



Summaries of Fiscal Year 2024 Proposed Budgets

April 25, 2023

This document details summaries of governors' budget proposals for fiscal 2024. Also included are links to proposed budgets and other supporting documents. If you would like additional information, please contact [Brian Sigritz](#) at 202-624-8439.

Overview of Proposed Budgets

Over the course of the past several months, governors in 47 states, Guam, and the District of Columbia have proposed a new budget for fiscal 2024. Thirty-one states will approve a one-year budget for fiscal 2024, while 16 states will enact a two-year budget for fiscal 2024 and fiscal 2025. Kentucky, Virginia, and Wyoming previously enacted a biennial budget for both fiscal 2023 and fiscal 2024; the governors of Virginia and Wyoming have proposed revisions to their current biennial budgets. The first fiscal 2024 budget proposal for consideration during 2023 legislative sessions was released in November 2022 while the last was released in March 2023.

Economic and Fiscal Conditions

Fiscal 2024 budget proposals were introduced during a time when states remained in a strong fiscal position due to the impact of federal COVID-19 aid, double digit revenue growth in both fiscal 2021 and fiscal 2022, record high rainy day fund levels, and other steps to prepare for a future economic slowdown. In addition, most states were seeing tax collections come in above forecast. As reported in NASBO's December 2022 [Fiscal Survey of States](#), 33 states reported revenues came in above projections for fiscal 2023, 7 were on target, and only 1 state reported revenues lower than forecast (9 states were unable to report data). While most states were seeing better-than-expected tax collections in fiscal 2023, [revenue forecasts](#) used in fiscal 2024 recommended budgets remained conservative as states monitored uncertain economic conditions, which could produce a range of outcomes. States cited concerns about a weakening macroeconomic outlook due to several factors including rising interest rates, inflationary pressures limiting real growth, recent layoff announcements, the stock market correction, and the continued impact of

geopolitical events. In [State of the State](#) speeches, many governors noted that while the state of the state is strong, challenges remain.

Fiscal Profile

Most, but not all, budget proposals are assuming increases in total state spending (including both state and federal funds) in fiscal 2024. However, the overall growth rate is considerably slower than in the years immediately following the onset of the pandemic (fiscal 2021 and fiscal 2022). The slower growth rate is partly due to states having already spent federal COVID-19 aid from the *Coronavirus Aid, Relief, and Economic Security Act* (CARES), and much of the additional federal funding from the *American Rescue Plan Act* (ARPA) and other relief bills. Additionally, while most recommended budgets are calling for an increase in general fund spending in fiscal 2024, the overall growth rate is less than fiscal 2023. One reason for the slowdown in general fund spending is less one-time spending from one-time revenue in fiscal 2024. The revenue outlook for states in fiscal 2024 is somewhat mixed with most states forecasting minimal growth, or slight declines, in tax collections following the high baseline established in fiscal 2021 and fiscal 2022. Rainy day fund balances are projected to remain at an elevated level in fiscal 2024 as governors continue to prioritize strengthening reserves, while total balances (including both rainy day fund and ending balances) may see a decline due to smaller ending balances. NASBO's Spring 2023 *Fiscal Survey of States*, to be released in June, will include additional data on proposed expenditure, revenue, and balance levels for fiscal 2024.

Priorities in Proposed Budgets

Several overarching themes were present in governors' budget proposals this year. Governors discussed the need

to invest in all people, while creating opportunities for both today and future generations. They stressed the need to make strategic, targeted investments with the potential to transform the state moving forward. Many initiatives were centered around lowering costs, improving lives, building a high-quality workforce, dealing with the impact of inflation, strengthening the economy, and providing targeted tax relief. Governors also noted the importance of strategically investing one-time resources, leveraging federal funds, meeting financial obligations, maintaining healthy reserves, and preparing for the next downturn. Broad areas of focus in proposed budget summaries included education, public safety, and infrastructure. Areas receiving increased attention in fiscal 2024 recommended budgets included initiatives aimed at workforce development, substance abuse, mental health, affordable housing, natural resources and the environment, and economic development.

Program Area Highlights

The following are highlights in governors' recommended budgets organized by program area. The lists are not all-inclusive but focus on topics commonly discussed in budget proposals.

Elementary and Secondary Education

- Widespread calls for increasing base funding delivered through school funding formulas
- Reforming funding formulas including more targeted funding for English language learners and economically disadvantaged students
- Increasing teacher pay as well as other efforts to attract and retain teachers
- Expanded mental health programs including increasing school nurses, social workers, counselors, and psychologists
- New initiatives in academic instruction including in evidence-based literacy programs, enhancing math and computer science, tutoring, and out-of-school programming
- Improved access to preschool by expanding eligibility and increasing funding
- Greater school choice through vouchers, education savings accounts, and other measures
- Other initiatives include addressing learning loss, improved school safety, providing universal free school

meals, greater support for special education, enhancing civics education, offering more dual enrollment and career and technical education opportunities, and one-time capital investments

Higher Education

- Increased operating support for postsecondary institutions, including state universities and community colleges
- Proposals to freeze tuition or restrict tuition growth
- Additional investments in financial aid programs to increase college affordability
- Promoting workforce development through efforts such as providing free community college for in-demand fields and student loan repayment assistance for high-demand careers
- Increased funding for capital projects including deferred maintenance, capital improvements, and technology upgrades
- Other initiatives include investments in career and technical education, community colleges in rural areas, student mental health, greater collaboration across the higher education system, and increasing graduation rates

Healthcare

- Preparations and funding for the end of the COVID-19 public health emergency and decreased federal match for Medicaid
- Additional support for women's healthcare including expanding Medicaid coverage for new and expectant mothers
- Enhanced behavioral health services including additional treatment options and reducing waitlists
- Growing the healthcare workforce pipeline through recruitment efforts and new positions
- Expanded services for seniors including home and community-based care
- Increased funding for developmental disability programs
- Various initiatives centered on making healthcare more affordable and accessible
- Other recommendations including increased rural

healthcare options, expanding Medicaid, provider rate increases, enhanced crisis care programs, greater public health support, expanding income eligibility for CHIP, increased dental services, efforts to reduce medical debt, and additional funding for hospitals and other healthcare facilities

Human Services

- Various initiatives focused on addressing affordable housing and expanding services for the homeless
- Expanded substance abuse treatment and recovery options
- Funding to promote foster care and adoption services
- Support for paid family and medical leave programs
- Efforts to make childcare more affordable and accessible
- Funding for 988 suicide and crisis lifeline

Public Safety

- Increased salaries for public safety personnel to improve recruitment and retention
- Funding for new state trooper positions and correctional personnel
- Efforts to address fentanyl and other illegal drugs including greater enforcement, increased penalties, expanded treatment options, and increased availability of naloxone and drug testing strips
- Funding to repair and replace state prisons as well as other capital improvement needs
- New and expanded crime prevention programs as well as efforts to stop gun violence
- Other initiatives were focused on additional support for local law enforcement officials, juvenile justice reforms, enhanced law enforcement training, expanded mental health resources, reentry services, border security, victim services, and crime lab funding

Infrastructure

- Overall increases in state support for transportation
- Providing state matches for federal funding from the *Infrastructure Investment and Jobs Act* (IIJA)
- Investing in electric vehicle infrastructure including public charging stations

- Upgrading broadband infrastructure and expanding access
- Support for clean drinking water and other water infrastructure projects
- Maintenance and improvement of state facilities
- Other investments include modernizing transportation systems, increasing road capacity, rebuilding bridges, pedestrian and traffic safety, trail improvements, funding for mass transit and other forms of multimodal transportation, energy grid resilience, cybersecurity investments, increased local funding for road projects, paying down debt early, and additional investments in other forms of infrastructure including ports, rails, and airports

Workforce

- Widespread measures to attract and retain state workers including salary increases, retention bonuses, and benefits changes
- Efforts to make it easier for people to work including childcare support as well as paid family and medical leave
- Increased skills training, apprenticeships, career and technical education, support for high-demand fields, and other workforce programs

Other

- State government reforms including modernization efforts, consolidation, IT improvements, and licensing changes
- Increased local aid
- Efforts to address climate change and the expansion of clean energy investments
- Expansion of clean water and air quality programs
- Protection of natural resources including farmland preservation and wildfire prevention
- Support for outdoor recreation and state parks
- Additional veterans services and funding of veterans homes
- Legalizing adult-use cannabis and reforming current cannabis markets
- Series of economic development measures including support for small businesses, funding to compete for

large scale projects and other recruitment efforts, and efforts to diversify the economy

Tax Policy Changes

Similar to fiscal 2023, many recommended tax policy changes were aimed at providing tax relief in fiscal 2024. Governors noted the changes were focused on lowering costs, increasing affordability, and creating a fairer tax code. While most proposals centered around reducing taxes, they varied in type and scope. A number of governors called for reducing personal income tax rates, with one calling for the eventual elimination of the personal income tax. There were also numerous proposals to change tax credits, with several focused on increasing the Earned Income Tax Credit and the Child Tax Credit. A few governors called for returning part of the state's budget surplus to taxpayers in the form of one-time rebates, although not at the level seen in fiscal 2023. Several governors also proposed various changes to corporate income taxes. Regarding sales taxes, one governor called for a reduction in the sales tax rate while several others proposed various sales tax exemptions and sales tax holidays. Three governors also recommended the elimination of sales taxes on groceries. An

area that received increased attention this year was providing property tax relief through various measures. Other tax policy changes were targeted at specific groups such as seniors, the military, and teachers.

Outlook

State fiscal conditions over the past several years have been heavily impacted by the combination of federal COVID-19 aid and rising state tax collections. This combination led to unprecedented revenue growth and record-high rainy day fund levels for states. States' revenue forecasts for fiscal 2024 are assuming slower revenue growth than the double-digit gains seen in both fiscal 2021 and fiscal 2022. Spending is also expected to slow in fiscal 2024 due to less one-time spending and the wind down of federal COVID-19 aid. As states work to finalize their fiscal 2024 budgets, they will continue to monitor the economy for any areas of potential weakness. However, states are well-prepared for a potential slowdown after taking actions like building up rainy day funds, using one-time funds for one-time purposes, making additional pension payments, and paying down long-term debt.

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ALABAMA

On March 21, Alabama Governor Kay Ivey released her fiscal 2024 budget proposals for both the Education Trust Fund and the General Fund. The Education Trust Fund proposes \$8.8 billion spending for fiscal 2024, an increase of \$537.0 million or 6.5 percent, over fiscal 2023. The General Fund proposes \$2.97 billion in non-earmarked spending, an increase of \$230.5 million or 8.4 percent over fiscal 2023. Net receipts to the Education Trust Fund are projected to grow from \$10.5 billion in fiscal 2023 to \$10.9 billion in fiscal 2024, a 3.8 percent growth rate. Net receipts to the General Fund are projected to grow at 0.1 percent, from \$2.85 billion in fiscal 2023 to \$2.854 billion in fiscal 2024. The estimated balances at the end of fiscal 2024 are \$4.4 billion for the Education Trust Fund and \$0 for the General Fund. Also, in her State of the State speech, the governor discussed tax relief including one-time rebates of \$400 for individual state income tax filers or \$800 for families.

Proposed Budget Highlights

The governor outlined her priorities for the proposed fiscal 2024 budgets including targeting sustainable agency operations increases and inflation impacts, state employee compensation, Medicaid, corrections spending, teacher compensation, high needs pre-K classrooms, and creating and sustaining childcare programs and access.

General Fund

- Funds a 2.0 percent pay raise for all state employees.
- Increase of \$1.0 million for Main Street Alabama program members.
- Increase of \$3.0 million for the electric vehicle infrastructure and planning grant program.
- Increase of \$8.04 million for state match required for Drinking Water and Clean Water State Revolving Funds under the federal Infrastructure Investment and Jobs Act.
- Increase of \$13.99 million for the Department of Human Resources.
- Increase of \$69.5 million for the Medicaid Agency, largely driven by the upcoming end of the COVID-19 public health emergency and decreased federal match for Medicaid.

- Increase of \$12.0 million for existing crisis diversion centers and \$3.0 million for existing rural crisis care programs.
- Increase of \$7.5 million in the Department of Mental Health for community provider rate increases.
- Increase of \$6.8 million for the Department of Senior Services.
- Increase of \$29.6 million for the State Law Enforcement Agency.
- Increase of \$58.8 million for the Department of Corrections, largely driven by a new health care contract for inmates.

Education Trust Fund

- Increase of \$8.4 million for the Department of Early Childhood Education, including \$7.8 million for the Office School Readiness.
- Increase of \$274.3 million for Local Boards of Education, including \$226.6 million for the K-12 Foundation Program.
- Increase of \$8.7 million for the Department of Commerce, including \$2.5 million for the Office of Apprenticeship, \$2.4 million for a teacher registered apprenticeship pilot program, and \$5.0 million for regional STEM hub grants.
- Increase of \$63.2 million for the Department of Education, including \$2.9 million for the afterschool and summer learning program, \$15.0 million for college and career readiness grants, and \$25.0 million for provisions of the state's Numeracy Act, passed in 2022, to improve math instruction and support for all students and teachers.
- Increase of \$1.0 million for the school-based mental health services collaboration.
- Increase of \$33.5 million for the community college system, including \$2.5 million for career coaches and \$4.5 million for expanded dual enrollment for technical education programs.
- Increase of \$1.0 million for the electric vehicle technology education program.



ALABAMA

(Continued)

- Increase of \$2.0 million for higher education student financial aid programs.
- Increase of \$30.1 million for the Child Care and After Child Care Program.
- Increase of \$102.8 million for colleges and universities.

Proposed Budget Information

[Fiscal Year 2024 Executive Budget](#)

[Education Trust Fund Summary](#)

[General Fund Summary](#)

[Budget Presentation](#)



ALASKA

On December 15, Alaska Governor Mike Dunleavy released his recommended budget for fiscal 2024. Total state spending from all fund sources for fiscal 2024 is \$11.4 billion in the governor's budget, a 15.5 percent decline from fiscal 2023 total appropriations, with the decline driven partly by reduced federal funds. The fiscal 2024 budget calls for federal fund expenditures of \$4.8 billion, a 19.8 percent decline from fiscal 2023 appropriated levels. Unrestricted general fund (UGF) spending is recommended at \$4.8 billion in fiscal 2024, a 14.9 percent decline from fiscal 2023 levels. The governor's UGF budget is based on \$3.4 billion in unrestricted revenue, an 11.8 percent decline from the fiscal 2023 estimate. The state's combined rainy day fund balance in the Statutory Budget Reserve and the Constitutional Budget Reserve is projected to be \$2.1 billion at the end of fiscal 2024. Due to lower-than-expected oil prices, the proposed budget includes a drawdown of \$20 million from the Statutory Budget Reserve and \$245 million from the Constitutional Budget Reserve. The budget also calls for drawdown from the Permanent Fund Earnings Reserve Account (ERA) for Permanent Fund Dividend (PFD) payments.

Proposed Budget Highlights

The governor's proposed budget for fiscal 2024 focuses on strategic investments in public protection, economic security, and development. The recommended budget fully funds public education, the Alaska Marine Highway System, and Power Cost Equalization. The budget also continues to invest in public safety, leverages incoming federal infrastructure funds, retires millions of dollars in debt, and includes a new initiative to market Alaska as more than just a tourist destination. Highlights of the budget proposal include:

2023 PFD Payment

- \$2.4 billion for a full statutory PFD to every eligible Alaskan.
- \$3800 estimated PFD in fall 2023.

Marketing Alaska

- \$5 million for a new marketing campaign to promote Alaska as an opportunity for national and international businesses, with a goal of diversifying and expanding Alaska's economy while creating new jobs for Alaskans.

Public Safety

- Invests \$3.3 million for 30 new technical and administrative support staff positions for the Department of Public Safety.
 - New support staff will allow state troopers to focus on investigating criminal activity and apprehending criminals.

Alaska State Defense Force (ASDF)

- \$2.5 million to modernize the ASDF into a professional, full time emergency response and disaster assistance organization.
- Creates a rapid response team within communities in the event of a disaster or emergency.

Public Health and Wellness

- \$9.5 million for the Healthy Families Initiative, including \$1.2 million to enhance community-based domestic violence and sexual assault prevention and intervention programs.

Fisheries Research

- \$285 thousand to restore Yukon Kuskokwim Region Fisheries Management and Assessment programs and \$800 thousand to restore and maintain Bristol Bay Science and Research Institute Watershed projects.

Statehood Defense

- \$10 million in capital budget funds to defend statehood and the constitutional right to develop Alaska's resources by bringing in outside counsel and expertise for the Statehood Defense Initiative.

Education

- \$6.4 million to fund the second year of the Alaska Reads Act.
- \$1 million for the Alaska Native Science and Engineering Program Partnership.

Transportation

- \$127 million state match to secure \$1.25 billion in federal Infrastructure Investment and Jobs Act funding for transportation infrastructure statewide.
- \$13.6 million for Alaska Marine Highway System operations.



ALASKA (Continued)

Capital Budget

- \$25 million state match leveraging \$222 million in federal funding for village safe water and wastewater infrastructure projects.
- \$22 million for Alaska Marine Highway vessel overhaul and shoreline facilities rehabilitation.
- Various other projects focused on highway improvements, rural professional housing, renovations, a veterans cemetery, critical minerals mapping, a drone program, food security projects, energy projects, and a new daycare facility.

Proposed Budget Information

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[Fiscal Summary](#)

[Department Summary](#)

[10-Year Plan](#)

[Fact Sheet](#)

[Governor's Press Release](#)

[Revenue Forecast](#)



ARIZONA

On January 13, Arizona Governor Katie Hobbs released her budget proposal for fiscal 2024. The budget calls for \$65.4 billion in total agency operating expenditures from all appropriated and non-appropriated funds. General fund spending, including baseline changes and new initiatives as well as ongoing and one-time expenditures, is recommended at \$17.1 billion, a 10.4 percent increase compared to the revised level recommended by the governor for fiscal 2023. The governor's general fund budget includes a net baseline spending increase of \$37 million and a net increase in executive initiatives of \$1.3 billion. The budget, which includes \$15.0 billion in ongoing spending, is based on ongoing forecasted general fund revenues of \$15.1 billion, reflecting a 5.9 percent decline from fiscal 2023 estimated revenues. This ongoing revenue estimate incorporates new tax credits and exemptions proposed by the governor while excluding a one-time \$345 million reduction for the 2.5 percent flat tax acceleration approved last year. With an annual structural balance of \$65 million, the executive budget recommendation has a projected ending balance of \$273 million in the general fund. The state is projected to have a \$1.6 billion rainy day fund balance at the end of fiscal 2024, representing 10.7 percent of ongoing general fund spending.

Proposed Budget Highlights

The governor's first recommended budget prioritizes investments in education, water, affordable housing, and other areas, while focusing on lowering costs for state residents and building a more "resilient, innovative and prosperous" state. Below are some of the spending initiatives and revenue changes proposed by the governor to support these key priorities.

Education

- \$199 million towards base support, which can be used for a range of items in public schools including but not limited to teacher compensation and staff retention
- \$332 million one-time increase in School Facilities Building Renewal Grant funding and \$173 million for new school construction
- \$40 million to expand the Arizona Promise Program
- \$40 million for a new tuition scholarship program for Deferred Action for Childhood Arrival (DACA) eligible students

- Repeals Empowerment Scholarship Account (school choice) program (\$130 million) and eliminates Results-Based Funding program (\$69 million), and redirects savings to base school funding to improve teacher retention
- Additional investments in dual enrollment, teacher education, school lunch, instructional materials, rural community colleges, school broadband service, and special education

Health and Welfare

- \$150 million deposit into Housing Trust Fund for utility and emergency rental assistance, legal aid, home repair, and other allowable uses
- \$50 million general fund set-aside for a refundable child tax credit for low-income families
- \$40 million to make feminine hygiene products and diapers tax exempt
- \$20 million to expand income eligibility for KidsCare (CHIP) program

Government That Works

- \$250 million one-time deposit into the state's rainy day fund, the Budget Stabilization Account
- \$200 million one-time for employee retention pay and a compensation study, as well as targeted pay increases for certain workers
- \$114 million in one-time funding for building renewal for certain state agencies
- \$67 million in one-time to upgrade HVAC systems in corrections facilities
- \$50 million in one-time deposit into Health Insurance Trust Fund
- \$50 million in one-time deposit into Rural Broadband Accelerated Match Fund
- Additional one-time funds for cybersecurity and other IT upgrades, economic development initiatives, and additional capital projects

Natural Resources

- \$333 million deposit into the Long-Term Water Augmentation Fund as part of a three-year \$1 billion investment



ARIZONA (Continued)

- Additional funds for rural wells grants, statewide water resource planning, water quality and conservation programs
- \$10 million one-time deposit into State Parks Heritage Fund as well as additional one-time funds dedicated to a variety of park projects
- One-time funding to install electric and advance-fuel vehicle infrastructure for public use at state facilities (\$7.5 million) and for use by the state fleet (\$15 million)

Public Safety

- \$69 million in additional funding for state prison operations, including \$57 million one-time
- \$12 million one-time funding for replacing public safety vehicles

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Summary](#)

[Governor's Press Release](#)



ARKANSAS

On November 10, former Arkansas Governor Asa Hutchinson released a \$6.3 billion general revenue budget proposal for fiscal 2024. Gross general revenues are projected to be \$8.07 billion in fiscal 2024, a decrease of \$263.8 million or 3.2 percent from fiscal 2023. After required deductions and refunds, net available revenues for fiscal 2024 are projected at \$6.59 billion, a decrease of \$29 million or 0.4 percent from fiscal 2023. Total reserves for the state total \$2.78 billion which includes \$1.2 billion in the catastrophic reserve fund and \$1.35 billion in the general revenue allotment reserve fund.

Proposed Budget Highlights

Priorities in the former governor's budget include improving education, public safety, and the services of state government. The following recommendations are included in the budget:

Education

- Increases funding to education by \$200 million in fiscal 2024 and \$350 million in fiscal 2025 to raise teacher salaries and improve outcomes for education in the state.
- Proposes an increase to higher education to cover productivity funding model and provides an increase to the University of Arkansas Pine Bluff to cover the cost of the match for land grant institutions.

Human Services

- Provides an increase of \$13.3 million to the Department of Human Services' Children and Family Services Division to support and address the need for foster care. Funds will provide a stipend increase for foster parents and will cover stipends for provisional foster parents.

Public Safety

- Increases the State Police Budget by \$1.5 million for the next two years.
- Provides a \$5.4 million increase in fiscal 2024 and a \$7.3 million increase in fiscal 2025 to the Department of Correction to cover an increase in medical costs and support work in increasing bed capacity.
- Proposes a \$5.5 million increase for Community Correction in each of the next two years to cover additional drug costs and cover intensive supervision initiative.

- Provides a \$4.2 million increase to the Department of Military for increased maintenance of armory facilities and for strengthening the support of at-risk youth the national guard serves.

Other

- Includes a budgeted surplus of \$255 million in fiscal 2024 and \$309 million in fiscal 2025.
- Budget allows \$41 million to be used for a new pay plan to help recruit and retain state employees.

After being sworn-in, newly elected Governor Sarah Huckabee Sanders released bill proposals related to her priorities of tax cuts, education reform, and public safety. Tax cut proposals include decreasing the state income tax rate to 4.7 percent from 4.9 percent and decreasing the top corporate income tax rate to 5.1 percent from 5.3 percent. Education reform proposals include raising the state's minimum teacher salary from \$36,000 to \$50,000 a year, granting other teachers a \$2,000 salary increase, and creating Educational Freedom Accounts. Public safety priorities include building a new state prison with more than 3,000 beds, a new trooper school, new mental health programs, funds to provide overtime pay for Arkansas State Police, and funds to help with increased staffing and salaries at the Division of Correction.

Proposed Budget Information

[Governor Hutchinson's Budget Presentation](#)

[Official General Revenue Forecast 2024-2025 Biennium](#)

[Governor Sanders' Priorities](#)



CALIFORNIA

On January 10, California Governor Gavin Newsom introduced his budget proposal for fiscal 2024. The budget calls for total state expenditures (excluding federal funds) of \$297.0 billion, including \$223.6 billion in general fund spending for fiscal 2024. This represents a 6.9 percent general fund decrease compared to spending levels in fiscal 2023. This decrease reflects a series of budget management strategies proposed by the governor to close the state's projected budget gap due to a slowdown in revenue, especially from capital gains taxes. The budget is based on total general fund resources for fiscal 2024 of \$231.7 billion, including a \$21.5 billion beginning balance and \$210.2 billion in annual revenue after a \$911 million transfer to the rainy day fund. General fund revenues, prior to transfers to the Budget Stabilization Account/Rainy Day Fund (BSA), are forecasted to increase 0.3 percent in fiscal 2024 compared to current estimates for fiscal 2023. The recommended budget projects reserve balances of \$22.4 billion in the BSA, \$8.5 billion in the Public School System Stabilization Account (PSSSA), and \$900 million in the Safety Net Reserve. Additionally, the general fund ending balance is expected to be \$8.1 billion, including a \$4.3 billion Reserve for Liquidation of Encumbrances and \$3.8 billion in the Special Fund for Economic Uncertainties (SFEU) (the state's operating reserve). This amounts to combined budgetary reserves (BSA, PSSA, SFEU and Safety Net) of \$35.6 billion (15.9 percent of recommended general fund expenditures for fiscal 2024), and a total balance of \$39.9 billion. With the BSA at its constitutional maximum balance, \$951 million is required to be dedicated to infrastructure investments in fiscal 2024.

Proposed Budget Highlights

The governor's budget proposes using a balanced approach to address the state's projected budget gap in fiscal 2024 and future years. By building strong reserves, paying down debt, reducing retirement liabilities, and focusing on one-time investments in the last several budgets, the state is able to continue investing in key priorities as it manages the slowdown in revenue. These priorities include transforming education, addressing homelessness and expanding housing affordability, increasing health care access, fighting climate change, bolstering public safety capacity, and fostering economic development.

Closing the Budget Gap

- \$7.4 billion in funding delays for various items, spreading out their cost over multiple years without reducing the total amount of funding
- \$5.7 billion in reductions and pullbacks, including a \$3 billion inflationary adjustment in the fiscal 2023 budget and a \$750 million unemployment trust fund payment planned for fiscal 2024
- \$4.3 billion in fund shifts to reduce general fund costs
- \$3.9 billion in reduced funding for baseline and caseload adjustments and other commitments, which would be restored through a budgetary "trigger" in January 2024 if sufficient funds become available (some planned reductions are described further below)
- \$1.2 billion in loans from special funds and Managed Care Organization Tax renewal

Education

- \$690 million for the second year of expanding transitional kindergarten access and \$165 million to increase school staff for transitional kindergarten classrooms
- \$2 billion in sustained investment to expand subsidized childcare access
- \$1.4 billion for universal free school meals
- Sustains second year of multi-year compacts with state universities and a roadmap with community colleges to increase affordability and improve student outcomes

Workforce Development

- Invests \$2.065 billion in job training, apprenticeship and other workforce programs, reflecting a \$135 million reduction in planned investments, of which \$110 million would be restored by the trigger

Homelessness and Housing

- Maintains 88 percent of budgeted allocations for housing programs in fiscal 2023 and fiscal 2024, with proposed reductions included in trigger
- Maintains investments in a comprehensive homelessness strategy



CALIFORNIA (Continued)

Health and Human Services

- Maintains Medicaid eligibility regardless of immigration status
- \$10 billion total fund sustained investment to continue transforming health care delivery system
- \$8 billion sustained investment to expand and transform behavioral health services, particularly for children and youth
- \$1 billion for increased cash assistance to vulnerable populations
- \$1.2 billion to improve services for the developmentally disabled
- Maintains \$200 million for reproductive health services and adds \$200 million for a family planning grant program and related services in fiscal 2025

Climate

- Maintains \$48 billion multi-year commitment (89 percent of previously planned investments) in the state's climate agenda, with program reductions included in trigger

Infrastructure

- Includes multi-year commitment of \$44 billion for infrastructure investments such as transitioning to zero-emission vehicles, modernizing the transportation system, promoting energy innovation, increasing broadband, boosting housing supply, reducing wildfire risk, and supporting drought resiliency

Public Safety

- Sustains \$564 million over three years to strengthen local law enforcement efforts to combat fentanyl prevalence, retail theft and other crimes

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Summary](#)

[Fact Sheet](#)

[Governor's Press Release](#)



COLORADO

On November 1, Colorado Governor Jared Polis released his recommended budget for fiscal 2024. The proposal calls for \$42.7 billion in total fund spending, a decrease of 1.2 percent from fiscal 2023, and \$14.7 billion in general fund operating spending, an increase of 5.6 percent from fiscal 2023. Gross general fund revenue in fiscal 2024 is expected to total \$16.7 billion, a 1.7 percent increase from the fiscal 2023 estimate. Combined with the state's beginning balance of \$2.1 billion, total forecasted general fund resources for fiscal 2024 are \$18.8 billion, a 4.8 percent decrease from the fiscal 2023 estimate. The governor recommends a general fund reserve level of \$2.2 billion, or 15 percent of general fund spending.

Proposed Budget Highlights

Early Childhood

- Invests \$325 million for the first year of free universal preschool and \$10 million to increase provider participation in the preschool program.

K-12 Education

- Increases per pupil funding by an average of \$861.
- Invests \$6 million to continue program that provides free counseling services for youth and \$8.4 million for school safety.

Higher Education

- Provides \$86 million for higher education to keep tuition increases to less than half of inflation.

Workforce

- In accordance with the amended Partnership Agreement, the budget includes funding for a 5 percent across-the-board salary survey increase and movement of all employees to a \$15.75 per hour wage.

Fee Relief

- Directs \$8 million for fee relief to continue to make it nearly free to start a business in Colorado.
- Continues free transit services during Colorado's high ozone period in August.

Public Safety

- Invests \$42.1 million in public safety to increase resources to reduce auto theft, reduce crime, support the recruitment and retention of officers, and increase crime prevention strategies.

Healthcare

- Proposes rate increases for all providers.
- Invests \$5.5 million to prevent a waitlist for youth behavioral health services.

Housing

- Provides \$15 million for statewide innovative affordable housing projects implemented through the Public-Private Partnership Office to create more workforce housing.

Behavioral Health

- Invests \$22.8 million in behavioral health services to address the most pressing needs including \$3.5 million for Behavioral Health Administration personnel, \$5.5 million for Children and Youth Mental Health Treatment Act services, \$0.8 million for the Behavioral Health Learning Management System, and \$6.0 million to support the forensic population and direct-care staff.

Homelessness

- Increases resources to help those at risk of homelessness including housing vouchers and supportive services for former foster youth and adults with disabilities who are transitioning from institutional settings to the community.

Wildfire Mitigation, Suppression, and Recovery

- Proposes a Wildfire Package totaling \$38.3 million to help mitigate and recover from wildfires including funds to increase aerial resources to fight large wildfires, support and empower local firefighters and local mitigation efforts, add fire investigators, and establish a statewide fire data governance system.

Preserving Water Quality and Protecting Rights and Access

- Invests \$17.6 million to continue work on the State Water Plan.
- Allocates \$1.9 million to protect water rights under the Colorado River compact.
- Proposes \$30 million towards the state match requirement for federal funds to draw down over \$200 million in federal funding to finance clean water and drinking water infrastructure projects throughout Colorado.



COLORADO (Continued)

Maximize Return on Investment

- Proposes an additional \$61 million in matching funds to enable the state to compete for and win federal grants to upgrade Colorado’s infrastructure.

In early January, the governor submitted an amendment package detailing his priorities for his second term including property tax relief, closing the workforce gap, tax credits to improve the climate, and addressing declining math scores in K-12. In addition, in mid-January the governor proposed additional K-12 investments and ending recession-era education debt

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Letter](#)

[Governor’s Press Release](#)

[Revenue Forecast \(September 2022\)](#)

[Budget Amendments – January 3](#)

[Budget Amendments – January 17](#)



CONNECTICUT

On February 8, Connecticut Governor Ned Lamont released his budget proposal for the fiscal 2024-2025 biennium. The budget recommends \$25.04 billion in total spending in fiscal 2024, a 3.5 percent increase from fiscal 2023's adopted level, and \$25.51 billion in fiscal 2025, a 1.8 percent increase from fiscal 2024's recommended level. General fund spending is recommended at \$22.03 billion in fiscal 2024, a 0.2 percent decline from fiscal 2023, and \$22.39 billion in fiscal 2025, a 1.6 percent increase from fiscal 2024. Total general fund revenues at the current rate are projected at \$22.60 billion in fiscal 2024, a 1.4 percent decline from fiscal 2023's estimated level. Net projected revenue after proposed revenue changes is \$22.38 billion in fiscal 2024, a 2.3 percent decline from fiscal 2023. The budget assumes a budget reserve fund level of \$4.76 billion at the end of fiscal 2024, or 21.2 percent of expenditures. Additionally, the budget proposes \$433.9 million in new or revised *American Rescue Plan Act* (ARPA) allocations.

Proposed Budget Highlights

The governor's fiscal 2024-2025 proposed budget is directed at building growth and opportunity for all. The budget focuses on broad-based middle-class tax relief; creating additional housing units and making homeownership possible; training the workforce for jobs employers need; investing in K-12 education and childcare; providing sustainable support for higher education; strengthening the social safety net; and ensuring equity for all state residents. The governor also noted the budget is balanced without gimmicks and complies with all caps, including spending, revenue, volatility, and debt. Highlights of the recommended budget include:

Tax Relief

- Total tax relief of \$267.3 million in fiscal 2024 and \$543.9 million in fiscal 2025
- Reduces two tax brackets: 5.0 percent to 4.5 percent and 3.0 percent to 2.0 percent
- Increases the Earned Income Tax Credit (EITC) from 30.5 percent to 40 percent
- Returns the pass-through entity tax (PET) credit to 93.01 percent and makes tax optional
- Expands the human capital investment tax credit including increasing the value of the entire tax credit from 5 percent to 10 percent of all qualifying expenses and 25 percent for childcare expenses

Housing Support

- Expands statewide affordable housing investments by providing \$300 million each year of the biennium through the capital budget, including \$100 million for workforce housing

K-12 Education

- Continues phase-in of the education cost sharing formula by providing \$46 million in fiscal 2024 and \$91 million in fiscal 2025
- Provides funding of \$18.4 million in fiscal 2024 and \$21.7 million in fiscal 2025 to continue implementing a previous settlement regarding Hartford schools
- \$20.5 million in new ARPA investments including to help support staffing issues

Early Childhood

- \$14.2 million in fiscal 2024 and \$53.3 million in fiscal 2025 to support increases of 10 percent per year for licensed providers and 5 percent per year for unlicensed providers
- \$15.5 million in fiscal 2025 to increase rates for pre-k slots
- \$35 million in ARPA funding to support additional enrollment in Care4Kids program

Workforce

- \$30 million in fiscal 2024 and \$9 million in fiscal 2025 in additional support for workforce development initiatives
- Moves the Office of Workforce Strategy from under the governor's office to a stand-alone, separately budgeted agency

Higher Education

- Restructures fringe benefit funding to position the institutions to be more competitive
- Combines UConn and UConn Health into a single budgeted agency
- Provides temporary one-time operating support of \$256.8 million over fiscal 2024-2025
- Sustains current level of funding for debt-free college programs at community college



CONNECTICUT (Continued)

Health Equity and Affordability

- Series of initiatives that address health equity, healthcare affordability, minimize healthcare disruptions; erase medical debt; further benchmarking and affordability activities; and provide specialized wheelchairs for state parks

Strengthening the Social Safety Net

- Provides funding to help with caseload growth and other needs with the Department of Developmental Services and the Department of Mental Health and Addiction Services
- Also increases earned income disregard under Temporary Family Assistance (TFA); doubles asset limits under TFA and State Administered General Assistance; provides funding for flexible client support for those facing immediate economic hardship; supports anticipated costs of 988 Suicide and Crisis Lifeline; and helps strengthen and stabilize residential care homes

Municipal Aid

- Consolidates funds in the Municipal Revenue Sharing Fund to reduce complexity

Criminal Justice and Public Safety

- Initiatives include filling the gap in federal Victims of Crime Act funding; applying a public health approach to stopping gun violence; efforts to recruit and retain state troopers; providing real-time data for law enforcement; judicial pay raises; right sizing the correction system; and continued implementation of Clean Slate laws

Other Initiatives and Proposals

- Other proposals are directed at environment and energy leadership; banking and insurance protection; information technology optimization; creating a safe and equitable adult-use cannabis market; and supporting bus services and rail transit

Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

[Slide Presentation](#)

[Fact Sheet](#)

[Budget Address](#)

[Economic Report and Revenue Forecast](#)



DELAWARE

On January 26, Delaware Governor John Carney presented his fiscal 2024 budget recommendation. Total recommended general fund appropriations are \$6.5 billion. This includes \$5.5 billion in the operating budget, a 7.4 percent increase compared to fiscal 2023, in addition to \$60 million for grants-in-aid, \$325 million for one-time supplemental appropriations, and \$665 million in dedicated cash to support the governor's \$1.3 billion separate fiscal 2024 capital budget (the Recommended Bond and Capital Improvements Act). The operating budget is based on a revenue forecast of \$6.05 billion in net general fund collections for fiscal 2024, a 3.1 percent decrease compared to the fiscal 2023 revenue estimate. After a \$25 million proposed revenue reduction, general fund revenues for fiscal 2024 are forecasted at \$6.02 billion. The state's rainy day fund, the Budget Reserve Account, has a projected balance of \$326 million, or 5.9 percent of general fund operating spending. The governor also allocates \$18.9 million (unencumbered general funds in excess of the constitutionally required set-aside of two percent of available general fund revenue) to a newer reserve known as the Budget Stabilization Fund, bringing that fund balance to \$421.5 million in fiscal 2024. The projected unencumbered cash balance for fiscal 2024 is \$135 million, meeting the two percent set-aside requirement. These three balances, together with continuing and encumbered appropriations of \$1.6 billion, add up to a cumulative cash balance of \$2.4 billion for fiscal 2024.

Proposed Budget Highlights

Priorities in the governor's budget for fiscal 2024 include strengthening the economy, investing in public education, supporting families and the state workforce, and protecting the environment. The plan also focuses on long-term financial sustainability, such as by fully funding reserves and allocating general fund cash to the capital budget, coupled with providing middle class tax relief. Some of the key proposals in the governor's recommended operating and capital budgets include:

Education

- \$10.3 million to increase childcare provider rates
- \$15 million increase in Opportunity Funding investment for low-income and English language learner students
- \$30 million for mental health services for elementary and middle school students

- \$7 million for increases to various postsecondary scholarship programs
- \$191.7 million for school construction and renovation projects
- \$10 million for school safety projects
- \$60 million deferred maintenance, capital improvements and technology upgrades at public higher education institutions
- \$12.7 million for education initiatives in the City of Wilmington
- \$3 million increase to Wilmington Learning Collaborative

Economic Development

- \$25 million for Delaware Strategic Fund to provide targeted financial assistance to small businesses
- \$10 million to expand bio-tech laboratory space
- \$10 million for the Site Readiness Fund to encourage businesses to locate and expand in Delaware
- \$5 million to the Transportation Infrastructure and Investment Fund (TIIF) to improve roads and related transportation infrastructure for business recruitment or expansion

Environment

- \$53.2 million in state and federal Clean Water investments
- \$20 million for Farmland Preservation and Open Space programs
- \$7.5 million in shoreline and waterway resiliency

State Workforce

- \$147.9 million for state wage increases and pay equity efforts, including:
 - State employee pay increases of 3 to 9 percent, with lowest wage workers receiving highest percentage increase
 - Teacher pay increases of 9 percent
- Moving towards a \$15 hourly minimum wage for merit full-time state employees



DELAWARE (Continued)

- \$143.2 million increase to state employee health benefits
- \$51 million for OPEB Trust Fund liability

Housing

- \$31.5 million for various housing initiatives, including: construction loans for vacant properties; incentives to market rate developers to set aside affordable rental units; assistance with construction cost increases to affordable housing rental property owners; and maintenance support to existing affordable housing units
- \$60 million in *American Rescue Plan Act* (ARPA) funding for housing
- \$10 million for capital budget spending on housing

Tax Relief

- Increase the standard deduction by 75 percent and increase the refundable Earned Income Tax Credit to 7.5 percent of the federal credit, which together will reduce revenue in fiscal 2024 by \$25 million

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Operating Budget Overview](#)

[Governor's Press Release](#)



DISTRICT OF COLUMBIA

On March 22, District of Columbia Mayor Muriel Bowser released a \$19.7 billion total gross funds budget, a decrease of \$266.5 million, or 1.3 percent, compared to the fiscal 2023 approved budget. The Local Funds portion of the budget totals \$10.6 billion, a decrease of \$110.3 million, or 1.0 percent, from the fiscal 2023 approved budget. Estimated general fund revenues for fiscal 2024 are projected at \$11.1 billion, an increase of 0.04 percent over the current year while the Local Funds portion is projected to be \$9.7 billion, a decrease of 0.3 percent from fiscal 2023. The projected ending general fund balance for fiscal 2024 is \$3.7 billion and the total cash reserves are \$1.6 billion. The proposed budget includes various policy initiatives that increase general fund revenue in fiscal 2024 by a net \$24.1 million. These initiatives include implementation of a new sales and use tax compliance initiative; three income tax compliance initiatives; and implementation of an enhanced automated traffic enforcement program, funded and approved as part of the current year budget.

Proposed Budget Highlights

The mayor's "Fair Shot" budget continues efforts to provide relief, recovery, and growth for all residents and businesses, including expanding affordable housing, academic acceleration, increased access to quality child care, addressing public safety, and support for businesses and residents.

Education

- \$145.0 million to support a 5.05 percent increase to the foundation of the Uniform Per Student Funding Formula, which funds the District's public schools and public charter local educational agencies.
- \$116.0 million to support raising the wages of teachers in both public and public charter schools.
- \$20.0 million to continue supporting schools facing pandemic recovery.
- \$2.95 million for summer recreation activities and accelerated learning opportunities for students recovering from the impacts of the pandemic.
- \$1.6 million to begin planning and implementation of a Teacher Apprenticeship Program to train future teachers in the District.
- Raises the eligibility for the child care subsidy from 250 percent of the federal poverty line to 300 percent.

Housing Affordability

- \$115.0 million to rehabilitate and modernize public housing units managed by the District's Housing Authority.
- \$31.0 million increase, for a total of \$100.0 million, for the Housing Production Trust Fund.
- \$8.0 million to increase available down payment assistance through the Housing Purchase Assistance Program.
- \$13.0 million to support 600 families in Career Mobility Action Plan (Career MAP), a pilot designed to remove barriers that families confront as they pursue sustainable employment.
- \$1.0 million to expand the Strong Families, Strong Futures program and provide more residents with direct cash assistance.

Economic Development and Transportation

- \$3.0 million for the Great Streets and Small Business Fund.
- \$6.0 million in the Commercial Property Acquisition Fund.
- \$5.8 million to expand Capital Bikeshare operations.
- \$258.0 million in the capital budget to redesign dangerous roadways and improve traffic safety.
- \$148.0 million in the capital budget for new or rehabilitated trail segments.
- \$114.0 million in the capital budget to continue building bus-only lanes and other bus priority treatments to make bus travel faster and more reliable.

Health and Human Services

- \$42.0 million to support rental assistance through the Family Re-Housing Stabilization Program.
- \$24.4 million to provide increased Medicaid rates for behavioral health services.
- \$2.2 million to support homeless prevention programming and outreach and \$1.7 million to support housing case management services for behavioral health service clients.



DISTRICT OF COLUMBIA

(Continued)

- \$900,000 to buy down \$90.0 million of medical debt for approximately 90,000 residents.
- \$550,000 to provide free dental services for seniors.

Public Safety

- \$5.4 million to continue investments in recruitment and conversion bonuses for new police hires and \$1.2 million for expanded educational incentives.
- \$2.1 million and 18 additional staff to support civilianization efforts, reducing the need for sworn officers to cover civilian roles and duties.
- \$277.0 million for a reimagined treatment and residential facility built as an annex to the Correctional Treatment Facility, providing a new, modernized facility for 1,000 inmates.
- \$4.0 million to support high-quality education services of inmates with special education needs.
- \$6.7 million for grants for victims of sexual assault and other victim services.
- \$1.2 million to launch a new DC Paramedic School.

Government Services

- \$2.5 million to create a new recruitment and retention fund for hard to fill government positions.
- \$4.5 million for a new one-stop web portal for resident services.
- \$4.2 million to enhance cybersecurity protections through enhanced device security and proactive vulnerability remediation.

American Rescue Plan Act (ARPA)

- The proposed budget includes \$61.3 million from ARPA across multiple funding areas including governmental direction and support (\$3.7 million), public safety and justice (\$13.5 million), public education (\$12.8 million), human support services (\$4.2 million), and operations and infrastructure (\$27.1 million).

Proposed Budget Links

[Fiscal Year 2024 Budget Documents](#)

[Executive Summary](#)

[Budget Presentation](#)

[Mayor's Press Release](#)

[Revenue Estimate - February](#)



FLORIDA

On February 1, Florida Governor Ron DeSantis introduced a \$114.8 billion all funds budget for fiscal 2024, an increase of \$3.8 billion or 3.5 percent from the current year budget. The general revenue portion of the budget totals \$42.4 billion, a decrease of \$304.3 million or 0.7 percent from fiscal 2023. Estimated general revenues (recurring and non-recurring) for fiscal 2024 were projected to be \$42.5 billion at the time of the governor's rollout, an increase of 1.2 percent over the fiscal 2023 estimated general revenues of \$41.99 billion. Florida's economists have since added \$4.3 billion to the Fiscal Year 2024 projected General Revenue collections. The Governor's budget factored in Fiscal Year 2023 actual collections, which included overages of over \$2.3 billion. The general revenue ending balance is estimated at \$6.9 billion in fiscal 2024 while all reserves combined would total \$15.7 billion; the Budget Stabilization Fund is estimated at \$3.4 billion.

Proposed Budget Highlights

The proposed budget continues the governor's commitment to K-12 students, parents and teachers, environmental resources, and law enforcement while also maintaining healthy reserves.

Taxpayer Savings

- Record \$2 billion tax relief package, which includes the \$500 million Toll Relief Program which began on January 1, 2023.
- Includes \$1.5 billion in tax cuts through permanent and temporary exemptions:
 - Permanent sales tax exemption for baby and toddler necessities (\$138.7 million); cribs and strollers (\$3.9 million); gas stoves (\$7.0 million); and over-the-counter pet medications (\$33.6 million).
 - Permanent increase of savings to businesses who e-file to the first \$60 of the sales tax return (\$141.4 million).
 - One-year sales tax exemption for cosmetic and toiletries that contain medicinal ingredients (\$72.0 million); dental and oral hygiene products (\$45.3 million); children's books (\$17.3 million); children's toys (\$132.7 million); children's athletic equipment (\$42.5 million); household items under \$25 (\$138.0 million); pet foods (\$170.2 million); and ENERGY STAR appliances (\$82.4 million).

- Two Back-to-School sales tax holidays (\$210.0 million).
- 14-day Disaster Preparedness sales tax holiday (\$27.1 million).
- 15-week Freedom Summer sales tax holiday (\$224.0 million).
- 7-day Skilled Worker Tool sales tax holiday (\$13.0 million).
- Two-year extension for the exemption on natural gas fuel tax (\$1.2 million).

Education

- Increase of \$200.0 million, for a total of \$1 billion, to provide salary increases for new and veteran K-12 teachers and other eligible instructional personnel.
- Appropriates \$26.0 billion for the K-12 financing program that includes increases for the Base Student Allocation (\$121), mental health (\$20 million), safe school initiatives (\$40 million), and student transportation (\$20 million).
- Includes \$10.0 million for a new recruitment bonus for retired military veterans and first responders who commit to joining the teaching profession.
- The budget does not include any tuition or fee increases for the state's colleges and universities.
- Includes more than \$624.0 million to support workforce education programs including an increase of \$5.0 million to develop the Teacher Registered Apprenticeship Program.

Environment

- Includes more than \$614.0 million for Everglades restoration projects and \$370.0 million for targeted water quality improvements.
- Provides \$50.0 million to restore the state's world-renowned springs.
- Invests \$65.0 million to improve water quality and combat the effects and impacts of harmful algal blooms, including blue-green algae and red tide.
- Dedicates \$45.0 million to infrastructure improvements and resource management at state parks.



FLORIDA (Continued)

Public Safety

- Includes \$20.7 million to support law enforcement efforts to combat the opioid epidemic, including \$20.0 million for the creation of the State Assistance for Fentanyl Education (SAFE) in Florida Program.
- Includes \$30.0 million for a second round of \$5,000 recruitment bonus payments for new law enforcement officers, including those relocating from other states.
- Provides \$4.4 million to improve staffing levels at the Department of Corrections and \$47.2 million to make correctional facilities safer.

Transportation and Economic Development

- Invests \$4.0 billion of general revenue in the Moving Florida Forward Initiative to accelerate the development and completion of 20 priority transportation projects over four years to increase highway and road capacity and relieve congestion.
- Provides \$402.7 million to fully fund two affordable housing trust funds.
- Provides \$100.0 million for the second year of the Hometown Heroes Housing Program, which makes homeownership affordable for eligible frontline community workers and active military or veterans.
- Includes \$100.0 million for the Florida Job Growth Grant Fund providing funding to local areas for proposed public infrastructure and workforce training projects.

Government Operations

- Recommends increasing the employer contribution for employee state retirement system investment accounts by an additional three percent of the member's salary and increasing the pension benefits of retired members by four percent.
- Dedicates \$1.0 billion of general revenue to a new state reserve fund, the State Investment Fund, which would be available as a reserve of last resort.
- Establishes the Debt Reduction Program and allocates \$400.0 million to immediately pay down state debt with a portion of investment returns from the State Investment Fund serving as a funding source.

- Recommends \$695.0 million for a state pay package including:
 - Across-the-board 5 percent pay increase for all state employees.
 - Additional 10 percent increase for certain "hard-to-hire" positions of importance for state government.
 - Targeted pay adjustments for critical staff of the Department of Children and Families child protection system and Department of Business and Professional Regulation licensing professionals.
 - Increase for correctional officers to \$23 per hour.
 - Historic pay increase for state law enforcement officers.

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Highlights](#)

[Budget FAQs](#)

[Budget Presentation](#)

[Governor's Press Release](#)



GEORGIA

On January 13, Georgia Governor Brian Kemp released a \$61.1 billion all funds budget proposal for fiscal 2024, a decrease of 0.8 percent from the amended fiscal 2023 budget. From state funds the budget proposes spending \$32.4 billion in fiscal 2024, a decrease of 0.4 percent from amended fiscal 2023 while general funds total \$27.8 billion, a decrease of 1.1 percent from amended fiscal 2023. State general fund receipts are projected at \$30.8 billion in fiscal 2024, an increase of 0.5 percent over amended fiscal 2023, while total state treasury receipts are estimated at \$32.4 billion, a 0.7 percent increase. The Revenue Shortfall Reserve was \$5.2 billion at the end of fiscal 2022, maintaining a “filled” status for the second consecutive year; current law provides that the reserve cannot exceed 15 percent of the previous fiscal year’s net revenue. Across state funds appropriated in the budget, the largest categories of spending are dedicated to Educated Georgia (53.2 percent), Healthy Georgia (23.6 percent), Safe Georgia (7.2 percent), and Mobile Georgia (7.0 percent).

Proposed Budget Highlights

The governor’s proposed budget for fiscal 2024 ensures that the state continues to meet its financial obligations while also investing in the education, health, and safety of its citizens to maintain Georgia’s position as the best state in the country to live, work, and raise families.

Educated Georgia

- Early care:
 - \$20.6 million to increase salaries for certified teachers and assistant teachers by \$2,000.
 - \$14.0 million to fund an increase in the Pre-K operations grant to allow programs to reallocate existing funds to lead teacher salaries.
- K-12 schools:
 - \$303.2 million to increase salaries for certified personnel by \$2,000.
 - \$127.2 million for enrollment growth and training and experience.
 - \$846.1 million to fund the state share of employer increases on educators who participate in the state health benefit plan.

- \$26.9 million to fully fund the school counselor ratio for all categories of students.
- \$226.99 million in bonds for construction and renovation projects for local school systems plus \$22.8 million in bonds to replace 259 school buses.

Higher Education:

- \$87.4 million for a \$2,000 cost of living adjustment for University System of Georgia full-time employees.
- \$61.2 million to fully fund HOPE scholarships and grant awards, saving full-time students an average of \$444 annually.

Healthy Georgia

- \$13.1 million for three additional behavioral health crisis centers and \$6.3 million for additional mobile crisis teams to address increasing demand statewide.
- \$14.4 million to annualize 513 slots and add 250 slots in waiver programs for individuals with intellectual and developmental disabilities.
- \$52.2 million to implement the Georgia Pathways to Coverage program established by law and increase health insurance access statewide.
- \$312.2 for Medicaid and PeachCare including \$79.0 million in utilization growth and \$227.0 million to offset a reduction in the FMAP and eFMAP rates.
- \$3.2 million for 300 additional Medicaid eligibility caseworkers to process redetermination cases upon expiration of the federal COVID-19 Public Health Emergency.
- \$2.3 million for the creation and administration of loan repayment programs for mental health professionals, medical examiners, and nurse faculty.
- \$3.4 million to assist in the rehabilitation of children, youth, and adult victims of sexual trafficking.

Safe Georgia

- \$25.7 million to reflect the opening of one new state prison.



GEORGIA (Continued)

- \$26.0 million in bond funds for emergency maintenance and repairs in the Department of Corrections.
- \$2.1 million for equipment associated with a new statewide public safety radio network to achieve interoperability statewide.
- \$3.2 million to establish a loan repayment program to recruit and retain public law enforcement officers across the state, providing up to 800 officers with a loan repayment of up to \$20,000 per officer in exchange for five years of service.

Growing Georgia

- \$14.5 million in bond funding for federal State Revolving Fund match for Clean Water and Drinking Water Loan programs.
- \$8.98 million in bond funds for design and construction of three watershed dams.
- \$3.8 million in trust fund reserves to renovate department fish hatcheries and construction wildlife management area maintenance shops.

Statewide Changes

- \$243.0 million to provide state law enforcement and other state employees with a cost-of-living pay increase of \$2,000.
- \$92.0 million for the state reinsurance program to reduce insurance premiums statewide.

Proposed Budget Information

[Fiscal Year 2024 Budget Report](#)

[Governor's Press Release](#)



GUAM

On January 31, Guam Governor Lourdes A. Leon Guerrero released her proposed budget for fiscal 2024. General fund revenues for fiscal 2024 are projected at \$778.9 million, an increase of \$65.7 million from fiscal 2023. Allocations from the general fund are projected to go to the following areas: Public Education (35 percent), Protection of Life and Property (17 percent), General Government (15 percent), Debt Service (11 percent), Reserve Departments (10 percent), Public Health (8 percent), and all others (4 percent). Special Fund revenues for fiscal 2024 are projected at \$202.9 million, an increase of \$3.4 million from fiscal 2023. Allocations from Special Fund revenues are projected to go to the following areas: General Government (30 percent), Public Health (25 percent), Public Education (18 percent), Reserve Departments (11 percent), Protection of Life and Property (9 percent), Debt Service (4 percent), and all others (3 percent). Federal Matching Funds for fiscal 2024 are projected at \$143.6 million, an increase of \$34.2 million from fiscal 2023. Allocations from Federal Matching Funds are projected to go to the following areas: Public Health (88 percent), Reserve Departments (3 percent), Public Education (3 percent), Protection of Life and Property (2 percent), and all others (4 percent). Total spending from all funds for fiscal 2024 is projected at \$1.1 billion.

Proposed Budget Highlights

The governor's proposed budget includes adjustments to the General Pay Plan, maintains the five percent Business Privilege Tax rate, and prioritizes investments in public health, public safety, and economic diversification. Recommendations include the following:

Public Education

- Appropriates \$238.9 million to the Department of Education including funds for CHamoru studies; interscholastic sports, health and physical education activities; textbooks; grounds maintenance; and summer school.
- Directs \$4.7 million to the University of Guam for scholarships and financial assistance programs; operation of the Aquaculture Development and Training Center; and the Hydrologic Survey and Water Resource Monitoring Program administered by the Water and Environmental Research Institute of the Western Pacific.

- Appropriates \$500k to the University of Guam for the Guam Green Growth Initiative.
- Directs \$6.5 million to Guam Community College for training programs including an apprenticeship program.

Protection of Life and Property

- Funds the statutorily mandated 40 Guam police officers, 20 correction officers for the Department of Corrections, 30 customs and quarantine recruits, and 20 new firefighters.
- Directs \$620k to the Department of Youth Affairs to carry out Summer Employment and Training Programs for Youth.
- Appropriates \$143k to the Guam Police Department for its Safe Schools Initiative.

General Government

- Directs funds to the Department of Administration for the following:
- \$2.5 million for the Residential Treatment Fund.
- \$586k to complete audit reports for the Government of Guam.
- \$10.9 million for the Financial Information Management System Contract.

Public Health

- Appropriates funds to the Guam Behavioral Health and Wellness center including:
 - \$2.66 million to fund drug and alcohol detoxification, rehabilitation, and prevention services programs.
 - \$2.01 million to fund inpatient services of drug and alcohol detoxification, rehabilitation, and prevention services programs.
 - \$285k to fund the Youth Mental Health First Aid Program.
- Directs funds to the Department of Public Health and Social Services including:
 - \$5.62 million for the Medically Indigent Program Payment Revolving Fund.



GUAM (Continued)

- \$129.9 million for the Medicaid program (\$22.26 million for the local matching requirement and \$107.6 million from Federal Matching Funds).
- \$665k to pay for insurance premiums for foster children.
- \$1.23 million to fund the Child Protective Services Program.

Other

- Appropriates \$6.26 million to the Supplemental Annuity Benefits Special Fund for direct payments to Government of Guam retirees who retired prior to October 1, 1995, or their survivors.
- Appropriates \$4.72 million to pay for the cost of Medicare premiums for eligible retirees.
- Appropriates \$35.9 million to pay for health, dental, and life insurance of Government of Guam retirees.
- Appropriates \$16.3 million to provide a Cost-of-living allowance in the form of a single lump sum payment of \$2,200 to each retiree of the Government of Guam Retirement Fund who is retired as of September 30, 2023, or their survivors

Proposed Budget Links

[Fiscal Year 2024 Budget Request](#)



HAWAII

On December 19, Hawaii Governor Josh Green released his budget proposal for the next biennium, covering fiscal 2024 and fiscal 2025. The budget calls for total spending of \$18.02 billion in total spending in fiscal 2024 and \$17.86 billion in fiscal 2025, with general fund operating spending at \$9.85 billion in fiscal 2024 and \$9.66 billion in fiscal 2025. This represents a 4.4 percent increase in total spending and a 7.3 percent increase in general fund spending in fiscal 2024 compared to fiscal 2023 appropriated levels. The budget is based on general fund revenue estimates of \$10.37 billion in fiscal 2024 (a 4.0 percent increase from fiscal 2023's estimated level) and \$10.73 billion in fiscal 2025 (a 3.5 percent increase from fiscal 2024's estimated level). The Emergency and Budget Reserve Fund (EBRF) is projected to have a balance of \$972.8 million at the end of fiscal 2023, while the governor's budget proposal also includes a \$500 million deposit to the EBRF.

Proposed Budget Highlights

In releasing his budget proposal, the governor said he worked with the prior administration to include some high-priority items in the budget submittal. The governor added he is still reviewing other requests from state agencies and will be transmitting additional budget items to the legislature in the coming months. In his message to the legislature, the governor said he will work to implement an emergency housing plan; ease the state tax burden on necessities such as food and medicine; address the teacher shortage; increase investments in universal prekindergarten; make healthcare a priority; provide the necessary support to the Native Hawaiian community; create a sustainable tourism industry, and address climate change and mitigate its impact.

Homelessness

- \$15 million in each fiscal year for the 'Ohana Zones Pilot Program, which has served over 5,510 previously homeless individuals and has placed 1,368 people into permanent housing
- \$10.8 million in each fiscal year for homeless service and outreach programs

Healthcare

- \$10 million in fiscal 2024 and \$20 million in fiscal 2025 for the Hawaii State Loan Repayment Program, which pays off educational loans for primary care and behavioral health providers who work in designated health professional shortage areas

- Funding for over 60 positions and \$4.4 million for nursing and medical-related programs across University of Hawaii campuses and community colleges
- \$5 million in fiscal 2024 and \$10 million in fiscal 2025 for Medicaid provider payments, increasing the Medicaid reimbursement rate for providers
- \$50 million for Hilo Medical Center for the expansion of the intensive care unit and medical surgical unit

Proposed Budget Links

[Fiscal Years 2024-2025 Proposed Budget](#)

[Budget in Brief](#)

[Governor's Message](#)

[Governor's Press Release](#)

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IDAHO

On January 9, Idaho Governor Brad Little released his recommended budget for fiscal year 2024. The proposal calls for \$14.0 billion in total fund spending, including \$4.9 billion in general fund spending, \$3.3 billion in dedicated funds, and \$5.8 billion in federal funds. The budget recommendation reflects a total fund spending increase of 8.1 percent and a general fund spending increase of 5.0 percent compared to original appropriations for fiscal 2023. General fund revenue in fiscal 2024 is forecast to total \$5.5 billion, a 5.5 percent decrease compared to estimated revenue for fiscal 2023; the decrease is due mainly to the implementation of prior tax cuts and a sales tax transfer to education. After proposed property tax relief, transfers and disbursements, maintenance expenditures and proposed enhancements, the governor's fiscal 2024 budget projects an ending balance of \$220 million. In addition, the budget projects total reserve fund balances – including the Budget Stabilization Fund, Public Education Stabilization Fund and Higher Education Stabilization Fund – of \$1.1 billion, or 23 percent of recommended general fund spending. The governor's budget also recommends supplemental appropriations for fiscal 2023, mostly for capital investments and other critical infrastructure.

Proposed Budget Highlights

The governor's "Idaho First" budget prioritizes funding for education, workforce, infrastructure, health and human services, public safety, tax relief, and employee compensation. The governor's budget also continues to take fiscally prudent steps to prepare the state for the next recession. These steps include paying off debt, using one-time funds to address state building deferred maintenance, bolstering rainy day funds, enhancing the state's fire suppression fund, leaving a healthy surplus (ending balance), and focusing on long-term structural balance with the use of a fiscal stress test. Highlights of the governor's fiscal 2024 budget as well as largely one-time supplemental appropriations for fiscal 2023 include:

Education

- \$330 million for targeted public school investments supported by dedicated sales tax collections set aside during the 2022 special session and approved by voters
- Includes funds to enhance teacher and classified staff pay and health insurance benefits as well as bring starting teacher pay to the Top 10 nationally

- Includes \$52 million in discretionary funding to local schools to meet local needs and reduce reliance on property taxes
- \$30 million to make permanent the Empowering Parents grant program to support student learning outside the classroom
- \$20 million in one-time grants for school facility security
- \$30 million in one-time grants for school information technology

Workforce

- \$80 million to expand the Idaho Launch scholarship program for qualifying high school graduates to use at any Idaho university, community college, career technical program or workforce training provider

Infrastructure

- \$97 million to fully fund the ongoing transportation safety gap
- \$200 million to improve local bridges
- \$35 million to improve airports statewide
- \$10 million for pedestrian and safety projects
- \$100 million reserved for economically significant local transportation projects
- \$225 million in federal funds to improve broadband infrastructure
- \$150 million for state water supply infrastructure
- \$115 million to support drinking water and wastewater systems
- \$100 million for outdoor recreation

Health and Human Services

- \$22 million general fund and \$50 million federal funds for behavioral health provider rate increases and expanded services to Medicaid beneficiaries
- \$24 million for a new mental health facility
- \$20 million in ongoing federal funds for emergency medical care in rural areas



IDAHO (Continued)

- \$15 million in *American Rescue Plan Act* (ARPA) funds for childcare infrastructure grants

Public Safety

- 10 percent pay increase for law enforcement officers
- \$1.6 million for statewide drug interdiction team to respond to ongoing fentanyl crisis, as well as one-time and ongoing funds for drug testing and fentanyl training

Tax Relief

- \$120 million set aside for additional ongoing tax relief to be directed to local government property tax mitigation
- Fully implements the flat tax passed during the 2022 special session

Employee Compensation

- In addition to raising law enforcement and teacher pay, calls for 4 percent merit-based increase for permanent state employees

Proposed Budget Information

[Fiscal Year 2024 Executive Budget](#)

[Fiscal Year 2024 Executive Budget Book](#)

[Budget Highlights](#)

[Governor's Press Release](#)

[Revenue Forecast \(January 2023\)](#)



ILLINOIS

Illinois Governor JB Pritzker released his fiscal 2024 budget proposal on February 15, which calls for operating expenditures from all funds of \$118.89 billion, a 2.3 percent decline from fiscal 2023's enacted level. General fund expenditures are estimated to be \$48.31 billion in fiscal 2024, a 2.3 percent increase from fiscal 2023's enacted level, while other state funds are estimated at \$50.15 billion, a 1.7 percent increase from fiscal 2023's enacted appropriation. On the other hand, federal funds are estimated at \$20.43 billion, an 18.7 percent decline from fiscal 2023. General fund revenues are estimated to be \$49.9 billion, a 2.7 percent decline from fiscal 2023's estimated level. The budget includes a \$1.9 billion rainy day fund and assumes a general fund surplus of \$303 million.

Proposed Budget Highlights

The proposed budget for fiscal 2024 builds on four years of historical fiscal progress with balanced budgets, six credit rating upgrades, a growing rainy day fund, and the elimination of the bill backlog. The budget proposal fully funds the certified pension contribution of \$9.8 billion while making an additional contribution of \$200 million. The recommended budget also makes transformative, generational investments in early childhood education and childcare, the teacher pipeline, higher education, and efforts to fight poverty. Highlights of the budget include:

Early Childhood Education (Birth to Age 5)

- Provides \$250 million for the first year of the Smart Start Illinois early childhood initiative, a multi-year program that takes a comprehensive investment approach to prepare children to be lifelong learners.
- Targeted investments include the early childhood block grant; childcare workforce compensation contracts; early intervention programs; capital funds for early childhood providers; upgrades to the childcare payment management system; launching the Dolly Parton Imagination library statewide; and federal funding for the Early Childhood Access Consortium for Equity Scholarships.

K-12 Education

- Continues a focus on equitably serving every child with adequate funding
- Includes a \$350 million increase for evidence-based funding; a \$86.4 million increase for transportation and special education grants; the launch of a three-

year pilot program to direct \$70 million per year towards improving the teacher pipeline; and \$3 million for computer science education investments.

Higher Education

- Increases college affordability and expands economic opportunity for students.
- Includes an \$100 million increase for Monetary Award Program (MAP) funding; a 7 percent increase for public universities and community college operations; new funding to support community college investments; \$2.8 million for the Minority Teacher Scholarship program; and \$25 million for the Pipeline for the Advancement of the Healthcare (PATH) Workforce Program.

Social Service Programs

- Provides \$350 million in total funding for Home Illinois, a program aimed at the prevention of homelessness, providing crisis response, expanding housing support, and increasing job opportunities for the homeless.
- Department of Children and Family Services (DCFS): continues rate reform for private sector providers; focuses on protecting DCFS workers; funding to hire 192 staff to support caseloads; a \$41 million increase for the rollout of the Child Welfare Information System; \$30 million for the Level of Care Support Services capital grants; and \$2 million for 130 additional scholarship awards.
- Department of Human Services: proposes a \$200 million increase for developmental disability services; a \$50 million increase for TANF; funding for the Children's Behavioral Health Transformation; and supports mental health.
- Healthcare and Family Services: includes a 1.2 percent growth for Medicaid liability; adapts to the end of the public health emergency; funds an increase in reimbursement rates for providers; raises the asset limit for seniors; and directs funding to grow the healthcare workforce.
- Other recommendations include: \$45 million for public health IT improvements; \$8.5 million to respond to unexpected public health threats; \$7 million to improve public health communications; increased



ILLINOIS (Continued)

funding for the Community Care Program for seniors; an \$8 million increase for the home-delivered meals program; \$28.5 million to help open a Chicago veterans' home; and partnering with DHS to assess the mental health needs of veterans.

Public Safety and Violence Prevention

- State Police: includes funding for 200 additional troopers, the Decatur Forensic laboratory, and motor vehicle and body camera cloud storage.
- Emergency Management Agency: provides additional funding for the Illinois Nonprofit Security Grant Program, maintains funding for the Safe2Help tip line, and includes a risk analysis of 12 levees adjacent to the Mississippi River.
- Department of Corrections: provides funds to hire staff and reduce reliance on overtime, expand a construction workforce training program, make nutritional improvements at correctional facilities, and increase IT investments.
- Law Enforcement Training Standards Board: funds camera grants to local law enforcement and allocates funds for recruitment and retention of officers.
- Also provides funding to various state agencies to support violence prevention.

Economic Development

- Recommendations include continued funding for core initiatives; seeding the Illinois Grocery Initiative to address food insecurity; supporting the Social Equity Cannabis Loan program; incentivizing minority-owned business retention; creating a new office of outdoor recreation; and funding capital grants.

Environmental and Natural Resources

- Department of Natural Resources: includes funding to support department activities, Open Space Lands Acquisition and Development Grants, blocking invasive carp species, and flood hazard mitigation.
- Environmental Protection Agency: Directs federal funds to household energy efficiency rebates, water infrastructure programs, lead service line replacement, and air permitting and inspection activities. Also funds electric vehicle rebates.

Proposed Budget Information

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[Fiscal Year 2024 Budget Proposal](#)

[Budget in Brief](#)

[Budget Address](#)

[Revenue Forecast – November 2022](#)



INDIANA

On January 5, Indiana Governor Eric Holcomb proposed a two-year budget for fiscal 2024 and fiscal 2025. The budget calls for \$48.8 billion in total spending in fiscal 2024 (a 2.3 percent increase compared to the recommended current estimate for fiscal 2023), and \$47.4 billion in fiscal 2025 (a 2.8 percent decline from recommended fiscal 2024). General fund spending is recommended at \$20.8 billion in fiscal 2024 (a 12.1 percent increase compared to fiscal 2023) and \$20.1 billion in fiscal 2025 (a 3.1 percent decline from fiscal 2024). General fund revenues are estimated to increase 3.2 percent in fiscal 2024 and 2.9 percent in fiscal 2025. The budget assumes an annual operating surplus of \$564.1 million in fiscal 2024 and \$545.1 million in fiscal 2025. Additionally, the budget projects an annual reserve balance of \$3.0 billion in fiscal 2024 (14.2 percent of expenditures), and \$3.2 billion in fiscal 2025 (14.5 percent of expenditures).

Proposed Budget Highlights

The governor noted his Next Level Agenda includes historic increases for K-12, higher education, and Medicaid while completely funding the Governor's Public Health Commission's recommendations. In addition, his recommended budget is balanced, funds critical services, maintains prudent levels of reserves, and maintains the state's AAA credit rating. Highlights of the budget proposal include:

Health and Wellbeing

- \$120 million in fiscal 2024 and \$227 million in fiscal 2025 to implement the Governor's Public Health Commission recommendations, with most of the dollars allocated at the county level.
- Better access to mental health services including a three-pillar crisis prevention and response system.
- Begins to invest national opioid settlement funds to create more community substance use programs.

Education and Workforce

- K-12
 - Increases support by 6 percent in fiscal 2024 and 2 percent in fiscal 2025, equaling \$1.2 billion.
 - Establishes a \$20 million incentive program to improve reading scores.
 - Prohibits textbook and curricular material fees.

- Higher Education
 - Increase support by 6 percent in fiscal 2024 and 2 percent in fiscal 2025, totaling \$184 million, with a portion based on performance goals of retaining graduating students in Indiana.
 - One-time \$10 million commitment to Martin University to boost graduation at the state's only predominantly Black institution.
- Early Learning
 - Expands eligibility for Child Care and Development Fund vouchers and will work with legislators to expand On My Way Pre-K eligibility by raising income limits.
- Workforce
 - Proposes more investments in adult education to reduce the number of working age adults without a high school diploma or workforce training.

Economic Development

- Focuses on diversifying the Indiana Economic Development Corporation (IEDC) toolkit to remain competitive for future growth.
- Formalizes a \$300 million per year deal closing fund and an additional \$300 million per year tax credit gap to give the state flexibility to attract new businesses and jobs.

Community Development

- Connections
 - \$500 million to fund another round of the Regional Economic Acceleration & Development Initiative.
 - \$50 million for trails improvements and \$25 million for additional land conservation efforts.
 - \$70 million in state and federal funds to address broadband service gaps.
- Public Safety
 - Increases the Secured School Safety Grant Fund to \$25 million.
 - Raises the starting salary of state police troopers to \$70,000.



INDIANA (Continued)

- \$24.2 million investment in a regional firefighter training infrastructure.
- Good Government
 - \$160 million budget request to fund the state employee compensation pay study to attract and retain state employees.
 - Requests funding in the current fiscal year to complete four capital projects.

Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

[Budget Presentation](#)

[Governor's Press Release](#)



IOWA

Iowa Governor Kim Reynolds released her fiscal 2024 budget proposal on January 10, which calls for \$8.49 billion in total general fund appropriations, an increase of 3.3 percent from fiscal 2023's estimated spending level of \$8.21 billion. The largest program areas include education (56 percent), health and human services (27 percent), and justice/judicial branch (10 percent). Total tax receipts are estimated at \$10.68 billion, a 1.7 percent decline from estimated fiscal 2023's level. In addition, the budget assumes an ending balance cash reserve fund of \$721.9 million (meeting the goal of 7.5 percent) and total reserve funds of \$962.5 million.

Proposed Budget Highlights

The governor said her vision for Iowa is focused on the following areas: supporting success at school; promoting healthy families and communities; building workforce through apprenticeships; aligning government to better serve Iowans; combatting the fentanyl crisis; and protecting state investments. Specific proposals include:

Supporting Success at School

- Providing education savings accounts equal to the amount of state per pupil funding to eligible students.
- Giving classroom teachers a raise by using unspent education program funds.
- Eliminating burdensome or trivial requirements in Iowa code.
- Protecting the rights of parents as primary decision makers.

Promoting Healthy Families and Communities

- Increasing support for pregnant women and promoting the importance of fatherhood.
- Establishing a Family Medicine Obstetrical Fellowship to support maternal health in rural and underserved communities.
- Promoting preventative care by improving access to hormonal contraceptives.
- Providing state employees paid parental leave for the birth or adoption of a child.
- Increasing reimbursement for allowable expenses related to adopting a child.

- Improving the affordability of childcare through property tax parity for commercial and in-home providers.
- Supporting post-secondary educational opportunities for foster care students.
- Increasing funding for Centers of Excellence to improve access to medical specialties in rural and underserved communities.
- Ensuring the availability of emergency medical care in rural communities.
- Limiting liability for medical malpractice.
- Expanding the Iowa Health Careers Registered Apprenticeship program.
- Launching a rural emergency medical services pilot program.

Building Workforce through Apprenticeships

- Expanding Iowa's Health Careers Registered Apprenticeship programs to include additional certifications.
- Establishing a State Apprenticeship Agency to register and oversee programs and agreements statewide.

Aligning Government to Better Serve Iowans

- Strategically aligning executive branch operations to improve efficiency and reduce the total number of cabinet-level departments from 37 to 16.
- Reducing state government's office space footprint.
- Consolidating common technology systems and services.
- Recovering additional Medicaid drug rebates and capturing various other costs for inmates from the federal government.
- Aligning regionally operated Community Based Corrections Programs.
- Selling state-owned farmland to generate revenue.

Combatting the Fentanyl Crisis

- Increasing penalties for manufacturing, delivering or possessing fentanyl with the intent to deliver.



IOWA (Continued)

- Enhancing sentences for fentanyl crimes that cause death or serious injury or involve minors.
- Expanding the distribution of medications like naloxone that can reverse opioid overdose.

Protecting State Investments

- Investment firms that manage the state's money must not boycott fossil fuel energy or firearm companies, or generally invest funds to further environmental, social, governance, political, or ideological interests over maximized returns.
- The state must scrutinize companies in which it invests public funds and divest from those that engage in ESG practices.

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Vision for Iowa](#)

[Revenue Forecast \(December 2022\)](#)



KANSAS

On January 12, Kansas Governor Laura Kelly released her fiscal 2024 budget proposal that calls for \$24.11 billion in total expenditures, a 2.3 percent decrease from the governor's revised fiscal 2023 recommendation. The proposal calls for \$9.49 billion in fiscal 2024 general fund spending, which is a 2.6 percent increase from the governor's revised fiscal 2023 recommendation. Total taxes for fiscal 2024 are estimated at \$10.15 billion, an increase of 0.9 percent from fiscal 2023. Total receipts are estimated at \$10.12 billion, an increase of 4.4 percent from fiscal 2023. The proposal recommends an ending balance in the state general fund of \$1.98 billion, or 20.9 percent of expenditures. The proposal also recommends a \$500 million deposit into the budget stabilization fund and will bring the fund balance to \$1.51 billion.

Proposed Budget Highlights

The recommended budget invests in all Kansans from early childhood to retirement and continues to fund core programs to ensure citizens can access critical services. The budget focuses on growing the economy, improving the state's long-term fiscal health, and expanding the workforce. The budget makes the following recommendations:

Providing Tax Relief

- Proposes eliminating the state level sales tax on groceries effective April 1, 2023, and the state level sales tax on diapers and feminine hygiene products.
- Proposes a change to the income tax owed on Social Security benefits.
- Creates a four-day sales tax holiday for back-to-school shopping.

Investments in Education and the Workforce

- Fully funds the base aid for student excellence (BASE) and recommends fully funding the K-12 school finance formula for fiscal 2025.
- Recommends a five-year plan to increase funding for special education to the required level of 92 percent of excess costs.
- Directs \$107.9 million of enhanced funding to post-secondary education.
- Includes an enhancement of \$22.3 million from the State General Fund to four-year universities to mitigate inflationary increases from the past year.

- Recommends \$20.0 million to enhance student aid opportunities.
- Calls for \$4 million for micro-internships to connect students with Kansas employers during their collegiate career.
- Recommends \$8.5 million to implement recommendations of the National Institute of Student Success Academic Playbooks to increase graduation and retention rates.
- Directs \$11.5 million for IT and cybersecurity upgrades across the post-secondary system.
- Recommends an incremental \$20.0 million to be matched by the universities for the Capital Renewal Initiative.
- Includes \$10 million for the demolition of buildings on university campuses.

Expanding Access to Affordable Healthcare

- Provides \$21.0 million to expand Medicaid.
- Provides funds for enhancements in waiver reimbursement rates.
- Recommends \$4.0 million to support the implementation of a fully automated Pre-Admission Screening and Resident Review system for the Client Assessment, Referral, and Evaluation program.
- Recommends \$3.8 million to increase the Targeted Case Management service rates for individuals receiving services on the Home and Community Based Services Intellectual and Developmental Disabilities Waiver program.
- Recommends \$17.7 million to increase select HCBS services rates on Brain Injury, Physical Disability, Autism, and Technology Assisted waivers.
- Provides \$9.3 million to increase current daily rate for Brain Injury Rehabilitation Facility.

One-Time Investments

- Recommends transferring \$500.0 million to the Budget Stabilization Fund.
- Appropriates \$53.0 million to the Kansas Water Office to retire two remaining reservoir debts.



KANSAS (Continued)

- Recommends \$17.2 million from the State Institutions Building Fund to cover the state's share of the new veteran's home in northeast Kansas.
- Directs a \$20.0 million deposit into the Kanas Housing Resources Corporation.
- Recommends \$50.0 million to be transferred to the Office of the Governor's State Match for Federal Funds in fiscal 2023.
- Directs \$220.0 million be transferred to the Office of the Governor's Infrastructure Leveraging Fund.

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

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[Revenue Forecast - November 2022](#)



LOUISIANA

On February 17, Louisiana Governor John Bel Edwards released his proposed FY 2024 budget. The budget totals \$45.7 billion, a decrease of 1.4 percent from the existing operating budget for fiscal 2023. The general fund portion of the budget totals \$11.4 billion, an increase of 3.6 percent from the existing budget for fiscal 2023. Total revenue for fiscal 2024 is projected at \$45.7 billion which is a decrease of 1.4 percent from the total revenue for the existing budget for fiscal 2023. The Budget Stabilization Fund is projected to have a balance of \$903 million at the start of fiscal 2024. The state general fund is broken down into the following spending categories: Department of Education (37 percent), Department of Health (25 percent), Other State General Fund Agencies, Legislative, and Judicial Branches of Government (12 percent), Higher Education (percent), Corrections Services (5 percent), Non-Appropriated Requirements (5 percent), and Other Requirements (5 percent).

Proposed Budget Highlights

The proposed fiscal 2024 budget prioritizes education, healthcare, and initiatives aimed at improving the lives of Louisiana residents. The budget includes the following recommendations:

Department of Education

- Proposes \$196.5 million to provide an across-the-board \$2,000 pay increase to certificated teachers and personnel and a \$1,000 across-the-board pay increase for noncertificated personnel.
- Directs \$51.7 million for the Child Care Assistance Program (CCAP).
- Provides \$800K for camera maintenance and storage costs for special education classroom cameras.
- Directs \$560K for additional staff to support increased volume of teacher certification application reviews and renewals.

Higher Education

- Provides an increase of \$37.5 million for pay increases for higher education faculty and staff.
- Provides a \$28 million increase for higher education formula funding.
- Directs \$19 million for mandated costs increases and LSU First program.

- Proposes \$15 million increase for Go Grants.
- Directs a \$12 million increase to Louisiana State University Health Science Center in Shreveport for support of the medical school's operating cost.

Department of Health

- Provides an overall increase of \$205 million in state general funds to the department including:
 - \$44.6 million for outreach activities related to disenrollment due to the end of the public health emergency.
 - \$31.8 million for a nursing home and hospice rebase.
 - \$25.3 million for 118 contracted inpatient civil intermediate beds to support the forensic population.
 - \$19 million for managed dental care benefits.
 - \$6.6 million for funding in the Public Providers and Uncompensated Care Costs (UCC) program.
 - \$10.2 million for clawback payments.
 - \$15.6 million for Medicare Part A and B premiums and for the anticipated increase in the number of eligible individuals who enroll in the Medicare Savings Program and the Low-Income Subsidy (LIS) program.

Department of Children and Family Services

- Directs \$3.5 million to the Family First program for the continuation of funding for keeping children in their homes rather than in foster homes.
- Provides an increase of \$2 million to allow the department to continue to provide care coordination and advocacy services for child victims of human trafficking.
- Provides \$1.7 million for a larger emergency shelter in Mansfield for broader functionalities.
- Proposes \$240K to increase boarding rates for transitional living placements of children ages 16 to 21.



LOUISIANA (Continued)

Other Investments

- Proposes an increase of \$37.8 million for the Cyber Assurance Program for cybersecurity initiatives.
- Provides \$23.4 million for supplemental pay to local law enforcement.
- Directs \$8.97 million to create the Louisiana School Safety Center/Program to promote and support a whole community approach to school safety across the state.
- Provides an increase of \$5.6 million to the Secretary of State for election expenses.
- Proposes an increase of \$3.16 million to the Department of Corrections for a \$5 per hour premium pay for nurses.
- Proposes increasing the state minimum wage from \$7.25 to \$10.00 per hour.

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Summary](#)

[Budget Presentation](#)

[State General Fund Revenues and Expenditures](#)



MAINE

On January 11, Maine Governor Janet Mills released a biennial budget covering fiscal 2024 and 2025. The budget recommends general fund appropriations of \$10.3 billion over the next biennium, an 18.5 percent increase over appropriated levels for the fiscal 2022-2023 biennium through the Second Regular Session of the 130th legislature. The budget includes \$9.4 billion to cover baseline spending, \$55 million for new one-time spending on capital and other one-time uses, and \$805 million to cover the annualized costs for full implementation of authorized programs and activities over the biennium as well as new initiatives and positions. On an annual basis, the budget recommendation calls for general fund appropriations of \$5.1 billion in fiscal 2024 and \$5.2 billion in fiscal 2025, reflecting annual spending increases of 13.9 percent and 2.9 percent, respectively. The general fund budget is based on a general fund revenue forecast of \$5.2 billion in fiscal 2024 and \$5.3 billion in fiscal 2025, reflecting projected annual growth of 2.8 percent in fiscal 2024 and 2.7 percent in fiscal 2025. After transfers and other adjustments, the budget projects a general fund ending balance in fiscal 2025 of \$6 million. The governor's budget plans to maintain the Budget Stabilization ("rainy day") fund at a record high of \$900 million, 17.8 percent of recommended general fund spending for fiscal 2024. The governor also presented a supplemental budget to send one-time payments to hospitals and long-term care facilities as well as other initiatives. Additionally, the biennial budget outlines recommended revenues and allocations for the state's Highway Fund and Fund for a Healthy Maine (a dedicated fund that primarily receives tobacco settlement payments).

Proposed Budget Highlights

The governor's budget for the fiscal 2024-2025 biennium calls for investing in infrastructure that supports the people of Maine, including education and childcare, healthcare, housing, and transportation. The proposal would also maintain municipal revenue sharing and provide enhanced property tax relief, as well as make investments in environmental protection. Some of the initiatives proposed by the governor in these priority areas include:

Education and Childcare

- \$101 million increase in K-12 spending to continue covering 55 percent of local education costs

- \$58 million to fully fund universal free meals
- \$11 million to expand access to preschool
- \$8 million to fully fund salary supplements for child care workers
- \$15 million to continue providing two years of free community college to all graduating high school students
- \$41 million to provide a 4.5 percent increase in operating support for higher education institutions.
- \$10 million to increase the state's need-based financial aid program maximum award

Healthcare

- \$94 million in state funds and \$143 million federal to support mental health and substance abuse services, including direct response to the opioid crisis
- \$78 million in state funds and \$91 million federal to expand and improve long-term care and home-and community-based services for the elderly
- \$27 million in state funds and \$57 million federal to improve access to disability services
- \$15 million for foster care and adoption assistance
- Additional funds for hospital rate reform and student loan repayment assistance for health care workers

Transportation and Housing

- \$400 million to repair the state's multimodal infrastructure system to match up to \$1 billion in federal funds under the Bipartisan Infrastructure Law
- \$30 million to expand affordable rental housing for workers

Property Tax Relief

- \$46 million to fund a law to freeze property taxes for senior citizens
- \$17 million to increase state reimbursement to municipalities under the homestead exemption



MAINE (Continued)

Environment

- \$3 million for climate-focused grants and other programs to help communities plan for climate change and reduce emissions
- \$6 million in state and federal funds to detect and mitigate the impact of PFAS

Proposed Budget Information

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[Governor's Press Release](#)

[Revenue Forecast \(December 2022\)](#)



MARYLAND

On January 20, Maryland Governor Wes Moore released a \$63.1 billion all funds budget for fiscal 2024, a decrease of 3.3 percent compared to fiscal 2023. General fund spending totals \$26.9 billion, a decrease of \$1.2 billion, or 4.4 percent, from fiscal 2023. Estimated general fund revenues for fiscal 2024 are \$25.2 billion, an increase of 2.3 percent over fiscal 2023. The proposed budget would leave a general fund unappropriated balance of \$819.8 million and maintains the rainy day fund at the state's target level of 10 percent of general fund revenue, or \$2.5 billion. The budget includes \$171 million to permanently extend the enhanced Earned Income Tax Credit (EITC) and expand the Child Tax Credit (CTC), making approximately 40,000 families eligible for the CTC. The governor also proposed \$33 million to exempt a portion of military retirement income from state income tax and called for an acceleration of raising the minimum wage to \$15 per hour by October while also indexing the wage to inflation.

Proposed Budget Highlights

The governor's first budget submission reflects his administration's priorities of ending child poverty, providing a world-class education for every child in Maryland, building a competitive economy, promoting environmental stewardship, and rebuilding state government.

Education

- Record funding for K-12 education, investing \$8.8 billion in public schools. Per pupil funding increases nine percent from \$9,199 to \$10,015.
- Allocates \$500 million in surplus general fund cash as a contribution to the Blueprint for Maryland's Future Fund. The Blueprint legislation was enacted in 2021 and includes comprehensive changes to nearly every aspect of the state's public education system.
- Provides \$15 million for a new teacher recruitment incentive program to address chronic staffing shortages in schools and \$22 million for bonuses for non-certificated education support professionals.
- Expands access to early childhood education programs, including \$99.6 million to support full-day pre-K for low-income 4-year-olds and 3-year-olds.
- Includes \$10 million in additional state funding for the Child Care Scholarship Program for a total of \$68.5 million in general fund support.

Building a Competitive Economy

- Includes \$413 million (\$218 million general fund) to fund adjustments to state service providers to help them accommodate the acceleration of the minimum wage to \$15/hour.
- Invests \$500 million in general funds to support investments in strategic transportation projects, with a goal of leveraging this funding with matching federal support.
- Provides \$34 million for the More Jobs for Marylanders tax credit program, expected to create over 2,600 jobs and enroll over 30 projects.
- Includes approximately \$5 million for the Apprenticeship Training Program and an additional \$1 million to establish the Career Pathways for Healthcare Workers Program.
- Includes more than \$2.4 billion for state-operated institutions of higher education, which represents annual growth of \$286 million or 13 percent.
- Provides record funding of \$112 million for the state's largest need-based student aid program, projected to serve more than 30,000 students in fiscal 2024.
- Increases funding for the state's 15 local community colleges by \$38.2 million, or 18.5 percent per student.

Health Care

- Includes more than \$14.7 billion in total funds for the state's Medicaid program with an increase in general funds of \$287 million. The budget assumes fiscal 2024 enrollment remains nearly 12 percent above pre-pandemic levels.
- Provides an additional \$51 million to expand services and reduce the waiting list for community services for developmentally disabled Marylanders.
- Allocates more than \$616 million to fund provider rate increases in the fields of behavioral health, developmental disabilities, Medicaid, and other healthcare services (including \$413 million for minimum wage increase).
- Provides record funding for mental health and substance abuse programs, with almost \$1.4 billion in direct state support.



MARYLAND (Continued)

Public Safety

- Provides \$122 million in aid to local police departments.
- Includes nearly \$69 million in direct local law enforcement grants.
- Allocates \$35 million in general funds for Victims of Crime Act funding to provide victim services.
- Invests \$8.6 million over two fiscal years for parole and probation agents salary enhancements to help recruit and retain staff plus \$17.8 million for retention incentive bonuses for agents and correctional officers.
- Provides \$3.6 million for step increases and bonuses for resident advisors within the Department of Juvenile Services to support recruitment and retention.
- Includes \$1 million to convert an existing depopulated correctional facility into a geriatric care facility.

Environment and Natural Resources

- Provides \$103.4 million for renewable energy programs, an increase of 15 percent, and \$51.6 million for energy efficiency grants, an increase of 44 percent.
- Includes \$1.7 million and 24 new Water Supply positions to increase enforcement of drinking water standards.
- Provides \$106.9 million for critical maintenance and other improvements at state parks.

Rebuilding State Government

- Establishes a new cabinet-level agency, the Department of Service and Civic Innovation, to provide service opportunities to Marylanders.
- Invests to strengthen the state workforce including:
 - Salary increases for most state employees will reach 18 percent over the period of January 2022 through July 2023 by a combination of cost-of-living adjustments and step increases.
 - An additional \$39.4 million in salary adjustments for several difficult to fill positions like registered nurses, attorneys, emergency response technicians and certain educator positions.

- The budget over two fiscal years includes \$1.3 billion for employee salary and benefit enhancements (\$875 million in general funds).
- Assumes state agency vacancy rates will be reduced by about half to 6 percent overall in fiscal 2024 and includes an additional 589 positions, including 143 contractual conversions.

Proposed Budget Information

[Fiscal Year 2023 Proposed Budget Volume I](#)

[Budget Volume II](#)

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[Budget Presentation](#)

[Governor's Press Release](#)



MASSACHUSETTS

On March 1, Massachusetts Governor Maura Healey introduced her fiscal 2024 budget recommendation. The budget recommends gross spending in fiscal 2024 of \$55.5 billion, a 4.1 percent increase over fiscal 2023. The budget is based on a consensus tax revenue estimate of \$40.4 billion (a 1.6 percent increase over fiscal 2023 estimated revenues), \$1 billion in estimated revenue from the new Fair Share Amendment surtax, and \$23.7 billion in non-tax revenue. After transfers out (including for a \$4.1 billion required contribution to the state pension system) and proposed tax initiatives, the budget estimates total available fiscal 2024 revenue of \$56.0 billion (including \$51.6 billion in general fund revenue). The state's Stabilization Fund (rainy day fund) is projected to end fiscal 2024 at \$8.96 billion.

Proposed Budget Highlights

The governor's budget makes historic investments in priorities including climate action, public education, transportation, and workforce development. The budget also outlines planned uses of Fair Share revenue, including the creation of a new Education and Transportation Fund. Accompanying the budget, the administration filed a tax relief package as well as legislation to create a new Executive Office of Housing and Livable Communities.

Fair Share

- Establishes a new Education and Transportation Fund to collect all revenues from the new Fair Share Amendment surtax of 4 percent on income above \$1 million, which was approved by voters in November 2022
- Proposes \$510 million in education uses and \$490 million in transportation uses of the estimated \$1 billion in revenue in fiscal 2024

Tax Relief Package

- Net cost of total package is estimated at \$742 million for fiscal 2024, which includes:
 - New Child and Family Tax Credit that would provide \$600 credit per dependent
 - Increase rental deduction cap from \$3,000 to \$4,000
 - Double the maximum Senior Circuit Breaker Credit for low-income seniors with high property taxes or rent

- Reduce short-term capital gains tax from 12 percent to 5 percent
- Provide estate tax relief with a new credit
- A variety of additional tax reforms totaling \$17 million

Local Aid (including K-12 Education)

- Fully funds third-year implementation of the Student Opportunity Act, with a 9.8 percent increase in Chapter 70 education funding
- \$24.6 million (2 percent) increase in unrestricted general government aid
- \$63 million (14 percent) increase in Special Education Circuit Breaker funding to support out-of-district transportation cost reimbursement

Climate Action

- \$105 million (24 percent) increase in the Executive Office of Energy & Environmental Affairs
- Dedicated funding for clean energy, environmental justice, workforce training and safety

Housing and Homelessness

- Creates a new Executive Office of Housing and Livable Communities
- \$324.1 million to expand family shelters (48 percent increase), as well as provide a 7 percent increase to providers to improving staffing
- \$110.8 million for shelters for homeless individuals
- \$42.1 million for HomeBASE to connect families with permanent housing alternatives
- \$1.5 million for Economic Mobility program, modeled after federal Family Self-Sufficiency program

Early Education

- \$475 million to fully support continuation of Commonwealth Cares for Children (C3) grants to stabilize the early education and care system, build capacity and increase pay
- \$30 million for initiative to increase preschool enrollment



MASSACHUSETTS (Continued)

- \$25 to reduce child care financial assistance waitlist
- \$10 million for career pathways program for early educators

Higher Education

- Total funding of \$1.98 billion, including investments from Fair Share revenue
- \$20 million to establish MassReconnect, providing free community college to adult students to pursue training in high-demand fields
- \$93 million increase in MASSGrant Plus financial aid program
- \$59 million for new reserve to fund four-year tuition lock and mandatory fee lock
- Additional funds for deferred maintenance, community college SUCCESS grants, and diversity, equity and inclusion initiatives at institutions
- 3 percent increase to base funding for each segment of higher education system

Economic, Labor and Workforce Development

- Expands successful workforce development initiatives and introduces new programs to connect residents with well-paying jobs
- Invests in building skilled worker pipeline, especially in high-demand fields facing shortages such as health care, transportation and technology

Other

- Health and Human Services: 3 percent increase for overall agency spending
- Medicaid: Makes targeted investments in MassHealth program such as increasing day program base rates and \$80 million for behavioral health providers
- Transportation: Uses Fair Share revenue to invest in highway and transit infrastructure
- Public Safety: Increased funds for law enforcement training
- Veterans: Establishes Veterans' Services secretariat

- Technology: \$9.2 million in new cybersecurity spending and other investments

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Briefs](#)

[Press Release](#)

[Revenue Forecast \(January 2023\)](#)



MICHIGAN

On February 8, Michigan Governor Gretchen Whitmer released her fiscal 2024 budget proposal that calls for \$80.64 billion in total spending, a 4.8 percent increase from fiscal 2023's original enacted level. The recommended budget calls for \$13.03 billion in general fund spending, a 4.2 percent decline from fiscal 2023's enacted level. The general fund decline in fiscal 2024 is due to less recommended one-time spending; ongoing general fund spending is recommended to increase in fiscal 2024. Additionally, the budget includes a school aid fund total of \$20.89 billion, a 6.6 percent increase from fiscal 2023. The budget projects general fund net tax revenue at \$15.09 billion in fiscal 2024, a 2.1 percent increase from the current estimate for fiscal 2023. The budget recommendation calls for a \$200 million deposit to the Budget Stabilization Fund, bringing the total fund balance to nearly \$2 billion, or over 6 percent of total state general fund and school aid revenues. Total budget by source includes federal (41 percent), school aid (24 percent), general fund (19 percent), other state restricted (15 percent), and local/private (1 percent).

Proposed Budget Highlights

The governor noted her recommended budget includes investments to lower costs for working families, create more economic opportunity for workers, and provide children with what they need to succeed – including a great education and safe neighborhoods. Additionally, it builds on prior accomplishments with critical investments in education, public safety, infrastructure, and economic development. The governor also added that while the state enters fiscal 2024 with a multi-billion dollar surplus, it must stay focused on passing a fiscally responsible, balanced budget that strategically invests one-time resources and sets funds aside for a rainy day. Some highlights of the budget proposal include:

Lowering Costs

- Rolls back the retirement tax, saving half a million households \$1,000 per year
- Expands the Working Families Tax Credit, providing 700,000 homes nearly \$3,200 combined tax refunds
- Takes the first step towards pre-K for all of Michigan's four-year-olds
- Provides up to a \$3,000 refundable tax credit to child care and preschool teachers

- Temporarily pauses the Sales and Use Tax on the purchase of electric vehicles

Education – Getting Kids Back on Track

- K-12 Education: \$900 million deposit into a new rainy day fund for schools; a 5 percent increase in base per-pupil funding; \$318 million for school safety programs; \$442.4 million to help students reach their full academic potential, including literacy efforts; \$300 million for tutoring through the MI Kids Back on Track program; \$300 million for student mental health; \$257.3 million for pre-K for four-year-olds; \$195 million for teacher recruitment and retention efforts; and \$160 million for free breakfast and lunch
- Higher Education and Workforce Development: 4 percent ongoing increase for university and community college operations; \$200 million to improve existing facilities and technology; \$140 million to temporarily lower the eligibility age for Reconnect from 25 to 21, making tuition free associates degree or skills training more readily available; \$100 million additional investment for the Michigan Achievement Scholarship; \$75 million for the Reconnect Bachelor's Degree Pathway Program; and \$55 million for a Student Wellness Fund.

Public Health – Strengthening Families

- \$210.1 million to increase wage support for direct care professionals
- \$150 million for efforts to attract a Michigan-based insulin manufacturing facility
- \$129.7 million for additional Medicaid health access
- \$62.1 million to fund Healthy Moms, Healthy Babies
- \$58 million to implement recommendations from the Racial Disparities Taskforce
- \$30 million increase to support local health departments

Public Safety – Keeping Communities Safe

- \$50.4 million to leverage the State Police Training Academy to serve as a criminal justice training hub to support realistic, multi-disciplinary training opportunities



MICHIGAN (Continued)

- \$36.6 million in new statutory revenue sharing dedicated specifically for public safety
- \$18.2 million to provide in-service training to law enforcement officers
- \$11.5 million to improve infrastructure at the Selfridge Air National Guard Base
- \$10.8 million to establish the Office of Community Violence Intervention Services
- \$10.4 million to improve safety and accountability in correctional facilities
- \$9 million for a Michigan State Police Trooper Recruit School
- \$15 million in federal funding to supplement state funding for Pure Michigan
- \$10 million to support outdoor recreation businesses

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Presentation](#)

[Press Release](#)

[Revenue Forecast – January 2023](#)

Rebuilding Infrastructure

- Roads, Bridges, Transit, Electrification: \$350 million in a reserve designed to leverage infrastructure dollars; \$200 million investment supporting Michigan's Bridge Building program; \$160 million for Intermodal Capital Investment Grants; \$65 million to expand electric vehicle charging infrastructure; and \$45 million for the Michigan Clean Fleet Initiative
- Housing: \$212 million for residential energy efficiency improvements; \$100 million for the Community Downtown Economic Development Program; \$50 million in funding for the Revitalization and Placemaking Program; \$50 million for the Housing and Community Development; and \$15 million for workforce housing needs
- Water, Parks, Agriculture, Environment: \$226 million to remove and replace lead service lines; \$122.5 million to ensure the quality of drinking water; and \$100 million to establish an environmental justice contaminated site clean-up fund

Economic Development

- \$500 million annual deposit in the Strategic Outreach and Attraction Reserve Fund
- \$200 million over 10 years for the Ongoing Clean Energy Supply Chain Tax Credit
- \$200 million for the Michigan Regional Empowerment Program
- \$135 million for the Michigan Main Street Initiative



MINNESOTA

Minnesota Governor Tim Walz released his two-year budget proposal for fiscal 2024 and fiscal 2025 on January 24. The budget calls for \$58.31 billion in total expenditures in fiscal 2024, a 2.7 percent increase from the recommended level for fiscal 2023, and \$57.29 billion in fiscal 2025, a 1.8 percent decline from fiscal 2024's recommended level. The budget recommends general fund spending of \$34.16 billion in fiscal 2024, a 24.6 percent increase from fiscal 2023, and \$31.03 billion in fiscal 2025, a 9.2 percent decline from fiscal 2024. General fund revenues are projected at \$25.15 billion in fiscal 2024 (a 14.2 percent decline from fiscal 2023) and \$29.66 billion in fiscal 2025 (a 17.9 percent increase from fiscal 2024). The proposal assumes a budget reserve of \$2.85 billion and a projected general fund balance of \$1.27 billion.

Proposed Budget Highlights

The governor's "One Minnesota Budget" focuses on making Minnesota the best state in the nation for children, investing in the state's economic future, combatting climate change, and improving public safety. In addition, the recommended budget is aimed at lowering costs, cutting taxes, and improving lives for Minnesotans. Highlights of the budget proposal include:

Making Minnesota the Best State for Kids

- \$12 billion proposal to lower the cost of childcare for middle-class families, reduce child poverty by expanding tax credits for families who need them the most, and make the largest investment in public education in state history.
- Provides universal school meals for students and expands access to special education and mental health resources.

Investing in Minnesota's Economic Future

- \$4.1 billion proposal would provide paid family and medical leave for Minnesota workers, bolster support for small businesses, and expand Minnesota's workforce in critical areas.
- Includes climate proposals which expand clean energy and reduce climate impact.
- Provides funding to support farmers while expanding the state's biofuel infrastructure and building soil health.

Protecting Minnesotans' Health and Safety

- Lowers costs and expands access to high quality healthcare for children and families.
- Makes it easier for Minnesotans to purchase a home, afford rent, and maintain stable housing.
- Includes investments to permanently fund the work to end veterans' homelessness statewide.
- Provides over \$300 million in public safety aid for local governments, stands up a violent crime initiative, supports victims of crime and domestic violence, and invests in a more fair and equitable criminal justice system.

Tax Relief

- Recommends sending nearly \$4 billion of the state's surplus to residents in the form of checks up to \$2,600.
- Proposes \$219 million to reduce taxes on Social Security benefits.
- Increases the Local Government Aid and County Program Aid programs by \$30 million each to help keep property taxes low.
- Calls for increasing the School Building Bond Agriculture Credit to lower property taxes for farmers.

Legalizing Adult-Use Cannabis

- Recommends funding for the safe and responsible legalization of adult-use cannabis and creates a new Office of Cannabis Management.

Building a Clean Transportation System

- Provides one-time funding for the purchase of 30 battery electric buses.
- Leverages federal Infrastructure Investment and Jobs Act (IIJA) funds for efforts to reduce carbon emissions, expand the electric vehicle charging network, and build a more resilient transportation system.
- Provides a state-match for IIJA-funded multimodal transportation projects.



MINNESOTA (Continued)

Investing in Minnesota's Higher Education System

- Proposes increased funding for the state's two public higher education systems and for the state's tribal colleges.
- Includes funding to increase student mental health support.

Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

[Consolidated Fund Statement](#)

[General Fund Budget Analysis](#)

[Press Release](#)



MISSISSIPPI

On November 15, Mississippi Governor Tate Reeves released his recommended budget for fiscal 2024. The proposal calls for \$7.28 billion in general fund agency appropriations, a decrease of 9.4 percent from fiscal 2023. The decline is due to a decrease in Coronavirus Recovery Funds, the Capital Expense Fund, and the Gulf Coast Restoration Fund. General fund revenue estimates for fiscal 2024 total \$6.35 billion, a 1.0 percent increase over the prior year amount of \$6.29 billion.

Proposed Budget Highlights

The budget highlights the governor's key priorities for fiscal year 2024 including: eliminating the income tax; giving Mississippi children a first-rate education; lowering healthcare costs; building a high-quality workforce; and protecting the safety of Mississippians. Funding recommendations include:

Economic Proposals

- Proposes eliminating the state income tax by immediately reducing the income tax to 4 percent and by an additional 1 percent each year over the next four years.
- Invests \$16 million in general funds to double the number of career coaches to 160 to help achieve the goal of placing at least one career coach in every school district across the state.
- Funds \$100 million from the Capital Expenses Fund to further strengthen efforts to increase more project-ready sites across Mississippi.

Education Proposals

- \$2 million to encourage cross-district coordination and virtual learning by creating a grant program to assist schools in upgrading technology and infrastructure.
- \$1 million toward computer science initiatives to bolster students' education.
- \$3 million to expand the Education Scholarship Account to include kids in foster care.
- \$5 million to create a Patriotic Education Fund to be administered by the Mississippi Department of Education to develop new courses, after-school programs, and other innovative offerings related to civic education.

Healthcare Proposals

- Proposes establishing a childcare tax credit and allowing families to be able to write off childcare supplies on state tax returns.
- Proposes increasing the Pregnancy Resource Center tax credit to \$7 million.
- Allocates \$3 million to increase the number of full-time attorneys at the Mississippi Department of Child Protection Services to reduce adoption backlogs.
- Allocates \$12 million to increase financial support for adoptive parents.
- Proposes an increase to the payment rate for residency programs at hospitals to help increase the number of medical professionals.
- Allocates \$1.6 million to open an additional crisis stabilization center and \$2 million to provide additional mental health services in the state.

Public Safety Proposals

- Increase the budget for Capitol Police by \$4.56 million to fund salaries, patrol cars, and equipment for 150 Capitol Police officers.
- Allocate \$5 million to rollout a new School Safety Guardian Program across 450 schools to train guardians to provide armed intervention in the event of an active shooter threat.

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Governor's Press Release](#)



MISSOURI

On January 18, Missouri Governor Michael Parson released his fiscal 2024 budget proposal that calls for \$50.53 billion in total spending, a 5.2 percent increase from fiscal 2023. The budget recommends \$14.06 billion in spending from general revenues, an 11.6 percent increase from fiscal 2023. Fiscal 2024 revenues are forecasted to grow 0.7 percent compared to the revenue estimate for fiscal 2023. The ending balance for fiscal 2024 is projected at \$3.85 billion. The total budget is comprised of federal funds (48 percent), general revenue (28 percent), and other funds (24 percent). The budget calls for spending \$2.76 billion in *American Rescue Plan Act* (ARPA) federal funds in fiscal 2024.

Proposed Budget Highlights

The governor said that through key investments included in the budget, the state can create opportunities for Missourians through education and workforce development, strengthening infrastructure, keeping communities safe, and improving the health and well-being of families. The governor added that the intention is to not only provide opportunities for Missourians today but guarantee it for future generations. Highlights of the budget includes:

Infrastructure

- \$895M - expanding the capacity of I-70 across the suburban areas of Kansas City, St. Louis, and Columbia
- \$379M – increasing the Statewide Transportation Improvement Program (STIP) investment and funding transportation construction projects
- \$274.7M – investing in broadband planning, deployment, mapping, education, and adoption focusing on unserved and underserved areas
- \$35M – partnering with local communities and railroads to improve safety
- Other priorities include airport infrastructure, energy grid resilience, and Missouri River navigation

Education

- \$250M – creating a rainy day fund for public and charter school education
- \$233.4M – fully funding school districts’ transportation costs for students
- \$117.5M – funding the state’s elementary and secondary education funding formula

- \$78.5M – increasing subsidy rates for childcare providers
- \$70.8M – increasing core funding for four-year institutions, community colleges, and technical colleges
- Other highlights include expanding access to pre-kindergarten programs, school safety improvements, and career ladder support

Workforce Development

- \$272.4M – investing in capital improvement projects at public higher education institutions
- \$38.3M – funding the fourth year of MoExcels projects to facilitate the development of employer-driven workforce education and training programs in high-demand fields
- \$25M – investment to increase competitiveness for semiconductor manufacturing opportunities
- \$3M – funding to sustain the Office of Workforce Development’s apprenticeship programs

Government Reform

- \$273.6M – providing a pay increase for state employees, including an 8.7 percent cost of living increase
- \$234.2M – increasing funding to better maintain and repair state facilities
- \$26.3M – constructing a new consolidated state warehouse complex
- \$22M – Children’s Division reconstruction and reform including hiring more team members
- Other priorities include improving veterans cemeteries; technology investments; and constructing a new probation and parole center

Mental Health and Health Care

- \$88M – treatment and support for Missourians with behavioral health and developmental disabilities
- \$42.8M – children’s residential treatment provider rate increase
- \$16.8M – ensuring program integrity in MO HealthNet



MISSOURI (Continued)

- \$15M – creating hubs at six rural hospitals to address social determinants of health
- \$4.4M – implementing a new maternal mortality prevention plan
- Other focuses include addressing staffing shortage; local public health authorities accreditation; and funding for additional youth behavioral health liaisons

Public Safety

- \$14.5M – funding for MoDOT’s high priority safety-related equipment
- \$11.2M – Highway Patrol technology upgrades
- \$5.9M – enhancing support for corrections professionals by providing trauma care and staff wellbeing initiatives
- \$3.7M – addressing bed shortages in hospitals and jails by providing funding for treatment services and case management
- Other priorities include continuing the 988 crisis hotline; child exploitation cyber-crime prevention; school safety tipline; and a crime victim advocate certification program

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Summary](#)

[Budget and Legislative Priorities](#)

[Revenue Forecast – December 2022](#)



MONTANA

On November 15, Montana Governor Greg Gianforte released his budget proposal for the fiscal 2024-2025 biennium. The budget recommends \$7.10 billion in all funds spending in fiscal 2024, an 8.5 percent increase from fiscal 2023. Fiscal 2025 calls for \$7.33 billion in all funds spending, a 3.2 percent increase from fiscal 2024's recommended level. General fund total disbursements are recommended at \$2.79 billion in fiscal 2024, a 44.6 percent decline from fiscal 2023. Much of the decline is due to less one-time investments and transfers in fiscal 2024 compared to fiscal 2023.

When looking at only general fund base spending, fiscal 2024 recommended spending is \$2.34 billion, a 0.3 percent decline from fiscal 2023. General fund base spending in fiscal 2025 is recommended to be flat compared to fiscal 2024's proposed level. The general fund ending balance is projected at \$638.3 million in fiscal 2024 and \$525.0 million in fiscal 2025. General fund revenue from major taxes is projected to increase 5.3 percent in fiscal 2024 and 3.4 percent in fiscal 2025, while total general fund revenue is projected to decline 1.9 percent in fiscal 2024 and rise 2.6 percent in fiscal 2025. The recommended budget also includes a combined \$1 billion in property and income tax relief.

Proposed Budget Highlights

The governor's "Budget for Montana Families" prioritizes cutting taxes, holding the line on spending, and making Montana communities and families safer, more secure, and stronger. The governor said the budget provides Montanans with the largest tax cut in state history, while also supporting parents by providing a tax credit for young children and an adoption tax credit. Additionally, the governor said the state should use its historic surplus to repair what needs fixing, save for emergencies, and pay off debt. Highlights of the recommended budget include:

Tax Reform

- \$500 million in permanent income tax cuts and \$500 million in property tax relief over the next two years.
- Reduces the personal income tax rate from 6.5 percent to 5.9 percent for most taxpayers.
- Calls for property tax reform including greater transparency and accountability in local government spending and an option to pay property taxes monthly.

- Provides families with a \$1,200 child tax credit for children under six years of age, as well as a \$5,000 adoption tax credit.

Rainy Day Fund Growth and Debt Repayments

- Doubles the size of the state's rainy day fund.
- Nearly triples the size of Montana's fire suppression fund and invests \$10 million per year to expand the scope of active forest management.
- Pays off all general obligation debt, saving approximately \$40 million over the biennium.

Behavioral Health and Drug Treatment Funding

- \$300 million investment for improvements and repairs at the Montana State Hospital, intensive behavioral health care, and community-based services for out-patient care across the state.
- Boosts funding by 50 percent for the governor's HEART Fund initiative, and permanently funds eight drug treatment courts that are losing federal funding.

Infrastructure Improvements

- \$200 million to repair and expand the Montana State Prison.
- \$200 million to expand water and sewer infrastructure.

Job Creation and Educational Opportunities

- Expands the business equipment tax exemption from \$300,000 to \$1 million.
- Nearly doubles the Montana Trades Education Credit for employers to send their employees to learn a trade.
- Doubles the cap of the Big Sky Scholarship to ensure students have access to the best education possible.
- Increases funding by 40 percent for the TEACH Act to increase starting teacher pay.

Public Safety Investments

- Funds 16 new highway patrol officers and criminal investigators, as well as six new prosecutors at the Montana Department of Justice.



Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

[Balance Sheet](#)

[All Funds Budget Summary](#)

[Governor's Letter](#)

[Revenue Estimates – November 2022](#)

[Governor's Press Release](#)



NEBRASKA

On January 25, Nebraska Governor Jim Pillen released his recommended budget for the 2023-2025 biennium. Spending from all funds is recommended at \$14.09 billion in fiscal 2024, a 3.7 percent decrease from fiscal 2023, and \$13.96 billion in fiscal 2025, a 0.88 percent decrease from fiscal 2024. The budget recommends two-year average growth in general fund spending of 1.3 percent, with fiscal 2024 at \$5.29 billion (a 2.5 percent increase over fiscal 2023), and fiscal 2025 at \$5.291 billion (a 0.01 percent increase over fiscal 2024). Nominal growth in general fund net receipts is estimated to increase by 0.46 percent in fiscal 2024 compared to fiscal 2023. The governor's recommendation provides an unobligated balance of \$1.6 billion or 31 percent of General Fund appropriations in the Cash Reserve Fund at the end of the biennium.

Proposed Budget Highlights

The recommended budget focuses on providing tax relief, investing in students, protecting public safety, connecting Nebraskans to opportunities to ensure a thriving workforce, and making investments in infrastructure. Recommendations include the following:

Tax Relief

- Recommends cutting income and business tax to 3.99 percent by tax year 2027.
- Provides for the ability to fully phase in Social Security tax exemptions by tax year 2024.
- Recommends growing the Property Tax Credit Relief Fund by \$390 million.
- Reimburses taxpayers for community college property tax paid by boosting the community college refundable income tax credit to 100 percent by tax year 2024.
- Supports changing the way agricultural property is valued by assessing agriculture and horticultural land based on its income potential.

Educational Opportunities

- Establishes a \$1 billion Education Future Fund to provide investments for special education in K-12 schools. The fund will be replenished annually with a \$250 million transfer from the General Fund.
- Provides an additional \$1,500 per student to ensure every child has an opportunity to succeed.

- Supports the creation of an annual \$25 million non-refundable tax credit for certain contributions to fund education scholarships.
- Creates an annual \$5 million competitive grant program to encourage and facilitate mentorships within schools to focus on improving reading levels for kids between first and fourth grades.

Investing in critical needs

- Provides \$39.4 million for career scholarships within the higher education system to provide a minimum of 4,215 scholarships to focus on areas of highest need in the state.
- Includes \$10 million in FY2023-24 for recruitment and retention grants aimed to assist teachers, nurses, veterinarians, and other health care professionals.
- Directs \$10 million in FY2023-24 and FY2024-25 to continue the state's marketing efforts to recruit and retain talented individuals.
- Transfers \$574.5 million in FY2023-24 from the Cash Reserve Fund to fully fund construction of the Perkins County Canal Project.
- Directs \$95.9 million from the Cash Reserve Fund to complete financing of the Nebraska State Penitentiary replacement to house approximately 1,512 inmates.
- Provides an increase of \$18.6 million for law enforcement officers to address critical shortages.

Other

- Recommends the transfer of \$100 million from the Cash Reserve Fund to the Roads Operation Cash Fund to finance the match required for additional federal funding related to the Infrastructure Investment and Jobs Act.
- Increases appropriations by \$69 million in FY2023-24 and \$130.6 million in FY2024-25 to finance recommendations for state personnel pay increases.

Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

[Budget Presentation](#)



NEVADA

On January 23, Nevada Governor Joe Lombardo released a budget proposal for the fiscal 2024-2025 biennium. The recommended budget calls for \$24.11 billion in total spending in fiscal 2024, a 6.5 percent decrease from fiscal 2023, and \$24.35 billion in fiscal 2025, a 1.0 percent increase from fiscal 2024. General fund appropriations are recommended at \$5.40 billion in fiscal 2024, a 13.3 percent increase from fiscal 2023, and \$5.61 billion in fiscal 2025, a 3.9 percent increase from fiscal 2024. When looking at total spending by fund source, the largest categories are other (31 percent), federal (31 percent), general fund (23 percent), transfers (13 percent), and highway fund (3 percent). The budget is based on forecasted general fund revenue (after tax credits) of \$5.18 billion in fiscal 2024, a 1.7 percent decline from fiscal 2023 forecasted level, and \$5.38 billion in fiscal 2025, a 3.7 percent increase from fiscal 2024. The budget proposal calls for increasing the rainy day fund to an unprecedented \$1.6 billion, or roughly 30 percent of unrestricted general fund revenues. The recommended budget also includes a series of tax relief measures.

Proposed Budget Highlights

In his letter to the legislature, the governor notes the state currently has a historic budget surplus. However, the governor points out that part of the state's current fiscal prosperity is due to federal stimulus funds which are not indefinite. As a result, the budget proposal seeks to balance the need to spend with the need to save. Highlights of the governor's recommended budget include:

Tax Relief

- Uses surplus dollars to prepay the State Motor Vehicle Fuel Tax in fiscal 2024, saving taxpayers \$250 million
- Lowers the Modified Business Tax by 15 percent, or from 1.36 percent to 1.17 percent
- Increases the standard exemption of the Commerce Tax by 50 percent, from \$4 million to \$6 million

Rainy Day Fund

- Increases the amount that can be held in Nevada's Rainy Day Fund from 20 percent to 30 percent of unrestricted general revenues and fully funds the account at \$1.6 billion
- Establishes the Nevada Way subaccount, designed to reduce Nevada's need for and dependence on the Rainy Day Fund

Infrastructure and Modernization

- Invests \$323 million in system modernization upgrades across the state
- Allocates \$1.2 billion to state capital needs, including \$495 million to address immediate maintenance and facilities issues in key state administrative buildings
- Invests \$400 million for broadband expansion in rural Nevada

Elementary and Secondary Education

- Increases funding for K-12 education by over \$2.0 billion, or 22.6 percent
- Increases base funding per student by nearly \$2,000 and fully funds equity-based weighted allocations for at-risk, English-learner and gifted and talented students
- Fully funds the Education Stabilization Account at more than \$730 million
- Allocates \$50 million to the State Infrastructure Bank to support low or no-interest loans to public schools in rural communities
- Makes a direct appropriation of \$10 million to the Teach Nevada Scholarship program and earmarks interest earnings to the Education Stabilization Account for programs specifically designed to increase the teacher pipeline
- Expands Nevada's Pre-K program by 600 seats, bringing total allocation to \$60 million
- Creates the Office of School Choice within the Nevada Department of Education and increases funding for Student Choice Opportunity Scholarships to \$50 million

Workforce Development

- Restores funding to economic development programs, workforce innovation programs, and the State's Knowledge Fund
- Invests \$1.4 million in a pre-apprenticeship pilot program, focusing on construction trade



NEVADA (Continued)

Higher Education

- Restores \$74.8 million in COVID-era cuts to higher education institutions, including \$1.9 million to graduate student stipends and \$4 million to increase the number of graduate teaching assistant positions
- Prefunds \$75 million in the Millennium Scholarship program and provides \$6 million in continued support for the Nevada Promise Scholarship
- Invests \$65 million in deferred maintenance for aging college and university buildings
- Adds \$9.2 million to the UNLV Medical School budget to increase the number of students it can serve and graduate

Public Safety

- Allocates \$48.6 million to increase public safety employee wages by two grades
- Invests \$90.4 million in deferred maintenance, renovations, and upgrades

Veterans

- Invests \$99.8 million to remodel and expand the Southern Nevada State Veterans Home and \$1.5 million to fund the planning for a new North Las Vegas State Veterans Home
- Allocates \$1.8 million to the Adopt-a-Vet dental program to provide critical care

Healthcare and Foster Care

- Allocates an additional \$1 billion through a combination of provider assessments and federal matching funds to increase quality and access in private hospitals
- Provides \$17 million for an expansion of Nevada behavioral health centers
- Allocates \$13.3 million to address deferred maintenance in mental health hospitals
- Calls for a 5 percent rate increase for dentists, physicians, and skilled nursing facilities
- Increases overall foster care rates by 25.6 percent

Proposed Budget Information

[Fiscal Years 2024-2025 Proposed Budget](#)

[Revenue Forecast – December 2022](#)



NEW HAMPSHIRE

On February 14, New Hampshire Governor Chris Sununu recommended a biennial budget for fiscal years 2024-2025. The proposal includes total fund spending (before budgeted revenue transfers) of \$7.67 billion in fiscal 2024 and \$7.79 billion in fiscal 2025, representing annual increases of 8.4 percent and 1.6 percent, respectively. The budget calls for combined general and education fund spending of \$3.04 billion in fiscal 2024 and \$3.09 billion in fiscal 2025, reflecting annual increases of 8.6 percent in fiscal 2024 and 1.7 percent in fiscal 2025. For fiscal 2024, this includes \$1.84 billion in general fund appropriations (5.7 percent increase) and \$1.21 billion in education trust fund appropriations (13.3 percent increase). For fiscal 2025, this includes appropriations of \$1.88 billion from the general fund (2.2 percent increase) and \$1.22 billion from the education trust fund (0.9 percent increase). Federal funds, meanwhile, are expected to total \$2.46 billion in fiscal 2024 and \$2.49 billion in fiscal 2025. The budget is based on unrestricted general and education fund revenue forecasted at \$3.16 billion in fiscal 2024 and \$3.14 billion in fiscal 2025. This forecast assumes the elimination of the communication services tax beginning in fiscal 2024, as recommended by the governor (which would have generated an estimated \$58 million over the biennium). The state expects to have an undesignated combined general and education fund balances of \$267 million at the end of fiscal 2024 and \$148 million at the end of fiscal 2025. After increased deposits fueled by surplus dollars, the rainy day fund is expected to close fiscal 2025 at \$341 million, or 11 percent of combined general and education fund appropriations recommended for that year.

Proposed Budget Highlights

The governor's biennial budget invests in people, including state employees, children, and taxpayers. Top priorities include the state workforce, housing, public education, and licensing reform. The fiscally conservative budget recommends using one-time funds for one-time investments, implements no new taxes or fees, eliminates the 7 percent Consumer Communications Services Tax, sends more money to local governments to support property tax relief, and increases the Rainy Day Fund.

Employee Compensation

- Provides all state employees with a 10 percent pay increase in fiscal 2024 followed by another 2 percent increase in fiscal 2025

Housing

- \$30 million in surplus funds (one-time) for the InvestNH program, which helps accelerate new affordable housing development by addressing construction cost increases
- \$25 million in surplus funds (one-time) for the affordable housing fund, which provides low-interest housing loans and grants to low-to-moderate income families
- \$5 million annually for a new Historic Housing Preservation Tax Credit program to incentivize reuse of eligible properties for housing development

Public Education & Workforce Development

- \$127 million increase over the biennium for formula funding
 - Simplifies the formula by increasing the base per-student aid rate and the free or reduced price meal aid rate, as well as phases in targeted aid to municipalities with low property values and low-income families
- \$22.9 million increase for charter school funding
- Doubles funding for the Education Freedom Account program to cover needs of at-risk student populations outside of the classroom
- \$75 million (one-time) to establish a school building aid fund
- \$5 million to prioritize STEM, computer science and robotics education, as well as creates a new credential pathway, training funds, and bonuses for educators teaching computer science
- \$2 million for civics curriculum development
- \$5 million in new student loan repayment assistance for recent graduates pursuing careers in high-demand fields

Licensing Reform

- Grants universal license recognition for professions that require a license
- Eliminates numerous outdated licenses, underused regulatory boards and unnecessary statutory provisions



NEW HAMPSHIRE (Continued)

- Creates the Office of Regulatory Review, Reduction and Government Efficiency, an independent office charged with reducing unnecessary and burdensome rules and regulations on private industry

Proposed Budget Information

[Fiscal Years 2024-2025 Proposed Budget](#)

[Budget Fact Sheet](#)

[Governor’s Press Release and Budget Address](#)



NEW JERSEY

On February 28, New Jersey Governor Phil Murphy presented a fiscal 2024 budget. The proposal calls for total state appropriations in fiscal 2024 of \$53.1 billion, a 4.7 percent increase compared to original appropriations from the fiscal 2023 Appropriations Act. Budgeted expenditures include \$29.7 billion from the general fund, \$22.7 billion from the Property Tax Relief Fund, and roughly \$600 million from casino-related funds. Of the total, 42 percent will be distributed as State Aid to school districts, community colleges, municipalities and cities and 32 percent will be used for direct services (known as “Grants-In-Aid”) for property tax relief, social services, and higher education. The budget also recommends adjustments to the fiscal 2023 budget including supplemental appropriations of \$1.46 billion as well as a deposit into the Debt Defeasance and Prevention Fund of \$2.35 billion. Fiscal 2024 proposed expenditures are 2.6 percent below total adjusted appropriations for fiscal 2023. The budget is based on total state revenues of \$53.8 billion, reflecting a 0.4 percent decline compared to the revised revenue estimate for fiscal 2023. The fiscal 2024 budget projects an ending balance of \$10.0 billion, including \$1.6 billion in the Surplus Revenue Fund (rainy day fund). In addition to the spending proposed in the governor’s budget, the state estimates it will spend \$32.0 billion from funds not budgeted, including \$21.8 billion in federal funds, \$3.5 billion in transportation funds, and the remaining from dedicated and revolving funds, with total state spending in fiscal 2024 estimated at \$85.1 billion.

Proposed Budget Highlights

The governor’s budget focuses on affordability, fiscal responsibility, and the opportunity to build the “Next New Jersey” by investing in key priorities, delivering more property tax relief, and not imposing any new taxes or fees. The governor’s budget also outlines a plan to allocate remaining funds from the *American Rescue Plan Act* (ARPA) State Fiscal Recovery Fund towards “transformative, one-time investments” to maintain pandemic-era services, foster academic recovery, improve public safety, support local governments, create more affordable housing, strengthen clean and drinking water systems, and modernize state services.

Increasing Affordability

- Doubles the Child Tax Credit enacted last year to provide up to \$1,000 per child for families with young children

- Continues ANCHOR property tax relief program by providing over \$2 billion in direct property tax relief
- Expands support for seniors, including increasing eligibility for Senior Freeze property tax relief and prescription drug and hearing aid programs
- Provides additional support for state hospitals and creates a \$10 million pilot program to eliminate personal medical debt
- \$40 million to continue improving unemployment insurance system, digitizing motor vehicle commission services, and expanding the ANCHOR call center

Investing in Affordable Education and Children’s Health

- \$109 million increase for preschool education aid to move towards universal pre-K
- \$832 million increase in direct K-12 aid for public schools, which helps offset local property taxes
- \$20 million in targeted investments in public school staff, including \$10 million for student teacher stipends
- \$30 million in federal funds for high-impact tutoring and other programs to address learning loss
- \$15 million to expand Tuition Aid Grants; additional funding to increase eligibility for the Garden State Guarantee and Community College Opportunity Grants; and \$5 million more to expand the “Some College, No Degree” program
- \$43 million to create a series of regional hubs to deliver youth mental health services, known as the NJ Statewide Student Support Services (NJ4S) network
- \$40 million to increase payments to providers of various Department of Children and Families programs
- \$14 million in additional funds for the Cover All Kids initiative to ensure access to healthcare for all children regardless of immigration status

Promoting Fiscal Responsibility

- Brings the state’s total surplus (ending balance) to over \$10 billion (almost 19 percent of the overall budget)



NEW JERSEY (Continued)

- \$7.1 billion for full actuarially determined contribution (ADC) to pension plan for third year in a row
- \$2.35 billion fiscal 2023 deposit to reduce and avoid state debt
- \$200 million in federal funds combined with long-term savings reforms to help address local governments' rising health benefit costs
- Reduces NJ Transit's Capital to Operating Transfer to the lowest level in 21 years and maintains fares at current levels for sixth consecutive year

Expanding Opportunity and Promoting Economic Growth

- Allows temporary 2.5 percent Corporation Business Tax surcharge to expire on schedule to boost the state's business climate
- Allocates federal funds to create an Urban Investment Fund to revitalize communities
- \$100 million in federal ARPA funding to create a Boardwalk Fund to help repair and renovate seaside attractions
- Over \$50 million for green economy programs, including a \$40 million Green Fund to leverage private capital and federal funds
- \$15 million in additional down payment assistance to support first-generation homebuyers
- \$100 million in federal ARPA funds to preserve affordable housing and develop new units
- \$50 million in continued support for Main Street Recovery Program for small businesses
- \$5 million increase in Workforce Development Partnership Fund spending on job training and apprenticeship programs

Proposed Budget Information

[Fiscal Year 2024 Proposed Budget](#)

[Budget in Brief](#)

[Budget at a Glance](#)

[Governor's Press Release](#)



NEW MEXICO

On January 10, New Mexico Governor Michelle Lujan Grisham submitted her fiscal year 2024 budget recommendation. The proposed budget calls for total fund spending of \$26.6 billion, an increase of 10.7 percent from fiscal 2023, and recurring general fund spending of \$9.4 billion, an increase of 11.9 percent from fiscal 2023. The budget also calls for \$2.0 billion of nonrecurring general fund appropriations which is an increase of \$1.3 billion from fiscal 2023. The fiscal 2024 budget recommendation is based on a recurring general fund revenue estimate of \$11.99 billion, a 12 percent increase compared to fiscal 2023. The budget projects a total balance in general fund reserves of \$3.28 billion which represents 34.9 percent of recurring general fund appropriations. Total reserves include \$2.78 billion in the state's rainy day fund and \$363.3 million in the state's Tobacco Settlement Permanent Fund.

Proposed Budget Highlights

The governor's budget focuses on the areas of education, housing, public safety, and healthcare while also keeping more money in the pockets of New Mexicans. The budget builds up on recent progress by funding programs and initiatives that are working while also investing in new strategies to continue to help the state grow and prosper. The budget includes the following recommendations:

Housing and Homelessness

- Invests a total of \$107 million in housing and homelessness initiatives including the following:
 - \$10 million to expand the Casa Connection Grant Program that provides transitional housing opportunities for the homeless population.
 - \$25 million for rental assistance and eviction prevention.
 - \$20 million to Linkages Program for supportive housing vouchers.

Health Care and Behavioral Health

- Puts \$200 million into the Rural Health Care Delivery Fund to increase and improve access to services for people who live in rural communities.
- Proposes \$2 million in recurring spending to the Department of Health to maintain clinical family planning and reproductive health services and \$10 million in capital outlay for a reproductive health clinic in southern New Mexico.

- Allocates \$11.6 million to increase health care facilities reimbursement rate and \$67.8 million for Medicaid provider reimbursement rate increases.
- Includes \$10.2 million for cost-of-living adjustment for developmental disabilities waiver service providers.
- Allocates \$30 million for services to seniors for physical and mental health care, case management, and caregiving.
- Includes \$6.6 million to expand the 988 crisis line services statewide.
- Invests a total of \$68.2 million in establishing and strengthening health care career pipelines to recruit, train, and keep health care professionals in the state.

Education and Child Well-being

- Provides \$220.1 million to extend in-classroom learning time by increasing the number of educational hours during the school year and an additional \$30 million for additional classroom time for special education students and support for special education teachers.
- Provides \$50 million for before-school, after-school, and summer programs and \$41 million to increase teacher planning and collaboration time.
- Allocates \$111.1 million for a 4 percent salary increase for all school personnel.
- Proposes \$100 million to reduce the cost of health insurance for public school personnel and \$22.2 million for a one percent employer-paid pension contribution increase.
- Allocates \$112.6 million for affordable, high-quality childcare.
- Directs \$30 million for healthy universal school meals to eliminate school meal costs for all children and \$20 million for school kitchen infrastructure improvements.
- Allocates \$157.4 million to the Opportunity Scholarship program to ensure all eligible students have access to higher education.
- Invests \$15 million in career technical education and Innovation Zones.



NEW MEXICO (Continued)

- Invests over \$100 million in capital projects at higher education institutions.

Public Safety

- Directs \$100 million in nonrecurring spending for the Law Enforcement Recruitment Initiative to recruit more law enforcement officers.
- Directs \$4 million for law enforcement survivors benefits and \$4 million for firefighter survivors benefits.
- Allocates \$2.2 million to create and staff two hotshot forest firefighter crews, \$5.95 million for the Fire Protection Fund, \$7.45 million for the Fire Protection Grant Fund, and \$2 million to the Department of Homeland Security and Emergency Management for pre-disaster mitigation.
- Directs \$30 million for updates to correctional facilities.

Economic Development, Infrastructure, and Taxes

- Proposes \$1 billion in economic relief through tax rebates by providing a \$750 tax rebate to single filers and a \$1,500 rebate to joint filers.
- Directs \$146.1 million to the state’s Department of Information Technology for broadband expansion.
- Recommends \$128 million in nonrecurring spending to the Office of the State Engineer to expand, improve, and protect water infrastructure.
- Allocates \$14 million for the Job Training Incentive Program and \$35 million to the Local Economic Development Act Fund.

Special Initiatives

- Directs \$75 million to the new Land of Enchantment Legacy Fund to create sustained funding for state programs that protect and preserve the environment.
- Proposes \$91.3 million to fund a four percent salary increase for all state employees.

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Governor’s Press Release](#)



NEW YORK

On February 1, New York Governor Kathy Hochul presented a budget for fiscal 2024 calling for total state spending from all funds of \$227.0 billion, a 2.4 percent increase from updated fiscal 2023 spending estimates. State operating funds (including general funds as well as state-funded special revenue funds and debt service funds) are expected to total \$125.2 billion, a 2.0 percent increase. General fund spending in fiscal 2024 is recommended at \$106.9 billion, reflecting a 13.2 percent annual increase, while federal operating aid is expected to decline 3.1 percent to total \$80.4 billion. Receipts from all funds are expected to total \$225.3 billion, a 3.2 percent decrease. General fund tax receipts are expected to decrease 1.8 percent in fiscal 2024, though general fund revenue from all sources (including transfers from other funds) are estimated to increase 6.1 percent to total \$104.5 billion. Excluding the pass-through entity tax (PTET) reserve and the reserve for extraordinary monetary settlements to fund existing commitments, the state is projected to end fiscal 2024 with a general fund cash balance of \$25.9 billion, including rainy day reserves of \$6.5 billion (6.0 percent of general fund expenditures) and \$13.1 billion reserved for economic uncertainties.

Proposed Budget Highlights

The governor's fiscal 2024 budget makes transformational investments to meet the needs of state residents in priority areas, including mental health, housing, public safety, transit, combating climate change, child care, health care, economic development, and education; some key funding proposals in these areas are described below. The budget also commits more than \$1 billion to support asylum seekers with critical health care, shelter, and other services. Additionally, the state is scheduled to use \$2.25 billion in *American Rescue Plan Act* (ARPA) State Fiscal Recovery Funds in fiscal 2024 to continue providing critical government services, especially to those most impacted by the pandemic.

Mental Health

- Capital spending to develop new residential units (\$915 million), expand inpatient psychiatric treatment (\$18 million), and increase outpatient services (\$60 million), as well as annual operating increases to support these new units and expanded services
- \$27.5 million to create care coordination teams to improve post-discharge services

- \$30 million to expand mental health services in schools

Housing

- \$250 million for infrastructure upgrades to support local housing development
- \$20 million for local rezoning planning and technical assistance
- \$50 million to create a statewide fund for home repairs for low-income communities
- \$39.8 million to reduce lead exposure risk in rental properties
- \$15 million for statewide data collection and \$4 million for a Housing Planning Office

Public Safety

- \$337 million for programs to prevent and reduce gun violence
- \$7 million for a new Anti-Fentanyl Innovation Grant
- Additional funds for prosecution funding, discovery reform implementation, alternatives to incarceration, pretrial services, and reentry services

Transit and Other Transportation

- A package to address the Metropolitan Transportation Authority (MTA)'s long-term structural imbalance, including \$400 million in operating efficiencies, \$800 million revenue increase from Payroll Mobility Tax (PMT), \$500 million increased contributions from New York City, \$300 million in one-time state aid, a share of casino licensing fees and tax revenue for MTA operations, and more funding for safety personnel
- Almost \$7 billion for the second year of a five-year Department of Transportation Capital Plan, as well as substantial state capital support for mass transit needs

Environment, Energy and Agriculture

- \$500 million for clean water infrastructure
- \$400 million for Environmental Protection Fund
- \$200 million to enhance state parks



NEW YORK (Continued)

- \$200 million for provide certain energy customers with monthly utility bill discounts
- \$200 million for retrofits program to make low-income homes more energy efficient

Child Care

- Increase state investment in childcare system to \$7.6 billion over four years
- \$389 million in federal funds for a Workforce Retention Grant program

Health Care

- \$1 billion in health care capital funding
- \$100 million to expand Medicaid coverage of preventative health and primary care access
- \$157 million funding for nursing homes and \$9 million for assisted living providers

Economy and the Workforce

- \$425 million to invest in local economies through tax credits and other initiatives
- \$60 million in grants to support locally sourced school meals and food retailers
- \$58.5 million to support tourism
- Establish the Office of Community and Workforce Development in New York City
- Index the state minimum wage to inflation and offer fully paid parental leave to state employees

Education

- \$3.1 billion (10 percent) overall increase to annual school aid
 - Fully funds the Foundation Aid school funding formula for the first time in its 17-year history, including \$250 million set aside for learning loss tutoring
 - \$125 million to expand prekindergarten support
- \$500 million for a state matching fund for contributions made to state university endowments

- Additional funds for capital projects and operating support for public universities, including a 12.6 percent general fund higher education spending increase

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Highlights](#)

[Briefing Book](#)

[Financial Plan](#)

[Revenue Forecast](#)

[Governor's Press Release](#)



NORTH CAROLINA

On March 15, North Carolina Governor Roy Cooper introduced a biennial budget proposal for fiscal years 2024 and 2025. The budget proposes \$32.95 billion in general fund spending for fiscal 2024, an increase of \$5.08 billion or 18.1 percent over the fiscal 2023 authorized amount, and \$34.23 billion in fiscal 2025, an increase of \$1.28 billion or 3.9 percent over fiscal 2024. The consensus revenue forecast estimates general fund revenues at \$33.71 billion in fiscal 2024 (a decrease of 0.2 percent from fiscal 2023) and \$33.65 billion in fiscal 2025 (a decrease of 0.2 percent from fiscal 2024). The budget includes total unappropriated reserves of \$6.8 billion and closing balances are projected to be \$1.02 billion in fiscal 2024 and \$10.94 million in fiscal 2025. Additionally, the governor proposed tax changes of \$279.0 million in fiscal 2024 and \$716.0 million in fiscal 2025, with adjustments to transfers accounting for the majority of new revenue to the general fund.

Proposed Budget Highlights

The governor's proposed "First in Opportunity" budget focuses on priority areas of education, economic development and workforce, physical and behavioral health, and a government equipped to meet the needs of a growing state.

Recommended Revenue Changes

- Implementation of a two-bracket rate structure at the \$200,000 threshold for married filers and proportionally lower for other filing statuses (taxable income above \$200,000 would continue to be taxed at 4.75 percent while income below that amount would benefit from decreases to 4.6 percent in 2024 and 4.5 percent in 2025), which would raise \$69.0 million the first year and \$222.0 million the second year of the biennium.
- Maintain the corporate income tax rate at 2.5 percent on a permanent basis, which would raise \$65.0 million in fiscal 2025.
- Maintain the sales tax transfer from the General Fund to the Highway Fund and Highway Trust Fund at 2.0 percent of revenues (versus increasing to 6.0 percent by fiscal 2025 as in current law), increasing general fund revenues by \$210.0 million in fiscal 2024 and \$429.0 million in fiscal 2025.

Securing the State's Human Capital

- Provides \$573.0 million recurring in fiscal 2024 and \$909.2 million recurring in fiscal 2025 to fund a 5.0 percent across-the-board salary increase in fiscal 2024 and an additional 3.0 percent increase in fiscal 2025 for net appropriation-supported state employees, receipt-supported General Fund employees, and certain state-funded local employees plus an additional 1.5 percent increase in the first year for employees on a step plan.
- Provides \$250.9 million recurring in fiscal 2024 for recruitment and retention. These funds may be used at the discretion of the agency to address labor market concerns specific to the agency's staffing needs. Allocates \$648.8 million recurring in fiscal 2024 and \$1.1 billion recurring in fiscal 2025 to increase teacher pay by an average of more than 18 percent, adjusting the teacher salary schedule to ensure all educators receive at least a 10.0 percent increase in fiscal 2024 and an additional 6.0 percent in fiscal 2025.
 - The proposed salary schedule minimizes plateaus for veteran teachers and increases starting pay to \$46,000 in fiscal 2025.
- Provides \$463.5 million nonrecurring in fiscal 2024 for state employee retention bonuses of \$1,500 (employees making less than \$75,000) or \$1,000 (employees making more than \$75,000).
- Adjusts annual leave and longevity pay to improve employee retention.

Ensuring a Sound Basic Education

- Provides \$4.5 billion to meet an educational court order and pursue the policy and programmatic changes outlined in the Comprehensive Remedial Plan including:
 - \$2.5 billion to provide fair and equitable distribution of financial resources.
 - \$943.5 million to expand access to high-quality early childhood education for ages birth to five.
 - \$170.5 million to develop a skilled educator pipeline and build educator/principal capacity.



- \$141.4 million to support low-performing schools and districts.
- \$102.0 million to create a guided pathway from high school to postsecondary education and career opportunities.
- Invests \$513.8 million for schools to hire nurses, counselors, social workers, and school psychologists to meet the physical and mental health needs of students.

Prioritizing Mental Health

- The budget anticipates Medicaid expansion is effective June 1, 2023, and recommends using expansion proceeds to invest \$1.0 billion nonrecurring in fiscal 2024 to address the mental health crisis through the Improving Health Outcomes for People Everywhere (IHOPE) Fund.
- Invests \$1.7 million recurring in fiscal 2024 and \$3.9 million recurring in fiscal 2025 to increase the number of crisis stabilization beds for children at facilities.
- Provides \$3.1 million nonrecurring in fiscal 2024 and \$2.8 million nonrecurring in fiscal 2025 to expand evidence-based behavioral health supports and services for children in schools.
- Invests \$4.0 million recurring to establish a crisis unit to serve juvenile justice youth with mental and physical health concerns.

Meeting Workforce Needs

- Provides \$15.0 million recurring from the new Strategic Workforce Investment Trust Fund (SWFT) to fund competitive grants to workforce development boards to support employers hiring, training, and retaining employees.
- Provides \$9.1 million nonrecurring in fiscal 2024 and \$10.0 million recurring in fiscal 2025 for assistance grants for Short-Term Workforce Credentials at community colleges to help unemployed individuals enter the workforce more rapidly.
- Invests \$500.0 million over the biennium from the Savings Reserve to stabilize and sustain the state's childcare industry through compensation and fixed cost grants.

- Includes \$100.0 million recurring to provide a statewide rate floor in the childcare subsidy program in lower wealth counties.
- Provides \$107.9 million recurring in fiscal 2024 and \$109.4 million in fiscal 2025 to support hard to staff industries such as skilled nursing, personal care services, and childcare.
- Invests nearly \$232.8 million over the biennium for high-need workforce programs.

Enhancing Public Safety and Preventing Violent Crime

- Invests \$15.0 million nonrecurring in fiscal 2024 for grant programs with \$5 million available to expand the use of evidence-based programming for violence intervention and prevention and \$10.0 million available to support the acquisition of body-worn cameras for law enforcement.
- Provides \$13.2 million over the biennium to expand re-entry programming and community supervision services.
- Invests \$7.6 million recurring in juvenile crime prevention.
- Provides \$50.0 million nonrecurring in fiscal 2024 for school safety grants.

Proposed Budget Information

[Fiscal Years 2024-2025 Proposed Budget](#)

[Budget Overview Presentation](#)

[Governor's Press Release](#)

[Revenue Forecast v](#)



NORTH DAKOTA

On December 7, North Dakota Governor Doug Burgum released a two-year budget proposal for fiscal 2024 and fiscal 2025. The budget calls for \$18.45 billion in total spending over the biennium, an 8.9 percent increase from the previous biennium. The budget proposes \$5.86 billion in general fund spending over the biennium (\$5.49 billion in ongoing expenditures and \$374.9 million in one-time expenditures), a 17.5 percent increase. The largest categories of general fund spending for the upcoming biennium are health and human services (35.3 percent); elementary and secondary education (28.4 percent); higher education (12.7 percent); general government (9.1 percent); public safety (6.3 percent); and agriculture and economic development (4.4 percent). General funds represent 31.8 percent of the recommended state budget, while federal funds represent 31.5 percent and special funds 36.7 percent. The budget assumes general fund revenues of \$4.59 billion, a 0.5 percent increase from the revised estimate for the current biennium. General fund revenues in the executive budget are reduced by two tax relief proposals and a proposal to shift a portion of the motor vehicle excise tax to the Department of Transportation to support state investment in road and bridge infrastructure. The general fund ending balance is estimated to be \$409.8 million at the end of the upcoming biennium. The budget forecasts oil and gas tax revenues at \$5.26 billion, a 12.6 percent decline from the revised estimate for the current biennium. Additionally, the state is permitted to spend \$486.6 million in Legacy Fund earnings in the upcoming biennium. The governor recommends using 35.0 percent of Legacy Fund earnings for economic development and research; 31.0 percent for debt payments; 20.0 for legacy projects; and 14.0 percent for community and workforce development.

Proposed Budget Highlights

In discussing his budget proposals for the upcoming biennium, the governor said it includes nearly \$170 million to address the state's workforce shortage, increases support for K-12 education and teacher salaries, and provides over \$3 billion for roads, bridges, water projects and other critical infrastructure. Additionally, he said the budget cuts individual taxes to save taxpayers an estimated \$500 million over two years. The governor also noted the state's financial position is strong and its reserves are full. Highlights of the budget include:

Addressing Workforce

- \$167 million for a comprehensive package to address the workforce shortage.
- Includes funding for improving childcare programs; a Regional Workforce Impact Grant Program; a strategic marketing and recruitment campaign; a Workforce Innovation Grant program; an Energy Scholarship Pilot Program; and a workforce transition training program.

Historic Income Tax Relief

- Calls for eliminating the state individual income tax for three out of five North Dakota taxpayers.
- Remaining taxpayers will have their tax liability reduced.
- The proposal will lead to a 1.5 percent flat rate income tax, the lowest in the nation.

Investing in Infrastructure

- \$2.4 billion investment to address aging roads, bridges, and other infrastructure.
- Includes \$1.2 billion in federal funds from the Infrastructure Investment and Jobs Act and \$1 billion in special funds.
- Proposal also includes funding for flood protection projects, upgrading the state's correctional center for women, a new Public Health and Environmental Quality Lab, a new state hospital, and a state military museum.

Promoting Quality Education

- Recommends increasing the per-pupil rate for education aid by 4 percent in the first year of the biennium and 3 percent in the second year.
- Requires school districts to spend at least 70 percent of new dollars on compensation for educators.
- For higher education the budget includes \$50 million in funding for challenge grants, which must be matched 2-to-1 with private sector funds.

Building Healthy, Vibrant Communities

- Proposes more than \$51 million for state parks and recreation/historical sites.



NORTH DAKOTA (Continued)

- Calls for a Destination Development Fund of \$50 million to be matched by the private sector.
- Also provides funding for a Rural Revitalization and Redevelopment Grant Program, a Rural Workforce Housing Program, and a Housing Incentive Fund.

Supporting State Team Members

- Includes \$90 million in targeted pay equity funding based on a data-supported analysis to bring targeted agency salaries closer in line with the overall market.
- Recommends performance increases of 6 percent in the first year of the biennium and 4 percent in the second year.
- Recommends a 3.1 percent increase in full-time equivalent (FTEs) positions across state government and higher education.

Supporting Health Care and Human Services

- Invests over \$30 million in behavioral health, with additional FTEs for more peer support specialists and mobile crisis services.
- Proposes the creation of a Child Protection Response Team to provide short-term, targeted, frontline staffing in areas experiencing challenges from staff turnover.
- Provides funding for four tribal health liaisons to help support tribal health needs.

Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

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OHIO

On January 31, Ohio Governor Mike DeWine recommended a two-year budget that totals \$103.33 billion in fiscal 2024 (a 3.5 percent increase over fiscal 2023's appropriated level) and \$99.77 billion in fiscal 2025 (a 3.4 percent decline from fiscal 2024's appropriated level). Much of the decline in fiscal 2025 is due to less federal funds as federal recovery dollars are spent on one-time supports. Spending from the general revenue fund totals \$42.30 billion in fiscal 2024 (a 3.7 percent increase over fiscal 2023) and \$44.59 billion in fiscal 2025 (a 5.4 percent increase over fiscal 2024). Estimated general fund revenues are projected to be \$43.46 billion in fiscal 2024 (a 3.0 percent increase from fiscal 2023's estimated level) and \$45.76 billion in fiscal 2025 (a 5.3 percent increase from fiscal 2024). The budget assumes a general revenue ending balance of \$884.4 million in fiscal 2024 and \$549.3 million in fiscal 2025. Additionally, the budget stabilization fund ending balance is estimated at \$3.57 billion (or 7.8 percent of general revenue funds) at the end of the biennium.

Proposed Budget Highlights

The governor's "Ohio's Time" budget focuses on helping children at all stages; investing in people and a strong workforce; supporting communities across the state; and advancing a thriving and innovative economy. In addition, the budget is based on a conservative forecast, is structurally balanced, allocates one-time resources to one-time expenses, and allocates recurring revenues to ongoing priorities. Some of the highlights of the budget proposal include:

Investing in Bold Beginnings

- Early Childhood Development and Support: Establishes a new cabinet agency, the Department of Children and Youth.
- Caring for Kids: Continues the transformation of foster care; provides a one-time adoption assistance payment to adoptive parents; and increases access to quality childcare by raising income eligibility for publicly funded childcare.
- Families: Exempts from sales tax purchases of products that enhance children's health and safety; provides taxpayers with a \$2,500 income tax exemption per child; and provides all eligible children with one free book per month.
- Children's Healthcare: Expands Medicaid coverage for new and expectant mothers; implements the Maternal Infant and Support Program; grows the Comprehensive Maternal Care program; implements best practices in birthing hospitals; and supports mental health and wellness screening protocol.
- Family Stability: Provides additional funding to Ohio's evidence-based home visiting program; invests in secure housing for pregnant women; and devotes resources to pregnancy centers and other organizations. Also authorizes funding for tobacco cessation programs for expectant mothers, expands nutrition assistance coordination, invests in Cribs for Kids program, and supports father-child relationships.

Investing in People and Workforce

- Families: Uses one-time federal funding to foster improved quality of life for seniors so they can remain in their homes.
- Mental Health: Provides funding for 988 lifeline; continues critical mental health initiatives; expands access to wellness and recovery services; and improves coordinated community treatment. Also provides funding for Mental Health Support Program in higher education, enhances capacity for court-ordered evaluations, and supports quality housing for Ohioans with mental health and substance use disorders.
- K-12 Education: Increases funding in K-12 school funding formula; expands eligibility for the EdChoice Expansion Scholarship; continues commitment for mental and physical health support for K-12 students; prioritizes literacy; and launches the Ohio Military Veteran Educators Program.
- Ohioans with Disabilities: Ensures technology is part of support plans; supports programs for youth with complex behavioral health needs; and provides additional vocational rehabilitation services.
- College Affordability and Access: Provides additional funding; increases need-based financial assistance; establishes a new merit scholarship to encourage students to stay in Ohio; and launches a Teacher Apprenticeship program.
- Veteran Care: Devotes one-time funds to modernize veteran nursing homes.



OHIO (Continued)

Investing in Ohio's Communities

- **Safety and Security:** Covers the local cost of the Multi-Agency Radio Communication System; completes the infrastructure for Next Generation 9-1-1; and supports law enforcement professional training.
- **Housing Infrastructure:** Provides tax credits for the development of low-income multi-family rental housing and affordable single-family housing; and establishes a home ownership savings account.
- **Brent Spence Bridge:** Includes necessary funding for joint project with Kentucky.
- **Strong Local Communities:** Increases shared revenue to local partners and supports efforts in indigent defense; quality of life for seniors; anti-human trafficking; reentry initiatives; multimodal transportation; and county jails.
- **Protecting Ohio's Resources:** Works to improve the quality of water for all Ohioans; preserve farmland; and address the limited supply of tree seedlings.

Investing in a Thriving Economy

- **Economic Development:** Establishes a fund to support economic development projects; supports Broadband expansion; and creates new innovation hubs.
- **Skilled Workforce:** Funds a series of workforce upskilling efforts including in growing industries such as electric vehicles.
- **Quality and Affordable Childcare:** Creates a childcare scholarship program for critical occupations.
- **K-12 Learning Innovation:** Includes new career tech grants and computer science funding.
- **Innovative Colleges and Universities:** Promotes collaboration among institutions as well as strengthens education and training opportunities.
- **Health Care Workforce and Care Innovation:** Creates a network for mental health research and innovation; includes a Medicaid provider rate package; and expands pediatric behavioral health services and training for behavioral health professionals.
- **Information Technology and Cybersecurity:** Establishes the Ohio Digital Academy to attract IT talent as well as supports technology security and development efforts.

Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

[Budget Highlights](#)

[Budget Testimony](#)



OKLAHOMA

On February 6, Oklahoma Governor Kevin Stitt released his recommended budget for fiscal 2024. The recommended budget totals \$11.4 billion which is an increase of \$1.2 billion, or 11.8 percent, from fiscal 2023 authorized expenditures. Agency appropriations for fiscal 2024 are recommended at \$10.06 billion which is a 6.9 percent decrease, or \$746 million, from fiscal 2023. For the certified general revenue fund, the fiscal 2024 expenditure authority is projected at \$8.67 billion, an increase of 26.22 percent over fiscal 2023 actual expenditures. In the proposed budget, total unspent cash and reserve funds are \$2.97 billion. This includes a Constitutional Reserve Fund (Rainy Day Fund) balance of \$1.05 billion, a Revenue Stabilization Fund balance of \$397 million, and a proposed balance in the new Oklahoma Legacy Fund of \$1.0 billion.

Proposed Budget Highlights

The budget focuses on the governor's four priorities of driving excellence in education, building the best state for business, defending freedoms, and protecting Oklahomans. Recommendations include the following:

Education

- Proposes \$130 million for education savings accounts for K-12 students to be used for eligible education expenses.
- Includes \$100 million to create new schools focused on innovation, unlocking student potential, and addressing workforce pipeline needs across the state.
- Proposes \$100 million to create an initiative supporting student reading. This funding would additionally support the training of teachers in the science of reading.
- Directs \$50 million to support performance-based teacher pay raises.
- Provides \$2.6 million to provide students an in-home identification kit approved by the Federal Bureau of Investigation to allow parents to take, store, and control their child's fingerprint and DNA in their own home.
- Includes \$500K to expand concurrent enrollment to pay for high school freshmen and sophomores.
- Directs \$16.8 million to provide an increase to the Teachers' Retirement System Dedicated Fund.

Tax Relief

- Proposes eliminating the 4.5 percent state portion of sales tax on groceries to provide immediate relief to Oklahomans at a cost of \$351.1 million.
- Proposes reducing the individual income tax rate by 0.76 percent to 3.99 percent at a cost of \$260.9 million.
- Proposes reducing the corporate income tax rate by 0.75 percent at a cost of \$43.7 million.

Other

- Directs \$2.9 million to the Department of Health to expand funding for Pregnancy Resource Navigators to help broaden the reach of the Health Department to Oklahoma expectant mothers and babies during and after birth.
- Proposes a \$20 million appropriation to the Department of Commerce to replenish the Quick Action Closing Fund to ensure Oklahoma has the tools to attract businesses and promote economic development.
- Removes \$1.2 billion in fiscal 2023 appropriations that were one-time in nature.
- Supports the creation of the Oklahoma Legacy Fund through an initial investment of \$1 billion in accumulated, unspent General Revenue from prior years. The fund is intended to position the state to build additional reserves and generate revenues over the long-term through a diversified investment strategy.

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Revenue Forecast – December 2022](#)



OREGON

On January 31, Oregon Governor Tina Kotek released a recommended budget for the fiscal 2024-2025 biennium. Over the next two years, the governor's budget calls for \$116.5 billion in spending from all funds, a 3.8 percent decrease from the enacted biennial budget for fiscal 2022-2023. This includes spending \$30.3 billion from the general fund (an 8.8 percent increase from the fiscal 2022-2023 biennium) and \$1.8 billion from lottery funds (a 27.5 percent increase). The decline in total spending can be attributed to a 9.4 percent decrease in federal fund expenditures (due mainly to the expiration of one-time federal COVID-related funds). The general fund budget is based on a beginning balance of \$4.9 billion and projected general fund revenue of \$25.7 billion for the fiscal 2024-2025 biennium after proposed revenue changes, the impact of a projected \$3.7 billion tax credit attributable to personal income tax collections above forecasted amounts in the prior biennium under Oregon's "kicker" law, and transfers into the general fund. This reflects an 8.8 percent decrease compared to legislatively approved revenue for the fiscal 2022-2023 biennium. The budget projects a \$310 million balance in the general fund at the end of the fiscal 2024-2025 biennium. The state estimates that the combined balance in the Rainy Day Fund and the Education Stability Fund will be \$2.0 billion at the end of the fiscal 2022-2023 biennium. The governor's budget proposes to retain these reserve levels, while redirecting \$765 million in projected new deposits during the next biennium to targeted investments in key priorities.

Proposed Budget Highlights

The governor's "Mission Focused" budget recommendation focuses on three top priorities: (1) increasing housing and reducing homelessness; (2) improving access to mental health and addiction services; and (3) improving early literacy and K-12 education outcomes. The governor's budget proposes a range of new and continued investments to support these priority areas, such as:

Housing and Homelessness

- \$130 million early investment package to fund efforts to reduce unsheltered homelessness, with costs partly covered in fiscal 2022-2023 biennium
- \$172.2 million for both rapid rehousing resources and long-term rent assistance
- \$130 million to create new permanent supportive housing

- \$118 million to preserve existing affordable homes
- \$73 million to create an ongoing homelessness prevention program
- \$24.1 million to maintain shelter operations
- \$4.5 million for a risk mitigation fund for Permanent Supportive Housing providers
- \$2.2 million to create the Housing Production and Accountability Office (HPAO), charged with reducing land use and permitting requirements that hinder housing production
- \$770 million general obligation bonds for more affordable rental and homeowner housing

Mental Health and Addiction Services

- \$195.7 million for continued funding for aid and assist services, certified community behavioral health centers, and other investments launched in 2021
- \$40 million in ongoing funding for additional mental health residential capacity
- \$278.9 million for addiction treatment, overdose prevention, peer support services and other investments in substance use treatment and services
- \$47.6 million in ongoing funding for mobile crisis teams
- \$127.4 million to continue behavioral health worker Medicaid rate increases
- \$50.2 million to increase state hospital staffing, establish a dedicated Health Equity Unit, and cover other state hospital needs
- \$40 million to continue support of the harm reduction clearinghouse that aims to reduce preventable deaths related to opioid use
- \$60 million to continue loan repayment, scholarships and tuition stipends for licensed behavioral health providers and students
- \$20 million for an incentive program to increase the state's behavioral health workforce and recruit and retain diverse providers



OREGON (Continued)

- \$18.4 million for funding to the nationwide 988 Suicide and Crisis Lifeline system

Early Learning and K-12 Education

- \$100 million for evidence-based, targeted literacy strategies
- \$20 million for summer programming focused on literacy, with districts required to provide a 50 percent local match
- \$62.5 million for increased early learning provider rates and other program enhancements
- \$41.3 million for employment-related daycare (ERDC) provider rate increases and other enhancements
- \$100 million for expanding physical capacity of early learning facilities
- \$30 million to continue funding summer enrichment programming
- \$18 million to increase targeted investments in culturally specific student success plans
- Increase the State School Fund (school districts' most flexible funding source) to \$9.9 billion (a 6.5 percent increase compared to fiscal 2022-2023 biennium) and fully fund High School Success Fund to improve graduation rates as well as career-and college-readiness

Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

[Top Priorities \(Budget Summary\)](#)

[Governor's Press Release](#)



PENNSYLVANIA

On March 7, Pennsylvania Governor Josh Shapiro proposed a budget for fiscal 2024. The proposal calls for total operating spending from all funds of \$117.6 billion (a 3.7 percent increase compared to fiscal 2023), including \$44.4 billion in general fund spending (an 8.0 percent increase) and \$45.8 billion in federal fund spending (a 2.3 percent decrease). Additionally, the budget recommends capital bond authorizations of \$1.34 billion in fiscal 2024. The budget is based on a general fund beginning balance of \$7.9 billion and forecasted general fund revenue of \$42.0 billion in fiscal 2024 (a 1.6 percent decrease from estimated revenue for fiscal 2023). The governor's recommended budget estimates a general fund ending balance of \$5.6 billion. In addition, the state's rainy day fund, known as the Budget Stabilization Reserve Fund, is estimated to have a fiscal 2024 ending balance of \$5.3 billion, or 11.9 percent of general fund spending.

Proposed Budget Highlights

The governor's first state budget focuses on "commonsense" investments to strengthen the economy, make communities safer and healthier, and improve public education. Additionally, the governor recommends several tax actions to benefit families affected by rising costs. Below are some of the governor's key proposals to support these budget priorities.

Cutting Costs for Families

- Eliminate state gross receipts and sales taxes on cell phones (\$124 million in taxpayer savings annually)
- Increase maximum Property Tax Rent Rebate, expand income eligibility, and tie income cap to cost of living

Building Economic Prosperity

- Invest 50 percent more in the Manufacturing Innovation Program that connects higher education institutions with businesses
- Fund the governor's Office of Transformation and Opportunity, a new one-stop-shop for businesses
- \$20 million to create a new state program to invest in historically disadvantaged businesses
- Fund a new Organic Center of Excellence to support the agriculture sector
- \$12 million for direct economic development funding to attract new business and help Pennsylvania's existing businesses expand.

Building a Strong Workforce

- \$24.7 million for job retention and recruitment efforts to address workforce shortages in sectors such as nursing, law enforcement and education through a refundable tax credit of up to \$2,500 per year for three years for individuals becoming certified or licensed in those professions
- Invest in childcare options for working parents, including up to \$66.7 million in childcare services for low-income families, a \$30 million increase for the Pre-K Counts program, and \$2.7 million for the Head Start Supplemental Program
- \$23.8 million for workforce training and apprenticeship programs

Investing in Children & Students

- \$567.4 million increase (7.8 percent) for basic education funding formula
- \$103.8 million increase for special education
- \$38.5 million to continue providing universal free school breakfast
- \$100 million for school safety and security grants
- \$100 million to reduce and remediate environmental hazards in schools
- \$60 million increase in operating support for higher education institutions

Ensuring Access to Emergency Services and Public Safety

- Create a Public Safety and Protection Fund, reducing reliance on the Motor License Fund to support the state police and providing an additional \$1.5 billion over the next five years for road and bridge projects
- \$16.4 million for four new trooper cadet classes
- Extend and increase small 911 surcharge, as well as tie fee amount to inflation, to offset the elimination of the cell phone taxes and ensure effective operation of county-operated 911 system
- \$36 million increase in emergency medical services and fire services funding
- \$105 million to address community violence through grants and technical assistance



PENNSYLVANIA (Continued)

- \$10 million to ensure access to constitutionally required legal defense
- Additional funds to improve clemency, parole, and probation processes

Assisting Seniors and Individuals with Disabilities

- Invest \$16 million in state funds for Supplemental Nutrition Assistance Program (SNAP) benefit increases in response to the end of federal emergency SNAP benefits
- \$10 million to reduce the waitlist for Help at Home program for older adults and to attract providers and retain staff
- \$1 million for Senior Community Center grants
- \$1.9 million for long-term care facilities
- \$17.6 million to reduce waiting list for home and community-based services
- \$3.4 million for Lifesharing program to allow disabled adults to live at home with qualified adults
- Increase appropriations to recruit and hire staff at state Centers for Independent Living

Supporting Mental Health

- \$500 million over five years to increase mental health support in schools
- Increase base mental health funding to counties programs
- \$4 million for new community-based programs to support criminal justice-involved people with mental illness
- \$200,000 for farmer mental health

Safeguarding the Environment

- \$5.75 million for Department of Environmental Protection for more air quality testing, inspections, and safeguarding water quality

Proposed Budget Information

[Fiscal Year 2024 Proposed Budget](#)

[Budget in Brief](#)

[Governor's Press Release](#)



RHODE ISLAND

On January 19, Rhode Island Governor Dan McKee submitted a budget recommendation for fiscal 2024. The budget calls for all funds spending of \$13.75 billion in fiscal 2024, including general fund spending of \$5.30 billion and federal fund spending of \$5.53 billion. This represents an all funds spending increase of 1.1 percent, a general fund spending increase of 5.2 percent, and a federal fund spending decrease of 3.2 percent compared to enacted fiscal 2023 levels. The governor's budget is based on a general fund revenue estimate of \$5.28 billion in fiscal 2024, including recommended revenue policy changes, reflecting 1.2 percent growth over the fiscal 2023 estimate. The recommended budget projects a general fund ending balance of \$8.8 million and a balance in the state's rainy day fund of \$277 million (about 5 percent of general fund spending, per the cap). The governor also recommends revisions to the fiscal 2023 enacted budget that would increase spending from all funds by \$536 million, including \$224 million in general fund spending.

Proposed Budget Highlights

The governor's "RI Ready" budget for fiscal 2024 prioritizes fiscal responsibility and tax relief, as well as investments in education, economic development, housing, healthcare, and climate. The budget proposal aims to make further progress toward the state's goals outlined in RI 2030, the state's master plan, in part by using fiscal 2023 projected surplus funds. The governor also proposes additional investments using *American Rescue Plan Act* (ARPA) State and Local Fiscal Recovery Funds (SLFRF). Key budget proposals to support these priorities include:

Fiscal Responsibility

- \$55 million in surplus funds to create an additional reserve fund as a supplement to the rainy day fund (which is currently capped at 5 percent of general revenue)
- \$60 million in surplus funds transferred to Rhode Island Capital Plan Fund for various projects
- \$15 million in surplus funds to pre-fund increase in Rebuild Rhode Island tax credit program cap
- \$35 million in surplus funds to pay off various debt

Tax Relief

- Reduce sales tax rate from 7 percent to 6.85 percent (\$25.8 million general revenue impact)

- Forgo scheduled 3-cent increase in gasoline tax (\$24.6 million impact over two years)
- Reduce corporate minimum tax by \$25 (\$1 million impact in fiscal 2024)
- One-time refund of gross receipts tax on utilities for four months using surplus funds (\$35.6 million one-time)
- Eliminate litter tax paid by local businesses (\$1 million)
- Exempt trade-in value of trucks below a certain weight threshold (\$3.7 million impact in fiscal 2024)
- Deposit \$4.4 million in Workers' Compensation Fund to prevent employer rate increase

Education

- \$7 million to preserve 800 pre-K seats to offset an expiring federal grant and \$1.3 million to prepare new classrooms
- \$57.8 million in additional K-12 funding and modifies the school funding formula to help school districts navigate enrollment shifts and prevent state funding declines, as well as additional funds for multilingual learner funding, special education, economically disadvantaged students, and homeless students
- \$14 million (6.8 percent) increase in aid to higher education institutions
- \$2.5 million one-time funds for the Fresh Start Scholarship program
- \$8 million in SLFRF to strengthen the RI Reconnect initiative

Economic Development

- \$2.6 million added to the Small Business Assistance Program to help businesses access capital
- \$2.4 million in funding for Wavemaker Fellowship student loan forgiveness program and expands eligibility to include teachers
- \$20 million added to First Wave Closing Fund to help attract and retain businesses
- \$45 million in SLFRF for a program to foster growth in the life sciences sector



RHODE ISLAND (Continued)

- \$25 million in SLFRF to continue offshore wind growth as part of the South Quay Marine Terminal Project
- \$5 million in SLFRF to help small businesses with ventilation improvements

Housing and Healthcare

- Proposes additional FTEs to support newly created Department of Housing
- \$7.5 million for care reimbursement at new community behavioral health clinics
- \$30 million in SLFRF to expand homeless shelter capacity
- \$1.3 million in additional SLFRF to help people retain health coverage once they are transitioned off Medicaid at the end of the public health emergency

Climate and Natural Resources

- \$31.5 million over seven years to the Executive Climate Change Coordinating Council to implement climate efforts
- \$28.5 million in surplus funds transferred to Rhode Island Infrastructure Bank to cover state match for Clean/Drinking Water State Revolving Funds through fiscal 2028

Transportation

- \$87.8 million in surplus funds to cover state match requirement for transportation projects under the Infrastructure Investment and Jobs Act (IIJA)
- \$70 million in surplus funds for lost revenue from commercial truck tolling program, which is still pending
- \$20 million fund created, using SLFRF, for local governments to complete road projects

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Executive Summary](#)

[Budget Data Visualization](#)

[Governor's Press Release](#)



SOUTH CAROLINA

On January 6, South Carolina Governor Henry McMaster proposed a fiscal 2024 budget that recommends \$36.4 billion in all funds, an increase of \$1.7 billion or 4.9 percent over fiscal 2023. The general funds portion of the budget totals \$11.4 billion for fiscal 2024, an increase of \$1.02 billion, or 9.9 percent, over fiscal 2023. Net general fund revenues are projected at \$11.4 billion, an increase of 8.3 percent over the prior year. The governor's proposed budget includes a surplus of \$3.8 billion, comprised of \$1.02 billion in recurring revenues and \$2.8 billion in non-recurring revenues. A constitutional amendment approved by voters in November 2022 raises the General Reserve Fund contribution by one half percent annually until it reaches 7 percent, up from the previous 5 percent. The fiscal 2024 budget fully funds the required 5.5 percent contribution of \$715.2 million and also sets aside \$500 million into a Rainy Day Fund. The budget voluntarily increases the minimum balance of the Rainy Day Fund from 7 percent to 10 percent, resulting in a balance of more than \$1.2 billion. The budget proposes a \$2,000 nonrefundable state income tax credit for every active-duty law enforcement officer and first responder employed by a public entity, providing \$38.4 million in tax relief.

Proposed Budget Highlights

The governor's fiscal 2024 proposed budget prioritizes fiscal responsibility and transformative investments in education, infrastructure, and public safety while providing tax relief for South Carolinians.

Education

- \$254.0 million recurring funds for State Aid to Classrooms to increase the State Minimum Teacher Salary Schedule by \$2,500 per cell and to fund student enrollment increases. Funding supports a new minimum starting teacher salary of \$42,500.
- \$132.5 million non-recurring funds for teacher retention payments of \$2,500.
- \$27.3 million recurring and non-recurring funds to hire additional school resource officers, adding officers in 188 schools.
- \$20.0 million non-recurring funds for teacher recruitment and retention initiatives targeting hard-to-staff subject areas and high-need schools.
- \$80.0 million in lottery funds for need-based grants at the Commission on Higher Education.

- Proposed a tuition freeze for in-state students at public colleges, universities and technical colleges and recommended \$43.0 million for tuition mitigation.

Public Safety and Law Enforcement Investments

- \$21.5 million to build on last year's \$40.0 million investment for law enforcement and criminal justice agency recruitment and retention pay raises.
- \$3.6 million recurring and non-recurring funds for the creation of the Center for School Safety and Targeted Violence.
- \$13.0 million non-recurring funds for facility maintenance and critical security upgrades at juvenile justice facilities.
- \$5.5 million recurring funds for evidence-based interventions in community settings for at-risk youth.
- \$4.1 million recurring funds for additional circuit and family court judges, \$11.7 million recurring funds for additional assistant solicitors, and \$8.9 million recurring funds for additional public defenders.

Health Care and Human Services

- \$117.0 million recurring funds for the annualizations of the decreasing FMAP rate and increased costs associated with dually eligible individuals qualifying for Medicare.
- \$36.7 million recurring funds to maintain patient access by increasing provider reimbursement rates.
- \$20.5 million recurring funds to maintain and increase access to foster care by increasing provider rates.
- Approximately \$45.0 million to the Department of Mental Health for recruitment and retention of mental health professionals, provision of inpatient services, and increased access to crisis continuum of care services and community-based treatment services.

Economic Development and Infrastructure

- \$500.0 million non-recurring funds for announced economic development projects in lieu of debt financing.
- \$200.0 million non-recurring funds to develop megasites and enable the state to compete for large-scale economic development projects.



SOUTH CAROLINA (Continued)

- \$20.0 million non-recurring funds for local economic development grants.
- \$75.0 million non-recurring funds to recruit agribusiness to the state via an economic development matching grant program.
- \$78.0 million in lottery funds to expand a workforce scholarship program through technical colleges that enable participants to earn an industry credential in high-demand careers.
- \$550.0 million recurring and non-recurring funds for bridge infrastructure.
- \$380.0 million in *American Rescue Plan Act* funds for rural water and sewer infrastructure.

State Employees

- \$78.0 million recurring funds for state agency recruitment and retention initiatives for critical personnel.
- \$2.0 million non-recurring funds for a marketing campaign to recruit highly-qualified individuals for critical need positions within state government.
- \$2.0 million non-recurring funds for signing bonuses for critical need positions in state agencies with a maximum award of \$2,500.
- \$121.5 million recurring funds for the State Health Plan to ensure no employee premium increase.
- \$40.1 million recurring funds to pay for the 1 percent pension increase that had been suspended due to the COVID-19 pandemic and proposed the state pension plan be closed to new beneficiaries as of December 31, 2023 and instead new state employees be enrolled in a defined contribution plan.

Proposed Budget Information

[Fiscal Year 2024 Executive Budget](#)

[Statement of Revenues](#)

[Budget Presentation](#)

[Governor's Press Release](#)



SOUTH DAKOTA

South Dakota Governor Kristi Noem released her fiscal 2024 budget proposal on December 6. The recommended budget calls for \$7.24 billion in total spending, a 25.4 percent increase from fiscal 2023's budgeted amount. General fund spending is recommended at \$2.19 billion, a 10.5 percent increase from the budgeted amount for fiscal 2023. Much of the increase in fiscal 2024 total spending is due to federal funds, which are recommended to increase 51.3 percent compared to fiscal 2023 budgeted levels. Additionally, when compared to the revised budget for fiscal 2023 instead of the budgeted amount for fiscal 2023, total state spending is recommended to increase a more moderate 6.2 percent while general fund spending is recommended to decline 3.4 percent. The largest categories of general fund spending are health, human and social services (38.0 percent); state aid for education (32.4 percent); higher education (12.3 percent); and corrections (6.0 percent). Total fiscal 2024 general fund increases are \$207.7 million, with the largest increases going towards social services (\$96.0 million), employee compensation (\$46.0 million), state aid (\$24.1 million), human services (\$14.6 million), corrections (\$12.0 million), and the Board of Regents (\$10.9 million). General fund ongoing receipts are estimated at \$2.20 billion in fiscal 2024, a 3.1 percent decline from fiscal 2023's revised level. The total estimated reserve balance is \$220.0 million, or 10.0 percent of fiscal 2024 general fund appropriations. The governor also noted that her number one priority for the 2023 legislative session is eliminating the 4.5 percent state sales tax on groceries.

Proposed Budget Highlights

In discussing her recommendations for the remainder of fiscal 2022 and fiscal 2023, the governor noted total general fund receipts for fiscal 2022 are up 11.4 percent over fiscal 2021's historic numbers. Additionally, she said in addition to *American Rescue Plan Act* (ARPA) funds, there are \$215.5 million in one-time general fund dollars available for fiscal 2022 and \$157.6 million in ongoing general funds. The governor said the state will put those funds to use to address the state's most pressing needs, and to make fiscally responsible one-time expenditures. The governor highlighted key funding initiatives to invest in South Dakota's workforce, build infrastructure for the future, and strengthen public safety. Funding recommendations include:

Eliminating the Sales Tax on Groceries

- Calls for eliminating the 4.5 percent state sales tax on groceries, including the tax on candy and soda.
- The estimated amount of state taxes being eliminated under the proposal is \$102.4 million in fiscal 2024.

Medicaid Expansion

- In November, South Dakota voters approved a constitutional amendment providing for Medicaid expansion.
- The governor said the will of the people will be implemented and recommended \$12.7 million in ongoing general funds to address the costs of Medicaid expansion.

5.0 Percent Inflation

- The governor recommended including \$90.68 million in ongoing general funds to provide a 5.0 percent increase for state aid to education, the state's technical colleges, reimbursement rates for health and human services, and salary increases for state employees.

Targeted Provider Increases

- The recommended budget includes funding to raise reimbursement rates for targeted community-based health and human service providers to 90 percent of their target for Medicaid services.
- This will require \$22.24 million in ongoing general fund dollars.

Enterprise Resource Planning System

- \$70.0 million in one-time funding is recommended to implement a new Enterprise Resource Planning (ERP) System; the state's current accounting system is 38 years old.

Cybersecurity Upgrades

- \$5.11 million in one-time funding to make cybersecurity upgrades across Board of Regents' institutions.

Rising Construction Costs

- \$6.75 million in one-time funding to address inflationary cost overruns in several construction projects within the Board of Regents.



SOUTH DAKOTA (Continued)

Prison Facilities

- \$341.6 million to support the replacement of the South Dakota State Penitentiary, which was constructed in the late 1800’s as a territorial prison. The funding allows for the first phase of the project to begin.
- \$60.0 million in one-time funding to address overcrowding and lack of addiction services at the South Dakota Women’s Prison by constructing a 308-bed prison for women.

Proposed Budget Information

- [Fiscal Year 2024 Budget Proposal](#)
- [Summary Book](#)
- [Total Recommended Budget](#)
- [Budget Adjustments](#)
- [Budget Presentation](#)
- [Employee Compensation](#)
- [Budget Address](#)
- [Governor’s Press Release](#)



TENNESSEE

On February 6, Governor Bill Lee proposed a fiscal 2024 total budget of \$55.6 billion, a decrease of \$618.6 million or 1.1 percent compared to fiscal 2023. The decrease is largely attributable to an expected decrease in federal funding due to the expiration of federal pandemic funding. State funds total \$29.9 billion, an increase of 11.5 percent and general fund appropriations total \$25.2 billion, an increase of 19.3 percent. Recurring state general tax revenues are estimated at \$19.9 billion in fiscal 2024, an increase of \$437.0 million or 2.3 percent over fiscal 2023. The proposed budget includes a deposit of \$250.0 million to the rainy day fund bringing the total to \$2.05 billion at the end of fiscal 2024.

Proposed Budget Highlights

The governor's proposed budget includes strategic funding to modernize transportation, ensure economic and educational opportunity, preserve the state's natural resources, protect children, and strengthen families.

Tax Relief – Tennessee Works

- Proposes changes to the sales tax, franchise tax, excise tax and business tax estimated to reduce tax collections by almost \$54.0 million recurring and \$360.0 million non-recurring, including the following:
 - Adopts the single sales factor apportionment for franchise and excise taxes.
 - Conforms with the federal bonus depreciation provisions of the 2017 *Tax Cuts and Jobs Act*.
 - Creates a three-month sales tax holiday on food.
 - Establishes a state paid family leave tax credit against franchise and excise taxes for a two-year pilot period.

Education

- Provides \$350.0 million in a recurring cost increase for the new public education funding formula – Tennessee Investment in Student Achievement.
 - Combined with a recurring \$750.0 million in the base budget, new recurring state funding for the education formula is more than \$1.0 billion.
- Recommends a recurring state appropriation of \$47.9 million for higher education to fully fund the outcome funding formula and a 7.7 percent inflationary increase.

- Recommends \$952.9 million for technical college facilities, including updates to outdated campuses, new buildings/additions, and new campus locations.

Health and Social Services

- Proposes multiple appropriations in the TennCare program including:
 - \$5.1 million recurring to increase the pregnancy eligibility threshold to 250 percent of the federal poverty level.
 - \$4.7 million recurring to permanently extend postpartum coverage for a full year.
 - \$13.6 million recurring to increase the parental eligibility income threshold to 100 percent of the federal poverty limit.
 - \$5.2 million to implement 12-month continuous coverage for low-income children.
 - Provides \$22.0 million recurring for children in longer-term placements who are unable to be placed in traditional foster care.
 - Recommends \$100.0 million non-recurring to make direct support grants to crisis pregnancy centers statewide.

Public Safety

- Recommends 25 forensic services positions and \$4.5 million in the Bureau of Investigation.
- Recommends 142 new trooper positions and \$28.7 million in the Highway Patrol.
- Recommends 122 agents and \$24.7 million in the Homeland Security Office, specializing in school safety and threat assessment initiatives.
- Proposes \$10.0 million in evidence-based programming grants for jails, with a mental health focus.

Transportation and Economic Development

- Proposes use of public-private partnerships, allows for alternative project delivery, and brings the electric vehicle fee into parity with gasoline vehicles.



TENNESSEE (Continued)

- Establishes the Transportation Modernization Fund and allocates \$3.0 billion into the fund from the general fund for transportation projects that address congestion in all four Department of Transportation regions.
- Appropriates \$103.0 million (\$18.0 million recurring) for the Jobs4TN program to recruit new businesses and support workforce training, marketing, and education.
- Provides \$45.0 million non-recurring in grants and services to assist rural communities and distressed counties.

Outdoor Heritage

- To grow state parks and natural areas, recommends \$328.7 million (\$324.9 million non-recurring) in operating and capital improvements.
- Recommends \$41.2 million (\$40.8 million non-recurring) for trails.
- Recommends \$82.7 million (\$71.5 million non-recurring) for environmental cleanup.

State Workplace Investments

- Provides \$92.6 million to continue implementing Pay for Performance in executive branch agencies; this funds a 5 percent increase pool.
 - Salary increases for state employees not covered by the TEAM Act funded with a \$20.8 million appropriation.
- Recommends \$165.0 million recurring to address employee salaries in relation to the market.
- Proposes \$35.7 million non-recurring to double the state match to employee 401(k) accounts for the first \$50 employee contribution.
- Recommends making non-recurring deposits of \$300.0 million to the retirement system trust fund and \$250.0 million to the OPEB trust fund to reduce or eliminate unfunded liabilities.

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Budget Presentation](#)

[Budget Overview](#)

[Governor's Press Release](#)



TEXAS

On February 16, Governor Greg Abbott released his budget priorities for the fiscal 2024-2025 biennium. Funds available for general-purpose spending for the fiscal 2024-2025 biennium are estimated at \$188.2 billion, a 26.3 percent increase from the 2022-2023 biennium. General revenue-related funds are estimated at \$165.9 billion for the fiscal 2024-2025 biennium. Revenue from all state funds is estimated to total \$342.3 billion for the 2024-2025 biennium. The Economic Stabilization Fund (ESF) is projected to be \$27.1 billion at the end of the fiscal 2024-2025 biennium.

Proposed Budget Highlights

The governor's budget priorities center around providing property tax relief, investing in education, helping build stronger families, funding infrastructure improvements, continuing to attract new business investments, and ensuring the safety of citizens. Recommendations include the following:

Property Tax Relief

- Utilize \$15 billion to strengthen the statutory compression mechanism and further compress tax rates in a sustainable manner.
- Automatically enroll senior citizens in the additional \$10,000 homestead exemption on school property taxes and freeze their county property taxes.
- Provide targeted relief to small businesses with an increased exemption for business personal property.

Public Education

- Establish an Education Savings Account program.
- Invest in school safety in the following ways:
 - \$600 million to make necessary school safety improvements including technology upgrades, hardening equipment, and expanded mental health resources as well as other school safety needs.
 - \$6.6 million for officer Advanced Law Enforcement Rapid Response Training.
 - \$142 million to sustain the statewide implementation of Texas Child Health Access Through Telemedicine.

- Increase pay and supports for current teachers, expand access to high-quality educator preparation programs, and improve teacher supports in the classrooms.
- Provide a benefit enhancement for retired teachers in the Teacher Retirement System.

Higher Education

- Provide resources to fully implement the Texas Commission on Community College Finance recommendations.
- Directs \$20 million be provided to the Texas Higher Education Coordinating Board to further expand My Texas Future toll and other advising services to reach all Texas students.
- Bolster the healthcare workforce and increase investment in new and existing programs.
- Create permanent endowments for the emerging research universities that do not currently have access to the Permanent University Fund, including \$1 billion each for the University of Houston and Texas Tech University.

Building Stronger Families

- Extend postpartum coverage up to 12 months and continue the Healthy Texas Women program.
- Create a paid parental leave program for state employees.
- Recommends \$450 million to increase nursing home rates to allow facilities to hire and retain the staff needed and provide the safe facilities senior citizens deserve.
- Modernize and expand the state and community behavioral health system, prioritizing a Regional Behavioral Health Campus in Uvalde and supporting behavioral health workforce initiatives.

Investments in Infrastructure

- Fund the Ship Channel Improvement Revolving Fund which will provide low-cost loans to non-federal sponsors of Texas' waterways to deliver these critical channel deepening and widening projects.



TEXAS (Continued)

- Recommends \$500 million to protect millions of residents, businesses, and critical ports and refineries along the Gulf Coast from catastrophic storms.
- Fully fund the Broadband Development Office to continue expansion of broadband across the state.

Economic Development

- Replenish the Texas Enterprise Fund, provide adequate funding to the Texas Moving Image Industry Incentive Program, and appropriate all hotel and motel occupancy taxes dedicated for Texas' tourism promotion programs.
- Develop necessary economic incentives to continue attracting major capital investment and manufacturing to Texas while also incentivizing the creation of new energy production.
- Provide \$350 million for the creation of The Texas Space Commission to support the development of a coordinated strategic plan that will position Texas as a global leader in space travel, research, and technology.

Public Safety

- Maintain funding for Border Security.
- Provide \$120 million to sustain vital victim assistance services in Texas.
- Provide \$5 million to establish the Elder Abuse Grant Program.
- Provide \$350 million for rural law enforcement grants.

General Budget

- Continue to address long-term investment needs and solutions for cyber security enhancements and technology modernization.
- Ensure the continued integrity of Texas elections by fully funding the Secretary of State's Forensic Audit and Election Division.
- Review programs created by the IJJA, CHIPS Act, and the Inflation Reduction Act to determine which, if any, programs may be beneficial for Texas to pursue and provide any necessary non-federal matching dollars in the General Appropriations Act.

Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

[Fiscal Years 2024-2025 Revenue Estimate](#)



UTAH

On December 9, Utah Governor Spencer Cox submitted a budget proposal for fiscal 2024. The total operating and capital budget calls for \$28.4 billion in spending from all funds, which represents a 4.7 percent increase compared to authorized fiscal 2023 levels. The governor recommended \$13.3 billion in general fund, income tax fund and uniform school fund (GF/ITF/USF) spending in fiscal 2024, including \$11.2 billion of ongoing funding, a 19.8 percent increase over GF/ITF/USF ongoing spending authorized for fiscal 2023. The governor also recommends \$2.1 billion in one-time GF/ITF/USF spending for fiscal 2024. The budget is based on a consensus GF/ITF revenue forecast of \$11.8 billion; this represents a 21.3 percent increase over the fiscal 2023 authorized revenue forecast and a 1.3 percent increase compared to the revised consensus estimate for fiscal 2023. The November consensus revenue estimate yields approximately \$1.85 billion in available ongoing GF/ITF revenue and \$2.88 billion in available one-time unrestricted GF/ITF revenue; this includes revenue growth and the fiscal 2022 budget surplus and prior year unappropriated revenues. The state's major rainy day fund balances total nearly \$1.4 billion as of fiscal year 2023. The governor's budget proposes more than \$1 billion in tax relief for fiscal 2024 which if approved, would contribute to more than \$1.3 billion in tax relief over three years; this includes a proposed reduction to the income tax rate from 4.85 percent to 4.75 percent (approximately \$190 million in tax relief).

Proposed Budget Highlights

The governor's budget recommendations invest in Utahns by cutting taxes, investing in families, creating pathways for success, ensuring water and resources are sustained, and making government services responsive and efficient. Budget priorities include inflation relief, teacher compensation, water conservation, housing affordability, and the state workforce.

K-12 Education

- \$1.08 billion for public education, including a 5 percent increase to the WPU (weighted pupil unit).
- \$200.7 million ongoing to provide a \$6,000 annual compensation increase for every Utah classroom teacher and school specialist and an additional \$200.7 million one-time to ensure the raise is enacted before the 2022-2023 school year ends.

- \$70.7 million to continue to increase funding for students at risk of academic failure.
- \$40.8 million to expand access to optional all-day kindergarten.
- \$175 million of flexible one-time funding to address school capital infrastructure needs, including safety and technology upgrades.
- Additional \$7.2 million for the Grow Your Own Teachers program that provides paraprofessionals with scholarships that encourage them to become teachers.

Higher Education and Workforce

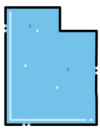
- Recommends the Board of Higher Education freeze tuition at all the state's public colleges and universities.
- Recommends increasing the state's contribution to the compensation increase package to 87.5 percent to help offset the budgetary impact of a tuition freeze.
- \$15.2 million to increase capacity at the state's eight technical colleges.
- \$12 million for competitive grants to colleges and universities through Talent Ready Utah for targeted workforce development needs in high-demand sectors.

Housing

- \$500,000 to continue the Veterans First-Time Homebuyer Program, which provides a grant of \$2,500.
- \$11 million appropriation for a new down payment assistance program for educators and firefighters purchasing a home for the first time and who commit to working in Utah for five years, which will provide an average grant of \$15,000.
- Recommends an additional \$100 million one-time (\$80 million *American Rescue Plan Act* funds and \$20 million General Fund) for deeply affordable housing, resulting in an estimated additional 2,000 affordable units.

Social Services and Health Care

- \$8.7 million to extend Medicaid postpartum coverage from 60 days to 12 months.



UTAH (Continued)

- Transfer \$36.4 million from the Department of Corrections to the Department of Health and Human Services to move and maintain the bureau that oversees health care for incarcerated individuals at the state prison.
- \$4.9 million in additional one-time funds in fiscal 2023 and \$13.9 million (\$13.3 million ongoing and \$659,000 one-time) in fiscal 2024 to ensure consistent and effective care for incarcerated individuals.
- \$4.2 million to renovate three aging secure juvenile housing units.
- \$5.4 million to cover an additional 258 individuals on the Division of Services for People with Disabilities waiting list.
- \$1.1 million for the creation of a Utah Crime Victims Services Coordination Commission and \$50 million toward supporting victims of crime, including lethality coordinators at shelters.
- \$2.7 million in additional funds for the Health Care Workforce Loan Repayment Program, allowing for targeted funding to maternity health care professions.
- \$27.1 million in non-cybersecurity technology enhancements, such as improving/expanding digital government services, enhanced technology programming at the prison, and additional telehealth services.
- Pre-funding an additional \$157 million of building debt service and \$400 million of transportation debt service.

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Governor's Press Release](#)

[Revenue Forecast](#)

Growth

- Budget recommendations include more than \$561 million in water infrastructure, conservation, planning and management, agricultural water optimization, and Great Salt Lake interventions.
- \$25 million for a one-year statewide zero fare transit pilot.
- \$29.4 million to leverage federal funds at the state and local levels focused on energy infrastructure from the federal Infrastructure Investment and Jobs Act and Inflation Reduction Act.

Good Government

- Recommends \$143 million ongoing and \$34 million one-time to increase state employee compensation, including salary investments equivalent to a 12 percent cost of living adjustment on average.
 - Includes \$38 million in targeted salary increases for positions most significantly under market.
- \$3.2 million to continue a customer experience pilot focused on improving customer assistance provided by the state.



VERMONT

On January 20, Vermont Governor Phil Scott released a proposed budget for fiscal 2024, calling for total spending from all funds of \$8.4 billion, a 2.8 percent decrease from the governor's recommended budget adjustment level for fiscal 2023. The decline is mainly attributable to the inclusion of one-time federal *American Rescue Plan Act* (ARPA) funds of \$510 million in the fiscal 2023 figure, as well as a 2.6 percent decline in all other federal funds from fiscal 2023. The budget calls for general fund spending of \$2.3 billion in fiscal 2024 (a 13.2 percent increase) and education fund spending of \$2.1 billion (6.0 percent increase). On top of the current services budget of \$2.0 billion, the general fund budget recommends \$77.8 million in new ongoing initiatives and \$237.2 million in one-time appropriations funded with surplus money. The budget is based on an official revenue forecast for available general fund revenue in fiscal 2024 of \$2.02 billion (a 7.2 percent decrease from fiscal 2023). After direct applications, reversions, transfers and recommended policy changes, base general fund revenue for fiscal 2024 is projected at \$2.11 billion. In addition, the budget includes one-time revenue of \$390 million from the fiscal 2023 surplus and reversion of FMAP savings due to the public health emergency (PHE). The governor's budget projects a general fund operating surplus of \$187 million to be transferred to reserves and other state funds. Total general fund reserves are projected at \$358 million in fiscal 2024, or 15.5 percent as a share of recommended general fund spending.

Proposed Budget Highlights

The governor's budget recommendation for fiscal 2024 focuses on a comprehensive approach to regional economic equity and investing in communities that have been left behind. The budget proposes historic investments in childcare, housing, education, economic development, community infrastructure and other areas, including strategic one-time investments using surplus funds. Specific budget recommendations include:

Community Recovery and Revitalization

- \$12.5 million to turn abandoned and underutilized sites (Brownfields) into housing and commercial properties
- \$10 million to create the Regional Investment and Growth Fund, prioritizing investment and job creation in rural communities

- \$5 million to continue the Vermont Training Program to provide workforce training
- \$4 million for refugee resettlement assistance and community support
- Additional funds for trade scholarships, work-based internships and the Upskill Vermont free professional development program

Education

- \$48 million to expand a childcare subsidy, tripling the state's investment in the program
- \$7 million to expand access to after school programs through subsidies
- \$3.4 million for free tuition at community colleges for income-eligible students
- \$10 million to reduce community college tuition for students pursuing high-demand careers
- Additional funds to Vermont State University for operating and capital support

Climate and Energy

- \$5 million to the Clean Heat Homes initiative to improve energy efficiency in homes
- \$1 million for electric vehicle charging stations on state-owned parking lots

Health and Safety

- \$41.2 million of state and federal funds for a two-year pilot to improve primary care practices that address substance abuse and mental health
- \$10 million in additional funding to stabilize the health care provider network
- \$13.2 million in state and federal funds to increase Medicaid dental reimbursement rates
- \$10 million for a violence prevention grant program

Housing

- \$45 million for various housing development and rehabilitation initiatives, including the Vermont Housing Improvement Program, Healthy Homes initiative, and "missing middle" rental housing development



VERMONT (Continued)

- \$30 million in emergency housing support

Tax Relief

- \$8 million to expand eligibility for the Vermont Social Security income tax exemption
- \$5.2 million to expand earned income tax credit
- \$3.2 million to eliminate the tax on military pensions

Good Government

- \$150 million in surplus funds set aside to meet future state match obligations for enhanced federal funding streams, including *Infrastructure Investment and Jobs Act* (IIJA) requirements
- Fully funds all state retirement and debt service obligations and maintains statutory reserve requirements

Proposed Budget Information

[Fiscal Year 2024 Budget Proposal](#)

[Executive Budget Summary](#)

[Governor's Press Release & Budget Address](#)

[Revenue Forecast \(January 2023\)](#)



In June 2022, Virginia enacted a two-year budget covering fiscal 2023 and 2024. On December 15, 2022, Governor Glenn Youngkin introduced his amendments to the biennial budget. As amended, the governor proposed a total operating budget of \$83.4 billion in fiscal 2023 and \$84.1 billion in fiscal 2024, while general fund spending totals \$29.9 billion in fiscal 2023 and \$30.5 billion in fiscal 2024. As part of the December forecast, the general fund was revised up by \$1.5 billion in fiscal 2023 and down by \$361.8 million in fiscal 2024 compared to the original biennial budget, following economic outlook adjustments and policy adjustments. Total general fund revenues are forecast at \$26.4 billion in fiscal 2023 and \$26.9 billion in fiscal 2024; the forecast also projects excess resources of \$3.6 billion for fiscal 2023 prior to enactment of the proposed amendments. Combined reserve balances are projected to total \$4.2 billion by fiscal 2024. The budget amendments include \$645.8 million in fiscal 2023 and \$2.2 billion in fiscal 2024 in general fund operating appropriation changes; the proposal also includes an additional \$1 billion in tax relief, on top of the nearly \$4 billion passed in the original budget. Additionally, the budget amendments include contingencies in case a recession is deeper than anticipated and provide that both spending and tax reductions can be changed if fiscal 2023 revenues are below forecast.

Proposed Budget Highlights

The governor's budget amendments for fiscal 2024 are focused on accelerating results for Virginians and provide record funding for behavioral health, law enforcement, education, economic development and conservation efforts, while also cutting taxes.

K-12 Education

- \$45.2 million to provide a retention bonus for instructional and support positions.
- \$50.0 million to support performance pay for top performing teachers.
- \$16.9 million to expand the reading specialist staffing standard to 4th and 5th grades.
- \$10.0 million to support teacher recruitment incentives for hard-to-fill positions and hard-to-staff schools.
- \$7.2 million to support math specialists for grades kindergarten through eight.

Economic Development and Workforce

- \$250.0 million to invest in site development.
- \$10.0 million to establish and capitalize the Virginia Power Innovation Fund.
- \$24.5 million to increase support for the Go Virginia Talent Pathways and \$10.0 million to provide additional workforce funding.
- \$15.0 million to increase the availability of industry recognized credentials to high school students.
- \$30.0 million to establish the Earn to Learn Nursing Education Acceleration grant program to expand training settings for nurses.

Behavioral Health

- \$58.3 million to increase funding for the comprehensive crisis services system.
- \$20.0 million to pursue hospital-based psychiatric emergency alternatives.
- \$20.0 million in one-time funds for mobile crisis units.
- \$15.0 million to expand the school-based mental health pilot and \$9.0 million to support student mental health services.
- \$8.0 million to expand housing opportunities for individuals with serious mental illness.

Public Safety

- Funds the Operation Bold Blue Line Initiative, including \$30.0 million to recruit 2,000 new law enforcement officers and additional funding for prosecutors.
- \$20.0 million in one-time funding to provide additional appropriations for violence intervention grants.
- \$13.9 million for a compression adjustment for sworn deputy sheriffs and regional jail officers.
- \$10.0 million to establish the Virginia Mass Violence Care Fund.
- \$8.3 million for salary increases for security positions not included in the original biennial budget.



Conservation & Resiliency

- \$100.0 million in additional funding in the Resilient Virginia Revolving Loan Fund for flooding prevention projects statewide and to secure the commonwealth's coast lines.
- \$107.1 million in additional funding for the Enhanced Nutrient Removal Certainty Program.
- \$50.0 million in supplemental funding to support agriculture best management practices.

Health and Welfare

- \$41.6 million to increase rates for personal care, respite, and companion services.
- \$15.2 million to add 500 developmental disability waiver slots.
- \$10.0 million to support local housing inspection programs.
- \$8.3 million to implement child protective services audit recommendations.
- \$2.3 million to fund foster care and adoption cost of living adjustments.

State Employees

- \$100.0 million for merit bonus payments of up to 10 percent of an employee's salary for state employees, distributed to top performing employees.
- \$99.8 million for a \$1,500 bonus payment for full-time state employees.
- \$15.0 million in additional funding for transformation initiatives identified by the Chief Transformation Officer.

Proposed Budget Information

[Proposed Amendments to the 2022-2024 Biennial Budget](#)

[Budget Document](#)

[Economic Briefing](#)

[Budget Presentation](#)

[Governor's Joint Money Committee Speech](#)



WASHINGTON

On December 14, Washington Governor Jay Inslee proposed operating, capital and transportation budgets covering fiscal years 2024 and 2025. The operating and transportation budgets call for total fund spending of \$142.0 billion. The operating budget calls for near-general fund (General Fund-State, Education Legacy Trust Account, Opportunity Pathways Account and Workforce Education Investment Account) spending of \$70.0 billion (after reversions), including \$4.85 billion in recommended policy changes. This represents an 11.8 percent increase in near-general fund expenditures over the current biennium's level recommended in the governor's proposed supplemental budget (\$62.6 billion). The budget is based on a revenue forecast of \$66.2 billion for the next biennium, including \$32.4 billion in fiscal 2024 – a 0.2 percent annual decline from the fiscal 2023 estimate. The governor expects to start the new biennium with a \$3.9 billion general fund balance and calls for net transfers in of \$1.9 billion (including depositing the remaining Washington Rescue Plan Transition Account balance of \$2.1 billion into the general fund). With a projected ending balance of \$1.3 billion and a projected balance in the Budget Stabilization Account (the state's rainy day fund) of another \$1.3 billion (after a deposit of \$630 million into the account next biennium), the governor's budget estimates total reserves of \$2.6 billion at the end of fiscal 2025.

Proposed Budget Highlights

The governor's budget proposal for fiscal 2024 and fiscal 2025 prioritizes investments in housing and homelessness – including efforts to dramatically increase the supply of affordable housing – and transforming the state's behavioral health system. The governor also provides updated plans to invest in climate, salmon recovery, education, and the state workforce. Some of the investments proposed by the governor in these areas are described below. Additionally, the governor's budget highlights policy priorities including expanding law enforcement training capacity and strengthening access to reproductive services. The governor's proposal also calls for spending \$202 million in remaining federal COVID-19 relief funds on emergency housing, food programs, public health and special education.

Housing & Homelessness

- A statewide voter referendum to raise \$4 billion in bonds outside the state's debt limit that would be invested in rapid affordable housing construction and

other housing and homelessness initiatives over the next six years

- State capital and operating funds of \$1.3 billion in the next biennium (including \$771 in referendum funding) to: increase Housing Trust Fund investment in affordable housing (\$698 million); accelerate creation of affordable housing (\$270 million); fund emergency housing and shelter funding (\$153 million); resolve encampments on state rights of way (\$68 million); offset lost revenue from document recording fees (due to fewer mortgage originations and refinances) (\$40 million); and fund other homelessness and housing initiatives

Behavioral Health

- \$28 million for behavioral health access for children and youth
- \$190 million in state general funds and \$100 million in federal funds to increase bed capacity
- \$107 million in state general funds and \$102 million in federal funds to increase the behavioral health workforce and provider rates
- \$74 million in Statewide 988 Behavioral Health and Suicide Prevention Line Account funds and \$27 million in federal funds to expand the state's crisis response system

Early Childhood Education

- \$149 million in general fund and \$42 million in federal Governor's Emergency Education Relief (GEER) Fund II dollars for provider rate increases and additional slots

K-12 Education

- \$350 million additional investment in teacher compensation (on top of statutorily required \$600 million inflation increase)
- \$314 million to increase school nurses, social workers, counselors, and psychologists
- \$120 million for special education services and supports

Climate

- \$1.9 billion total strategic agenda funding for advancing environmental justice, decarbonizing buildings, clean energy permitting and transmission,



WASHINGTON (Continued)

clean energy development, clean transportation, clean energy workforce investments, and climate resilience programs

Salmon Recovery

- \$872 million total strategic agenda funding for protecting and restoring salmon habitats, investing in clean water and infrastructure, restoring salmon access to fish passages, protecting and managing the state’s waters, harvest management and hatchery investments, and pinniped management

Employee Compensation

- \$1.3 billion in near general fund cost for compensation increases for employees and nonstate employees (e.g., home and child care provider rate increases)
- Under new agreements most employees would receive general wage increases of 4 percent in fiscal 2024 and 3 percent in fiscal 2025, with additional targeted increases to address recruitment and retention challenges in some areas

Proposed Budget Information

[Fiscal Years 2024-2025 Budget Proposal](#)

[Budget & Policy Highlights](#)

[Governor’s Press Release](#)

[Revenue Forecast](#)



WEST VIRGINIA

On January 11, West Virginia Governor Jim Justice released a budget for fiscal 2024 that proposes spending \$37.92 billion in all funds, a decrease of 5.7 percent compared to fiscal 2023. The recommended budget calls for spending of \$4.88 billion in general revenue funds, an increase of 5.35 percent over the fiscal 2023 enacted level of \$4.64 billion. The general revenue fund estimate for fiscal 2024 is \$4.88 billion, an increase of 5.35 percent over fiscal 2023. On December 31, 2022, the balance in the Rainy Day Fund was \$425.9 million (7.6 percent of fiscal 2023 appropriations) and the balance in the Rainy Day Fund – Part B was \$497.1 million (8.9 percent of fiscal 2023 appropriations); the Rainy Day Fund - Part B was established in 2006 with the cash balance of the state's Tobacco Settlement Medical Trust Fund. The fiscal year 2023 surplus is projected to be over \$1.7 billion, which leaves room for other expenditures as the fiscal year progresses. From the general revenue fund recommended appropriations of \$4.88 billion in fiscal 2024, the largest categories of spending are public education (44.5 percent), health and human resources (23.8 percent), homeland security (10.3 percent), higher education (9.3 percent), and judicial (3.2 percent).

Proposed Budget Highlights

The governor opted for a conservative, cautious revenue projection for fiscal 2024 and called for development of an essentially flat budget. The proposed budget meets this goal with a few targeted investments, with priorities also highlighted in the governor's State of the State address.

Investing in Employees

- The budget provides approximately \$115.0 million in general revenue and lottery funding for an average 5 percent salary increase for state employees, including teachers and service personnel.
- The proposed budget funds 100 percent of required retirement contributions.
- The budget includes \$40.0 million in general revenue for increased subsidies to the Public Employees Insurance Agency to increase reimbursement rates with no employee premium increases.

Budgetary Adjustments

- \$35.0 million for a K-12 school aid formula increase.
- \$5.0 million for local economic development assistance grants.

- \$12.2 million for increased state trooper pension contributions per the actuary.
- \$42.5 million in public education school building authority.
- \$5.1 million for improvements and maintenance at state parks and lodges.

Priorities in the State of the State Address

- \$10.0 million set aside in the emergency food bank fund for pantries to access when needed.
- \$677.0 million in federal *American Rescue Plan Act* funds for the economic enhancement and impact fund (\$500.0 million) and water/sewer projects (\$177.0 million).
- \$20.0 million increase for the Governor's Nursing Workforce Expansion initiative.
- \$75.0 million to address deferred maintenance at higher education institutions.

Proposed Budget Information

[Fiscal Year 2024 Proposed Budget Bill](#)

[Budget Report](#)

[Operating Detail](#)

[Budget Presentation](#)

[Budget Overview](#)

[State of the State Address](#)



WISCONSIN

On February 15, Wisconsin Governor Tony Evers presented a two-year budget for fiscal 2024 and fiscal 2025 calling for spending from all funds of \$52.1 billion in fiscal 2024, a 17.9 percent increase over the fiscal 2023 adjusted base, and \$51.7 billion in fiscal 2025, a 0.8 percent decline from fiscal 2024. The governor recommended a general purpose revenue budget of \$24.2 billion in fiscal 2024, a 23.2 percent increase over the fiscal 2023 base, and \$23.9 billion in fiscal 2025, a decrease of 1.2 percent from fiscal 2024. The budget projects that total available general fund revenues and transfers will be \$29.5 billion in fiscal 2024, a 12.1 percent increase from fiscal 2023, and \$25.0 billion in fiscal 2025, a 15.3 percent decline from fiscal 2024. General fund taxes are projected at \$21.7 billion in fiscal 2024, a 1.8 percent increase from fiscal 2023, and \$22.5 billion in fiscal 2025, a 3.7 percent increase from fiscal 2024. The net balance is projected to be \$1.3 billion in fiscal 2024 and \$34.1 million in fiscal 2025. Additionally, the governor recommends transferring \$500 million to the state's budget stabilization fund, raising the rainy day fund balance to over \$2.4 billion by the end of the biennium, or over 10 percent of fiscal 2024's general fund tax collections. The governor's budget proposal also includes \$1.2 billion in tax relief for working families including a 10 percent middle class tax cut.

Proposed Budget Highlights

In his budget address, the governor discussed his plans to maintain the economy's momentum; bolster the state's workforce; build safe, reliable infrastructure; and invest in kids, schools and communities. Highlights of his budget proposal include:

Targeted Tax Relief

- Providing long-term relief for working families: Creates a nonrefundable Family and Individual Reinvestment (FAIR) Credit, which cuts taxes by 10 percent for single filers at or below \$100,000 and married joint filers at or below \$150,000. Also increases Wisconsin's supplement to the federal Earned Income Tax Credit; expands the current state Child and Dependent Tax Credit; and creates a caregiver tax credit.
- Providing targeted tax relief for seniors and veterans: Enhances the Homestead Credit and expands the Veterans and Surviving Spouses Property Tax Credit.
- Protecting student loan borrowers: Adopts federal tax changes to ensure federal student debt relief would not be subject to state taxes.

- Providing tax relief for Wisconsin businesses: Fully repeals the personal property tax and increases the refundable share of the research credit for businesses.
- Creating a fairer tax code: Limits the manufacturing portion of the Manufacturing and Agriculture Credit and limits the long-term capital gains exclusion.

Supporting Working Families, Strengthening Workforce, and Maintaining the Economy's Momentum

- Creates a paid family and medical leave program in which workers will be eligible for 12 weeks of leave.
- Proposes significant investments in Wisconsin's child care industry and workforce through creating opportunities for new programs, encouraging development for prospective child care providers, supporting existing providers, and encouraging employers to partner with care providers.
- Recommends a series of affordable housing and neighborhood development initiatives including establishing an Affordable Workforce Housing Grant program; creating a Municipal Home Rehabilitation Program; revising the Workforce Housing Rehabilitation Loan program; and modifying the State Housing Tax Credit.
- Bolsters healthcare infrastructure and workforce through continuing the Healthcare Infrastructure Capital Grant program, and allocating funding to address healthcare workforce shortages.
- Strengthens Wisconsin's workforce by providing additional investments to the Workforce Innovation Grant program and other initiatives.
- Revitalizes main streets and helps small business succeed by continuing the Main Street Bounceback Grant program and investments for start-up businesses.
- Provides additional funding to bolster the tourism industry.

Infrastructure Initiatives

- Includes the highest level of funding ever for general transportation aid; increases investments to build out electric vehicle infrastructure; helps prevent reckless driving; and bolsters the supply chain.



WISCONSIN (Continued)

- Uses part of the state's surplus to pay down debt in the transportation revenue bond program and creates two new sources of revenue including an amount calculated from the sales tax generated by the sale of electric vehicles.
- Proposes investing \$750 million in the Broadband Expansion Grant program and other initiatives to increase broadband access.

Investing in K-12 Schools

- Provides an overall state investment of \$2.6 billion in aid for public schools, including \$1 billion through the general equalization aid formula.
- Recommends a \$1 billion increase in special education aid.
- Invests over \$270 million in the "Get Kids Ahead" mental health initiative.
- Modifies Medicaid school-based services to increase support.
- Makes investments to provide universal breakfast and lunch.
- Invests in improving reading outcomes, financial literacy, mathematics curriculum, computer science, and English learners.
- Other initiatives are aimed at addressing teacher shortages; supporting tribal partners; providing out-of-school programming; bolstering driver's education; enhancing career and postsecondary opportunities; preventing opioid overdoses; and encouraging family and outdoor engagement.

Supporting Local Communities and Promoting Public Safety

- Reforms shared revenue and provides the largest increase in aid to localities in decades by creating a new shared revenue appropriation.
- Recommends a series of justice system workforce initiatives to ensure qualified and experienced professionals including increased compensation and providing funding for additional staff.
- Responds to the state's acute EMS crisis by expanding education and credentialing opportunities; incentivizing potential employees; and providing flexibility to purchase needed equipment.

Proposed Budget Information

[Fiscal Year 2024-2025 Budget Proposal](#)

[Budget Brief](#)

[Statewide Summaries](#)

[Budget Message](#)

[Governor's Press Release](#)

[Revenue Forecast \(January 2023\)](#)



WYOMING

In 2022, Wyoming enacted a two-year budget for fiscal 2023 and fiscal 2024. On November 18, 2022, Wyoming Governor Mark Gordon submitted a supplemental budget proposal to the legislature for the current biennium. The original enacted budget called for \$2.8 billion in general fund/Budget Reserve Account (BRA) appropriations for the fiscal 2023-2024 biennium. The supplemental proposal recommends increases of \$913 million compared to the enacted budget. The proposal is based on a projected excess of \$1.03 billion in general fund estimated revenue above enacted appropriation levels. The rainy day fund - the Legislative Stabilization Reserve Account (LSRA) - is expected to end fiscal 2024 with a balance of \$2 billion.

Proposed Budget Highlights

The governor's supplemental proposal focuses on making investments in strategic savings, responding to inflation, and addressing other urgent matters the state is facing. The supplemental proposal includes the following recommendations:

Strategic Savings

- Puts \$412 million into the Permanent Mineral Trust Fund.
- Moves funds into the Common School Permanent Land Fund.
- Leaves \$2 billion in the rainy day fund (Legislative Stabilization Reserve Account)
- Allocates \$8 million to the Cultural Trust Fund and \$5 million to the Wyoming Natural Resource Trust.
- Puts \$35 million in Wyoming's Tomorrow Fund.

Inflation

- Funds a second year of the property tax relief program.
- Increases payments to long-term care facilities and increases the reimbursement rate for dental care to Medicaid recipients.
- Allocates \$50 million towards construction projects the legislature has already approved.
- Sets aside \$13.7 million for other inflationary costs related to delivering state services including travel, food at state facilities, and healthcare.

- Proposes passage of the external cost adjustment for teachers.
- Proposes \$61 million for an employee compensation proposal to retain and recruit the workforce for the state.
- Proposes a one-time injection of \$68 million to pay for an increase in benefits to retirees.

Health

- Allocates funds to implement the expansion of capacity at state facilities and to make improvements to how the state delivers mental health care.
- Puts special revenue into the Mental Health Board to effectively manage the increased number of application and process new requirements set forth by the legislature to help increase the number of certified providers in Wyoming.

Cybersecurity

- Allocates funds to add levels of security to nearly 100 applications in use by the State of Wyoming.

Environment

- Requests \$500,000 for hydrologic modeling.
- Requests \$3 million for predator control and to control invasive species.

Other

- Increases the budget for the Gaming Commission to add more personnel to manage the expansion of gaming in the state.
- Recommends making funds available now to address school facilities in need of remedy.
- Adds \$10 million back to the Mineral Royalty Grant program.
- Allocates \$50 million to the energy matching fund.
- Directs \$26 million to be distributed to local governments.

Proposed Budget Information

[Fiscal 2023-2024 Supplemental Budget Proposal](#)

[Governor's Press Release](#)