Summaries of Fiscal Year 2025 Proposed Budgets

May 7, 2024

This document details summaries of governors’ budget proposals for fiscal 2025. 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 34 states, Guam, and the District of Columbia have released their fiscal 2025 budget proposal. Last year, 16 states enacted budgets covering both fiscal 2024 and fiscal 2025; in seven of those states, governors released a supplemental or revised budget recommendation for fiscal 2025. The remaining nine states did not release a new or revised budget proposal for fiscal 2025. The first fiscal 2025 budget proposal for consideration during 2024 legislative sessions was released in November 2023 while the last was released in April 2024.

Economic and Fiscal Conditions

Fiscal 2025 budget proposals were introduced during a time when overall state fiscal conditions remained strong, even as federal COVID-19 aid started to wind down, state spending growth began to moderate, and revenue collections slowed. States entered fiscal 2024 having enacted spending plans representing a 6.5 percent spending increase over fiscal 2023, as reported in NASBO’s December 2023 Fiscal Survey of States. This increase followed two consecutive years of double-digit growth in general fund spending – growth that was partially driven by one-time expenditures using surplus funds. Enacted budgets for fiscal 2024 assumed a 1.8 percent decline in general fund revenue compared to fiscal 2023. However, the projected year-over-year decline was partly due to recently enacted tax reductions (including both one-time and ongoing changes), and projected revenues for fiscal 2024 at the time of budget enactment in the aggregate were still roughly 34 percent above fiscal 2019 (pre-pandemic) levels (without adjusting for inflation). In addition, state balances remain elevated, with total balances (rainy day funds and ending balances combined) at the end of fiscal 2024 expected to total 23.3 percent as a percentage of general fund expenditures, considerably above their pre-COVID high in fiscal 2019 and roughly double their level going into the Great Recession.

In their 2024 State of the State speeches, most governors reported the state of their state is strong, while also describing it as ascending, resilient, and ready for the future. Governors attributed their state or territory’s strength to recent economic growth, job gains, and improved fiscal conditions. While governors had a mostly positive outlook, they also discussed the need to address the cost of living, provide more affordable housing, attract workers, ensure all communities are thriving, and be fiscally responsible.

Fiscal Profile

While most budget proposals are calling for modest increases in total state spending (which includes both state and federal funds) in fiscal 2025, many proposals are assuming slight declines. One reason for the slower growth rate in total state spending is states having already spent federal COVID-19 aid from earlier relief bills such as the Coronavirus Aid, Relief, and Economic Security Act (CARES) and most of the additional federal funding from the American Rescue Plan Act (ARPA). The slower growth rate is also due to less one-time expenditures from surplus funds, which largely derived from the double-digit increases in state tax collections in both fiscal 2021 and fiscal 2022. Similarly, the overall growth rate in general fund spending is expected to slow in fiscal 2025 compared to fiscal 2024’s high baseline. Based on current revenue forecasts, most states are assuming modest year-over-year growth in general fund revenues compared to fiscal 2024, although individual
state revenue levels can be impacted by one-time fluctuations and tax policy changes. Rainy day fund balances are projected to remain elevated in fiscal 2025 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 as states spend down prior-year surplus funds. NASBO’s Spring 2024 Fiscal Survey of States, to be released in June, will include additional data on proposed expenditure, revenue, and balance levels for fiscal 2025.

Priorities in Proposed Budgets

Several overarching themes were present in governors’ budget proposals this year. Governors discussed the need to maintain fiscal discipline while controlling costs, investing in key areas, enhancing core services, using one-time resources for one-time purposes, making strategic savings, and meeting obligations. At the same time, governors highlighted the need to maintain historic progress, continue economic success, move the state forward together, and unleash opportunities for all. Many initiatives were centered around increasing affordability, making the state the best place to raise a family, meeting the needs of all residents, attracting and retaining talent, keeping the state competitive, and providing tax relief. Broad areas of focus in proposed budget summaries included education, healthcare, human services, public safety, and infrastructure. Areas receiving increased attention in fiscal 2025 recommended budgets included initiatives aimed at affordable housing, childcare, behavioral health, substance abuse, workforce development, and the environment.

Program AreaHighlights

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

- Calls for increasing per-pupil and formula-based funding
- Efforts to attract and retain teachers and other support staff including starting pay increases, increased salaries for current employees, loan forgiveness, and apprenticeship programs
- Emphasizing the science of reading and other literacy efforts
- Improving access to preschool by expanding eligibility and increasing funding
- New school choice and education savings accounts programs
- Targeted funding for English language learners and low-income students
- Expanding support programs including for mental health programs, tutoring, at-risk youth, and wraparound services
- Other initiatives include the expansion of outcome-based funding, greater support for rural school districts, reduced class sizes, improved school safety, providing universal free school meals, new afterschool and summer learning programming, offering more dual enrollment and career and technical education opportunities, one-time capital investments, and hiring more school nurses and special education teachers

Higher Education

- Increasing operating support for postsecondary institutions, including state universities, community colleges, and technical institutions
- Proposals to freeze tuition or restrict tuition growth
- Additional investments in financial aid programs to increase college affordability and provide aid to low-income students
- Creation of a new governance system or unified higher education system
- Efforts to attract students for in-demand fields including teachers, healthcare, and technical careers
- Increasing capital investments including for building maintenance and facility renovations
- Other initiatives include support for dual enrollment programs, mental health interventions, greater campus security, efforts to retain students, and increased performance-based funding
Healthcare

- Increasing provider reimbursement rates for Medicaid and other healthcare services
- Additional state funds for Medicaid to replace federal funds from the expired Federal Medical Assistance Percentage (FMAP)
- Enhancing behavioral health services including efforts to expand access, provide additional treatment options, support medical facilities, and fund suicide prevention hotlines
- Additional support for women’s healthcare including expanding Medicaid coverage for new and expectant mothers
- Initiatives to reduce health disparities and provide pathways to health equity
- Growing the healthcare workforce pipeline through recruitment efforts and new residency positions
- Expanding services for seniors including home and community-based care as well as aid for nursing homes
- Increasing funding for developmental disability programs
- Various initiatives centered on making healthcare more affordable and accessible including purchasing medical debt
- Other recommendations include increasing rural healthcare options, expanding Medicaid, establishing Medicaid work requirements, increasing dental services, improving consumer access and protection, and additional funding for hospitals and other healthcare facilities

Human Services

- Numerous initiatives focused on making housing more affordable and increasing housing options including down payment and loan assistance; expanding housing tax credits; and additional investments to build and rehabilitate homes
- Proposals to address homelessness including expanded shelter capacity, housing assistance, and prevention programs
- Efforts to make childcare more affordable and accessible
- Additional investments to combat substance abuse including through education, boosting Naloxone distribution, additional treatment beds, and recovery support
- Other initiatives focused on addressing food security, hiring additional child welfare caseworkers, support for asylum seekers, home energy assistance, and promoting foster care and adoption services

Public Safety

- Increasing salaries for public safety personnel to improve recruitment and retention
- Funding for new state trooper positions, correctional personnel, and other public safety positions
- New and expanded efforts to combat gun violence
- Crime prevention efforts targeted at fighting organized retail crime, gang prevention, and mitigating human trafficking
- Efforts to address fentanyl and other illegal drugs including greater enforcement, increased penalties, expanded treatment options, and greater funding for drug courts
- Infrastructure improvements at state prisons as well as the construction of new correctional facilities
- Proposals to reform juvenile justice including providing alternatives to detention
- Expanding reentry services and efforts to prevent recidivism
- Other initiatives focus on enhanced inmate mental health services, victim assistance funding, evidence-based crime prevention, additional support for crime labs, border security, probation reform, and the closure of old correctional facilities

Infrastructure

- Overall increases in state support for transportation and major infrastructure projects
- Leveraging *Infrastructure Investment and Jobs Act* (IIJA) and other federal funding for roads, bridges, water, energy, broadband, and other needs
• Support for clean drinking water and other water infrastructure projects

• Funding for flood resiliency, improvement of dams, and levee repairs

• Upgrading broadband infrastructure and expanding access

• Maintenance and improvement of state facilities and other critical infrastructure

• Other investments include low volume rural roads, electric vehicle infrastructure, matching funds for ferry replacements, funding for mass transit and other forms of multimodal transportation, increasing local funding for road projects and bridge repairs, matching funds for electric grid modernization, trail construction, port repairs, airport improvements, and IT modernization

Workforce

• Efforts to attract and retain state workers including both across-the-board and performance-related salary increases and other benefits changes

• Widespread measures to provide childcare support including both to families and providers

• Increasing skills training, apprenticeships, career and technical education, support for high-demand fields, efforts to attract out-of-state workers, and other workforce programs

Other

• Budgetary actions to maintain fiscal stability, preserve structural balance, promote equity, pay down debt, and strengthen reserves

• State government reform initiatives aimed at streamlining and greater efficiency

• Efforts to address climate change and the expansion of clean energy investments

• Protection of natural resources including increased agriculture support, farmland protection, and wildfire mitigation

• Other initiatives include increasing disaster response and resiliency funding, additional veterans services and funding of veterans homes, legalizing adult-use cannabis, examining artificial intelligence (AI), support for outdoor recreation and state parks, enhancing rural prosperity, promoting tourism, arts, and culture, and a series of economic development measures

Tax Policy Changes

Overall, governors recommended fewer revenue changes in fiscal 2025 compared to the significant tax cuts enacted in both fiscal 2023 and fiscal 2024. While both the number and scope of tax policy changes was smaller than in recent years, most proposals continued to be aimed at providing tax relief. Several governors recommended reducing personal income tax rates, including some calling for the eventual elimination of the personal income tax. Other proposals were more targeted including reducing property taxes, eliminating the grocery tax on food, tax relief for veterans and retirees, and various sales tax exemptions. A number of governors proposed creating or expanding various tax credits including for earned income, children and dependents, housing, manufacturing, and research and development. In addition to tax cut proposals, some governors proposed revenue increases including changes to corporate income taxes, sales tax broadening, raising cigarette taxes, and other targeted measures.

Outlook

As states progress through fiscal 2024 and prepare to enter fiscal 2025, they are in many ways returning to more “normal” fiscal conditions. The years immediately following the onset of the pandemic were unique due to the influx of federal COVID-19 aid and record high state revenue growth. During this time, states took actions such as using one-time funds for one-time purposes, paying down debt early, making supplemental pension payments, and strengthening reserves. Similar to fiscal 2024, it is likely states will experience slower spending and revenue growth in fiscal 2025. States will need to weigh the allocation of limited resources to competing priorities as they finalize their fiscal 2025 budgets, reflecting a more typical budget environment. However, states are well positioned due to actions previously taken, elevated rainy day funds, and revenues, which remain well above pre-COVID levels.
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On February 7, Alabama Governor Kay Ivey released her fiscal 2025 budget recommendations for both the General Fund and the Education Trust Fund. The General Fund proposes $3.3 billion in non-earmarked spending, an increase of $285.9 million or 9.5 percent, over fiscal 2024 appropriations. The Education Trust Fund proposes $9.3 billion in spending for fiscal 2025, an increase of $549.9 million or 6.3 percent, over fiscal 2024 appropriations. The budget anticipates a beginning balance in fiscal 2025 of $245.2 million in the General Fund and $1.4 billion in the Education Trust Fund. Net receipts to the General Fund are projected to decline $39.2 million, or 1.3 percent, compared to the current year. Net receipts to the Education Trust Fund are projected to decline by $73.0 million, or 0.7 percent, compared to estimated fiscal 2024. The estimated balances at the end of fiscal 2025 are $0 for the General Fund and $826.5 million in the Education Trust Fund.

Proposed Budget Highlights
The governor’s budget priorities for fiscal 2025 include state employee compensation, Medicaid, adequately funding the Department of Corrections, addressing mental health, turning around schools, sustaining Pre-K funding, and creating and sustaining high quality childcare programs.

General Fund
- $15.5 million for cost-of-living adjustments for state employees.
- $50.0 million provided for inflationary increases.
- $91.7 million increase for the state Medicaid agency.
- $37.5 million increase for the Department of Corrections.
- $5.1 million increase for the State Law Enforcement Agency.
- $6.1 million increase for the Unified Judicial System.
- $2.0 million increase for District Attorneys.
- $1.0 million increase for the Airport Development Grant Program and
- $3.0 million increase for the Electric Vehicle Infrastructure and Planning Grant Program.
- $9.6 million increase for the Department of Public Health, including $3.2 million for the Children’s Health Insurance Program (CHIP).
- $16.3 million in additional funding for the Department of Human Resources.
- $11.8 million in additional funding for the Department of Mental Health.
- $6.0 million increase for the Department of Senior Services, including
- $3.5 million for the Medicaid Waiver Services Program.
- $3.3 million decrease in funding for the tourism department.

Education Trust Fund
- $165.1 million in additional funding for the K-12 Foundation Program, the state’s school funding formula.
  - This includes an additional $19.2 million for a starting salary increase, $6.2 million for transportation and $23.99 million for school nurses, along with $11.7 million for the special education teacher stipend.
- Under the Department of Education, an increase of $48.0 million for a reading initiative and $28.0 million for the Numeracy Act.
  - There is also increased funding of $26.0 million for the Office of Specialized Treatment Centers, $1.0 million for turnaround schools, and
- $30.0 million for the Principal Leadership and Mentoring Act.
- $3.9 million increase for the Office of School Readiness under the Department of Early Childhood Education.
- $34.5 million increase for the community college system, including $10.0 million for dual enrollment and $5.0 million for career tech equipment.
- $25.0 million for a rural broadband grant program.
ALABAMA  (Continued)

- $3.4 million increase for National Guard Education Assistance Scholarships.

- $8.1 million in additional funding for the Childcare and After School Program.

- $2.2 million increase for the Department of Commerce, including additional funding for the industrial training program and the STEM Council.

Proposed Budget Information

- Fiscal Year 2025 Budget Proposal
- Education Trust Fund Summary
- General Fund Summary
- Finance Director’s Presentation
On December 14, Alaska Governor Mike Dunleavy released his recommended budget for fiscal 2025. Total appropriations from all fund sources for fiscal 2025 are $14.1 billion, a .3 percent decline from fiscal 2024. Unrestricted general fund (UGF) appropriations are recommended at $5.0 billion, also a 4.0 percent decline from fiscal 2024. The budget additionally calls for Permanent Fund Appropriations of $2.4 billion, a 149 percent increase from fiscal 2024. The proposed budget forecasts total revenues of $15.5 billion, a .3 percent decline from fiscal 2024, and unrestricted general fund revenue of $6.3 billion, a 3 percent decline from fiscal 2024. The state’s combined rainy day fund balance in the Constitutional Budget Reserve and the Statutory Budget Reserve is projected to be $1.8 billion at the end of fiscal 2025 following a drawdown of $987.2 million due to forecasts of reduced oil prices and production.

**Proposed Budget Highlights**

The governor’s proposed budget for fiscal 2025 continues to fund the governor’s priorities of public safety and education. It also prioritizes affordability for Alaskan families in housing, food, childcare, and energy. Additionally, the proposed budget includes a full Permanent Fund Divided according to the formula in statute. Highlights of the budget proposal include:

**Public Safety**
- 10 additional Village Public Safety Officer positions and salary increases; three new investigators at Alaska State Troopers focused on crimes against children; and four investigators fully dedicated to investigating missing and murdered Indigenous persons.
- Acquisition of an all-weather aircraft for statewide Public Safety operations and a replacement of a patrol vessel for Southeast Alaska.

**Education**
- Statutory funding for school districts according to the Foundation Program, Pupil Transportation, and School Debt Reimbursement formulas in statute.
- $8.3 million for school construction and major maintenance.

**Food Security**
- Funding for 30 non-permanent, full-time Eligibility Technician positions within the Department of Health to process SNAP applications.
- $5 million to food banks and food pantries across Alaska to increase food security.

**Housing**
- $62.6 million for AHFC annual housing programs.

**Transportation**
- $2.5 million for Statewide PFAS Fleetwide Equipment Foam Replacement.
- $915,000 for contracted urban snow removal when unexpected snowfall exceeds existing operational capacity.

**Law**
- $1.9 million and 10 positions to expand consumer protection investigations, address child protection cases, assist with drug prosecutions and assist with grand jury investigations.
- $2 million to support continued statehood defense efforts across multiple agencies.
Proposed Budget Information

- Fiscal Year 2025 Budget Proposal
- Fiscal Summary
- Department Summary
- 10-Year Plan
- Budget at a Glance
- Governor’s Press Release
- Revenue Forecast
On January 12, Arizona Governor Katie Hobbs released her budget proposal for fiscal 2025. The budget projects $67.2 billion in total agency operating expenditures from all appropriated and non-appropriated funds for fiscal 2025. General fund spending, including baseline changes and new initiatives as well as ongoing and one-time expenditures, is recommended at $16.2 billion, a 6.1 percent decrease compared to the revised level recommended by the governor for fiscal 2024. The governor’s general fund budget includes a net baseline spending reduction of $2.1 billion, largely driven by removing one-time appropriations occurring in fiscal 2024, and a net increase in executive initiatives of $503 million. The net reductions in spending in fiscal 2025 also represent the governor’s proposed actions to close the state’s budget deficit. The budget, which includes $15.4 billion in ongoing spending, is based on ongoing forecasted general fund revenues of $15.8 billion, reflecting a 4.5 percent increase from fiscal 2024 estimated revenues. With an annual structural balance (the difference between ongoing revenues and ongoing spending) of $346 million, the fiscal 2025 executive budget recommendation has a projected ending balance of $134 million in the general fund. Despite facing a deficit, the governor does not plan to tap the state’s rainy day fund (known as the Budget Stabilization Fund), which had a balance of $1.5 billion as of January 2024.

Proposed Budget Highlights

The governor’s budget closes the state’s budget shortfall through a balanced approach including: one-time and capital appropriation revisions for fiscal 2024 and prior years; fund transfers in fiscal 2024; a 1 percent one-time cut to the general fund operating lump sum of the executive and legislative branches for fiscal 2025; delays of non-critical spending in fiscal 2025; savings through reforming the state’s school choice voucher program; and repealing the Student Tuition Organization income tax credit set to begin in tax year 2025. Meanwhile, the budget makes significant investments in key priorities including childcare expansion, housing assistance, border security and combatting the fentanyl epidemic, long-term care reforms, prescription drug affordability, natural resources, and higher education. Spending initiatives in these areas include:

**Childcare Expansion**
- $100 million one-time increase from the general fund and $91 million appropriation increase from the Federal Childcare Development Fund to support the Department of Economic Security’s Child Care Assistance program.

**Housing Assistance**
- $10 million from existing funds in the Housing Trust Fund to provide statewide grants to organizations providing down payment assistance and mortgage interest relief to qualified homebuyers and a new loan product targeted at homebuyers in rural counties.
- $3 million one-time funding from general fund to expand statewide grants to middle-income first-time homebuyers under Arizona is Home Mortgage Assistance Program.

**Border Security & Combatting Fentanyl Epidemic**
- $5 million for local law enforcement drug interdiction efforts in border communities.
- $5 million one-time funding to expand drug interdiction efforts to curtail drug trafficking.
- $2 million one-time funding to distribute and equip first responders with naloxone.
- $2 million one-time funding to expand rural access to medication-assisted treatment.
- $1 million one-time funding for statewide fentanyl awareness and education campaign.
- $1 million to monitor border operations, mitigate mass migration impacts, and address humanitarian issues.

**Healthcare Licensing Reforms for Long-Term Care**
- $10 million for Medicaid targeted behavioral health rate increases.
- $10 million to incentivize participation in behavioral health quality initiatives.
- $2 million to increase workforce capacity for licensing, inspections, and enforcement.
Additional ongoing and one-time funds to add sober living homes and behavioral health residential facilities to the AZ Care Check Portal, hire additional long-term care ombuds, commission an independent assessment of the state’s network of mental health services, and other actions.

**Prescription Drug Affordability**
- $545,200 one-time to establish the Prescription Drug Affordability Division at the Department of Insurance and Financial Institutions.

**Natural Resources**
- $9.5 million deposit to Water Quality Fee Fund to ensure water safety and cleanliness.
- $33 million to Long-Term Augmentation Fund to invest in water supply development.
- $27 million for proactive forest restoration.
- $2.9 million to support emissions-related vehicle repairs through the Voluntary Vehicle Repair Fund.
- $300,000 to maintain network that provides ongoing monitoring data of water supplies.
- $469,100 for three additional full time employees to conduct air quality planning.

**Higher Education**
- $46 million one-time funding to invest in the healthcare workforce through AZ Healthy Tomorrow Initiatives at state universities.
- $325 million in new bonding authority for universities to expand their capacity.
- $20 million one-time funding for the Arizona Promise Program (in addition to $20 million ongoing).
- $15 million one-time funding for the Arizona Teachers Academy (in addition to $15 million ongoing).
ARKANSAS

On March 6, Arkansas Governor Sarah Huckabee Sanders released a $6.31 billion general revenue budget proposal for fiscal 2025. This represents an increase of $109 million, or 1.76 percent, over fiscal 2024. Gross general revenues are projected to be $8.2 billion in fiscal 2025, a decrease of $37.6 million or 0.5 percent from fiscal 2024. After required deductions and refunds, net available revenues are projected at $6.69 billion which is an increase of 3.8 percent, or $245.5 million, over fiscal 2024. The proposed budget projects a surplus of $376.7 million for fiscal 2025.

Proposed Budget Highlights

The proposed budget delivers on the governor’s priorities of limiting the growth of government and improving efficiency while still investing in the areas of greatest needs. Recommendations include the following:

Education

- Provides an additional $100 million to support funding of the LEARNS act to:
  - Raise starting teacher pay to $50,000.
  - Increase funds for the state’s Education Freedom Accounts.
  - Invest in literacy coaches statewide.
  - Directs an additional $2.0 million for the University of Arkansas – Pine Bluff’s land grant matching program bringing the state’s total contribution to the program to $5.8 million.
  - Allocates an additional $4.0 million to career and technical education.
  - Proposes $4.5 million to fund a sustainable building maintenance program revolving loan program for the state’s higher education institutions in fiscal 2025.

Public Safety

- Proposes a $3.8 million increase to the Arkansas State Police to fund an additional state trooper school allowing the state to renew the ranks of state police and keep Arkansas safe.
  - Increases funding for the Division of Correction by $536k.

Other

- Provides $730k to the Department of Agriculture for county fairs.
- Increases the Department of Human Services budget by $4.4 million.

Proposed Budget Information

- Governor’s Budget Letter and Revenue Forecast
- Budget Press Release
- Budget Presentation to Legislature
On January 10, California Governor Gavin Newsom introduced his budget proposal for fiscal 2025. The budget calls for total state expenditures (excluding federal funds) of $291.5 billion, including $208.7 billion in general fund spending for fiscal 2025. This represents a 9.6 percent general fund decrease compared to spending levels in fiscal 2024. This decrease reflects a series of strategies proposed by the governor to close the state’s budget gap. This gap results from the impacts of a weak stock market performance in 2022 on state revenues coupled with significant and unprecedented delays in state income tax collections due to postponed federal tax deadlines related to disaster declarations, which delayed the state from taking corrective budgetary action sooner. The fiscal 2025 budget is based on total general fund resources for fiscal 2025 of $222.7 billion, including an $8.0 billion beginning balance and $214.7 billion in annual revenue after a $12.0 billion transfer from the state’s rainy day fund (also known as the Budget Stabilization Account or BSA). General fund revenues, prior to transfers, are forecasted to increase 2.2 percent in fiscal 2025 compared to current estimates for fiscal 2024. The recommended budget projects reserve balances at the end of fiscal 2025 of $11.1 billion in the BSA and $3.9 billion in the Public School System Stabilization Account (PSSSA). Additionally, the general fund ending balance is expected to be $14.0 billion, including a $10.6 billion Reserve for Liquidation of Encumbrances and $3.4 billion in the Special Fund for Economic Uncertainties (SFEU) (the state’s operating reserve). This amounts to combined budgetary reserves (BSA, PSSA, and SFEU) of $18.4 billion (8.8 percent of recommended general fund expenditures for fiscal 2025), and a total balance of $29.0 billion.

Proposed Budget Highlights
The governor’s budget for fiscal 2025 recommends a balanced approach to close the state’s $37.9 billion estimated budget shortfall and maintain fiscal stability, while preserving investments in priority areas including education, public safety, homelessness, behavioral health, and climate action. Key highlights in the budget include:

Maintaining Fiscal Stability
- Withdraws $13.1 billion from the state’s reserves, including $12.2 billion from the BSA (rainy day fund) and $900 million from the Safety Net Reserve.
- Makes targeted spending reductions totaling $8.5 billion to a variety of programs, including climate, housing, school facilities, student housing revolving loans, middle class scholarships, legislative requests, and university immunology research, as well as a state vacant position fund sweep.
- Raises $5.7 billion from internal borrowing and revenue increases, including $3.8 billion from an increase to Medicaid Managed Care Organization Tax.
- Delays $5.1 billion in funding for various programs to spread them out over three years.
- Shifts $3.4 billion in general fund expenditures to other funds.
- Defers $2.1 billion in specific obligations.

Education
- Includes total funding of $126.8 billion ($23,519 per pupil) for all K-12 education programs.
- Preserves critical investments in community schools, universal school meals, expanded learning opportunities, education workforce, and continued implementation of universal transitional kindergarten.
- Withdraws $5.7 billion from the PSSSA to maintain support for Local Education Agencies and Community College Districts.
- $25 million ongoing to support educator training to administer literacy screenings.
- $20 million one-time to support developing and providing training for mathematics coaches who can in turn train math teachers.

Public Safety
- Invests $1.1 billion over four years to increase safety of communities, including:
- $373.5 million to fight organized retail theft;
- $215.1 million for opioid and fentanyl enforcement, naloxone distribution and related victim services;
- $302 million for nonprofit security grants, officer training and more; and
• $197 million to combat gun violence.

Homelessness
• Maintains $3.4 billion in general fund investment to address homelessness for fiscal 2024 as committed to in prior budgets, including:
  • $400 million for encampment resolution grants.
  • $1 billion for Homeless Housing, Assistance, and Prevention program grants.

Behavioral Health
• Funds to make wellness coaches available for children and youth.

  • Maintains $7.6 billion from various funds to implement the Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) demonstration.

Climate Action
• Maintains approximately $48.3 billion out of $54 billion in previously committed investments in climate programs over seven years, while achieving $6.7 billion in general fund savings through reductions, delays, and fund shifts.

  • $159.1 million in new climate investments to support flood protection, levee repair, and restoration of the Salton Sea, in addition to pursuing available federal climate funding.
On November 1, Colorado Governor Jared Polis released his recommended budget for fiscal 2025. On January 2 and January 16, the governor released amendments to the budget. The final amended proposal calls for $46.0 billion in total fund spending, an increase of 4.9 percent from fiscal 2024, and $15.8 billion in general fund operating spending, an increase of 5.8 percent from fiscal 2024. Gross general fund revenue in fiscal 2025 is expected to total $18.2 billion, a 3.8 percent increase from the fiscal 2024 estimate. Combined with the state’s beginning balance of $2.4 billion, total forecasted general fund resources for fiscal 2025 are $20.75 billion, a 3.5 percent increase from the fiscal 2024 estimate. The governor recommends a general fund reserve level of $2.4 billion, or 15 percent of general fund spending.

Proposed Budget Highlights

**Housing**
- Invests a total of $136.7 million to deliver more housing throughout the state including:
  - $35 million for transit-oriented communities’ infrastructure.
  - $35 million to convert the Housing Development Grant Fund to a tax credit.
  - $18 million to boost Accessory Dwelling Units construction paired with innovated financing.

**K-12 Education**
- Makes a total investment of $564.1 million to K-12 education including:
  - Increasing per pupil funding by an average of $705.
  - $141.3 million to fully buydown and eliminate the remaining Budget Stabilization Factor to support higher teacher pay and fully fund Colorado schools.
  - $8 million for science education and enrichment programs.
  - $4.3 million to enhance the Universal Preschool system.

**Higher Education**
- Provides $33.4 million to higher education institutions to keep tuition rate increases for Colorado residents no less than half the rate of inflation.
- Increases funding by $6.3 million for the Colorado Opportunity Scholarship Initiative and other financial aid programs.
- Directs $3 million to support college attendance for youth who have experienced homelessness.

**Workforce**
- Provides $5 million in grants and $20 million in tax credits for Opportunity Now 2.0.
- Invests $5 million to address the veterinarian shortage impacting animal welfare across the state.
- Supplies $3.1 million to support educational talent mentorship.

**Public Safety**
- Invests $39.6 million for evidence-based crime prevention including:
  - $14.4 million for auto theft prevention.
  - $7.5 million for community-led crime prevention strategies.
  - $1.0 million to develop a recidivism reduction pilot program through the Department of Corrections.
  - Provides $75.6 million to reduce the competency restoration waitlist.

**Renewable Energy and Environmental Preservation**
- Invests $2.1 million to replace state government use of gas and diesel powered garden equipment with electric equipment.
- Directs $14 million to improve air quality.
- Provides $10 million in tax credits for sustainable agricultural practices.

**Healthcare**
- Invests a total of $138.3 million to help save Coloradans money on healthcare including:
  - $53.8 million to increase the base wage for direct care workers who provide Home and Community Based Services.
$29.1 million to support high-acuity youth.

$15 million for continued investment in Colorado’s public health infrastructure.

Commitment to Good Governance

- Continues the investment of ARPA funds to mitigate lingering effects of the pandemic and provide transformational investment in government services.

- Invests $77 million to fund an across-the-board pay raise of 3 percent on July 1, 2024, for all classified state employees.

- Provides $136 million to implement the new Steps Pay Plan in accordance with the Partnership Agreement.

- Maintains reserves at 15 percent.
During the 2023 legislative session, Connecticut enacted a biennial budget for fiscal 2024 and fiscal 2025 totaling $25.3 billion in fiscal 2024 and $26.0 billion in fiscal 2025 with general fund amounts of $22.3 billion in fiscal 2024 and $22.8 billion in fiscal 2025. On February 7, Governor Ned Lamont proposed fiscal 2025 budget adjustments. The recommended revised all funds budget for fiscal 2025 is $26.1 billion all funds, an increase of $89.2 million, or 0.3 percent, over the enacted fiscal 2025 budget and 3.1 percent over fiscal 2024. The revised recommended general fund budget for fiscal 2025 is $22.9 billion, an increase of $136.6 million, or 0.6 percent, over the enacted fiscal 2025 budget and 2.7 percent over fiscal 2024. The proposed fiscal 2025 budget provides an operating surplus of $291.0 million. The January 2024 consensus revenue forecast for the general fund is projected at $23.2 billion in fiscal 2025. The projected budget reserve balance at the end of fiscal 2025 is $4.4 billion.

Proposed Budget Highlights

The midterm budget adjustments make additional investments in early childhood education and K-12 education while also addressing Medicaid, pensions, and other spending updates. The revised fiscal 2025 budget preserves the largest income tax cut in state history and the increase in the Earned Income Tax Credit. Recommended funding adjustments include:

- Increasing revenues in fiscal 2025 by increasing the transfer from the prior fiscal year ($45.0 million), revising the transfer between the General Fund and Municipal Revenue Sharing Fund ($16.3 million), and suspending the transfer to the Tobacco and Health Trust Fund ($12.0 million).

- Eliminating initial or application fees for certain occupations including educators, nurses and home childcare providers (decreasing revenues by $3.5 million).

- Allocating an additional $43.3 million in general funds ($20.1 million) and American Rescue Plan Act (ARPA) funds ($23.2 million) to expand early childhood services.

- Expanding health care coverage on Covered CT, resulting in general fund savings of $2.1 million in fiscal 2025 and $33.1 million when fully annualized.

- Utilizing $6.5 million in ARPA funds to erase a projected $650.0 million in medical debt for an estimated 250,000 people.

- Adding $531,000 and three positions to establish a Prescription Drug Affordability Board.

- Adjusting $91.3 million in funding to reflect program requirements due to caseload and cost changes across multiple health programs including Medicaid, Old Age Assistance, Aid to the Disabled, and Temporary Family Assistance.

- Providing $8.3 million ($5.4 million state share) for Urgent Crisis Centers serving youth experiencing a behavioral health crisis.

- Allocating $2.9 million to address chronic homelessness for individuals with severe and persistent mental illness and/or substance use issues, including $1.3 million for additional wrap-around services.

- Piloting a new supportive housing program for individuals with autism through 15 new housing vouchers.

- Utilizing $5.8 million in ARPA funding to support statewide resiliency planning and climate preparedness.

- Providing $2.5 million to support additional correction officers to address a growing number of assaults in correctional facilities.

- Adjusting baseline funding by $15.0 million in the Department of Correction to annualize funding for projected fiscal 2024 deficiency in other expenses.

- Using $1.5 million in ARPA funding to support digital platforms that facilitate the criminal justice process.

- Utilizing $2.0 million in ARPA funding to support the Right to Counsel program, which provides no-cost legal representation to income-eligible tenants and occupants at risk of eviction or subsidy termination.
CONNECTICUT (Continued)

- Reducing general fund debt service by $70.3 million to reflect updated projections.

- Proposing an incentive under the state income tax to challenge New York State’s application of remote work rules, which allow New York to tax Connecticut residents when they work from home for a New York-based firm.

- Limiting the cumulative balance in the Special Transportation Fund to 18 percent of current year appropriations, with any balance above the threshold used to pay down outstanding debt in the fund.
On January 25, Delaware Governor John Carney presented his fiscal 2025 budget recommendation. Total recommended general fund appropriations are $6.49 billion, a 2.1 percent decrease compared to fiscal 2024 estimates. This includes the general fund operating budget of $6.07 billion (an 8.4 percent increase over fiscal 2024), in addition to $91.8 million for one-time items in a separate supplemental appropriation bill, $66.5 million for grants-in-aid, and $275.5 million in dedicated cash to support the governor’s $944 million separate fiscal 2025 capital budget. The budget is based on a general fund revenue forecast of $6.29 billion for fiscal 2025, which reflects 1.9 percent annual growth over fiscal 2024 estimates. Total general fund appropriations represent 98.0 percent of projected fiscal 2025 revenue plus the unencumbered prior-year cash balance of $331 million, meeting the two percent set-aside requirement. Additionally, the governor’s budget maintains a newer reserve, known as the Budget Stabilization Fund, at $410.1 million. The state’s traditional rainy day fund, the Budget Reserve Account, has a projected balance of $341 million. The state’s cumulative cash balance, including these reserves, encumbered balances of $1.22 billion, and an unencumbered cash balance of $155 million, is estimated at $2.12 billion for fiscal 2025.

Proposed Budget Highlights

The governor’s budget proposes investments in public education and childcare; economic development and infrastructure; climate change prevention, clean water, and environmental initiatives; safer communities; and the state workforce. Key spending initiatives in these priority areas include:

**Education & Childcare**
- $188 million for public education capital projects.
- $45.2 million for increasing public education salaries, moving toward a goal of $60,000 starting salary for new teachers over the next four years.
- $39.2 million to fund Public Education unit growth.
- $10 million increase in Opportunity Funding investments for low-income students and English language learners, bringing total funding for the program to $63 million.
- $10.1 million for school safety.
- $17.3 million for K-12 mental health services.
- $6.1 million to expand family eligibility to 200 percent of Federal Poverty Level for Purchase of Care early childhood education program, bringing total funding to $83 million.
- $3.5 million increase for Early Childhood Assistance Program (total program funding of $16 million).

**Clean Water & Environment**
- $77.4 million in state and federal Clean Water initiatives, including funding for low-income and underserved communities ($32.8 million state; $44.6 million federal).
- $24.7 million for shoreline and waterway resiliency (includes $18 million from Bipartisan Infrastructure Law and $1.7 million federal grant funding).
- $20 million in Farmland preservation and Open Space programs.
- $7.5 million for electric vehicle infrastructure and clean energy (includes federal funds).

**Economic Development & Infrastructure**
- $34.5 million to support economic growth and revitalization initiatives in the City of Wilmington, City of Dover, and Georgetown.
- $32.5 million to modernize infrastructure, support small businesses, and foster innovation and entrepreneurship, with investments in the Strategic Fund ($12.5 million), Transportation Infrastructure Investment Fund ($5 million), Graduation Lab Space ($5 million), and the Site Readiness Fund ($10 million).
- $30 million for capital projects at Delaware State University, Delaware Technical Community College, and the University of Delaware.
- $15 million for the second year to support the Securing American Biomanufacturing Research and Education (SABRE) Project.
- $5 million for second year of a five-year commitment
to support the transformation of biopharmaceutical manufacturing.

**Safer Communities**

- $18 million for infrastructure improvements at Correction facilities.
- $6 million for affordable housing.
- $5.5 million for the statewide Urban Redevelopment initiative.
- $4 million for the Strong Neighborhoods Housing Fund
- $10 million for Subdivision Street Pavement Management Fund.

**State Workforce**

- $122.2 million for compensation increases and efforts to improve pay equity for state employees, including a 2 percent minimum increase across the board for state employees.
- $150 million in state employee health care ($93.9 million) and other post-retirement employee benefits ($56.1 million).
- $105 million to maintain and upgrade state facilities.
On April 3, District of Columbia Mayor Muriel Bowser released a $20.9 billion total gross funds budget, an increase of $1.1 billion, or 5.6 percent, compared to the fiscal 2024 approved budget. The Local Funds portion of the budget totals $11.4 billion, an increase of $748.9 million, or 7.0 percent, from the fiscal 2024 approved budget. Estimated general fund revenues for fiscal 2025 are projected at $11.7 billion, an increase of 2.8 percent over the revised fiscal 2024 amount while the Local Funds portion is projected to be $10.3 billion, an increase of 2.8 percent over the current year. In the Local Funds component of the budget, the operating margin after reservations is $500,000. Total cash reserves are $1.9 billion. The budget closed a budget gap through a combination of reductions (eliminating positions, cutting duplicative programs, government savings) and new revenues. The proposed budget includes revenue policy proposals that increase general fund revenue in fiscal 2025 by $446.8 million. These proposals include adjusting the amount paid by businesses to the Paid Family Leave tax back to fiscal 2021 levels and a new fee added to hotel room stays; if a gap still exists after fiscal 2025, then beginning in fiscal 2026 an increase to the sales tax will be phased in to support increased public transportation costs.

**Proposed Budget Highlights**

The mayor’s budget, “A Fair Shot: Strategic Investments and Shared Sacrifice”, was built on the guiding principles of maintaining and enhancing core services and preserving investments that protect health and safety; prioritizing programs with track records of success that advance equity; and resetting spending to align with resources for long-term fiscal stability and focusing new spending on catalytic investments. The provisions below highlight new investments proposed for fiscal 2025.

**Education**

- $349.0 million to support a 12.4 percent increase to the Uniform Per Student Funding Formula.
- $255.0 million to support small capital improvements to DC Public Schools including HVAC replacement, roof repairs, field replacements, and other upgrades.
- $42.0 million to improve the safety and security of DC Public Schools through enhanced lighting, fencing, and access control.
- $7.5 million to support more efficient ways to transport eligible special education students to school.
- $17.0 million to expand the Advanced Technical Center to include a healthcare employer partnership, providing career and technical education to students.
- $52.0 million for facility renovations and upgrades at the University of the District of Columbia.

**Public Safety**

- $463.0 million to build a new correctional treatment facility annex.
- $13.0 million to increase the number of CCTV cameras and replace license plate readers.
- $8.7 million to create 40 new community safety officers and fund new civilian positions in the Metropolitan Police Department to free up sworn officers for crime-fighting tasks.
- $4.6 million to fund immediate provisions of Secure DC, including funds to expand Safe Commercial Corridors and Private Security Camera Incentives, implementation of changes to pre-trial detention, and standing up a new diversion task force.
- $3.4 million to procure and maintain crime-fighting technology.
- $3.1 million to hire additional staff at the Department of Youth Rehabilitation Services to provide supervision and positive engagement with youth residents.

**Downtown**

- $520.0 million for a Gallery Place Revitalization Fund to support sports arena renovations, streetscape improvements, and/or expanded green space.
- $64.0 million to build a new shelter annex to provide permanent supportive housing and congregate dwelling units.
- $13.0 million to support a new program that will freeze property taxes for conversions of office buildings into new uses.
• $26.0 million to streamline business licensing.
• $5.0 million to create a new Downtown Arts Hub.

Housing and Economic Development
• $101.0 million to rehabilitate and modernize public housing units.
• $32.0 million to help first-time homebuyers with down payment and closing cost assistance.
• $4.8 million for project-based vouchers to support new affordable housing units coming online.

Health and Human Services
• $23.0 million for renovations at multiple shelters and small-scale improvements at other shelters.
• $40.0 million for migrants arriving in the District.
• $21.3 million to create a Behavioral Health Alliance benefit that will provide funding for DC residents who do not qualify for Medicaid.
• $20.0 million to support the Emergency Rental Assistance Program.
• $20.0 million to fund required cost-of-living adjustments for recipients of Temporary Assistance for Needy Families (TANF).
• $13.0 million for operating costs for two new non-congregate homeless shelter facilities about to come online.
• $6.8 million to comply with the new federal mandate to provide 12-month continuous eligibility for children in Medicaid and the Children’s Health Insurance Program (CHIP).
• $6.3 million to support the rising cost of complete care for children in foster care.

Transportation and Environment
• $217.0 million in additional funding for the Washington Metropolitan Area Transit Authority (WMATA) to support Metrorail and Metrobus service levels.
• $3.0 million to support the operating and maintenance costs of Capital Bikeshare’s continued growth.

• $1.0 million to update IT systems at the Department of Motor Vehicles to avoid service interruptions.

Proposed Budget Links
Fiscal Year 2025 Budget Proposal
Executive Summary
Budget Presentation
Mayor’s Press Release
Revenue Estimate - February
On December 5, Florida Governor Ron DeSantis introduced a $114.4 billion all funds budget for fiscal 2025, a decrease of $4.7 billion, or 4.0 percent, compared to fiscal 2024. The general revenue portion of the budget totals $46.0 billion, a decrease of $1.6 billion, or 3.4 percent, from the current year. Based on the latest general revenue estimating conference, net general revenues are estimated at $48.0 billion in fiscal 2025, an increase of 1.6 percent over fiscal 2024. The budget has a combined reserve total of $16.3 billion, including a general revenue ending balance of $6.4 billion and a Budget Stabilization Fund of $4.8 billion.

Proposed Budget Highlights

Taxpayer Savings

- The budget includes more than $1.1 billion in tax relief through permanent and temporary cuts:
  - $165.0 million – permanent increase of the Sales Tax Collection Allowance
  - $37.1 million – permanent sales tax exemption for over-the-counter pet medications
  - $21.7 million – permanent insurance premium tax exemption for flood insurance policies
  - $5.0 million – permanent tax credit for employment of individuals with unique abilities
  - $409.2 million – one-year exemption on taxes, fees, and assessments for residential property insurance policyholders
  - $168.6 million – two Back-to-School sales tax holidays
  - $241.4 million – three-month Freedom Summer sales tax holiday for outdoor recreation purchases
  - $48.5 million – two 14-day disaster preparedness sales tax holidays
  - $16.2 million – 7-day skilled worker tool sales tax holiday

Education

- Includes $27.8 billion in total funding for the K-12 financing program that includes increases for the Base Student Allocation ($107), mental health allocation ($20.0 million), student transportation ($20.0 million), and safe schools component ($40.0 million).
- Increase of $200.0 million for $1.3 billion total funding to provide salary increases for teachers and other instructional personnel.
- Maintains $10.0 million for recruitment bonus for retired military veterans and retired 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.
- Fully funds the projected student enrollment for the Bright Futures Scholarship Program at $603.0 million.
- Includes a historic $853.0 million to support workforce education programs, including an increase of $100.0 million for the Workforce Development Capitalization Incentive Grant Program ($200.0 million).

Environment

- Includes more than $1.1 billion for the protection of water resources, including $745.0 million for Everglades restoration projects and $330.0 million for targeted water quality improvements to achieve meaningful nutrient reductions.
- Includes $50.0 million to restore Florida's world-renowned springs.
- Includes more than $55.0 million to improve water quality and combat the impacts of harmful algal blooms.
- Invests more than $157.0 million for resiliency of coastlines, including for planning, projects, and coral reef protection.

Children and Families

- Proposes nearly $400.0 million across three affordable housing programs.
- Includes $363.6 million to provide targeted rate increases to Medicaid and Home- and Community-Based Services waiver providers, including for obstetric care providers and services included in the continuum of care for behavioral health.
• Provides $294.6 million to provide additional support for mental health treatment facilities and to enhance suicide and crisis services.

• Includes $103.5 million to support those served by the child welfare system, supporting foster parents and caregivers and expanding adoption incentives.

• Provides $127.4 million to allow additional individuals with unique abilities to receive necessary services through the Home- and Community-Based Services waiver and a newly established pilot project.

Public Safety

• Allocates an additional $276.6 million to improve correctional officer retention, increase inmate programming, make facilities safer, and enhance inmate mental health services.

• Includes $13.3 million in pay-parity initiatives for classification and maintenance personnel in the Department of Corrections.

• Provides an additional $12.0 million to continue the unified education system implementation across juvenile residential programs.
GEORGIA

On January 11, Georgia Governor Brian Kemp released a $66.8 billion all funds budget proposal for fiscal 2025, a decrease of 0.9 percent from the amended fiscal 2024 budget. From state funds the budget proposes spending $36.1 billion in fiscal 2025, a decrease of 3.8 percent compared to the amended fiscal 2024 budget while general funds total $31.3 billion, a decrease of 4.5 percent from amended fiscal 2024. State general fund receipts are projected at $34.4 billion in fiscal 2025, an increase of 2.8 percent over amended fiscal 2024, while total state treasury receipts are estimated at $36.1 billion, a 2.7 percent increase. The Revenue Shortfall Reserve was $5.4 billion at the end of fiscal 2023, maintaining a “filled” status for the third 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 (52.2 percent), Healthy Georgia (23.1 percent), Safe Georgia (7.2 percent), and Mobile Georgia (6.6 percent).

Proposed Budget Highlights

The governor’s proposed budget for fiscal 2025 highlights his commitment to prioritize Georgia families by using tax dollars as efficiently as possible, reducing unnecessary government bureaucracy, meeting the obligations to local school systems, and keeping the state competitive by investing in the economy and workforce.

Educated Georgia

- Early care:
  - $23.6 million to increase salaries for certified teachers and assistant teachers by $2,500.
  - $11.0 million for year one of a four-year plan to reduce Pre-K classroom size from 22 to 20 students.
  - $4.6 million to increase Childcare and Parent Services program reimbursement rates for providers and families.

- K-12 schools:
  - $249.6 million for enrollment growth and training and experience.
  - $249.6 million for enrollment growth and training and experience.
  - $24.6 million to fund the state share of employer increases for the state health insurance plan.
  - $49.5 million for the State Commission on Charter Schools supplement and a 5.2 percent enrollment increase.
  - $204.8 million for the Pupil Transportation Grant to provide additional state support to local school districts.
  - $104.0 million to establish the School Security Grant program.

- Higher Education:
  - $66.0 million to restore instruction funds to the Teaching program and $2.9 million for resident instruction at the University System of Georgia.
  - $15.1 million in additional funds for Dual Enrollment to meet projected need.
  - $9.4 million increase for technical education to reflect a 3 percent increase in enrollment.

Healthy Georgia

- $439.3 million for Medicaid and PeachCare, including $273.0 million to restore loss of enhanced Federal Medical Assistance Percentage due to the COVID-19 public health emergency.
- $9.5 million for one new additional behavioral health crisis center and $6.6 million to complete operational funding for three crisis centers in development.
- $9.4 million to annualize 500 slots in a waiver program for individuals with intellectual and developmental disabilities along with $2.3 million for 100 new slots.
- $146.1 million to implement provider rate study recommendations for independent care, elderly and disabled, and community behavioral health waiver programs.
- $4.7 million to assist in the rehabilitation of children, youth, and adult victims of sexual trafficking.
$4.7 million to provide a $3,000 additional salary enhancement for targeted child protection and placement services caseworkers.

**Safe Georgia**
- $71.9 million for physical health and pharmacy services contracts at the Department of Corrections, plus $1.2 million to provide additional meals on weekends.
- $10.0 million for the Metro Re-Entry Phase IV to add 400 beds.
- $6.1 million for an advertising campaign and culture review at the Department of Corrections.
- $4.9 million to establish a new Gang Task Force under the state Bureau of Investigation.
- $3.4 million to annualize 21 crime lab positions, along with instrumentation service contracts.
- $55.8 million for the construction/design of two juvenile justice facilities.
- $1.4 million to establish an Organized Retail Crime and Cyber Prosecution Unit at the Department of Law.

**Growing Georgia**
- $4.0 million for renovations and equipment at the state agriculture laboratory.
- $1.1 million for ten inspector positions to implement the state’s EV Charging Program.
- $4.6 million for the State Housing Trust Fund to improve statewide homelessness services and pursue additional federal grant opportunities.
- $6.0 million to the Rural Workforce Housing Program.
- $18.9 million for major renovations and improvements at state parks, plus $6.0 million for new construction in state parks.

**Statewide Changes/Responsible and Efficient Government**
- $283.7 million to provide a four percent cost-of-living adjustment for state employees.

$42.8 million to provide a $3,000 targeted salary enhancement for select certified law enforcement officers.
- $24.0 million for enhanced and standardized cybersecurity tools to executive branch agencies.
- $20.0 million for the state reinsurance program to reduce insurance premiums statewide.
On February 5, Guam Governor Lourdes A. Leon Guerrero released her proposed budget for fiscal 2025. General fund revenues for fiscal 2025 are projected at $860 million. Allocations from the general fund are projected to go to the following areas: Public Education (35 percent), Protection of Life and Property (18 percent), General Government (15 percent), Debt Service (10 percent), Reserve Departments (10 percent), Public Health (9 percent), and all others (3 percent). Special Fund revenues for fiscal 2025 are projected at $214 million. Allocations from Special Fund revenues are projected to go to the following areas: General Government (29 percent), Public Health (24 percent), Public Education (19 percent), Reserve Departments (12 percent), Protection of Life and Property (8 percent), Debt Service (4 percent), and all others (4 percent). Federal Matching Funds for fiscal 2025 are projected at $190 million. Allocations from Federal Matching Funds are projected to go to the following areas: Public Health (86 percent), Reserve Departments (4 percent), Public Education (5 percent), Protection of Life and Property (2 percent), and all others (7 percent). Total spending from all funds for fiscal 2025 is projected at $1.26 billion.

**Proposed Budget Highlights**

The governor’s proposed budget prioritizes fiscal responsibility and addresses the needs of the people of Guam. Recommendations include the following:

**Public Education**
- Appropriates $255.1 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 $4.9 million to the University of Guam for scholarship and financial assistance programs; operation of the aquaculture and training center; and the Hydrologic Survey and Water Resource Monitoring Program administered by the Water and Environmental Research Institute of the Western Pacific.
- Provides $10.3 million to Guam Community College for the Licensed Practical Nursing and Vocational Guidance program, the Lodging Management/ProStart program, and an apprenticeship program.

**Protection of Life and Property**
- Directs $3.65 million to the Department of Corrections to pay the Guam Memorial Hospital Authority for providing health services to inmates.
- Provides funding for 20 police officer trainees, 20 correction officer recruits for the Department of Corrections, 10 custom and quarantine recruits, and 20 new firefighters.
- Allocates $2.6 million to the Department of Youth Affairs to carry out summer employment and training programs for youth.
-Directs $143k to the Guam Police Department for its Safe Schools Initiative.

**General Government**
- Provides 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.

**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 fund to the Department of Public Health and Social Services including:
  - $169.2 million for the Medicaid program ($26.27 million for the local matching requirement and $142.97 million from Federal Matching Funds).
  - $2.36 million to pay for insurance premiums for foster children.
$2.22 million to fund the Child Protective Services Program.

**Other**

- Continues the Gas Tax Relief for the entirety of fiscal 2025.
- Allocates $5.66 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.
- Directs $5.47 million to pay for the cost of Medicare premiums for eligible retirees.
- Provides $39.93 million to pay for health, dental, and life insurance for the Government of Guam retirees.
- Appropriates $17.2 million to provide a cost-of-living allowance in the form of a single lump sum payment of $2,300 to each retiree of the Government of Guam Retirement Fund who is retired as of September 30, 2024, or their survivors.

**Proposed Budget Links**

Press Article
During the 2023 legislative session, Hawaii enacted a biennial budget for fiscal 2024 and fiscal 2025. On December 18, 2023, Hawaii Governor Josh Green released a supplemental budget proposal for fiscal 2025. Under the governor’s revised operating budget recommendation, total spending in fiscal 2025 would be $19.2 billion, a 1.1 percent increase compared to previously enacted levels for fiscal 2024, and general fund spending would be $10.2 billion in fiscal 2025, a 4.8 percent decline from previously enacted levels for fiscal 2024. The governor’s supplemental budget request adds $326 million in general funds to the operating budget to continue essential operations and support statewide priorities, and $890 million in general obligation bond funds for capital improvement projects statewide. For fiscal 2025, total proposed adjustments to the operating budget for all spending would amount to a net increase of 5.7 percent compared to previously enacted fiscal 2025 levels, and a general fund net increase of 3.3 percent compared to previously enacted fiscal 2025 levels. The revised budget is based on the state’s Council of Revenues’ September 2023 general fund revenue forecast projecting 5.2 percent revenue growth in fiscal 2025, following 1.3 percent estimated growth in fiscal 2024. The proposal calls for a general fund ending balance of $755 million and a balance in the Emergency and Budget Reserve Fund (EBRF) of $1.6 billion (15.4 percent of the executive branch’s general fund budget) at the end of fiscal 2025.

**Proposed Budget Highlights**

The governor’s supplemental budget for fiscal 2025 includes amounts to cover immediate fire response and recovery needs related to the 2023 Maui wildfires. The budget proposal repurposes state resources to ensure general funds are available to allow continued support for statewide priorities and respond to the impacts of the Maui wildfires. General fund capital improvement projects are requested to be reauthorized as general obligation bond funds to maintain strong reserves and keep the projects on track. Other highlights of the supplemental budget include funding for school food and transportation programs, continued support for the Hawaii Public Housing Authority, improvements across hospitals statewide, and expanded healthcare education and mental health services across the University of Hawaii campuses. Highlights of the budget proposal include:

**Wildfire Recovery**

- $200 million revolving fund ceiling increase for the Risk Management Revolving Fund.
- $186.2 million in general funds as a set-aside to ensure that additional funds are available for recovery costs for the 2023 wildfires as they arise.
- 6.00 FTE federal fund temporary positions, $13.4 million in general funds, and $12.8 million in federal funds for emergency management related to the Maui wildfires for the Department of Human Services (DHS).

**Statewide Wildfire Mitigation and Response**

- $1 million for the Public Utilities Commission (PUC) Special Fund ceiling for consultant contracts for utility docket.
- $20 million in general funds for wildfire response, recovery, and prevention measures for the Department of Hawaiian Home Lands (DHHL).
- $7.4 million in general funds for fire response and rehabilitation and fuels reduction contracts for the Department of Land and Natural Resources (DLNR) Division of Forestry and Wildlife (DOFAW).
- $10.0 million in general funds for fire and emergency response equipment for DLNR’s DOFAW.
- $35.4 million ($2.4 million in G.O. bond funds, $6.6 million in revenue bonds and $26.4 million in federal funds) in the CIP budget for recovery of state facilities and to improve wildfire mitigation capabilities on Maui.

**Mental Health**

- $74.5 million ($64.7 million in general funds and $9.8 million in federal funds), including $20 million for the Hawaii State Hospital, $10.8 million for Child and Adolescent Mental Health contract increases, and $6.7 million for the Behavioral Health Crisis Center and Supportive Housing services.
- In the CIP budget, $45 million in additional G.O. bond funds for the Consolidated Healthcare Unit at the Hawaii Community Foundation.
HAWAII (Continued)

Housing
- $22 million in G.O. bond funds for increased construction costs for the Hawaii Public Housing Authority (HPHA) School Street Campus project.
- The conversion of $45 million in operating general funds for teacher housing to G.O. bond funds.

Homelessness
- $1.3 million in general funds for the Homeless Programs Office’s homeless services contracts and $400,000 in general funds for a rent supplement program.

Natural Resources
- 3.00 FTE permanent positions and $154,000 in general funds to support the Climate Change Mitigation and Adaptation Commission.
IDAHO

On January 8, Idaho Governor Brad Little released his recommended budget for fiscal year 2025. The proposal calls for $13.7 billion in total fund spending in fiscal 2025, including $5.3 billion in general fund spending. The budget recommendation reflects a total fund spending decrease of 1.5 percent and a general fund spending increase of 2.2 percent compared to original appropriations for fiscal 2024. General fund revenue in fiscal 2025 is forecasted to total $5.7 billion, a 7.2 percent increase compared to estimated revenue for fiscal 2024. After proposed transfers and disbursements, maintenance expenditures and proposed enhancements, the governor’s fiscal 2025 budget projects an ending balance of $265 million. The budget also projects total reserve fund balances – including the Budget Stabilization Fund, Public Education Stabilization Fund, Higher Education Stabilization Fund, and 27th Payroll Fund – of $1.2 billion, or 23 percent of recommended general fund spending.

**Proposed Budget Highlights**

The governor’s “Idaho Works” budget includes key initiatives for priority areas including education, workforce, transportation, public safety, natural resources, and healthcare, while continuing to promote fiscal conservatism as revenue levels normalize. The budget also recommends a 3 percent merit-based increase to employee compensation for permanent positions. Highlights of the governor’s fiscal 2025 budget include:

**Education**
- The largest investment in school facilities in state history ($200 million annually, or $2 billion over 10 years) to help districts with capital construction needs and deferred maintenance as well as provide long-term property tax relief.
- $40 million in outcome-based funding for schools tied to priority goals.
- $9 million in funding to strengthen high school student advising.
- Eliminates red tape for charter schools and provides $605,000 to provide support to schools needing performance enhancement.

**Workforce**
- $75 million to fully fund the Idaho LAUNCH program, which awards grants to up to 10,000 Idaho graduates to be used at any state college, career technical program or workforce training provider for an in-demand career.
- $32 million for university infrastructure.

**Transportation**
- $200 million, the third and final tranche of an effort to improve local bridges.
- $50 million for the Transportation Expansion and Congestion Mitigation bonding program to enable the state to bond for an estimated $800 million for new infrastructure.

**Public Safety**
- $25 million for construction of a secure, forensic mental health facility.
- $200,000 in targeted funding for the Idaho State Police to support a mission to the Texas border on mitigating human trafficking.
- $4.6 million for ongoing replacement of public safety equipment.
- Establishes the Office of the State Public Defender to replace the Public Defense Commission.

**Natural Resources**
- $30 million for water infrastructure investments to ensure a stable water supply.
- $20 million in additional funds for outdoor recreation, as well as $4.5 million in dedicated fund spending authority for matching grants to improve camping at various parks.
- $6.6 million for responding to invasive quagga mussels.

**Healthcare**
- Holds state general fund spending on Medicaid at prior-year levels, while recommending necessary provider rate increases and pursuing a work requirement for Medicaid expansion population.
• $447,000 for 8 new medical residency positions to address physician shortages.

• $2 million in opioid settlement funds to invest in behavioral health workforce and capacity.

Fiscal Conservatism
• Limits general fund spending growth to 2.2 percent annually.

• Adds $24 million to the state’s rainy day funds.

• Adds $17 million to strengthen the Fire Suppression Deficiency Fund.

• Leaves a sizable surplus (ending balance) to guard against economic uncertainty.

• Maintains structural balance in the budget over a five-year horizon using stress testing.

Proposed Budget Information
- Fiscal Year 2025 Budget Proposal
- Fiscal Year 2025 Executive Budget Book
- Budget Highlights
- Governor’s Press Release
- Revenue Forecast (January 2024)
- Governor’s State of the State & Budget Address
Illinois Governor JB Pritzker released his fiscal 2025 budget proposal on February 21, which calls for operating expenditures from all funds of $123.2 billion, a 1.6 percent increase from fiscal 2024’s level. General fund expenditures are estimated to be $52.7 billion in fiscal 2025, a 1.4 percent increase from fiscal 2025. Total state expenditures are comprised of general funds (41.7 percent), special state funds (35.6 percent), federal trust funds (14.8 percent), debt service funds (3.5 percent), highway funds (2.9 percent), state trust funds (1.4 percent), and bond financed funds (0.1 percent). General fund revenues are estimated to be $52.9 billion, a 1.5 percent increase from fiscal 2024’s level. The budget includes a $2.0 billion rainy day fund and assumes a general fund surplus of $298 million.

**Proposed Budget Highlights**

The proposed budget for fiscal 2025 builds on five years of historic fiscal progress with balanced budgets, nine credit rating upgrades, a $2 billion rainy day fund, the elimination of a bill backlog, and a GDP that exceeds $1 trillion. The proposed budget reflects full payment of the certified fiscal 2025 pension contribution and continues transformative investments in early childhood education and childcare, K-12 education, higher education, and efforts to fight poverty. In addition, it further strengthens infrastructure and creates jobs through the sixth year of Rebuild Illinois, the state’s multi-year infrastructure program. Highlights of the budget include:

**Education**

- $400 million in total funding for preschool, childcare workers, early intervention, and home visiting programs through the state’s Smart Start initiative.
  - Smart Start combines human services and education investments to target Illinois’ youngest residents and make a critical impact.
- Proposes creating a new agency specifically focused on early childhood, ultimately bringing together programs that were under three separate agencies to streamline services and make navigating the system easier for providers and parents.
  - The budget includes $13 million to begin building out the agency.

- Other key education investments include:
  - Investing $350 million in the evidence-based funding (EBF) formula to bring the total EBF program to $8.6 billion, or a $1.8 billion aggregate increase in funding during the Pritzker Administration.
  - Changing the state’s Medicaid program to permit the capture of additional federal match dollars, resulting in a $200 million funding increase for school districts.
  - Reaching historic levels of scholarship and grant funding with an additional $10 million in monetary award program (MAP) grants.
  - Building on historic increases last year, with a $30.6 million increase for operating costs for public universities ($24.6 million) and community colleges ($6 million).

**Capital and Economic Development**

- $500 million in capital investments to continue building Illinois into a world-renowned quantum computing hub.
- $200 million which will serve as the state’s match to aggressively compete for $11 billion in federal CHIPS research and development funding that will be made available to states over the next 10 years.
- $900 million for capital projects for maintenance and modernization of Department of Corrections facilities.
- $157 million for additional funding to support construction of the new Department of Public Health laboratory in the Chicago area and rehabilitation of the Carbondale laboratory.
- $100 million to the Department of Children and Family Services for a multi-year capital grant program to improve capacity for youth placement by increasing capacity system wide.
- $40 million to continue Illinois’s growth as a major competitor for site selection.
ILLINOIS  (Continued)

- $24 million for additional manufacturing training academies to train Illinoisans for jobs of the future, particularly clean energy manufacturing jobs.

Healthcare
- $10 million in general funds for a new program to purchase private medical debt of low-income residents from debt collection agencies at a significant discount and forgive those debts, funding up to $1 billion in medical debt relief.
- $23 million commitment to decreasing maternal mortality, particularly the disparities that cause Black women to be three times more likely to die from pregnancy-related causes.
- $6 million for Get Covered Illinois, the State’s Affordable Care Act (ACA) Health Insurance Marketplace.
- Also proposes the Healthcare Consumer Access and Protection Act— major changes to prior authorization and utilization management healthcare regulations to save Illinoisans money and ensure timely, effective treatment.

Human Services
- $50 million in newly proposed appropriation for Home Illinois, bringing the total line item to $250 million. This increase brings a sharpened focus on reducing racial disparities.
- The Home Illinois program is aimed at making homelessness a brief, rare, and non-recurring experience for individuals and families.
- $182 million commitment from the state to continue to support asylum seekers arriving in Illinois and close the budget gap necessary to maintain shelter and wraparound services.

- Nearly $35 million to continue funding and implementing recommendations from the Children’s Behavioral Health Transformation Initiative.

Grocery Initiative
- Proposes the elimination of the state grocery tax and includes $10 million to address food deserts in underserved communities across Illinois.

Proposed Budget Information
- Fiscal Year 2025 Budget Proposal
- Budget in Brief
- Budget Toplines
- Budget Highlights
- Budget Address
Iowa Governor Kim Reynolds released her fiscal 2025 budget proposal on January 9, which calls for $9.5 billion in total general fund appropriations, an increase of 4.2 percent from fiscal 2024’s estimated spending level of $9.1 billion. The largest program areas include education (57 percent), health and human services (26 percent), and justice/judicial branch (9 percent). Fiscal 2025 total tax receipts are estimated at $11.0 billion, flat growth from fiscal 2024’s estimated level. The budget assumes an ending balance cash reserve fund of $1.0 billion; total reserve funds are also estimated at $1.0 billion.

Proposed Budget Highlights

The governor said that over the past six years the state has been working together to set it on a course that promotes prosperity for all. The governor added her strategic plan is to get back to the basics. Additionally, her vision for Iowa includes: elevating education for every student; preparing the next-gen workforce; cutting taxes; supporting health and well-being; holding government accountable; and protecting Iowa’s farmland. Specific proposals include:

Elevating Education for Every Student

- Giving teachers a much-deserved raise by increasing the existing statutory minimum salary, establishing a statutory minimum for experienced teachers, and creating the Merit Teacher Incentive Fund.
- Implementing a standard, evidence-based literacy training program for teachers statewide to support reading proficiency by third grade.
- Supporting public charter schools in Iowa to provide more educational options for students and families.
- Reforming Iowa’s Area Education Agencies (AEAs) to focus on improving the delivery of high-quality special education services and supports for children and students with disabilities.

Preparing Iowa’s Next-Gen Workforce

- Reinvesting $30 million in existing funds to create the Workforce Opportunity Fund for sustaining critical work-based learning (WBL) programs.
- Allowing students to earn core credit for competency-based WBL programs and defining “WBL” in code to ensure consistent training.
- Refocusing the Last Dollar Scholar program to reward WBL experience and high demand career paths.
- Updating student teaching requirements to allow on-the-job experience.

Cutting Taxes for Iowans

- Accelerating and further reducing the flat tax transition from the current top rate of 5.7 percent to a 3.65 percent flat rate in tax year 2024, and then to 3.5 percent in 2025.
- Simplifying the unemployment insurance system to make Iowa’s business climate more competitive.
- Creating property tax parity between commercial childcare centers and in-home providers.

Supporting the Health and Well-being of Iowans

- Establishing Thrive Iowa to immediately connect Iowans in need to resources, followed by ongoing support while they work to achieve self-sustainability and long-term independence.
- Aligning Iowa’s mental health and disability services regions to improve services and outcomes.
- Investing Iowa’s opioid settlement funds in drug prevention, treatment, and recovery.
- Extending postpartum Medicaid coverage to 12 months.
- Providing paid paternal leave for state employees.
- Improving access to hormonal contraceptives.
- Protecting minors from online pornography.
Holding Government Accountable to Iowans

- Implementing the recommendations of the Boards and Commissions Review Committee.
- Updating Iowa code to include a regular review process for administrative rules and regulations.

Protecting Iowa’s Farmland

- Strengthening Iowa’s laws regarding foreign ownership of land.

Proposed Budget Information

- Fiscal Year 2025 Budget Proposal
- Budget in Brief
- Vision for Iowa
- Revenue Forecast (December 2023)
On January 12, Kansas Governor Laura Kelly released her fiscal 2025 budget proposal calling for $26.5 billion in total expenditures, a 4.9 percent increase from the governor’s revised fiscal 2024 recommendation. The proposal calls for $11.2 billion in fiscal 2025 general fund spending, which is a 12.9 percent increase from the governor’s revised fiscal 2024 recommendation. Total receipts are estimated at $10.26 billion, a decrease of 0.3 percent from fiscal 2024 while total taxes are estimated at $10.1 billion, a decrease of 0.6 percent from fiscal 2024. The proposal recommends an ending balance in the state general fund of $1.42 billion, or 12.7 percent of expenditures, and $1.76 billion in the budget stabilization fund.

Proposed Budget Highlights

The proposed budget for fiscal year 2025 pays down existing debt early, cuts taxes, fully funds schools, expands Medicaid eligibility, and makes investments in infrastructure, early childhood services, and housing. Highlights of the budget proposal include:

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.

- 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.
On December 18, Kentucky Governor Andy Beshear released a proposed budget for fiscal years 2025 and 2026. The budget recommends general fund spending of $17.2 billion in fiscal 2025, including $2.1 billion in one-time spending, a total increase of 21.6 percent over revised fiscal 2024, and $16.3 billion in fiscal 2026, a decrease of 5.1 percent from fiscal 2025. Over the biennium, the budget appropriates $136.6 billion from all funds. The consensus revenue estimate for the general fund in fiscal 2025 is $15.5 billion, a decrease of 0.03 percent compared to revised fiscal 2024, driven primarily by a reduction in the personal income tax rate, and in fiscal 2026 is $16.0 billion, an increase of 2.9 percent over fiscal 2025. Including beginning balances and other adjustments, general fund resources are projected at $17.5 billion in fiscal 2025 and $16.3 billion in fiscal 2026. The largest categories of general fund appropriations are education (39.9 percent), Medicaid (16.8 percent), criminal justice system (11.7 percent), and postsecondary education (9.3 percent). The Budget Reserve Trust Fund is projected to be $3.7 billion in fiscal 2026. The general fund ending balance is $287.1 million in fiscal 2025 and $1.8 million in fiscal 2026. The recommended budget also notes it is structurally balanced, as recurring spending in both fiscal years is less than recurring revenues.

Proposed Budget Highlights

The governor’s Forward, Together budget proposal prioritizes education and families while also making investments in infrastructure, job growth, public safety, and health care. Additionally, the budget supports local governments and state employees. These investments, focused on moving the commonwealth forward, are proposed without spending any of the record-largest Rainy Day Fund.

Investing in Education

- Calls for an 11.0 percent salary increase for all school personnel and an 11.0 percent increase in the minimum teacher salary. An additional $545.0 million is provided each year to ensure every school district has sufficient funding for the increases.

- Includes $172.0 million each year to fund universal preschool for all 4-year-olds, estimated to provide preschool to an additional 34,000 children.

- Provides an 18.0 percent increase in funding for the K-12 education funding formula (SEEK) including:
  - $126.4 million in fiscal 2025 and $114.2 million in fiscal 2026 to raise the base per-pupil amount to $4,368 (4.0 percent increase).
  - $124.4 million each year to fully fund pupil transportation costs (45.0 percent increase).

- Allocates $26.3 million each year to restore a teacher loan forgiveness program.

- Provides $60.0 million in fiscal 2025 and $78.9 million in fiscal 2026 added to the base budgets of the nine public postsecondary education institutions, a nearly 8.0 percent increase.

Protecting and Expanding Health Care

- Fully funds the Medicaid program, including Medicaid expansion. Provides an additional $395.0 million General Fund for fiscal 2026 to fund the return of the higher state share following the expiration of the enhanced federal share, and to accommodate higher health care costs to continue current services.

- Provides $51.6 million each year to add additional slots in two programs that provide health care services to populations who have mental or intellectual disabilities.

- Includes $220.0 million in fiscal 2025 and $235.0 million in fiscal 2026 to provide for a rebase of nursing home reimbursement rates effective July 1, 2024, as mandated by the federal government.

- Allocates $41.2 million over the biennium to provide mobile crisis intervention services throughout the commonwealth.
• Includes funding for the newly created Office of Medical Cannabis, which begins January 1, 2025 in the commonwealth.

Protecting Children and Families

• Adds 100 new social workers to reduce average caseloads.

• Includes $9.8 million each year for a 12.0 percent rate increase for foster homes that serve children who cannot be placed in a family-based setting.

• Allocates $10.0 million each year to increase foster care rates for relative caregivers who agree to take a child that is already in the state’s custody.

• Provides $10.0 million each year to continue providing nutritional meals for senior citizens in the community without having a waitlist.

• Includes approximately $68.0 million in fiscal 2025 and $73.0 million in fiscal 2026 for child care assistance.

Enhancing Public Safety

• Includes $8.3 million in fiscal 2025 and $14.1 million in fiscal 2026 for a $2,500 pay increase in fiscal 2025 and an inflationary increase in fiscal 2026 for State Police.

• Provides $11.1 million in fiscal 2025 and $21.7 million in fiscal 2026 to add 75 troopers in each year, adding 150 positions over the biennium.

• To implement legislation from the 2023 session, the budget provides capital funding for two new female-only juvenile detention centers, for renovations of an existing center, and to retrofit four existing centers to ensure safe segregation of male high-level offenders from male low-level offenders.

• Provides $3.9 million each year to add approximately 450 additional juvenile alternatives to detention placements and staff to coordinate services.

• Allocates $9.8 million in fiscal 2025 and $19.8 million in fiscal 2026 to enable closing an older correctional facility and opening and operating an expanded correctional complex.

• Provides $5.3 million in fiscal 2025 and $5.2 million in fiscal 2026 to expand reentry services in jails and to the entire adult correctional institution inmate population.

Economic Development and Infrastructure Investments

• Adds $100.0 million for the Kentucky Product Development Initiative, which provides funds to counties to finance site acquisition, site preparation and development improvements.

• Includes $100.0 million in fiscal 2025 to support approved mega projects.

• Provides $500.0 million General Fund in fiscal 2025 for the Better Kentucky Cleaner Water program for water and wastewater projects throughout the commonwealth.

• Includes $300.0 million General Fund for Major Transportation Infrastructure Projects.

• Allocates $50.0 million General Fund over the biennium to fund a county and city bridge improvement program.

• Local Governments and State Employees

• Recommends nearly $90.0 million each year to address salary compression by providing a variable percentage increase to state employees based on length of service.

• Proposes a 6.0 percent across-the-board salary increase for state employees effective July 1, 2024 and a 4.0 percent increase effective July 1, 2025.

• Includes $19.2 million in fiscal 2025 and $42.4 million in fiscal 2026 to ensure no health insurance premium increase for state employees.

• Fully funds the actuarially determined contributions for all state employees for all retirement system plans.

• Includes an additional $209.0 million over the biennium to pay down pension liabilities.

• Provides more than $800.0 million to reduce the debt of deferred maintenance.
Proposes to return 100 percent of state coal severance tax revenues back to coal-producing counties.

Includes $100.0 million General Fund in one-time spending to provide matching funds to local government and nonprofit entities for competitive federal grant applications.

Recommends $10.0 million General Fund over two years to the Affordable Housing Trust Fund.
On February 8, Louisiana Governor Jeff Landry released his proposed fiscal 2025 budget. The budget totals $44.2 billion, a decrease of 6.9 percent from the existing operating budget for fiscal 2024. The general fund portion of the budget totals $12.0 billion, a decrease of 1.9 percent from the existing budget for fiscal 2024. Total revenue for fiscal 2025 is projected at $44.2 billion, a decrease of 7.2 percent from the total revenue for the existing budget for fiscal 2024. The state general fund is broken down into the following spending categories: education (47 percent), human resources (29 percent), public safety (12 percent), general government (9 percent), business & infrastructure (2 percent), and environment and natural resources (1 percent).

**Proposed Budget Highlights**

The proposed fiscal 2025 budget prioritizes education, healthcare, and initiatives aimed at improving the safety of Louisiana residents. The budget includes the following recommendations:

**Department of Health**

- Increases state general funds by $285.1 million to replace federal funds from enhanced Federal Medical Assistance Percentage (FMAP) and Medical Assistance Trust Fund (MATF) which are no longer available this year.
- Provides $28.4 million in CMS Clawback payments for Medicare Part-D dual eligibles.
- Provides $4.1 million for Medicare Part A and B premiums and for the anticipated increase of “dual-eligible” low-income seniors and disabled individuals.
- Allocates $2.1 million toward the funding of Intermediate Care Facilities for Developmentally Disabled (ICF/DDs).
- Provides $16.5 million for additional beds and contract increases for meals and pharmaceuticals to remain in compliance with the Cooper-Jackson Settlement.

**Public Safety**

- Allocates $485.7 million to the Corrections Services and authorizes 4,890 Table of Organization positions to house 14,000 offenders in state-operated correctional facilities.
- Directs $10.8 million and provides 43 authorized Table of Organization (T.O.) positions for the establishment of a State Police Troop in downtown New Orleans.
- Provides $5.7 million to the Office of State Police to:
  - Increase the Louisiana State Police uniform allowance from $8 per day to $15 per day.
  - Increase commissioned field training officer pay from $1.30 per hour to $5 per hour while working with cadet classes.
  - Increase the shift differential pay for commissioned patrol personnel from $0.50 per hour to $5 per hour working abnormal hours.
- Provides funding to the Office of State Police for approximately 1,100 State Trooper Commissioned Officer positions.
- Directs $8 million to fund two 50-member attrition training academies in the Office of State Police.
- Provides an increase of $5.7 million to the Louisiana Judiciary for drug courts.
- Directs $2.3 million to the Project New Orleans (NOLA) initiative in the Criminal Law and Medicaid Fraud program to create 13 new positions and allow prosecutors and investigators to work together to prosecute cases.

**Education**

- Proposes $198 million to provide a pay stipend for K-12 classroom educators, other certificated personnel, and noncertificated personnel.
- Allocates $859K for free school breakfast and lunch for students who meet federal eligibility guidelines for reduced priced meals.
- Provides $182.0 million for the Taylor Opportunity Program for Students (TOPS).
- Directs $70.5 million to the Louisiana Go Grant
Program which supports non-traditional and low-to-moderate income students attending college.

- Provides $600K to the Louisiana Universities Marine Consortium (LUMCON) to establish Louisiana’s National Estuarine Research Reserve (NERR) and cover increases in operating expenses and insurances related to vessels and facilities.

Other

- Directs $127.1 million toward acquisitions and major repairs including:
  - Replacing forklifts, scissor lifts, radios, and laptops at the Military Affairs Program.
  - Repairing 58 dozers for wildfire response in the Department of Agriculture and Forestry.
  - Repairing water system and air conditioning and replacing fire alarms at a corrections facility.
- Replacing 238 vehicles within the State Police fleet.
- Provides $62.8 million to the Department of Transportation and Development Highway Program to match federal funds.
- Increases Department of Family and Children Services funding by $14.5 million to:
  - Provide rate increases in Congregate Care.
  - Expand the capacity of Therapeutic Foster Care (TFC) beds and increases the rates for placements.
  - Provide field offices in Baton Rouge and New Orleans with supplemental staffing contracts.
- Provides $1.5 million to the Department of Veterans Affairs for a new program to recruit and retain military members and veterans as well as encourage them to relocate back to Louisiana.
During the 2023 legislative session, Maine enacted a biennial budget for fiscal 2024 and fiscal 2025 totaling $10.34 billion in general fund spending for the biennium. On February 14, Maine Governor Janet Mills introduced a supplemental budget proposal for fiscal 2024 and fiscal 2025 representing $71 million in additional appropriations on net, bringing the total general fund budget to $10.41 billion. The supplemental budget proposal is based on an updated general fund revenue forecast adding approximately $265 million in revenue for fiscal 2024 and 2025. The state’s rainy day fund is currently at an all-time high and the maximum allowed under state law at $968 million. Later, on March 29, the governor released a budget change package proposing one-time funding for housing, childcare, and long-term care initiatives, based on a revised March revenue forecast recognizing $108 million in additional one-time revenue; the change package proposal would bring the total budget to $10.44 billion.

Proposed Budget Highlights

The governor’s supplemental budget funds initiatives to strengthen public safety and the state’s mental health system in the wake of the tragic mass shooting in Lewiston in October 2023; support disaster response efforts; and invest in housing, child welfare, health care, and other key areas. The budget also proposes saving $107 million in a new, temporary reserve for the next biennium to fund ongoing commitments and additional anticipated needs, based on expectation that state revenue growth will flatten in the coming years. Additionally, the governor calls for actions to streamline, simplify and modernize various sales tax provisions. Below are details on some supplemental initiatives included in the governor’s February 14th proposal; this list does not include items from the March 29th change package.

Public Safety and Mental Health

- $2.8 million ($0.6 million ongoing general fund) supplemented by enhanced federal matching funds to strengthen mobile crisis teams through a comprehensive Medicaid payment model.
- $200,000 one-time, supplemented with federal funds, to promote safe storage of firearms.
- $5.5 million to hire more state troopers ($3.6 million general fund).
- $422,400 to support surge in mental health assessments after the Lewiston tragedy.
- $1 million to establish an Injury and Violence Prevention Program as a central hub to bring together data to help identify patterns and inform measures to reduce suicides and homicides.
- $950,000 one-time funding to establish a crisis receiving center to improve access to behavioral health services.
- $5 million in one-time funding to create the Main Mass Violence Care Fund to cover health out-of-pocket expenses connected to a mass violence event.
- $6 million in one-time funding to address Victims of Crime Act federal funding shortfall.

Disaster Response

- $15 million for the state’s share of estimated disaster recovery costs.
- $5 million to help additional local governments create plans to address extreme weather vulnerabilities.
- $6 million to repair state park damage from recent storms.

Homelessness and Housing

- $16 million for the Emergency Housing Relief Fund.
- $10 million to strengthen the Affordable Homeownership Program.

Child Welfare

- $1.4 million for targeted positions to support child caseworkers.
- $1.3 million ($0.7 million general fund) to support services for children in state care.
- $4 million ($3.1 million general fund) to initiate reclassification of child welfare positions.
MAINE (Continued)

Health Care

- $4 million to expand Medication Assisted Treatment for those in county jails recovering from opioid addiction.

- $34 million ($11.4 million general fund) for Medicaid cost-of-living adjustment for behavioral health providers and to overhaul nursing facility rates.

- $96.4 million in federal, state and hospital revenue to reform hospital reimbursement rates.

- Amends the recently enacted expansion of the Medicare Savings Program to generate $14.1 million in general fund savings this biennium.

Other

- $22.6 million for public K-12 schools through the state funding formula.

- $25 million to implement plan to improve Child Development Services

- $3 million one-time payment to milk producers in the state to help mitigate increased production costs.

- $15 million to fund final payments to municipalities under the Property Tax Stabilization Program for Seniors.

- $4 million to upgrade the Judiciary’s computer systems.

- Authorizes the Maine Commission on Indigent Legal Services to transition unused funding to expand the network of public defenders.

- Establishes an Office of Community Affairs.

Proposed Budget Information

- Fiscal Years 2024-2025 Supplemental Budget Proposal
- Fiscal Note
- Governor’s Press Release
- Revenue Forecast – December 2023
- Supplemental Budget Overview
- Updated Revenue Forecast – March 2024
- Governor’s Press Release on Change Package
On January 17, Maryland Governor Wes Moore released a $63.1 billion all funds budget for fiscal 2025, a decrease of 2.0 percent compared to fiscal 2024. General fund spending totals $25.8 billion, a decrease of $1.6 billion, or 5.8 percent, from fiscal 2024. Estimated general fund revenues for fiscal 2025 are $25.1 billion, an increase of 1.8 percent over fiscal 2024. The proposed budget would leave an unappropriated general fund balance of $103.0 million and maintains a rainy day fund balance of 9.4 percent of general fund revenues, or $2.3 billion, in fiscal 2025. The budget does not include any tax increases and shrinks the structural deficit by 34.0 percent.

Proposed Budget Highlights

The governor’s proposed budget focuses on four key areas: making the state safer, more affordable, more competitive, and making Maryland the state that serves. The budget also shifts money from programs that are underperforming to programs with a proven record of success.

Ending Child Poverty

- $15.0 million for implementation of the ENOUGH Act, a first-in-the-nation state level effort to end concentrated child poverty and build thriving communities.
- $270.0 million additional funds to support the Child Care Scholarship program to help families enroll their young children in high-quality child care.
- $9.0 million to support implementation of the new federal Summer EBT program, leveraging $69.0 million in federal matching funds.
- $26.7 million for rate setting and reform for child placement providers in the Department of Human Services.

Education

- Provides record funding for K-12 education, investing $9.2 billion, an increase of $461.0 million, or 5.3 percent, compared to the current year.
- $160.0 million increase (8.0 percent) in funding to support low-income students, including $131.0 million to expand wrap-around services in schools with high concentrations of poverty.
- $2.3 billion in record state funding to University System of Maryland institutions.
- $25.0 million in new funding for a higher education campus security fund.

Economic Development and Connecting People to Jobs

- $6.4 million in new funding to support Baltimore’s Tech Hub Consortium and compete for federal funds.
- $7.5 million, a 20.0 percent increase, for the Pre-Seed Builder Fund to make investments in emerging technology companies led by entrepreneurs from socially or economically disadvantaged backgrounds.
- Rollout of the new Maryland Jobs Development Tax Credit, which provides income tax credits to businesses with projects based on location and number of jobs created.
- $2.0 million increase for the Employment Advancement Right Now (EARN) program, which focuses on industry sector strategies that produce long-term solutions to sustained skills gaps and personnel shortages.
- $2.0 million increase for correctional education in the Adult Correction Program.
- $2.5 million in new funding for a pilot program for apprentice pathways within state government agencies.

Safer Communities

- $4.4 million in additional funding to expand Thrive Academy, a gun violence prevention program, across the state and enable participation for 300 youth.
- $12.0 million increase for an Enhanced Services Continuum and community services for youth in contact with the Department of Juvenile Services.
- $10.0 million in new funding and 3.0 positions within public health to launch statewide gun violence prevention efforts.
- 43.0 additional positions and $3.0 million additional funds to the Office of the Public Defender to assist with high caseloads.
Affordable Housing

- $115.5 million in increased capital support for housing and community revitalization efforts to support affordable rental housing, a new Appraisal Gap program, and statewide demolition programs.
- $5.4 million to expand the Assistance in Community Integration Services program that supports housing and tenancy-based services for individuals experiencing housing insecurity.
- $800,000 to start the Maryland Community Investment Corporation, which will make investments in low-income communities.

Health Care

- More than $1.4 billion, a record funding level, in direct state support for mental health and substance use disorder programs.
- $15.0 million to establish the Pathways to Health Equity Program and the Health Equity Resource Community Reserve Fund to reduce health disparities and improve health outcomes.
- $35.5 million general funds and $65.9 million federal funds to provide coverage for an anticipated 5,700 noncitizen pregnant women.
- $25.0 million increase, for $110.0 million total, for the Maryland Consortium on Coordinated Community Supports to oversee a statewide framework of wrap-around behavioral health services for students.
- $10.0 million in new funding to implement provider recruitment strategies to build capacity and ultimately expand services for eight different waiver programs.
- $92.0 million in general funds to increase the reimbursement rates to certain health services providers by three percent.
- $21.0 million and 300.0 new positions across various Department of Health facilities.

Clean Energy and Natural Resources

- $115.5 million in state transfer tax funds to programs that support state and local land preservation, operations of state lands, and projects at state parks.

State of Service

- $90.0 million from the Strategic Energy Investment Fund to support implementation of the Climate Pollution Reduction Plan.
- $74.5 million in trust funds to support critical bay restoration activities and implementation of best practices.
- $25.8 million for the Cover Crop program to support farmers who reduce agricultural run-off into the Chesapeake Bay.

Proposed Budget Information

- Fiscal Year 2025 Proposed Budget Volume I
- Budget Volume II
- Budget Highlights
- Budget Presentation
- Governor’s Press Release
On January 24, Massachusetts Governor Maura Healey introduced her fiscal 2025 budget recommendation. The budget proposes gross spending in fiscal 2025 of $56.2 billion, a 2.9 percent increase over fiscal 2024, excluding spending from the Fair Share surtax and Medical Assistance Trust Fund. When including $1.3 billion in education and transportation fund spending from projected income surtax revenue and $682 million from the Medical Assistance Trust Fund, total appropriations in the governor’s budget recommendation for fiscal 2025 are $58.1 billion. When expenditures from Federal, Trust and ISF funds are included, total spending in fiscal 2025 is projected at $85.1 billion.

The budget is based on a consensus tax revenue estimate of $40.2 billion, not including surtax revenue, a 2 percent increase above revised fiscal 2024 estimates but a 0.5 percent decrease compared to projections used to build the fiscal 2024 General Appropriations Act (GAA). The figure incorporates the impact of the second full year of a tax relief package proposed by the governor and signed into law last year. After a series of tax revenue transfers, $32.4 billion in net tax revenue is available to support spending, a 1.6 percent decrease from the fiscal 2024 GAA. Total available tax and non-tax revenue for all budgeted funds is estimated at $57.9 billion (including $53.5 billion in general fund revenue). The budget proposes to continue using some excess capital gains to grow the balance in the Stabilization Fund (rainy day fund), which is projected to have an ending balance in fiscal 2025 of $9.1 billion. The governor also proposes to use interest earned on the Stabilization Fund to support matching funds to compete for various federal grant opportunities. Including the rainy day fund, reserved balances, and the undesignated balance, the state’s total balance is projected at $9.7 billion at the end of fiscal 2025.

**Proposed Budget Highlights**

The governor’s fiscal 2025 budget recommendation makes key investments in education, transportation, housing, climate, workforce development, and health care, while responsibly controlling overall spending growth in a tightening fiscal environment. Key spending priorities in these areas include:

**Education & Local Aid**
- Proposes $11.8 billion in overall spending for childcare, K-12, and higher education.
- $271 million (4 percent) increase in education aid under the Student Opportunity Act.
- $150 million in Fair Share revenue to maintain $475 million for Commonwealth Cares for Children (C3) grants to early education and care system providers.
- $75 million in Fair Share revenue for childcare financial assistance, with total state support for childcare subsidies of $914 million.
- $21 million in Fair Share revenue (total investment of $38.6 million) for the Commonwealth Preschool Partnership Program, a targeted effort to expand access to high-quality preschool.
- $30 million in Fair Share revenue for literacy instruction.
- $492 million to fully fund the Special Education Circuit Breaker.
- $38 million (3 percent) increase in general aid to local governments.
- $80 million in Fair Share revenue to sustain the expansion of MASSGrant Plus financial aid.
- $24 million for MassReconnect (a $4 million or 20 percent increase).

**Transportation**
- $250 million in Fair Share revenue to increase Commonwealth Transportation Fund borrowing capacity to support major infrastructure projects.
- $124 million in Fair Share revenue to cities and towns to support maintenance of local roads and sidewalks (includes $24 million designated for rural road aid).
- $45 million in Fair Share revenue to enable the Massachusetts Bay Transportation Authority (MBTA) to implement low-income fare relief.
• Doubles the state operating support to the MBTA.

• $15 million in Fair Share revenue to support fare equity at Regional Transit Authorities.

**Housing**

• $325 million for Emergency Assistance Family Shelter (EA) program.

• $219 million for the Massachusetts Rental Voucher Program, a 22 percent increase.

• $112 million in subsidies for Local Housing Authorities.

• $197.4 million for Residential Assistance for Families in Transition.

• $57.3 million for HomeBase to connect EA-eligible families with permanent housing.

**Climate & Environment**

• Invests $572.1 million (1 percent of total spending) overall into climate and environmental programs, including building a clean energy workforce, clean transportation, food security, and environmental justice.

• Establishes a permanent Disaster Relief and Resiliency Fund, to be funded with 10 percent of excess capital gains tax revenue, in addition to other public or private sources.

**Workforce Development**

• $15.7 million for the Summer Jobs Program for At-Risk Youth (Youthworks).

• $10.4 million for Career Technical Institutes aiming to close skills training gaps.

• $10 million for MassHire Career Centers to provide regional workforce training and placement services.

• $3.8 million for Registered Apprenticeship Program.

**Health & Human Services**

• Year-over-year spending increase in MassHealth, the state’s Medicaid and CHIP program, of $730 million gross ($440 million net), including:

  • $70 million in targeted rate investments that address workforce challenges for community-based nursing and direct care workers.

  • $60 million in rate investments in behavioral health, primary care and maternity care.

  • $10 million investment to implement 90-day pre-release MassHealth coverage for incarcerated individuals.

  • $5 million to increase wheelchair repair rates.

  • Year-over-year spending increase in other health and human services programs (excluding MassHealth) of $781.3 million (9 percent), including:

    • $217 million annual increase in the Chapter 257 Reserve to make historic investment in human service provider rate increases, benchmarking rates to the 53rd percentile of Bureau of Labor Statistics wages.

    • $249.9 million to annualize fiscal 2024 provider rate increases.

    • $36.6 million for new targeted investments.

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**Proposed Budget Information**

- Fiscal Year 2025 Proposed Budget
- Governor’s Message
- Budget Briefs
- Press Release
- Revenue Forecast (January 2024)
On February 7, Michigan Governor Gretchen Whitmer released her fiscal 2025 budget proposal that calls for $82.0 billion in total spending, a 0.4 percent increase from fiscal 2024’s original enacted level. The recommended budget calls for $12.5 billion in general fund spending, a 7.0 percent decrease from fiscal 2024’s enacted level. The general fund decline in fiscal 2025 is due to less recommended one-time spending; ongoing general fund spending is recommended to increase 6.4 percent in fiscal 2025. Additionally, the budget includes a school aid fund total of $20.7 billion, a 4.0 percent decrease from fiscal 2024’s enacted level. However, once again the decline is due to less ongoing spending; ongoing school aid spending is recommended to increase 2.7 percent. Total budget by source includes federal (42 percent), school aid (23 percent), general fund (18 percent), other state restricted (16 percent), and local private (1 percent). The budget projects general fund net tax revenue at $14.0 billion, a 3.1 percent increase from fiscal 2024. The budget recommendation calls for a $100 million deposit to the Budget Stabilization Fund, bringing the total fund balance to over $2 billion.

Proposed Budget Highlights

The governor’s recommended budget reflects her priorities of lowering costs, cutting red tape, reducing crime, powering economic development, ensuring every child has a high-quality education, and building a more fair, equitable Michigan. The governor noted the budget proposal reflects a return to normal and that over the last few years the state has harnessed federal stimulus funds to make strategic investments that will yield long-term results; passed a balanced budget on time every year; paid down more than $21 billion in debt; and built up a record balance in the school and state rainy day funds of nearly $2.5 billion. Key budget highlights include:

Balancing Michigan’s Budget and Cutting Red Tape

- Pays off a “mortgage” early (certain Michigan Public School Employees’ Retirement System liabilities), freeing up $670 million that can be invested into classrooms to help children learn.

- $100 million deposit into the Budget Stabilization Fund, which will bring the grand total in the rainy day fund to more than $2.2 billion by the end of fiscal 2025.

- $10 million deposit into the Disaster and Emergency Contingency Fund to support immediate response and recovery activities in the event of a disaster or emergency.

- $4.4 million to improve turnaround time and public outreach for environmental permitting.

- $4.8 million to increase childcare facility inspections.

- $500,000 to establish a hazard mitigation assistance program to help local governments implement projects that reduce natural disaster risks.

A Better, More Affordable Education

K-12 Education:

$370 million to support school operations through a 2.5 percent increase in base per-pupil funding; $300 million to continue historic investments for student mental health and school safety needs; $251.2 million to help students reach their full academic potential, including continuation of payments for literacy grants and literacy coaches; $200 million to continue providing universally-free breakfast and lunch to Michigan’s 1.4 million public school students; $200 million for tutoring through the MI Kids Back on Track program; $175 million in recognition of the crucial role high-quality teachers play in the success of their students; $159 million for continued expansion of free pre-K to every 4-year-old in Michigan; $127 million to continue expanded support for special education students; $125 million to provide a 5 percent increase in funding to support academically at-risk students, English language learners, career and technical education students, and students in rural school districts; $125 million to continue reimbursements to districts for transportation costs; and $45 million for additional supports for vocational education and career and technical education.

Higher Education and Workforce Development:

A 2.5 percent ongoing increase for university and community college operations to support higher education learning and to advance the governor’s goal of 60 percent of working adults earning a degree or skills certificate by 2030; $30 million investment to increase funding for the Michigan Achievement Scholarship; $62 million to continue Michigan Reconnect, providing a tuition-free pathway to
adult learners 25 and older; $20 million increase in the Tuition Incentive Program; and $14 million for the North American Indian Tuition Waiver.

**Lowering Costs**

- $37.5 million to create the Caring for MI Family Tax Credit.
- $25 million for the MI Vehicle Rebate.
- $500,000 to continue the federal EBT summer food benefit program.

**Making it in Michigan**

*Economic Development:*

$500 million in continued investment in the Strategic Outreach Attraction Reserve fund; $100 million for a research and development tax credit; $60 million to establish an Innovation Fund to invest in scalable startups; $80 million to clean up contaminated sites; $25 million for the Build Ready Sites program to identify and prepare sites in Michigan for future development or redevelopment; $20 million to build off the iconic Pure Michigan campaign; $20 million for business attraction and community revitalization; $20 million to increase funding for Going Pro to further expand employer-based training; $20 million to provide specialized economic assistance to businesses locating to or expanding in Michigan; $5 million one-time and $11.1 million ongoing for the Arts and Cultural Program; $4 million for global talent and retention; and $2.5 million for the Office of Rural Prosperity.

*Rebuilding Our Infrastructure:*

$700 million to authorize the final tranche of the Rebuilding Michigan Plan to fix the state’s roads; $247.6 million to improve state and local roads, highways, and bridges across the state; $150 million to support local bridge and culvert improvements; $75 million to support federal transit capital grants, marine passenger services, rail operations and transit capital matching funds; $40 million to provide loans and grants to local communities; $30 million in grant assistance for local transit agencies; and $17.1 million to reinvest in state parks.

**Reducing Crime and Keeping Michigan Healthy**

*Public Safety:*

$11 million in statutory revenue sharing (2 percent one-time) dedicated specifically for public safety, including employee recruitment, retention, training, and equipment for first responders; hire and train 120 Michigan State Police troopers, and $5.5 million to support salary and equipment costs; $5 million to establish Training, Recruitment and Retention Grants to support local law enforcement agencies; $5.5 million for community violence intervention services to reduce gun violence and save lives; $10 million for lifecycle upgrades to the state’s safety communication system; $11.9 million to continue implementing improvements based on recommendations of the Task Force on Juvenile Justice Reform; $6.3 million for various investments to increase offender success; and $1.4 million to protect the State Capitol.

*Public Health:*

$193.3 million to establish new Certified Community Behavioral Health Clinics sites across the state; $15.7 million in funding to continue the Healthy Moms, Healthy Babies program; $46 million for changes to the Family Independence Program; $24 million to provide new funds to communities that identify innovative approaches to support expectant parents and newborns; $1.8 million to ensure children have access to health care through MIChild; $15 million for the Michigan Energy Assistance Program; $5 million to help low-income households weatherize and improve the energy efficiency of their homes; $7.3 million to ensure individuals experiencing behavioral health crises have access to the Michigan Crisis and Access Line 24 hours a day, seven days a week; $5 million for smoking cessation and tobacco prevention; $1.5 million to increase the clothing and holiday allowances for children in foster care; and $500,000 for technical assistance and equipment to ensure the water is safe to drink in child care centers.
A Fairer and More Equitable Michigan

- $35 million to implement recommendations of the Racial Disparities Taskforce.
- $1.5 million to fund grants to nonprofit organizations to reduce veteran homelessness.
- $5 million to continue the MI Contracting program to assist small and disadvantaged businesses.
- $3 million to create the Secure Retirement program, a state-managed retirement plan marketplace.
- $2.4 million to make state government more accessible by ensuring information and materials are provided in the languages spoken by Michigan residents.
- $800,000 for state certification, credentialing, and endorsement of approximately 1,000 interpreters serving deaf, deafblind, and hard of hearing community.
On March 18, Minnesota Governor Tim Walz released a supplemental budget request for the current fiscal 2024-2025 biennial budget. The governor is proposing a total net general fund spending increase of $198.9 million for the biennium. After recommended changes for the current fiscal 2024-2025 budget, the remaining general fund balance is projected at $3.5 billion. Based upon a February revenue forecast, total general fund revenues for the biennium are now projected to be 2.2 percent above the prior November revenue forecast. The recommended supplemental budget forecasts a 0.9 percent increase in fiscal 2025 total revenues compared to fiscal 2024.

Proposed Budget Highlights

The governor’s supplemental recommendation builds on work done last year to make Minnesota the best state in the nation for families, while maintaining a responsible, balanced budget. The budget proposal focuses on addressing pressing statewide needs, including rural emergency medical services, water quality, and child welfare. Highlights of the budget proposal include:

Public Safety and Emergency Services
- Includes $16 million to support ambulance services in Greater Minnesota, which have faced severe funding and personnel shortfalls.
- Provides grants to organizations that serve victims of crime, in addition to funding services to prevent recidivism and overdoses for people who are released from prisons and jails.

Childcare and Child Protection
- Makes investments in child protection, including funding to improve and modernize the state’s child welfare and social services reporting system so child welfare workers have more time to spend with children and families.
- Provides an additional 2,200 voluntary pre-K seats to prepare children for success and enhance their pre-reading, pre-math, language, and social skills.

Water Quality and Infrastructure
- Provides funding for in-home water treatment, well replacement, and other services for contaminated wells.
- The supplemental budget also acts as a state match for the federal Climate Pollution Reduction Grant that Minnesota is applying for in a competitive process.
- Additionally, the governor is recommending a $989 million bonding bill that focuses on safe drinking water, transportation, housing, and critical state infrastructure.
On January 31, Mississippi Governor Tate Reeves released his fiscal 2025 budget recommendation. The proposal calls for $7.96 billion in general fund agency appropriations, an increase of 1.5 percent from fiscal 2024. General fund revenue estimates for fiscal 2025 total $7.64 billion, a 14.6 percent increase over the prior year amount of $6.66 billion. The budget sets aside two percent or $153 million of general funds leaving a total of $7.49 billion available for appropriations for fiscal 2025.

**Proposed Budget Highlights**

The proposed budget highlights the governor’s agenda of maintaining the state’s economic momentum, strengthening education, training Mississippians for future jobs, and enhancing efforts to preserve public safety and reduce crime.

**Economic Proposals**
- Proposes eliminating the state income tax by reducing the income tax to three percent in calendar year 2026 and phasing it out completely by calendar year 2029.
- Allocates $100 million for new site development efforts in every region of the state.
- Directs $10 million to make further investments in the state’s ports, airports, and railways.
- Proposes $294 million for two infrastructure projects to entice additional companies to the state.
- Reduces the need for more state debt by proposing to allocate $50 million for Project Triple Crown and $133 million for Project Poppy rather than borrowing these funds.

**Education and Workforce Proposals**
- Calls for an additional $1.8 million to fully fund the Education Scholarship Account program.
- Proposes $5 million to fully build out the customized training efforts of AccelerateMS and further increase the state’s competitiveness in the global market.
- Directs $5 million for a Patriotic Education fund to provide local grants for patriotic education programming.

**Healthcare Proposal**
- Proposes a 4.6 percent increase to the Mississippi Hospital Access Program (MHAP) which will provide approximately $70 million in additional funding for hospitals.
- Allocates $9.8 million to establish a Youth Court Division in each of Mississippi’s twenty Chancery Court Districts to have jurisdiction over all child welfare matters.

**Public Safety Proposals**
- Requests a $10.35 million increase for Capitol Police to fund salaries, patrol cars, equipment, and other costs for 230 officers in the Capitol Complex Improvement District (CCID).
- Proposes $4.36 million to comply with House Bill 1216 and provide funding to assist counties with hiring additional critical support staff positions for judges.
On January 24, Missouri Governor Michael Parson released his fiscal 2025 budget proposal calling for $52.7 billion in total spending, a 6.3 percent increase from fiscal 2024. Most of the increase in fiscal 2025 is related to additional federal funds. Federal funds are recommended at $25.9 billion in fiscal 2025, a 41.0 percent increase from fiscal 2024. The budget recommends $15.0 billion in spending from general revenues, a 5.1 percent decrease from fiscal 2024. The total budget is comprised of federal funds (50 percent), general revenue (28 percent), and other funds (22 percent). Fiscal 2025 revenues are forecasted to grow 0.2 percent compared to the revenue estimate for fiscal 2024. The ending balance for fiscal 2025 is projected at $1.7 billion.

Proposed Budget Highlights

The governor’s “No Turning Back” budget is focused on continuing to put people first and maintaining the state’s historic progress. The budget proposal is directed towards continuing to rebuild and repair roads and bridges; support K-12, higher education, and workforce training programs; and build stronger communities. Highlights of the budget include:

**Education**

- $120.6 million to fund the state’s elementary and secondary education formula, bringing the base foundation funding for public education to more than $3.7 billion.
- $14 million for school transportation costs.
- $51.7 million to increase subsidy rates for childcare.
- $32.5 million to increase core funding by three percent for higher education institutions, community colleges, and the State Technical College of Missouri.
- $4 million to strengthen teacher recruitment and retention by providing state funds to local school districts for increased baseline educator salary of $40,000 per year.
- $3.8 million to provide school services to help at-risk youth graduate from high school and successfully transition to post-secondary education or meaningful employment.

**Workforce Development**

- $314.7 million for higher education capital improvement projects.
- $54.4 million for MoExels to facilitate the development of employer-driven workforce education and training programs in high-demand occupations.
- $10 million to increase competitiveness for semiconductor manufacturing.
- $6 million to establish the new Upskill Credential Training Program.
- $5.4 million for a new Midwest Critical Minerals Innovation Center.
- $3.1 million to expand and support registered youth apprenticeships.

**Infrastructure**

- $1.5 billion to partner with the federal government in broadband deployment, focusing on unserved and underserved areas.
- $290 million in funding for projects in the Statewide Transportation Improvement Program (STIP).
- $93 million to continue partnering with local governments to improve low-volume rural roads.
- $27.3 million to partner with the federal government in improving airports statewide.
- $11.6 million to support key investments in port improvement projects.
- $5.2 million for Missouri River flood resiliency.
- $1.3 million to support the development of Missouri’s critical mineral resources.

**Government Reform**

- $234.3 million in increased funds to better maintain and repair state facilities.
- $111 million for a pay increase for state employees, including a 3.2 percent cost-of-living increase for all state team members as well as additional salary increases for continuous service.
$42 million for statewide technology investments.

$13.1 million to modernize the Department of Corrections’ offender management system.

$4 million for social service call center improvements.

$3.9 million to improve the recruitment, licensing, management, and support of Missouri foster families.

**Stronger Communities**

$14.2 million to support opioid addiction prevention services, as well as expand access to naloxone and fentanyl test strips.

$3.5 million for creating an agriculture resiliency fund.

$1.8 million for water patrol enhancements.

$1.5 million to address Missouri veteran and homelessness housing needs.

$1.4 million to provide additional crime lab case management support.

$1.1 million for Missouri Task Force One to assist local emergency agencies facing a disaster response.

**Mental Health and Health Care**

$86 million to provide MO HealthNet behavioral health services for an additional 1,260 individuals and waiver services for 1,900 new individuals with developmental disabilities.

$12 million to continue supporting Missouri veterans and veterans’ homes.

$10.4 million for enhancing treatment services in recovery high schools.

$7.2 million to support the implementation of a new fetal and maternal mortality prevention plan.

$5.6 million to create a career platform for individuals working in long-term care facilities.

$4.5 million to provide funding for 20 additional behavioral health residency slots.

$3.5 million to help alleviate health care staffing shortages by developing new medical residency programs.
On January 18, Nebraska Governor Jim Pillen announced proposed adjustments to the current biennium budget. The governor’s recommendation provides for an increase of $14.6 million to the general fund in fiscal 2024 and a general fund appropriation decrease of $34.1 million in fiscal 2025. The balance of the general fund at the end of the biennium is projected at $674.6 million which exceeds the minimum three percent general fund reserve requirement of $331.6 million. The cash reserve fund is projected to have a balance of $891.7 million at the end of the biennium. The combined ending balance of the general fund and cash reserve fund is projected at $1.57 billion which represents a 29.4 percent total reserve over appropriations in fiscal 2024-2025.

Proposed Budget Highlights

The governor’s proposed adjustments focus on reforming property taxes, providing various tax incentives to attract and retain talent for the workforce, and making adjustments and transfers to the general fund and the cash reserve fund. Recommendations include the following:

Property Tax Reform
- Reduces property taxes by 40 percent and reduces the amount collected annually from $5 billion to just under $3 billion. Proposed policy changes include:
  - A 0 percent hard cap on property tax growth by local governments, with an allowance based on real growth and a vote of the people in an election year.
  - Repurposing the existing retrospective individual income tax credits and front-load them resulting in a reduction of nearly $750 million in annual property taxes.
- Update the ImagiNE Nebraska Act to enhance and improve tax incentives in the state.

Attracting and Retaining Talent
- Directs $5 million to incentivize Nebraska businesses to recruit out of state workers.
- Allocates $5 million for the Pioneer Tax Credit to provide tax credits to entrepreneurs looking to get their business ideas off the ground.
- Provides a tax credit on income earned by serving full or part time in the Nebraska National Guard.

Budget Adjustments and Transfers
- Allocates $87.3 million in American Rescue Plan Act (ARPA) funding to the Department of Transportation to bolster highway construction and asset preservation projects.
- Transfers $252.9 million from multiple state agency cash funds to the general fund.
- Recommends transfers and adjustments of $67 million to bolster the cash reserve fund.
On February 27, New Jersey Governor Phil Murphy presented his fiscal 2025 budget. The proposal calls for total budgeted expenditures in fiscal 2025 of $55.9 billion, a 0.9 percent increase compared to adjusted appropriations for fiscal 2024. Of the total, 42.2 percent will be distributed as State Aid to school districts, community colleges, municipalities and cities and 31.8 percent will be used for direct services (known as “Grants-In-Aid”) for property tax relief, social services, and higher education. General Fund and Property Tax Relief Fund appropriations make up most of the budget, at a combined $55.2 billion (a 0.7 percent increase over fiscal 2024 adjusted appropriations), with General Fund spending of $34.7 billion and Property Tax Relief Fund spending of $20.5 billion. Additional appropriations come out of casino-related funds totaling roughly $674 million and the Gubernatorial Elections Fund at $30 million. The budget is based on estimated total state revenues of $54.1 billion, a 3.6 percent increase compared to fiscal 2024 revised estimates. The fiscal 2025 budget projects a surplus or ending balance (undesignated) of $6.1 billion. In addition to the spending proposed in the governor’s budget, the state estimates it will spend $33.3 billion from funds not budgeted, including $22.4 billion in federal revenues, $3.9 billion in transportation funds, and the remaining from dedicated and revolving funds. Total state spending including budgeted and non-budgeted expenditures in fiscal 2025 is estimated at $89.3 billion, a 0.4 percent decrease from estimated fiscal 2024 expenditures.

Proposed Budget Highlights

The governor’s budget for fiscal 2025 funds key priorities with the overarching goal of “Making New Jersey the Best Place to Raise a Family.” The budget recommends investments to expand affordability, fully fund the state’s K-12 funding formula, continue fiscal responsibility, create economic opportunity, and ensure every state resident has a fair shot. Key initiatives in these areas are described below.

Increasing Affordability

- $3.5 billion in total direct property tax relief, including $2.3 billion through the ANCHOR Property Tax Relief Program serving nearly 2 million homeowners and renters.
- Expand eligibility for the Senior Freeze property tax relief program.
- $82.5 million (a $12 million increase from 2024) to continue expanded eligibility for prescription drug assistance program for senior and disabled populations.
- $3.5 million to administer the RetireReady NJ savings program, a new retirement option for private sector workers launching in 2024.
- More than $50 million in certain housing investments, including $10 million to incentivize the creation of accessory dwelling units, $15 million to create pathways to homeownership for rental assistance recipients, and $32 million for Down Payment Assistance.
- Maintain recent expansions of Earned Income Tax Credit, Child and Dependent Care Tax Credit, and Child Tax Credit.

Investing in Pre-K and K-12 Education

- $908 million increase in K-12 formula aid, completing the seven-year phase-in of the School Funding Reform Act and delivering on its promise to be the first administration in state history to fully fund the state’s school funding formula.
- Additional $124 million for Preschool Education Aid, including $20 million to expand into new districts.
- $10 million for student-teacher stipends and $5 million for the Teacher Loan Redemption Program.
- $2.5 million for a literacy screening grant program.

Promoting Fiscal Responsibility

- Fourth consecutive full Actuarially Determined Contribution to the state’s pension, with a total payment of more than $7.1 billion.
- Removes more than $1 billion in spending from the fiscal 2024 budget plan as well as starts to phase out the electric vehicle (EV) sales tax exemption while investing in targeted EV incentives.
• Use of the Debt Defeasance and Prevention Fund to avoid new borrowing costs, including $120 million to finish the State Police Training Center; $21 million to convert veterans’ home rooms to single occupancy; and $70 million for capital projects at state parks.

• Proposes the Corporate Transit Fee as a new dedicated funding source for NJ TRANSIT, paid for by corporations with net incomes above $10 million, which would generate an estimated $859 million in revenue in fiscal 2026, while also contributing a General Fund subsidy of $145 million to NJ TRANSIT in fiscal 2025.

Creating Economic Opportunity & Supporting Local Communities

• A series of initiatives to advance the Artificial Intelligence (AI) Moonshot and enhance the AI Hub being created at Princeton University.

• Continues support for Main Street Recovery Fund, Manufacturing Initiatives, and Strategic Innovation Centers.

• $40 million in matching funds for federal electric grid modernization work.

• $5 million to launch a Nursing Workforce Initiative.

• $2 million increase for the Behavioral Healthcare Loan Redemption Program.

• Additional $10 million from the State Fiscal Recovery Fund for the Firefighter Grant program.

Supporting All New Jerseyans

• More than $30 million for a two-year initiative to end veteran homelessness through a series of interventions.

• Increased rates for emergency housing placements in hotels or motels.

• Additional $9.5 million to nearly double last year’s investment in the ARRIVE Together program, which brings police and mental health professionals together to respond to crises in municipalities.

• $20 million to expand universal home visitation program for new mothers.

• Continued investments in family planning services and reproductive health programs.

• Additional $30 million for free school meals.

• Participation in the Summer EBT program.

• $91.8 million in aid to food assistance programs.
On January 4, New Mexico Governor Michelle Lujan Grisham submitted her fiscal year 2025 budget recommendation. The proposed budget calls for total fund spending of $29.3 billion, an increase of 8.4 percent from fiscal 2024, and recurring general fund spending of $10.5 billion, an increase of 9.9 percent from fiscal 2024. The budget also calls for $2.1 billion of nonrecurring general fund appropriations. The fiscal 2025 budget recommendation is based on a recurring general fund revenue estimate of $13.1 billion, a 2.3 percent increase from fiscal 2024’s projected level. The budget projects a total balance in general fund reserves of $3.6 billion, which represents 34.2 percent of recurring general fund appropriations. Total reserves include $3.4 billion in the state’s rainy day fund.

Proposed Budget Highlights

The governor’s budget focuses on the areas of natural resources, housing, education, healthcare, public safety, economic development, and infrastructure. The budget includes the following recommendations:

**Natural Resources**
- Appropriates $500 million from severance tax bonds for the Strategic Water Supply.
- Directs a transfer of $250 million to the Land of Enchantment Conservation Fund.
- Supplies $20 million to support low-interest loans to communities to implement projects that reduce carbon emissions.

**Housing**
- Invests $250 million in the New Mexico Housing Trust Fund.
- Invests $250 million in the New Mexico Finance Authority Opportunity Enterprise Revolving Fund to increase funding for affordable housing.
- Allocates $40 million to support homelessness initiatives and expand homelessness services statewide.

**Education**
- Directs $33 million to expand early pre-kindergarten to an additional 1,380 children across the state.
- Provides $58.1 million for structured literacy, including $30 million for a new Structured Literacy Institute.
- Proposes $101.2 million to increase the minimum number of school days to 180.
- Invests $43.5 million dollars to provide healthy, universal school meals.
- Directs $96 million to provide a 3.0 percent increase for all educators.
- Recommends an increase of $11.9 million to the Higher Education Department to sustain funding for the Opportunity Scholarship.

**Healthcare**
- Provides $2.2 billion in recurring general funds for the Health Care Authority department including:
  - $100 million for the Rural Healthcare Delivery Fund.
  - $87.9 million for Medicaid provider rate increases to 150 percent for maternal/child health, primary care, and behavioral health.
  - $20.8 million to expand the Supplemental Nutrition Assistance Program (SNAP) and provide a household benefit increase for elderly and disabled individuals.
  - $11.5 million to increase the eligibility limit for Temporary Assistance for Needy Families (TANF) benefits.
- Invests $24.7 million to create a new Family Services division at the Children, Youth and Families Department.

**Public Safety**
- Provides $35 million for corrections and law enforcement recruitment statewide.
- Directs $11.5 million to provide compensation increases to New Mexico State Police.
- Proposes an increase of $7 million to support staffing at New Mexico District Attorney Offices.
- Allocates $35 million for the Firefighter and EMT Recruitment Fund.
Economic Development/Infrastructure

- Invests $100 million to launch the New Mexico Match fund to leverage federal funding for infrastructure investments such as roads, bridges, water, energy, and broadband.

- Recommends $25 million for the Local Economic Development Act Program (LEDA) and $9.7 million for the Job Training Incentive Program.

- Provides $5 million in total funding for the New Mexico Media Academy.

- Provides a 3.0 percent pay increase for state employees.
On January 16, New York Governor Kathy Hochul presented her budget for fiscal 2025 calling for total state spending from all funds of $232.7 billion, a 0.5 percent increase compared to updated fiscal 2024 estimates. State operating funds (including general funds as well as state-funded special revenue funds and debt service funds) are expected to total $136.2 billion after adjusting for certain transactions, representing a 4.5 percent annual increase. General fund spending in fiscal 2025, which for New York begins on April 1, is recommended at $107.6 billion, reflecting a 4.0 percent annual increase, while federal operating aid is expected to decline 5.3 percent to total $84.6 billion. Receipts from all funds, excluding the pass-through entity tax (PTET), are expected to total $227.4 billion, a 1.9 percent decrease. General fund tax receipts are expected to increase 2.3 percent in fiscal 2025, while general fund revenue from all sources are estimated to increase 1.4 percent to total $106.5 billion. Excluding the PTET reserve and the reserve for extraordinary monetary settlements to fund existing commitments, the state is projected to end fiscal 2025 with a general fund cash balance of $28.9 billion, including rainy day reserves of $6.3 billion and $13.8 billion reserved for economic uncertainties.

Proposed Budget Highlights

The governor’s fiscal 2025 budget makes targeted investments to meet the needs of all residents, while ensuring the budget is balanced and bolsters state reserves. The budget includes various revenue actions, including expanding tax credits for farmers and the credit for Broadway productions; creating a tax credit for childcare creation and expansion; increasing the cigarette excise tax and prohibiting the sale of flavored tobacco products; and extending the temporary tax rate on those with business income over $5 million. Priority areas of investment include public safety, health care, mental health, education, economic development, climate action, housing, transportation, and the migrant crisis. Spending initiatives in these areas include, but are not limited to:

Public Safety

- $347 million for programs to prevent and reduce gun violence.
- $290 million to restore criminal justice system effectiveness, including community investment, crime prevention, law enforcement, prosecution and reentry services.
- $120 million in victim assistance funding.
- $40.2 million to address retail theft and $5 million for the Commercial Security Tax Credit to help businesses owners offset retail theft costs.
- $40.8 million to reduce assaults with a focus on domestic violence.
- $35 million for the next round of the Securing Communities Against Hate Crimes program.

Health Care

- $35.5 billion for Medicaid, along with changes focused on the program’s long-term solvency.
- $7.5 billion in funding over the next three years ($6 billion federal, $1.5 billion state) through a Section 1115 waiver to support efforts to advance health equity, reduce health disparities, and strengthen access to primary and behavioral health care across the state.
- $315 million to provide health insurance subsidies for individuals up to 350 percent of the federal poverty line enrolled in Qualified Health Plans.

Mental Health

- Increases state investment in mental health system to $4.8 billion (compared to $3.3 billion in 2022), including funds for new inpatient psychiatric beds, youth mental health counseling, supportive housing for people needing mental health beds, mental health treatment reimbursement rate increases, new programs for unhoused individuals with mental illness, and helping people in the criminal justice system with mental health problems.

Education

- $35.3 billion in total school aid, a 2.4 percent annual increase.
- $10 million for evidence-based literacy instruction training.
- $1.2 billion for SUNY and CUNY capital projects.
• $207 million for SUNY and CUNY operations.

**Economic Development**

• $150 million in new capital grants and $75 million in new Excelsior tax credits to fund projects coordinated and planned by Regional Economic Development Councils.

• $100 million for another round of the Downtown Revitalization Initiative.

• $100 million for New York Forward to support the state’s rural communities.

• $58.5 million for tourism and advertising campaigns.

• Up to $275 million in state funding (along with $125 million in private funds) over multiple years to support the new Empire AI Initiative.

• Significant investments in additional statewide and regional economic development initiatives and capital projects.

**Climate Action**

• $435 million for resiliency projects to protect communities from severe floods.

• $160 million in NY SWIMS to address the disinvestment in swimming facilities and lifeguards in underserved communities and an additional $446 million to invest in state parks and pools.

• $47 million to plant over 25 million trees across New York by 2033.

**Housing**

• $500 million in capital funds dedicated to developing up to 15,000 housing units on state-owned property.

• Require that localities receive Pro-Housing Community certification to access up to $650 million in state discretionary funding

**Transportation**

• $100 million for the Pave our Potholes (POP) Program.

• $61 million to move forward with the planning of the Interborough Express ($45 million) and the Second Avenue Subway extension ($16 million).

**Migrant Crisis**

• Provides increased state support, totaling $2.4 billion, towards New York City’s efforts to manage migrant and asylum seeker crisis, including $500 million from state reserves intended for use during one-time emergencies.
On February 8, Oklahoma Governor Kevin Stitt released his recommended budget for fiscal 2025. The governor’s recommended budget totals $11.84 billion for fiscal 2025 which is an 8.7 percent decrease, or $1.1 billion, from fiscal 2024. Agency appropriations for fiscal 2025 are recommended at $10.76 billion which is a 5.2 percent decrease, or $586 million, from fiscal 2024. Total revenue for fiscal 2025 is projected at $13.87 billion with recurring revenues projected at $11.04 billion and one-time revenues projected at $2.83 billion. For fiscal 2025, the expenditure authority for the certified general revenue fund is projected at $8.3 billion, an increase of 10.3 percent over fiscal 2024 authorized expenditures. Total reserves and unspent cash at the end of fiscal 2025 are projected at $4.21 billion. This includes a Constitutional Reserve Fund (Rainy Day Fund) balance of $1.27 billion, a Revenue Stabilization Fund balance of $1.53 billion, and General Revenue Cash and Unspent Authorized funds of $1.41 billion.

**Proposed Budget Highlights**

The budget focuses on the four governor’s priorities of defending the taxpayer dollar, protecting Oklahomans, modernizing government, and promoting Oklahoma. Recommendations include the following:

**Recurring Revenue**

- Proposes reducing the individual income tax rate for the tax year beginning January 1, 2025, by 0.25 percent at a cost of $96.4 million in fiscal year 2025.

- Estimates a deposit into the Revenue Stabilization Fund of $80.6 million.

- Increases recurring revenue by $41.8 million based on historical past practice of sweeping funds from the Unclaimed Property Fund, Secretary of State Revolving Fund, and the Insurance Department Revolving Fund.

- Reflects sustained landmark investments in education.

- Reflects a full year impact of tax policies enacted during the 2023 legislative session including the Parental Choice Tax Credit, a tax credit for caregivers, elimination of the franchise tax, and elimination of the marriage penalty.

**Supplemental and One-time Proposals**

- Directs $1.0 billion in accumulated, unspent General Revenue Funds from prior years to the Revenue Stabilization Fund.

- Proposes authorizing $80.5 million from excess cash in the Education Reform Revolving Fund to fund the supplemental appropriation due to the shortage in the Ad Valorem Reimbursement Fund that goes to public schools.

**Proposed Budget Information**

Fiscal Year 2025 Budget Proposal

Revenue Forecast - December 2023
On February 6, Pennsylvania Governor Josh Shapiro proposed his budget for fiscal 2025. The proposal calls for total operating expenditures from all funds of $125.3 billion (a 6.1 percent increase compared to fiscal 2024). This includes $48.3 billion in general fund spending (an 8.4 percent increase compared to fiscal 2024). The budget is based on a beginning balance of $7.1 billion and forecasted general fund revenue of $46.3 billion after tax changes but before refunds (a 2.2 percent increase over revised estimates for fiscal 2024). After tax refunds, general fund revenue for fiscal 2025 is estimated at $44.8 billion.

After accounting for a transfer to the Budget Stabilization Reserve Fund (the state’s rainy day fund), the general fund ending balance is projected at $3.45 billion. With a rainy day fund balance projected at $7.55 billion, the state’s total ending balance in the governor’s budget for fiscal 2025 is estimated at $11.0 billion.

Proposed Budget Highlights

The governor’s spending plan for fiscal 2025 builds on last year’s budget by increasing funding for early childhood and K-12 education; restructuring the state’s higher education system; investing in economic and workforce development; supporting law enforcement and public safety; and strengthening access to housing, health care, and human services. Key spending initiatives in these areas are highlighted below.

Early Childhood and K-12 Education

- $1.1 billion increase in basic education funding, building on the historic increase adopted last year. This amount includes $872 million as a first-year adequacy investment recommended by the Basic Education Funding Commission (BEFC) and $200 million to be distributed through the Basic Education Funding Formula.
- $50 million increase in special education funding.
- $50 million continued annual investment in school safety and security improvements.
- $300 million in sustainable funding for environmental repairs in school facilities.
- $10 million for the Educator Talent Recruitment Account and $450,000 for the Talent Recruitment Office.
- $5 million increase ($15 million total) for student teacher stipends.
- $30 million additional funds for the Pre-K Counts program and $2.7 million for the Head Start Supplemental Assistance Program
- $17 million increase for Early Intervention services.

Higher Education

- Proposes a new governance system that unites Pennsylvania State System of Higher Education and Community Colleges, with $975 million in funding for this new system (a 15 percent annual increase).
- 5 percent increase in support for the Commonwealth’s state-related universities.
- Increased financial aid beginning in 2025-2026 so state residents making up to the median income will pay no more than $1,000 in tuition and fees per semester.

- Workforce Development
- $2.2 million increase in Industry Partnerships funding to support workforce development.
- $2 million to help businesses transition from degree requirements to skills-based hiring.
- $2 million to build a one-stop-shop for career pathways.
- $2 million for Career Connect to connect employers with talented workers.
- Proposes to increase the minimum wage from $7.25/hour to $15/hour.

Economic Development

- Supports the state’s first Economic Development Strategy in more than 20 years.
- $500 million in bond funding to fund on-site development for priority industries.
- $283 million in additional funds for mass transportation across the Commonwealth.
Summaries of Fiscal Year 2025 Proposed Budgets

- $20 million to incentivize the deployment of additional private venture capital to support large-scale innovation.
- $25 million to establish a new Main Street Matters program to improve local government capacity and support neighborhood revitalization.
- $18 million in additional funding for tourism and marketing.
- $10.3 million in agriculture innovation.
- Calls for the legalization of adult use cannabis, with $5 million investment in proceeds from sales for restorative justice initiatives.

**Housing**
- $50 million to continue the Whole Home Repairs program that provides direct assistance to homeowners.
- Increases the cap for the Pennsylvania Housing Affordability and Rehabilitation Enhancement Fund (PHARE) by $10 million each year for the next four years.

**Health & Human Services**
- $50 million for the state’s reinsurance program to help low- and middle-income residents afford health insurance.
- $4 million for medical debt relief for low-income residents.
- $215 million state ($266 million federal) to provide more resources for home and community-based service providers.
- $36 million to increase access to home and community-based services.
- $11.7 million for initiatives to support the state’s senior population.
- $100 million to continue student mental health services for K-12 schools previously supported with one-time federal funds.
- $20 million increase in community-based mental health services, with additional increases in subsequent years.
- $10 million for 988 crisis line operations.

**Public Safety & Corrections**
- $100 million increase in initiatives to reduce gun violence, including a new statewide Office of Gun Violence.
- $16 million for four additional state trooper cadet classes.
- $30 million increase for emergency medical services and firefighter funding.
- $5 million to ensure those facing eviction have access to legal counsel.
- $5 million to hire additional staff and reduce use of extended restrictive housing in correctional facilities.
- $4 million to implement changes made through recent probation reform and fund services that reduce recidivism and increase the use of evidence-based practices.

**Proposed Budget Information**
- Fiscal Year 2025 Proposed Budget
- Budget in Brief
- Governor’s Press Release
On January 18, Rhode Island Governor Dan McKee submitted a budget recommendation for fiscal 2025. The budget calls for all funds spending of $13.7 billion in fiscal 2025, including general fund spending of $5.5 billion. This represents an all funds spending decrease of 2.4 percent and a general fund spending increase of 1.4 percent compared to enacted fiscal 2024 levels. The decrease in spending from all funds is largely driven by a projected 12.6 percent reduction in federal fund expenditures, which are expected to total $4.9 billion in fiscal 2025. The governor’s budget is based on a general fund revenue estimate of $5.5 billion in fiscal 2025, reflecting 2.9 percent growth over the revised fiscal 2024 estimate. The fiscal 2025 estimate includes $21.1 million in recommended revenue actions. After a $170 million transfer to the state’s rainy day fund, the recommended budget projects a general fund ending balance of $0.9 million and a balance in the state’s rainy day fund of $283.6 million (about 5 percent of general fund spending, per the cap). The governor also recommends revisions to the fiscal 2024 enacted budget that would increase spending from all funds by $398 million, while reducing general fund spending by $46 million.

Proposed Budget Highlights

The governor’s “Team Rhode Island” budget invests in education, small businesses and the economy, and health care, while continuing to exercise fiscal discipline by using one-time resources for one-time purposes and closing a modest projected deficit without any broad-based tax increases. Highlights of the governor’s budget proposal include:

Education

- $19.2 million to increase state funding formula per-pupil aid, along with placing a cap on the per-pupil amount used to calculate state funding equal to the average inflation rate over the past five years to smooth year-over-year growth.

- Increasing additional per-pupil funding for multilingual learners from 15 percent to 25 percent.

- $15 million for coaching services for local education agencies with the most acute needs, professional development opportunities for teachers, and other funds to improve math and language arts outcomes.

- $0.8 million to transition 6,500 students from reduced-price school meal eligibility to free school meal eligibility.

- $3 million general revenue and $2 million in State Fiscal Recovery Funds for out-of-school programming (initiative previously funded with Governor’s Emergency Education Relief and State Fiscal Recovery Funds).

- $7.1 million increase to fund 700 new pre-K seats (35 classrooms).

Health and Human Services

- $20.4 million in general revenue to phase-in higher Medicaid reimbursement rates.

- $1.7 million general revenue to fully fund Early Intervention rate increase.

- $29.1 million general revenue for new Certified Community Behavioral Health Clinics.

- $90 million in general revenue for additional state payments to hospitals to increase parity between commercial health insurance and Medicaid rates.

- $0.4 million for a new permanent program to provide children with free school meals over the summer.

- $10 million in State Fiscal Recovery Funds to support nursing homes.

- $0.4 million for a vaping abatement initiative as well as a cigarette tax rate increase and a shift to taxing e-cigarettes like other tobacco products.

Small Businesses, Economy, & Raising Personal Income

- Increase taxable retirement income exemption, saving taxpayers $3.0 million in fiscal 2025 and $6.2 million in fiscal 2026.

- Reduce corporate minimum tax from $400 to $350.

- Eliminate various nuisance fees.

- $1.4 million increase for tourism and business travel advertising.

- $0.5 million to increase efforts to register minority and women business enterprises.
$1 million in grants to local governments and agencies to revitalize main streets and business districts.

General Obligation Bonds

$345.0 million in general obligation bond ballot questions recommended, including:

- $135 million for two higher education facilities.
- $100 million to increase affordable and middle-income housing production.
- $60 million for a new state archive and history center.
- $50 million for several environmental infrastructure projects, including port improvements, financial assistance to municipalities for resiliency improvements, improvements to Newport Cliff Walk, and a variety of matching grant programs.
On January 5, South Carolina Governor Henry McMaster proposed a fiscal 2025 budget that recommends $40.0 billion in all funds, an increase of $1.1 billion, or 2.9 percent, over fiscal 2024. The general funds portion of the budget totals $12.3 billion, an increase of $636.6 million, or 5.5 percent, over fiscal 2024. The governor’s budget assumes net general fund revenues of $12.3 billion, an increase of 5.5 percent over fiscal 2024. The budget provides $54.3 million in non-recurring funds to increase the state’s rainy day fund to $1.2 billion, which is 10 percent of the general funds available in the General Appropriations Act, and is the largest rainy day fund in state history. In tax policy changes, 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 $39.5 million in tax relief. The budget also includes $99.8 million to decrease the individual income tax rate to 6.3 percent for tax year 2024 after meeting the statutory threshold for revenue growth, automatically triggering the tax reduction.

**Proposed Budget Highlights**

The governor’s budget for fiscal 2025 provides tax relief and makes targeted investments in education, economic development, public safety, veterans, and health and social services, setting the stage for continued economic success in South Carolina.

**Education**

- $250.0 million recurring funds to increase the State Aid to Classrooms formula to fund student enrollment growth and increase the minimum starting teacher salary from $42,500 to $45,000.
- $30.0 million non-recurring funds for the Education Scholarship Trust Fund, which provides scholarships of up to $6,000 to eligible students for qualifying expenses to attend a public or private school of their choice.
- $21.1 million recurring Education Improvement Act funds for increased enrollment in the full-day 4K program.
- $13.4 million recurring funds to add 175 school resource officers, ensuring funding for a certified law enforcement officer in every school.
- $285.7 million investment in undergraduate lottery scholarship programs.
- $80.0 million in lottery funds for need-based grants to provide tuition assistance for every eligible student.
- $49.8 million in recurring funds to public institutions of higher education to mitigate a fifth consecutive year of tuition freezes.

**Public Safety and Law Enforcement**

- $15.0 million non-recurring and $8.0 million recurring funds to support the Department of Corrections’ cell phone interdiction initiative.
- $17.8 million in new recurring funds for compensation to recruit and retain law enforcement officers across multiple state agencies.
- $1.0 million non-recurring and $879,300 recurring funds to expand the state’s cybersecurity capabilities.

**Health Care and Human Services**

- $44.7 million recurring funds to maintain patient access to doctors and medical professionals and $13.8 million recurring funds to maintain patient access to behavioral health professionals by increasing provider reimbursement rates.
- $36.1 million recurring funds for Medicaid maintenance of effort.
- $5.0 million recurring funds for retention and recruitment of critical nursing professionals.
- $10.0 million non-recurring funds to support a pilot project to reduce homelessness through a public-private partnership to provide a comprehensive resource center and services.
- $14.4 million recurring funds to increase provider rates and enhance placement stability for children and youth through the Department of Social Services.
- $5.0 million non-recurring funds to support working families childcare scholarships.
Economic Development
- $95.0 million lottery funds to support South Carolina Workforce Industry Needs Scholarships (SC WINS).
- $55.0 million non-recurring funds to invest in land acquisition for future economic development for the State Ports Authority.
- $50.0 million non-recurring funds to support electric vehicle training institutes at technical college campuses.
- $50.0 million non-recurring funds to expand commercial airports.
- $30.0 million surplus lottery funds for high-demand job skill training equipment.

Veterans and Military Communities
- $49.0 million non-recurring funds for capital improvements to veterans nursing homes.
- $25.5 million recurring funds to support the operations of four existing veterans nursing homes and the fifth facility under construction.
- $6.3 million non-recurring funds to expand the State Emergency Operations Center, which includes expansion of the SC National Guard’s Joint Operations Center.

Conservation and the Environment
- $33.0 million to invest in the preservation and conservation of culturally and environmentally significant habitats.
- $10.0 million non-recurring funds to support the Disaster Relief and Resilience Reserve Fund.
- $13.0 million non-recurring funds to support new state park development ($5.0 million), existing park renovations ($5.0 million), and park revitalization grants ($3.0 million).

State Employees and Governance
- $44.0 million recurring funds to support retention and recruitment initiatives for critical agency personnel across all state agencies.
- $107.6 million recurring funds for the state health plan and to ensure no employee premium increase for the twelfth consecutive year.
- Proviso language to close enrollment in the South Carolina Retirement System to new members after December 31, 2024, and instead have them join the State Optional Retirement Program to help address the state’s unfunded pension liabilities.
South Dakota Governor Kristi Noem released her fiscal 2025 budget proposal on December 5. The recommended budget calls for $7.3 billion in total spending, a 1.3 percent decrease from fiscal 2024’s budgeted amount. General fund spending is recommended at $2.4 billion, a 5.0 percent increase from the budgeted amount for fiscal 2024. Total fiscal 2025 general fund increases are $114.7 million, with the largest increases going towards social services ($27.5 million), state aid ($24.8 million), human services ($22.2 million), employee compensation ($22.0 million), corrections ($5.1 million), and the military ($3.3 million). General fund ongoing receipts are estimated at $2.4 billion in fiscal 2025, a 2.5 percent decline from fiscal 2024’s revised level. The total estimated reserve balance is $239.9 million, or 10.0 percent of fiscal 2025 general fund appropriations.

**Proposed Budget Highlights**

The governor’s budget recommendation maintains a structurally balanced budget while making investments in key areas that focus on ensuring a safer, stronger, and healthier South Dakota. The recommendation provides for a 4.0 percent increase for state aid to general education, the state’s technical colleges, reimbursement rates for health and human service providers, and salary increases for state employees. Highlights of the budget proposal include:

**Education**

- Recommends a 4.0 percent increase for state aid to education, special education, and state technical colleges.

- Proposes $6.0 million in one-time funding for implementing the Science of Reading evidence-based approach to reading instruction.

- Funds the expansion of the Jobs for America’s Graduates program.

- Includes $4.8 million in one-time general funds to support equipment priorities at South Dakota’s four technical colleges.

- Invests $1.8 million in general funds for an ongoing increase for technical colleges.

- Directs $0.5 million in general funds for the Dual Credit program.

**Healthcare**

- Directs $11.1 million in general funds for provider inflation of 4.0 percent.

- Calls for $18.3 million in general funds to be dedicated to buy-down the cost of Medicaid expansion once the 5 percent enhanced FMAP ends.

**Infrastructure**

- Directs $120.6 million in local water/wastewater investments with remaining federal ARPA funds.

- Includes $11.7 million in one-time general funds and $10.7 million in one-time federal fund expenditure authority to complete repairs on three key dams across the state.

- Recommends $7.0 million in general funds to support the Information Technology (IT) Modernization Fund.

**Public Safety**

- Recommends $2.4 million in federal State Fiscal Recovery Funds and $20.9 million in general funds to complete the Rapid City Women’s Prison.

- Calls for $10.0 million in federal ARPA funds, $132.5 million in one-time general funds, and a transfer of $95.7 million from reserves to be set aside for future construction of a men’s prison near Sioux Falls.

- Includes $2.4 million in ongoing general funds to assist counties with the cost of providing certain criminal justice services and $1.0 million in general funds to increase the incentive payment for juvenile diversion opportunities.

- Proposes the creation of the Office of Indigent Legal Services to ensure that all citizens have access to legal counsel.

**Workforce**

- Recommends a 4.0 percent market adjustment for state employees.

**Other**

- Includes $6.0 million in general funds for a new Center for Quantum Information Science and Technology.
Debt Avoidance

- Calls for additional saving to relieve debt accrued from the state’s correctional system infrastructure.
- Saves over $600 million in interest and fees.
- Avoids $50 million in annual debt service payments.

Proposed Budget Information

- Fiscal Year 2025 Budget Proposal
- Summary Book
- Total Recommended Budget
- Budget Adjustments
- Budget Address
- Budget Address Slides
- Supplemental Slides
- Employee Compensation
- Governor’s Press Release
On February 5, Governor Bill Lee proposed a fiscal 2025 total budget of $52.6 billion, a decrease of 15.8 percent, or $9.9 billion, compared to the revised fiscal 2024 level. This lower total budget is a result of one-time state funds and expiring federal funds discontinuing after the current year. State funds total $25.4 billion, a decrease of 20.6 percent, and general fund appropriations total $22.0 billion, a decrease of 19.0 percent. Recurring state general tax revenues are estimated at $19.2 billion in fiscal 2025, an increase of 0.5 percent, or $95.4 million, over revised fiscal 2024. The proposed budget includes a deposit of $20.0 million to the rainy day fund bringing the total to $2.1 billion at the end of fiscal 2025.

Proposed Budget Highlights

The governor’s proposed budget includes strategic funding to ensure economic and educational opportunity, protect state voices, preserve natural resources, strengthen families, and more. The budget also addresses challenges and makes key investments using available resources without utilizing reserves or reducing the base budget.

Tax Relief and Business Development

- Proposes legislation to repeal a portion of the franchise tax, forecasted to reduce tax collections by an estimated $410.0 million recurring in fiscal 2025.
- $35.8 million non-recurring in grants and services to assist rural communities and distressed counties.

Education

- Proposes legislation to establish a statewide school choice program, the Education Freedom Scholarship Act, which will fund 20,000 scholarships. A recurring $144.2 million is recommended to fund the legislation.
- $261.3 million recurring state funding for a cost increase for the K-12 public education funding formula. This accounts for salary increases; group health insurance premiums; retirement contributions for local education employees; and the base, weights, direct funding, and outcomes.
- $30.7 million recurring for summer learning programs to support students between school years.
- $3.2 million recurring to expand access to Advanced Placement courses and $2.5 million recurring for a universal reading screener, replacing federal funding.
- $15.0 million non-recurring for the charter school facilities fund.
- $2.0 million recurring from the K-12 education mental health trust fund and $6.0 million recurring state appropriation to increase the number of school-based behavioral health liaisons.

Health and Social Services

- Utilize savings under the current TennCare Medicaid demonstration waiver to fund investments in rural health care, behavioral health supports, and value-based payments over five years.
  - Rural Health: $6.4 million for health care apprenticeships, $5.4 million for health care training, $15.8 million for health care career pathways, $1.1 million for rural specialty care, and $50.0 million for health care resiliency.
  - Behavioral Health: $7.0 million for community mental health center quality payments, $1.0 million for community mental health center workforce development, $15.0 million for behavioral health hospitals, $2.0 million for substance use disorder treatment, and $10.0 million for children’s hospital infrastructure grants.
  - Value-Based Payments: $2.0 million for TennCare to continue its development of value-based incentive opportunities for providers.
- $273.7 million ($254.5 recurring and $19.2 million non-recurring) in state appropriations for TennCare.
- $6.8 million recurring state funding for rate increases in foster care, adoption assistance, guardianship programs, and private provider residential case management.
- $26.1 million recurring for provider rate increases across TennCare, children’s services, intellectual and development disabilities, and mental health and substance abuse services.
• $18.1 million non-recurring to continue a pilot program addressing unmet dental service needs.

Public Safety
• $17.4 million to add 60 new highway patrol troopers, supervisor, and support staff positions.

Outdoor Heritage
• $25.0 million to establish the Farmland Conservation Fund, partnering with farmers to place a conservation easement on their land to preserve it for future generations.

• $20.0 million to expand blueway trail access and $20.0 million to improve water quality at rivers, lakes, and streams across the state.

• $63.0 million to create four new state parks, with the goal of funding a total of eight new state parks by the end of the current gubernatorial term.

State Employee Investments
• $49.0 million to fund a 3.0 percent increase pool for Pay for Performance in executive branch agencies.

• $15.1 million for salary increases for state employees not covered by the TEAM Act.

• $5.5 million recurring for changes to state employee benefits.

• $15.7 million to pay salary increases mandated by state law for certain job classifications including state judges, the Attorney General, assistant district attorneys, and public defenders.
On December 5, Utah Governor Spencer Cox submitted a budget proposal for fiscal 2025. The total operating and capital budget calls for $29.5 billion in spending from all funds, which represents a 0.3 percent decrease compared to authorized fiscal 2024 levels. The governor recommended $12.6 billion in general fund, income tax fund, and uniform school fund (GF/ITF/USF) spending in fiscal 2025, including $11.6 billion of ongoing funding, a 4.0 percent increase from GF/ITF/USF ongoing spending authorized for fiscal 2024. The governor also recommends $1.1 billion in one-time GF/ITF/USF spending for fiscal 2025. The budget is based on a consensus GF/ITF revenue forecast of $11.6 billion; this represents a 3.1 percent increase over the fiscal 2024 authorized revenue forecast and a 2.2 percent increase compared to the revised consensus estimate for fiscal 2024. The state’s major rainy day funds have balances of $1.4 billion at the end of fiscal year 2023. In tax policy, the budget includes $4.7 million to expand the existing child tax credit to cover children through age five.

**Proposed Budget Highlights**

The governor’s budget invests in the elements that make Utah an exceptional place to live. The proposal strengthens and supports families, recognizes the need to provide more opportunities and pathways to homeownership, prioritizes continued stewardship of natural resources, and maximizes taxpayer dollars and proactively takes action to mitigate high-risk areas to the state.

**Housing and Homelessness**

- $150.0 million investment towards the goal of creating 35,000 new starter homes by 2028.
  - $50.0 million increase for the First-Time Homebuyer Assistance Program, which provides downpayment assistance, interest rate buy-downs, and closing costs.
  - $75.0 million for the State Infrastructure Bank to provide low-interest loans for publicly owned infrastructure that supports housing.
  - $5.0 million for the Starter Home Innovation Fund.
  - $15.0 million to support and expand sweat equity programs for housing.
- $25.0 million one-time to the Deeply Affordable Housing Grants Program to incentivize construction and $5.0 million ongoing to support services offered by the Deeply Affordable Stabilization Grant.
- $10.0 million ongoing and $90.0 million one-time to be spent over three years for emergency shelter homeless services.
- $25.0 million one-time to develop new low-barrier emergency shelters and $2.5 million ongoing for the Homeless Shelter Cities Mitigation Account.
- In behavioral health, $3.3 million one-time over three years for students at all levels of behavioral health training and $2.9 million ongoing for a rural receiving center and two additional mobile crisis outreach teams.
- $10.2 million ongoing and $185.3 million one-time for housing options tailored to different income levels and levels of need to help prevent homelessness.
- $641,000 ongoing and $10.0 million one-time to establish a HOME Court diversion pilot program, including support services, for individuals with mental illness.

**Education and Workforce**

- $854.6 million in new appropriations for public education ($413.9 million new revenue) that will better support rural students, strengthen the teaching profession, and keep schools safe.
  - $34.0 million for rural schools ($32.7 million ongoing and $1.2 million one-time).
  - $111.0 million for teachers, including a pilot project to pay student teachers and $90.0 million one-time for paid preparation time.
  - $211.7 million ongoing to support a five percent increase in the Weighted Pupil Unit (WPU).
  - $200.0 million one-time for an Innovation Grant Fund to expand effective and innovative programs at the local level.
• $130.7 million ($111.5 million ongoing) from new revenue and $37.7 million from previously set-aside funding ($6.3 million ongoing) to support the state’s higher education system.
  ° Includes $30.0 million ongoing in performance-based funding and $11.9 million ongoing for workforce initiatives.

• $2.9 million ongoing to add hundreds of new openings in mental and behavioral health degree programs, intended to expand the number of mental health professionals in the state.

• $6.7 million ongoing to support growth in technical education and an additional $2.0 million ongoing to increase apprenticeship opportunities.

People
• $5.0 million to expand child care services through a public-private partnership.

• $1.0 million to employ evidence-based, child-focused methods to connect youth aging out of foster care with permanent families.

• $1.0 million ongoing to staff local victim service providers and shelters and $1.7 million one-time for resources for individuals staying in shelters.

• $49.1 million to increase access to mental and behavioral health care and enhance shelter quality for children and youth in state custody.

• $7.3 million increase to providers who help aging adult recipients stay in their homes.

Water Conservation and Protection
• $20.0 million one-time to the Great Salt Lake Account to support lake preservation efforts.

• $1.75 million one-time to fund water use education for consumers and train communities on water-wise land use practices.

• $20.0 million one-time to upgrade aqueducts for earthquake resiliency and $5.0 million one-time to upgrade the safety of dams.

• $22.5 million one-time for landscape-scale watershed restoration and fuels reduction efforts.

Good Government
• $5.5 million to improve customer service and $12.7 million to enhance efficiency and innovation.

• $173.3 million for emergency preparedness and response.

• $18.9 million to address staffing and safety needs at the Utah State Correctional Facility.

• $15.0 million one-time to pay for overtime expenses at the Department of Corrections, freeing up ongoing funds to hire additional staff and facilitate an end to mandatory overtime.

• $156.7 million ongoing and $6.7 million one-time for state employee compensation.

• Recommends transitioning all career-service positions to at-will positions, intending for current employees to retain their career-service status, where applicable, unless they move into exempt positions.

Proposed Budget Information
Fiscal Year 2025 Budget Proposal
Governor’s Press Release
VERMONT

On January 23, Vermont Governor Phil Scott released his proposed budget for fiscal 2025, calling for total spending from all funds of $8.58 billion, a 1.2 percent decrease from recommended fiscal 2024 levels. General fund appropriations are recommended at $2.18 billion before transfers, a 9.6 percent reduction compared to recommended adjusted spending levels for fiscal 2024. Base general fund spending, excluding one-time changes and transfers, are recommended to increase 3.6 percent in fiscal 2025. The budget is based on forecasted base general fund revenue of $2.11 billion, or $2.22 billion after direct applications, reversions, transfers, and policy changes. Total general fund resources, including the prior-year carryforward balance, amount to $2.28 billion. The budget also recommends education fund appropriations totaling $2.35 billion. The budget projects an operating surplus of $101 million; of that amount, $81 million would be allocated to a series of funds (mostly the General Obligation Debt Service Fund) and $20 million would be designated for reserve deposits, leaving no unallocated general fund ending balance. Total general fund reserves are projected at $312 million in fiscal 2025, or about 14.3 percent as a share of recommended general fund appropriations.

Proposed Budget Highlights

The governor’s fiscal 2025 budget invests in key priorities including health care affordability, safe communities, housing, helping the most vulnerable, building resiliency, higher education, and good government, particularly as enhanced federal funds wind down and revenues return to a more normal growth rate. Key fiscal 2025 budget initiatives in these areas include:

**Health Care Affordability**
- $4.2 million general fund ($9.9 million Global Commitment funds) to skilled nursing facilities to reduce reliance on emergency financial relief and stabilize reimbursement rates.
- $3.9 million general fund ($9.3 million Global Commitment funds) to continue moving away from “fee for service” models and adopt a national health care reform model (AHEAD).

**Safe Communities**
- $4.9 million in opioid settlement funds for a variety of uses, including criminal justice reform, transitional housing services, and school-based prevention services.
- $1 million to start up a psychiatric youth inpatient facility.
- $1.7 million to bolster mental health workforce in state police barracks.

**Housing**
- Lifts the cap on Downtown and Village Center tax credits ($2 million revenue impact).
- $6 million for the Vermont Housing Improvement Program.
- $2 million for the Manufactured Home Improvement and Repair Program.
- Property transfer tax exemption for purchasers of blighted properties ($400,000 revenue impact).

**Helping the Most Vulnerable**
- $16.5 million (and $8.2 million as an adjustment for fiscal 2024) to supplement base funding for the General Assistance emergency housing program.
- $320,408 general fund to launch a Permanent Supportive Housing pilot.
- $7.2 million (and $4 million as a fiscal 2024 adjustment) to expand shelter bed capacity.
- $800,000 state matching funds to support technology and program enhancements for the federal summer EBT meals program for school-aged children.
- $150,000 general fund to establish a drug repository program.
- $4 million to expand the Healthy Homes Initiative to help low-income residents with failed or inadequate wastewater and drinking water systems.
Building Resiliency

- $12.5 million to assist municipalities with state match requirements for FEMA assistance with flood hazard mitigation measures.
- $1 million for Unsafe Dam Revolving Loan Fund.
- $500,000 in state matching funds for federal assistance with flood measures from the U.S. Army Corps of Engineers.

Higher Education

- $5 million to help Vermont State University with operational expenses as they transition to a unified higher education institution.
- $1 million for Vermont Tuition Advantage Program, which reduces community college tuition for certain programs.
- $121,700 general fund ($289,000 Global Commitment funds) to increase support for the Vermont Nursing Forgivable Loan Incentive Program.

Good Government

- $30 million (as a fiscal 2024 budget adjustment) towards an anticipated $60 million state match for FEMA flood recovery public assistance.
- $6 million (as a fiscal 2024 budget adjustment) and $5 million in fiscal 2025 to help municipalities with state match requirements for FEMA flood recovery public assistance.
- $3.3 million to close deficits in three special funds.
On December 20, Virginia Governor Glenn Youngkin released a biennial budget that proposes all funds operating spending of $87.3 billion in fiscal 2025 and $87.7 billion in fiscal 2026. General fund operating spending would total $31.3 billion in fiscal 2025, an increase of 2.0 percent over fiscal 2024, and $30.7 billion in fiscal 2026, a decrease of 1.9 percent from fiscal 2025. After accounting for proposed tax policy changes, the general fund revenue forecast estimates revenues of $28.1 billion in fiscal 2025, an increase of 1.4 percent from fiscal 2024, and $29.6 billion in fiscal 2026, an increase of 5.4 percent over fiscal 2025. When transfers and balances are added in, total general fund resources are forecast at $32.2 billion in fiscal 2025 and $30.7 billion in fiscal 2026. The budget assumes an unexpended balance of $8.7 million at the close of the biennium. The combined balance of the Revenue Stabilization and Revenue Reserve Funds is projected to be in excess of 15 percent of general fund revenues in fiscal 2025 and fiscal 2026. The governor’s proposed budget contains multiple tax policy proposals that provide tax relief and reduce revenues by $1.0 billion over the biennium.

Proposed Budget Highlights

The governor’s proposed “Unleashing Opportunity” biennial budget modernizes the tax code and bolsters investments in job growth, workforce development, behavioral and mental health support, safe communities, and good governance. The proposal also includes the largest education budget in the history of Virginia.

Tax Reform

- Reduces individual income tax rates by 12 percent across all tax brackets (reduces revenues by $1.1 billion in fiscal 2025 and $2.3 billion in fiscal 2026).
- Increases the statewide sales tax rate from 4.3 percent to 5.2 percent (increases revenues by $520.1 million in fiscal 2025 and $1.3 billion in fiscal 2026).
- Expands the sales tax base to include “new economy” products including streaming products and digital downloads (increases revenues by $203.4 million in fiscal 2025 and $510.7 million in fiscal 2026).
- Increases the Earned Income Tax Credit (EITC) from 20 percent to 25 percent of the federal credit (decreases revenues by $29.0 million in fiscal 2026).
- Doubles the dealer discount (decreases revenues by $10.1 million in fiscal 2025 and $25.2 million in fiscal 2026).
- Increases the annual cap on the Education Improvement Scholarships Tax Credits Program (decreases revenues by $5.0 million each year).

Education

- $72.6 million in fiscal 2025 and $87.9 million in fiscal 2026 to rebenchmark the cost of direct aid to public education.
- $53.0 million in fiscal 2025 for a one percent bonus and $122.8 million in fiscal 2026 for a two percent compensation supplement for instructional and support positions.
- $20.0 million in each year to support attainment of industry recognized credentials through creation of the Diploma Plus program.
- $30.5 million in fiscal 2025 and $30.7 million in fiscal 2026 for reading specialists.
- $30.0 million in each year for Lab Schools to help the operating costs of new and innovative schools throughout the commonwealth.

Workforce and Economic Development

- $100.0 million in fiscal 2025 to establish the Virginia Biotechnology, Life Sciences, and Pharmaceutical Manufacturing Network and grow high-wage, high-tech jobs.
- $200.0 million over the biennium for the Virginia Business Ready Sites Fund and $25.0 million in fiscal 2025 for the Virginia Business Ready Sites Acquisition Fund.
- $3.9 million in each year to the community college system to establish regional career placement centers.
- $4.0 million in each year to continue support for the Earn to Learn Nursing Education Acceleration Program.
Health and Human Services

- $175.1 million in fiscal 2025 and $538.9 million in fiscal 2026 to fund Medicaid utilization and inflation.
- $174.3 million in fiscal 2025 and $237.8 million in fiscal 2026 to continue the Child Care Subsidy Program after federal funding expires.
- $25.0 million in fiscal 2025 to establish an early learning capital incentive program.
- $50.0 million in fiscal 2025 and $100.2 million in fiscal 2026 to add developmental disability waiver slots.
- $33.0 million in fiscal 2025 and $2.6 million in fiscal 2026 to fund additional behavioral health crisis services and $10.0 million in fiscal 2025 to fund mobile crisis teams.
- $10.2 million in each year to support student access to mental health services.

Public Safety

- $118.6 million over the biennium in assumed savings from the closure of four correctional facilities.
- $24.5 million in fiscal 2025 and $18.4 million in fiscal 2026 to transition a correctional facility to state management.
- $9.5 million in each year to fund a career progression program for correctional officers.
- $18.0 million in fiscal 2025 to establish a law enforcement recruitment and wellness program.
- $2.4 million in fiscal 2025 and $4.8 million in fiscal 2026 to provide additional funding for the Victim-Witness Grant Program.

Agriculture and Natural Resources

- $138.1 million in fiscal 2025 for the agricultural cost share and nonpoint source pollution programs.
- $100.0 million in fiscal 2025 to increase funding for the Virginia Community Flood Preparedness Fund.
- $25.0 million in fiscal 2025 to provide additional funding for the Resilient Virginia Revolving Loan Fund.

Governance

- $54.2 million in fiscal 2025 and $54.8 million in fiscal 2026 to provide one percent bonus payments to state employees and state-supported local employees.
- Provides $59.6 million in fiscal 2026 for a one percent salary increase for state and state-supported local employees.
- $150.0 million in fiscal 2025 to upgrade, replace and modernize critical technology systems across state agencies.

Proposed Budget Information

- Fiscal Years 2025-2026 Budget Proposal
- Budget Director’s Presentation
- Finance Secretary’s Presentation
- Governor’s Press Release
- House Appropriations Committee Overview
- Revenue Forecast
During the 2023 legislative session, Washington enacted a biennial budget for fiscal 2024 and fiscal 2025. On December 13, Washington Governor Jay Inslee released a supplemental budget proposal for the current biennium. Total budgeted funds in the governor’s supplemental operating and transportation budgets for the biennium are $154.4 billion. The supplemental omnibus operating budget calls for $71.8 billion in near general fund spending (including the General Fund-State, Education Legacy Trust Account, WA Opportunity Pathways Account, and Workforce Education Investment Account), or $70.9 billion after assumed reversions, over the biennium. The budget is based on the state’s November 2023 revenue forecast, which projects $66.9 billion in near general fund revenue for the biennium, including $34.0 billion in fiscal 2025, a 3.6 percent annual increase over the forecasted amount for fiscal 2024. Total resources for the biennium, including the beginning fund balance and after transfers, are estimated at $73.7 billion. The budget projects a near general fund ending balance of $2.8 billion at the end of fiscal 2025, as well as a $1.3 billion balance in the state’s rainy day fund (the Budget Stabilization Account), for a total balance of $4.1 billion.

**Proposed Budget Highlights**

The governor’s supplemental budget for fiscal 2024 and fiscal 2025 calls for continued state investments in key areas including housing and homelessness, behavioral health, addressing the fentanyl and opioid crisis, climate change and K-12 education. The supplemental is based on upward revisions to the state’s revenue forecast since the original budget was adopted in 2023 and responds to rising costs for ongoing services and increased caseloads. Highlights in the governor’s supplemental budget proposal include:

**Housing and Homelessness**
- $100 million in capital budget bonds to continue supporting the Rapid Capital Housing Acquisition (RCHA) fund
- $24 million in operating support for local housing programs, Landlord Mitigation and Tenant Preservation programs, and other efforts
- $10 million for Rights of Way Initiative to support Department of Transportation’s efforts to clear encampment sites

**Behavioral Health**
- Adds $464 million to the current $1 billion biennial budget for a variety of initiatives, including $188 million for new beds in state-run facilities $113 million for reimbursement rate increases for community-based facilities

**Fentanyl and Opioid Crisis**
- Adds $64 million to the current $200 million budgeted for prevention and treatment strategies, with $9.5 million to tribal communities and $2.7 million to support multijurisdictional drug taskforces to backfill the Byrne Justice Assistance Grant program

**Climate Change**
- Proposes $941 million in new climate and clean energy investments, including $900 million supported by projected revenues generated by the Climate Commitment Act (CCA). Some of the largest CCA investments include:
  - $150 million for a one-time $200 utility bill credit for low- and moderate-income residential electricity customers
  - $110 million for a Clean Communities program aimed at supporting local sustainability projects in low-income and other communities hit hardest by pollution
  - $100 million to install heat pumps and retrofit affordable multifamily buildings
  - $136.5 million for Green Jobs and Infrastructure Catalytic Funds, including $84 million to match federal grants
  - $72 million to transition state universities away from fossil fuels and improve energy efficiency

**K-12 Education**
- $64 million for an 11 percent wage increase for paraeducators
- $17 million in additional special education funding for school districts
Other Key Initiatives

- $150 million to further support removal of fish passage barriers on state roadways
- $31 million to restore budgeted vacancy savings for state troopers
- $10 million for grants to local governments for law enforcement recruitment and retention efforts
On January 10, West Virginia Governor Jim Justice released a budget for fiscal 2025 that proposes spending $5.22 billion in general revenue funds. This is an increase of 7.1 percent over the fiscal 2024 enacted level of $4.87 billion. The all funds budget totals $38.5 billion, a decrease of 8.9 percent compared to the budgeted fiscal 2024 total. The general revenue fund estimate for fiscal 2025 is $5.26 billion, an increase of 7.8 percent compared to fiscal 2024. As of December 31, 2023, the balance in the Rainy Day Fund – Part A was $678.9 million (10.4 percent of fiscal 2024 appropriations to date) and the balance in the Rainy Day Fund – Part B was $521.8 million (8.0 percent of fiscal year 2024 appropriations to date). The estimated unappropriated general revenue fund balance at the close of fiscal 2025 is projected to be $43.4 million. From the appropriated funding sources, the largest categories of spending are human services (34.4 percent), education (22.6 percent), transportation (10.6 percent), homeland security (3.6 percent), and higher education (3.1 percent).

Proposed Budget Highlights

The fiscal 2025 proposed budget marks the sixth year of an essentially flat budget. The governor’s priorities, many outlined in his State of the State address, include creating jobs, enhancing schools, and lifting communities.

Tax Changes
- The budget includes $49.7 million in tax cuts, including exclusion of all Social Security benefits from the state income tax, creation of a child and dependent-care tax credit, and expansion of the senior citizen homestead tax credit.

Investing in Employees and Government
- $123.0 million for across-the-board state employee pay raises of five percent.
- $100.0 million to match federal funds for earmarks and for costs of floods not eligible for FEMA benefits.
- $42.0 million for the Public Employees Insurance Agency.

Health and Human Services
- $50.0 million for contract nursing services at state facilities.
- $21.0 million for Medicaid administrative costs.
- $4.6 million for the Office of the Chief Medical Examiner.

Budgetary Adjustments
- $30.0 million for tourism.
- $21.0 million for the Division of Corrections and Rehabilitation.
- Supplemental appropriations, utilizing carryover funds from previous years:
  - $200.0 million for the School Building Authority.
  - $53.0 million for state mental health facilities.
  - $30.0 million for the Nursing Workforce Expansion Program.
  - $10.0 million for the Posey Perry Emergency Food Fund.
  - $5.0 million for charter school seed funding.

State of the State Speech Initiatives
- $20.0 million for senior centers.
- $15.0 million for state parks.
- $10.0 million for the EMS Answer the Call program.
- $2.0 million for state veterans homes.
- $1.6 million additional funding for dual enrollment programs.

Potential Items Contingent on a Fiscal 2025 Surplus
- $100.0 million for rural hospitals.
- $50.0 million for an agricultural laboratory on the campus of West Virginia State University.
$40.6 million for the Department of Human Services.

$5.0 million for the Military Ascend program to recruit veterans and military service members and their families to move to the state.

$1.0 million to establish a state military hall of fame.
On November 17, Wyoming Governor Mark Gordon submitted a biennial budget for fiscal 2025 and fiscal 2026. The budget calls for $9.9 billion in spending from all funds over the next biennium; this includes $2.89 billion from the general fund (GF)/budget reserve account (BRA), $2.06 billion from federal funds, and $5.0 billion from other funds. The spending plan is based on ongoing general fund revenues estimated at $3.1 billion and ongoing BRA revenues estimated at $773 million. Total GF/BRA resources are estimated at $4.0 billion when combined with the BRA carryover and prior-year surplus, reversions and other one-time funds. The budget holds a $153 million Statutory Reserve (5 percent of general fund revenue) in the BRA and transfers the remaining GF/BRA ending balance of $49 million to the Legislative Stabilization Reserve Account (LSRA), the state’s rainy day fund, which has a projected balance of $1.6 billion at the end of the next biennium after the transfer. The budget calls for $2.6 billion in spending from the School Foundation Program, leaving an ending balance of $601 million. Additionally, the budget proposes spending $459 million from the Strategic Investment and Projects Account (SIPA). The aforementioned recommends $530 million to permanent savings.

Proposed Budget Highlights

The governor’s budget proposal focuses on making investments in strategic savings, replacing American Rescue Plan Act (ARPA) revenue funds with general funds, addressing inflation, protecting state interests, supporting the energy industry, and addressing other urgent matters the state is facing. Key budget highlights include:

**Strategic Savings**

- Adds $265 million to the Permanent Mineral Trust Fund.
- Increases the rainy day fund to $1.6 billion.
- Directs $265 million to the Common School Permanent Land Fund.
- Leaves more than $48.9 million available for legislators to consider for savings and investments.

**ARPA Revenue Replacement**

- Utilizes $324 million of general funds to replace ARPA federal funds that were used as revenue replacement last biennium.

**Inflation**

- Directs $20 million to the Department of Revenue to expand the property tax refund program to provide additional targeted relief to Wyoming homeowners.

**Protecting State Interests**

- Allocates $3.4 million to the Department of Environmental Quality to:
  - Support industries navigating new rules.
  - Support the agency’s efforts to write and implement changes to regulations that best reflect the state’s position and circumstances.
- Directs $695,000 to the Office of Consumer Advocate to represent citizens in cases before the Public Service Commission.
- Proposes $4.6 million for the maintenance of critical infrastructure in agency budgets. Excluding State Capital Construction and School Capital Construction.

**Energy and Water**

- Proposes extending the Governor’s Energy Matching fund program.
- Proposes $25 million in matching funds for the State Revolving fund for clean and drinking water projects.

**Economic and Workforce Development**

- Allocates funds for workforce development including:
  - $8.2 million to the Workforce Development Training Fund to provide on-site training for Wyoming’s workers and businesses.
  - $5.3 million to continue to support tuition payments, training costs, and support services to maintain a high employment rate.
  - $5.1 million to support vocational rehabilitation training for citizens with disabilities.
- Directs $30 million into the Wyoming Innovation Partnership to facilitate operations and meet organizational goals.
- Invests $38 million in the Business Ready Communities grant to respond to lack of housing.
Natural Resource Protection

- Requests $20 million in general funds to support treatment of invasive annual grasses on private and state land.

- Reallocates approximately $15.7 million in funding for the Engineer’s Board of Control toward general funding to restore Water Development Account I dollars over the next ten years.

Mental Health

- Maintains funding for community mental health centers.

- Supports the increase of funding to youth providers.

- Supports efforts to expand the 988 suicide prevention hotline capacities to add text and chat services.

Proposed Budget Information

- Fiscal Years 2025-2026 Budget Proposal
- Governor’s Press Release
- Revenue Forecast (October 2023)