Georgia	5.1	3.2	4.2	4.6	1.0	2.9	26.6	10.8	9.1
Hawaii	4.3	3.5	0.7	5.7	3.5	-1.8	24.9	-4.1	-0.9
Idaho	7.2	6.4	4.9	-9.1	5.4	6.7	18.6	-3.8	5.5
Illinois	7.7	3.9	3.4	8.5	1.0	3.6	18.4	4.2	0.0
Indiana	3.3	3.7	3.1	4.1	2.4	3.1	43.6	-7.7	-0.3
Iowa	3.5	5.9	3.4	4.2	0.1	1.8	25.0	3.2	-3.8
Kansas	0.7	2.6	2.3	11.3	4.1	4.0	11.5	6.3	2.2
Kentucky*	9.2	6.5	1.1	-1.3	2.8	2.6	49.1	-16.5	-5.6
Louisiana	-11.1	0.6	1.3	13.8	-5.6	2.8	32.0	-36.6	0.0
Maine	5.4	7.2	4.6	6.6	6.4	2.2	36.2	-14.2	-2.6
Maryland	3.6	2.9	1.8	8.0	3.1	4.2	25.9	-2.1	8.9
Massachusetts	5.5	6.7	2.6	5.4	2.2	2.4	22.4	-13.7	13.5
Michigan	-24.8	4.0	3.1	-0.2	-1.5	1.5	87.9	-15.3	-10.9
Minnesota	5.7	2.9	3.2	5.3	0.7	8.0	26.3	-4.3	-4.1
Mississippi	5.3	1.1	1.2	3.9	2.3	0.0	12.5	-1.9	-10.8
Missouri	1.1	4.0	3.4	1.0	2.5	1.5	15.9	-8.4	0.6
Montana	8.5	-10.7	0.5	10.1	-1.3	3.8	11.6	-11.1	0.8
Nebraska	3.5	7.4	2.2	7.8	5.1	2.8	35.1	-4.4	-11.1
Nevada	8.0	6.2	3.5	N/A	N/A	N/A	N/A	N/A	N/A
New Hampshire	N/A	N/A	N/A	N/A	N/A	N/A	-1.3	-8.5	-4.9
New Jersey	3.7	3.9	3.3	5.8	5.6	5.9	74.9	-2.7	-4.6
New Mexico	12.3	10.0	2.7	10.1	-2.9	2.3	15.2	-54.7	-69.2
New York	4.5	6.0	4.3	-6.6	10.2	7.2	11.9	16.3	12.9
North Carolina	5.6	5.8	5.0	5.2	-1.0	3.7	12.4	-11.4	8.1
North Dakota	15.5	2.4	-4.1	13.6	-1.4	-0.3	60.1	-31.4	-34.1
Ohio*	4.2	4.2	1.5	5.9	-2.1	5.3	7.0	0.5	0.9
Oklahoma	4.3	-1.1	6.8	11.9	10.3	3.2	25.4	29.1	-31.3
Oregon	N/A	N/A	N/A	11.7	-12.0	11.6	25.4	-21.1	-24.2
Pennsylvania	6.9	4.5	5.3	5.2	4.6	4.9	18.0	0.1	8.6
Rhode Island	6.5	5.9	6.5	3.8	3.4	3.7	21.5	-7.4	7.8
South Carolina	5.0	7.3	4.5	7.9	4.7	0.5	34.7	-0.8	-11.5
South Dakota	3.7	4.5	1.5	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee*	5.6	3.9	3.3	-20.6	-34.1	-44.0	8.5	6.3	4.2
Texas*	-3.4	9.9	3.5	N/A	N/A	N/A	N/A	N/A	N/A
Utah	4.8	6.6	5.0	8.0	7.3	6.2	16.3	-8.4	2.8
Vermont*	N/A	N/A	N/A	5.2	2.1	1.7	36.4	-19.2	-12.3
Virginia	3.4	7.4	1.3	7.9	1.4	4.7	9.5	9.3	-1.2
Washington	8.6	6.4	1.9	N/A	N/A	N/A	N/A	N/A	N/A
West Virginia	9.9	1.5	2.3	8.9	2.8	0.1	79.9	-30.8	5.5
Wisconsin	4.5	4.1	1.3	6.1	-0.5	3.2	49.7	11.7	0.7
Wyoming	8.1	5.0	1.5	N/A	N/A	N/A	N/A	N/A	N/A
Total	3.6%	5.0%	3.3%	3.8%	2.7%	3.7%	22.3%	1.0%	2.7%
Median	5.1%	4.2%	3.2%	5.8%	2.5%	3.2%	24.9%	-4.3%	0.0%

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 2019 figures reflect actual tax collections, fiscal 2020 figures reflect estimated tax collections, and fiscal 2021 figures reflect the estimates based on governors' recommended budgets.

TABLE 19 (CONTINUED)

Percentage Change in Tax Collections in Fiscal 2019, Fiscal 2020, and Recommended Fiscal 2021

State	Gaming/Lottery Revenue			All Other Revenue		
	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2019	Fiscal 2020	Fiscal 2021
Alabama	N/A	N/A	N/A	4.9%	1.7%	0.2%
Alaska	15.5%	-28.3%	-49.5%	9.5	-40.8	-27.5
Arizona	21.2	13.8	8.2	58.3	-22.6	-48.6
Arkansas*	7.5	-45.3	-15.3	8.5	-10.1	4.1
California	-83.0	10.9	0.0	2750.1	293.2	94.9
Colorado	N/A	N/A	N/A	-12.8	-2.6	2.3
Connecticut	1.1	-4.9	4.2	135.8	-1.6	5.7
Delaware	1.8	-4.7	2.2	1.4	2.5	0.3
Florida	-30.7	-100.0	N/A	7.7	-8.8	8.1
Georgia	N/A	N/A	N/A	2.6	-5.0	2.5
Hawaii	N/A	N/A	N/A	-3.6	4.8	0.7
Idaho	N/A	N/A	N/A	10.3	0.3	-1.0
Illinois	0.9	-3.9	2.6	-2.8	3.1	-4.2
Indiana	2.6	0.5	4.2	4.2	2.0	0.5
Iowa	6.9	-2.4	2.3	-2.8	5.2	-6.5
Kansas	N/A	N/A	N/A	-48.0	7.2	-47.3
Kentucky*	4.3	2.7	2.2	12.1	-13.8	0.4
Louisiana	-0.7	1.2	-1.2	2.4	6.3	11.4
Maine	0.6	-9.1	0.0	3.0	-11.1	-16.3
Maryland	3.3	-3.9	6.5	-7.2	-4.5	-3.0
Massachusetts	15.6	0.2	2.2	4.1	3.8	2.9
Michigan	N/A	N/A	N/A	-10.8	-10.4	9.7
Minnesota	5.7	-12.4	2.9	2.7	-2.9	-30.7
Mississippi	5.1	-1.3	0.0	0.3	-3.5	1.0
Missouri	N/A	N/A	N/A	-9.4	0.9	0.4
Montana	6.2	-0.8	-0.3	1.0	-2.3	1.2
Nebraska	N/A	N/A	N/A	-8.2	-13.6	-4.3
Nevada	6.6	6.9	1.4	6.0	1.2	4.0
New Hampshire	N/A	N/A	N/A	2.9	-1.3	2.3
New Jersey	N/A	N/A	N/A	-3.8	-5.9	7.4
New Mexico	4.5	2.5	3.5	23.8	-11.5	0.8
New York	0.0	0.0	0.0	93.4	40.2	-59.2
North Carolina	N/A	N/A	N/A	3.6	0.7	0.5
North Dakota	39.0	0.7	-32.7	-43.4	77.9	-52.3
Ohio*	N/A	N/A	N/A	2.1	1.0	10.9
Oklahoma	-3.8	19.1	-2.7	56.2	-30.4	-1.3
Oregon	N/A	N/A	N/A	0.3	26.1	-15.8
Pennsylvania	7.1	36.9	16.7	-21.2	-5.8	-1.1
Rhode Island	8.5	-5.1	4.9	-6.2	9.6	-0.2
South Carolina	N/A	N/A	N/A	12.1	5.7	1.1
South Dakota	3.7	2.9	2.8	1.4	0.9	1.6
Tennessee*	12.2	3.8	0.7	-2.2	4.0	0.3
Texas*	10.0	-6.0	1.6	9.9	-2.8	1.6
Utah	N/A	N/A	N/A	2.4	3.1	1.7
Vermont*	N/A	N/A	N/A	51.5	0.2	2.3
Virginia	N/A	N/A	N/A	7.3	7.7	-3.8
Washington	N/A	N/A	N/A	-3.7	17.5	6.6
West Virginia	N/A	N/A	N/A	22.1	-7.3	-14.8
Wisconsin	N/A	N/A	N/A	-0.7	0.8	0.3
Wyoming	N/A	N/A	N/A	-4.2	-25.7	-12.0
Total	3.8%	-3.6%	2.5%	5.1%	0.7%	0.9%
Median	4.8%	-0.4%	2.2%	2.5%	0.5%	0.4%

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 2019 figures reflect actual tax collections, fiscal 2020 figures reflect estimated tax collections, and fiscal 2021 figures reflect the estimates based on governors' recommended budgets.

Recommended Fiscal 2021 Revenue Actions

When governors proposed their fiscal 2021 budgets, fiscal conditions were stable in the vast majority of states, and recommended revenue actions were for the most part limited and modest in size. According to executive budgets, 14 states proposed net increases in taxes and fees while 15 states proposed net decreases, resulting in a projected net positive revenue impact in fiscal 2021 of \$2.4 billion. (See [Table 20 and Figure 3](#)) Tax increases were heavily skewed towards non-general fund revenue sources, such as motor fuel taxes, and in fact, looking at general fund revenue impacts only, governors proposed a net decrease in general fund revenue of \$588 million.

The largest non-general fund revenue generators among recommended tax and fee changes included motor fuel tax increases in Ohio (which reported on changes enacted in its biennial budget) and Utah, a series of miscellaneous tax and user fee changes in California (including a tax on cannabis and a nursing facility fee), and the New Jersey governor's proposed millionaire's tax. The actions with the largest positive impact on the general fund included sales tax hikes and exemption changes in Iowa, Ohio (which reported on changes enacted in its biennial budget) and Utah, as well as a cigarette tax increase in New Jersey. The largest proposed tax and fee decreases included reductions in personal income tax rates in Arkansas, Iowa, Ohio, South Carolina and Utah, all of which impacted state general fund revenues. Overall, 14 states proposed decreases in personal income tax revenue in some form, including Earned Income Tax Credit (EITC) increases and the creation of new tax credits. (See [Tables 21–22 and Table A-1](#))

Overall for fiscal 2021, governors proposed net increases in most tax categories, including sales and use taxes, corporate income taxes, cigarette and tobacco taxes, motor fuel taxes, gaming and lottery revenue, other taxes and revenue, and fees. However, governors recommended a net decrease in personal income taxes, the largest source of general fund revenue for most states. Below is a summary of the revenue impacts by category. More detailed, state-by-state information on tax and fee changes recommended in fiscal 2021 or enacted mid-year for fiscal 2020 is available in the Appendix of this report (see [Tables A-1 through A-4](#)).

Sales Taxes — Seven governors recommended sales and use tax increases and two recommended decreases, which together would have a positive net revenue impact of \$757 million (\$714 million general fund impact) in fiscal 2021.

Personal Income Taxes — Three governors recommended net personal income tax increases, while 14 governors proposed decreases, which would result in a net revenue decrease of \$1,079 million (-\$1,607 million general fund impact).

Corporate Income Taxes — Four governors recommended corporate income tax increases while six proposed decreases for a modest net increase of \$47 million (\$39 million general fund impact).

Cigarette and Tobacco Taxes — Six governors recommended tax increases on cigarettes and tobacco products, and two governors proposed decreases, resulting in a net increase of \$195 million (\$177 million general fund impact). The decreases in this category are attributable to restrictions placed on vaping and other tobacco products, expected to result in less revenue.

Motor Fuel Taxes — Two states (Ohio and Utah) reported on proposed increases to motor fuel taxes resulting in an increase of \$1,070 million, all of which would be dedicated to non-general fund sources.

Alcohol Taxes — Rhode Island recommended a modest decrease in the excise tax on liquor with a -\$5.3 million general fund revenue impact.

Gaming Taxes/Lottery Revenue — Six governors proposed increases to gaming taxes and/or lottery revenues, resulting in a revenue increase of \$85 million (\$53 million general fund impact).

Other Taxes & Revenue — Seven governors recommended increases on other tax and revenue sources, while six governors proposed decreases, resulting in a positive net revenue impact of \$843 million but a negative impact on state general fund revenue of -\$86 million.

Fees — Seven governors recommended net fee increases resulting in a total increase of \$519 million (\$127 million general fund impact).

Fiscal 2021 Revenue Measures. In addition to tax and fee changes, governors also recommended new revenue measures with a total net impact of \$633 million, including a \$285 million increase for states' general funds. These measures often enhance general fund revenue but, 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 and diversions. For example, Massachusetts's reported action to accelerate the collection and remittance of sales taxes for the state's largest vendors results in a one-time \$317 million increase in revenue. *(See Appendix Table A-2)*

Mid-Year Revenue Changes in Fiscal 2020

Thirteen states enacted changes in taxes and fees in the middle of fiscal 2020, with four states enacting increases and nine states enacting decreases, for a total net revenue decrease of \$123 million. Personal income tax reductions as well as motor fuel vehicle fee hikes in Wisconsin, income tax credits in Georgia, an increase in the standard deduction and other tax changes in North Carolina, and a state emergency telephone fee increase in California account for some of the mid-year changes reported. Several states also enacted mid-year revenue measures that generally do not affect taxpayer liability, with a total fiscal 2020 revenue impact of -\$51 million. *(See Table 23, Appendix Tables A-3 and A-4)*

TABLE 20
Enacted State Revenue Changes, Fiscal 1979 to
Fiscal 2020, and Recommended 2021

Fiscal Year	Revenue Change (Billions)
2021	\$2.4
2020	6.7
2019	3.1
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 1988–2021 data provided by the National Association of State Budget Officers.

FIGURE 3:

Enacted State Revenue Changes, Fiscal 1979 to Fiscal 2020 and Recommended Fiscal 2021

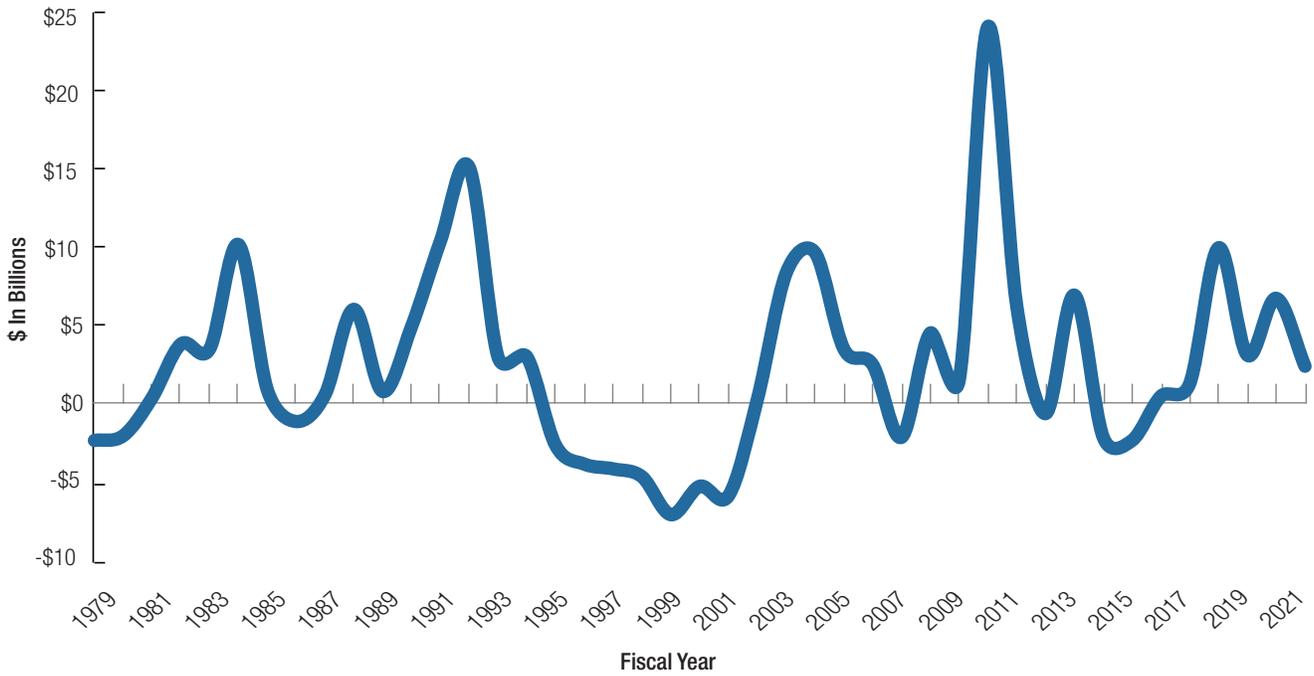


TABLE 21

Recommended Fiscal 2021 Revenue Actions by Type of Revenue and Net Increase or Decrease (Millions)

State	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Cigarette/Tobacco Tax	Motor Fuel Tax	Alcohol Tax	Gaming Tax/Lottery Revenue	Other Taxes and Revenues	Fees	Total
Alabama	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Alaska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arizona	0.0	-45.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-45.5
Arkansas	0.0	-74.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-74.1
California	0.0	0.0	-50.0	34.0	0.0	0.0	0.0	939.3	385.7	1,309.0
Colorado	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.1	4.1
Connecticut	0.0	0.0	28.2	0.9	0.0	0.0	1.5	4.6	4.6	39.8
Delaware	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Florida	-49.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-49.7
Georgia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hawaii	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Idaho	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Illinois	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indiana	0.0	-6.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-6.2
Iowa	168.9	-176.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7.2
Kansas	47.4	-53.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-5.8
Kentucky	0.0	0.0	0.0	50.3	0.0	0.0	14.6	8.2	0.0	73.1
Louisiana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maine	0.0	-1.8	-1.8	0.0	0.0	0.0	0.0	0.0	0.0	-3.6
Maryland	0.0	-17.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-17.8
Massachusetts	2.0	-64.0	0.0	-94.9	0.0	0.0	35.0	36.0	71.4	-14.5
Michigan	0.0	0.0	0.0	0.0	0.0	0.0	17.0	0.0	0.0	17.0
Minnesota	0.0	0.0	0.0	4.2	0.0	0.0	0.0	0.0	4.2	8.4
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Missouri	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Montana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nebraska	0.0	-5.1	-2.0	0.0	0.0	0.0	0.0	-125.2	0.0	-132.3
Nevada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	0.0	0.0	41.0	0.0	0.0	0.0	0.0	0.0	2.5	43.5
New Jersey	0.0	468.0	-170.0	216.0	0.0	0.0	0.0	21.5	0.0	535.5
New Mexico	-1.5	-5.0	0.0	0.0	0.0	0.0	0.0	-2.4	0.0	-8.9
New York	0.0	0.0	0.0	0.0	0.0	0.0	15.0	0.0	0.0	15.0
North Carolina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio*	219.1	-382.6	0.0	-18.4	865.0	0.0	0.0	-18.1	0.0	665.0
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oregon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pennsylvania	0.0	0.0	239.5	0.0	0.0	0.0	0.0	0.0	0.0	239.5
Rhode Island	34.4	1.3	2.0	2.8	0.0	-5.3	0.0	20.0	46.1	101.3
South Carolina	0.0	-179.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-179.1
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee	44.8	0.0	0.0	0.0	0.0	0.0	0.0	-40.0	0.0	4.8
Texas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utah*	291.5	-545.0	-36.0	0.0	205.0	0.0	0.0	4.5	0.0	-80.0
Vermont	0.0	-2.4	-3.9	0.0	0.0	0.0	2.0	-1.5	0.0	-5.8
Virginia	0.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.0
Washington	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-4.1	0.0	-4.1
West Virginia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wisconsin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	\$756.9	-\$1,078.6	\$47.0	\$194.8	\$1,070.0	-\$5.3	\$85.1	\$842.8	\$518.6	\$2,431.3
Increases	7	3	4	6	2	0	6	7	7	14
Decreases	2	14	6	2	0	1	0	6	0	15

NOTE: See Appendix Table A-1 for details on specific revenue changes. *See Notes to Table 21 on page 60.

TABLE 22

Recommended Fiscal 2021 Revenue Actions — General Fund Impact (Millions)

State	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Cigarette/Tobacco Tax	Motor Fuel Tax	Alcohol Tax	Gaming Tax/Lottery Revenue	Other Taxes and Revenues	Fees	Total
Alabama	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Alaska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arizona	0.0	-45.5	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-45.5
Arkansas	0.0	-74.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-74.1
California	0.0	0.0	-50.0	0.0	0.0	0.0	0.0	31.2	0.0	-18.8
Colorado	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Connecticut	0.0	0.0	28.2	0.9	0.0	0.0	1.5	4.6	2.7	37.9
Delaware	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Florida	-49.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-49.7
Georgia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Hawaii	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Idaho*	-35.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-35.0
Illinois	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indiana	0.0	-6.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-6.2
Iowa	168.9	-176.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7.2
Kansas	47.4	-53.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-5.8
Kentucky	0.0	0.0	0.0	50.3	0.0	0.0	14.6	8.2	0.0	73.1
Louisiana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maine	0.0	-1.8	-1.8	0.0	0.0	0.0	0.0	0.0	0.0	-3.6
Maryland	0.0	-17.8	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-17.8
Massachusetts	1.8	-64.0	0.0	-79.1	0.0	0.0	35.0	16.0	71.4	-18.9
Michigan	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Minnesota	0.0	0.0	0.0	4.2	0.0	0.0	0.0	0.0	4.2	8.4
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Missouri	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Montana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nebraska	0.0	-5.1	-2.0	0.0	0.0	0.0	0.0	-125.2	0.0	-132.3
Nevada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	0.0	0.0	33.2	0.0	0.0	0.0	0.0	0.0	2.5	35.7
New Jersey	0.0	0.0	-170.0	216.0	0.0	0.0	0.0	21.5	0.0	67.5
New Mexico	-1.5	-5.0	0.0	0.0	0.0	0.0	0.0	-2.4	0.0	-8.9
New York	0.0	-73.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-73.6
North Carolina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	211.8	-369.8	0.0	-17.8	0.0	0.0	0.0	-17.5	0.0	-193.3
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oregon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pennsylvania	0.0	0.0	239.5	0.0	0.0	0.0	0.0	0.0	0.0	239.5
Rhode Island	34.4	1.3	2.0	2.8	0.0	-5.3	0.0	20.0	46.1	101.3
South Carolina	0.0	-179.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-179.1
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee	44.8	0.0	0.0	0.0	0.0	0.0	0.0	-40.0	0.0	4.8
Texas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utah	291.5	-545.0	-36.0	0.0	0.0	0.0	0.0	0.0	0.0	-289.5
Vermont	0.0	-2.4	-3.9	0.0	0.0	0.0	2.0	-1.5	0.0	-5.8
Virginia	0.0	10.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	10.0
Washington	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-1.3	0.0	-1.3
West Virginia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wisconsin	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	\$714.4	-\$1,607.4	\$39.2	\$177.3	\$0.0	-\$5.3	\$53.1	-\$86.4	\$126.9	-\$588.3
Increases	7	2	4	5	0	0	4	6	5	9
Decreases	3	15	6	2	0	1	0	6	0	19

NOTE: See Appendix Table A-1 for details on specific revenue changes. *See Notes to Table 22 on page 60.

TABLE 23

Enacted Mid-Year Fiscal 2020 Revenue Actions by Type of Revenue and Net Increase or Decrease (Millions)

State	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Cigarette/ Tobacco Tax	Motor Fuel Tax	Alcohol Tax	Gaming Tax/ Lottery Revenue	Other Taxes and Revenues	Fees	Total
Alabama	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Alaska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arizona	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
California	0.0	0.0	0.0	32.0	0.0	0.0	0.0	0.0	55.1	87.1
Colorado	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Connecticut	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Delaware	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Florida	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Georgia	-1.5	-38.5	-1.5	0.0	0.0	0.0	0.0	0.0	-2.4	-43.8
Hawaii	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Idaho	0.0	-6.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-6.6
Illinois	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Indiana	0.0	-7.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-7.9
Iowa	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kentucky	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Louisiana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Maine	0.0	-2.7	-0.2	0.0	0.0	0.0	0.0	0.0	0.0	-2.9
Maryland	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Massachusetts	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Michigan	0.0	0.0	0.0	0.0	0.0	0.0	4.4	0.0	0.0	4.4
Minnesota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mississippi	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Missouri	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Montana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nebraska	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Nevada	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Hampshire	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Jersey	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New Mexico	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
New York	0.0	0.0	-32.0	0.0	0.0	0.0	0.0	0.0	0.0	-32.0
North Carolina	62.1	-80.3	3.0	0.0	0.0	0.0	0.0	-4.0	0.0	-19.2
North Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Ohio	-1.1	-34.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-35.3
Oklahoma	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Oregon	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Pennsylvania	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Rhode Island	0.0	2.1	0.0	0.0	0.0	0.0	0.0	-0.4	0.0	1.7
South Carolina	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Tennessee	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Texas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Utah	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-3.4	-3.4
Vermont	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Virginia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Washington	0.0	0.0	0.0	0.0	0.0	0.0	0.0	18.0	0.0	18.0
West Virginia	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Wisconsin	0.0	-244.2	0.0	2.3	4.9	0.0	0.0	0.0	153.6	-83.4
Wyoming	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total	\$59.6	-\$412.2	-\$30.7	\$34.3	\$4.9	\$0.0	\$4.4	\$13.6	\$202.9	-\$123.3
Increases	1	1	1	2	1	0	1	1	2	4
Decreases	2	7	3	0	0	0	0	2	2	9

NOTE: See Appendix Table A-3 for details on specific revenue changes.

CHAPTER 2 NOTES

Notes to Table 15: General Fund Revenue Collections Compared to Projections, Fiscal 2020

Arkansas	All survey responses reflect revenue and programmatic changes due to COVID19.
Michigan	Consensus revenue forecast from May 2019 was the basis for original and revised FY 2020 appropriations. January 2020 consensus forecast was used for FY 2021 Executive Budget.
Nevada	Estimates used when FY 2020 Budget Adopted is the same as the Current Estimate. There is no new forecast or any revisions.
Ohio	Current developments pertaining to the COVID-19 virus and recent shocks in financial markets do pose a risk to the remainder of FY 2020.
Oregon	Based on the March 2020 Forecast; however we anticipate revenues to drop well below original projections when the new forecast is released in May 2020.
Pennsylvania	Responses reflect early COVID-19 impacts on state revenue collections.
Utah	While revenues are currently on target relative to original FY20 projections, they are expected to drop below target in the next month.
Vermont	Responses reflect early COVID-19 impacts on state revenue collections.

Notes to Tables 16 and 17: Fiscal 2020 General Fund Revenue Collections Compared With Projections Used in Adopting Fiscal 2020 Budgets (\$ Amounts and Percentage Change)

Arkansas	All survey responses reflect revenue and programmatic changes due to COVID19.
Florida	The Seminole Tribe ceased all revenue sharing with the State after making its April 2019 payment.
Nevada	Estimates used when FY 2020 Budget Adopted is the same as the Current Estimate. There is no new forecast or any revisions.
Wyoming	The 2019-2020 Budget was adopted in March 2018, therefore the January 2018 estimates were used for this question.

Notes to Tables 18 and 19: Comparison of Tax Collections in Fiscal 2019, Fiscal 2020, and Recommended Fiscal 2021 (\$ Amounts and YOY Percentage Change)

Arkansas	All survey responses reflect revenue and programmatic changes due to COVID19. Revenue amounts here are reported as "gross" (before refunds and special dedications/payments).
Florida	The Seminole Tribe ceased all revenue sharing with the State after making its April 2019 payment.
Kentucky	Past survey responses segregated corporate income tax revenues with the limited liability entity tax revenues. They are combined in this survey, contributing to the percentage increase in Fiscal 2019 for Corporate Income Tax compared to what was reported in NASBO's Fall 2019 Fiscal Survey for fiscal 2018.
Ohio	Corporate Income Tax: Ohio doesn't have a corporate income tax and instead has a commercial activities tax (CAT). All Other General Revenue Fund Revenue: Federal reimbursements for Medicaid expenditures make up the majority of revenue in this category.
Tennessee	Sales tax, personal income tax, and corporate income tax are shared with local governments. Corporate income tax includes franchise tax.
Texas	BRE Table A-12, CRE Table A-12, and the CPA Monthly Revenue Watch (through April 2020) were referenced



Notes to Table 21: Recommended Fiscal 2021 Revenue Actions by Type of Revenue and Net Increase or Decrease

- Ohio** Tax increase and decrease figures provided are relative to fiscal year 2020 law baseline and are not incremental to the tax changes scored for fiscal year 2021.
- Utah** These tax changes were passed and signed into law during the Governor's budget recommendation process. Therefore they were incorporated in the Governor's budget recommendations. These changes were repealed a few weeks after the Governor's recommendations were released.

Notes to Table 22: Recommended Fiscal 2021 Revenue Actions — General Fund Impact

- Idaho** Had the Governor's recommendation been enacted, the hit to the GF would be \$35M, however, the Governor recommended a transfer of the same amount into the GF from the tax relief fund

TOTAL BALANCES

CHAPTER THREE

Overview

In recent years, states focused on strengthening their reserves in preparation for the next economic downturn. When governors proposed their budgets for fiscal 2021, rainy day fund balances were at an all-time high in the aggregate, both in nominal dollars and as a percentage of state spending, following steady growth in the years since the Great Recession.

Since fiscal 2010, the median rainy day fund balance level as a percentage of general fund spending has grown from 1.6 percent to 7.8 percent in fiscal 2020. Improved revenue conditions in recent years contributed to many states bolstering savings accounts, with a number of states directing at least part of their unanticipated budget surpluses into their rainy day funds. Guided by lessons learned during the Great Recession, states also made deliberate policy changes to deposit rules and other aspects of these funds that further strengthened rainy day fund balances. Before the COVID crisis hit, governors planned to continue prioritizing their rainy day funds in fiscal 2021, with 28 states projecting increases based on recommended budgets while only seven states recommended decreases.

Total balances in this report include both general fund ending balances and the amounts in states' rainy day funds, and reflect the funds that states may use for cashflow liquidity, to respond to unforeseen circumstances and to help resolve revenue shortfalls, though in some states, part of the ending balance may already be reserved for expenditure in a subsequent year. Since fiscal 2009, when states were in the depths of the Great Recession, total balances more than tripled on a dollar basis, from \$31.6 billion to \$118.8 billion in fiscal 2019, an all-time high in nominal dollars and as a share of general fund spending.

As states cope with precipitous revenue declines and increased spending demands in the wake of COVID-19, these rainy day funds and other reserves will be a critical budget management tool for states, though they will not be enough to cover the massive budget shortfalls expected this year and in the years to come. Also, reserve levels vary by state, though

overall, most individual state rainy day fund balances are more robust now than they were going into the last recession.

Rainy Day Funds

When NASBO last conducted its *Budget Processes in the States* survey in fall 2014, 47 states reported having at least one budget stabilization fund or reserve account 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).⁸ However, in the last couple of years, the three remaining states — Arkansas, Kansas and Montana — have each taken steps to create a rainy day fund. Other states have also taken deliberate policy actions recently to strengthen their reserves such as by refining methods of deposit and tying target fund size to revenue volatility.

Rainy day funds are a reflection of deliberate state policy choices by elected officials. In recent years, governors and state lawmakers have focused on rebuilding their states' rainy day funds. Rainy day fund balances, in the aggregate, have grown substantially since the Great Recession, reaching \$75.5 billion in fiscal 2019 (with a median balance of 7.3 percent as a share of general fund spending). Before the COVID crisis, states were expecting to end fiscal 2020 with a median rainy day fund balance of 7.8 percent, a new all-time high. By comparison, going into the last recession, the median rainy day fund balance in fiscal 2007 was 4.6 percent. Governors' pre-COVID budget proposals for fiscal 2021 planned to continue prioritizing rainy day funds, with 28 states projecting increases in fiscal 2021 based on governors' budgets, following 36 states with estimated increases in fiscal 2020. (*See Tables 24–25 and Figure 4*)

Balances Vary Across States. Rainy day fund levels, as a share of expenditures, vary across states, ranging in fiscal 2020 from a low of 0 percent to a high of 97 percent. This variation is related to differing fiscal conditions, rainy day fund structures, policy decisions, revenue volatility levels and other factors. For example, for the 47 states that were able to provide rainy day fund data in fiscal 2020, 17 states estimated rainy day fund balances of 10 percent or more, while three

⁸ For more details on states' budget stabilization or rainy day funds, see NASBO's *Budget Processes in the States* report (2015), Table 14.

states had balances below 1 percent. Eight states had balances between 1 and 5 percent, and 19 states estimated balances between 5 and 10 percent. (See [Table 26](#))

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, most 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 27](#)). 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* (2015), Table 14.

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 have made significant progress rebuilding budget reserves. In fiscal 2019 — the last year for which actual data is available for all 50 states — total balances reached a new all-time high in

actual dollars, totaling \$118.8 billion, and as a share of general fund spending, at 13.7 percent of general fund spending. (See [Table 28, Figure 4](#)) According to NASBO’s Fall 2018 *Fiscal Survey of States*, enacted budgets for fiscal 2019 estimated that total balances at year-end would amount to \$85.0 billion, a far lower amount than the actual amount reported in this survey. The much larger total balance figure for fiscal 2019 reflects how revenues outpaced projections in nearly all states in fiscal 2018 and fiscal 2019, leading to unanticipated budget surpluses that helped to bolster states’ ending balances and rainy day funds.

After reaching an all-time high in fiscal 2019, some states were planning to spend down some of their larger-than-expected ending balances in fiscal 2020 and fiscal 2021, including for one-time investments. In fiscal 2020, total balances (before the COVID crisis) were estimated to end the year totaling \$108.3 billion (excluding Oklahoma and Wisconsin, which were unable to provide comparable balance data for fiscal 2020 and fiscal 2021). For fiscal 2021, based on governors’ budgets, states were forecasting total balances of \$102.2 billion (11.1 percent of general fund expenditures). Even after these forecasted declines, 43 states were expecting to end fiscal 2021 with total balance levels above 5 percent, including 25 states with balances greater than 10 percent of expenditures, based on governors’ proposed budgets. (See [Tables 29–30](#))

TABLE 24

Rainy Day Fund Balances, Fiscal 1988 to Fiscal 2021

Fiscal Year	RDF Balance (Billions)	Total RDF Balance (Percentage of Expenditures)	Median RDF Balance (Percentage of Expenditures)
2021*	\$74.1	8.3%	7.3%
2020*	75.9	8.7	7.8
2019	75.5	8.7	7.3
2018	68.0	8.3	6.5
2017	55.7	6.9	5.6
2016	51.9	6.6	5.3
2015	48.1	6.3	4.9
2014	48.0	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	27.3	4.4	1.6
2009	29.3	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 2020 are estimated; figures for fiscal 2021 are projected based on governors' recommended budgets. Figures for fiscal 2020 and fiscal 2021 exclude Georgia, Oklahoma, 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 25
Rainy Day Fund Balances as a Percentage of Expenditures,
Fiscal 2019 to Fiscal 2021

Percentage	Number of States		
	Fiscal 2019 (Actual)	Fiscal 2020 (Estimated)	Fiscal 2021 (Recommended)
Less than 1%	3	3	4
> 1% but < 5%	12	8	7
> 5% but < 10%	18	19	19
10% or more	17	17	17
N/A	0	3	3

NOTE: See Table 26 for state-by-state data. Georgia, Oklahoma and Wisconsin were unable to provide rainy day fund balance data for fiscal 2020 and fiscal 2021.

FIGURE 4:

Rainy Day Fund Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2021

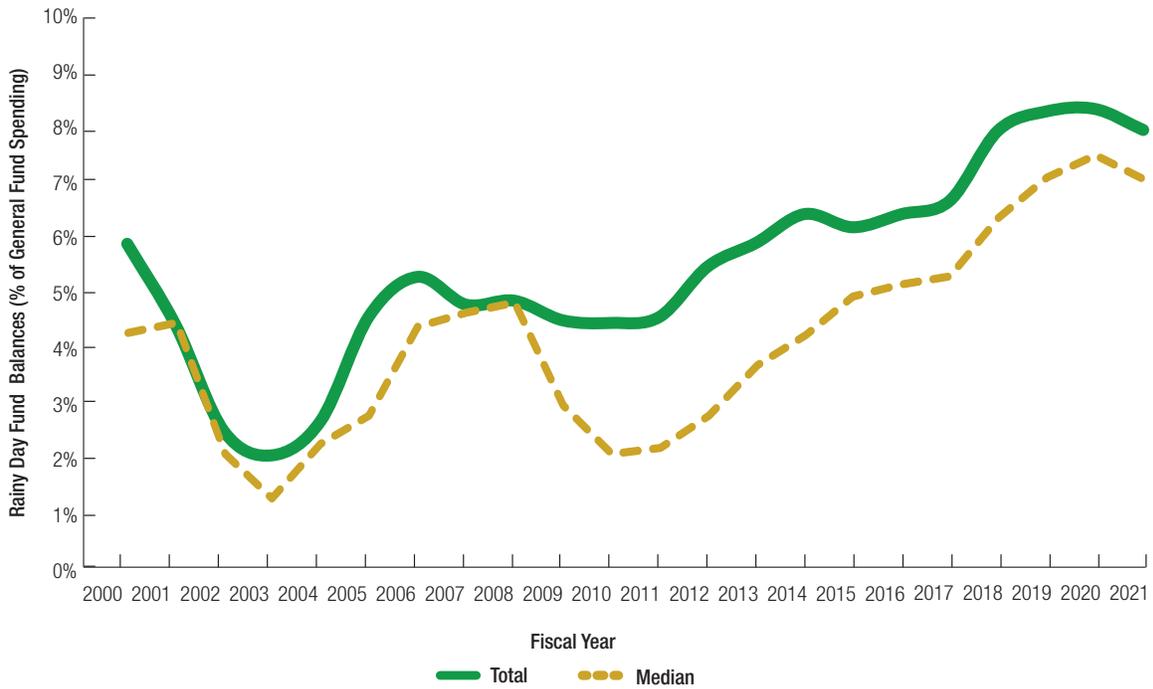


FIGURE 5:

Total Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2021

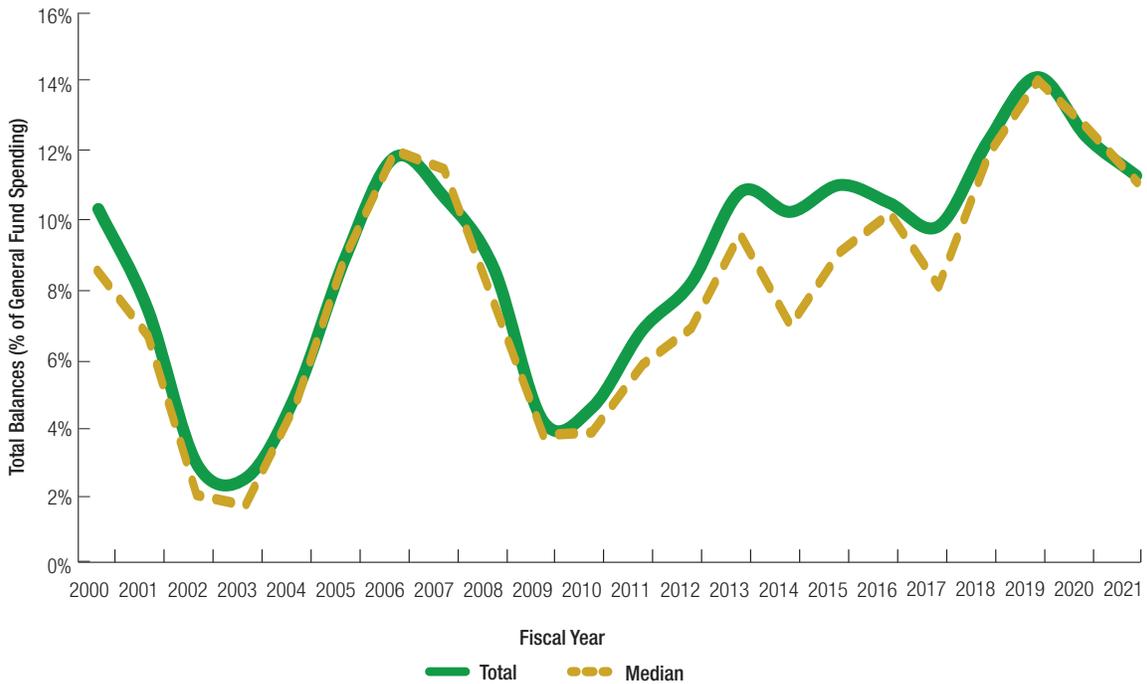


TABLE 26

Rainy Day Fund Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2011 to Fiscal 2021

State	Rainy Day Fund Balances (\$ in Millions)**										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Alabama	\$0	\$14	\$14	\$11	\$412	\$530	\$766	\$784	\$848	\$968	\$1,104
Alaska	12,981	15,880	16,332	15,597	10,442	7,109	4,641	2,533	2,288	2,275	835
Arizona	0	250	454	455	458	461	461	458	458	1,000	1,025
Arkansas	0	0	0	0	0	0	123	127	153	153	153
California*	0	0	1,573	4,619	4,085	7,224	11,251	20,842	21,221	20,532	21,005
Colorado	157	281	373	411	709	513	614	1,366	1,140	1,038	944
Connecticut*	0	93	271	519	406	236	213	1,185	2,506	2,765	2,936
Delaware	186	186	199	202	213	215	221	232	240	252	263
Florida	279	494	709	925	1,139	1,354	1,384	1,417	1,483	1,574	1,674
Georgia*	328	378	717	863	1,431	2,033	2,309	2,557	2,808	N/A	N/A
Hawaii	0	24	24	83	90	101	311	376	378	396	404
Idaho	0	24	135	162	244	259	413	354	421	463	478
Illinois	0	0	0	276	276	277	10	4	4	52	112
Indiana	57	352	515	969	1,254	1,468	1,474	1,419	1,436	1,446	1,455
Iowa	440	601	611	670	698	729	605	620	762	784	824
Kansas	0	0	0	0	0	0	0	0	0	0	0
Kentucky	0	122	122	77	77	236	151	94	129	306	316
Louisiana	647	443	444	445	470	359	287	321	405	568	593
Maine	0	45	60	93	119	122	209	288	309	271	271
Maryland	624	672	705	764	774	832	833	857	877	1,186	1,213
Massachusetts	1,379	1,652	1,557	1,248	1,252	1,292	1,301	2,001	3,424	3,990	4,301
Michigan	2	365	506	386	498	612	710	1,006	1,149	1,184	1,219
Minnesota	9	658	656	661	994	1,969	1,980	2,092	2,425	2,709	2,709
Mississippi	191	100	32	110	395	350	269	295	350	465	464
Missouri	507	498	505	557	543	586	591	616	651	652	652
Montana	0	0	0	0	0	0	0	0	60	117	117
Nebraska	313	429	384	719	728	731	681	340	334	436	531
Nevada	0	39	85	28	0	0	146	180	304	401	0
New Hampshire	9	9	9	9	22	93	100	110	115	115	115
New Jersey	0	0	0	0	0	0	0	0	421	732	745
New Mexico	501	713	651	638	613	148	0	527	1,088	1,340	1,396
New York	1,206	1,306	1,306	1,481	1,798	1,798	1,798	1,798	2,048	2,476	2,476
North Carolina*	296	419	651	651	852	1,575	1,838	1,849	1,254	1,169	1,320
North Dakota	386	386	584	584	573	573	38	113	114	727	727
Ohio	0	247	482	1,478	1,478	2,005	2,034	2,034	2,692	2,692	2,800
Oklahoma*	249	578	535	535	385	241	93	452	806	N/A	N/A
Oregon	16	128	69	153	391	550	761	940	1,288	1,486	1,823
Pennsylvania	0	0	0	0	0	0	0	0	23	340	341
Rhode Island	130	153	172	177	185	192	193	199	204	211	219
South Carolina	712	288	388	408	447	459	487	509	531	569	616
South Dakota	107	135	135	139	149	143	157	160	170	172	172
Tennessee	284	306	356	456	492	568	668	800	875	1,100	1,150
Texas	5,012	6,133	6,170	6,704	8,469	9,715	10,290	11,043	11,043	10,090	7,830
Utah	233	277	403	432	491	493	508	578	697	791	791
Vermont	54	58	74	71	76	78	107	133	224	228	233
Virginia	299	303	440	688	468	236	549	440	792	1,375	1,646
Washington	1	130	270	415	513	550	1,638	1,369	1,618	1,874	1,859
West Virginia	659	851	915	956	869	779	652	710	753	830	830
Wisconsin*	17	125	279	280	280	281	283	320	649	N/A	N/A
Wyoming	752	765	927	926	1,811	1,811	1,538	1,538	1,572	1,572	1,388
Total**	\$29,024	\$36,911	\$41,798	\$48,028	\$48,067	\$51,881	\$55,687	\$67,983	\$75,535	\$75,871	\$74,074

NOTES: N/A indicates data not available. Fiscal 2019 are actual figures, fiscal 2020 are estimated figures, and fiscal 2021 are recommended figures. *See Notes to Table 26 on page 72. **Total Rainy day fund balances for fiscal 2020 and fiscal 2021 exclude Georgia, Oklahoma and Wisconsin, as data were unavailable for these years.

Table 26 continues on next page.

TABLE 26 (CONTINUED)

Rainy Day Fund Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2011 to Fiscal 2021

State	Rainy Day Fund Balances as a Percent of General Fund Expenditures										
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Alabama	0.0%	0.2%	0.2%	0.1%	5.3%	6.8%	9.4%	9.4%	9.8%	10.2%	10.9%
Alaska	238.2	226.4	209.9	213.0	173.6	129.9	103.2	56.4	46.8	48.4	18.0
Arizona	0.0	3.0	5.4	5.2	4.9	4.8	4.8	4.7	4.4	8.6	8.3
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0	2.3	2.3	2.7	2.8	2.7
California*	0.0	0.0	1.6	4.6	3.6	6.3	9.4	16.7	15.0	13.7	13.7
Colorado	2.3	3.9	4.7	4.7	7.4	5.0	5.9	12.2	8.9	7.8	6.9
Connecticut*	0.0	0.5	1.4	3.1	2.3	1.3	1.2	6.3	13.0	14.2	14.5
Delaware	5.7	5.2	5.4	5.3	5.5	5.5	5.4	5.6	5.5	5.4	5.2
Florida	1.2	2.1	2.9	3.4	4.1	4.6	4.6	4.5	4.5	4.6	4.7
Georgia*	1.9	2.2	3.9	4.5	7.1	9.3	10.0	10.6	11.0	N/A	N/A
Hawaii	0.0	0.4	0.4	1.3	1.4	1.5	4.2	4.8	4.8	4.7	4.6
Idaho	0.0	0.9	5.0	5.8	8.3	8.5	12.7	10.2	11.5	11.8	11.7
Illinois	0.0	0.0	0.0	0.9	0.9	1.0	0.0	0.0	0.0	0.1	0.3
Indiana	0.4	2.6	3.6	6.7	8.4	9.8	9.5	9.0	8.8	8.6	8.4
Iowa	8.2	10.0	9.5	10.4	9.9	10.1	8.3	8.6	10.1	10.3	10.2
Kansas	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kentucky	0.0	1.3	1.3	0.8	0.8	2.3	1.3	0.8	1.1	2.6	2.6
Louisiana	8.3	5.4	5.3	5.2	5.5	4.1	3.1	3.3	4.1	5.8	5.8
Maine	0.0	1.4	1.9	3.0	3.7	3.7	6.2	8.2	8.3	6.9	6.5
Maryland	4.7	4.5	4.7	4.9	4.8	5.0	4.8	5.0	4.9	6.0	6.2
Massachusetts	4.3	5.1	4.6	3.5	3.3	3.2	3.2	6.4	10.4	11.3	11.9
Michigan	0.0	4.4	5.7	4.3	5.4	6.3	7.2	10.0	11.0	11.1	11.0
Minnesota	0.1	4.0	3.5	3.4	4.9	9.8	9.4	9.4	10.5	11.3	10.9
Mississippi	4.2	2.1	0.7	2.0	7.1	6.1	4.7	5.3	6.3	8.1	7.9
Missouri	6.6	6.3	6.3	6.6	6.2	6.5	6.5	6.6	6.8	6.4	6.1
Montana	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5	4.5	4.6
Nebraska	9.4	12.4	10.7	19.0	18.1	17.4	15.7	7.8	7.6	9.4	11.2
Nevada	0.0	1.3	2.6	0.9	0.0	0.0	3.7	4.5	6.9	9.1	0.0
New Hampshire	0.7	0.7	0.7	0.7	1.7	6.7	6.6	7.3	7.7	7.4	7.3
New Jersey	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1.1	1.8	1.8
New Mexico	9.4	12.8	11.2	10.6	9.7	2.3	0.0	8.5	14.5	16.7	17.6
New York	2.2	2.3	2.2	2.4	2.9	2.6	2.6	2.6	2.8	3.1	3.0
North Carolina*	1.6	2.1	3.2	3.1	4.1	7.4	8.3	8.1	5.3	4.8	5.3
North Dakota	23.4	17.4	24.8	18.0	17.5	19.0	1.5	5.2	5.4	30.0	30.0
Ohio	0.0	0.9	1.7	4.9	4.7	5.8	5.8	6.4	8.0	7.7	7.7
Oklahoma*	4.6	9.9	8.5	8.2	6.0	3.9	1.6	7.5	11.5	N/A	N/A
Oregon	0.3	1.9	1.0	2.0	4.8	6.1	8.4	9.6	12.7	13.5	16.0
Pennsylvania	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	1.0	0.9
Rhode Island	4.4	4.9	5.3	5.3	5.4	5.4	5.2	5.2	5.2	5.2	5.2
South Carolina	13.8	5.2	6.3	6.4	6.6	6.4	6.4	6.4	6.5	6.6	6.7
South Dakota	9.3	11.2	10.4	9.7	10.8	9.8	10.2	10.0	10.4	10.0	10.0
Tennessee	2.8	2.7	3.1	3.8	4.0	4.5	5.0	5.8	6.1	7.0	6.8
Texas	12.9	13.8	15.1	14.3	17.2	18.0	19.2	19.7	21.1	16.6	13.5
Utah	4.9	5.7	7.9	8.0	8.5	7.8	7.9	8.6	9.2	10.0	9.5
Vermont	4.7	4.6	5.6	5.1	5.3	5.3	6.9	8.5	14.0	13.8	13.7
Virginia	1.9	1.9	2.6	3.9	2.6	1.2	2.7	2.2	3.7	6.0	7.0
Washington	0.0	0.9	1.7	2.6	3.1	3.0	8.5	6.7	7.1	7.6	7.1
West Virginia	17.5	20.6	21.4	22.7	20.5	18.7	15.4	16.8	16.4	17.2	18.1
Wisconsin*	0.1	0.9	1.9	1.9	1.8	1.8	1.7	1.9	3.6	N/A	N/A
Wyoming	47.6	48.4	51.8	51.8	86.2	109.7	100.5	100.5	96.6	96.6	93.2
Total**	4.5%	5.5%	6.0%	6.6%	6.3%	6.6%	6.9%	8.3%	8.7%	8.7%	8.3%
Median	1.8%	2.4%	3.6%	4.4%	4.9%	5.3%	5.6%	6.5%	7.3%	7.8%	7.3%

NOTES: N/A indicates data not available. Fiscal 2019 are actual figures, fiscal 2020 are estimated figures, and fiscal 2021 are recommended figures. *See Notes to Table 26 on page 72. **Total Rainy day fund balances for fiscal 2020 and fiscal 2021 exclude Georgia, Oklahoma and Wisconsin, as data were unavailable for these years.

TABLE 27

State Rainy Day Fund Names*

State	Fund Name(s)
Alabama	Education Trust Fund Budget Stabilization Fund, Education Trust Fund Rainy Day Account, and General Fund Rainy Day Account
Alaska	Constitutional Budget Reserve Fund and Statutory Budget Reserve Fund
Arizona	Budget Stabilization Fund
Arkansas	Long Term 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 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, Economic Recovery Reserve Fund, Public Education Stabilization Fund, and Higher Education Stabilization Fund
Illinois	Budget Stabilization Fund
Indiana	Medicaid Reserve, State Tuition Reserve, and 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 and the Reserve for Operating Capital
Maryland	Revenue Stabilization Account
Massachusetts	Commonwealth Stabilization Fund
Michigan	Countercyclical Budget and Economic Stabilization Fund
Minnesota	Rainy Day Fund = Budget Reserve + Cash Flow Account
Mississippi	Working Cash Stabilization Fund
Missouri	Budget Reserve Fund
Montana	Budget Stabilization Reserve Fund
Nebraska	Cash Reserve Fund
Nevada	Rainy Day Fund or Account to Stabilize the Operation of State Government
New Hampshire	Revenue Stabilization Reserve Account
New Jersey	Surplus Revenue Fund
New Mexico	Tax Stabilization Reserve Fund
New York	Tax Stabilization Reserve and Rainy Day Reserve
North Carolina	Budget Stabilization Reserve
North Dakota	Budget Stabilization Fund
Ohio	Budget Stabilization Fund
Oklahoma	Oklahoma Constitutional Reserve Fund
Oregon	Rainy Day Fund & Education Stability Fund
Pennsylvania	Budget Stabilization Reserve Fund
Rhode Island	Budget Reserve and Cash Stabilization Fund
South Carolina	General Reserve Fund & Capital Reserve Fund
South Dakota	Budget Reserve Fund and the General Revenue Replacement Fund
Tennessee	Revenue Fluctuation Reserve
Texas	Economic Stabilization Fund
Utah	General Fund Budget Reserve Account and Education Budget Reserve Account
Vermont	Budget Stabilization Reserve, Human Services Caseload Reserve, General Fund Balance Reserve, and the 27/53 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)

Notes: *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 (2015), Table 14.

TABLE 28
Total Balances, Fiscal 1979 to Fiscal 2021

	Total Balance (Billions)	Total Balance (Percentage of Expenditures)
2021*	\$102.2	11.1%
2020*	108.3	12.1
2019	118.8	13.7
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 2020 are estimated; figures for fiscal 2021 are projected based on governors' recommended budgets. Figures for fiscal 2020 and fiscal 2021 exclude Oklahoma and 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 29**Total Balances as a Percentage of Expenditures,
Fiscal 2019 to Fiscal 2021**

Percentage	Number of States		
	Fiscal 2019 (Actual)	Fiscal 2020 (Estimated)	Fiscal 2021* (Recommended)
Less than 1%	1	2	2
> 1% but < 5%	4	3	3
> 5% but < 10%	8	9	18
10% or more	37	34	25
N/A	0	2	2

*NOTE: See Table 30 for state-by-state data. *Oklahoma and Wisconsin were unable to provide complete total balance data for fiscal 2020 and fiscal 2021.*

TABLE 30

Total Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2019 to Fiscal 2021

State	Total Balances (in Millions)			Total Balances as a Percent of General Fund Expenditures		
	Fiscal 2019	Fiscal 2020	Fiscal 2021	Fiscal 2019	Fiscal 2020	Fiscal 2021
Alabama	\$1,823	\$1,652	\$1,268	21.1%	17.4%	12.6%
Alaska	2,288	2,275	835	46.8	48.4	18.0
Arizona	1,415	1,671	1,190	13.5	14.3	9.7
Arkansas	448	153	153	8.0	2.8	2.7
California	23,365	22,677	23,149	16.5	15.1	15.1
Colorado***	1,140	1,038	944	8.9	7.8	6.9
Connecticut	2,506	2,765	2,936	13.0	14.2	14.5
Delaware***	947	1,017	810	21.6	21.8	16.1
Florida	3,973	3,508	3,435	11.9	10.2	9.7
Georgia***	3,047	3,047	3,047	12.0	11.8	11.4
Hawaii	1,130	978	444	14.3	11.7	5.1
Idaho	522	522	539	14.3	13.4	13.2
Illinois***	466	100	150	1.3	0.3	0.4
Indiana	2,270	2,078	2,263	13.9	12.3	13.1
Iowa	1,051	1,249	1,211	14.0	16.4	15.0
Kansas	1,105	533	628	15.7	6.9	8.0
Kentucky	259	409	401	2.2	3.4	3.3
Louisiana	940	1,103	593	9.4	11.2	5.8
Maine	448	463	384	12.0	11.8	9.3
Maryland	1,851	1,601	1,322	10.3	8.1	6.7
Massachusetts***	3,959	4,120	4,394	12.0	11.7	12.2
Michigan	2,065	1,786	1,299	19.8	16.7	11.7
Minnesota***	3,971	3,782	4,005	17.2	15.8	16.2
Mississippi	354	465	464	6.4	8.1	7.9
Missouri	1,305	1,173	755	13.7	11.6	7.1
Montana	421	412	431	17.5	16.0	16.9
Nebraska	1,070	941	872	24.5	20.4	18.4
Nevada	656	816	519	14.9	18.5	11.4
New Hampshire	308	103	111	20.5	6.6	7.0
New Jersey***	1,711	1,513	1,636	4.6	3.8	4.0
New Mexico***	1,630	1,569	1,668	21.7	19.5	21.0
New York***	7,206	6,527	5,904	9.9	8.3	7.2
North Carolina*	2,964	3,426	4,784	12.5	14.0	19.3
North Dakota	179	1,014	893	8.5	41.9	36.9
Ohio	4,230	3,347	3,198	12.6	9.6	8.8
Oklahoma	1,116	N/A	N/A	15.9	N/A	N/A
Oregon	3,867	3,334	2,977	38.0	30.4	26.0
Pennsylvania	23	344	346	0.1	1.0	1.0
Rhode Island	234	236	220	6.0	5.8	5.2
South Carolina***	1,709	1,912	1,076	21.0	22.3	11.6
South Dakota	189	175	172	11.5	10.2	10.0
Tennessee	2,517	2,342	1,167	17.6	14.8	6.9
Texas	16,700	12,096	11,889	31.9	19.9	20.5
Utah	989	985	877	13.0	12.4	10.5
Vermont	224	228	233	14.0	13.8	13.7
Virginia	1,022	1,383	2,102	4.8	6.1	8.9
Washington	2,617	2,637	1,892	11.4	10.7	7.2
West Virginia	1,271	1,202	1,213	27.6	24.9	26.5
Wisconsin	1,736	N/A	N/A	9.7	N/A	N/A
Wyoming	1,572	1,572	1,388	96.6	96.6	93.2
Total**	\$118,809	\$108,279	\$102,186	13.7%	12.1%	11.1%
Median				13.6%	12.4%	11.0%

NOTES: Total balances include both the ending balance and Rainy Day Funds. Fiscal 2019 are actual figures, fiscal 2020 are estimated figures, and fiscal 2021 are recommended figures. N/A indicates data not available. *See notes to Table 30 on page 72. **Fiscal 2020 and fiscal 2021 figures exclude Oklahoma and Wisconsin, as complete data were not available for these years. ***Ending Balance includes Rainy Day Fund.

CHAPTER 3 NOTES

Notes to Table 26: Rainy Day Fund Balances, Dollar Amount and as a Percentage of Expenditures, Fiscal 2011 to Fiscal 2021

California	<p>Safety Net Reserve Fund created in the 2018 Budget Act to maintain existing benefits and services for Medi-Cal and CalWORKs during economic downturns.</p> <p>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.</p>
Connecticut	<p>The state of CT has a volatility cap that applies to the Estimates and Finals component of the Personal Income Tax and the state's Pass-through Entity Tax. The cap was \$3,196.8 million in FY 2019 which resulted in a deposit of \$949.6 million to the Budget Reserve Fund. The cap is \$3,294.2 million in FY 2020 with an estimated deposit of \$318.3 million. The cap is \$3,408.3 million in FY 2021 with an estimated a deposit of \$274.6 million. These amounts are deposited to the Rainy Day Fund in addition to the operating surplus/deficit at the end of each fiscal year, therefore, the Rainy Day Fund balance includes the ending balance in each fiscal year.</p>
Georgia	<p>Georgia does not project future Rainy Day fund balances, but expects the reserve to continue to grow in future years.</p>
North Carolina	<p>There are several restricted reserves that are not included in either the ending balance above or the rainy day fund. They include A Medicaid Transformation Reserve (\$425.3 M), Medicaid Contingency Reserve (\$186.4 M), and the states emergency disaster fund (\$68.9M), Hurricane Florence Disaster Recovery Reserve (\$156.3 M), and carry forward reserve to liquidate prior year encumbrances (\$165 M).</p>
Oklahoma	<p>Unable to calculate FY 2020 and FY2021 rainy day fund balances at time of data collection.</p>
Wisconsin	<p>There is no official estimate for the rainy day fund (Budget Stabilization Fund) for FY 2020 and FY 2021.</p>

Notes to Table 30: Total Balances, Dollar Amount and as a Percentage of Expenditures, Fiscal 2019 to Fiscal 2021

North Carolina	<p>There are several restricted reserves that are not included in either the ending balance above or the rainy day fund. They include A Medicaid Transformation Reserve (\$425.3 M), Medicaid Contingency Reserve (\$186.4 M), and the states emergency disaster fund (\$68.9 M), Hurricane Florence Disaster Recovery Reserve (\$156.3 M), and carry forward reserve to liquidate prior year encumbrances (\$165 M).</p>
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MEDICAID OUTLOOK:

MEDICAID SPENDING INCLUDING EXPANSION, ENROLLMENT, PROGRAMMATIC CHANGES AND TRENDS, AND THE AFFORDABLE CARE ACT

CHAPTER FOUR

Medicaid, a means-tested entitlement program financed by the states and the federal government, provides comprehensive medical care and long-term services and supports for over 75 million low-income individuals. Medicaid is estimated to account for about 28.9 percent of total state spending from all fund sources in fiscal 2019, the single largest portion of total state expenditures, and 19.7 percent of general fund expenditures, according to NASBO's most recent *State Expenditure Report* released in November 2019. The following sections look at Medicaid spending and enrollment, programmatic changes and trends, changes attributable to the Affordable Care Act (ACA) including expenditures for Medicaid expansion, and state spending and budget pressures including the potential impact of the Centers for Medicare & Medicaid Services (CMS) Medicaid Fiscal Accountability Proposed Rule. The survey information covers actual results for state fiscal year 2019, estimated data for 2020, and governors' recommended budgets for 2021. As is the case with other data in this survey, the figures in this chapter do not reflect the impact of COVID-19 that will significantly alter actual fiscal 2020 and fiscal 2021 figures.

Medicaid Spending Trends

In fiscal 2019, states spent \$611.0 billion in total on Medicaid, with \$154.5 billion from general funds, \$75.9 billion from other state funds and \$380.6 billion from federal funds. For fiscal 2020, states are estimated to spend \$657.6 billion in total on Medicaid with \$166.0 billion from general funds, \$83.2 billion from other state funds and \$408.4 billion from federal funds. Total Medicaid spending increased by a median of 3.7 percent in fiscal 2019 with general funds increasing by 2.2 percent, other state funds growing by 3.4 percent, and federal funds increasing by 3.8 percent. For fiscal 2020, total Medicaid spending was estimated to increase by a median of 5.8 percent, with general funds increasing by 5.0 percent, other state funds increasing by 9.9 percent, and federal funds increasing by 7.6 percent.

Before the COVID pandemic, governors' recommended budgets for fiscal 2021 assumed total Medicaid spending of \$681.4 billion with \$175.4 billion from general funds, \$83.0 billion from

other state funds and \$423.0 billion from federal funds. Total Medicaid spending was estimated to increase 3.4 percent on a median basis with spending from general funds increasing by 4.2 percent, other state funds staying relatively flat, and federal funds increasing by 3.5 percent over the fiscal 2020 amounts.

(See Tables 31 and 32 and Notes)

The timing of Medicaid expenditures may vary from year to year and may not reflect underlying program activity in a given year. Large swings in some states — due in part to timing and reporting issues — can substantially influence average Medicaid spending growth rates. Though it varies by state, other state funds may include provider taxes, fees and assessments, pharmaceutical rebates, intergovernmental transfers, and local funds.

About one-third of the states also reported having Medicaid expenditures from non-federal funding sources that are included in reporting to CMS but are not included in state budgets, and therefore excluded from the figures reported in Tables 31 and 33. These funds may include certified public expenditures, intergovernmental transfers, and other local funds, and may be used for services provided in schools or in county hospitals as the state share to draw down federal Medicaid funds. The estimated amount of the non-federal share not flowing through state budgets totals about \$17 billion in recommended fiscal 2021 budgets.

Medicaid Expansion Under the Affordable Care Act. After receiving 100 percent match for those newly eligible under the ACA in calendar years 2014 through 2016, beginning January 1, 2017, states that expanded Medicaid under the ACA began paying 5 percent of the costs for the newly eligible individuals, with that amount increasing to 6 percent on January 1, 2018, 7 percent on January 1, 2019, and 10 percent on January 1, 2020 and thereafter. As of May 2020, 36 states and the District of Columbia have adopted the Medicaid expansion. In Idaho, Nebraska, and Utah, voters approved expansion in 2018 ballot initiatives with expansion implemented during fiscal 2020 and fiscal 2021.

Medicaid Expansion Expenditures

States that expanded Medicaid under the ACA provided expenditure data related to the Medicaid expansion in fiscal years 2019, 2020, and 2021. More specifically, states were asked to include all expenditures falling under the new adult eligibility group (known as Group VIII) as reported to CMS, including Group VIII expenditures for both “newly eligible” and “not newly eligible” populations. Total state funds include both state general funds and other state funds. In addition to the general fund, states use a combination of revenue sources including premium taxes, cigarette taxes, pharmaceutical rebates, intergovernmental transfers, provider assessments, and local funds to provide the state match.

In fiscal 2019, states reported total spending for Medicaid expansion of \$94.0 billion, 10.1 billion in state funds, and \$83.9 billion in federal funds (See [Table 33](#)). In fiscal 2020, states estimated to spend \$102.3 billion in all funds, \$12.2 billion in state funds, and \$90.0 billion in federal funds. In recommended budgets for fiscal 2021, states projected spending for Medicaid expansion totaled \$112.5 billion, \$14.7 billion in state funds, and \$97.8 billion in federal funds. The governors in North Carolina and Oklahoma included funding in fiscal 2021 for Medicaid expansion in their recommended budgets. Medicaid expansion spending from all fund sources was expected to increase by \$10.2 billion in fiscal 2021 with state funds increasing \$2.5 billion and federal funds increasing by \$7.8 billion. For most states, the state share for Medicaid expansion on a fiscal year basis is 6.5 percent in fiscal 2019, 8.5 percent in fiscal 2020, and 10 percent in fiscal 2021.

Medicaid Enrollment

Medicaid enrollment had been projected to increase by 0.8 percent for fiscal 2020, according to the Kaiser Family Foundation’s annual Medicaid budget survey conducted in the fall of 2019. States at that time were largely attributing the relatively flat Medicaid enrollment declines to the improved economy though some states were also seeing process and systems changes including changes to renewal processes as also contributing to some enrollment declines. Since the onslaught of the COVID-19 pandemic and ensuing economic fallout, states are anticipating increased enrollment in fiscal 2020 and especially in fiscal 2021 as a result of the projected increase in unemploy-

ment, expected to be 11.5 percent in 2020 and 9.3 percent in 2021, according to the most recent economic projections by the Congressional Budget Office (CBO) released in May 2020.

Medicaid Programmatic Changes: Program Enhancement and Cost Containment

States reported the types of changes they made in the Medicaid program in fiscal 2020 and recommended changes for fiscal 2021 for both enhancing programs and containing costs. Trends for program enhancement varied with 35 states increasing payments to providers, 26 states expanding access to behavioral health services, and 21 states expanding or restoring benefits as the most frequent actions in fiscal 2020. About the same number of states proposed program enhancements for recommended fiscal 2021 budgets with 35 states proposing to increase provider payments, 24 states expanding access to behavioral health services, 19 states planning to expand or restore benefits, and 17 states planning delivery system changes as the most common responses. States were also asked about changes to contain costs and the most common responses were enhanced program integrity efforts in 16 states, changes to delivery systems in 14 states, and policies to cut costs for prescription drugs in 13 states for fiscal 2020. For recommended fiscal 2021 budgets, 15 states proposed changes to delivery systems to contain costs, 12 states proposed policies to reduce prescription drugs, and 11 states planned enhanced program integrity. (See [Tables 34 and 35](#)).

Provider Tax Increases for Medicaid. Some states have increased or had planned to increase resources for Medicaid through provider taxes or fees. For fiscal 2020, 17 states have raised or plan to raise provider taxes or fees while 17 states have plans to raise provider taxes or fees in governors’ recommended budgets for fiscal 2021. Restrictions to provider taxes and fees have surfaced in federal deficit reduction proposals, in Presidents’ proposed budgets, in congressional proposals over the years, and most recently in CMS’s Medicaid Fiscal Accountability Proposed Rule. States have also relied on provider tax increases to fund the state portion of Medicaid expansion. (See [Table 36](#)).

Medicaid Spending Trends and Budget Pressures. States were asked to identify issues and trends that are affecting their Medicaid spending. Though not reflected in the figures in this

report, the impact of COVID-19 on Medicaid is at the forefront of state concerns, specifically the spike in enrollment states are expecting to see due to the rise in the number of those unemployed. States also expressed concern about the potential impact on costs from COVID-19 on reimbursement rates for Medicaid providers who have been particularly hard hit during the pandemic. Other concerns were around pharmacy costs, particularly for specialty drugs, overall enrollment and utilization trends such as for elderly and disabled individuals, Medicaid expansion, waivers such as those for home and community-based services, costs related to Medicare, rural hospitals, federal regulations, and behavioral health.

CMS Medicaid Fiscal Accountability Proposed Rule. The CMS published the Medicaid Fiscal Accountability Proposed Rule in November 2019 that has significant implications for both how states finance their Medicaid programs as well as make supplemental payments to Medicaid providers. The proposal represents a major shift in the Medicaid state-federal partnership by giving CMS greater authority to determine how states fund their share of the program. States were asked about the potential impact of the proposed rule should it be finalized. State responses about the proposed rule included concerns

about the impact on intergovernmental transfers, provider taxes, certified public expenditures, supplemental payments, and other financing arrangements. States also were concerned about the budget uncertainty this rule would create and the lack of clarity about federal approvals for financing methods including provider taxes and supplemental payments, the overall budget impact, increase in federal reporting requirements, and loss of dollars for health care services.

Health Care Spending Forecasts. The CMS Office of the Actuary released national health expenditure projections that showed an average annual rate of increase of 5.4 percent for 2019–2028, representing 19.7 percent of gross domestic product by the end of the period. These projections were done in March of this year and do not reflect the impact of COVID-19. Over 2021–2023, Medicaid spending was projected to grow more rapidly, at 5.7 percent on average. Based on an early look at the impact on Medicaid spending from COVID-19 by the Kaiser Family Foundation in May 2020, nearly all states with projections anticipate that total Medicaid spending rates will continue to increase in fiscal 2021, primarily due to increases in Medicaid enrollment.

TABLE 31

Medicaid Expenditures by Fund Source (\$ in millions)

State	Fiscal 2019 (Actual)				Fiscal 2020 (Estimated)				Fiscal 2021 (Recommended)			
	General	Other State	Federal	Total Funds	General	Other State	Federal	Total Funds	General	Other State	Federal	Total Funds
Alabama	\$796	\$1,208	\$4,978	\$6,982	\$726	\$1,388	\$5,290	\$7,404	\$805	\$1,375	\$5,548	\$7,728
Alaska	632	0	1,559	2,191	618	0	1,629	2,247	618	0	1,634	2,252
Arizona	1,536	1,500	9,943	12,979	1,539	1,898	11,184	14,621	1,714	2,020	12,033	15,767
Arkansas	1,243	754	5,290	7,286	1,285	581	5,606	7,472	1,337	731	6,033	8,101
California	22,875	20,754	55,661	99,289	27,268	21,565	62,172	111,005	30,377	20,558	64,234	115,169
Colorado	2,715	1,155	5,167	9,037	2,716	1,130	5,697	9,543	3,053	1,320	6,414	10,787
Connecticut*	3,458	0	4,834	8,292	3,613	0	5,002	8,616	3,771	0	5,080	8,851
Delaware	759	49	1,409	2,217	760	61	1,511	2,332	754	60	1,525	2,339
Florida	6,833	5,516	15,960	28,309	6,802	5,480	15,981	28,263	7,101	5,576	16,569	29,246
Georgia	2,670	742	7,819	11,231	2,846	740	7,614	11,201	2,729	768	7,814	11,311
Hawaii	745	58	1,382	2,185	800	73	1,398	2,271	810	73	1,546	2,429
Idaho	614	210	1,495	2,318	689	219	1,767	2,675	722	219	1,979	2,920
Illinois	4,143	3,066	11,445	18,654	4,672	5,740	11,537	21,950	5,427	6,316	13,118	24,861
Indiana	2,492	1,405	8,523	12,421	2,606	1,676	9,889	14,170	2,775	1,475	9,479	13,729
Iowa	1,436	429	3,401	5,266	1,604	456	3,853	5,914	1,594	456	3,892	5,942
Kansas	1,238	317	1,999	3,554	1,263	372	2,289	3,924	1,421	372	2,837	4,630
Kentucky	1,825	507	8,068	10,400	1,984	741	9,299	12,024	2,027	801	9,382	12,210
Louisiana	1,815	1,261	8,397	11,473	1,784	1,491	9,468	12,743	1,955	1,437	9,659	13,051
Maine	807	306	1,863	2,976	878	329	2,291	3,498	953	334	2,476	3,763
Maryland	3,771	1,019	7,033	11,824	3,906	1,003	7,153	12,062	3,757	966	6,925	11,648
Massachusetts*	7,990	0	7,840	15,831	8,354	0	7,675	16,030	8,010	0	8,121	16,131
Michigan	2,826	2,748	12,975	18,549	3,214	2,793	13,297	19,304	3,250	2,783	13,435	19,468
Minnesota	5,146	179	6,969	12,294	5,762	186	7,810	13,758	5,897	188	7,692	13,777
Mississippi	841	561	4,515	5,916	868	506	4,969	6,343	873	542	4,921	6,337
Missouri	2,120	2,609	5,427	10,156	2,246	2,644	5,786	10,676	2,459	2,911	5,867	11,236
Montana	292	101	837	1,230	329	113	911	1,352	351	112	961	1,424
Nebraska	1,043	35	1,149	2,227	1,101	47	1,262	2,410	1,157	47	1,688	2,892
Nevada	709	270	3,058	4,037	805	247	2,979	4,030	901	256	3,241	4,398
New Hampshire	596	281	878	1,756	599	310	1,028	1,937	603	299	965	1,867
New Jersey	4,337	1,583	7,709	13,629	4,323	1,967	7,721	14,010	4,662	1,715	7,954	14,330
New Mexico	924	252	4,439	5,615	1,044	319	5,077	6,440	1,077	336	5,106	6,519
New York	14,602	9,145	40,182	63,928	16,310	10,161	41,018	67,489	17,190	9,232	39,931	66,353
North Carolina	3,570	1,419	9,532	14,520	3,925	1,348	9,602	14,876	3,926	1,348	9,602	14,877
North Dakota	479	0	724	1,203	478	0	789	1,267	461	0	851	1,312
Ohio*	4,485	3,223	17,120	24,828	4,767	3,568	18,070	26,405	5,294	3,658	19,443	28,395
Oklahoma	964	1,277	3,019	5,260	932	1,255	3,338	5,525	912	1,262	4,473	6,647
Oregon	968	1,499	6,902	9,369	1,198	1,648	7,454	10,301	1,383	1,789	8,007	11,179
Pennsylvania	9,156	4,471	18,652	32,279	9,446	4,217	18,770	32,433	10,314	4,148	19,000	33,462
Rhode Island	1,130	0	1,632	2,762	1,145	0	1,645	2,790	1,158	0	1,674	2,832
South Carolina	1,125	834	4,750	6,709	1,161	893	4,877	6,930	1,214	953	5,081	7,248
South Dakota	363	4	547	915	391	6	624	1,020	400	6	649	1,054
Tennessee	3,044	1,236	6,674	10,954	3,211	1,480	7,473	12,163	3,286	1,455	7,784	12,525
Texas	11,742	323	23,361	35,426	11,711	230	25,468	37,409	12,073	241	26,622	38,936
Utah	515	455	1,848	2,817	596	602	2,810	4,008	623	567	3,161	4,351
Vermont	561	81	977	1,620	571	93	990	1,654	571	83	984	1,638
Virginia	4,621	577	5,832	11,030	4,461	1,114	8,500	14,076	4,802	1,335	9,517	15,654
Washington	4,140	572	7,984	12,695	4,610	576	8,447	13,633	4,684	587	8,395	13,667
West Virginia	551	259	2,895	3,704	617	296	3,266	4,180	460	531	3,443	4,434
Wisconsin	3,006	1,635	5,642	10,283	3,250	1,639	5,766	10,655	3,457	1,696	5,960	11,112
Wyoming	258	36	313	606	244	36	304	584	244	36	304	584
Total	\$154,506	\$75,919	\$380,608	\$611,033	\$166,027	\$83,236	\$408,355	\$657,618	\$175,391	\$82,973	\$423,010	\$681,374

NOTES: N/A indicates data not available. *See Notes to Table 31 on page 85.

TABLE 32

Annual Percentage Change in Medicaid Spending

State	Fiscal 2019 (Actual)				Fiscal 2020 (Estimated)				Fiscal 2021 (Recommended)			
	General	Other State	Federal	Total Funds	General	Other State	Federal	Total Funds	General	Other State	Federal	Total Funds
Alabama	13.5%	-1.7%	7.6%	6.5%	-8.9%	14.9%	6.3%	6.0%	10.9%	-0.9%	4.9%	4.4%
Alaska	28.9	N/A	71.5	56.5	-2.3	N/A	4.5	2.6	0.0	N/A	0.3	0.2
Arizona	-5.1	17.9	5.6	5.5	0.2	26.6	12.5	12.6	11.4	6.4	7.6	7.8
Arkansas	13.6	40.7	-3.7	2.3	3.4	-23.0	6.0	2.5	4.1	25.9	7.6	8.4
California	-0.4	50.4	-0.9	6.9	19.2	3.9	11.7	11.8	11.4	-4.7	3.3	3.8
Colorado	0.0	17.8	2.3	3.3	0.1	-2.2	10.3	5.6	12.4	16.8	12.6	13.0
Connecticut	-0.3	N/A	2.2	1.2	4.5	N/A	3.5	3.9	4.4	N/A	1.6	2.7
Delaware	4.4	-25.8	3.4	2.8	0.1	24.4	7.3	5.2	-0.8	-1.1	0.9	0.3
Florida	6.3	3.4	2.9	3.8	-0.5	-0.7	0.1	-0.2	4.4	1.8	3.7	3.5
Georgia	-1.0	-11.8	7.0	3.5	6.6	-0.2	-2.6	-0.3	-4.1	3.8	2.6	1.0
Hawaii	-4.1	-6.5	-12.1	-9.4	7.4	25.9	1.2	3.9	1.3	0.0	10.6	7.0
Idaho	22.3	-30.5	11.0	7.8	12.2	4.4	18.2	15.4	4.8	0.0	12.0	9.2
Illinois	-21.2	-29.1	-12.3	-17.6	12.8	87.2	0.8	17.7	16.1	10.0	13.7	13.3
Indiana	11.2	28.9	5.4	8.8	4.5	19.2	16.0	14.1	6.5	-12.0	-4.1	-3.1
Iowa*	6.7	3.0	10.5	8.8	11.7	6.4	13.3	12.3	-0.6	-0.1	1.0	0.5
Kansas	2.0	3.6	8.1	5.5	2.0	17.4	14.5	10.4	12.5	0.0	23.9	18.0
Kentucky	-2.9	27.0	1.5	1.7	8.7	46.3	15.3	15.6	2.2	8.0	0.9	1.5
Louisiana	7.1	3.1	4.9	5.0	-1.7	18.2	12.8	11.1	9.6	-3.6	2.0	2.4
Maine	5.7	-1.9	6.6	5.4	8.9	7.3	23.0	17.5	8.5	1.8	8.1	7.6
Maryland	14.1	4.5	2.1	5.9	3.6	-1.6	1.7	2.0	-3.8	-3.7	-3.2	-3.4
Massachusetts	5.2	N/A	5.0	5.1	4.6	N/A	-2.1	1.3	-4.1	N/A	5.8	0.6
Michigan	-4.6	14.8	2.2	2.7	13.7	1.6	2.5	4.1	1.1	-0.4	1.0	0.9
Minnesota	0.3	-47.2	-1.7	-2.1	12.0	3.9	12.1	11.9	2.3	1.1	-1.5	0.1
Mississippi	-15.0	43.2	8.6	6.9	3.2	-9.7	10.0	7.2	0.6	7.2	-1.0	-0.1
Missouri	-1.1	0.0	3.0	1.3	5.9	1.3	6.6	5.1	9.5	10.1	1.4	5.3
Montana	4.0	6.8	4.7	4.7	12.7	11.8	8.8	10.0	6.6	-0.3	5.6	5.3
Nebraska	1.8	-35.6	-3.9	-2.1	5.6	32.9	9.8	8.2	5.1	0.0	33.8	20.0
Nevada	6.0	23.8	6.9	7.7	13.4	-8.6	-2.6	-0.2	12.0	3.6	8.8	9.1
New Hampshire	-2.2	17.6	3.4	3.4	0.6	10.2	17.1	10.4	0.7	-3.6	-6.2	-3.6
New Jersey	3.3	2.8	1.2	2.0	-0.3	24.3	0.1	2.8	7.9	-12.8	3.0	2.3
New Mexico	-4.0	50.6	2.4	2.7	13.0	26.7	14.4	14.7	3.1	5.4	0.6	1.2
New York	13.9	-1.6	9.2	8.5	11.7	11.1	2.1	5.6	5.4	-9.1	-2.6	-1.7
North Carolina	-0.8	3.6	4.3	3.0	10.0	-5.0	0.7	2.4	0.0	0.0	0.0	0.0
North Dakota	2.2	N/A	-3.7	-1.4	-0.2	N/A	9.0	5.3	-3.5	N/A	7.8	3.5
Ohio	-69.0	-4.0	98.6	-6.2	6.3	10.7	5.5	6.4	11.1	2.5	7.6	7.5
Oklahoma	0.1	-3.7	10.4	4.7	-3.3	-1.7	10.5	5.0	-2.2	0.6	34.0	20.3
Oregon	-28.3	43.4	0.6	1.2	23.7	9.9	8.0	9.9	15.5	8.5	7.4	8.5
Pennsylvania	-1.6	33.1	4.2	5.6	3.2	-5.7	0.6	0.5	9.2	-1.6	1.2	3.2
Rhode Island	1.4	N/A	3.1	2.4	1.3	N/A	0.8	1.0	1.1	N/A	1.7	1.5
South Carolina	2.1	6.6	2.2	2.7	3.1	7.1	2.7	3.3	4.6	6.7	4.2	4.6
South Dakota	4.6	-2.3	4.8	4.7	7.6	33.3	14.0	11.6	2.2	-1.8	4.0	3.3
Tennessee	4.8	-1.1	-0.1	1.1	5.5	19.7	12.0	11.0	2.3	-1.7	4.2	3.0
Texas	-3.0	21.4	8.7	4.6	-0.3	-28.8	9.0	5.6	3.1	4.8	4.5	4.1
Utah	23.7	-2.7	6.2	7.4	15.8	32.3	52.1	42.3	4.6	-5.8	12.5	8.6
Vermont	105.2	-77.0	6.2	4.6	1.8	13.9	1.3	2.1	-0.1	-10.3	-0.5	-0.9
Virginia	5.7	44.3	20.9	14.9	-3.4	93.1	45.8	27.6	7.6	19.9	12.0	11.2
Washington	5.7	3.0	1.9	3.1	11.4	0.7	5.8	7.4	1.6	1.9	-0.6	0.3
West Virginia	3.5	-20.8	-2.6	-3.3	12.0	14.6	12.8	12.8	-25.5	79.3	5.4	6.1
Wisconsin	2.3	16.6	5.5	6.1	8.1	0.2	2.2	3.6	6.4	3.5	3.4	4.3
Wyoming	-1.2	12.1	-2.0	-0.9	-5.3	0.0	-2.8	-3.7	0.0	0.0	0.0	0.0
Total	-4.5%	13.1%	5.7%	3.7%	7.5%	9.6%	7.3%	7.6%	5.6%	-0.3%	3.6%	3.6%
Median	2.2%	3.4%	3.8%	3.7%	5.0%	9.9%	7.6%	5.8%	4.2%	0.0%	3.5%	3.4%

NOTES: NA indicates data not available or applicable. *See Notes to Table 32 on page 85.

TABLE 33

Medicaid Expansion Expenditures By Fund Source (\$ in millions)

State	Fiscal 2019 (Actual)					Fiscal 2020 (Estimated)					Fiscal 2021 (Recommended)				
	General	Other State	Total State	Federal	Total Funds	General	Other State	Total State	Federal	Total Funds	General	Other State	Total State	Federal	Total Funds
Alaska	\$18	\$0	\$18	\$422	\$439	\$21	\$0	\$21	\$475	\$496	\$21	\$0	\$21	\$475	\$496
Arizona	35	181	216	2,861	3,077	22	230	252	2,515	2,767	30	288	318	3,183	3,501
Arkansas	0	117	117	1,658	1,776	0	170	170	1,805	1,974	0	219	219	1,973	2,192
California	1,416	N/A	1,416	14,357	15,773	1,699	N/A	1,699	17,374	19,073	2,162	N/A	2,162	18,103	20,265
Colorado	0	1,016	1,016	2,526	3,542	0	1,100	1,100	2,635	3,735	0	1,161	1,161	2,755	3,916
Connecticut*	325	0	325	1,815	2,140	323	0	323	1,629	1,952	511	0	511	2,267	2,778
Delaware	43	0	43	489	532	50	0	50	544	594	61	0	61	547	608
Hawaii	43	0	43	573	616	65	0	65	578	643	69	0	69	624	693
Idaho	N/A	N/A	N/A	N/A	0	7	11	18	160	178	31	11	41	370	412
Illinois	N/A	N/A	1,205	4,321	5,526	N/A	N/A	1,420	5,355	6,775	N/A	N/A	1,327	4,673	6,000
Indiana	0	162	162	2,199	2,361	0	248	248	2,373	2,621	0	265	265	2,382	2,647
Iowa	94	0	94	941	1,035	117	0	117	1,013	1,130	134	0	134	1,012	1,146
Kentucky	N/A	N/A	195	2,790	2,985	N/A	N/A	283	3,044	3,326	N/A	N/A	347	3,121	3,467
Louisiana	0	238	238	2,748	2,986	0	299	299	3,344	3,643	25	331	356	3,162	3,518
Maine	26	0	26	174	199	47	0	47	284	331	78	0	78	417	495
Maryland	177	0	177	2,537	2,713	233	0	233	2,507	2,740	260	0	260	2,327	2,587
Massachusetts*	440	0	440	1,935	2,375	547	0	547	1,724	2,272	523	0	523	1,969	2,492
Michigan	202	189	390	4,086	4,476	219	298	518	4,131	4,648	239	340	579	4,229	4,807
Minnesota	N/A	N/A	116	1,709	1,825	N/A	N/A	175	1,896	2,071	N/A	N/A	188	1,717	1,905
Montana	41	14	55	676	731	32	59	91	780	870	40	62	102	788	890
Nebraska	N/A	N/A	N/A	N/A	0	N/A	N/A	0	0	0	44	0	44	373	417
Nevada	91	2	93	1,339	1,432	115	1	116	1,264	1,381	146	2	147	1,329	1,476
New Hampshire	0	26	26	331	357	0	32	32	346	378	0	62	62	558	620
New Jersey	218	0	218	2,932	3,151	291	0	291	2,813	3,104	379	0	379	2,810	3,189
New Mexico	N/A	N/A	89	1,320	1,409	N/A	N/A	137	1,497	1,634	N/A	N/A	173	1,624	1,796
New York*	N/A	N/A	2,162	11,181	13,343	N/A	N/A	1,475	11,151	12,626	N/A	N/A	1,579	11,159	12,739
North Carolina	N/A	N/A	N/A	N/A	0	N/A	N/A	N/A	N/A	0	3	195	198	1,862	2,061
North Dakota	8	13	22	247	269	33	0	33	274	307	26	6	32	235	267
Ohio	253	33	286	4,115	4,401	380	34	414	4,398	4,812	489	45	534	4,802	5,336
Oklahoma	N/A	N/A	N/A	N/A	0	N/A	N/A	N/A	N/A	0	N/A	N/A	100	904	1,004
Oregon	N/A	N/A	176	2,525	2,700	N/A	N/A	258	2,783	3,041	N/A	N/A	337	3,033	3,370
Pennsylvania	N/A	N/A	306	4,482	4,788	N/A	N/A	406	4,337	4,743	N/A	N/A	539	4,847	5,386
Rhode Island	31	0	31	457	488	40	0	40	430	471	46	0	46	416	462
Utah	N/A	N/A	N/A	N/A	0	N/A	N/A	25	224	248	N/A	N/A	88	794	882
Vermont	N/A	N/A	65	264	329	N/A	N/A	61	248	309	N/A	N/A	63	242	304
Virginia	0	0	0	806	806	0	27	27	3,103	3,130	0	374	374	3,723	4,097
Washington	293	0	293	4,127	4,419	1,166	0	1,166	2,076	3,243	1,177	0	1,177	2,096	3,273
West Virginia	44	21	65	935	1,001	54	30	84	909	993	42	56	98	881	978
Total	\$3,798	\$2,013	\$10,124	\$83,877	\$94,000	\$5,463	\$2,538	\$12,240	\$90,019	\$102,259	\$6,536	\$3,416	\$14,692	\$97,779	\$112,471

NOTES: N/A indicates data not available or applicable. Some states were not able to report state-funded Medicaid expansion expenditures broken down by fund source. *See Notes to Table 33 on page 85.

TABLE 34

Medicaid Programmatic Changes: Fiscal 2020

State	Changes to Contain Costs							
	Restrict Provider Payments	Restrict Benefits	Policies to Cut Costs for Prescription Drugs	Work Requirements	Eligibility Restrictions	Delivery System / MCO Changes	Enhanced Program Integrity Efforts	Other
Alabama								
Alaska			X				X	X
Arizona*				X				
Arkansas*								
California*								
Colorado*								
Connecticut*			X				X	X
Delaware								
Florida								
Georgia								
Hawaii								
Idaho*	X					X		
Illinois*							X	
Indiana*	X		X				X	
Iowa*								
Kansas*								
Kentucky								X
Louisiana*		X	X					X
Maine*								
Maryland*						X		
Massachusetts*			X				X	
Michigan*			X	X	X	X	X	
Minnesota*	X						X	X
Mississippi						X		
Missouri			X			X	X	
Montana*								
Nebraska*								
Nevada*								
New Hampshire*						X		
New Jersey*								
New Mexico*								
New York*	X	X	X			X	X	
North Carolina*								
North Dakota*								
Ohio			X	X		X	X	
Oklahoma*								
Oregon*							X	
Pennsylvania*			X			X		
Rhode Island*								X
South Carolina*								
South Dakota*								
Tennessee*			X				X	X
Texas*	X		X			X	X	
Utah*				X	X	X		
Vermont*						X		
Virginia*				X		X	X	
Washington*			X				X	
West Virginia*						X	X	
Wisconsin*				X	X			
Wyoming*								
Total	5	2	13	6	3	14	16	7

NOTES: *See Notes to Table 34 on page 85.

Table 34 continues on next page.

TABLE 34 (CONTINUED)

Medicaid Programmatic Changes: Fiscal 2020

State	Changes to Enhance Program					
	Increase Provider Payments	Expand or Restore Benefits	Eligibility Enhancements	Initiatives to Expand Access to Behavioral Health	Delivery System / MCO Changes	Other
Alabama	X			X	X	
Alaska				X		
Arizona*	X	X		X		
Arkansas*	X					
California*	X	X	X	X		
Colorado*	X					
Connecticut*	X	X	X			
Delaware						
Florida						
Georgia						
Hawaii	X	X				
Idaho*						
Illinois*	X	X	X	X	X	
Indiana*	X	X	X	X		
Iowa*	X	X		X		X
Kansas*						
Kentucky	X					X
Louisiana*	X	X				
Maine*	X	X	X	X	X	X
Maryland*		X				
Massachusetts*	X	X		X		
Michigan*	X					X
Minnesota*	X	X		X		
Mississippi	X			X	X	
Missouri	X			X	X	
Montana*	X	X				
Nebraska*	X					
Nevada*	X			X		
New Hampshire*	X			X	X	
New Jersey*						
New Mexico*	X	X	X	X	X	
New York*	X	X		X	X	
North Carolina*						
North Dakota*	X	X	X			
Ohio	X		X	X	X	
Oklahoma*	X	X				X
Oregon*						
Pennsylvania*				X	X	
Rhode Island*					X	
South Carolina*	X	X				
South Dakota*	X			X		
Tennessee*			X			
Texas*		X		X		X
Utah*	X	X	X	X	X	
Vermont*	X			X	X	
Virginia*	X	X		X	X	
Washington*	X		X	X		
West Virginia*	X		X	X	X	
Wisconsin*	X			X		
Wyoming*						
Total	35	21	12	26	15	6

NOTES: *See Notes to Table 34 on page 85.

TABLE 35

Medicaid Programmatic Changes: Fiscal 2021 Recommended

State	Changes to Contain Costs							
	Restrict Provider Payments	Restrict Benefits	Policies to Cut Costs for Prescription Drugs	Work Requirements	Eligibility Restrictions	Delivery System / MCO changes	Enhanced Program Integrity Efforts	Other
Alabama								
Alaska								
Arizona*				X				
Arkansas*								
California*			X			X		
Colorado*	X	X	X				X	X
Connecticut*	X						X	X
Delaware								
Florida								
Georgia								
Hawaii								
Idaho*	X					X		
Illinois*								
Indiana*	X		X					
Iowa*								
Kansas*								
Kentucky								X
Louisiana*								X
Maine*								
Maryland*						X		
Massachusetts*			X				X	
Michigan*			X	X	X	X	X	
Minnesota*								
Mississippi						X		
Missouri			X			X	X	
Montana*								
Nebraska*			X			X		
Nevada*								
New Hampshire*						X		
New Jersey*							X	
New Mexico*								
New York*	X	X	X			X	X	X
North Carolina*								
North Dakota*								
Ohio								
Oklahoma*						X		X
Oregon*		X						
Pennsylvania*						X		
Rhode Island*	X		X			X	X	X
South Carolina*				X				
South Dakota*								
Tennessee*			X	X			X	X
Texas*			X				X	X
Utah*				X	X	X		
Vermont*			X			X		
Virginia*				X		X	X	
Washington*								
West Virginia*								
Wisconsin*				X	X			
Wyoming*								
Total	6	3	12	7	3	15	11	9

NOTES: *See Notes to Table 35 on page 85.

Table 35 continues on next page.

TABLE 35 (CONTINUED)

Medicaid Programmatic Changes: Fiscal 2021 Recommended

State	Changes to Enhance Program					
	Increase Provider Payments	Expand or Restore Benefits	Eligibility Enhancements	Initiatives to Expand Access to Behavioral Health	Delivery System / MCO Changes	Other
Alabama	X			X		
Alaska						
Arizona*	X	X		X		
Arkansas*	X					
California*	X	X	X	X	X	X
Colorado*	X			X		
Connecticut*						
Delaware						
Florida						
Georgia						
Hawaii	X	X			X	
Idaho*	X	X	X	X	X	
Illinois*	X	X	X		X	X
Indiana*	X	X	X	X		
Iowa*						X
Kansas*		X	X			
Kentucky	X					X
Louisiana*	X	X				
Maine*	X	X	X	X	X	X
Maryland*	X					
Massachusetts*	X			X		
Michigan*	X	X	X	X	X	X
Minnesota*						
Mississippi	X			X	X	
Missouri	X			X	X	
Montana*	X			X		
Nebraska*	X	X	X	X		
Nevada*	X					
New Hampshire*	X	X		X	X	
New Jersey*	X					
New Mexico*	X	X	X	X	X	
New York*	X	X	X	X	X	
North Carolina*	X	X		X		
North Dakota*				X		
Ohio						
Oklahoma*	X		X			X
Oregon*						
Pennsylvania*	X					
Rhode Island*	X				X	
South Carolina*	X					
South Dakota*						
Tennessee*		X	X			
Texas*					X	X
Utah*	X	X	X	X	X	
Vermont*	X			X	X	
Virginia*	X	X	X	X	X	
Washington*	X			X		
West Virginia*	X	X		X	X	
Wisconsin*	X			X		
Wyoming*						
Total	35	19	14	24	17	8

NOTES: *See Notes to Table 35 on page 85.

TABLE 36
Provider Tax Increases for Medicaid Program

State	Fiscal 2020	Fiscal 2021 (Recommended)
Alabama	X	X
Alaska		
Arizona		X
Arkansas		
California	X	X
Colorado	X	X
Connecticut	X	
Delaware		
Florida		
Georgia		
Hawaii	X	X
Idaho	X	X
Illinois	X	X
Indiana		
Iowa	X	
Kansas		
Kentucky		
Louisiana		
Maine	X	X
Maryland		
Massachusetts		
Michigan	X	X
Minnesota		
Mississippi		
Missouri		
Montana	X	
Nebraska		
Nevada		
New Hampshire		
New Jersey		X
New Mexico	X	
New York		
North Carolina		X
North Dakota		
Ohio	X	X
Oklahoma		X
Oregon		
Pennsylvania	X	
Rhode Island		
South Carolina		
South Dakota		
Tennessee		
Texas		
Utah	X	X
Vermont		
Virginia	X	X
Washington		
West Virginia	X	X
Wisconsin		
Wyoming		X
Total	17	17

CHAPTER 4 NOTES

Notes to Table 31: Medicaid Expenditures By Fund Source

Connecticut	The Medicaid appropriation in the Department of Social Services (DSS) is “net funded” while other Medicaid expenditures — including funding for the Hospital Supplemental Payments account in DSS — are gross funded with federal funds deposited directly to the State Treasury. With the exception of enhanced FMAP available for certain populations and services, CT’s FMAP is 50%. Includes Medicaid expenditures for administrative services organizations and fiscal intermediaries in DSS. Excludes state portion of Medicare Savings Program and School Based Child Health as those expenditures are netted out of federal Medicaid reimbursement. Also excludes provider taxes, which are deposited directly to the State Treasury.
Massachusetts	Includes spending/FFP on Medicaid programmatic expenditures claimed as Admin (e.g. transportation)
Ohio	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 contained in the General Fund number to be consistent with Ohio accounting practices and with other portrayals of Ohio’s general fund. This will tend to make Ohio’s GRF revenue and expenditures look higher relative to most other states that don’t follow this practice.

Notes to Table 32: Annual Percentage Change in Medicaid Spending

Iowa	The increase in FY20 is partially due to one-time MCO reprocessing adjustments.
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Notes to Table 33: Medicaid Expansion Expenditures, Fiscal 2019 to Fiscal 2021

Connecticut	Reflects the enhanced FMAP of 6.2% for the QE 3/31/20 and the QE 6/30/20, which the Department of Social Services will be reporting to CMS in the CMS 37 for those two quarters. OPM’s 3/20 Comptroller’s letter, however, had only assumed the enhanced funding associated with the QE 6/30/20 would be available in FY 20 and that funding for the QE 3/31/20 would not be available to the state until FY 21. These estimates also reflect a delay in receipt of reimbursement on the FY 20 hospital supplemental payments until FY 21, which was not assumed in the 3/20 Comptroller’s letter.
Massachusetts	Numbers reflect portion of total Group VIII Medicaid expenditures reported in M1a, and do not reflect total Group VIII expenditures as reported on the CMS-64.
New York	The full Medicaid expansion expenditure amounts reported to CMS for Fiscal 2019 (Actual) were \$7,135.5 million for state funds and \$30,481.4 million for federal funds; this included prior period increasing adjustments for seven quarters (1/17–9/18) in the amount of \$19.3 billion federal share and \$4.974 billion state share. These prior period increasing adjustments were processed to comply with CMS reporting, but have been excluded from the totals reported in the table to allow for year-over-year comparisons.

Notes to Table 34: Fiscal 2020 Programmatic Changes in Medicaid and Table 35: Recommended Fiscal 2021 Programmatic Changes in Medicaid

Arizona	Work requirements approved by CMS but currently on-hold
Arkansas	Provider payments for Physician Services, Vaccine Administration, and Ambulance rates are expected to increase on July 1.
California	Cost Containment: The two policies mentioned below will reduce administrative costs to the program. Neither policy is intended to limit or modify enrollment. Policies to Cut Costs for Prescription Drugs The Governor’s Budget for Fiscal 2021 proposes several initiatives to reduce the costs for prescription drugs. The State Department of Health Care Services (DHCS) will transition the administration of the Medicaid pharmacy benefit from managed care plans to the fee-for-service system by January 2021, which is expected to result in hundreds of millions of dollars in annual savings after full implementation. The Governor also proposes to allow DHCS to consider prices offered internationally when negotiating Medicaid state supplemental drug rebates and to extend Medicaid drug rebates

to select non-Medicaid populations, both of which are intended to increase the state's bargaining power during rebate negotiations and reduce prescription drug costs for beneficiaries.

Delivery System/MCO Changes to Contain Costs

Effective January 2021, the Governor's Budget for Fiscal 2021 proposes funding to create in lieu of services (ILOS), which are wrap-around services that a managed care plan could integrate as a substitute, or to avoid, other higher cost services. Examples of ILOS include housing navigation/supporting services, recuperative care, respite, sobering center, etc. The Governor's Budget also proposes several measures to standardize and simplify the administration of the Medicaid program, including regional managed care capitation rates, behavioral health administrative integration and payment reform, and the standardization of managed care enrollment and benefits statewide.

Program Enhancement:

Fiscal Year 2020

- **Provider payments:** The Budget Act for Fiscal 2020 includes funds for; 1) a value-based payments program that encourages Medicaid managed care providers to meet goals in critical areas, such as management of chronic disease and behavioral health integration; 2) supplemental payments for providers for trauma screenings and developmental screenings; and, 3) supplemental payments for providers for family planning services.
- **Expand or restore benefits:** The Budget Act for Fiscal 2020 restores the following optional benefits: audiology and speech therapy services, incontinence creams and washes, optician and optical lab services, and podiatric services. Additionally, effective in Fiscal 2021, the Budget Act for Fiscal 2020 also expands the Medicaid benefit for adult screenings to include misuse of opioids and other drugs.
- **Eligibility enhancements:** The Budget Act for Fiscal 2020 expands full-scope Medicaid coverage to all eligible individuals, ages 19 through 25, regardless of their citizenship or immigration status. Additionally, effective Fiscal 2021, the Budget Act also expands the Medicaid benefit for a pregnant individual who is receiving health care coverage and who is diagnosed with a maternal mental health condition to remain eligible for Medicaid program from 60-days to one year.
- **Expand access to behavioral health:** To increase quality and better manage the care of high cost Medicaid enrollees, the Budget Act for Fiscal 2020 creates a value-based payments program that encourages managed care providers to meet goals in critical areas, such as management of chronic disease and behavioral health integration.

Fiscal Year 2021

- **Provider payments:** The Governor's Budget for Fiscal 2021 proposes the creation of a new supplemental payment pool that would provide payments to non-hospital clinics who participate in the federal 340B drug purchasing program.
- **Expand or restore benefits:** The Governor's Budget for Fiscal 2021 proposes enhanced care management (ECM) as a benefit, effective January 2021. The goal of ECM is to provide an approach to care that addresses the clinical and non-clinical needs of high-need beneficiaries enrolled in managed care plans. The Governor's Budget also expands dental services and proposes the statewide expansion of specific dental treatment services for children, the inclusion of adults in provider incentive payment programs for preventative dental care, and adds silver diamine fluoride as a new benefit for children and other targeted populations.
- **Eligibility enhancements:** The Governor's Budget for Fiscal 2021 proposes to expand full-scope Medicaid coverage to all eligible individuals ages 65 and older regardless of their citizenship or immigration status.
- **Initiatives to expand access to behavioral health:** The Governor's Budget for Fiscal 2021 proposes to implement a Behavioral Health Quality Improvement Program, which provides funding to county-operated community mental health and substances use disorder systems to incentivize system changes and process improvements including enhanced data-sharing for care coordination.
- **MCO changes to enhance program:** The Governor's Budget for Fiscal 2021 also provides funding for incentive payments to managed care organizations to develop infrastructure to provide in lieu of services (ILOS). ILOS are wrap-around services that a managed care plan could integrate as a substitute, or to avoid, other higher cost services. Incentive payments would be available from July 1, 2020 through June 30, 2023.
- **Other:** The Governor's Budget for Fiscal 2021 proposes to reform the financing framework for nursing facilities to move from a primarily cost-based methodology to one that focuses on improving value and quality.

Colorado

Cost Containment:

Other — Increases in copayments. Reductions in administrative funding. Reductions in supplemental payments.

Colorado imposed provider rate reductions (both across-the-board and targeted, in both FFS and managed care). There were restrictions to our adult dental benefit (limiting the cap to the benefit by 33%). Imposition of price ceilings for certain drugs. Increased TPL and benefits coordination activities. Tightening eligibility requirements (requiring real-time verification of income). All of the items above are reductions. We also took administrative reductions such as reductions in personnel funding, grant funding to providers, and funding to the All Payer Claims Database. Several other items that were funded prior to the pandemic for FY 2020–21 were subsequently defunded, including provider rate increases, additional funding for people with IDD, etc.

Program Enhancement:

Certain payment rates were increased to account rate disparities and to account for the implementation of local minimum wage laws. Some payment rates were increased due to federal or state law (nursing facilities, pharmacy, etc.) We are slated to implement a residential/inpatient SUD benefit through our behavioral health program on January 1, 2021.

Connecticut

Cost Containment:

Other — Includes savings from rebalancing efforts (beyond the base amount assumed under Money Follows the Person) in FY 20 and claiming residential care home services under Medicaid in FY 21 (for savings under State Supplement).

Enacted budget for FY 20 includes proposals to enhance program integrity efforts, expand step therapy to new drug classes, implement Medicaid supportive housing benefit for high cost high need individuals, and strengthen rebalancing efforts. Governor's proposed budget for FY 21 includes proposals to implement a third party liability prompt pay requirement, remove rate increase for Natchaug Hospital, and claim residential care home services under Medicaid (for savings under State Supplement).

Program Enhancement:

Enacted budget for FY 20 increased hospital funding, provided funding for nursing home rate increases (to support increases in wages/benefits), provided additional funding for HCBS waiver providers due to minimum wage increases, and expanded income eligibility for parents / relative caregivers (from 155% to 160% FPL).

Hawaii

Program enhancement:

Recently procured management care organization contracts.

Idaho

Cost containment:

Implement fixed enrollment through PCCM to support the value-based payment model through existing Healthy Connections primary care program. Align enrollment limitations for the Medicare-Medicaid Coordinated Plan (MMCP) members, as a result of Medicare program changes impacting dual-eligible beneficiaries and standard limits to SEP. Idaho Legislature passed House bill 351 that reduces Hospital costs to 91% of cost for third quarter of State fiscal year 2020 and full state fiscal year 2021.

Program enhancement:

Provider rate increases for the following provider types: Medicaid Expansion, Community Support Employment, Ambulatory Surgical Centers, Home Visiting Services, expansion of IMPlus, pregnant women and Non-Emergency Transportation. Expanded Medicaid coverage to individuals with incomes up to 138% FPL who are between the ages of 19 and 64 years old, not receiving Medicare. Expand MLTSS program in Idaho counties where there are more than two health plans for mandatory enrollment under a 1915(b) waiver to serve persons eligible for both Medicaid and Medicare. These programmatic changes impact both an increase in enrollment and an increase in administrative costs. We have also submitted waivers to provide Institutions for Mental Diseases and Substance Use Disorder services.

Illinois

Cost Containment:

Federally-required electronic visit verification and validation.

Program Enhancement:

Other — Establish integrated health homes

FY20 and FY21 COVID–19 (not included above, added in the budget passed in May) include: 1115 waiver, SPA changes and Appendix K items related to COVID–19 response will likely have a significant increase on program enrollment and ser-

vice costs. FY20 other includes: LTC rate adjustments, state minimum wage increase provider rate adjustments, applied behavioral analysis (ages 2–5 as medically necessary), high-end psychiatric and community mental health center rates, Medicaid coverage one-year after birth for the mother, etc. FY21 other includes: establish integrated health homes, LTC rate adjustments, FQHC rate adjustments, physician rate adjustments, payment adjustments resulting from a revised hospital assessment.

Indiana

Cost Containment:

Indiana Medicaid consistently works to enhance program integrity efforts and strives to cut prescription drug costs. Provider payments for DME may be restricted as a result of future compliance with 21st Century CURES Act.

Program Enhancement:

Enhanced eligibility for pregnant women; expanded benefits by allowing more members to receive IOT, Crisis, and Peers services; Indiana legislation expanded access to behavioral health services by allowing certain midlevel behavioral health providers to supervise the treatment plans for outpatient mental health and SUD services; expanded access by adding services that could be reimbursed through telemedicine

Iowa

No cost containment activities authorized by the Legislature/Governor in SFY20 and none proposed by the Governor in SFY21.

Program Enhancement:

Other — Expanded the number of originating sites for telehealth

Increase provider payments FY20 — Increased reimbursement for assertive community treatment, critical access hospitals, HCBS, and Nursing Facility.

Increase provider payments Recommended FY21 — Increased reimbursement for substance use treatment, HCBS, and Nursing Facility

Expand or restore benefits — Children’s Mental Health waiver waiting list reduction.

Initiatives to expand access to behavioral health — 2/1/20 Removed prior authorization for preferred Medication Assisted Treatment (MAT) drugs.

Kansas

Governor is proposing Medicaid expansion in FY 2021.

Louisiana

Cost Containment:

Other — FY 20: Managed Care Efficiency Adjustments FY 21: Reductions to Adult Day Health Care, Long Term Personal Services, and Program for All Inclusive Care for Elderly, due to slower than projected enrollment.

RESTRICT BENEFITS

- Effective July 1, 2019, urine drug testing limits were adopted to 24 presumptive tests and 18 definitive tests per member per calendar year.

POLICIES FOR PRESCRIPTION DRUGS

- For Pharmacy, the State implemented a Single Preferred Drug List (PDL) to control costs. Though implementation of PDL increased capitation rates, it simultaneously increased rebates available to the State, resulting in a net savings to costs overall.

OTHER — EFFICIENCY ADJUSTMENTS

- Efficiency adjustments for pharmacy and for low-acuity, non-emergent ED visits were included in Expansion capitation rates for the first time in rates effective 7–1–19.

Program Enhancement:

INCREASE PROVIDER PAYMENTS

FY 20

- Fee schedule increases for: inpatient and outpatient hospitals services, FQHCs/RHCs, Therapeutic Group Home (TGH) and Psychiatric Residential Treatment Facility (PRTF) per diems, Physician-Administered Drugs (PADs), Home and Community Based Services (HCBS), Hospice, Physician Services, and Ambulance Services.

- House Concurrent Resolution (HCR) 5 increased rates paid to hospital providers.
- Hospital Outlier Payments were increased from \$10M to approximately \$21M.

FY21

- Hospital Assessment through House Concurrent Resolutions each year increase hospital rates.

EXPAND OR RESTORE BENEFITS

FY 20

- LDH's new Hepatitis C "Subscription Model" agreement became effective July 15, 2019. As part of the agreement, LDH adopted for streamlined screening protocols and designated the authorized generic of Epclusa as the preferred Direct Acting Antiviral for Hep C, removing all prior authorization restrictions for its use.
- Severe Combined Immunodeficiency (SCID) screening for newborns is a new benefit added effective November 1, 2019.
- Medication-Assisted Treatment (MAT) provided by credentialed Opioid Treatment Program (OTP) providers is a new benefit effective January 20, 2020.
- Tobacco cessation counseling and pharmacotherapy is a new benefit for pregnant women effective February 20, 2019.

FY 21

Peer Support Services for individuals with serious mental illness.

Maine

Program Enhancement:

Other — Medicaid Expansion

The Medicaid expansion was implemented in January, 2020 which provided to patients income up to 138% of the federal poverty level. There are estimate 70K low-income adults will be eligible for this Medicaid coverage under the expansion.

Maryland

Cost Containment:

Carve in HIV services.

Program Enhancement:

Many provider groups may receive a 4% increase for FY21. FY20 expanding HCV treatment, national diabetes prevention, and continuing expanding adult dental services. No expectation of enrollment growth and administrative costs increases are minimal due to these changes.

Massachusetts

Cost Containment:

Prescription drugs: enhanced supplemental rebates; enhanced formulary management, e.g. increased price transparency + negotiation tools

Program integrity: increase oversight of provider and member integrity (e.g., expanded PARIS matching) and TPL contract management initiatives

Program Enhancement:

Benefits: expanded eligibility for Medicare Savings Programs (MSP) as of 1/1/20

BH access: Substance Use Disorder recovery supports (approved in 1115 waiver) added to managed care benefit; telehealth

Michigan

Cost Containment:

FY 2020 budget and FY 2021 proposal: Assume implementation of a new work participation requirement for non-exempt enrollees in the Healthy Michigan Plan (Michigan's ACA expansion program). However, the program was invalidated by a federal judge in early March.

Eligibility Restrictions.

FY 2021 budget proposal. Michigan will be implementing a recently approved waiver that will establish higher premium requirements for Healthy Michigan Plan enrollees with income above 100% FPL who have been enrolled in the program more than 48 months. Non-compliance with the premium requirement will lead to disenrollment from the program.

Delivery system / MCO changes to contain costs.

FY 2020 budget. Reduces the administrative component of contracted health plan rates associated with the administration of the pharmacy benefit to achieve a \$5 million GF savings.

The FY 2021 proposal. (1) Reduces payments to nursing home by adopting a patient acuity based payment methodology, saving \$30 million GF. Reimbursement is currently based on incurred costs. (2) Assumes savings of \$640,000 GF through rebidding the contract for non-emergency medical transportation services. (3) Funds a Medicaid Transformation Office to achieve cost savings in managed care.

Enhanced program integrity efforts.

FY 2020 budget: 30 FTEs were added to enhance Medicaid program integrity efforts focused on recouping inaccurate or inappropriate payments to providers. Savings were assumed at \$8.5 million GF.

FY 2021 proposal: Third party liability initiative is proposed to identify savings by ensuring Medicaid is the last billed provider.

Increase provider payments.

FY 2020 budget. Various rate increases which include:

(1) Critical access hospital Rate Increase: \$34.3 million gross, \$5.1 million GF.

(2) Hospital outpatient services 7% Rate Increase (half year): \$47.6 million gross, \$7.1 million GF.

(3) Neonatology services rate increase up to 95% of Medicare: \$5.2 million Gross, \$1.9 million GF.

(4) Pediatric psychiatry services 15% rate increase: \$10.7 million gross, \$3.9 million GF.

FY 2021 budget proposal. Includes three significant rate increases.

(1) Hospital Medicaid outpatient rate increase of \$350 million gross to support a 14% rate increase for outpatient hospital services. The state's share is funded with provider taxes.

(2) Private duty nursing 25% rate increase for services provided to frail children: \$8.7 million, \$3.1 million GF

(3) Independent pharmacy dispensing fee increase: 18.3 million gross, \$4.6 million GF.

(4) Tribal Health Center pharmacy rate increase: \$17 million gross, federally funded.

Expand or restore benefits.

FY 2021 proposal makes the following changes:

(1) Restores family planning benefit to non-Medicaid eligible individuals up to 185% FPL.

(2) Expands family planning benefit to non-Medicaid eligible individuals up to 200% FPL.

(3) Post-partum coverage will be extended from 60 days to 12 months.

Initiatives to expand access to behavioral health.

FY 2021 proposal. Funds 12 FTEs and contractual staff to strengthen and improve behavioral health system and assist in behavioral and physical health Medicaid integration (\$5 million GF).

Delivery system / MCO changes to enhance program.

FY 2021 proposal: (1) A new long-term care options counselling Medicaid program that will help inform individuals about all nursing home and community-based care options available to them. (2) Funds a new Medicaid Transformation Office that will drive policy innovation and expansion of value-based payments in managed care contracts.

Minnesota

Cost Containment:

Other — Removing duplicate personal identification numbers from MMIS to eliminate duplicate managed care payments.

Provider payments for durable medical equipment were limited to the Medicare rate. Greater oversight was placed on non-emergency medical transportation (NEMT) claims, requiring an MA-covered service to be provided on the same day as an NEMT service is reimbursed. Investments were made in state MA fraud prevention investigators and a grant to counties for hiring fraud investigators.

Program Enhancement:

State community behavioral health clinics program was expanded, increasing total dollar expenditures by \$8 million in SFY 2021. Reforms were made to the financing of behavioral health services, and a waiver was requested to obtain MA reimbursement for CD residential services in IMDs (net effect on State costs projected at \$7.5 million in SFY 2021) Modifications were made to the disability waiver rate system (DWRS). Rates were increased by 1% for personal care services in January 2020, with an annual cost of about \$8 million in total dollars in SFY 2021. MA coverage was expanded for non-Title IV-E foster children, costing \$1.5 million total dollars in SFY 2021.

Mississippi

Cost Containment:

A quality withhold on managed care capitation payments was implemented in 2020 and is expected to continue in 2021.

Program Enhancement:

Some provider types may receive a nominal increase in reimbursements in Fiscal 2020 and 2021. Some services may be expanded. Examples include increased rate for ASD services through MCOs, coverage of certain services provided in institutions for mental disease (IMD) through MCOs, encouraging VBP in MCO arrangements, increases to certain service limits for some waivers. No increase in enrollment or administrative cost is expected.

Montana

Program Enhancement:

The Legislature passed a provider rate increase of .91% in SFY 2020 and 1.83% in SFY 2021. The program has also begun Peer Support Benefits.

Nebraska

Cost Containment:

Pending 1115 waiver to add the adult expansion population, as well as waiving retroactive eligibility for other existing adult Medicaid populations. Includes community engagement (incl. work) and personal wellness activities in order to earn full State Plan benefit package. Eligibility is not ended for those who fail to meet the requirements, their benefits would just be limited to those which didn't include dental, vision, OTCs. MCOs required to provide additional, active care and case management. No expected change in enrollment from these cost containment activities, however, administrative costs are expected to increase.

Program Enhancement:

Pending 1115 waiver to add the adult expansion population, which is expected to add up to approx. 90k new Medicaid adults. Addition of Medication Assisted Treatment (MAT) and Make Medicare Work (MMW), as well as implementation of a 1115 Substance Use Disorder (SUD) Waiver in SFY20 to allow Institutions for Mental Diseases (IMD) stays over 15 days.

Provider Rates:

Provider rate increases of 2%, with additional 2% on top for behavioral health providers in SFY20. Same provisions for rate increases in SFY21.

Nevada

Program Enhancement:

Legislatively approved rate increases for Personal Care Services, Acute Hospitals, and Neonatal Intensive Care Units. Behavioral health access includes expanded Certified Community Behavioral Health Centers and the SUPPORT grant.

New Hampshire

Program Enhancement:

SFY2020/2021 biennial budget includes: 3.1% provider rate increase effective 1/1/20 and 1/1/21; increased DRG rates for DRF beds; new Adult Dental Benefit (capitation plan) to be effective 4/1/21; Medicaid for Older Employed Adults with Disabilities (MOAD) Working Adults — to be effective 9/1/20 covers persons eligible for the MEAD program to be eligible for the MOAD program when they reach age 65; enhancing emergency shelter and stabilization services

New Jersey

Cost Containment:

Clarification of MLTSS program rules surrounding medical day care services; match eligibility files with data contained in the Public Assistance Reporting Information System (PARIS).

Program Enhancement:

Increased payments to: nursing homes, non-emergency transportation, personal care assistance services, and midwives

New Mexico

Program Enhancement:

HSD conducted extensive analysis to determine where changes would have an immediate positive impact, particularly in rural areas for providers of behavioral health, primary care, dental services, specialty care, and long-term services and supports. These increases included: Increase in Payment Rates for Evaluation and Management (E&M) Codes, Increase in Payment Rates for Dental Codes, Increase in Dispensing Fees Paid to Community-Based Pharmacies through Centennial Care, Increase in Rates Paid to Long-Term Services & Supports Providers, Addition of New Transitional Care and Chronic Care Management Services, Addition of Preventive Topical Fluoride Varnish Benefits for Children, as well as addition of Supportive Housing Services and Rates through Centennial Care.

New York

Cost Containment:

Other — Measures aimed to contain local share cost growth, which is paid in full by the State.

The FY 2020 reforms were primarily driven by modification to the Medicaid managed care and long term care programs to ensure access to quality care for Medicaid enrollees while investing in behavioral health, disproportionate hospitals, early intervention, and maternal mortality initiatives. These reforms are not expected to have a significant impact on enrollment, but do intend to significantly decrease administrative costs. Details of the FY 2020 cost-containment actions can be found online: https://www.health.ny.gov/health_care/medicaid/redesign/2019/2019-20_enacted_budget_scorecard.htm

The proposed actions in the FY 2021 Executive Budget were developed by the New York State Medicaid Redesign Team who was tasked with identifying cost containment measures to provide approximately \$2.5 billion in savings to the Medicaid program while ensuring zero impact on local governments and beneficiaries. These actions include statutory reforms in Managed Care Organizations to reduce inappropriate payment denials, implementation of Health Home reforms to drive efficiencies, implementation of CDPAP reforms to improve oversight and accountability, and enhance purchasing power to lower drug costs. The Medicaid Redesign Team has also proposed the following reforms to help reduce the drivers of high Medicaid costs: discontinuing and reducing Medicaid transportation supplemental rates, reducing Indigent care pool for voluntary hospitals, reducing hospital capital rate add-ons and reconciliation payments, reducing workforce retraining and retention funding, adjusting the community spouse resource amount and enhancing wage parity enforcement. These reforms are not expected to have a significant impact on enrollment, but do intend to significantly decrease administrative costs.

North Carolina

The Governor will continue to recommend expanding Medicaid, which will result in enrollment increases of 626,000. Administrative costs would also increase because of the increase in enrollment. The Governor is recommending increasing provider payments to cover Medicaid Expansion. In addition, the state is transitioning to Managed Care beginning November 1, 2019. The managed care transition is not expected to have an effect on enrollment but will increase administrative costs.

North Dakota

Nursing Homes received an increase in the operating margin component of their rate and also minor changes to their rate setting methodology. The 2021 biennium (SFY 20 and SFY21) budget includes inflationary increases for providers and includes services to address behavioral health such as a 1915i state plan amendment and peer support services.

Oklahoma

Cost Containment:

Other — Medication Therapy Management & Increase in Administrative Oversight. OHCA's Patient Center Medical Home (PCMH) is being redesigned to promote value-based purchasing of services for members. Medication Therapy Management (MTM) in which member's data will be reviewed by pharmacist in order to identify or resolve any potential medication related issues. MTM is expected to result in cost savings due to reduced hospitalizations and emergency department visits. Administratively OHCA has implemented new reporting and accountability for each department's operational budget, including professional services contracts.

Program Enhancement:

COVID-19 Related Services. Effective 10/01/2019 a 5% provider rate increase was mandated by SB 1044, in addition, in SFY 2020 OHCA begin a supplemental payment program for Ground Emergency Medical Transportation (GEMT), In SFY 2020 OHCA began the process to cover Applied Behavioral Analysis (ABA) services, this did result in an increase in administrative cost with the addition of one FTE for prior authorization and other supporting duties. Eligibility is being extended to those up to 133% of FPL effective 7/1/2020. A number of provider flexibilities and expanded services are being implemented to better combat COVID-19.

Oregon

Cost containment:

Policies to cut costs for prescription drugs: Receiving technical assistance from National Governor's Association and are working with SMART-D to keep up on opportunities and strategies.

Pennsylvania

Cost containment:

Policies to cut costs for prescription drugs: Unified Preferred Drug List, effective 1/1/20. Delivery system / MCO changes to contain costs: Value Based Purchasing (50% effective 1/1/20). Annual Efficiency Adjustments. Annual MCO and Physician Pay-for-Performance Program payments. Hospital Quality Incentive Program. Implementing Community HealthChoices statewide, effective 1/1/20.

Program Enhancement:

Increase for Direct Care Workers due to proposed \$12 Minimum Wage, proposed effective 7/1/20. Initiatives to expand access to behavioral health: Effective 1/1/20, the Certified Community Behavioral Health Centers will continue as Integrated Community Wellness Centers. Effective 1/17/20, implemented fees for Intensive Behavioral Health Services which replaced the Behavioral Health Rehabilitation Services. Delivery system/MCO changes to enhance program: Implementation of Community HealthChoices (Southwest region 1/1/18, Southeast region 1/1/19, remaining zones 1/1/20).

Rhode Island

Cost containment:

Other — Bridges Eligibility Optimization. Recent Bridges eligibility optimization, which is the system name of Unified Health Infrastructure Project, has led to the termination of about 5,500 cases. The one-time Bridges update was not assumed in the 2019 November Caseload Estimating Conference as the significant drop occurred in November (after the conference). This one-time enhancement is expected to save \$13.1 million in general revenue over two years.

The FY 2021 Recommended Budget includes the following budget actions, grouped based on the categories above as follows: Provider Payments: 1) — Nursing Home 1% COLA. The Governor recommends a one percent COLA instead of an annual adjustment of rates based on a national index, generating savings of \$3.4 million in general revenue and \$4.1 million in federal funds. 2) — Hospital Rate Freeze. The Governor recommends that hospital payment rates be frozen. This proposal would generate \$5.3 million in general revenue savings, or \$20.3 million on an all-funds basis. 3) Outpatient Upper Payment Limit Elimination. The Governor recommends that this policy be ended for FY 2021, for savings of \$1.5 million general revenue, and \$3.1 million in federal funds. [There is no assumed effect on enrollment for any of these initiatives/no effect on admin costs]. Prescription Drugs: 4) — Pharmacy. The Governor recommends taking savings against the FY 2021 capitation rates based on an Rx spend model, which identifies the most cost-effective drugs within therapeutic classes and shifts a portion of assumed utilization towards those drugs in order to incentivize the MCOs to achieve Rx savings of \$497,726 in general revenue and \$1.0 million in federal funds. [There is no assumed effect on enrollment for any of these initiatives/no effect on admin costs]. Delivery System: 5) — Dual Care Management. The Governor recommends accelerating expansion of a duals pilot to help drive FY 2021 general revenues savings of \$401,725 and \$467,998 in federal funds. 6) Newborn Intensive Care Unit (NICU). The Governor recommends moving NICU services from fee-for-service to managed care, where MCOs will provide utilization management services, generating savings of \$1.2 million in general revenue and \$1.3 million in federal funds. 7) Fee-For-Service High Utilizers. The Governor recommends engaging with a vendor to perform utilization management activities for members enrolled in FFS Medicaid by targeting the most expensive members prior to enrollment in managed care to help control costs. The initiative is expected to save \$1.8 million in general revenues and \$4.7 million in federal funds. [There is no assumed effect on enrollment for any of these initiatives. The Fee-For-Service High Utilizers initiative includes \$250,000 in general revenue expenses for contract expenses to help meet these initiatives]. Program Integrity Enhanced Efforts: 8) — Rite Share Enhancements. The Governor recommends maximizing Rite Share enrollment to move employees onto employer-sponsored insurance (ESI). Rite Share provides Medicaid funding to cover the healthcare costs for an employee's ESI if it is deemed more cost effective than enrolling the employee in traditional Medicaid managed care. The proposal is estimated to provide a general revenue savings of \$5.0 million and \$14.0 million in federal funds. 9) — Adult Co-Pays for Select Services. The Governor recommends instituting co-pays for adults for inpatient hospital stays and prescription drugs, in both managed care and fee-for-service. This proposal excludes institutionalized adults and disabled adults. The initiative would generate \$4.7 million in general revenue savings and \$13.1 million in federal funds. [There is no assumed effect on enrollment for any of these initiatives. The Adult Co-Pays initiative includes \$220,000 in general revenue expenses for implementation costs by hiring two new FTE positions].

Program Enhancement:

The FY 2021 Recommended Budget includes the following budget actions, grouped based on the categories above as follows: Provider Payments: 1) — MCOs Full Risk. The Governor recommends eliminating the current full risk share arrangements with the health plans, which requires Rhode Island to share in the plans' gains and losses within certain corridors. The proposal is an increase of \$15.7 million in all funds including an increase of \$5.4 million in general revenues. 2) — Ambulance Rates. The Governor continuing an investment made to non-emergency medical transportation rates to ensure access to vital advanced life-support ambulance transport services at an increase cost of \$2.2 million in all funds including an increase of \$790,395 from general revenue. 3) — Graduate Medical Education (GME). The Governor recommends an increase of \$1.2 million in federal funds to go along with the state match of \$1.0 million, resulting in a \$2.2 million all funds supplemental payment. Delivery System: 4) The Governor recommends increased funding to provide medical assistance healthcare for expectant mothers by establishing coverage and reimbursement rates for perinatal doula services in the amount of \$94,802 in additional general revenues and \$131,948 in additional federal funds towards this proposal.

South Carolina

Cost containment:

On December 12, 2019, the Centers for Medicare and Medicaid Services (CMS) approved the initiative as two different section 1115 Medicaid demonstration waivers titled the Healthy Connections Works waiver and the Palmetto Pathways to Independence waiver. SCDHHS continues to work with CMS to develop an implementation plan of these waivers and cannot estimate changes to enrollment or administrative costs at this time.

Program enhancement:

Phase One of provider payment increases were implemented on 7.1.19 (Primary Care, Specialty Care, Other Physicians, Other Medical Professionals. Phase II increases were part of the FY2021 Appropriation Request (Adult Day Health Care, Attendant Care, Private Duty Nursing, LPN & RN Nursing). At this time, it is not known if these increases will be appropriated on 7.1.20 by the General Assembly. On 7.1.19 SCDHHS expanded benefits to include Continuous Glucose Monitoring, BRCA Genetic Testing, and Same Day Sick & Well Visits and it also restored the Adult Podiatry benefit. It is not known at this time if additional benefits will be restored in FY2021.

South Dakota

Program enhancement:

Increase in provider payments: an across the board inflation and targeted increases for providers in groups with lower reimbursement rates. Initiatives to expand access to behavioral health: additional behavioral health providers eligible to bill Medicaid.

Tennessee

Cost containment:

Other — Implementing policies and pricing strategies to reduce unnecessary and excessive costs. TennCare is annually asked for spending reduction items. We continue to expand our fraud, waste and abuse reduction efforts. We have payment reform efforts underway that are generating savings. Also, we are continuously monitoring prescription drug utilization to find areas of abuse or needed limitations. None of these changes are expected to affect enrollment but administrative costs could be decreased slightly by these changes.

Program Enhancement:

In FY2020, a Katie Beckett waiver was submitted to create eligibility for kids with severe medical needs but family income above regular Medicaid levels. The eligibility enhancement for FY2021 is extending eligibility for pregnant women to 12 months post-partum. The expansion of benefit is extending dental coverage to pregnant women. We do expect enrollment to increase slightly with the above changes and administrative costs will likely increase slightly as well.

Texas

Cost Containment:

Restrict provider payments: Pathology and Laboratory Services — Drug Testing and Therapeutic Drug Assays Medicaid Policy: Restricted providers from being reimbursed for chemistry procedure codes used for specimen validity testing when billed on the same date of service as a definitive drug test.

Policies to cut costs for prescription drugs:

Texas looks for opportunities for savings through reevaluating and changing the preferred drug list for drugs.

Delivery system/MCO changes to contain costs:

Texas continues to ramp-up requirements on health plans to reimburse their contracted providers using alternative, value-based payment models rather than through traditional fee-for-service.

Other:

The biennial Texas Legislative session will begin in January 2021. While most changes contained in legislation will not go into effect until September 2021, it is possible Texas Medicaid could be directed to implement some policies sooner that may impact spending.

Program Enhancement:

Other — FY 2020:

Healthy Texas Women (HTW) 1115 waiver; Adoption assistance/permanency care assistance (AA/PCA) changes

FY 2021: 1915(c) amendments/renewals; Value-based MCO enrollment

Expand or restore benefits:

Diabetic Equipment and Supplies — Home Health Medicaid Policy: Added continuous glucose monitoring (CGM) as a benefit for clients with Type I or Type II diabetes mellitus who meet certain criteria.

Initiatives to expand access to behavioral health: Maternal Opioid Misuse (MOM) Model. In FY 2020, Texas was one of 10 states awarded funding by the CMS Innovation Center for the Maternal Opioid Misuse (MOM) Model. Texas MOM Model will begin enrolling women in FY 2021.

Delivery system/MCO changes to enhance programs:

Adding Non-emergency medical transportation (NEMT) to managed care service delivery. Effective in SFY 2021, non-emergency medical transportation services will be carved into managed care. Impacts to enrollment are not expected. Administrative costs are not yet known.

Other:

HTW 1115 waiver:

The Healthy Texas Women 1115 waiver extends eligibility under this demonstration project for women's health and family planning services, to women ages 18 through 44 with family income at or below 200 percent of the FPL who are not otherwise eligible for Medicaid or the Children's Health Insurance Program (CHIP) or enrolled in other creditable health insurance coverage that provides family planning services. CMS approved the waiver on January 22, 2020, and Texas implemented the waiver on February 18, 2020. In FY 2021, the state will amend its 1115 Healthy Texas Women waiver to add services for women in the postpartum period, as required by SB 750, 86th Legislature, Regular Session, 2019.

1915(c) amendments/renewals:

Texas is amending one 1915(c) waiver and renewing another 1915(c) waiver, which will have budget impacts. In February 2020, the Deaf Blind with Multiple Disabilities (DBMD) waiver was amended, including revisions to the number of unduplicated individuals and point in time number served and increasing reimbursement rates based on legislative appropriations from the Texas Legislature for SFY 2020–2021. This will result in a small increase in enrollment and an increase in expenditures.

AA/PCA changes:

In SFY 2020, the state will amend its 1115 transformation waiver to allow a choice between the STAR Health (program for children in state conservatorship) and STAR Kids (program for children with disabilities and high medical needs) managed care programs for children and young adults with adoption assistance or permanency care assistance coverage who: (1) are receiving Supplemental Security Income (SSI), (2) were receiving Supplemental Security Income before becoming eligible for adoption assistance or permanency care assistance, (3) are enrolled in a 1915(c) waiver, or (4) are enrolled in Medicare. This will not result in a change to AA/PCA enrollment.

Value-based MCO enrollment:

Texas statute authorizes HHSC to implement a method to assign a greater proportion of default enrollment (enrollees who do not actively choose a plan) to health plans that score higher on metrics of quality and efficiency. The requirement goes into effect September 1, 2020 and is expected to ensure more clients are served by plans that achieve higher value for the program and its beneficiaries.

The biennial Texas Legislative session will begin in January 2021. While most legislative changes will not go into effect until September 2021, it is possible Texas Medicaid could be directed to implement some policies sooner that may impact spending.

Utah

Cost containment:

CMS approved a waiver effective 1/1/20 to implement a modified version of ACA Medicaid Expansion. The waiver includes enhanced federal funding (90/10) for expanded enrollment for individuals up to 133% FPL and includes work requirements, an enrollment cap, and directives to utilize employer sponsored insurance.

Enhancing Telehealth Services by adding Originating Site and Store and Forward

Program Enhancement:

Accountable Care Organizations (ACOs) received capitated rate increases.

Limited Supports Waiver.

Medicaid Behavioral Health Reimbursement Rate Increases and Service Adjustments.

Telehealth originating site and store and forward.

Quality Improvement Incentives for Intermediate Care Facilities.

Rate Increase for Memory Care.

Rural Ambulatory Care Funding Request.

Increase in New Choices Waiver Billing Rates.

12 month continuous eligibility for children (ages 0–5) on Medicaid.

Vermont

Cost containment:

FY20/21 — Continued expansion of ACO program; Payment reform initiatives. FY21 — Preferred Drug List (PDL) Management for HIV drugs.

Program enhancement:

FY20 — Inflationary rate increase for nursing homes; Expansion of mental and behavioral health programs in schools; Rate increase to IMD

FY21 — Inflationary rate increase for nursing homes; Expansion of mental and behavioral health programs; Rate increase to IMD and other MH programs.

Virginia

Cost containment:

Virginia continues to examine ways to implement value based and episodic payment models in the state’s Medicaid program. In addition, the Governor’s budget removed the current Medicaid community engagement requirements; instead moving forward with gaining federal approval for targeted supportive housing and employment benefits. Virginia has also established a process to review potential managed care contract changes to determine if there is any unbudgeted fiscal impact.

Program enhancement:

The current and introduced budgets increase a number of provider rates, including personal care attendants, physicians and mental health providers. In addition, the introduced budget includes program enhancements and benefit expansions. These include, among others, eliminating the 40-quarter work requirement for legal permanent residents, expanding postpartum coverage to 12 months, enhancing behavioral health services, and providing a home visiting benefit.

Washington

Cost containment:

Implementation of a single preferred drug list for both fee-for-service and managed care. Additional reporting requirements and other measures to address Pharmacy Benefit Manager (PBM) “spread pricing” risks.

Additional program integrity efforts were directed for Medicaid managed care.

Program enhancement:

- Increases to provider rates:
 - a) increased Primary Care Physician rates

- b) increased rates for newborn screenings
- c) increased nursing rates for certain populations
- d) increased rates for mental health services delivered by physicians

Eligibility Enhancements:

- a) allowed adult tax dependents to receive WAH with the tax filer rather than submit a separate application
- b) expanded Take Charge to those without a qualifying immigration status
- c) collected on the application why an SSN wasn't provided which provided immediate eligibility results
- d) changes to eligibility rules for Healthcare for Workers with Disabilities (HWD)

Initiatives to expand access to BH:

- a) funding provided to MCOs to increase BH provider rates
- b) increased Secure Withdrawal Management facility rates

West Virginia

Cost Containment:

The State transitioned the foster care program under managed care during SFY20 to improve care management of most vulnerable population. This is both a cost containment activity, as it allows Medicaid to better predict costs and generates a shared risk model, as well as an enhancement to the program by allowing us to place an additional level of care coordination on a group of members that need it most. In SFY20, program integrity efforts were enhanced by joining the National Health Care Antifraud Association, which as a Law Enforcement Liaison gives us access to information on cases across the world and webinars to educate staff. In SFY20, Program Integrity will complete a Fraud, Waste and Abuse project with Marshall University, that includes predictive analytics.

Program enhancement:

In SFY20, the State expanded benefits for postpartum care by increasing the income limit from 150% to 185% FPL. In SFY21, WV Medicaid benefits will be expanded to include an adult dental benefit of \$1000 per member per year for preventative and restorative care. WV Medicaid received two new federal CMS awards in SFY20 to aid the State in combating the opioid crisis; Substance Use Disorder Prevention that Promotes Opioid Recovery and Treatment for Patient and Communities (SUPPORT) grant and Maternal Opioid Misuse (MOM) grant. Implementation of these awards began in SFY20 and will continue into SFY21. To increase access to care, the State began offering telehealth as an option for behavioral health and substance use disorder services. The State made changes to the MCO delivery system in SFY20 by implementing a 1915c waiver, Children with Serious Emotional Disorder Waiver (CSEDW) under managed care. The CSEDW's primary goal is to support children with severe emotional disorders by helping to keep them with their families, in the home and with a support network while receiving the services they need to improve their outcomes.

Wisconsin

Cost Containment

Wisconsin's biennial budget included provisions to restrict eligibility on Childless Adults. These eligibility changes have been paused during the COVID pandemic.

Program Enhancement

Wisconsin's biennial budget included increasing payments under Disproportionate Share Hospital, increased supplemental payments for rural critical care hospitals, increased rates for direct care workforce payments, and increasing the state's share of county based crisis intervention services.

Wyoming

No cost containment changes in categories noted above. Previous years cost containment efforts and changes have been effective at restraining costs and no further changes are planned at this time.

No provider payment, benefit changes, eligibility changes, or other changes are planned in 2020 or 2021. Currently unknown impact of COVID-19 and how this will be addressed through program changes or temporary waivers.

OTHER STATE BUDGETING CHANGES

CHAPTER FIVE

Recommended Changes in Aid to Local Governments, Fiscal 2021

A number of states reported on changes recommended in their pre-COVID budget recommendations for fiscal 2021 affecting state aid to local governments as well as other changes with a fiscal impact on localities. States were asked to report on these changes organized by the following categories: 1) general aid to local governments; 2) revenue-sharing payments; 3) funding for education; 4) funding for transportation; 5) funding for other specific grant programs; 6) pension/OPEB contributions; 7) local government revenue capacity; 8) local property tax relief; and 9) other. (See [Table 37](#))

As with other sections in this report, the changes described in this chapter represent states' pre-COVID planned changes to local aid, and consist mostly of increases.

General Aid to Local Governments. Ten governors recommended changes to general local aid programs for fiscal 2021, which consisted mostly of increases to funding for local governments to use at their discretion or for specific purposes such as libraries in Ohio or judges' salaries in Arizona. Oregon and California and Rhode Island both reported modest reductions in this category compared to prior-year levels.

Revenue-Sharing Payments. Three states reported on changes to revenue-sharing payments proposed for fiscal 2021. Kentucky and Michigan both reported recommended increases in certain revenue sharing payments to localities, while Tennessee reported on a projected increase in revenues shared with localities based on the state's revenue estimate.

Funding for Education. Public education funding is typically the largest component of state spending that interacts with local government finances. Significant variation exists in how states help fund school districts and the share of K-12 spending covered by state versus local revenues. Seventeen states reported on changes affecting education funding in fiscal 2021, nearly all of which reflected increases in funding. Changes include broad-based increases under the state's school funding formula as well

as targeted investments in priorities such as early education, teacher pay, special education, mental health, school safety, and capital construction.

Funding for Transportation. Eight states reported on mostly modest increases in transportation funds for local government, the most significant change being the expected increase in funds in Ohio due to enactment of the gas tax increase and public transit funding.

Other Specific Grant Program Funding. Seven states recommended mostly modest funding changes to specific grant programs for local governments in other program areas, such as law enforcement, public safety, environmental projects, and locally administered health and human services programs.

Pension/OPEB Contributions. Ten states recommended changes to pension and/or OPEB contributions in fiscal 2021 affecting plans that cover school districts, community colleges, law enforcement officers, and other local government employers. The items reported reflect the variances in how and whether state funding contributes to local government and school system pensions. Virtually all of the reported changes consisted of increased state contributions.

Local Government Revenue Capacity. Three states reported items in this category. For example, Maryland reported on expected growth in its Disparity Grants program, which addresses differences in counties' ability to raise revenue from local income taxes.

Local Property Tax Relief. Six states reported on proposed property tax relief changes, including the next phase of Property Tax Relief and Homestead Exemption increase in Nebraska and funding to backfill certain local revenue sources eliminated or phasing out in North Dakota and Rhode Island.

Other Changes. Additional changes recommended by governors for fiscal 2021 affecting local governments include Arizona's grants to local arts organizations and New York's proposal to require counties to pay more for forensic examinations and child welfare services.

Local Government Fiscal Conditions

Like state governments, local government fiscal conditions improved in recent years, but even preceding the COVID crisis, cities and counties faced some budgetary challenges and slow revenue growth. According to the 2019 edition of *City Fiscal Conditions* by the National League of Cities, general fund revenues grew just 0.6 percent in constant dollars in fiscal 2018, and on average, local finance officers estimated revenues would *decline* in fiscal 2019 by about 1 percent (also in constant, inflation-adjusted dollars). Local revenue growth was uneven across regions, with the Midwest seeing the weakest revenue performance generally. When surveyed in the summer of 2019, two in three city finance officers predicted a recession as soon as 2020.

Changes to Budgeting and Financial Management Practices

Several states reported on changes to budget and financial management practices that were recommended by governors in their fiscal 2021 budgets and/or enacted into law; these changes are detailed in Table 38. Some examples of the changes reported include:

Major Restructuring Efforts. Wyoming passed legislation to create the State Budget Office, and Nebraska described its consolidation of staffing and functions under the Office of Chief Information Officer and merger of the State Energy Office into the Department of Environmental Quality.

Workforce Policy Changes. Rhode Island reported on increased funding for the state's job training program.

Statewide Review of Expenditures or Revenues. Montana described a bill enacted in 2019 calling for legislative studies of financial modernization and budget stabilization.

Budget Process Changes. Pennsylvania reported on a law to develop performance-based budget plans for each executive branch agency and conduct tax credit reviews every fifth year.

Budget System Changes. Missouri's governor recommended funding to replace the state's budget and financial system.

Other Changes. Maryland reported on changes to specific non-law enforcement collective bargaining groups and related impacts.

TABLE 37

Recommended Changes in Aid to Local Governments, Fiscal 2021

General Aid to Local Governments

Arizona	\$1.5 million in State funding for fire suppression costs on State land dispersed to local/volunteer fire districts and \$8.7 million for Superior and Supreme Court judges and justices salary increase and caseload growth
California	<p>The 2020–21 Governor’s Proposed Budget includes:</p> <ul style="list-style-type: none"> • \$12 million less (13.2% decrease) for the Governor’s Office of Emergency Services’ California Disaster Assistance Act (CDAA) program compared to the 2019 Enacted Budget. CDAA estimates are evaluated annually at two points in time, the fall and spring. • \$46.4 million less (32% decrease) for the Board of State and Community Corrections. The 2019 Enacted Budget included programs with one-time funding. • \$14.6 million less for the Department of Corrections and Rehabilitation for county charges associated with prosecuting inmate crimes committed in state prison compared to the 2019 Enacted Budget.
Illinois	Revenue sharing with local governments will change based on the outcome of the votes on SJRCA 1, a constitutional amendment allowing for a graduated income tax structure in Illinois (a corresponding Public Act has already been passed that contains the rates that would go into effect upon the amendment being approved by voters). If SJRCA 1 is approved, distributions to the Local Government Distributive Fund will be prorated at an effective rate of 95% for the entire year. If SJRCA is not approved, the sharing will be prorated at 90%.
Maryland	Fiscal 2021 grows by \$310.9 million (3.7%) over fiscal 2020, with further detail listed in the following categories in this table. Note that the listed totals include all state funds (not just general).
Massachusetts	\$32 million, or 2.8%, increase to \$1.16 billion
Nebraska	\$50 million transfer from Cash Reserve Fund to Governor’s Emergency Fund to provide aid for 2019 Flooding disasters. Also \$9.2 million additional aid for counties hardest hit by Flooding
New Jersey	An increase in Open Space Payments in Lieu of Taxes by \$3.5 million (53.8%) will increase payments made to 144 municipalities. The increase in Energy Tax Receipts will not impact payments; it reflects a reallocation from the General Fund to property tax relief.
New York	The Executive Budget proposes to provide local governments with over \$44 billion in State support through major local aid programs and savings initiatives. This includes nearly \$19 billion for school districts, over \$18 billion for New York City (NYC), roughly \$5 billion for counties, and almost \$1 billion for other cities, towns, and villages. The Executive Budget continues the State’s commitment to the takeover of local Medicaid growth, but requires compliance with the property tax cap or a demonstration of fiscal hardship. In order to achieve necessary savings and efficiencies, statewide changes to the State takeover of Medicaid growth will also be applied to NYC. If the City’s property tax levy stays within the allowable limit, and assuming growth in local Medicaid expenditures stays within 3 percent, the State will continue to absorb all of the City’s local Medicaid growth. Counties will also be asked to certify tax cap compliance or show fiscal hardship for purposes of determining continued eligibility for the full State takeover of all local Medicaid spending growth. Under this program, taxpayers are ensured that State efforts to reduce costs for counties result in lower local tax bills and not increased local spending, while also renewing the partnership between the State and counties in controlling Medicaid spending growth. Given counties’ historical tax cap compliance, it is likely that the State will continue to absorb all county Medicaid growth.

TABLE 37 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2021

Ohio Increased funding to libraries is provided through a temporary increase in the amount to be credited to the Public Library Fund (estimated \$10.0 million increase). In addition, there will be increased funding to municipalities, townships, and county governments due to a temporary increase in the amount credited to the Local Government Fund (estimated \$5.0 million increase).

Rhode Island Distressed Communities Aid reduced by \$6.2 million (reduced by half)

Revenue-Sharing Payments

Kentucky The Governor’s budget recommendation provides a greater share of coal severance tax revenues to coal-producing counties.

Michigan 1.9% increase in constitutional payments and 2.5% in statutory payments to cities, villages, and townships; 2.5% increase is also recommended for statutory payments to counties.

Tennessee Recommended budget includes an increase in the estimate for tax revenues shared with local governments. FY21 shared revenues are projected to increase \$18.5M to \$1,317M over the FY20 revised estimate of \$1,298.5M

Funding for Education

Alaska Repeal school debt reimbursement -\$50.1

Arizona \$218.3 million for a variety of projects including but not limited to: accelerating restoration of cuts to formula funding, results based funding, school safety grants, and programs to incentivize exams resulting in students receiving college credit

Arkansas The per student funding amount will increase from \$6,899 to \$7,018 in FY21.

Idaho Increases to teacher pay

Kansas The Governor included FY 2021 budget recommendations that would increase major categories of K–12 funding for school districts through the state’s finance formula by \$120.7 million over FY 2020 approved amounts, or a 2.8% increase. Major categories of K–12 funding includes the State Foundation Aid, Supplemental General State Aid, Special Education State Aid, Capital Outlay State Aid, and Capital Improvement State Aid.

Maryland Funding for K–12, libraries, and community colleges grows by \$232.3 million (3.1%). The only proposed law change is a \$18.2 million reduction in community college funding. Even with this reduction, funding for community colleges grows by \$18.9 million (5.6%).

Massachusetts \$304 million increase to direct education assistance (i.e., “Chapter 70 Aid”) in connection with a reform initiative to increase funding for school districts; \$23 million in new funding for charter school tuition reimbursement; \$17 million in additional support for special education circuit breaker reimbursement for cities and towns; \$13 million for Targeted Assistance to expand existing commitments to close achievement gaps in low-performing schools; \$10 million for a new Twenty-First Century Education Trust Fund In addition, recommends seeding a number of education investments with one-time revenues generated by the sales tax modernization initiative: \$50 million to help accelerate improvements in low-performing schools, \$30 million for school safety initiatives, and \$20 million to help districts eliminate lead from drinking water

TABLE 37 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2021

Michigan	Increases: \$415 million for weighted funding model; \$77.5 million for preschool programs; \$40 million for school infrastructure grants; \$25 million to reimburse teachers for out-of-pocket supply costs.
Minnesota	<p>Supporting Student Well Being: This recommendation provides aid to school districts to hire additional mental health professionals and support professionals across the state increasing aid by an estimated \$20.630 million in FY21.</p> <p>Reestablishes Full Service Community School Grants: This recommendation provides \$2 million per year for grants to racially isolated or low-performing schools to provide wraparound services chosen by the school community.</p> <p>Establishes Equity Coaches: This recommendation provides \$1 million in grants per year to schools to develop a model of one-on-one coaching to support teachers in critically reflecting on their own racial consciousness and practices in their classrooms.</p>
Nebraska	\$12.8 million increase in TEEOSA formula state aid to K–12 Schools
New Jersey	An increase in School Aid to local districts by \$566.1 million (3.8%) to \$15.5 billion. This is comprised of aid to schools, direct payments on behalf of teacher pension and healthcare costs, and school construction debt service.
New York	<p>New York City will realize a positive net impact of \$315 million in City Fiscal Year 2021 due to Executive Budget actions primarily due to an increase in School Aid, both through \$224 million in aid allocated through formulas, and additionally, through a portion of the \$250 million in currently unallocated additional Foundation Aid and competitive grants.</p> <p>The Executive Budget proposes to increase aid to school districts outside NYC by a \$351 million School Aid increase in aid allocated through formulas, as well as a portion of the \$250 million in currently unallocated additional Foundation Aid and competitive grants. The annual year-to-year increase is partially offset for school districts outside of NYC by the elimination of the 18.4 percent State share for Committees on Special Education (CSE) placements, which results in a \$26 million cost for school districts in the 2021 school year.</p>
Ohio	K–12 education funding increased by \$350M over FY19 actuals
Oklahoma	The Governor proposed fully funding annualization of the FY-2020 teacher pay raise at \$11.8 million.
Rhode Island	Under the state’s education funding formula, the state’s contribution will increase by \$37.7 million in FY 2021 compared to FY 2020. Does not include retirement contribution referenced below
Tennessee	The FY21 Recommended budget includes \$65.9M increase in aid to local education agencies.
Wisconsin	An increase of \$170.6 million in general and categorical aid to school districts.

Funding for Transportation

Alaska	Increase the Alaska Marine Highway System weeks of service \$3.3
Illinois	Distributions to local transportation districts will be prorated at 95% if SJRCA 1 is approved by voters, and 90% if SJRCA is not approved.

TABLE 37 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2021

Kansas	\$210.5 million, a 0.3% increase over the agency’s request resulting from adjustments in State Highway Fund revenue in the November 2019 Consensus Revenue Estimate.
Maryland	State aid to local governments for transportation grows by \$8.3 million (3.2%). No law changes are recommended.
Massachusetts	\$3.5 million increase for regional transit authorities
Ohio	\$240 million from gas tax increase, \$70 million public transportation funding
Oklahoma	The Governor proposed an additional \$20 million to the Department of Transportation County Improvement Roads and Bridges Fund (CIRB) which is available to counties for transportation projects. \$30 million was funded through this program in FY-2020.
Wisconsin	Increase general transportation aids to local governments by \$20.2 million (providing a 10% calendar year increase of \$47.0 million beginning in 2020). Establish a \$2.5 million annual general transportation aids supplement for certain towns. Increase mass transit aids by 2% (providing a calendar year increase of \$2.2 million beginning in 2020). Increase senior, individuals with disabilities, paratransit and job access funding by \$2.0 million annually.

Funding for Other Specific Grant Programs

Arizona	\$2.5 million over three fiscal years (FY 2021–FY 2023) for Driving Under the Influence enforcement grants to local law enforcement agencies
Maryland	Other significant aid programs include (a) public safety funding which grows by \$34.9 million (23.6%), (b) local health which grows by \$4.7 million (8.4%), and (c) Program Open Space grants which increase by \$4.7 million (8.7%).
Michigan	\$40 million for climate resilient infrastructure grants to protect locals from negative impacts of changing climate conditions.
Minnesota	<p>Reimburses counties for the increased county share of costs for substance use disorder services provided in facilities which were ineligible for federal funding. This recommendation holds counties harmless for their increased share of costs, which equals \$8.812 million.</p> <p>Creates a \$1 million competitive grant program for courthouse safety and security improvements, upon their request. Counties would be able to apply for one-time matching grants to fund courthouse security assessments, equipment technology, or training needs.</p> <p>Creates a \$2 million competitive grant program for local governments and nonprofits to prevent the spread of Aquatic Invasive Species.</p> <p>Governor’s 2020 Capital Budget: \$996 million (38%) of the Governor’s recommended 2020 capital budget is for grants, both statutory and project-specific, to local units of government. The Governor’s recommendations for statutory grant programs include: \$100 million for local road improvement projects, \$112 million for local bridge repairs, \$175 million local water infrastructure, \$47 million for grants to expand municipal recycling and organics composting facilities, \$15 million for business development infrastructure, \$8 million for safe pedestrian routes to school for students, \$4 million for parks and trails, \$2 million for public library renovations, \$750 thousand for historic preservation.</p>

TABLE 37 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2021

New Jersey	The addition of several grant programs will provide aid to specific municipalities. This includes Weequahic Park Community Center (\$5 million), Repayment of Municipal Contribution to Mass Transit Facility (\$3 million), and Local Recreational Improvement Grants (\$5 million). Enhanced 9-1-1 Grants (\$5 million) will assist counties and municipalities by helping to defray the costs of operating Public Safety Answering Points (PSAPs).
New York	The Executive Budget proposes to increase NYC’s share of the cost for Family Assistance and Emergency Assistance for Families will increase from 10 percent to 15 percent, resulting in a cost to NYC of \$51 million in City Fiscal Year 2021.
Ohio	\$60M increase in indigent defense; \$110M for family and children services

Pension/OPEB Contributions

Alaska	Additional deposits into retirement plans \$345.6.
Arizona	\$1.9 million to the Superior Court for increased pension costs for the Correctional Officer’s Retirement Plan (CORP). This funding will be a pass through for the county probation and surveillance officers that are on CORP.
Arkansas	State law requires an increase in the Arkansas Teacher Retirement System employer contribution rate from 14.25% to 14.5% in FY21 and to 15% within three years.
California	The 2019 Budget Act included a one-time General Fund payment in 2018–19 to the California State Teachers’ Retirement System (CalSTRS) and the California Public Employees’ Retirement System (CalPERS) (\$3.15 billion total) on behalf of participating school employers (i.e., school districts, community colleges, County Offices of Education). Of the entire payment, \$850 million will be used to supplant employers’ required pension contributions for CalSTRS and CalPERS in fiscal years 2019–20 (by \$500 million) and 2020–21 (by \$350 million). The remaining \$2.3 billion will be used as a supplemental pension payment to pay down the employers’ share of the unfunded CalPERS and CalSTRS pension liabilities. Based on CalSTRS and CalPERS actuarial assumptions used to develop the payment proposal, the entire \$3.15 billion payment is expected to save employers \$6.9 billion over the next three decades.
Kansas	The Governor recommended reamortizing legacy unfunded actuarial liability of the Kansas Public Employee Retirement System over 20 years in her FY 2021 budget recommendations. This would have reduced employer contributions from 15.23% to 11.85% in FY 2021, 15.09% to 11.80% in FY 2022, and 15.85% to 12.49% in FY 2023. However, the Legislature did not concur with this recommendation. This recommendation would only have affected school employers at the local level, and not KPERS Local (non-school) employers.
Maryland	Retirement aid for K–12, library, and community college employees declines by \$18.5 million (2.2%). Part of the \$50 million reduction in OPEB listed above on line 75 would otherwise be counted as local aid.
Michigan	Increase of \$205.9 million for total of \$1.5 billion to pay costs of Public School Employee Retirement Systems that would otherwise be paid by school districts.
New Jersey	An increase of \$33.9 million (15.2%) for Employee Benefits on behalf of local governments driven by increased pension funding.
New Mexico	0.5% increase for employer-paid retirement contributions; however, does not apply to local public entities until FY23

TABLE 37 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2021

Rhode Island The State contributes 40% towards the pension liability for teachers; in FY 2021 an additional \$6.0 million is recommended for this expense.

Local Government Revenue Capacity

Maryland The State of Maryland provides local governments with Disparity Grants, which address the difference in the abilities of counties to raise revenues from the local income tax, which for most counties is one of their larger revenue sources. These grants grow by \$12.1 million (8.3%). No law changes are recommended.

New Hampshire The enacted budget for FY 2021 includes \$3.8 million as a one time appropriation for Wastewater State Aid Grants.

Wisconsin School districts received a \$175 per pupil revenue limit increase.

Local Property Tax Relief

Florida Reduction of Required Local Effort Millage rate by 0.126 mills; Estimated reduction in local property taxes by \$247.2m

Kansas Restart the Local Ad Valorem Tax Reduction Fund with \$54.0 million.

Nebraska Three-year plan for additional Property Tax Relief includes \$125.2 million in FY 2021. Homestead Exemption increase of \$5 million in FY 2021.

New Jersey A decrease in direct property tax relief programs of \$22.4 million (4.0%). FY2021 continues these programs unaltered, except for the expanded eligibility for the Veteran's Property Tax Deduction Program. The change amount reflects the change in forecasted participation.

North Dakota During the 2017 Legislative Assembly a pilot program was established to eliminate the 20-mill levy authority for human services and to establish a state-paid economic assistance and social service program. This was continued during the 2019–21 biennium.

Rhode Island As part of the FY 2018 appropriations act, a new program to phase-out the local property tax on motor vehicles was enacted. The FY 2020 revised budget includes \$90.3 million and FY 2021 recommended budget includes \$100.7 million for this program.

Other

Arizona \$2.0 million for grants to local arts organizations

Minnesota Provides funding for the Office of the Secretary of State to meet the 20% state match requirement in the federal Consolidated Appropriations Act of 2020, which will allow the Office to use \$7,389,506 in federal Help America Vote Act (HAVA) funds to secure and improve Minnesota's election systems. A majority of this funding will go directly to the investment in the election security of local jurisdictions.

TABLE 37 (CONTINUED)

Recommended Changes in Aid to Local Governments, Fiscal 2021

New York	<p>The Executive Budget is expected to negatively impact other cities, towns, and villages by \$7 million. This is mainly due to the elimination of nearly \$7 million in VLT Aid for municipalities outside the City of Yonkers.</p> <p>The Executive Budget is estimated to result in a negative impact of nearly \$23 million for counties outside NYC. This is due primarily to a proposal to require counties to pay the full costs of certain forensic examinations (\$11 million in Local Fiscal Year 2021), as well as requiring counties to direct a larger share of a Federal grant toward child welfare services (\$11 million in Local Fiscal Year 2021).</p>
Vermont	<p>The fiscal year 2021 budget proposal includes \$1.5M in Downtown Development and Opportunity Zone tax credits which would further stimulate private investment in the revitalization of Vermont’s downtowns and village centers.</p>

TABLE 38

Recommended Changes to Budget and Financial Management Practices, Fiscal 2021

Major restructuring of primary government functions

Alaska	Continue consolidation of procurement, HR, and investigative functions.
Arizona	Laws 2019, Chapter 252 merges the Department of Financial Institutions and the Automobile Theft Authority into the Department of Insurance and renames the agency the Department of Insurance and Financial Institutions (DIFI), effective in FY 2021. The newly renamed agency will retain the same regulatory functions as its three predecessor agencies and transfers the property, funds and appropriated monies of those agencies into DIFI on July 1, 2020.
Nebraska	Office of Chief Information Officer (OCIO) Consolidation of staffing and functions; merge State Energy Office into Department of Environmental Quality
Rhode Island	Proposal to privatize the remaining state-run portion of the DD group home system.
Wyoming	Bill was passed to create the State Budget Office.

Major policy proposal with respect to your workforce

Rhode Island	Increased funding of \$7.2 million for Real Jobs RI (job training program)
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Statewide review of expenditures or revenues

Montana	HB 715, enacted by the 2019 Montana Legislature, provides for legislative studies of financial modernization and risk analysis, and long term budget stabilization.
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Major change in budget processes or authority, including performance budgeting

Pennsylvania	Act 48 of 2017 directs the Pennsylvania Independent Fiscal Office to develop performance-based budget plans for each agency under the Governor's jurisdiction and conduct tax credit reviews every fifth year.
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Change to your automated budget or financial system

Alaska	The State is upgrading their financial system.
Missouri	Funds are recommended to replace the state's budget and financial system.
New Mexico	Project to build and implement new state budgeting system is underway
Rhode Island	Request for debt financing to replace current HR/Payroll systems and other financial systems in the future; Budget system replaced in FY 2018, so not expected to be part of overall ERP update at this time.

Other

Maryland	The FY 2021 budget includes different salary increases for specific non-law enforcement collective bargaining groups, which will result in additional salary tables and requires re-writing the automated budget system to account for the change. Salaries are no longer directly tied to class codes, they are now also tied to bargaining group.
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APPENDIX

TABLE A-1

Recommended Revenue Changes by Type of Revenue, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
SALES TAXES					
Florida	Back to School Sales Tax Holiday	08-20	-\$42.8		-\$42.8
	Disaster Preparedness Sales Tax Holiday	06-20	-6.9		-6.9
Idaho	Grocery Tax Removal. (Had the Governor's recommendation been enacted, the hit to the GF would be \$35M, however, the Governor recommended a transfer of the same amount into the GF from the tax relief fund.)	07-20	-35.0	\$35.0	0.0
Iowa	Increase sales tax by 1 cent	01-21	182.6		182.6
	Eliminate water excise tax	01-21	-9.2		-9.2
	Eliminate tax on diapers/feminine hygiene products	01-21	-4.5		-4.5
Kansas	Tax Marketplace Facilitators	07-20	25.0		25.0
	Tax Digital Goods	07-20	22.4		22.4
Massachusetts	Establish civil penalties related to the sale and installation of automated sales suppression devices or "zappers," which falsify electronic records for purposes of tax evasion	07-20	1.8	0.2	2.0
New Mexico	Technology Readiness Gross Receipts Credit	05-20	-1.5		-1.5
Ohio	Enacts economic nexus provision and marketplace facilitator collection requirement. Enacts several sales tax exemption changes.	10-19	211.8	7.3	219.1
Rhode Island	Additional items covered by state sales tax	07-20	29.7		29.7
	Hotel Tax increase by additional 1%	07-20	4.7		4.7
Tennessee	Marketplace Facilitator	10-20	44.8		44.8
Utah	Increase rate on unprepared food	04-20	250.0		250.0
	Add sales tax to certain services	04-20	30.0		30.0
	Repeal certain sales tax exemptions	04-20	13.0		13.0
	Exempt feminine hygiene products	04-20	-1.5		-1.5
Total Revenue Changes—Sales Tax			\$714.4	\$42.5	\$756.9

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
PERSONAL INCOME TAXES					
Arizona	Veterans pension pay exemption	01-20	-\$45.5		-\$45.5
Arkansas	Income Tax Rate Decrease to be phased in	Tax Year 2021	-74.1	\$0.0	-74.1
Indiana	Internal Revenue Code conformity updates	01-20	-6.2		-6.2
Iowa	Decrease personal income tax rates	01-21	-170.8		-170.8
	Doubling the income threshold for the Iowa Child Dependent Care (CDC) and Early Childhood Development (EDC) tax credits	01-20	-5.3		-5.3
Kansas	Food sales tax credit	07-20	-53.2		-53.2
Maine	Adjust revenue for tax conformity	03-20	-1.8		-1.8
Maryland	Expands the existing military retirement income tax subtraction modification by exempting 100% of military retirement income from State taxation. The exemption is phased in over two years.	07-20	-10.6		-10.6
	Expands the State income tax subtraction modification for retired law enforcement; correctional officers; and fire, rescue, or emergency services personnel by (1) increasing the maximum value of the subtraction modification and (2) extending eligibility to retirees who are between age 50 and 54.	07-20	-7.2		-7.2
Massachusetts	Reinstitution of the charitable deduction	01-21	-64.0	0.0	-64.0
Nebraska	Military Retirement Benefits	07-20	-5.1		-5.1
New Jersey	Millionaire's Tax	07-20		493.8	493.8
	EITC Step Increase	07-20		-25.8	-25.8
New Mexico	Solar Market Development Income Tax Credit	05-20	-5.0		-5.0
New York	Shift Basic STAR Exemptions to the Credit Program	04-20	-73.6	73.6	0.0
Ohio	4% reduction across-the-board reduction in tax rates on non-business income; no tax liability on incomes below \$21,750; tax bracket indexing suspended in tax year 2019.	01-19	-338.2	-11.7	-349.9
	Creates new tax credits for Opportunity Zone investments, and for lead abatement expenses. (No impact expected until fiscal 2021)	01-19	-33.8	-1.2	-35.0
	Eliminates several tax credits, imposes means testing on certain tax credits, and disallows the business income deduction for certain activities.	01-19 (01-20 for business deduction provision)	41.6	1.4	43.0
	Increase in earned income tax credit.	01-19	-39.4	-1.4	-40.8
Rhode Island	Correction to reflect gross contingency fee revenue	07-20	1.8		1.8
	Increase in EITC to 16%	07-20	-1.1		-1.1
	US Treasury Offset Program	07-20	0.6		0.6
South Carolina	1% Income Tax Reduction (Year 1 of 5 -.2% per year)	07-20	-160.7		-160.7
	Military Retirement Income Tax Exemption	07-20	-9.1		-9.1
	Police Officers, Peace Officer, & Firefighters Retirement Income Tax Exemption	07-20	-9.3		-9.3
Utah	Reduce income tax rate to 4.64%	01-20	-301.0		-301.0
	Expand Utah dependent exemption	01-20	-95.0		-95.0
	Social security tax credit	01-20	-18.0		-18.0
	Earned income tax credit	01-20	-6.0		-6.0
	Grocery tax credit	01-20	-125.0		-125.0
Vermont	Military retirement income tax exclusion	07-20	-1.4		-1.4
	Vermont educated nurses tax incentive	07-20	-1.0		-1.0
Virginia	1099K Threshold change		10.0		10.0
Total Revenue Changes—Personal Income Tax			-\$1,607.4	\$528.8	-\$1,078.6

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
CORPORATE INCOME TAXES					
California	First-Year LLC Fee Elimination	01-21	-\$50		-\$50
Connecticut	Maintain current 10% surcharge set to expire in tax year 2021	01-21	22.5	\$0.0	22.5
	Delay Phase-In of Capital Base Reduction	01-21	5.7	0.0	5.7
Maine	Increase the seed tax investment credit	03-20	-1.3		-1.3
	Adjust revenue for tax conformity	03-20	-0.5		-0.5
Nebraska	Business tax Incentives	07-20	-2.0		-2.0
New Hampshire	The enacted budget for the Biennium FY 2020–2021 includes changes to the State's Tax code that aligns it more closely to the Federal code related to Taxes on business operations.	01-20	17.0	4.0	21.0
	The enacted budget for the Biennium, FY 2020–2021, adds provisions relative to global intangible low-taxed income (GILTI) to the Business Profits Tax.	01-20	8.1	1.9	10.0
	The enacted budget for the Biennium, FY 2020–2021, adds provisions to law that modifies the apportionment to the state of sales of a business organization with activity in other states as well as the apportionment of dividends of a business enterprise based on sales made within New Hampshire.	01-21	8.1	1.9	10.0
New Jersey	Surtax step down	07-20	-145.0		-145.0
	Film Tax Credit increase	07-20	-25.0		-25.0
Pennsylvania	Cap Net Operating Losses at 40% of taxable income accompanied by combined reporting. The Corporate Net Income Tax rate is also proposed to be reduced from 9.99% to 8.99%.	01-21	239.5		239.5
Rhode Island	US Treasury Offset Program	07-20	2.0		2.0
Utah	Reduce corporate tax rate to 4.64%	01-20	-36.0		-36.0
Vermont	R&D tax credit	07-20	-0.9		-0.9
	Vermont Investment Incentive Program	07-20	-3.0		-3.0
Total Revenue Changes—Corporate Income Tax			\$39.2	\$7.8	\$47.0

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
CIGARETTE TAXES					
California	Vaping Tax	1/21/21		\$34.0	\$34.0
Connecticut	50% Wholesale E-Cigs	10/1/20	\$0.9	0.0	0.9
Kentucky	Raise cigarette tax by 10 cents, increase other tobacco products taxes to parity with cigarette tax, new e-cigarette/vaping tax	7/1/20	50.3		50.3
Massachusetts	Restriction of the sale of flavored tobacco products, including flavored vaping products, in addition to 75% excise tax on electronic nicotine delivery systems	6/1/20	-79.1	-15.8	-94.9
Minnesota	Vapor Prod & Dev Gross Rcpt Tax		4.2		4.2
New Jersey	Cigarette increase	7/20/20	216.0		216.0
Ohio	Enacts vapor products tax and imposes purchase age restrictions on tobacco and vapor products.	10/19/19	-17.8	-0.6	-18.4
Rhode Island	Tax increase of 35 cents offset by increase in minimum age to 21	8/1/20	2.8		2.8
Total Revenue Changes—Cigarette Tax			\$177.3	\$17.6	\$194.8
MOTOR FUEL TAXES					
Ohio	\$10.5 cents per gallon gasoline tax increase	07-19	\$0.0	\$865.0	\$865.0
Utah	Add sales tax to motor fuel and increase diesel excise tax	04-20		205.0	205.0
Total Revenue Changes—Motor Fuel Tax			\$0.0	\$1,070.0	\$1,070.0
ALCOHOLIC BEVERAGES TAXES					
Rhode Island	Reduce Excise Tax on liquor	07-20	-\$5.3		-\$5.3
Total Revenue Changes—Alcoholic Beverages Tax			-\$5.3	\$0.0	-\$5.3
GAMING TAXES / LOTTERY REVENUE					
Connecticut	i-Lottery	07-20	\$1.5	\$0.0	\$1.5
Kentucky	Sports wagering	07-20	14.6		14.6
Massachusetts	Sports wagering	07-20	35.0	0.0	35.0
Michigan	New Gaming, Sports Betting	12-19	0.0	17.0	17.0
New York	Eliminate QuickDraw Minimum Size Restriction	04-20	0.0	15.0	15.0
Vermont	Sports Betting	07-20	2.0		2.0
Total Revenue Changes—Gaming Taxes / Lottery Revenue			\$53.1	\$32.0	\$85.1

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
OTHER TAXES					
California	Cannabis Tax	01-21		\$212.0	\$212.0
	Hospital Quality Assurance Fee (HQAF) Program VI	07-19	\$31.2	196.1	227.3
	Skilled Nursing Facility Quality Assurance Fee	08-20		500.0	500.0
Connecticut	Public Utilities Tax — Eliminate exemption for gas sold to facility with 775 MW Capacity	07-20	3.6	0.0	3.6
	Public Utilities Tax — Cap Credits claimed against the public utilities tax at 50.01% of liability	07-20	2.0	0.0	2.0
	Health Provider Tax — Implement recommendation of ambulatory surgical center tax study	07-20	-1.0	0.0	-1.0
Kentucky	Raise minimum limited liability entity tax	07-20	8.2		8.2
Massachusetts	Pharmacy manufacturer price penalties as part of multi-pronged approach for increasing accountability for drug manufacturers, proposed in a comprehensive health care bill	07-20	0.0	20.0	20.0
	Opioid gross receipts tax	07-20	16.0	0.0	16.0
Nebraska	Property Tax Relief (Net)	07-20	-125.2		-125.2
New Jersey	Opioid Assessment — distributors & manufacturers	07-20	21.5		21.5
New Mexico	Clean-up and clarification to provisions in Chapters 270 and 274 from the 2019 session	07-20	-2.4		-2.4
Ohio	Modifies job retention tax credit criteria; creates a limitation on amount of equity capital subject to the financial institutions tax.	01-19 for JRTC change; 01-20 for FIT change	-17.5	-0.6	-18.1
Rhode Island	Impact of Proposed Medicaid Changes on HMO and other health care provider taxes	07-20	-1.1		-1.1
	Adult Use Marijuana	07-20	21.1		21.1
Tennessee	Reduce Professional Privilege Tax	07-20	-40.0		-40.0
Utah	Increase motor vehicle rental tax	04-20		4.5	4.5
Vermont	Downtown development tax credit	07-20	-1.4		-1.4
	Opportunity Zone tax credit	07-20	-0.1		-0.1
Washington	Permanent Ban on Vapor Products	04-20	-1.3	-2.8	-4.1
Total Revenue Changes—Other Tax			-\$86.4	\$929.2	\$842.8

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes by Type of Revenue, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
FEES					
FEES-BUSINESS					
New Hampshire	The enacted budget for the Biennium, FY 2020–2021, changes provisions for tax applicability to include prepaid wireless telecommunication services and voice over internet protocol (VOIP).	01-20	\$2.5		\$2.5
Rhode Island	Various fee changes	07-20	7.5		7.5
FEES-COURT					
Rhode Island	Fines and Penalties	07-20	\$4.6		\$4.6
	Attorney General Settlements	07-20	1.7		1.7
FEES-TRANSPORTATION/MOTOR VEHICLE					
California	Zero Emission Vehicle Fee	07-20		\$10.9	\$10.9
Massachusetts	Increase per-ride assessment to \$1, with 70¢ of the total assessment dedicated to the Commonwealth for transportation and the Massachusetts Bay Transportation Authority (MBTA), and 30¢ benefitting municipalities, tripling the amount of TNC-related funding distributed to local cities and towns	07-20	\$71.4	0.0	71.4
FEES-USER FEES					
California	State Emergency Telephone Network Account (SETNA) Surcharge net increase (at full year implementation).	01-20		\$110.2	\$110.2
	Licensing and Certification Fee Adjustment	07-20		206.3	206.3
	Los Angeles County Licensing and Certification Fee Adjustment	07-20		22.5	22.5
	Genetic Disease Screening Program Newborn Screening Fee Increase	07-20		15.5	15.5
	Childhood Lead Poisoning Prevention Fee Increase	07-20		14.0	14.0
Colorado	myColorado and permit fee	07-20		4.1	4.1
FEES-OTHER					
California	Department of Consumer Affairs: Fee Increase	07-20		\$1.7	\$1.7
	Fees assessed on health plans on a per enrollee basis, in order to cover expenses for increased 2020–21 workload of the Department of Managed Health Care.	07-20		3.6	3.6
	Department of Alcoholic Beverage Control: Pursuant to Alcohol Beverage Control Act, license fees are increased concurrent with the Consumer Price Index.	01-21		1.1	1.1
Connecticut	Clinical Laboratory Fee, increase fees for cremation certificates, increase youth camp licensure fees, and criminal justice clean slate/fair futures initiative	07-20	\$0.7	0.0	0.7
	Impose Convenience Fee for Credit/Debit Card Use when transacting with the state	10-20	2.0	1.9	3.9
Minnesota	DHS SOS Coll — Dir Care and Treatment (DCT) Ops Adj		4.2		4.2
Rhode Island	Hospital Licensing Fee	07-20	32.3		32.3
Total Revenue Changes—Fees			\$126.9	\$391.7	\$518.6

TABLE A-2

Recommended Revenue Measures, Fiscal 2021

State	Tax Type	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
				General Fund	Other State Fund	Total
Alaska	Other Taxes and Revenues	Repeal School Debt Reimbursement	07-20	\$50.1		\$50.1
	Other Taxes and Revenues	Repeal Project Debt Reimbursement	07-20	2.4		2.4
Arkansas	Gaming Tax	Transfer collections above \$31.2M from general revenue to highway fund. This is expected to happen FY21.	10-19	0.0	\$0.0	0.0
Connecticut	Cigarette/Tobacco Tax	Ban Flavored Vaping Products	01-21	-0.3	0.0	-0.3
	Fees — Other	Eliminate requirement to raise \$50 million in fee increases	10-20	-50.0	0.0	-50.0
	Other Taxes and Revenues	Insurance Companies Tax — Captive Insurers Initiative	07-20	7.5	0.0	7.5
	Other Taxes and Revenues	Office of Health Strategy hospital assessment	07-20	0.7	0.0	0.7
	Other Taxes and Revenues	Federal Grants — Revenue Attributable to Medicaid Changes (DSS)	07-20	-3.5	0.0	-3.5
	Sales & Use Tax	Regional Performance Incentive Transfer	07-20	12.8	0.0	12.8
		Reduce GAAP Payment in FY 20 and transfer additional resources into FY 21	07-20	55.0	0.0	55.0
		Transfer to the Philanthropic Match Account (Dallo)	07-20	-20.0	0.0	-20.0
Illinois	Corporate Income Tax	Sharing with locals prorated at 95%	07-20	9.0	0.0	9.0
	Personal Income Tax	Sharing with locals prorated at 95%	07-20	64.0	0.0	64.0
	Sales & Use Tax	Sharing with locals prorated at 95%	07-20	25.0	0.0	25.0
Kansas	Personal Income Tax	IMPACT Debt Retirement	07-20	24.5		24.5
Kentucky	Other Taxes and Revenues	Enhanced revenue collection effort	07-20	8.6		8.6
	Other Taxes and Revenues	Known settlements	07-20	5.6		5.6
Massachusetts	Sales & Use Tax	Sales Tax Acceleration: updating the collection and remittance of sales tax for the state's largest vendors has the effect of generating a one-time \$317 M increase in revenues	07-20	237.0	80.0	317.0
Michigan	Personal Income Tax	Fund Transfer	03-20	-178.3	178.3	0.0
New Mexico	Other Taxes and Revenues	Distributions to Judicial Retirement Funds	07-20	-1.5		-1.5
New York	Cigarette/Tobacco Tax	Reform the Tobacco Products Tax	10-20	10.0	0.0	10.0
	Cigarette/Tobacco Tax	Enact a Comprehensive Tobacco Control Policy (Vapor Tax)	06-20	0.0	-25.0	-25.0
	Fees — Other	Impose Certificate of Need Fee	04-20	0.0	70.0	70.0
	Other Taxes and Revenues	Enact the Cannabis Regulation and Taxation Act	04-21	0.0	20.0	20.0
	Personal Income Tax	Make Warrantless State Tax Debt Collection Methods Permanent	04-20	40.0	0.0	40.0
	Personal Income Tax	Authorize DTF to Provide Unclaimed Tax Benefits	04-20	-2.0	0.0	-2.0
	Personal Income Tax	Make Exceptions for Late Enhanced STAR Filers	04-20	-4.0	0.0	-4.0

Table A-2 continues on next page.

TABLE A-2 (CONTINUED)

Recommended Revenue Measures, Fiscal 2021

State	Tax Type	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact (\$ in millions)		
				General Fund	Other State Fund	Total
Ohio	Corporate Income Tax	Reduce the commercial activity tax administrative fee from .75% to .65%.	07-19	\$1.8	-\$1.8	\$0.0
	Personal Income Tax	Temporarily increase percentage of total GRF tax receipts deposited in the Local Government Fund from 1.66% to 1.68%. The loss in revenue is borne by the personal income tax.	07-19	-5.0	5.0	0.0
	Personal Income Tax	Local Government Audit Support Fund to receive an amount equal to appropriation via an earmark of tax revenue	10-19	-10.0	10.0	0.0
	Sales & Use Tax	Temporarily increase percentage of total GRF tax receipts deposited in the Public Library Fund from 1.66% to 1.70%. The loss in revenue is split between the non-auto sales and kilowatt hour taxes	07-19	-10.0	10.0	0.0
Rhode Island	Other Taxes and Revenues	Transfers from Quasi-public agencies	Transfer by 6/30/21	16.1		16.1
	Other Taxes and Revenues	Recapture 2% of Local Pass-thru revenue	07-20	0.8		0.8
	Other Taxes and Revenues	Transfer Vets Home Board and Support to Restricted	07-20	-4.5	4.5	0.0
Vermont	Other Taxes and Revenues	Change in the allocation of collections for taxes-in-arrears among a state special fund and the General Fund.	07-20	2.9	-2.9	0.0
Total				\$284.8	\$348.1	\$632.8

TABLE A-3

Enacted Mid-Year Revenue Changes by Type of Revenue, Fiscal 2020

State	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
SALES TAXES					
Georgia	Sales Tax Exemption	07-19	-\$7.4	\$0.0	-\$7.4
	Sales Tax Exemption	07-19	-7.6	0.0	-7.6
	Sales Tax Exemption	07-19	-2.1	0.0	-2.1
	Sales Tax Exemption	07-19	-3.3	0.0	-3.3
	Sales Tax Break	07-19	-0.2	0.0	-0.2
	Sales Tax Exemption	07-19	-3.3	0.0	-3.3
	Sales Tax Collection	07-19	2.4	0.0	2.4
	Sales Tax Collection	04-20	20.0	0.0	20.0
North Carolina	Require marketplace-seller collections	02-20	62.1		62.1
Ohio	Exempt sales of feminine hygiene products	04-20	-1.1	0.0	-1.1
Total Revenue Changes—Sales Tax			\$59.6	\$0.0	59.6
PERSONAL INCOME TAXES					
Georgia	Income Tax Credits	07-19	-\$38.5	\$0.0	-\$38.5
	Income Tax Deduction	07-19	0.0	0.0	0.0
Idaho	Tax Conformity	01-20	-6.6		-6.6
Indiana	Internal Revenue Code conformity update from the Consolidated Appropriation Act 2020	01-20	-7.9		-7.9
Maine	Adjust revenue for tax conformity	03-20	-2.7		-2.7
North Carolina	Increase standard deduction	01-20	-\$80.3		-\$80.3
Ohio	Delay repeal of campaign contribution credit until taxable year 2020	04-20	-2.9	-0.1	-3.0
	Delay repeal of credit for pass-through entity investor's share of financial institutions tax paid until taxable year 2020	04-20	-5.1	-0.2	-5.3
	Repeal tax law provisions that would have disallowed the business income deduction and 3% tax rate on income that did not meet the definition of "eligible business income" (i.e., attorneys and lobbyists)	04-20	-25.0	-0.9	-25.9
Rhode Island	Correction to reflect gross contingency fee revenue	07-19	2.1		2.1
Wisconsin	Reduction of 2nd bracket from 5.84% to 5.21%.	01-19	-166.9		-166.9
	Reduction in the bottom two brackets from 4.00% and 5.21% to 3.86% and 5.04%, respectively.	01-19	-77.3		-77.3
Total Revenue Changes—Personal Income Tax			-\$355.4	-\$1.2	-\$412.2
CORPORATE INCOME TAXES					
Georgia	Income Tax Credits	07-19	-\$1.5	\$0.0	-\$1.5
Maine	Adjust revenue for tax conformity	03-20	-0.2		-0.2
New York	Exempt a portion of global intangible low-taxed income (GILTI) from tax	01-20	-27.0	-5.0	-32.0
North Carolina	Market-based sourcing	01-20	3.0		3.0
Total Revenue Changes—Corporate Income Tax			-\$25.7	-5.0	-30.7

Table A-3 continues on next page.

TABLE A-3 (CONTINUED)

Enacted Mid-Year Revenue Changes by Type of Revenue, Fiscal 2020

State	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
			General Fund	Other State Fund	Total
CIGARETTE / TOBACCO TAX					
California	E-Cigarette Nicotine Tax	01-20		\$32.0	\$32.0
Wisconsin	5 Cents/ml Tax on Vapor Liquids or Substances	10-19	\$2.3		2.3
Total Revenue Changes—Cigarette / Tobacco Tax			\$2.3	\$32.0	\$34.3
MOTOR FUEL TAX					
Wisconsin	Decrease Licensed Motor Vehicle Fuel Supplier Administrative Allowance from 1.35% to 0.65%	01-20		\$2.8	\$2.8
	Eliminate Retailer Refunds for Evaporation	01-20		2.1	2.1
Total Revenue Changes—Motor Fuel Tax			\$0.0	\$4.9	\$4.9
GAMING TAX / LOTTERY REVENUE					
Michigan	New Gaming, Sports Betting	12-19	\$0.0	\$4.4	\$4.4
Total Revenue Changes—Gaming Tax / Lottery Revenue			\$0.0	\$4.4	\$4.4
OTHER TAXES AND REVENUES					
North Carolina	Remove double taxation for franchise taxpayer	01-20	-\$4.0		-\$4.0
Rhode Island	Reduction in Insurance gross premiums due to projected change in Medicaid spending	07-19	-0.4		-0.4
Washington	Aerospace B&O Taxes	04-20	18.0	\$0.0	18.0
Total Revenue Changes—Other			\$13.6	\$0.0	\$13.6
FEES					
California	State Emergency Telephone Network Account (SETNA) Surcharge net increase (at half-year implementation).	01-20		\$55.1	\$55.1
Georgia	Title Ad Valorem — Leasing	07-19	-\$2.4	0.0	-2.4
Utah	Shifts sales of medical cannabis from state stores to private pharmacies	09-20		-3.4	-3.4
Wisconsin	Increase State Vehicle Registration Fee from \$75 to \$85	10-19		28.0	28.0
	Increase State Vehicle Registration Fee for Light Trucks under 6,000 lbs. to \$100	10-19		10.9	10.9
	Increase State Vehicle Title Fee by \$95 to \$164.50	10-19		114.7	114.7
Total Revenue Changes—Fees			-\$2.4	\$205.3	\$202.9

TABLE A-4

Enacted Mid-Year Revenue Measures, Fiscal 2020

State	Tax Type	Tax Change Description	Effective Date	Fiscal 2020 Revenue Impact (\$ in millions)		
				General Fund	Other State Fund	Total
Connecticut	Other Taxes and Revenues	Health Provider Taxes — Revised downward pursuant to a settlement with the hospital industry	12-20	-\$10.0		-\$10.0
	Other Taxes and Revenues	Refunds of Taxes — Revised upward pursuant to a settlement with the hospital industry	12-20	-70.0		-70.0
	Other Taxes and Revenues	Federal Grants Revenue — Revised upward pursuant to a settlement with the hospital industry	12-20	62.9		62.9
	Other Taxes and Revenues	Transfers From Other Funds — Revised upward pursuant to a settlement with the hospital industry	12-20	100.6		100.6
Michigan	Personal Income Tax	Fund Transfer	03-20	-173.1	\$173.1	0.0
Ohio	Personal Income Tax	Reduce employer withholding tax rates by 4.0%	01-20	-178.2	-6.2	-184.4
Rhode Island	Other Taxes and Revenues	Transfers from Quasi-public agencies	Transfer by 6/30/20	15.9		15.9
	Other Taxes and Revenues	Transfers from closed bond project accounts	Transfer by 6/30/20	0.3		0.3
	Other Taxes and Revenues	Transfer surplus funds from restricted receipt accounts	Transfer by 6/30/20	0.5		0.5
Wisconsin	Sales & Use Tax	Require Internet Marketplaces to Collect Sales and Use Tax on 3rd Party Sales Facilitated by the Marketplace	01-20	33.5		33.5
Total				-\$217.6	\$166.9	-\$50.8

TABLE A-5

Fiscal 2022 State General Fund, Recommended (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Kentucky*	\$85.2	\$12,156.7	\$465.0	\$12,706.9	\$12,376.9	\$330.1	\$0.0	\$316.1

NOTES: Kentucky opted to provide fiscal 2022 data based on the governor's biennial budget recommendation. In addition, the governors of Virginia and Wyoming recommended fiscal 2021–2022 biennial budgets. *Revenue includes \$103 million in Tobacco Settlement funds. Adjustment for Revenues includes \$320.1 million that represents appropriation balances carried over from the prior fiscal year, and \$153.2 million from fund transfers into the General Fund. Adjustment to Expenditures represents appropriation balances forwarded to the next fiscal year.

TABLE A-6

Fiscal 2022 Recommended Program Area Adjustments by Dollar Value (Millions)

State	K–12 Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	Other	Total
Kentucky	\$69.7	\$18.2		\$163.6	\$8.7	\$1.7	\$38.1	\$300.0

NOTE: Kentucky opted to provide fiscal 2022 data based on the governor's biennial budget recommendation. Value of changes are in reference to funding level of FY 2020 enacted budget.

TABLE A-7

Strategies Used to Manage Budget, Fiscal 2022

State	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
Kentucky									

State	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Other (Specify)
Kentucky					X	X		

NOTE: Kentucky opted to provide fiscal 2022 data based on the governor's biennial budget recommendation.

TABLE A-8

Recommended Revenue Actions by Type of Revenue, Fiscal 2022

State	Revenue Type	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact (\$ in millions)		
				General Fund	Other State Fund	Total
Kentucky	Other Taxes and Revenues	Raise minimum limited liability entity tax	07-20	\$8.2		\$8.2
	Cigarette/Tobacco Tax	Raise cigarette tax by 10 cents, increase other tobacco products taxes to parity with cigarette tax, new e-cigarette/vaping tax	07-20	43.9		43.9
	Gaming Tax	Sports wagering	07-20	22.5		22.5
Total				\$74.6		\$74.6

TABLE A-9

Recommended Revenue Measures, Fiscal 2022

State	Revenue Type	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact (\$ in millions)		
				General Fund	Other State Fund	Total
Kentucky	Other Taxes and Revenues	Enhanced revenue collection effort	07-20	\$29.2		\$29.2
		Known settlements	07-20	5.6		5.6
		Abandoned property security sales	07-21	15.0		15.0
Total				\$20.6	\$0.0	\$20.6