



Summaries of Fiscal Year 2026 Enacted Budgets

September 4, 2025

This document details summaries of enacted budgets for fiscal 2026. Also included are links to enacted budgets and supporting documents. If you would like additional information, please contact [Brian Sigritz](#) at 202-624-8439.

Overview of Enacted Budgets

As of September 4, 47 states and one territory have enacted a full-year budget for fiscal 2026. Twenty-nine states enacted a one-year budget for fiscal 2026, while 15 states enacted a two-year budget for fiscal 2026 and fiscal 2027. Kentucky, Virginia, and Wyoming previously enacted a biennial budget for both fiscal 2025 and fiscal 2026, with Virginia approving revisions to its current biennial budget during its 2025 legislative session. Michigan, North Carolina, and Pennsylvania have yet to enact a complete budget for fiscal 2026; however, Michigan's fiscal year does not begin until October 1.

Forty-six states begin their fiscal year on July 1 (New York begins its fiscal year on April 1, Texas on September 1, and Alabama and Michigan on October 1). Puerto Rico begins its fiscal year on July 1, while the District of Columbia, Guam, and the U.S. Virgin Islands begin their fiscal year on October 1.

Fiscal Profile

Similar to fiscal 2026 proposed budgets, most fiscal 2026 enacted budgets are calling for modest increases in total state spending (which includes both state and federal funds). However, some enacted budgets are assuming slight declines. The slower growth in total state spending compared to prior years has been impacted by a number of factors including states having already spent the vast majority of additional federal funding from the American Rescue Plan Act (ARPA) and other federal COVID relief bills as well as less one-time spending from prior surplus funds, which were largely derived from tax collections exceeding forecast in the years following the start of the pandemic. Enacted budgets also call for a modest increase in general fund spending as states remain

focused on maintaining structural balance. States based their enacted budgets on revenue forecasts that largely project slow growth in revenue for a fourth consecutive year. In a number of states, revenue forecasts were revised downward in the time period between budget release and budget enactment as states were contending with economic and federal uncertainty. While states are facing tighter budgets, most enacted budgets either maintained or increased the size of their rainy day fund to help safeguard against future downturns.

Priorities in Enacted Budgets

Fiscal 2026 enacted budgets focused on fiscal discipline and strategic investments. States prioritized maintaining structural balance while targeting funding in core policy areas. In a number of states, governors also issued line-item vetoes to help control spending. Many new initiatives were centered around enhancing affordability, bolstering the quality of life, and promoting long-term economic growth.

In the area of **elementary and secondary education**, investments included targeted funding increases, particularly formula-based and per-pupil funding; teacher and staff pay raises and recruitment/retention strategies; the expansion of early childhood education; literacy initiatives; student support services; and school choice initiatives in many states. Funding increases for **higher education** were directed towards operating support; financial aid expansion; community college investments; and capital project funding.

Concerning **health and human services**, major priorities included expanded Medicaid funding and provider reimbursement rate increases; behavioral health initiatives; maternal and child health; affordable housing initiatives and homelessness services; childcare affordability and access

improvements; and support for veterans, seniors, and underserved populations. Investments in **public safety** were aimed at pay raises for public safety personnel; recruitment and retention initiatives to address staffing shortages; facility upgrades; and targeted initiatives for crime prevention, human trafficking enforcement, and fentanyl response.

Enacted budgets for **infrastructure** were directed towards overall increases in state support for transportation and major transportation projects; water infrastructure modernization; state facility maintenance and enhancements; environmental programs; and disaster recovery and preparation. Enacted budgets also emphasized strengthening the **workforce and economy** through training and apprenticeship programs; efforts to attract and retain state employees; rural development initiatives; and targeted industry investments.

In the area of **taxation**, states enacted a range of revenue changes including those aimed at both tax relief measures and revenue enhancements. This mix contrasts somewhat from recent years when most measures were aimed at providing tax relief. Enacted tax changes included further reductions to personal income tax rates, property tax relief, business tax cuts, expanded sales tax holidays, targeted tax credits, increased personal income taxes on high earners, expanded capital gains taxes, cigarette and cannabis tax hikes, and increased rates on sports betting.

Outlook

States are currently experiencing tightening budget conditions. In this environment, new money is limited, states are facing budget pressures in a number of areas, revenue growth has slowed, and general fund expenditures are outpacing revenues in a number of states. Additionally, states are contending with economic uncertainty, declining federal funds, and revenue impacts from the One Big Beautiful Bill Act. As states move through fiscal 2026, they will continue to manage expectations, make decisions on what areas to prioritize, and remain committed to fiscal responsibility.

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ALABAMA

On May 5, Alabama Governor Kay Ivey signed the fiscal 2026 budgets for the General Fund and Education Trust Fund. The General Fund budget totals \$3.7 billion, an increase of \$315.2 million, or 9.4 percent, over budgeted fiscal 2025. The Education Trust Fund budget totals \$9.9 billion, an increase of \$559.7 million, or 6.0 percent, over the enacted fiscal 2025 budget. The General Fund revenue estimate for fiscal 2026 is \$3.4 billion, a decrease of 1.7 percent from fiscal 2025 while the Education Trust Fund revenue estimate is \$11.1 billion for fiscal 2026, an increase of 1.8 percent.

The General Fund funds investments in multiple areas. The budget allocates additional funds to Medicaid, the judicial system, the Department of Corrections, District Attorneys, and the Department of Forensic Sciences. Other areas receiving increased funding includes the Children’s Health Insurance Program, Department of Human Resources, Department of Mental Health, Department of Senior Services, and the State Law Enforcement Agency. The budget also increases the state’s contribution to employee health insurance. In the Education Trust Fund, priorities receiving additional funds include the

community college system (with increases for dual enrollment and prison education), the Department of Early Childhood Education, the Foundation Program in the Local Boards of Education, the Alabama Numeracy Act and Reading Initiative, summer and afterschool program, and the Commission on Higher Education. Other investments include the School of Healthcare Sciences, the Department of Human Resources (including child care and afterschool programs), the Department of Mental Health, the Department of Rehabilitation Services, and the Department of Youth Services.

Enacted Budget Information

[General Fund Spreadsheet](#)

[Education Trust Fund Spreadsheet](#)

[Revenue Estimates](#)

[Press Clip](#)



ALASKA

Alaska Governor Mike Dunleavy signed the state’s fiscal 2026 budget into law on June 12, while announcing a series of line-item vetoes. Total appropriations from all fund sources, including both operating and capital, are \$14.73 billion, a 4.0 percent decrease from fiscal 2025. The budget provides for total operating expenditures (excluding capital) of \$11.85 billion in fiscal 2026, a 3.4 percent decrease from fiscal 2025. The enacted budget includes \$5.10 billion in unrestricted general funds spending (a 1.8 percent decrease), \$912.9 million in designated general fund spending (a 5.1 percent decrease), \$1.99 billion in other spending (a 2.1 percent increase), and \$3.85 billion in federal spending (a 7.7 percent decrease). The budget also calls for capital appropriations of \$2.88 billion, a 20.4 percent decrease from fiscal 2025. Additionally, the budget includes a Permanent Fund Dividend of \$1,000 for each eligible Alaskan. Total state revenue is estimated at \$15.68 billion in fiscal 2026 (a 6.1 percent decrease from fiscal 2025), while unrestricted revenue is estimated at \$2.33 billion (a 9.4 percent decrease from fiscal 2025).

In signing the budget, the governor announced line-item vetoes reducing the operating budget by \$122 million. The governor noted the vetoes represent the reality of Alaska’s current fiscal situation, in that revenue projections have declined since the spring and oil price outlooks continue to fluctuate, calling into question if expenditures can be supported. The governor added difficult decisions were made as a result of thorough evaluation to prudently invest in agency operations including prioritizing increased funding for education.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Budget Details](#)

[Veto Summary](#)

[Revenue Forecast \(March 2025\)](#)

[Governor’s Press Release](#)



ARIZONA

Arizona Governor Katie Hobbs signed the state's fiscal 2026 budget into law on June 27. General fund spending in the enacted budget totals \$17.6 billion in fiscal 2026, including \$16.53 billion in ongoing expenditures and \$1.04 billion in one-time expenditures. This reflects an 8.1 percent increase in general fund spending, including a 6.5 percent increase in ongoing expenditures, compared to fiscal 2025 levels. The enacted budget assumes ongoing net general fund revenue (after urban revenue sharing and newly enacted revenue changes) of \$16.6 billion (a 3.9 percent increase over fiscal 2025), a beginning balance of \$1.1 billion, and other one-time revenues and transfers of \$93 million. The fiscal 2026 enacted budget projects a \$209 million general fund ending balance and an ongoing (structural) balance of \$60 million.

The "bipartisan and balanced Arizona Promise budget" makes investments to "expand opportunity, security, and freedom in our state," said the governor. The budget includes 5 percent pay raises for state troopers, as well as targeted funds for border security, county jail reentry programs, anti-human trafficking efforts, and backfilling federal cuts to the Victims of Crime Act. The enacted spending plan also makes investments to expand childcare access, eliminate co-pays for reduced price school meals, and support homelessness services. To secure the state's water future and build resilience, the budget includes 15 percent pay raises for state firefighters, additional funding to the

Wildland Fire Suppression Fund and Colorado River litigation fund, and other programs. For education, the budget fully funds the K-12 system, invests in school facilities, directs funds to increase bonding capacity for higher education capital projects, and makes investments in the Arizona Promise Program and the Arizona Community College Promise Program. The budget also includes a series of investments to expand access to health care, including in rural and underserved areas.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Final Budget Bills - JLBC Staff Analysis](#)

[Governor's Press Release](#)



ARKANSAS

In April, Arkansas Governor Sarah Huckabee Sanders signed the state's budget bill for fiscal 2026. The budget totals \$6.5 billion, a 2.9 percent increase from fiscal 2025 levels. Fiscal 2026 estimated gross general revenues are \$8.3 billion while net available general revenues are \$6.7 billion, an increase of \$152.8 million or 2.3 percent from fiscal 2025 levels. The revenue forecast is expected to fully fund the budget and provide a surplus of \$185.1 million.

The budget includes spending for a performance fund to support the governor's new state employee pay plan that aims to clarify promotion ladders and improve recruitment and retention by raising some salaries. The budget also provides additional funds

for the state's Education Freedom Account program, increases county jail reimbursements, and increases funding for the Department of Human Services to support maternal health.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Fiscal Year 2026 Revenue Stabilization
Law Allocations](#)

[Economic Forecast](#)



CALIFORNIA

Governor Gavin Newsom signed the state’s fiscal 2026 budget into law on June 27. The budget provides for total state expenditures (excluding federal funds) of \$321.1 billion for fiscal 2026. This includes \$228.4 billion in general fund spending, a 2.2 percent decrease from fiscal 2025. The budget is based on forecasted general fund revenues of \$208.6 billion before transfers, representing a 6.0 percent decrease from fiscal 2025. The budget also provides for a revenue transfer from the state’s rainy day fund, the Budget Stabilization Account (BSA), to the general fund of \$7.1 billion. After transfers, the enacted budget projects a balance of \$11.2 billion in the BSA. Additionally, the budget projects a general fund ending balance of \$22.5 billion, including \$4.5 billion in the Special Fund for Economic Uncertainties (SFEU) – the state’s discretionary reserve account – and the remainder in the Reserve for Liquidation of Encumbrances. The ending balance and rainy day fund balance combine to an estimated total balance of \$33.7 billion for fiscal 2026.

The budget for fiscal 2026 includes targeted investments in education, health care, housing, and other areas focused on supporting the residents of California, while also addressing a projected \$11.8 billion budget deficit. The budget includes statutory changes to reduce regulations and streamline housing and infrastructure production to address the state’s housing affordability challenges, while also making one-time

investments in the Low-Income Housing Tax Credit and the Homelessness Housing, Assistance, and Prevention Program. The budget also continues investments in other key priorities, including: funding to support full implementation of universal transitional kindergarten; expanding before, after, and summer school programs; a one-time block grant to help school districts set up learning recovery initiatives; one-time funds for specialized equipment and training to support universal school meals; continued Encampment Resolution Fund grants; spending authority to support recovery efforts from the Los Angeles Fire; infrastructure funds for the City of Fresno; and a series of investments to strengthen CAL Fire personnel capacity. Additionally, the budget provides tax relief for veterans by excluding military retirement income from taxation. Meanwhile, to address the projected deficit, the budget makes targeted spending reductions to ongoing programs, in addition to other budget management strategies including borrowing from other funds, fund shifts, and a scheduled withdrawal from the state’s rainy day fund.

Enacted Budget Information

- [Fiscal Year 2026 Enacted Budget](#)
- [Budget Summary](#)
- [Governor’s Press Release](#)



COLORADO

Colorado Governor Jared Polis signed the state’s fiscal 2026 budget bill into law on April 28. According to the Long Bill Narrative released by the Joint Budget Committee, the budget includes \$46.53 billion in operating appropriations from all funds and \$16.92 billion in general fund operating appropriations. This represents a 3.5 percent increase in total fund spending and a 7.1 percent increase in general fund spending over fiscal 2025 levels. After accounting for rebates and other expenditure adjustments, transportation and capital projects, and transfers and diversions, general fund spending obligations total \$18.05 billion, a decrease of \$351 million from fiscal 2025. The enacted budget leaves an ending balance in the General Fund Reserve of \$2.4 billion. The budget is based on a gross general fund revenue forecast of \$18.0 billion for fiscal 2025.

The budget prioritizes fiscal responsibility while making investments in education, public safety, health care, and

economic development. The budget increases funding for Colorado schools to jumpstart the new, student-centered school finance formula and includes additional funds to support special education funding. Additionally, the budget makes investments in public safety by providing funding for public safety communication infrastructure, addressing youth delinquency, and implementing Colorado’s Proposition KK which designates spending to crime victims’ services. The budget also maintains Colorado’s fiscal reserves.

Enacted Budget Information

- [Fiscal Year 2026 Enacted Budget](#)
- [Joint Budget Committee Long Bill Narrative](#)
- [Governor’s Press Release](#)



CONNECTICUT

On June 30, Connecticut Governor Ned Lamont the state's budget covering fiscal years 2026 and 2027. The budget (per the fiscal note) provides total funds of \$27.2 billion in fiscal 2026, an increase of \$1.2 billion, or 4.6 percent, over fiscal 2025, and total funds of \$28.6 billion in fiscal 2027, an increase of \$1.4 billion, or 5.3 percent, over fiscal 2026. General fund appropriations are \$24.03 billion in fiscal 2026 (an increase of \$1.2 billion, or 5.4 percent, over fiscal 2025) and \$25.4 billion in fiscal 2027 (an increase of \$1.3 billion, or 5.5 percent, over fiscal 2026). The Consensus Revenue estimate for the general fund is \$23.8 billion in fiscal 2026, an increase of 0.3 percent over fiscal 2025, and \$24.4 billion in fiscal 2027, an increase of 2.8 percent over the prior year.

The governor noted the budget is balanced and under the spending cap, while providing predictability and stability for residents, businesses, and municipalities and holds the line on taxes while keeping the state on a sound fiscal path. The budget makes investments across multiple areas including education, health and human services, and housing. In early childhood

education the budget establishes the Early Childhood Education Endowment that will be used to make additional early childhood education slots available and enroll more children. The budget fully funds the K-12 Education Cost Sharing grants for towns and cities and makes historic levels of investments to support special education. For health and human service providers the budget allocates additional funds to annualize fiscal 2025 increases plus a 3 percent increase in fiscal 2027 for private providers; it also provides funds to support the group home settlement over the biennium. Housing investments included in the enacted budget support eviction prevention and homelessness resources.

Enacted Budget Information

[Fiscal Year 2026-2027 Enacted Budget](#)

[Fiscal Note](#)

[Governor's Press Release](#)

[Consensus Revenue Estimate](#)



DELAWARE

On June 30, Delaware Governor Matt Meyer signed the state's fiscal 2026 budget. The budget provides for \$6.5 billion in general fund operating spending and stayed within the governor's "Budget Reset" growth rate of 7.37 percent. The governor also signed the state's one-time supplemental appropriation bill providing \$37 million for one-time expenditures, as well as the state's grants-in-aid bill and capital budget bill ("Bond Bill") for fiscal 2026. The state's revenue forecast released in June 2025 estimates net general fund revenues totaling \$6.78 billion for fiscal 2026, a 1.2 percent increase over fiscal 2025. The budget is also based on estimated unencumbered funds of \$446.9 million. The budget maintains a balance in the rainy day fund (known as the "Budget Reserve Account") of \$365.4 million, in addition to \$469.2 million in the separate Budget Stabilization Fund.

The enacted budget invests in priority funding items in areas such as education, healthcare, and housing. For education, the budget includes funding for projected growth in K-12 schools and raising teacher pay, increased mental health support in schools, the creation of an Early Literacy Emergency Fund, teacher-driven projects, disciplinary needs, and a voluntary cell phone pouch pilot program. For healthcare, the budget directs

funds towards reducing other post-employment benefits (OPEB) liabilities, covering the state share of state employee and state retiree health insurance premiums, residential and childhood lead prevention and remediation, and eliminating medical debt. For housing, the budget invests in initiatives focused on workforce housing, affordable rental housing, urban redevelopment, and the Strong Neighborhood Housing Fund.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Fiscal Year 2026 One-Time
Supplemental Budget](#)

[Fiscal Year 2026 Capital Budget](#)

[Fiscal Year 2026 Grants-in-Aid Budget](#)

[Governor's Press Release](#)

[Revenue Forecast \(June 2025\)](#)

[House Press Release](#)

[Fiscal 2026 Revenue Resolution](#)

On June 30, Florida Governor Ron DeSantis signed the fiscal 2026 budget after vetoing \$567 million in spending. The budget, as provided by the General Appropriation Act, totals \$115.1 billion in all funds, a decrease of \$3.5 billion, or 2.9 percent, compared to the fiscal 2025 budget (as cited in the governor's recommended budget agency report). The general revenue portion of the fiscal 2026 budget is \$50.6 billion, an increase of \$797.2 million, or 1.6 percent, over the fiscal 2025 budget. The March 2025 revenue estimating conference estimated net general revenues of \$50.2 billion for fiscal 2026, an increase of 1.9 percent over the updated fiscal 2025 estimate. The state has total reserves of \$15.7 billion, including \$4.9 billion in the state's rainy day funds.

The budget continues the governor's commitment to fiscal responsibility and funds several priorities including teacher pay, law enforcement compensation, education, Everglades restoration, water quality initiatives, and transportation. In education the budget provides the highest per student investment ever for K-12 public schools while covering the costs of more than 429,000 students projected to participate in the state's school choice program. The budget also provides salary increases for teachers and other instructional personnel while investing in early childhood education, school safety, and civics engagement programs. For economic development, the budget invests in the state's transportation network, Job Growth Grant Fund to support local infrastructure and workforce training projects, and the Rural Infrastructure Fund, along with funds for workforce housing. The budget increases pay for state sworn law enforcement officers, including an increase in the minimum annual base pay rate to \$60,000. Investments in the Everglades restoration are included in the budget, along with funds to support targeted water quality improvements.

Other priorities in the budget include funds to support the citrus industry; disaster response, recovery and mitigation; mental health resiliency; children and families; and veterans. The enacted budget also provides \$2 billion in tax relief including permanently repealing the business rent tax, renewing and expanding several sales tax holidays, and various exemptions for data centers.

Enacted Budget Information

[Fiscal Year 2026 Bill Text](#)

[Veto Letter](#)

[Governor's Press Release](#)

[Revenue Estimating Conference](#)



GEORGIA

On May 9, Georgia Governor Brian Kemp signed the state's fiscal 2026 budget after several vetoes. Total appropriations from all funds are \$73.1 billion in fiscal 2026. Appropriations from state funds total \$37.76 billion, an increase of \$1.6 billion, or 4.5 percent, over the original fiscal 2025 budget. State general fund appropriations are allocated \$32.5 billion, an increase of \$1.2 billion, or 3.8 percent, over the original fiscal 2025 budget. The fiscal 2026 budget is set by a revenue estimate of \$37.76 billion, an increase of 4.5 percent over the original fiscal 2025 budget. The state's rainy day fund, the Revenue Shortfall Reserve, was filled at \$5.5 billion in fiscal 2024. Current law provides that the reserve cannot exceed 15 percent of the previous fiscal year's net revenue.

The budget makes important investments to meet the needs of the growing state across multiple areas including education, public safety, and health and human services. Under Educated Georgia, the budget funds early education investments to reduce Pre-K classroom size and provide 500 additional state funded slots in the Childcare and Parent Services Program. K-12 schools received additional funds for enrollment growth and training, growth in the State Commission Charter Schools supplement, new student support services including mental health support grants, pupil transportation, and statewide literacy initiatives. Under Healthy Georgia, the budget annualizes funding for provider rates and increases slots for services for people with

intellectual and/or developmental disabilities, funds a new behavioral health crisis center, allocates additional funds for Medicaid and PeachCare (including funds for new high-cost drugs), and increases certain reimbursement rates. Under Safe Georgia, the budget increases funds to reflect increased retention of community supervision officers, adds correctional officer positions to improve staff to offender ratios, addresses correctional officer salary compression and recruitment/retention, provides a 4 percent salary increase for juvenile correctional officer staff, funds an 8 percent salary increase for behavioral health counselors, and increases private prison beds and per diem rates at private prison facilities. The budget also allocates additional funds for utilization growth and increased costs of care in Out-of-Home care, a \$3,000 salary enhancement for human services eligibility caseworkers, an expansion of the maternal health pilot, and additional positions at the Central Crime Lab.

- Enacted Budget Information
- [Fiscal Year 2026 Enacted Budget](#)
- [Governor's Press Release](#)
- [Budget in Brief](#)
- [Legislative Budget Presentation](#)



HAWAII

Hawaii Governor Josh Green signed the state's biennial fiscal 2026-2027 budget into law on June 30, following a series of line-item vetoes totaling \$110 million. The enacted budget provides for total spending of \$19.8 billion in fiscal 2026 and \$19.7 billion in fiscal 2027. General fund spending totals \$10.53 billion in fiscal 2026 and \$10.58 billion in fiscal 2027. The budget also appropriates \$3.30 billion in fiscal 2026 and \$2.3 billion in fiscal 2027 for capital improvement projects. General fund tax revenues from the March forecast are projected at \$9.82 billion in fiscal 2026, a 2.25 percent decrease from fiscal 2025, and \$10.10 billion in fiscal 2027, a 2.9 percent increase from fiscal 2026.

In signing the budget, the governor noted his line-item vetoes were in response to ongoing uncertainty in federal funding coupled with reduced projections provided by the Hawaii Council on Revenues.

The reductions were aimed at maintaining a balanced budget to ensure continued commitment to the most crucial funding obligations in the state. The enacted budget focuses on providing funding to the governor's priorities of easing the cost-of-living burden, housing and homelessness, education, climate and environmental resilience, Maui recovery, healthcare, and public safety.

- Enacted Budget Information
- [Fiscal Years 2026-2027 Enacted Budget Conference Committee Report](#)
- [Governor's Press Release](#)
- [Revenue Forecast \(March 2025\)](#)



Idaho Governor Brad Little signed a series of bills comprising the state’s fiscal 2026 budget. The enacted budget calls for \$5.62 billion in general fund appropriations, a 6.8 percent increase over original enacted levels for fiscal 2024. The budget is based on general fund revenues, before tax policy changes, of \$6.40 billion for fiscal 2026, representing projected growth of 5.6 percent compared to fiscal 2025 estimates. When incorporating income tax changes, property tax relief, and other tax reductions, as well as transfers to various other state funds, total resources or net revenues for fiscal 2026 (including the beginning balance) are estimated at \$6.06 billion. The state’s estimated general fund ending balance for fiscal 2026 is \$440 million. Additionally, the state is projected to end fiscal 2026 with combined reserves in the Budget Stabilization Fund, Public Education Stabilization Fund, Higher Education Stabilization Fund, 27th Payroll Fund, Idaho Millenium Fund and Emergency Funds totaling \$1.308 billion, or 22.1 percent of the fiscal 2026 general fund revenue estimate.

The budget makes key investments that align with the governor’s Keeping Promises plan. For education, the budget expands school choice and provides additional funding for rural school facilities, increased teacher pay, and literacy. Additionally, the budget includes resources to support reforms and transformation efforts in the state’s foster care system, as well as funding for additional seats at community and technical colleges. The enacted spending plan also adds a new prosecutor focused on combatting drug trafficking and funds a fentanyl awareness campaign for another year. To support the state’s transportation system, the budget funds a number of projects through a combination of bonds and direct appropriations.

The budget also delivers ongoing funding for water infrastructure projects as well as fire suppression activities. In addition to this range of targeted investments, the budget builds on previous tax relief efforts by incorporating additional tax cuts in enacted legislation. This includes reducing income tax rates, expanding the income tax exemption on military pension income, removing capital gains and losses for precious metal bullion, providing a parental choice tax credit, increasing the current food tax credit, and providing funds for further property tax relief. Also, the budget funds employee compensation increases equivalent to about a 5 percent increase statewide, though percentage increases vary by agency and certain job categories such as state troopers, engineers, health care, and information technology received additional funding.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Sine Die Report](#)

[Governor’s Press Release](#)

[Budget Activity Summary](#)



ILLINOIS

Illinois Governor JB Pritzker signed the state’s fiscal 2026 budget on June 16. The budget calls for general fund spending of \$55.08 billion in fiscal 2026, a 5.8 percent increase from fiscal 2025’s enacted level of \$52.05 billion. According to an April forecast, general fund revenues are projected at \$54.92 billion in fiscal 2026, a 1.9 percent increase from fiscal 2025’s revised level. The enacted budget assumes a general fund surplus of \$217 million. Additionally, the state’s Budget Stabilization Fund (rainy-day fund) has a forecasted balance of \$2.5 billion by the end of fiscal 2026.

The fiscal 2026 budget builds on Illinois’ fiscal progress while continuing transformative investments in early childhood, K-12 and higher education, health and social service programs, workforce and economic development, violence prevention efforts, as well as investments in natural resources and infrastructure. The budget deposits a projected \$161 million in the Budget Stabilization Fund, creates a \$100 million “bridge” reserve fund to help cover short-term emergencies and revenue shortfalls, sets aside \$75 million for additional contributions to adjust the pensionable earnings cap to the Social Security Wage

Base for State Tier 2 employees, and commits an additional \$200 million to reducing state pension liabilities. Highlights of the budget include support for historic site readiness initiatives, investments in the Evidence-Based Funding formula for schools, maintaining Early Childhood Block Grants, appropriations for a new Pharmacy Benefits Management program, funding for the Medical Debt Relief program, an increase for the Child Care Assistance Program, continued investments in Home Illinois, and prioritizing gun violence reduction programs.

Enacted Budget Information

- [Fiscal Year 2026 Enacted Budget](#)
- [Budget Highlights](#)
- [Enacted Budget Financial Walkdown](#)
- [Governor’s Press Release](#)
- [Revenue Forecast \(March 2025\)](#)



INDIANA

Indiana Governor Mike Braun signed the state’s biennial budget on May 6 with total appropriations from all funds of \$53.46 billion in fiscal 2026 and \$54.71 billion in fiscal 2027. Total general fund appropriations are \$22.77 billion in fiscal 2026, a 1.0 percent increase from fiscal 2025’s estimated level, and \$22.90 billion in fiscal 2027, a 0.56 percent increase from fiscal 2026. Total general fund revenues are forecasted to grow 2.3 percent in fiscal 2026 and 0.1 percent in fiscal 2027. The state projects a structural surplus of \$424.6 million in fiscal 2026 and \$270.2 million in fiscal 2027. Total general fund combined balances are projected at \$2.25 billion (or 9.8 percent of current year resources) in fiscal 2026 and \$2.30 billion (or 10.0 percent) in fiscal 2027.

The enacted budget is structurally balanced with forecasted annual revenues exceeding recurring annual expenditures in both fiscal 2026 and fiscal 2027. The budget recognizes a 5 percent reduction statewide on most line items, while funding Medicaid, meeting pension obligations, and providing strategic increases. In addition, state agencies are asked to identify

efficiencies through an additional 5 percent reserve on operating funds. While discussing the legislative session, the governor noted that despite challenges posed by economic uncertainty, the state embraced an entrepreneurial spirit, tightened the belts of state government, and passed a responsible biennial budget. In addition, the governor highlighted steps taken to make healthcare more affordable and transparent, empower parents to take the lead in their children’s education through universal school choice, and provide meaningful property tax relief for homeowners, farmers, and small businesses.

Enacted Budget Information

- [Fiscal Year 2026-2027 Enacted Budget](#)
- [Budget Information](#)
- [Budget Report](#)
- [Governor’s Press Release](#)



IOWA

On June 11, Iowa Governor Kim Reynolds finished acting on the various bills that comprise the fiscal 2026 budget. General fund appropriations total \$9.42 billion in fiscal 2026, an increase of \$478.9 million, or 5.4 percent, compared to fiscal 2025. General fund net receipts are estimated at \$8.51 billion in fiscal 2026, a decrease of \$626.7 million, or 6.9 percent, compared to fiscal 2025. The projected decline in revenue for fiscal 2026 is partly driven by previously approved tax cuts. The enacted budget includes a surplus carryforward of \$2.08 billion and a transfer from the Taxpayer Relief Fund of \$463.6 million, resulting in an ending balance/surplus of \$1.61 billion. Additionally, the balance of the Cash Reserve Fund is estimated at \$636.9 million at the end of fiscal 2026.

The enacted budget is focused on putting taxpayers first and keeping Iowa on a strong, fiscally sustainable path. During the legislative session, the governor signed unemployment insurance reform that reduces the taxable wage base by half, lowers the maximum tax rate, and simplifies the unemployment tax system. The governor also signed legislation focused on rural healthcare including attracting more physicians to the state and enhancing access to healthcare in rural Iowa by increasing

investments. Other legislation signed by the governor included a disaster assistance package in response to 2024 storms; new cancer research funding; paid maternity and paternity leave for state employees; Medicaid work requirements; the sunset of an existing economic development incentive program and the launch of new business incentives; the appropriation of Opioid Settlement funds to help address the opioid crisis; and a series of bills aimed at improving educational performance and reducing distractions in the classroom.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[End of Session Information](#)

[Legislative Fiscal Analysis](#)

[Governor's Press Release](#)



KANSAS

Kansas Governor Laura Kelly signed the state's budget bill for fiscal 2026 on April 9. According to the conference committee report, the fiscal 2026 all funds budget totals \$25.6 billion, a 5.4 percent decrease from fiscal 2025. General fund expenditures for fiscal 2025 total \$10.64 billion, a 1.9 percent decrease from fiscal 2025. General fund revenues for fiscal 2026 are projected to be \$9.8 billion, a 1.2 percent increase from the fiscal 2025 estimate. The enacted budget for fiscal 2026 projects the ending balance in the State General Fund to be \$1.3 billion, or 12.6 percent of total expenditures. This is separate from the \$1.7 billion that is projected to be in the Budget Stabilization Fund by the end of fiscal 2026.

The budget includes funding for programs that improve state resources for Kansans. The budget invests funds to safeguard Kansas' water supply. The budget makes investments in education including fully funding K-12 education, directing funds for special education state aid, expanding rural child care access, supporting higher education student success and retention initiatives, and providing additional funding for community

and technical colleges. The budget advances the economy by providing funds to support the aviation industry, attract businesses in the cybersecurity and biotechnology industries, and support rural remote workplaces. The budget also bolsters intellectual and developmental disability services funding.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Conference Committee Report](#)

[Governor's Press Release](#)



LOUISIANA

Louisiana Governor Jeff Landry signed the state's fiscal 2026 budget on June 20. The fiscal 2026 all funds budget totals \$53.51 billion, a 6.2 percent increase, or \$3.1 billion, from fiscal 2025. General fund expenditures for fiscal 2026 total \$12.21 billion, a 2.3 percent decrease, or \$281 million, from fiscal 2025. General fund revenues are projected to be \$12.29 billion for fiscal 2026.

The budget provides funds to: pay for salary stipends for public K-12 school teachers and support staff; restore a high dosage tutoring program at public schools; pay off debt at the University of New Orleans; increase the per diem rate to sheriffs for housing state inmates; increase funding for the Department of Children and Family Services; and address recruitment and retention issues at the Office of Motor Vehicles.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Budget Documents](#)

[Fiscal 2026 Budget Tracker](#)

[Summary of Fiscal 2026 Budget](#)

[Revenue Forecast \(May 2025\)](#)



MAINE

Maine Governor Janet Mills signed the state's current services budget for fiscal 2026-2027 into law on March 21 to ensure continued operations of state government, providing for \$11.3 billion in general fund spending. She called the legislature back into session to consider further budget investments, and subsequently, the governor signed an additional budget bill into law on June 23. According to a legislative staff summary, the biennial budget, after amendments, provides for general fund appropriations of \$11.64 billion total, including \$5.80 billion in fiscal 2026 and \$5.84 billion in fiscal 2027. This represents annual increases of 5.2 percent for fiscal 2026 and 0.8 percent for fiscal 2027. The budget is based on undedicated revenue projections of \$5.61 billion in fiscal 2026 (a 0.0 percent growth rate from fiscal 2025 estimated revenues) and \$5.77 billion in fiscal 2027 (a 3.0 percent annual increase). After other adjustments and transfers, total projected resources are estimated at \$5.74 billion in fiscal 2026 and \$5.75 billion in fiscal 2027. The biennial budget estimates a beginning general fund balance of \$157 million, and ending balances of \$100 million at the end of fiscal 2026 and \$7 million at the end of fiscal 2027.

The budget maintains fiscal constraint while making "important investments in Maine families, children, and seniors, our higher education institutions, housing, and more," said the governor in a press release. The budget provides one-time funding for urgent needs, including funds to close a deficit for fiscal 2025 in the state's MaineCare (Medicaid) program and to protect forests in the state from spruce budworm. The enacted budget also includes tax increases on cigarettes and cannabis, as well as new taxes on streaming and pensions.

Enacted Budget Information

[Fiscal 2026-2027 Enacted Budget](#)

[Fund Balance Summary](#)

[March 2025 Governor's Press Release](#)

[June 2025 Governor's Press Release](#)

[Press Clip](#)



On May 20, Maryland Governor Wes Moore approved the state's fiscal 2026 budget and separate legislation, the Budget Reconciliation and Financing Act of 2025. The budget provides \$67.0 billion in all funds appropriations, an increase of \$423.4 million, or 0.6 percent, from the fiscal 2025 budget (as noted in the Budget Highlights). The budget includes \$26.9 billion in general fund appropriations, a decrease of \$391.7 million, or 1.4 percent, compared to the fiscal 2025 budget. The March 2025 revenue forecast estimates general fund revenues of \$25.4 billion in fiscal 2026, an increase of 0.95 percent over the revised fiscal 2025 estimate. Final legislative action on the budget leaves a general fund cash balance of \$321.5 million in fiscal 2026 and an estimated balance of \$2.1 billion is projected for the Rainy Day Fund.

The budget turns a \$3 billion deficit into a surplus while preserving 8 percent in the Rainy Day Fund and delivering on three priorities the governor set at the beginning of the session: modernize the tax code, grow the economy, and invest in Marylanders. Final legislative action resulted in an increase in general fund revenues of \$1.2 billion in fiscal 2026 and \$1.3 billion in reduced general fund spending. Revenue increases are generated through several provisions including: applying a 3.0 percent sales tax on data/IT services; changes to the personal income tax, including establishing two new brackets for high income earners, phase-out of itemized deductions for certain income levels, repealing the phase-in of the standard deduction, increasing the standard deduction by 20 percent, and allowing the child tax credit to phase out; adding a surcharge of 2 percent on capital gains income for certain filers; increasing the tax rate on cannabis from 9 to 12 percent; and increasing the tax rate on sports wagering from 15 to 20 percent.

Spending priorities in the enacted budget include increases for K-12 education spending, a 1 percent general salary increase for state employees, restoring funds for developmental disabilities community services, grants for access to counsel, and restoring funds for cancer research. The budget increases general fund spending for several categories including community colleges, foster care payments, medical assistance, human services, juvenile services, and public safety.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Veto Letter](#)

[Fiscal Digest](#)

[Legislative Summary](#)

[Governor's Press Release](#)

[Revenue Estimate](#)

[Press Clip](#)



Massachusetts Governor Maura Healey signed the state’s fiscal 2026 budget into law on July 4. The fiscal 2026 budget provides for general appropriations of \$60.9 billion, after line item vetoes of \$130 million. This represents a 0.8 percent decrease compared to fiscal 2025 projected spending but a 5.5 percent increase over originally enacted appropriations for fiscal 2025. The state’s January 2025 baseline consensus revenue forecast projected state tax revenues at \$41.2 billion, excluding surtax revenue, reflecting 2.2 percent annual growth. The forecasting group also estimated \$2.4 billion in “fair share” revenue from the surtax for education and transportation initiatives. As of July 30, 2025, the Commonwealth Stabilization (or “rainy day”) Fund had a balance of \$8.64 billion.

The adopted budget focuses on improving affordability, economic growth, transportation, and education, while also limiting spending due to economic uncertainty and impacts of federal funding reductions. The enacted budget directs surtax revenue towards a series of education initiatives including MassEducate to make community college free for all, supporting literacy through Literacy Launch, and funding MASSGrant Plus scholarships, as well as transportation efforts including regional transit grants and income-eligible fare relief for mass transit. Also for education, the budget provides for a 7 percent spending increase to fully fund the fifth year of implementation of the Student Opportunity Act and additional funding for special education. The budget directs funding to stabilize the state’s public transit system (MBTA) and transfers a portion of fair share surtax revenue to the Commonwealth Transportation Fund to enhance borrowing capacity for infrastructure investments.

To make housing more affordable, the budget funds at least 10,000 housing vouchers for low-income tenants and eliminates broker’s fees paid by renters. The budget also increases health care affordability by extending the ConnectorCare expansion pilot program. Additionally, the budget increases funding to programs supporting veterans, including fully funding the HEROs Act that supports various benefits for the veteran population. In her Budget Filing Letter, the governor also noted the administration’s plans to continue the state’s hiring freeze, freeze salaries for certain employees, and delay funding earmarks, as well as her intent to file a supplemental budget to create a flexible reserve to respond quickly as needed to “time-sensitive federal actions and respond to critical unfunded spending needs for FY26.”

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Budget Filing Letter & Veto Document](#)

[Budget Downloads](#)

[Governor’s Press Release](#)

[Comptroller Commonwealth Stabilization Fund Reporting Model](#)

[Revenue Forecast \(January 2025\)](#)



MINNESOTA

On June 14, Minnesota Governor Tim Walz completed signing the bills that comprise the state's biennium budget for fiscal 2026-2027. The budget calls for \$67.0 billion in total expenditures in fiscal 2026 (a 4.0 percent decrease compared to fiscal 2025) and \$66.05 billion in total expenditures in fiscal 2027 (a 1.4 percent decrease compared to fiscal 2026). General fund spending is estimated to be \$32.99 billion in fiscal 2026 (a 7.1 percent decrease from fiscal 2025) and \$33.88 billion in fiscal 2027 (a 2.7 percent increase from fiscal 2026). Total non-dedicated revenues are estimated at \$32.22 billion in fiscal 2026 (a 3.4 percent increase from fiscal 2025) and \$32.60 billion in fiscal 2027 (a 1.2 percent increase from fiscal 2026). The budgetary balance at the end of the fiscal 2026-2027 biennium is estimated at \$1.89 billion, and the Budget Reserve is projected to be \$3.18 billion.

The enacted budget includes the largest reduction in state spending in state history while preserving investments focused on the goal of making Minnesota the best state in the country to

raise a child. Priorities in the budget bills include universal school meals, paid family and medical leave, tax cuts for seniors, and investments in childcare and infrastructure. The governor noted the bipartisan budget is the result of hundreds of hours of good-faith, bipartisan debate on the best ways to improve the health, safety, and wellbeing of Minnesotans.

Enacted Budget Information

[Fiscal Years 2026-2027 Enacted Budget](#)

[Legislative Session Tracking Sheets](#)

[Governor's Press Release - Budget Signing](#)

[Governor's Press Release - End of Session](#)



MISSISSIPPI

Mississippi Governor Tate Reeves signed the fiscal 2026 budget on June 19 authorizing \$7.86 billion in state support funds, a decrease of \$514 million, or 6.1 percent, from fiscal 2025. General fund appropriations total \$7.14 billion in fiscal 2026, an increase of \$62 million, or 0.9 percent over fiscal 2025. General fund revenues are projected at \$7.63 billion, a 0.4 percent increase from the current year. The budget sets aside 2 percent of projected revenue, or \$152.5 million, as required by law. The legislature retained \$2.76 billion in reserve funds that is available to address shortfall in revenues or fiscal 2026 deficits.

The budget provides funding for a health insurance rate increase of 6.5 percent and a 0.5 percent increase for Public Employees' Retirement System employer contributions. The budget fully funds the Mississippi Student Funding Formula, provides an increase in the Educational Scholarship Account Program and for National Board Certification supplements, and allocates funds for the Mississippi Teacher Residency Program. The budget also includes additional funding for the Division of Medicaid

for operational expenditures due to a reduction of the FMAP rate and the increased cost of mandated medical services. Additionally, the budget provides funds to the Department of Corrections for increases in the medical program and to increase the per diem at all regional facilities.

Enacted Budget Information

[2025 Legislative Session Budget Summary](#)



On June 30, Missouri Governor Mike Kehoe completed signing the 20 bills that comprise the state’s fiscal 2026 budget. The budget calls for \$51.82 billion in total spending after recommended vetoes, a 1.3 percent increase from fiscal 2025. Fiscal 2026 general revenue spending is estimated at \$15.74 billion (a 4.4 percent increase), federal funds \$24.55 billion (a 1.4 percent increase), and other funds \$11.54 billion (a 3.0 percent decrease). When signing the appropriations bills, the governor issued 208 line-item vetoes, totaling nearly \$300 million in general revenue, and 32 expenditure restrictions, totaling \$211 million in general revenue. Net general fund revenue collections are projected at \$13.56 billion, a 1.6 percent increase over the revised forecast for fiscal 2025.

In signing the budget, the governor said that while he exercised veto authority to rein in unsustainable spending, he is proud to support smart policies for advancing the shared vision of a safer, stronger, and more prosperous Missouri. In the area of public safety, the budget includes new funding to assist local communities who prioritize public safety with equipment and training needs; investments for fentanyl testing in wastewater systems at schools; and support for the Missouri sheriff’s retirement system. Concerning economic development, the budget includes funding for rural road improvements; grant funding opportunities to help make more childcare slots available for Missouri families; and new funding to address needs of career and technical centers across the state.

To help bolster agriculture, the budget includes bonding for Missouri State Fair facilities; ongoing funding for Missouri FFA; and increased funding to support inspection and production capacity in the meat and poultry industry. Finally, to strengthen education the budget supports the state’s full reimbursement of transportation costs to school districts; provides new general revenue funding to bolster the Empowerment Scholarship Account program; and includes funding to ensure all teachers are paid at least the mandatory minimum. Looking ahead, the governor noted he took fiscally conservative steps now in an effort to help ease the burden of broader budget cuts required to balance the budget in fiscal 2027 and beyond.

Enacted Budget Information

- [Fiscal Year 2026 Enacted Budget](#)
- [Fiscal Year 2026 Totals by Department](#)
- [Expenditure Restrictions](#)
- [Governor’s Press Release](#)
- [Revenue Forecast \(December 2024\)](#)



MONTANA

Montana Governor Greg Gianforte signed the state's general appropriations act (HB 2) for the fiscal 2026-2027 biennium on June 20, after making \$31 million in line-item vetoes. The general appropriations act allocates \$16.46 billion in total funds for the biennium, a 13.5 percent increase, or \$1.96 billion, compared to the budget adopted in 2023. The largest area of appropriation growth was general government, which grew by 92.4 percent, or \$741.9 million. Following the 2023 Legislative Session, all appropriations previously included in the language as separate from HB 2 were incorporated directly into HB 2. As a result, the general government budget experienced a significant increase of \$644.3 million, now encompassing appropriation authority for liquor and cannabis sales. Total general fund expenditures are forecasted at \$3.44 billion in fiscal 2026 (a 9.8 percent decrease from fiscal 2025) and \$3.59 billion in fiscal 2027 (a 4.4 percent increase from fiscal 2026). General fund revenue for the biennium, after adjusting for legislative impact, is estimated at \$3.50 billion in fiscal 2026 (a 7.1 percent increase from fiscal 2025) and \$3.36 billion in fiscal 2027 (a 3.8 percent decrease from fiscal 2026). The general fund ending balance is estimated at \$550.3 million in fiscal 2026 and \$324.4 million in fiscal 2027, while the structural balance is estimated at \$416.8 million in fiscal 2026 and \$86.8 million in fiscal 2027.

In his veto message, the governor noted that with the nearly \$31 million in line-item reductions combined with \$349 million in taxpayer savings over the next four years and beyond from vetoing other bills, the state has more responsible spending and a budget with a stronger ending fund balance. The governor's focus continues to be on right-sizing the government; investing in kids and their future; providing meaningful, permanent tax relief to hardworking Montanans; making communities safer; and ensuring Montana remains the best place to live, work, and raise a family.

Enacted Budget Information

[Fiscal Years 2026-2027 Enacted Budget](#)

[Legislative Fiscal Report](#)

[Veto Message](#)

[Revenue Estimates](#)



NEBRASKA

Nebraska Governor Jim Pillen signed the state's fiscal 2026-2027 biennial budget bill on May 21. The two-year budget calls for \$19.69 billion in total spending in fiscal 2026 (a 5.1 percent increase from fiscal 2025) and \$19.45 billion in total spending in fiscal 2027 (a 1.2 percent decrease from fiscal 2026). General fund spending is estimated at \$5.54 billion in fiscal 2026 (a 1.1 percent increase from fiscal 2025) and \$5.57 billion in fiscal 2027 (a 0.7 percent increase from fiscal 2026). General fund revenues are projected at \$6.96 billion for fiscal 2026 and \$7.03 billion in fiscal 2027. The budget projects an ending general fund reserve balance of \$205 million and a cash reserve fund balance of \$921 million at the end of the biennium.

Governor Pillen noted that the budget is fiscally conservative, solves the \$432 million reported shortfall and honors the state's commitment to tax relief for all Nebraskans. The budget makes investments in education, developmental disability support, and national security.

Enacted Budget Information

[Fiscal Years 2026-2027 Enacted Budget](#)

[Legislative Biennial Budget Report](#)

[Biennial Budget Information](#)

[Governor's Press Release](#)



Nevada Governor Joe Lombardo signed multiple bills comprising the state’s fiscal 2026-2027 biennial budget in June. The budget provides total funding, net of interagency transfers, of \$49.6 billion over the biennium, an increase of \$2.7 billion, or 5.8 percent, compared to the approved operating budget for the 2023-2025 biennium. For General Fund appropriations, the budget provides \$12.3 billion over the biennium, an increase of \$1.4 billion, or 11.0 percent, over the approved operating budget for the 2023-2025 biennium. The revenue forecast, adjusted for legislative actions, estimates \$12.2 billion in general fund revenues over the 2026-2027 biennium, an increase of 1.6 percent over the revised forecast for the 2023-2025 biennium. The state’s General Fund balance is projected to be \$635.1 million at the end of fiscal 2026 and \$552.0 million by the end of fiscal 2027. The balance in the Rainy Day Account is projected to be \$1.3 billion at the end of the biennium.

The legislative session, including passage of the biennial budget, highlighted progress across multiple areas including education and housing. In education, the budget increases funding across the biennium for the K-12 funding formula, state special education funding, transportation services for pupils demonstrating financial need, the state Pre-K Program, and early childhood literacy and readiness programs. The budget also increases funding for the Incentivizing Pathways to Teaching Program and increases support for the state’s Public Charter School Authority and higher education system. The budget includes a reorganization of the Department of Health and Human Services, creating instead the new Department of Human Services and the Nevada Health Authority.

The budget increases funding to address the impact of opioid and other substance use disorders, maintain provider rates for developmental services and home-and community-based services, support public health districts, and add positions to support eligibility and intake for programs including Medicaid, Supplemental Nutrition Assistance Program, and Temporary Assistance for Needy Families. In housing the budget includes funds to develop supportive housing for individuals with extremely low incomes or special needs, support attainable housing development, provide homeownership assistance programs for essential workers, and provide incentives to help local governments increase the supply of attainable housing. Other investments supported in the budget include increased funding and additional positions at the Gaming Control Board to support increased workload; workforce development projects; and adding positions at the Department of Corrections to address overtime expenses.

Enacted Budget Information

[Legislative Summary](#)

[Governor’s Press Release](#)

[Revenue Forecast \(May 2025\)](#)



On June 27, New Hampshire Governor Kelly Ayotte signed a biennial budget covering fiscal 2026-2027. According to a report prepared by the Office of Legislative Budget Assistant, the budget provides for total appropriations from all funds of \$16.5 billion over two years, including \$8.19 billion in fiscal 2026 and \$8.27 billion in fiscal 2027, representing annual increases of 0.6 percent in fiscal 2026 and 1.0 percent in fiscal 2027. Appropriations for federal funds are projected at \$2.61 billion in fiscal 2026 (a 2.1 percent decrease compared to fiscal 2025) and \$2.64 billion in fiscal 2027 (a 1.2 percent increase). Before adjustments, general fund appropriations for fiscal 2026 total \$1.96 billion (a 7.0 percent decrease) and education trust fund appropriations are \$1.29 billion (a 3.8 percent increase). Appropriations for federal funds are projected at \$2.61 billion in fiscal 2026 (a 2.1 percent decrease) and \$2.64 billion in fiscal 2027 (a 1.2 percent increase). After accounting for lapses and adjustments, General and Education Trust Fund appropriations combined total \$3.21 billion in fiscal 2026 and \$3.23 billion in fiscal 2027. The budget is based on combined General and Education Trust Fund estimated revenues of \$3.12 billion in fiscal 2026 (a 0.7 percent annual increase) and \$3.25 billion in fiscal 2027 (a 4.0 percent increase). The combined General and Education Trust Fund has an estimated ending balance of \$28 million for fiscal 2026 and \$20 million for fiscal 2027, while the rainy day fund balance is estimated at \$203.7 million in fiscal 2026 and \$228.4 million in fiscal 2027.

The “Budget for All of New Hampshire” makes investments focused on protecting the vulnerable, creating a brighter future for children, and keeping the state safe, said the governor. The budget preserves funding for developmental disability services, protects the Granite Advantage Medicaid program that serves the state’s Medicaid expansion population, funds community mental health programs, protects funding for the 9-8-8 suicide hotline, increases access to care for new mothers, and strengthens the Office of the Child Advocate and Human Rights Commission.

Moreover, the budget includes a ban on cell phones in schools, supports community colleges and workforce education programs, invests in housing infrastructure and streamlines the state permitting process for housing. The budget also makes changes to the state retirement system to improve recruitment and retention of first responders, funds the Northern Border Alliance, strengthens drug interdiction efforts, establishes a new program to fight trafficking in northern counties, funds efforts to prevent and treat substance use disorders, and restores corrections positions that were eliminated.

Enacted Budget Information

[Fiscal Years 2026-2027 Enacted Budget](#)

[LBA Report \(July 1, 2025\)](#)

[General and Education Trust Fund Surplus Statement](#)

[Revenue Documents](#)

[Operating Budget Documents](#)

[Capital Budget Documents](#)

[Governor’s Press Release](#)



On June 30, New Jersey Governor Phil Murphy signed the state’s fiscal 2026 budget, with line item vetoes. The enacted budget provides for \$58.78 billion in total state fund appropriations and \$31.01 billion in federal fund appropriations. The budget is based on total resources for all state funds of \$65.8 billion, including a beginning balance of \$8.3 billion, general fund revenue of \$33.7 billion, property tax relief fund revenue of \$22.7 billion, Casino Revenue Fund resources of \$1.03 billion (including a beginning balance of \$147 million), Casino Control Fund revenue of \$80 million, and Gubernatorial Elections Fund revenue of \$0.7 million. The budget projects an undesignated ending balance (or surplus) of \$6.7 billion.

The budget prioritizes fiscal responsibility, affordability and economic security, support for the next generation, and the state’s economic future. The budget includes several tax policy changes including increases for the highest tier of realty transfer fees, sports betting, and cigarettes and vaping, while also creating a new exemption for small business investment and changes to the Angel Investor Tax Credit. The budget invests Corporate Transit Fee revenue into supporting and modernizing public transit, as well as makes investments in road and bridge projects and NJ TRANSIT capital projects. To support affordability, the budget continues to provide direct property tax relief through programs like ANCHOR and Senior Freeze, while also implementing the Stay NJ program to help senior citizens remain in New Jersey. The budget also supports first-time and first-generation homeowners with down payment assistance, provides funds to ensure state employee access to paid parental leave, expands Family Connects NJ to provide free home visits to new parents, and provides funding for women’s health care programs on top of what is covered by state-sponsored insurance programs. For education, the budget fully funds the state’s school funding formula as well as eases volatility in school funding by limiting year-over-year changes in state funding for any school district, expands preschool programs into new districts to move towards free, universal preschool, funds

incentive grants to school districts interested in transitioning to phone-free environments, and provides new grant funds to help fund high-impact tutoring. The budget also provides significant operating and capital support for higher education institutions, as well as sets aside funds from the Debt Defeasance and Prevention Fund to put towards constructing a new correctional facility. For the fifth consecutive year, the budget provides a full payment to the pension systems.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Budget at a Glance](#)

[Veto Message](#)

[Veto Summary](#)

[Governor’s Press Release](#)

[Revenue Certification](#)



NEW MEXICO

On April 11, New Mexico Governor Michelle Lujan Grisham signed the state budget for fiscal 2026. The budget totals \$10.84 billion in recurring general fund spending, a 5.9 percent increase over fiscal 2025 levels. The legislature also passed \$2.8 billion in nonrecurring spending and fund transfers including funding for supplemental appropriations, information technology, and transportation projects. The fund transfers include transfers to the government results and opportunity expendable trust and its program fund for multiyear appropriations to pilot a range of initiatives. The enacted budget is based on recurring general fund revenues of \$13.63 billion in fiscal 2026, an increase of 2.7 percent from fiscal 2025. The state's general fund reserves are estimated at \$3.5 billion, which is 32.3 percent of recurring expenditures and includes \$2.3 billion in the Tax Stabilization Reserve Fund, which is the state's rainy-day fund.

The governor noted that the budget makes significant investments in New Mexico's future, from education and

healthcare to critical infrastructure. The budget provides funding to improve access to healthcare, raise pay, and make life better for families across New Mexico. The budget provides a 4.0 percent compensation increase for all state, higher education, and public school employees, along with targeted increases for state police and the lowest paid court employees. Additionally, the budget increases funding for health and human services to help improve healthcare access and health outcomes. The budget also provides increased funding for education to implement funding formula changes, raise teacher salaries, and increase the minimum salaries for teachers.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Post-Session Review](#)

[Governor's Press Release](#)



NEW YORK

New York Governor Kathy Hochul signed the state's fiscal 2026 budget into law on May 9. The budget for fiscal 2026 calls for \$254.4 billion in spending from all funds, a 5.3 percent annual increase, and \$146.1 billion in state operating funds, a 9.3 percent increase over fiscal 2025. General fund spending, including transfers, is expected to total \$125.5 billion in fiscal 2026, a 15.5 percent increase over the prior year. All funds receipts, excluding the pass-through entity tax (PTET), are projected to total \$253.3 billion, a 3.4 percent annual increase, while general fund receipts (also excluding PTET) are projected at \$115.6 billion, a 0.3 percent increase. The state estimates a general fund ending balance of \$44.9 billion (including the rainy day fund and other reserves), or \$28.4 billion when excluding funds reserved for monetary settlements and PTET. Principal reserves, which include the Tax Stabilization Reserve, Rainy Day Reserve, and Reserves for Economic Uncertainties, total \$14 billion in fiscal 2026 after withdrawing \$7 billion for the one-time purpose of eliminating the Unemployment Federal loan and bringing the state unemployment program into solvency.

The enacted budget invests in a number of gubernatorial priorities. For education, the budget updates and fully funds the Foundation Aid school funding formula, ensures universal free breakfast and lunch for K-12 students, funds free community college in high-demand occupations, provides new state operating and capital support for public universities. The

budget also expands access to affordable childcare, increases Medicaid reimbursement rates, and strengthens mental health care including by adding new inpatient psychiatric beds. To support public safety, the budget boosts funding for gun violence prevention, subway safety measures, and discovery law compliance. Additionally, the budget makes capital investments in public transit, road and bridge projects, and housing development. The budget also funds new investments in environmental sustainability, agriculture, and state parks, while also supporting various economic development initiatives such as providing low interest capital to small businesses, incentives to grow the semiconductor industry and advanced manufacturing, funding for downtown revitalization projects, and investments in artificial intelligence (AI). To promote affordability, the budget makes several revenue changes, including providing a tax cut for middle-class and low-income taxpayers, increasing the Child Tax Credit, reducing the Payroll Mobility Tax for small businesses, and providing one-time, first-ever Inflation Refund checks.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Financial Plan](#)

[Governor's Press Release](#)



NORTH DAKOTA

North Dakota Governor Kelly Armstrong completed signing the remaining bills for the state’s biennium budget on May 19, while making a series of line-item vetoes. The legislative appropriation for the two-year budget for fiscal 2026-2027 calls for \$20.27 billion in total spending over the course of the biennium, a 3.4 percent increase over the fiscal 2023-2025 biennium. General fund spending over the course of the biennium is \$6.26 billion, a 2.6 percent increase. Total general fund tax revenue for the biennium is estimated to be \$5.06 billion, a 2.6 percent increase over the revised forecast for fiscal 2023-2025. The adopted budget assumes an ending balance of \$226.5 million while the Budget Stabilization Fund is forecasted to be \$938.5 million at the end of the biennium.

When signing the budget, the governor noted the administration successfully worked with the legislature to provide historic property tax relief, major infrastructure investments, and legislation to limit cell phone distractions in school. He also said that through using his line-item veto authority, the state was able to reduce spending, protect the integrity of the budgeting process, and preserve executive branch authority to ensure that state government remains efficient and transparent.

The enacted budget includes funding increases to K-12 education, higher education, and health and human services; approximately 80 percent of the general fund budget is directed to those three areas. Other budget and policy initiatives approved by the legislature and signed by the governor include property tax relief and reform; increased support for recovery and reentry programs; funding for a new state hospital; a continuation of the Challenge Grant Program enhancing private donor support of higher education; allowing borrowing for natural gas pipeline infrastructure; providing value-added agricultural facility incentive funding; changes to the allocation of Legacy Fund earnings; funding for a military museum and gallery; and increased support for affordable housing and homelessness.

- Enacted Budget Information**
- [Fiscal Years 2026-2027 Enacted Budget](#)
- [Budget Highlights](#)
- [Legislative Budget Information](#)
- [Governor’s Press Release](#)



OHIO

On June 30, Ohio Governor Mike DeWine signed a two-year budget for fiscal 2026-2027 after issuing 67 line-item vetoes. The budget calls for total spending from all funds of \$99.53 billion in fiscal 2026 (a 2.2 percent increase from fiscal 2025) and \$101.16 billion in fiscal 2027 (a 1.6 percent increase from fiscal 2026). General revenue fund appropriations (including state and federal) total \$44.42 billion in fiscal 2026 (a 2.0 percent increase from fiscal 2025) and \$46.08 billion in fiscal 2027 (a 3.7 percent increase from fiscal 2026). State-sourced general revenue fund appropriations total \$29.84 billion in fiscal 2026 (a 1.7 percent increase from fiscal 2025) and \$30.72 billion in fiscal 2027 (a 2.9 percent increase from fiscal 2026). The budget forecasts general revenue fund total taxes at \$29.67 billion in fiscal 2026 (a 3.6 percent increase from fiscal 2025) and \$29.97 billion in fiscal 2027 (a 1.0 percent increase from fiscal 2026).

The enacted budget supports priorities of the administration by making historic investments in Ohio’s people and workforce, children, and communities. To help strengthen the workforce, the budget supports Ohio’s higher education institutions,

increases investment for career-technical education, and invests in new programs to connect employers with skilled workers. The budget supports children and families through ensuring access to quality childcare, supporting adoptive parents and families, providing new resources to improve children’s wellness, and continuing investments in education. Finally, the budget invests in communities by supporting improvements to the safety and security of local neighborhoods, strengthening critical infrastructure, enhancing the quality of life, and invigorating local economies.

- Enacted Budget Information**
- [Fiscal Years 2026-2027 Enacted Budget](#)
- [Veto Message](#)
- [Enacted Budget Operating Documents](#)
- [Legislative Budget Documents](#)
- [Governor’s Press Release](#)



OKLAHOMA

On May 22, the Oklahoma House and Senate approved the general appropriations budget bill for fiscal 2026 and sent it to the governor for approval. On May 29, the bill became law without the governor's signature. The total budget, which includes the general appropriations bill and other smaller bills, authorizes \$12.67 billion in spending, an increase of \$187 million, or 1.5 percent, from fiscal 2025. Certified general fund revenue expenditures total \$7.75 billion, which is a 3.7 percent decrease from fiscal 2025. Total revenues for fiscal 2025 are projected at \$12.74 billion, an increase of \$258 million, or 2.1 percent, from fiscal 2025.

The fiscal 2026 budget delivers tax relief for all Oklahomans and makes investments in infrastructure, public safety, and education. The budget includes a 0.25 percent income tax cut, consolidates income tax brackets, and provides a path to zero income tax. The budget increases funding to the state aid formula to support public schools, provides funds to increase enrollment capacity at Career and Technology schools, and directs funds to construct a new veterinary teaching hospital in Stillwater, Oklahoma.

The budget also establishes a business court system, provides funding to increase nursing home care provider rates, and directs funds to make infrastructure improvements at National Guard bases.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Oklahoma Board of Equilization
Revenue Certification Packet](#)

[Governor's Press Release](#)

[Legislature Appropriations Summary](#)



OREGON

Oregon Governor Tina Kotek signed into law a series of bills this summer comprising the state's biennial budget for fiscal 2026-2027, while government agencies operated under a continuing resolution for a period to allow time to finalize the budget. The biennial budget, as finalized by the legislature on June 27, plans for total fund spending over two years of \$138.9 billion, a 6.3 percent increase from the enacted budget for the prior biennium. The total budget includes \$37.3 billion in general fund spending and \$1.8 billion in lottery fund spending, with the combined general and lottery funds enacted budget up 11.7 percent compared to the previous two-year budget. The legislatively adopted budget is based on combined general and lottery fund resources of \$39.7 billion, including a \$2.2 billion beginning balance and \$37.5 billion in projected revenues (net of personal income tax kicker), and after accounting for various transfers, reversions, dedications, revenue enhancements and reductions. The state forecasted combined balances in the general fund and lottery fund of \$554 million at the end of the biennium. The state projects reserves at the end of the fiscal 2026-2027 biennium to include \$1.26 billion in the Education Stability Fund (ESF) and \$2.16 billion in the Rainy Day Fund (RDF).

The enacted budget increases school funding to historic levels while also creating a new school accountability framework. It provides for a 17 percent increase in Medicaid funding over the previous biennium, mostly to address rising caseloads and inflation, while also investing new resources to strengthen the state's behavioral health system. The legislature also approved a plan to direct interest earnings on the state's rainy day fund along with revenue from a new tax on oral nicotine products towards wildfire mitigation and prevention efforts. Additionally, the budget directs more funding towards public defense and allocates funds towards homeless shelters.

Enacted Budget Information

[Fiscal Years 2026-2027
Enacted Budget Summary](#)

[Revenue Forecast \(May 2025\)](#)

[Revenue Forecast \(August 27, 2025\)](#)

[Oregon Health Authority Summary](#)

[Press Clip](#)



PUERTO RICO

On June 27, the Financial Oversight and Management Board for Puerto Rico certified the fiscal 2026 budget that was developed jointly by the Oversight Board, the governor, and the legislative assembly. The total budget for fiscal 2026 is \$32.7 billion. General fund spending in the fiscal 2026 budget totals \$13.1 billion. The general fund budget increases total spending by 1.5 percent from fiscal 2025 levels. The budget holds back five percent of most agency spending for eight months to prevent deficits should general fund revenue decline, federal funding decreases, or Medicaid costs increase. The budget also includes a reserve to cover the rising healthcare costs related to Medicaid.

The board commented that the budget is responsible, protects essential government services, and shields government priorities. The budget makes investments in healthcare, education, public safety, social programs, and government transformation.

It includes funding to increase subsidies for medical residents, provide pay raises for nurses, increase care for older residents and adults with disabilities, provide funds for childcare vouchers, and increase services for victims of sexual abuse.

Enacted Budget Information

[Fiscal 2026 Enacted Budget](#)

[Media Release](#)



RHODE ISLAND

Rhode Island Governor Dan McKee allowed the state's fiscal 2026 budget to become law without his signature. The budget provides for total spending from all funds of \$14.34 billion, a 2.9 percent decrease compared to fiscal 2025 final expenditures. The budget includes general fund spending of \$5.81 billion, a 3.8 percent annual increase, and federal aid spending of \$5.1 billion, a 9.0 percent decrease compared to fiscal 2025 final levels. The budget is based on general fund revenue of \$5.77 billion, reflecting a 2.5 percent increase over fiscal 2025, and a beginning balance (or free surplus) of \$230 million. The fiscal 2026 budget projects an ending balance or free surplus of \$1 million. The balance in the state's rainy day fund (Budget Stabilization and Cash Reserve Account) is projected to increase, ending fiscal 2026 at \$300 million.

The enacted budget makes several tax policy changes, including expanding taxes on nicotine pouches, increasing the local hotel tax rate, and imposing a new tax on whole home short-term rentals. The budget includes several additional tax and fee increases objected to by the governor, including a state gas tax increase, a new fee on health insurers, an increase to the real estate conveyance tax, and several tax and fee increases related to parking, traffic fines, and DMV surcharges.

The governor objected to these increases, saying in a letter, "the Budget Act imposes tax and fee increases on everyday Rhode Islanders at a time when they are not necessary." Without line-item authority to reverse these tax and fee changes, the governor allowed the budget to take effect without signing it. On the spending side, the budget increases funding for primary care providers, hospitals and nursing homes. The budget also increases state aid to local school districts for special education and adds funds to backfill a shortfall in state aid already required for students living in poverty. The budget also adds long-term capital funding to cover the state's share of costs in the Washington Bridge rebuild. Additionally, the spending plan partially addresses the projected shortfall in the state's public transit system, the Rhode Island Public Transit Authority (RIPTA).

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[House Fiscal Report](#)

[Governor's Letter](#)

[Press Clip](#)



South Carolina’s fiscal 2026 budget became effective June 3 following eleven line-item vetoes from Governor Henry McMaster. The total state budget, authorized by the fiscal 2026 appropriation act, is \$39.2 billion, a decrease of 2.7 percent, or \$1.1 billion, compared to fiscal 2025. This decrease includes a downward adjustment to federal funds of \$1.1 billion. The general fund portion is \$13.2 billion, an increase of 6.7 percent, or \$825.8 million, over fiscal 2025. The May 2025 revenue forecast for fiscal 2026 is \$13.7 billion in net general fund revenues, an increase of 0.23 percent over fiscal 2025. The General Reserve Fund, or rainy day fund, was required to be 6.0 percent of the general fund revenues of the most recently completed fiscal year for fiscal 2025; the formula was fully funded for fiscal 2025 at \$739.6 million.

The budget continues to build on progress made by the state in early childhood education, investing in teachers, school safety, and providing access and choice for parents and their children. In education the budget invests in full-day four-year-old kindergarten, provides funding to support a school resource officer in every public school, and provides funds for the Education Scholarship Trust Fund. The budget also increases the minimum starting teacher salary to \$48,500. In higher education the budget includes the sixth straight year of a college tuition freeze for in-state students, provides needs-based financial aid, and allocates funds for the South Carolina Workforce Industry Needs Scholarships program at the state’s technical colleges. Infrastructure investments supported in the budget include funds for bridge repair and replacement. The budget invests in public safety by providing additional funds for pay raises, overtime, and hiring new officers at the state law enforcement and criminal justice agencies, while also providing additional new funding to expand cell phone and contraband interdiction at correctional facilities along with hiring new correctional officers, increasing medical and mental health services, and paying for deferred maintenance.

Other priorities funded in the budget include additional funds for disaster relief (including creation of the South Carolina Public Assistance Program), along with preservation and conservation of land and cultural resources. The budget also continues income tax cuts, accelerating the scheduled individual income tax rate reduction to 6.0 percent.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Governor’s Veto Message](#)

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[Governor’s Press Release](#)

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SOUTH DAKOTA

On March 28, South Dakota Governor Larry Rhoden signed the state’s fiscal 2026 budget into law. The enacted budget calls for \$7.30 billion in total spending in fiscal 2026, a 0.86 percent increase from the budgeted amount for fiscal 2025. Total general fund expenditures are \$2.47 billion in fiscal 2026, a 0.3 percent increase from the revised fiscal 2025 level. Total general fund receipts are estimated to decline 6.8 percent from the revised fiscal 2025 level due to a decline in one-time receipts, while ongoing receipts are projected to increase 3.3 percent.

In signing the state’s budget bills into law, the governor said he is proud of the state’s fiscal responsibility and its common sense, noting conservative financial decisions are essential to South Dakota’s strong economy. The enacted budget includes over \$70 million in cuts to executive branch agencies, while providing a 4.0 percent pay increase for all permanent state employees. In addition to enacting the state budget, the governor highlighted approved legislation to address the rising burden of property

taxes on homeowners while calling for additional property tax relief. The governor also signed legislation to revise the distribution of revenue from the cigarette tax; revise property tax levies for school districts and revise state aid to general and special education formulas; and establish a minimum combined balance of the budget reserve fund and general revenue replacement fund.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Budget in Brief](#)

[Governor’s Press Release - Budget Signing](#)

[Governor’s Press Release - End of Session](#)



TENNESSEE

On May 21, Tennessee Governor Bill Lee signed the state’s fiscal 2026 budget that appropriates \$59.5 billion in all funds, an increase of 1.6 percent over fiscal 2025 (as cited in the 2024-2025 Fact Book). The revenue forecast projects general fund revenues of \$19.2 billion in fiscal 2026, an increase of 2.0 percent over the revised fiscal 2025 estimate. The budget invests \$35.6 million in the state’s Rainy Day Fund, bringing reserves to nearly \$2.2 billion, the largest in state history.

The enacted budget makes investments to improve infrastructure, invest in education, strengthen the workforce, and support innovative approaches to serving Tennesseans. The budget invests in the state’s infrastructure needs and maintenance projects at commercial and general aviation airports. In education, the budget provides additional funds for growth in the education formula including teacher pay raises, summer learning programs, fast-growing districts, school safety, and paid parental leave for Local Educational Agency employees; the budget also supports capital improvements at higher education institutions. To support strong and healthy families, the budget enhances long-term care services and supports for older adults and people living with disabilities; reduces turnover in the child care workforce by increasing pay and rewarding

greater education; covers child care for more working families; continues a pilot project to address unmet dental service needs; and increases bed capacity at a regional mental health institute. The budget invests in public safety by establishing Downtown Public Safety Grants; supporting evidence-based strategies to improve public safety; adding state troopers and support staff; and expanding the Statewide School Resource Officer Program Grant. The budget also invests in conservation, agriculture, energy, and provides additional resources for disaster relief.

Enacted Budget Information

[Fiscal Years 2026 Enacted Budget](#)

[2024-2025 Fact Book](#)

[Governor’s Press Release](#)

Texas Governor Greg Abbott signed the state's fiscal 2026-2027 biennial budget on June 22. The budget provides \$338 billion in all funds over the biennium, an increase of 1.2 percent, or \$4 billion, from the 2024-2025 biennium. The budget allocates \$149 billion in general revenue funds over the biennium, an increase of 5.1 percent, or \$7.2 billion, over the 2024-2025 biennium. General revenue-dedicated funds decreased 17.7 percent to \$8.1 billion.

When signing the bill, the governor noted the budget makes strategic one-time investments, increases funding to public education, and continues to keep the border secure. The fiscal 2026-2027 budget includes major funding items such as

increased funding for the Foundation School Program and other K-12 programs, increased funding for higher education, property tax relief, funding for salary increases for correctional and parole officers, and funding for 13 state agencies to support border security efforts.

Enacted Budget Information[Fiscal Years 2026-2027](#)[Enacted Budget](#)[Summary of Conference Committee Report](#)

Utah Governor Spencer J. Cox signed a series of bills making up the state budget for fiscal 2026, which provides \$30.8 billion in total funds, an increase of \$924.6 million, or 3.1 percent, over the revised fiscal 2025 budget. The budget provides \$11.8 billion in general fund, income tax fund, and uniform school fund (GF/ITF/USF) spending, a decrease of \$818.5 million, or 6.5 percent, compared to the revised fiscal 2025 budget. This decrease is largely due to the elimination of one-time fiscal 2025 appropriations. Net general fund and income tax fund revenues are estimated at \$11.5 billion in fiscal 2026 following legislative changes, a decrease of 0.5 percent from the revised fiscal 2025 forecast. Looking at reserves, total projected fiscal 2025 balances of \$1.2 billion represent about 9.4 percent of combined fiscal 2025 general, income tax, and uniform school fund appropriations. Ongoing revenue exceeds ongoing commitments by \$7.5 million in the budget.

Budget highlights for fiscal 2026 include priorities in education, housing, social services, and employee compensation, along with tax changes. The budget includes funding to increase the Weighted Pupil Unit (WPU) by 4.0 percent and support teacher raises of \$1,000, along with support staff bonuses. The budget also invests one-time resources in career and technical education programs. In housing, the budget provides one-time funds for

the First Time Homebuyer Program and allocates funding for homeless services. Ongoing funds are provided for Medicaid growth and inflation along with funds to increase Medicaid nursing home reimbursement rates. The budget provides funding to support a 2.5 percent compensation increase for state agency and higher education employees while also funding a 5.0 percent health insurance increase. Several tax cuts were included in the budget including an income tax rate cut from 4.55 percent to 4.50 percent, creation of a nonrefundable tax credit for child care centers, expansion of the nonrefundable child tax credit, expansion of the Social Security Benefits Income Tax Credit, a single sales factor apportionment of financial institutions, and small remote seller sales tax relief.

Enacted Budget Information[Fiscal Year 2026 Enacted Budget](#)[Budget Summary](#)[Budget Presentation](#)



VERMONT

Vermont Governor Phil Scott signed the state's budget for fiscal 2026 into law on May 21. Based on a Conference Committee report, the budget bill provides \$9.1 billion in appropriations from all funds, including \$2.46 billion in general funds, \$2.43 billion in education funds, and \$3.15 billion in federal funds. This represents a 4.1 percent increase in total spending from all funds, an 8.4 percent increase in general fund spending, a 5.2 percent increase in education fund spending, and a 0.8 percent decrease in federal fund spending, compared to fiscal 2025 enacted levels. General fund revenue in fiscal 2026 is estimated at \$2.52 billion, including the January 2025 consensus revenue forecast and other general fund revenue sources as well as incorporating the cost of additional tax exemptions. The budget is also based on carryforward funds of \$139 million, bringing total general fund resources to \$2.66 billion.

The enacted budget makes ongoing investments in areas including housing, human services, and health care. For housing, the budget provides funds for the Manufactured Home Improvement and Repair Program (MHIR) to help with costs for owner-occupied manufactured homes and for the Housing Opportunity Grant Program (HOP) to assist homeless individuals, while also adding funds for the Land Access Opportunity Board and maintaining appropriations for emergency housing and

youth homelessness. For human services, the budget includes a 5 percent rate increase for child care financial assistance and 2 percent rate increases for other service providers. Rate increases are also provided for certain health care providers such as Federally Qualified Health Centers, Rural Health Centers, nursing homes, and more. Additionally, the budget funds one-time appropriations for various housing projects and initiatives, health care and human services investments, higher education projects, and other purposes, while also transferring general funds to the Education Fund to be used for property tax relief. The governor noted in a letter to the General Assembly that this fund transfer is meant as "a bridge to a structurally transformed and fiscally efficient public education system in the near term."

Enacted Budget Information

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[Legislative Publications](#)

[Conference Committee Highlights](#)

[Revenue Forecast \(January 2025\)](#)

[Letter from the Governor](#)



VIRGINIA

On May 2, Virginia Governor Glenn Youngkin signed adjustments to the fiscal 2026 budget into law, amending the biennial budget. Total operating expenses are \$92.5 billion in fiscal 2026, an increase of 3.8 percent over the original fiscal 2026 budget. General fund appropriations are \$32.7 billion, an increase of 2.4 percent over the original 2026 budget. The governor vetoed 37 items from the budget totaling approximately \$849.5 million, retaining a total of \$900.5 million as a cushion against near-term potential risks.

The amended biennial budget provides tax relief and also makes incremental general fund investments in shared priorities. In tax relief, the budget increases the standard deduction, increases the threshold for estimated payments, and increases the refundability of the Earned Income Tax Credit. In health and human resources, the budget provides additional funds for the forecast of utilization and inflation in the Medicaid program; increases funding for the Children's Services Act; and allocates

increased funds for the Children's Health Insurance Program. The budget increases support for education, including funds to increase the number of state-recognized support positions; establish an add-on to per-pupil basic aid for each special education student; and support additional English Learner students identified as requiring intense support. Other areas receiving additional funding include increased inmate medical costs, modernization of regulatory IT systems and support for increased premiums in the state employee health insurance program.

Enacted Budget Information

[Fiscal Year 2026 Budget Adjustments](#)

[Legislative Summary](#)

[Governor's Press Release](#)



Washington Governor Bob Ferguson signed the state’s biennial operating, capital, and transportation budgets for fiscal 2026 and fiscal 2027 on May 20, with some partial vetoes. The enacted budget provides for operating spending of \$150.4 billion from all funds over the biennium – or \$185.1 billion when including transportation and capital spending. Near general fund spending in the enacted operating budget for the biennium totals \$77.9 billion. These figures reflect a 5.7 percent increase in total budgeted operating spending and a 7.1 percent increase in near-general fund spending over the previous biennium’s budget with supplemental changes (as revised in 2025). The enacted budget was based on a March 2025 near general fund revenue forecast of \$70.95 billion for the next biennium (a 6.8 percent increase over estimates for the previous biennium), including \$34.72 billion in fiscal 2026 (a 2.8 percent annual increase) and \$36.23 billion in fiscal 2027 (a 4.3 percent annual increase). After incorporating a downward revision to revenue estimates in the June 2025 forecast as well as changes in the enacted budget, the projected near general fund balance at the end of the fiscal 2026-2027 biennium is \$33 million and the projected ending balance in the state’s rainy day fund (Budget Stabilization Account) is \$2.02 billion.

The enacted budget takes a balanced approach to address the state’s projected shortfall through a combination of savings on the spending side along with tax changes to generate additional revenue. The operating budget makes new investments in K-12 education including special education, creates a new grant program to hire more local law enforcement officers, and includes funding to overhaul the state’s recycling system. The budget also funds new two-year collective bargaining agreements with most public employee unions. The operating budget incorporates new revenue generated by a package of tax legislation, with an estimated revenue impact of \$4.3 billion for the fiscal 2026-2027 biennium. Enacted tax changes include a permanent across-the-board increase in the state’s business and occupation (B&O) tax, a temporary B&O surcharge on high-income firms, and higher tax rates on large financial

institutions and computing firms, and increased tax rates on capital gains and estates above certain thresholds. Additionally, the sales tax base was expanded to include more services, tobacco taxes were broadened to include nicotine pouches, and some tax expenditures have been eliminated. One tax change enacted by the legislature, which would have removed a tax deduction that benefits community banks, was vetoed by the governor. Additionally, the governor signed a revenue package to address a projected gap in the transportation budget, which includes increasing the state’s gas tax as well as new and higher fees and taxes on rental cars, car sales, and other items. The capital budget signed by the governor invests in affordable housing, mainly through the Housing Trust Fund, while also providing funds for K-12 school construction, salmon recovery, and behavioral health facilities.

Enacted Budget Information

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[Biennium Report](#)

[Partial Veto Letter](#)

[Governor’s Press Release](#)

[Revenue Forecast \(March 2025\)](#)

[Revenue Forecast \(June 2025\)](#)

[Resource Changes and Reversions](#)

[Press Clip](#)



WEST VIRGINIA

West Virginia Governor Patrick Morrisey signed the fiscal 2026 budget on April 17 with 29 objections. General revenue appropriations in the bill prior to the objections totaled \$5.3 billion, an increase of \$133.2 million, or 2.6 percent, over the fiscal 2025 general revenue enrolled budget. The general revenue fund estimate for fiscal 2026 (as noted in the fiscal 2026 Budget Report) is \$5.3 billion, an increase of 1.1 percent over fiscal 2025.

The budget signed by the governor is designed to provide flexibility to address future uncertainties, such as stock market fluctuations and changes to federal spending, ensuring programs will be fully funded throughout the year. The budget fully funds Medicaid, senior services, and the HOPE scholarship, while making targeted cuts to spending. In the case of a surplus, up to \$100 million will be allocated to funding road maintenance and improvement projects across the state.

Legislators noted the budget includes pay raises for public defenders, increases to the Higher Education Policy Commission, and increased funding for pregnancy centers, Health Right, birth to three, waiver programs, adoption, and foster care programs.

Enacted Budget Information

[Fiscal Year 2026 Enacted Budget](#)

[Objections Letter](#)

[Legislative Wrap Up](#)

[Governor's Press Release](#)

[Budget Report](#)

[Press Clip](#)



WISCONSIN

On July 3, Wisconsin Governor Tony Evers signed the state's two-year budget for fiscal 2026-2027 after issuing a series of line-item vetoes. The budget calls for \$55.34 billion in total spending in fiscal 2026, and \$55.86 billion in total spending in fiscal 2027. The two-year budget is 12.5 percent higher than the adjusted base for the prior two-year budget. The budget calls for \$22.88 billion in general fund appropriations for fiscal 2026, and \$23.19 billion in general fund appropriations for fiscal 2027. General fund spending in the two-year budget is 7.8 percent higher than the adjusted base for the prior two-year budget. The enacted budget assumes general fund total available revenue of \$27.04 billion in fiscal 2026 and \$25.13 billion in fiscal 2027. Total taxes are projected to be \$21.96 billion in fiscal 2026 and \$22.61 billion in fiscal 2027. The net general fund balance is projected to be \$1.89 billion at the end of fiscal 2026 and \$655.5 million at the end of fiscal 2027.

The enacted budget for fiscal 2026-2027 helps fulfill the governor's promise of making 2025 the "Year of the Kid in Wisconsin". The budget secures significant investments in childcare, K-12 schools, and the University of Wisconsin (UW) System. Specifically, the budget provides additional funding for K-12 schools, with the largest increase to the special education reimbursement rate in state history; provides the largest increase

to the UW System in nearly two decades; and allocates funding to support the childcare industry, a third of which is direct payments to providers. Other highlights of the budget include: a tax cut for working and middle-class families; eliminating the sales tax on household energy bills; supporting healthcare access, especially in rural communities, and continuing funding for BadgerCare; continuing support for farmers and producers through a variety of measures; funding for Wisconsin roads and bridges; investments in local communities through municipal service payments; and funding to support veterans homes and services.

Enacted Budget Information

[Fiscal Years 2026-2027
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