

# STATE EXPENDITURE REPORT

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$19,026	\$2,595	\$3,764	\$2,384	\$27,769	\$16,980	\$5,409	\$3,904	\$2,900	\$29,193	\$17,405	\$5,980	\$4,336	\$2,976	\$30,697
Maine	3,041	2,563	2,059	16	7,679	3,149	2,696	2,180	63	8,088	3,164	2,422	2,025	115	7,726
Massachusetts	27,326	8,079	17,077	2,154	54,636	28,534	8,681	16,500	2,535	56,250	30,330	9,435	15,205	2,335	57,305
Rhode Island	1,266	1,681	2,090	87	5,124	1,240	1,701	2,131	63	5,134	1,250	1,644	2,105	58	5,447
<b>MIDWEST</b>															
Illinois	14,189	10,357	3,625	326	47,397	9,485	18,152	21,689	330	49,656	9,702	22,633	21,530	355	54,220
Michigan	8,882	17,423	20,766	2,186	58,268	28,902	13,046	17,141	2,133	61,222	30,831	13,994	17,762	2,509	65,096
Ohio	27,439	12,647	15,996	0	42,769	14,634	11,006	19,253	0	44,893	15,307	11,122	18,968	0	45,397
Wisconsin	14,042	10,815	17,912	0	28,171	14,553	9,978	2,729	0	27,260	15,346	10,305	3,691	0	29,342
<b>SOUTH</b>															
Alabama	6,299	5,727	7,398	107	19,531	6,564	5,928	7,747	107	20,346	6,994	6,335	8,435	25	21,787
Arkansas	6,146	3,890	3,518	415	13,969	5,983	3,900	4,474	366	14,723	6,255	3,882	4,906	402	15,443
Kansas	18,739	8,345	3,627	810	31,521	19,348	8,900	3,646	779	32,673	20,381	10,601	4,232	767	35,981
Minnesota	8,022	7,209	7,711	0	22,942	8,349	7,201	7,622	0	23,172	8,773	7,495	7,853	1	24,119
Missouri	3,589	3,014	3,559	0	10,162	3,792	2,911	3,839	0	10,542	4,031	2,908	4,043	0	10,982
Nebraska	2,220	1,536	1,950	6	5,712	3,237	1,523	1,816	16	6,592	3,224	1,674	2,850	14	7,768
North Dakota	1,291	1,494	1,312	35	4,132	1,427	1,403	1,248	21	4,099	1,378	1,347	1,164	60	3,949
South Dakota															
South Dakota															
<b>SOUTHEAST</b>															
Alabama	7,124	9,488	7,699	224	24,535	7,819	9,360	7,398	386	24,963	7,836	9,556	7,154	608	25,154
Georgia	4,744	6,068	10,433	203	21,448	4,909	6,504	11,196	156	22,765	5,063	7,131	11,439	171	23,803
Kansas	24,490	24,160	13,439	1,882	63,971	26,315	24,354	15,801	1,563	68,033	27,914	25,492	22,089	1,578	77,073
Florida															
Florida															
Florida															

## EXAMINING FISCAL 2013-2015 STATE SPENDING



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# Preface

Since its inception in 1987, the State Expenditure Report has developed into a definitive baseline for the analysis of state spending. This edition of the report includes data from actual fiscal 2013, actual fiscal 2014, and estimated fiscal 2015. Expenditures reflected in this report represent more than 99 percent of total state spending.

Expenditure data are detailed by program area so that trends in state spending can be evaluated. The funding sources for state expenditures also are identified. Readers are cautioned that a more complete understanding of service levels within a given state would require comparisons of spending by both state and local governments, which is not the purpose of this report. In addition, the data are self-reported by the states. Additional information on the report's methodology is provided in the Appendix.

# Acknowledgments

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# Executive Summary

## Overview

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Total state spending increased in fiscal 2015 at its fastest rate since 1992 due to a combination of modest growth in states' own fund sources, and a rapid increase in federal funds to states. As state revenue collections continue to slowly rebound from the national recession, nearly all program areas saw at least a small increase in total state spending in fiscal 2015. While spending from states' own funds moderately grew in fiscal 2015, federal funds to states greatly accelerated as states received significantly more federal Medicaid dollars as part of the first full-year of Medicaid expansion under the *Affordable Care Act*. In fiscal 2014, total state spending also increased, although at a slower rate than in fiscal 2015. States experienced slower revenue growth in fiscal 2014 partly due to the lingering impact of the prior federal "fiscal cliff" in which many taxpayers shifted capital gains and other income to calendar year 2012 to avoid higher scheduled federal tax rates, while federal funds to states grew more moderately as the Medicaid expansion was only implemented during the second half of the fiscal year. Looking forward, it is likely that spending from states' own fund sources will continue its recent pattern of modest growth as revenue collections increase, while the increase in federal funds to states will likely slow as the growth in Medicaid enrollment is expected to decelerate in future years after states have implemented the *Affordable Care Act*.

## State Spending Trends

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Over the past several years, total state spending growth has been heavily impacted by changes in the level of federal funding to states, while growth in states' own fund sources has remained relatively stable. In fiscal 2012, the amount of total state spending (including general funds, other state funds, bonds, and federal funds) declined for the first and only time in the 28-year history of the *State Expenditure Report*. Since fiscal 2012, total state spending growth has accelerated each year. In fact, in fiscal 2015 it is estimated that total state spending increased at its fastest rate since fiscal 1992. Both the decline in total state spending in fiscal 2012 and the rapid increase in fiscal 2015 were largely driven by recent federal actions.

The level of federal funds to states has seen numerous shifts during the most recent recession and subsequent recovery. After growing a relatively modest 2.9 percent in fiscal 2007 and

2.4 percent in fiscal 2008, federal fund spending increased 19.3 percent in fiscal 2009 and 21.4 percent in fiscal 2010. This drastic increase in federal funds to states can be traced to the infusion of spending from the *American Recovery and Reinvestment Act of 2009* (ARRA), also known as the Recovery Act or stimulus. The swift wind down of ARRA funds led federal fund spending to grow only 1.0 percent in fiscal 2011, decline 9.8 percent in fiscal 2012 and decrease an additional 2.6 percent in fiscal 2013. However, federal funds rose by 4.7 percent in fiscal 2014 as some states began to receive additional Medicaid funds through the *Affordable Care Act* (ACA) in January 2014. In fiscal 2015, it is estimated that federal funds to states rose 12.2 percent during the first full year of the optional Medicaid expansion under the ACA.

While the level of federal funding to states has fluctuated over the past several years, spending growth from states' own revenue sources has been more stable as the national economy has gradually improved and states' revenues have slowly rebounded from the national recession. Spending from state funds (including general funds and other state funds, but not federal funds or bonds) increased 4.6 percent in fiscal 2011, 3.8 percent in fiscal 2012, 2.6 percent in fiscal 2013, 4.0 percent in fiscal 2014, and an estimated 5.9 percent in fiscal 2015. In fiscal 2015, spending from state funds was partly bolstered by strong growth in personal income tax collections.

Overall, total state expenditures (including general funds, other state funds, bonds and federal funds) declined 1.1 percent in fiscal 2012, increased 1.0 percent in fiscal 2013, rose 3.9 percent in fiscal 2014, and are estimated to have grown by 7.8 percent in fiscal 2015.

The federal *Affordable Care Act* has also contributed to a shift in the distribution of funding sources for state expenditures. It is estimated that in fiscal 2015, general funds accounted for 40.0 percent of total state expenditures, federal funds 31.3 percent, other state funds 26.8 percent, and bonds 2.0 percent. As recently as fiscal 2013, general funds comprised 41.1 percent of total state spending while federal funds made up 29.9 percent. The reason that general funds have recently shrunk as a percentage of total state spending, while federal funds have increased, is that the growth in federal funds to states has outpaced the growth in general funds due to increased federal Medicaid dollars as part of the ACA. It should also be noted that while federal funds to states rose sharply in

fiscal 2015, the increase was almost solely due to increased Medicaid dollars. Federal Medicaid funds to states increased 22.5 percent in fiscal 2015, while all other federal funds to states only grew 2.0 percent.

Total state expenditures grew in nearly all program areas in both fiscal 2014 and fiscal 2015. In fiscal 2014, elementary and secondary education, higher education, public assistance, Medicaid, corrections, and transportation all experienced growth, while the “all other” category slightly declined. In fiscal 2015, it is estimated that elementary and secondary education, higher education, Medicaid, corrections, transportation, and “all other” experienced gains, with the public assistance category recording a spending decline. Medicaid grew faster than all other program areas in both fiscal 2014 and fiscal 2015.

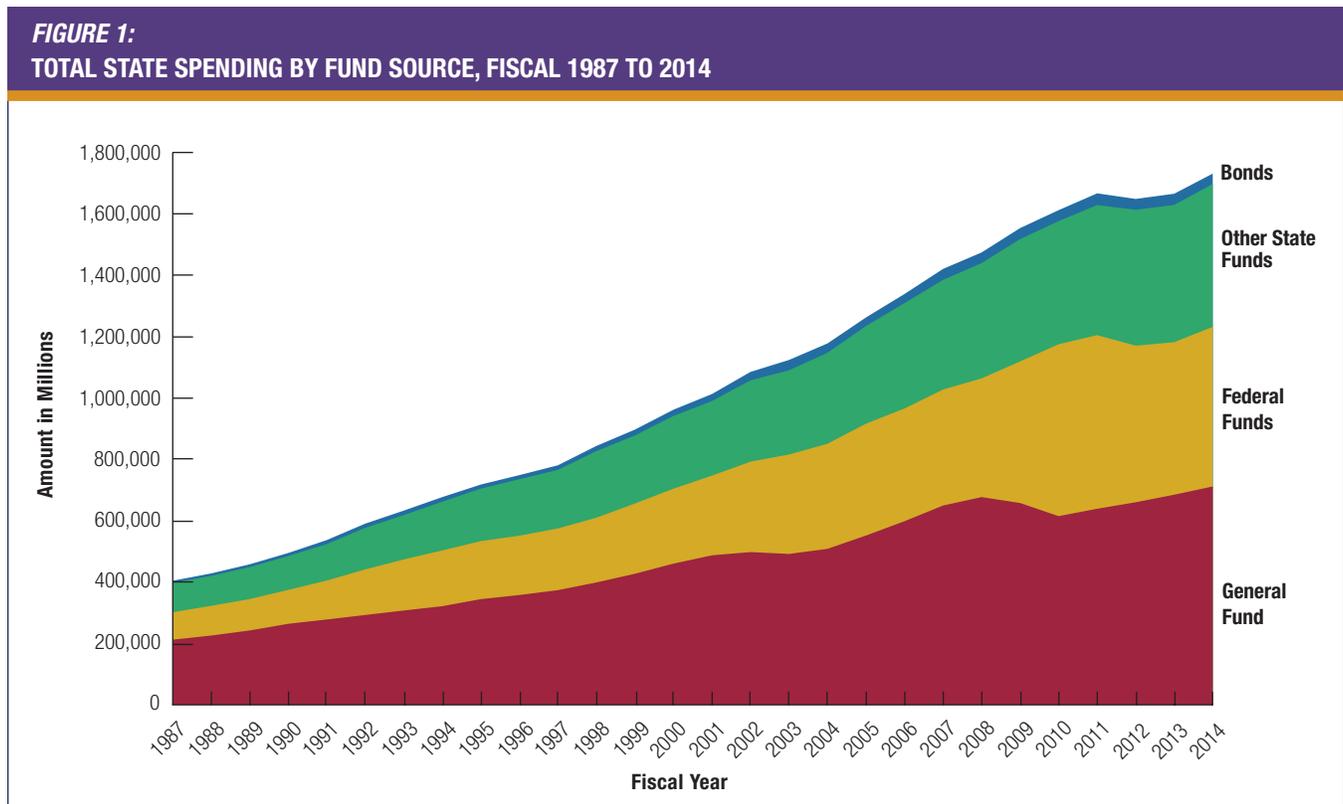
Similar to total state expenditures, nearly all categories of general fund spending experienced gains in fiscal 2014 and fiscal 2015 with only the public assistance category recording negative growth in both years. In both fiscal 2014 and fiscal 2015, K-12 experienced the largest nominal increase in general fund spending, while in fiscal 2014 transportation recorded the largest percentage increase, and in fiscal 2015 higher education had the largest percentage spending growth. In total, general fund spending grew 3.9 percent in fiscal 2014 and 4.9 percent

in fiscal 2015, with both years being below the historical average growth rate of 5.5 percent.

This edition of the State Expenditure Report includes data from actual fiscal 2013, actual fiscal 2014, and estimated fiscal 2015. The text of the report focuses on actual fiscal 2014 data, with a secondary focus on estimated fiscal 2015.

Additional state expenditure details and trends, broken down by functional spending category, include:

- Since the beginning of the recent economic downturn, **Medicaid** has risen as a percentage of total state spending, growing from 20.5 percent in fiscal 2008 to an estimated 27.4 percent in fiscal 2015. At the same time, elementary and secondary education has gone from representing 22.0 percent of total state spending in fiscal 2008 to an estimated 19.3 percent in fiscal 2015. The reason for **elementary and secondary education** representing a smaller share of total state spending is not because nominal elementary and secondary spending has declined; instead it is a result of its growth rate being slower than the growth in total Medicaid spending. For example, in fiscal 2015 it is estimated that total elementary and secondary education spending grew 5.1 percent while total Medicaid spending grew 15.1 percent.



- When looking only at general fund spending, **elementary and secondary education** remains the largest category in fiscal 2014, representing 35.0 percent of general fund expenditures, with **Medicaid** second at 19.3 percent. Those two categories, combined with higher education at 9.7 percent, account for nearly two-thirds of general fund spending. In fiscal 2015, elementary and secondary education is estimated to represent 35.2 percent of general fund expenditures, with Medicaid remaining steady at 19.3 percent.
- **Elementary and secondary education** total expenditures increased by 3.3 percent in fiscal 2014 and increased by 5.1 percent in estimated fiscal 2015. While state funds increased by 4.1 percent in fiscal 2014, federal funds grew only 0.1 percent. In fiscal 2015, state funds increased 5.4 percent while federal funds grew 3.7 percent.
- Total expenditures for **higher education** increased by 4.6 percent in fiscal 2014 and are estimated to have increased by 6.0 percent in fiscal 2015. State funds for higher education increased by 6.0 percent in fiscal 2014 and are estimated to have increased by 6.9 percent in fiscal 2015, while federal funds declined 1.4 percent in fiscal 2014 and declined by an estimated 1.6 percent in fiscal 2015. As opposed to prior years when much of the growth in state funds for higher education was coming from other state funds (which includes tuition and fees in most states), and not general funds, general fund spending on higher education experienced strong gains in both fiscal 2014 and fiscal 2015, growing 5.2 percent and 7.7 percent respectively. Additionally, higher education has increased as a percentage of general fund spending, going from 9.6 percent of total general fund spending in fiscal 2013 to 10.0 percent in fiscal 2015.
- Total **public assistance** increased by 3.8 percent in fiscal 2014 and declined by 7.3 percent in estimated fiscal 2015. Public assistance represented 1.5 percent of total state expenditures in fiscal 2014. The public assistance chapter in the report only contains data on cash assistance programs such as the Temporary Assistance for Needy Families (TANF) program, and does not include other supportive services.
- In fiscal 2014, total **Medicaid** state expenditures increased 9.8 percent, with state funds growing a relatively modest 4.4 percent and federal funds increasing 13.5 percent. In fiscal 2015, it is estimated that total Medicaid state expenditures increased 15.1 percent, with state funds growing 4.8 percent and federal funds increasing 15.1 percent due to increased Medicaid dollars provided through the *Affordable Care Act*.

Additionally, in fiscal 2015, federal funds made up 61.9 percent of total state Medicaid spending, up from 58.2 percent in fiscal 2014. Finally, it is estimated that in fiscal 2015 Medicaid represented 54.2 percent of all federal funds to states.

- Total **corrections** expenditures increased by only 3.0 percent in fiscal 2014 with state funds increasing 3.4 percent and federal funds declining 5.2 percent. In recent years, states have begun efforts to control costs through reducing recidivism rates, implementing changes to parole and probation systems, enhancing community supervision, offering increased treatment to address mental health and substance abuse disorders, and enacting sentencing reforms. State funds comprised 97.9 percent of total corrections spending in fiscal 2014. Corrections accounted for 3.2 percent of total state expenditures in fiscal 2014 and 6.9 percent of general funds. In fiscal 2015 it is estimated that total corrections spending will increase 4.0 percent, with state funds growing 3.8 percent and federal funds increasing 10.4 percent.
- Total **transportation** spending, representing 7.9 percent of total state expenditures, increased by 4.9 percent in fiscal 2014 and is estimated to increase by 4.4 percent in fiscal 2015. In both fiscal 2014 and fiscal 2015, the growth in transportation spending was largely driven by an increase in state funds. State funds for transportation grew 10.5 percent in fiscal 2014 and an estimated 9.1 percent in fiscal 2015, while federal funds for transportation grew only 1.5 percent in fiscal 2014 and declined by 2.0 percent in fiscal 2015. Other state funds, which are typically earmarked revenue sources such as gasoline taxes, comprised 56.2 percent of total transportation spending in fiscal 2014, with federal funds at 31.1 percent, bonds at 8.7 percent, and general funds only accounting for 4.0 percent. States and the federal government are concerned that in the long term, gas tax revenue will not be sufficient to meet transportation needs as most gas taxes are set at fixed rates and do not rise with inflation, while at the same time vehicle fuel economy has improved and the number of vehicle miles driven has also fallen. In addition to raising gas tax rates, other possible policy options include shifting to other revenue sources such as sales taxes, directing more general fund spending to transportation, raising vehicle registration fees, implementing a vehicle-miles traveled tax, increasing the use of toll roads and additional public-private partnerships.
- The **“all other”** category of state spending declined 0.2 percent in fiscal 2014 as state funds grew 1.6 percent and federal funds declined 5.6 percent. In fiscal 2015, it is estimated that

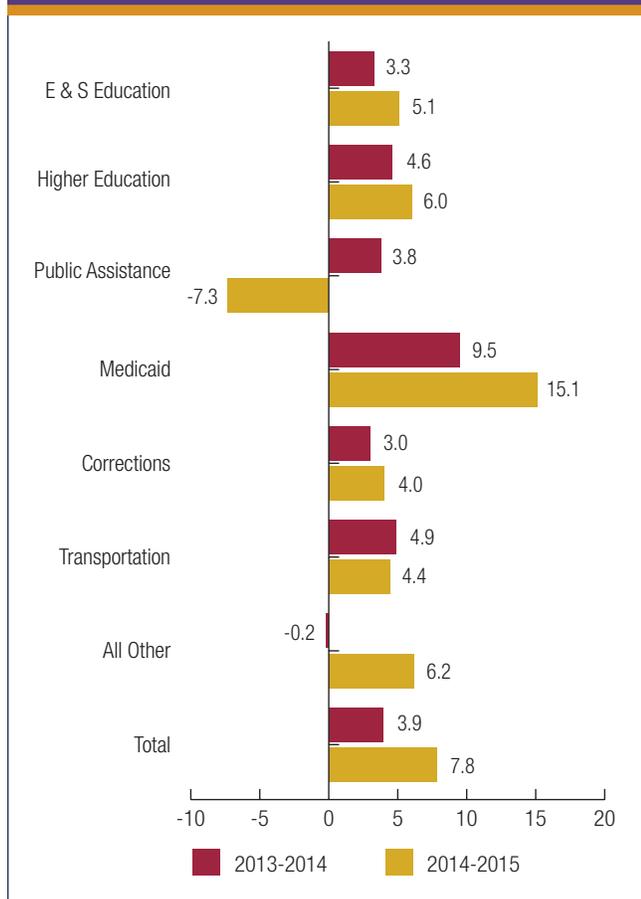
total “all other” spending will increase 6.2 percent, with state funds growing 6.5 percent and federal funds increasing 3.6 percent. “All other” represented 31.4 percent of total state expenditures in fiscal 2014 and 26.9 percent of general fund expenditures. The “all other” category includes the Children’s Health Insurance Program (CHIP), institutional and community care for the mentally ill and developmentally disabled, public health programs, some employer contributions to pensions and health benefits, economic development, environmental projects, state police, parks and recreation, housing, and general aid to local governments.

- **Capital** expenditures are made for new construction, infrastructure, major repairs and improvements, land purchases and the acquisition of major equipment and existing structures. States increased capital spending by 2.9 percent in fiscal

2013, 4.5 percent in fiscal 2014 and by an estimated 3.0 percent in fiscal 2015. State spending on capital projects traditionally has come from non-general fund sources. Other state funds such as dedicated fees and fund surpluses (34.5 percent in fiscal 2014) and bonds (28.8 percent) combine to account for two-thirds of total state spending on capital projects. Federal funds (31.2 percent) and state general funds (5.4 percent) also contribute to capital spending.

- In total, general fund **revenues** increased 1.8 percent in fiscal 2014, a much slower rate than fiscal 2013 when revenues increased 7.3 percent. The main reason for both the large increase in fiscal 2013 and the more modest increase in fiscal 2014 was due to the impact of the federal “fiscal cliff,” in which many taxpayers shifted capital gains and other income to calendar year 2012 to avoid higher scheduled federal tax rates. When examining the various sources that comprise general fund revenues, sales taxes experienced the largest increase in fiscal 2014 at 4.5 percent, while personal income taxes grew 1.3 percent and corporate income taxes increased 0.4 percent. Both “other taxes and fees” and gaming taxes experienced declines in fiscal 2014, decreasing 0.2 percent and 5.0 percent respectively. In fiscal 2015, it is estimated that general fund revenues grew at a faster pace than fiscal 2014, increasing 3.8 percent. Personal income taxes experienced the largest gain in fiscal 2015, increasing 6.3 percent, while corporate income taxes (6.1 percent), sales taxes (5.4 percent), and gaming taxes (1.0 percent) also experienced growth. “Other taxes and fees” are estimated to have declined 4.3 percent in fiscal 2015, likely due largely to the recent decline in oil prices impacting severance taxes, which are included in the other taxes and fees category.

**FIGURE 2:**  
**ALL FUNDS PERCENT CHANGES FROM PREVIOUS FISCAL YEAR FOR MAJOR SPENDING CATEGORIES, FISCAL 2014 AND 2015**



### Explanation of Report Data: Components of State Expenditures

This report includes three years of state expenditure data: actual fiscal 2013, actual fiscal 2014, and estimated fiscal 2015. The text primarily focuses on actual fiscal 2014 with a secondary emphasis on estimated fiscal 2015 and examines the seven main functional categories of state spending: elementary and secondary education, higher education, public assistance, Medicaid, corrections, transportation, and “all other.” (“All other” is a broad category that includes state functions not tracked individually in this report, such as hospitals, economic development, housing, environmental programs,

health programs and the Children’s Health Insurance Program (CHIP), parks and recreation, natural resources, air transportation, and water transport). Capital spending is included with operating expenditures within each functional category, unless noted otherwise. Capital expenditures also have been collected separately in the following categories: corrections, environmental projects, higher education, housing, transportation, and “all other”. It should also be noted that 20 states use a biennial budget cycle, and in many cases funds are not expended evenly in the two-year cycle. This may affect total expenditures in some states from year to year.

State governments have specific functional responsibilities that vary among states depending on the role of local governments in providing services. For example, in many states, the funding of elementary and secondary education is considered primarily a local function. Some states are exceptions, such as Hawaii where state government fully funds elementary and secondary education. A more complete understanding of programs and service levels within a given state would require comparisons of spending by both state and local government, which is not the purpose of this report. In addition, because the data are self-reported by the states, some may be incomplete. These omissions can affect aggregate and regional tables.

While state balanced budget requirements are diverse, and governors are given significant powers to ensure a balanced budget, states operate within stricter revenue/expenditure limitations than the federal government. An overwhelming majority of states require their governor to submit, and their legislature to pass, a balanced budget. States are required to make spending choices based on available resources and must either reduce spending, raise taxes, or use reserves when revenues come in below estimates. For the most part, states do not and cannot incur operating deficits, and manage their finances in ways to maintain or improve positive bond ratings.

### Explanation of Report Data: Definitions

**General Fund:** The predominant fund for financing a state’s operations. Revenues are received from broad-based state taxes. However, there are differences in how specific functions are financed from state to state.

**Federal Funds:** Funds received directly from the federal government.

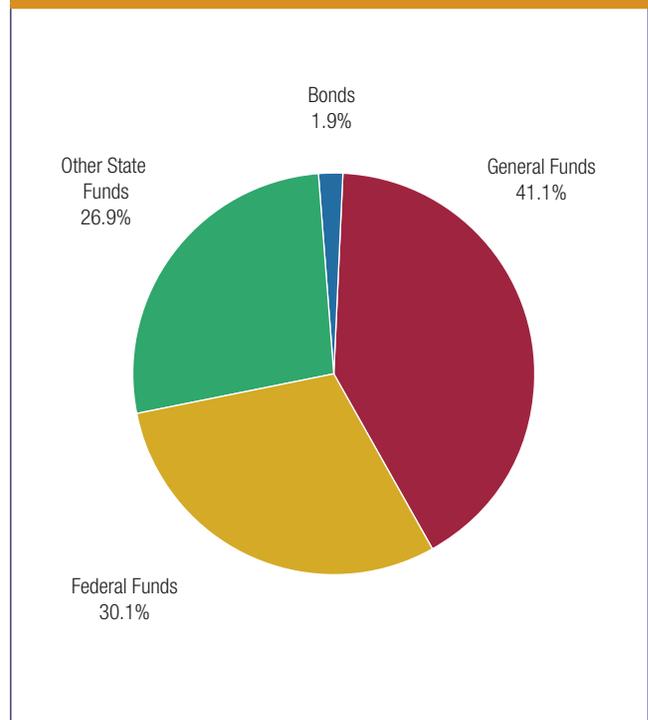
**Other State Funds:** Expenditures from revenue sources that are restricted by law for particular governmental functions or activities. For example, a gasoline tax dedicated to a highway trust fund would appear in the “Other State Funds” column. For Medicaid, other state funds include provider taxes, fees, donations, assessments, and local funds.

**Bonds:** Expenditures from the sale of bonds, generally for capital projects.

**State Funds:** General funds plus other state fund spending, excluding state spending from bonds.

Fiscal 2014 spending by fund source is detailed in Figure 3. In fiscal 2014, general funds represented 41.1 percent of total state spending, with federal funds at 30.1 percent, other state funds closely behind at 26.9 percent, and bonds at 1.9 percent. In fiscal 2015, it is estimated that general funds slightly declined to 40.0 percent of total state spending while federal funds increased to 31.3 percent, with the growth in federal funds related to an increase in federal Medicaid dollars resulting from the *Affordable Care Act*.

**FIGURE 3:**  
**TOTAL STATE EXPENDITURES BY FUNDING SOURCE,**  
**FISCAL 2014**



**FIGURE 4:  
TOTAL STATE EXPENDITURES BY FUNCTION,  
FISCAL 2014**

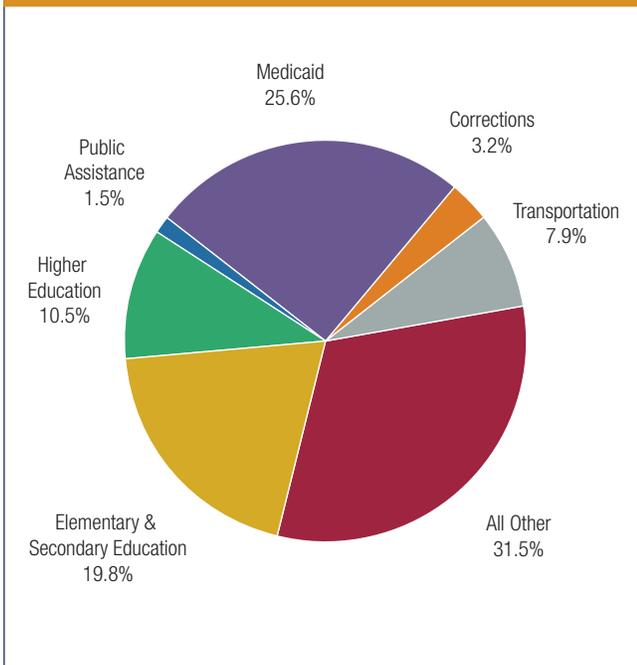
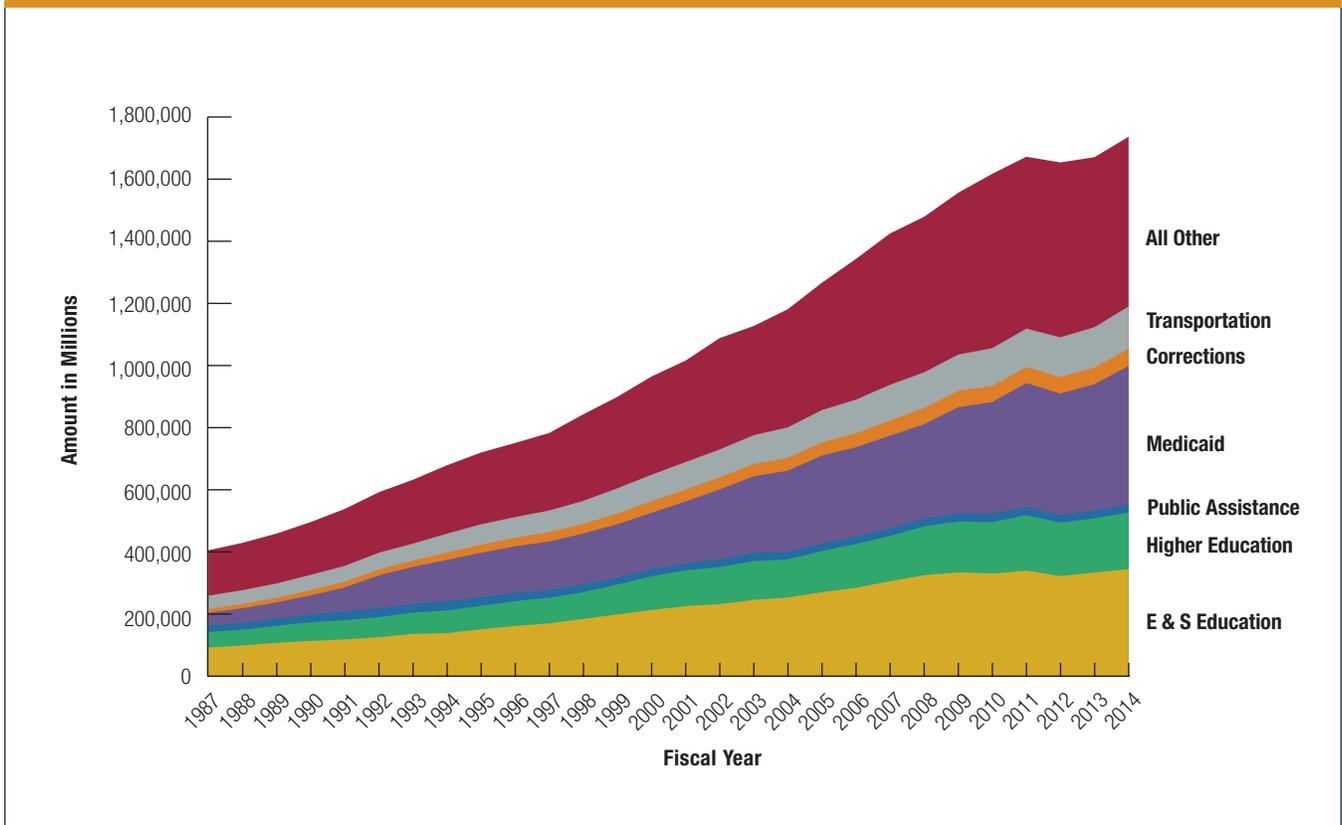


Figure 4 reflects total state expenditures by functional area. For fiscal 2014, total state spending shares are as follows: 25.6 percent for Medicaid; 19.8 percent for elementary and secondary education; 10.5 percent for higher education; 7.9 percent for transportation; 3.2 percent for corrections; 1.5 percent for public assistance; and 31.4 percent for all other.

The shares of state spending for the seven functional areas tracked in the *State Expenditure Report* have shifted since 1987, when the report was first published. For example, in total state spending, Medicaid surpassed higher education as the second largest state program in 1990, and in 2003 it became the largest, displacing elementary and secondary education. Since 2003, Medicaid and elementary and secondary education have alternated as the largest share of total state spending. Whereas in fiscal 2008 elementary and secondary education was the largest component, in fiscal 2009 Medicaid represented the largest share, due to increased Medicaid enrollment and spending resulting from the economic decline. In fiscal 2015 Medicaid continued to grow as a percentage of total state expenditures, representing 27.4 percent, while elementary and secondary education declined to 19.3 percent.

**FIGURE 5:  
COMPOSITION OF TOTAL STATE EXPENDITURES BY FUNCTION, FISCAL 1987 TO 2014**



**FIGURE 6:  
GENERAL FUND EXPENDITURES, FISCAL 2014**

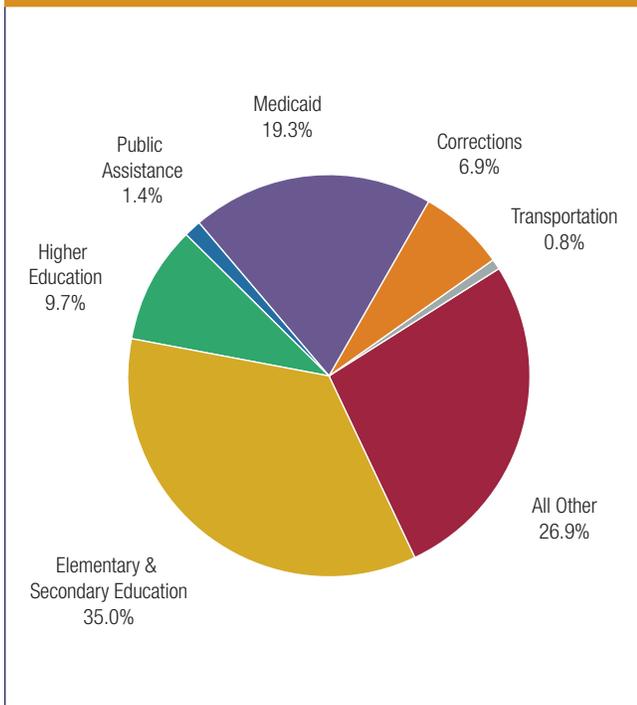


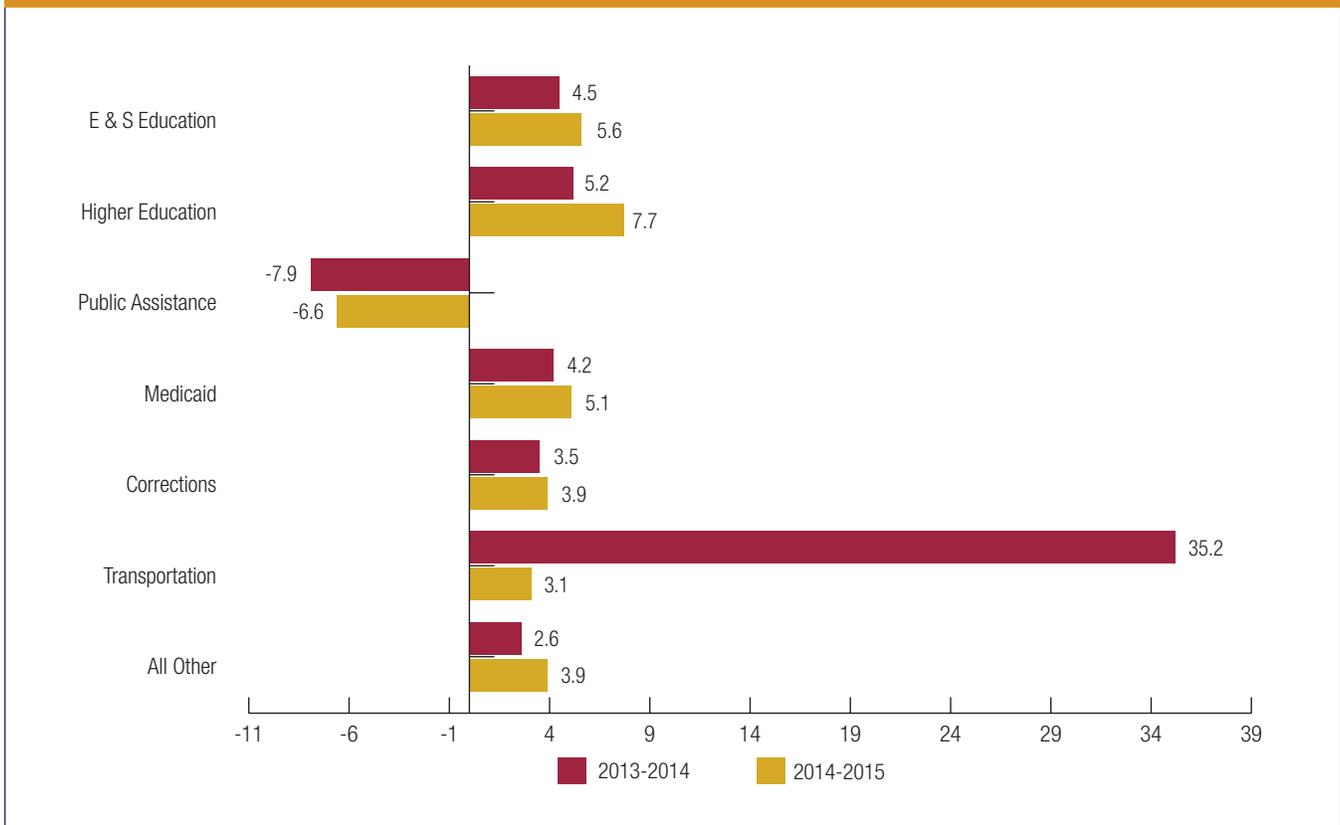
Figure 5 documents the changes in state expenditures by category since 1987. Table 3 reflects shares of state spending in functional areas, by fund source, from 1995 to 2015. Also, Table 5, at the end of the Executive Summary, highlights the share of each state’s budget represented by various programs in fiscal 2014 and shows the wide variation among states in their spending patterns.

### General Fund Expenditures

Expenditures for elementary and secondary education continue to constitute the largest share of state general fund spending. As Figure 6 shows, in fiscal 2014, 35.0 percent of general fund spending went to elementary and secondary education. Medicaid accounted for 19.3 percent and higher education accounted for 9.7 percent of general fund spending.

Figure 7 reflects the percentage change for general fund spending in each of the functional categories. In both fiscal 2014 and 2015, public assistance was the only program area to experience a decline. Overall, general fund spending increased 3.9 percent in fiscal 2014 and is estimated to have increased 4.9 percent in fiscal 2015.

**FIGURE 7:  
PERCENT CHANGE IN GENERAL FUND, FISCAL 2014 AND 2015**



**TABLE 1**  
**TOTAL STATE EXPENDITURES—CAPITAL INCLUSIVE (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$19,026	\$2,595	\$3,764	\$2,384	<b>\$27,769</b>	\$16,980	\$5,409	\$3,904	\$2,900	<b>\$29,193</b>	\$17,405	\$5,980	\$4,336	\$2,976	<b>\$30,697</b>
Maine	3,041	2,563	2,059	16	<b>7,679</b>	3,149	2,696	2,180	63	<b>8,088</b>	3,164	2,422	2,025	115	<b>7,726</b>
Massachusetts	27,326	8,079	17,077	2,154	<b>54,636</b>	28,534	8,681	16,500	2,535	<b>56,250</b>	30,330	9,435	15,205	2,335	<b>57,305</b>
New Hampshire	1,266	1,604	2,060	87	<b>5,017</b>	1,249	1,701	2,131	63	<b>5,144</b>	1,259	1,944	2,185	58	<b>5,446</b>
Rhode Island	3,223	2,522	2,468	158	<b>8,371</b>	3,336	2,676	2,790	142	<b>8,944</b>	3,402	2,820	2,595	103	<b>8,920</b>
Vermont	1,352	1,695	1,845	73	<b>4,965</b>	1,392	1,760	2,003	116	<b>5,271</b>	1,413	1,919	1,999	98	<b>5,429</b>
<b>MID-ATLANTIC</b>															
Delaware	3,659	1,783	3,281	439	<b>9,162</b>	3,794	1,903	3,459	452	<b>9,608</b>	3,832	2,063	3,523	351	<b>9,769</b>
Maryland	15,127	9,184	10,809	1,167	<b>36,287</b>	15,603	10,514	10,773	1,146	<b>38,036</b>	15,998	12,053	12,285	1,217	<b>41,553</b>
New Jersey	31,195	12,041	6,194	1,374	<b>50,804</b>	31,103	13,372	7,255	1,373	<b>53,103</b>	32,174	15,142	7,286	1,225	<b>55,827</b>
New York	58,960	38,574	32,305	3,258	<b>133,097</b>	61,243	41,171	31,672	3,440	<b>137,526</b>	62,856	45,743	31,768	3,524	<b>143,891</b>
Pennsylvania	27,716	24,614	15,392	1,379	<b>69,101</b>	28,394	23,894	15,726	800	<b>68,814</b>	29,106	25,921	17,794	1,265	<b>74,086</b>
<b>GREAT LAKES</b>															
Illinois	26,901	12,918	16,383	1,970	<b>58,172</b>	28,381	13,562	16,698	2,398	<b>61,039</b>	28,853	17,904	22,653	2,100	<b>71,510</b>
Indiana	14,189	10,357	3,625	0	<b>28,171</b>	14,553	9,978	2,729	0	<b>27,260</b>	15,346	10,305	3,691	0	<b>29,342</b>
Michigan	8,882	17,423	20,766	326	<b>47,397</b>	9,485	18,152	21,689	330	<b>49,656</b>	9,702	22,633	21,530	355	<b>54,220</b>
Ohio	27,439	12,647	15,996	2,186	<b>58,268</b>	28,902	13,046	17,141	2,133	<b>61,222</b>	30,831	13,994	17,762	2,509	<b>65,096</b>
Wisconsin	14,042	10,815	17,912	0	<b>42,769</b>	14,634	11,006	19,253	0	<b>44,893</b>	15,307	11,122	18,968	0	<b>45,397</b>
<b>PLAINS</b>															
Iowa	6,299	5,727	7,398	107	<b>19,531</b>	6,564	5,928	7,747	107	<b>20,346</b>	6,994	6,335	8,435	25	<b>21,789</b>
Kansas	6,146	3,890	3,518	415	<b>13,969</b>	5,983	3,900	4,474	366	<b>14,723</b>	6,255	3,882	4,906	402	<b>15,445</b>
Minnesota	18,739	8,345	3,627	810	<b>31,521</b>	19,348	8,900	3,646	779	<b>32,673</b>	20,381	10,601	4,232	767	<b>35,981</b>
Missouri	8,022	7,209	7,711	0	<b>22,942</b>	8,349	7,201	7,622	0	<b>23,172</b>	8,773	7,495	7,853	1	<b>24,122</b>
Nebraska	3,589	3,014	3,559	0	<b>10,162</b>	3,792	2,911	3,839	0	<b>10,542</b>	4,031	2,908	4,043	0	<b>10,982</b>
North Dakota	2,220	1,536	1,950	6	<b>5,712</b>	3,237	1,523	1,816	16	<b>6,592</b>	3,224	1,674	2,850	14	<b>7,762</b>
South Dakota	1,291	1,494	1,312	35	<b>4,132</b>	1,427	1,403	1,248	21	<b>4,099</b>	1,378	1,347	1,164	60	<b>3,949</b>
<b>SOUTHEAST</b>															
Alabama	7,124	9,488	7,699	224	<b>24,535</b>	7,819	9,360	7,398	386	<b>24,963</b>	7,836	9,556	7,154	608	<b>25,154</b>
Arkansas	4,744	6,068	10,433	203	<b>21,448</b>	4,909	6,504	11,196	156	<b>22,765</b>	5,063	7,131	11,439	171	<b>23,804</b>
Florida	24,490	24,160	13,439	1,882	<b>63,971</b>	26,315	24,354	15,801	1,563	<b>68,033</b>	27,914	25,492	22,089	1,578	<b>77,073</b>
Georgia	18,019	13,046	10,571	808	<b>42,444</b>	18,843	13,184	10,567	850	<b>43,444</b>	20,021	12,901	10,572	878	<b>44,372</b>
Kentucky	9,426	8,001	8,246	0	<b>25,673</b>	9,706	9,597	9,638	0	<b>28,941</b>	9,705	11,830	9,807	0	<b>31,342</b>
Louisiana	8,347	9,520	9,838	378	<b>28,083</b>	8,565	8,993	9,220	501	<b>27,279</b>	8,715	10,149	10,865	607	<b>30,336</b>
Mississippi	4,699	8,141	5,595	760	<b>19,195</b>	5,023	7,562	5,723	250	<b>18,558</b>	5,504	8,953	5,977	765	<b>21,199</b>
North Carolina	20,202	12,638	9,788	231	<b>42,859</b>	20,234	13,512	9,860	187	<b>43,793</b>	20,666	13,930	9,760	101	<b>44,457</b>
South Carolina	6,200	7,800	8,208	0	<b>22,208</b>	6,329	7,542	8,116	53	<b>22,040</b>	6,851	7,631	8,075	98	<b>22,655</b>
Tennessee	12,093	12,532	5,565	301	<b>30,491</b>	12,837	12,200	5,480	185	<b>30,702</b>	13,198	13,156	5,608	84	<b>32,046</b>
Virginia	18,833	9,546	16,191	1,167	<b>45,737</b>	18,052	9,568	17,071	1,167	<b>45,858</b>	17,744	9,706	18,513	1,089	<b>47,052</b>
West Virginia	4,283	4,075	13,885	77	<b>22,320</b>	4,256	4,412	15,142	78	<b>23,888</b>	4,259	4,372	14,785	77	<b>23,493</b>
<b>SOUTHWEST</b>															
Arizona	8,414	12,008	6,946	192	<b>27,560</b>	8,848	12,837	7,220	198	<b>29,103</b>	9,335	13,152	8,695	150	<b>31,332</b>
New Mexico	5,651	5,799	3,246	0	<b>14,696</b>	5,910	6,108	4,180	0	<b>16,198</b>	6,151	6,581	4,359	0	<b>17,091</b>
Oklahoma	6,630	6,653	7,764	383	<b>21,430</b>	6,859	7,404	7,851	267	<b>22,381</b>	6,909	7,268	7,873	338	<b>22,388</b>
Texas	40,830	37,364	20,974	1,760	<b>100,928</b>	46,764	41,348	20,412	1,622	<b>110,146</b>	48,406	43,430	20,746	1,997	<b>114,579</b>
<b>ROCKY MOUNTAIN</b>															
Colorado	9,024	7,423	13,664	0	<b>30,111</b>	9,048	7,859	14,439	0	<b>31,346</b>	9,539	8,716	14,746	0	<b>33,001</b>
Idaho	2,691	2,647	1,342	10	<b>6,690</b>	2,767	2,614	1,456	28	<b>6,865</b>	2,915	2,837	1,861	21	<b>7,634</b>
Montana	1,947	2,115	1,978	0	<b>6,040</b>	2,041	2,149	1,998	0	<b>6,188</b>	2,138	2,189	2,056	0	<b>6,383</b>
Utah	5,098	3,462	3,529	0	<b>12,089</b>	5,383	3,497	3,304	0	<b>12,184</b>	5,749	3,642	3,561	0	<b>12,952</b>
Wyoming	3,709	2,354	3,069	0	<b>9,132</b>	3,011	2,082	2,532	0	<b>7,625</b>	3,297	2,298	3,242	0	<b>8,837</b>
<b>FAR WEST</b>															
Alaska	7,690	2,589	1,258	485	<b>12,022</b>	7,226	2,705	1,466	0	<b>11,397</b>	6,013	3,134	4,620	173	<b>13,940</b>
California	96,562	70,431	37,724	6,715	<b>211,432</b>	100,005	72,583	38,311	4,494	<b>215,393</b>	114,473	93,554	44,523	6,089	<b>258,639</b>
Hawaii	5,666	1,912	3,271	735	<b>11,584</b>	6,275	2,166	3,337	825	<b>12,603</b>	6,416	2,250	3,434	769	<b>12,869</b>
Nevada	3,185	2,796	2,629	41	<b>8,651</b>	3,125	2,859	3,405	20	<b>9,409</b>	3,369	3,897	3,560	28	<b>10,854</b>
Oregon	5,957	7,451	12,263	132	<b>25,803</b>	7,930	8,102	16,191	160	<b>32,383</b>	7,959	11,302	14,132	132	<b>33,525</b>
Washington	15,479	8,100	8,785	1,632	<b>33,996</b>	16,079	9,631	9,478	1,679	<b>36,867</b>	16,560	10,975	10,110	1,472	<b>39,117</b>
<b>TOTAL*</b>	<b>\$686,643</b>	<b>\$498,748</b>	<b>\$448,911</b>	<b>\$36,460</b>	<b>\$1,670,762</b>	<b>\$713,591</b>	<b>\$522,019</b>	<b>\$467,087</b>	<b>\$33,849</b>	<b>\$1,736,546</b>	<b>\$748,719</b>	<b>\$585,674</b>	<b>\$501,250</b>	<b>\$36,725</b>	<b>\$1,872,368</b>

Note: See General Notes at the end of this chapter.

**TABLE 2**  
**ANNUAL PERCENTAGE CHANGE IN TOTAL STATE EXPENDITURES**

Region/State	Fiscal 2013 to 2014				Fiscal 2014 to 2015			
	General Funds	State Funds	Federal Funds	All Funds	General Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>								
Connecticut	-10.8 %	-8.4 %	108.4 %	5.1 %	2.5 %	4.1 %	10.6 %	5.2 %
Maine	3.6	4.5	5.2	5.3	0.5	-2.6	-10.2	-4.5
Massachusetts	4.4	1.4	7.5	3.0	6.3	1.1	8.7	1.9
New Hampshire	-1.3	1.6	6.0	2.5	0.8	1.9	14.3	5.9
Rhode Island	3.5	7.6	6.1	6.8	2.0	-2.1	5.4	-0.3
Vermont	3.0	6.2	3.8	6.2	1.5	0.5	9.0	3.0
<b>MID-ATLANTIC</b>								
Delaware	3.7	4.5	6.7	4.9	1.0	1.4	8.4	1.7
Maryland	3.1	1.7	14.5	4.8	2.5	7.2	14.6	9.2
New Jersey	-0.3	2.6	11.1	4.5	3.4	2.9	13.2	5.1
New York	3.9	1.8	6.7	3.3	2.6	1.8	11.1	4.6
Pennsylvania	2.4	2.3	-2.9	-0.4	2.5	6.3	8.5	7.7
<b>GREAT LAKES</b>								
Illinois	5.5	4.1	5.0	4.9	1.7	14.3	32.0	17.2
Indiana	2.6	-3.0	-3.7	-3.2	5.4	10.2	3.3	7.6
Michigan	6.8	5.1	4.2	4.8	2.3	0.2	24.7	9.2
Ohio	5.3	6.0	3.2	5.1	6.7	5.5	7.3	6.3
Wisconsin	4.2	6.0	1.8	5.0	4.6	1.1	1.1	1.1
<b>PLAINS</b>								
Iowa	4.2	4.5	3.5	4.2	6.6	7.8	6.9	7.1
Kansas	-2.7	8.2	0.3	5.4	4.5	6.7	-0.5	4.9
Minnesota	3.2	2.8	6.7	3.7	5.3	7.0	19.1	10.1
Missouri	4.1	1.5	-0.1	1.0	5.1	4.1	4.1	4.1
Nebraska	5.7	6.8	-3.4	3.7	6.3	5.8	-0.1	4.2
North Dakota	45.8	21.2	-0.8	15.4	-0.4	20.2	9.9	17.7
South Dakota	10.5	2.8	-6.1	-0.8	-3.4	-5.0	-4.0	-3.7
<b>SOUTHEAST</b>								
Alabama	9.8	2.7	-1.3	1.7	0.2	-1.5	2.1	0.8
Arkansas	3.5	6.1	7.2	6.1	3.1	2.5	9.6	4.6
Florida	7.5	11.0	0.8	6.3	6.1	18.7	4.7	13.3
Georgia	4.6	2.9	1.1	2.4	6.3	4.0	-2.1	2.1
Kentucky	3.0	9.5	19.9	12.7	0.0	0.9	23.3	8.3
Louisiana	2.6	-2.2	-5.5	-2.9	1.8	10.1	12.9	11.2
Mississippi	6.9	4.4	-7.1	-3.3	9.6	6.8	18.4	14.2
North Carolina	0.2	0.3	6.9	2.2	2.1	1.1	3.1	1.5
South Carolina	2.1	0.3	-3.3	-0.8	8.2	3.3	1.2	2.8
Tennessee	6.2	3.7	-2.6	0.7	2.8	2.7	7.8	4.4
Virginia	-4.1	0.3	0.2	0.3	-1.7	3.2	1.4	2.6
West Virginia	-0.6	6.8	8.3	7.0	0.1	-1.8	-0.9	-1.7
<b>SOUTHWEST</b>								
Arizona	5.2	4.6	6.9	5.6	5.5	12.2	2.5	7.7
New Mexico	4.6	13.4	5.3	10.2	4.1	4.2	7.7	5.5
Oklahoma	3.5	2.2	11.3	4.4	0.7	0.5	-1.8	0.0
Texas	14.5	8.7	10.7	9.1	3.5	2.9	5.0	4.0
<b>ROCKY MOUNTAIN</b>								
Colorado	0.3	3.5	5.9	4.1	5.4	3.4	10.9	5.3
Idaho	2.8	4.7	-1.2	2.6	5.3	13.1	8.5	11.2
Montana	4.8	2.9	1.6	2.5	4.8	3.8	1.9	3.2
Utah	5.6	0.7	1.0	0.8	6.8	7.2	4.1	6.3
Wyoming	-18.8	-18.2	-11.6	-16.5	9.5	18.0	10.4	15.9
<b>FAR WEST</b>								
Alaska	-6.0	-2.9	4.5	-5.2	-16.8	22.3	15.9	22.3
California	3.6	3.0	3.1	1.9	14.5	15.0	28.9	20.1
Hawaii	10.7	7.6	13.3	8.8	2.2	2.5	3.9	2.1
Nevada	-1.9	12.3	2.3	8.8	7.8	6.1	36.3	15.4
Oregon	33.1	32.4	8.7	25.5	0.4	-8.4	39.5	3.5
Washington	3.9	5.3	18.9	8.4	3.0	4.4	14.0	6.1
<b>TOTAL*</b>	<b>3.9 %</b>	<b>4.0 %</b>	<b>4.7 %</b>	<b>3.9 %</b>	<b>4.9 %</b>	<b>5.9 %</b>	<b>12.2 %</b>	<b>7.8 %</b>

Note: State funds are defined as general funds and other state funds (bonds are excluded). \*See General Notes for explanation.

**TABLE 3**  
**COMPARISON OF SHARES OF STATE SPENDING WITH FUND SOURCES, FISCAL 1995 TO 2015**

Fund Type & Year	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
<b>FY 1995:</b>								
General Funds	33.4	12.9	4.4	14.4	6.7	0.7	27.4	100.0
Other State Funds	9.5	13.3	0.5	6.9	0.8	23.8	45.2	100.0
Federal Funds	9.8	2.7	6.5	42.7	0.1	9.8	28.3	100.0
Bond Funds	4.9	20.8	0.0	0.0	10.2	26.3	37.7	100.0
<b>Total Funds</b>	<b>21.0</b>	<b>10.4</b>	<b>4.0</b>	<b>19.8</b>	<b>3.6</b>	<b>9.1</b>	<b>32.1</b>	<b>100.0</b>
<b>FY 1996:</b>								
General Funds	34.4	12.9	3.9	14.7	6.9	0.6	25.6	100.0
Other State Funds	9.2	13.7	0.4	6.8	0.8	22.9	46.2	100.0
Federal Funds	9.9	2.9	5.9	43.5	0.2	9.5	28.0	100.0
Bond Funds	15.2	21.4	0.0	0.0	6.5	26.1	30.8	100.0
<b>Total Funds</b>	<b>21.5</b>	<b>10.7</b>	<b>3.5</b>	<b>19.9</b>	<b>3.7</b>	<b>8.0</b>	<b>31.8</b>	<b>100.0</b>
<b>FY 1997:</b>								
General Funds	34.5	13.0	3.6	14.6	6.8	0.8	26.7	100.0
Other State Funds	10.1	13.8	0.4	6.4	0.9	23.0	44.6	100.0
Federal Funds	9.8	2.9	5.1	44.1	0.4	8.8	28.9	100.0
Bond Funds	12.5	20.2	0.0	0.0	6.6	26.5	34.2	100.0
<b>Total Funds</b>	<b>21.7</b>	<b>10.7</b>	<b>3.1</b>	<b>20.0</b>	<b>3.7</b>	<b>9.0</b>	<b>31.8</b>	<b>100.0</b>
<b>FY 1998:</b>								
General Funds	35.2	13.1	3.0	14.8	6.9	0.7	26.4	100.0
Other State Funds	9.4	11.3	1.0	6.3	0.8	22.2	49.1	100.0
Federal Funds	10.5	3.4	5.0	43.3	0.4	8.7	28.8	100.0
Bond Funds	12.4	18.4	0.0	0.0	6.0	33.4	29.8	100.0
<b>Total Funds</b>	<b>22.0</b>	<b>10.3</b>	<b>2.9</b>	<b>19.6</b>	<b>3.7</b>	<b>8.8</b>	<b>32.8</b>	<b>100.0</b>
<b>FY 1999:</b>								
General Funds	35.7	12.4	2.7	14.4	7.0	0.9	26.7	100.0
Other State Funds	9.0	13.0	0.6	6.5	1.0	23.4	46.5	100.0
Federal Funds	10.2	5.2	4.3	42.9	0.4	9.3	27.7	100.0
Bond Funds	21.0	17.2	0.0	0.0	6.5	25.6	29.8	100.0
<b>Total Funds</b>	<b>22.3</b>	<b>10.8</b>	<b>2.6</b>	<b>19.5</b>	<b>3.9</b>	<b>9.1</b>	<b>31.8</b>	<b>100.0</b>
<b>FY 2000:</b>								
General Funds	35.7	12.8	2.7	14.4	7.0	0.9	26.7	100.0
Other State Funds	8.6	14.2	0.8	4.2	0.9	22.9	48.4	100.0
Federal Funds	10.3	5.3	4.2	42.8	0.4	9.3	27.7	100.0
Bond Funds	20.2	18.1	0.0	0.0	5.7	26.2	29.8	100.0
<b>Total Funds</b>	<b>22.3</b>	<b>11.4</b>	<b>2.6</b>	<b>19.5</b>	<b>3.9</b>	<b>9.1</b>	<b>31.8</b>	<b>100.0</b>
<b>FY 2001:</b>								
General Funds	35.2	12.7	2.3	15.2	6.9	1.2	26.6	100.0
Other State Funds	9.2	15.0	0.2	5.9	0.9	21.1	47.0	100.0
Federal Funds	10.3	4.8	4.0	42.7	0.3	9.5	28.3	100.0
Bond Funds	18.9	17.5	0.0	0.0	4.0	31.3	28.4	100.0
<b>Total Funds</b>	<b>22.2</b>	<b>11.3</b>	<b>2.2</b>	<b>19.7</b>	<b>3.7</b>	<b>8.8</b>	<b>32.1</b>	<b>100.0</b>
<b>FY 2002:</b>								
General Funds	35.1	12.4	2.3	15.8	6.9	0.7	25.9	100.0
Other State Funds	8.9	13.8	0.3	6.6	0.9	19.4	49.8	100.0
Federal Funds	10.1	5.0	4.2	43.7	0.4	9.2	27.4	100.0
Bond Funds	12.7	20.4	0.0	0.0	3.4	25.0	38.5	100.0
<b>Total Funds</b>	<b>21.3</b>	<b>10.9</b>	<b>2.3</b>	<b>20.7</b>	<b>3.6</b>	<b>8.3</b>	<b>32.9</b>	<b>100.0</b>
<b>FY 2003:</b>								
General Funds	35.8	12.5	2.3	17.2	7.2	0.6	24.5	100.0
Other State Funds	9.2	14.3	0.3	7.5	0.9	20	47.9	100.0
Federal Funds	10.6	5.7	4.1	43.8	0.3	8.6	26.9	100.0
Bond Funds	28.3	16.9	0.0	0.0	2.5	19.1	33.1	100.0
<b>Total Funds</b>	<b>21.8</b>	<b>11.1</b>	<b>2.2</b>	<b>22</b>	<b>3.5</b>	<b>8.2</b>	<b>31.2</b>	<b>100.0</b>
<b>FY 2004:</b>								
General Funds	35.8	11.7	2.3	16.9	7.0	0.5	25.8	100.0
Other State Funds	8.5	13.6	0.2	7.4	0.7	19.9	49.8	100.0
Federal Funds	11.3	4.7	3.6	44.6	0.7	8.4	26.9	100.0
Bond Funds	20.9	21.2	0.0	0.0	2.6	26.8	28.4	100.0
<b>Total Funds</b>	<b>21.4</b>	<b>10.4</b>	<b>2.2</b>	<b>22.1</b>	<b>3.5</b>	<b>8.3</b>	<b>32.2</b>	<b>100.0</b>
<b>FY 2005:</b>								
General Funds	35.4	11.6	2.2	17.1	6.9	0.5	26.2	100.0
Other State Funds	8.5	14.1	0.1	8.3	0.7	19.5	48.9	100.0
Federal Funds	11.6	4.4	3.2	44.2	0.3	8.7	27.4	100.0
Bond Funds	17.0	25.3	0.0	0.0	2.8	25.5	29.4	100.0
<b>Total Funds</b>	<b>21.4</b>	<b>10.4</b>	<b>1.8</b>	<b>22.3</b>	<b>3.3</b>	<b>8.2</b>	<b>32.4</b>	<b>100.0</b>
<b>FY 2006:</b>								
General Funds	34.4	11.3	2.1	17.4	6.7	0.8	27.2	100.0
Other State Funds	8.1	14.2	0.1	7.3	0.7	18.5	51.1	100.0
Federal Funds	12.1	4.6	3.0	42.9	0.2	8.7	28.5	100.0
Bond Funds	17.9	24.0	0.0	0.0	3.4	26.1	28.6	100.0
<b>Total Funds</b>	<b>21.2</b>	<b>10.5</b>	<b>1.8</b>	<b>21.4</b>	<b>3.3</b>	<b>8.1</b>	<b>33.7</b>	<b>100.0</b>
<b>FY 2007:</b>								
General Funds	34.1	11.0	2.0	16.6	6.8	1.1	28.4	100.0
Other State Funds	9.4	14.5	0.1	7.3	0.7	17.7	50.3	100.0
Federal Funds	12.0	4.1	3.1	43.1	0.3	8.6	28.9	100.0
Bond Funds	12.4	18.1	0.0	0.0	3.2	32.4	33.8	100.0
<b>Total Funds</b>	<b>21.5</b>	<b>10.2</b>	<b>1.7</b>	<b>20.9</b>	<b>3.4</b>	<b>8.1</b>	<b>34.2</b>	<b>100.0</b>
<b>FY 2008:</b>								
General Funds	35.0	11.7	1.9	16.0	7.0	0.8	27.6	100.0
Other State Funds	10.2	15.2	0.1	7.3	0.7	17.5	49.0	100.0
Federal Funds	11.7	3.7	3.1	43.0	0.2	8.6	29.7	100.0
Bond Funds	9.6	19.2	0.0	0.0	2.7	30.5	37.9	100.0
<b>Total Funds</b>	<b>22.0</b>	<b>10.7</b>	<b>1.7</b>	<b>20.5</b>	<b>3.5</b>	<b>7.8</b>	<b>33.9</b>	<b>100.0</b>

**TABLE 3 (CONTINUED)**

**COMPARISON OF SHARES OF STATE SPENDING WITH FUND SOURCES, FISCAL 1995 TO 2015**

Fund Type & Year	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
<b>FY 2009:</b>								
General Funds	35.2	11.5	1.9	16.3	7.2	0.7	26.8	100.0
Other State Funds	10.1	15.2	0.1	6.8	0.6	16.4	50.8	100.0
Federal Funds	12.2	4.2	2.9	44.6	0.3	7.8	28.0	100.0
Bond Funds	15.0	20.9	0.0	0.0	3.0	30.0	31.0	100.0
<b>Total Funds</b>	<b>21.5</b>	<b>10.5</b>	<b>1.7</b>	<b>21.9</b>	<b>3.4</b>	<b>7.5</b>	<b>33.4</b>	<b>100.0</b>
<b>FY 2010:</b>								
General Funds	35.5	11.5	1.9	14.8	7.4	0.7	28.1	100.0
Other State Funds	9.8	16.7	0.1	7.6	0.7	16.1	49.0	100.0
Federal Funds	12.2	3.6	2.7	42.2	0.4	7.1	31.7	100.0
Bond Funds	8.3	20.3	0.0	0.0	3.0	34.6	33.8	100.0
<b>Total Funds</b>	<b>20.4</b>	<b>10.2</b>	<b>1.7</b>	<b>22.2</b>	<b>3.2</b>	<b>7.5</b>	<b>34.7</b>	<b>100.0</b>
<b>FY 2011:</b>								
General Funds	35.3	11.3	1.9	16.5	7.3	0.5	27.3	100.0
Other State Funds	8.7	18.0	0.1	9.8	0.6	15.8	47.1	100.0
Federal Funds	12.7	4.0	2.7	44.2	0.3	7.2	29.0	100.0
Bond Funds	12.3	16.8	0.0	0.0	1.6	33.9	35.4	100.0
<b>Total Funds</b>	<b>20.3</b>	<b>10.7</b>	<b>1.6</b>	<b>23.8</b>	<b>3.1</b>	<b>7.4</b>	<b>33.1</b>	<b>100.0</b>
<b>FY 2012:</b>								
General Funds	34.7	9.9	1.5	19.2	6.9	0.7	27.1	100.0
Other State Funds	7.8	18.1	0.1	8.8	1.2	15.5	48.5	100.0
Federal Funds	10.7	4.0	2.7	43.9	0.2	8.2	30.1	100.0
Bond Funds	8.3	16.0	0.0	0.0	1.9	35.0	38.8	100.0
<b>Total Funds</b>	<b>19.5</b>	<b>10.4</b>	<b>1.5</b>	<b>23.6</b>	<b>3.2</b>	<b>7.7</b>	<b>34.0</b>	<b>100.0</b>
<b>FY 2013:</b>								
General Funds	34.8	9.6	1.6	19.3	6.9	0.6	27.3	100.0
Other State Funds	9.0	18.1	0.3	10.2	1.0	15.8	45.7	100.0
Federal Funds	10.5	4.4	2.7	45.8	0.1	8.5	28.1	100.0
Bond Funds	6.5	14.8	0.0	0.0	1.6	38.3	38.7	100.0
<b>Total Funds</b>	<b>20.0</b>	<b>10.4</b>	<b>1.5</b>	<b>24.3</b>	<b>3.2</b>	<b>7.8</b>	<b>32.7</b>	<b>100.0</b>
<b>FY 2014:</b>								
General Funds	35.0	9.7	1.4	19.3	6.9	0.8	26.9	100.0
Other State Funds	8.8	18.5	0.7	10.3	1.0	16.5	44.2	100.0
Federal Funds	10.0	4.1	2.6	49.6	0.1	8.2	25.3	100.0
Bond Funds	5.4	14.5	0.0	0.0	1.4	35.3	43.3	100.0
<b>Total Funds</b>	<b>19.8</b>	<b>10.5</b>	<b>1.5</b>	<b>25.6</b>	<b>3.2</b>	<b>7.9</b>	<b>31.4</b>	<b>100.0</b>
<b>FY 2015:</b>								
General Funds	35.2	10.0	1.2	19.3	6.8	0.7	26.7	100.0
Other State Funds	8.5	18.3	0.4	10.0	1.0	16.9	44.9	100.0
Federal Funds	9.2	3.6	2.3	54.2	0.1	7.2	23.4	100.0
Bond Funds	4.4	15.2	0.0	0.0	1.5	30.8	47.6	100.0
<b>Total Funds</b>	<b>19.3</b>	<b>10.3</b>	<b>1.3</b>	<b>27.4</b>	<b>3.1</b>	<b>7.7</b>	<b>30.9</b>	<b>100.0</b>
<b>FY 1995-15 Combined Total:</b>								
General Funds	35.0	11.7	2.3	16.4	7.0	0.7	26.8	100.0
Other State Funds	9.1	15.1	0.3	7.5	0.8	19.3	47.8	100.0
Federal Funds	10.8	4.2	3.7	44.4	0.3	8.6	28.0	100.0
Bond Funds	13.5	18.9	0.0	0.0	3.8	29.5	34.2	100.0
<b>Total Funds</b>	<b>21.2</b>	<b>10.6</b>	<b>2.2</b>	<b>21.7</b>	<b>3.5</b>	<b>8.2</b>	<b>32.6</b>	<b>100.0</b>

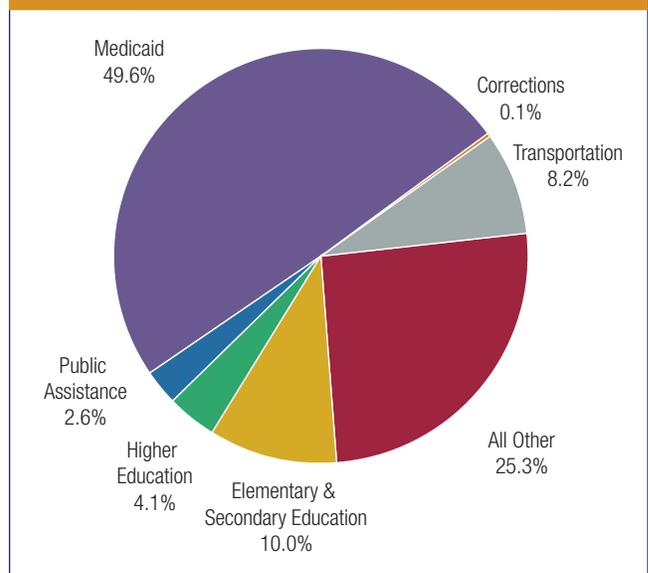
**Other State Funds Expenditures**

Trailing only the “all other” category, higher education and transportation account for the next largest portions of other state funds spending for fiscal 2014, at 18.5 percent and 16.5 percent respectively. Other state funds are expenditures from revenue sources which are restricted by law for particular governmental functions or activities. For transportation, these funds largely represent receipts from gasoline taxes earmarked for highways and other infrastructure projects, while for higher education, these funds include tuition and fees in most states (see Table 3).

**Federal Fund Expenditures**

As reflected in Figure 8, Medicaid accounts for the largest portion of state spending from federal funds in fiscal 2014 at 49.6 percent. Elementary and secondary education at 10.0 percent and transportation at 8.2 percent are the next largest categories.

**FIGURE 8: FEDERAL FUND EXPENDITURES, FISCAL 2014**



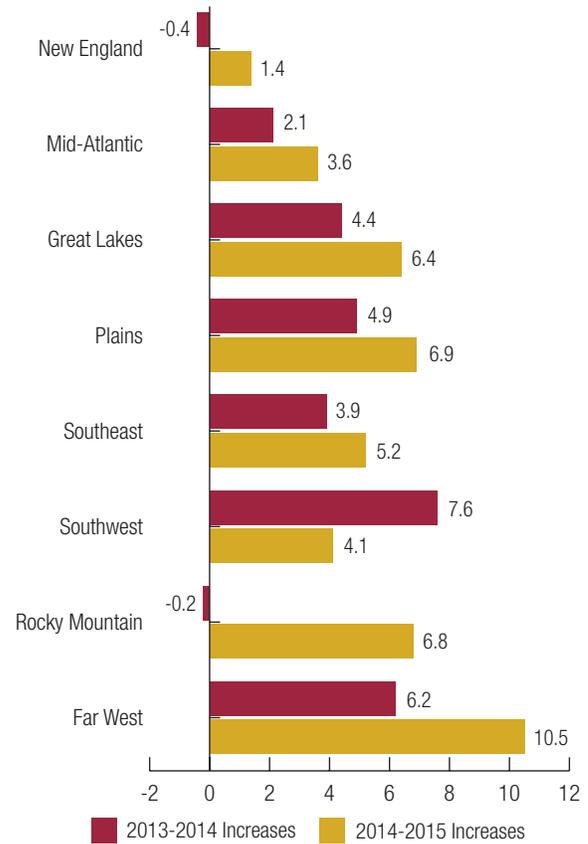
## Regional Spending Trends

Table 4 shows growth rates for each region of the United States, separated by state funds (general fund plus other state funds, not including bond funds) and federal funds. The growth rate for all states increased 3.9 percent in fiscal 2014, with all eight regions recording at least moderate growth. In fiscal 2015, total estimated state spending increased 7.8 percent, with all regions experiencing spending growth of at least 2 percent.

Figure 9 shows the percentage change in state spending from state funds for fiscal 2014 and estimated fiscal 2015. In fiscal 2014, only the New England and Rocky Mountain region experienced small declines in state fund spending while all other regions saw increases, while in fiscal 2015, all eight regions experienced growth in spending from state funds. The Southwest region experienced the largest increase in state fund spending in fiscal 2014, while the Far West experienced the largest gains in estimated fiscal 2015.

Total state expenditure data can be found on Tables 1-5, along with related footnotes at the end of this chapter.

**FIGURE 9:**  
**REGIONAL PERCENT CHANGE IN STATE FUNDS,**  
**FISCAL 2014 AND 2015**



**TABLE 4**  
**REGIONAL PERCENTAGE CHANGE IN TOTAL EXPENDITURES, FISCAL 2014 AND 2015**

Region	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-0.4 %	20.3 %	4.1 %	1.4 %	7.0 %	2.3 %
Mid-Atlantic	2.1	5.4	2.9	3.6	11.1	5.9
Great Lakes	4.4	2.5	4.0	6.4	15.5	8.8
Plains	4.9	1.8	3.9	6.9	7.8	7.0
Southeast	3.9	1.4	2.9	5.2	6.3	5.7
Southwest	7.6	9.5	8.0	4.1	4.0	4.3
Rocky Mountain	-0.2	1.1	0.2	6.8	8.1	7.2
Far West	6.2	5.1	4.8	10.5	27.6	16.0
<b>ALL STATES</b>	<b>4.0 %</b>	<b>4.7 %</b>	<b>3.9 %</b>	<b>5.9 %</b>	<b>12.2 %</b>	<b>7.8 %</b>

**TABLE 5**  
**STATE SPENDING BY FUNCTION AS A PERCENT OF TOTAL STATE EXPENDITURES, FISCAL 2014**

Region/State	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
<b>NEW ENGLAND</b>								
Connecticut	14.2 %	10.6 %	1.3 %	23.2 %	2.6 %	9.5 %	38.6 %	100.0 %
Maine	17.0	3.5	2.1	34.4	2.0	7.8	33.2	100.0
Massachusetts	12.0	10.4	2.2	21.4	2.4	7.7	44.0	100.0
New Hampshire	22.2	2.5	1.5	26.8	2.0	9.8	35.2	100.0
Rhode Island	13.4	12.0	1.2	24.8	2.3	6.3	39.9	100.0
Vermont	31.7	1.8	2.2	26.8	2.8	10.4	24.4	100.0
<b>MID-ATLANTIC</b>								
Delaware	24.1	4.5	0.2	17.3	2.9	7.7	43.1	100.0
Maryland	18.8	14.4	3.6	22.5	3.9	10.5	26.3	100.0
New Jersey	23.6	7.7	0.8	22.5	3.1	9.9	32.5	100.0
New York	19.3	7.6	3.2	29.1	2.3	6.5	32.0	100.0
Pennsylvania	18.7	2.6	5.5	33.3	3.4	9.6	26.8	100.0
<b>GREAT LAKES</b>								
Illinois	14.6	4.1	0.3	26.1	2.4	9.3	43.1	100.0
Indiana	32.0	6.6	1.5	32.0	2.8	5.9	19.2	100.0
Michigan	26.9	4.3	0.5	27.6	4.4	7.5	28.7	100.0
Ohio	16.8	4.2	1.3	35.8	3.0	6.3	32.5	100.0
Wisconsin	16.1	14.2	0.4	18.4	2.8	6.6	41.5	100.0
<b>PLAINS</b>								
Iowa	16.6	26.7	0.5	20.9	2.3	7.2	25.8	100.0
Kansas	25.9	17.6	0.2	22.4	2.6	11.4	19.9	100.0
Minnesota	28.2	4.4	1.5	29.8	1.5	9.5	25.1	100.0
Missouri	22.8	4.8	0.8	35.8	2.8	8.5	24.5	100.0
Nebraska	14.4	23.5	0.5	17.6	2.5	7.6	33.9	100.0
North Dakota	15.8	17.3	0.1	12.9	1.6	19.0	33.4	100.0
South Dakota	14.0	21.6	0.7	20.3	2.7	14.5	26.3	100.0
<b>SOUTHEAST</b>								
Alabama	20.5	20.6	0.2	23.3	2.4	6.4	26.6	100.0
Arkansas	15.1	15.6	2.3	22.1	2.1	6.1	36.8	100.0
Florida	19.2	7.0	0.3	32.0	3.8	12.1	25.6	100.0
Georgia	24.3	18.8	0.1	21.6	3.6	5.9	25.7	100.0
Kentucky	17.4	23.9	0.7	24.0	2.1	9.5	22.4	100.0
Louisiana	18.9	10.4	0.5	26.8	3.0	5.5	34.9	100.0
Mississippi	16.3	18.9	5.5	24.6	2.0	7.1	25.5	100.0
North Carolina	22.4	14.6	0.5	30.4	4.5	10.7	16.8	100.0
South Carolina	18.4	23.6	0.4	24.6	2.8	6.5	23.7	100.0
Tennessee	18.3	14.2	0.3	30.6	3.1	5.7	27.8	100.0
Virginia	15.1	15.2	0.3	17.2	2.7	12.0	37.4	100.0
West Virginia	9.8	12.1	0.5	14.8	1.0	5.4	56.4	100.0
<b>SOUTHWEST</b>								
Arizona	18.3	16.9	0.1	31.0	3.8	5.5	24.4	100.0
New Mexico	18.3	18.0	0.6	25.8	1.8	5.3	30.1	100.0
Oklahoma	15.6	23.3	0.9	23.2	2.6	6.0	28.4	100.0
Texas	25.0	14.0	0.1	30.1	3.1	9.0	18.7	100.0
<b>ROCKY MOUNTAIN</b>								
Colorado	25.4	8.0	0.0	23.0	2.9	5.5	35.2	100.0
Idaho	24.0	8.1	0.2	28.0	3.8	9.4	26.6	100.0
Montana	15.7	10.4	0.5	17.0	3.2	11.4	41.9	100.0
Utah	25.7	12.7	0.5	19.5	2.1	7.7	31.7	100.0
Wyoming	10.0	3.9	0.0	8.0	1.8	10.5	65.8	100.0
<b>FAR WEST</b>								
Alaska	14.1	8.0	1.1	11.1	3.3	13.1	49.3	100.0
California	21.3	7.5	3.6	24.3	5.3	6.1	31.9	100.0
Hawaii	15.0	9.8	0.7	15.5	1.8	9.5	47.8	100.0
Nevada	19.6	8.1	0.5	21.5	3.0	5.6	41.5	100.0
Oregon	17.9	1.3	0.5	20.9	2.9	5.8	50.7	100.0
Washington	23.4	13.7	0.6	16.5	2.6	7.9	35.3	100.0
<b>ALL STATES</b>	<b>19.8 %</b>	<b>10.5 %</b>	<b>1.5 %</b>	<b>25.6 %</b>	<b>3.2 %</b>	<b>7.9 %</b>	<b>31.4 %</b>	<b>100.0 %</b>

Note: Percentages may not add to 100.

## General Notes

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### In reviewing the tables, please note the following:

- Small dollar amounts, when rounded, cause an aberration in the percentage increase. In these instances, the actual dollar amounts should be consulted to determine the exact percentage increase.
- “State funds” refers to general funds plus other state fund spending. State spending from bonds is excluded.
- “Total funds” refers to funding from all sources—general fund, federal funds, other state funds, and bonds.
- The report methodology is detailed in the Appendix.

**All States:** Medicaid reflects provider taxes, fees, assessments, donations, and local funds in Other State Funds.

**Alabama:** Amounts shown in fiscal years 2013 and 2014 are based on actual expenditures during these years, regardless of the year appropriated. Fiscal 2015 amounts shown are equal to actual expenditures through 9 months and then annualized for the year.

**Alaska:** General Funds include Unrestricted General Funds only. Designated general funds are reported in the other state funds category. Additionally, a \$3 billion transfer to the state retirement systems (PERS & TRS) was made at the beginning of fiscal 2015 from the Constitutional Budget reserve fund in order to pay down a \$12 billion unfunded pension liability, and is included in fiscal 2015 other state funds for the “all other” category.

**Connecticut:** Decrease in General Fund expenditures and increase in Federal Funds expenditures from Fiscal 2013 to 2014 due to net budgeting of Medicaid. In fiscal 2013, Medicaid was “gross funded” with federal funds deposited directly to the General Fund. Beginning in fiscal 2014, the Medicaid appropriation in the Department of Social Services (DSS) is “net funded” while other Medicaid expenditures remain gross funded.

**Missouri:** The fiscal 2015 amounts reported are actual expenditures. Total Expenditure amounts do not include employee benefits by each expenditure category; those are included in the “All Other” state expenditures.

**North Carolina:** Fiscal 2013 and fiscal 2014 in this edition of the State Expenditure Report have been adjusted from last year’s edition.

**Ohio:** Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are contained in the General Fund number to be consistent with Ohio accounting practices and with other portrayals of Ohio’s general fund. This amounts to \$9,353.6 million in fiscal 2015. This will tend to make Ohio’s GRF expenditures look higher and conversely make Ohio’s federal expenditures look lower relative to most other states that don’t follow this practice.

Also, inherent in Ohio’s budgetary accounting environment are significant overstatements of total state spending due to two phenomena. First, fiduciary fund expenditures represent the distribution of funds collected by the state on behalf of other entities. These are not operating, program, or subsidy expenditures of the state. Examples of this would be the collection and distribution of county and local permissive sales taxes or motor vehicle registration taxes. Fiduciary fund group expenditures totaled \$6,476.9 million in fiscal 2015. Second, “double counting” of revenue and expenditures related to intrastate transactions overstates overall state expenditure activity. Intra-state transactions totaled \$710.8 million in fiscal 2015. These accounting practices will tend to make Ohio’s “All-Other” expenditures look higher, on a dollar and percentage basis, and conversely make Ohio’s other categories look lower, on a percentage basis, relative to other states that don’t follow similar practices.

**Rhode Island:** Fiscal 2013 expenditures are revised to more accurately reflect actual expenditures, primarily in Medicaid, Corrections, Transportation, and “All Other” State Expenditures.

**Tennessee:** Tennessee collects personal income tax on income from dividends on stocks and interest on certain bonds. Tax revenue estimates do not include federal funds and other departmental revenues. However, federal funds and other departmental revenues are included in the budget as funding sources for the general fund, along with state tax revenues.

**Utah:** Expenditures of operating and capital budgets include expendable revenue funds and accounts, but do not include any expenditures of local property tax revenue.

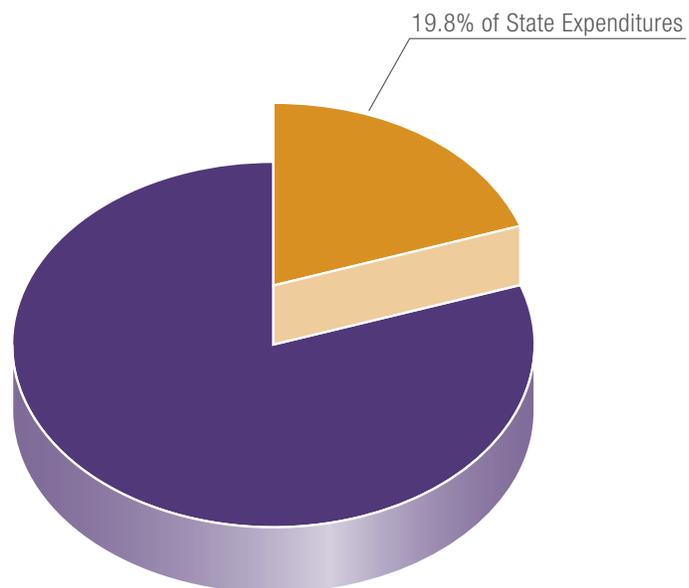
**Wyoming:** Part of Wyoming’s yearly variation in expenditure totals is due to the fact that the state budgets on a two year cycle.

# 1

## CHAPTER



# ELEMENTARY & SECONDARY EDUCATION



## Elementary and Secondary Education Expenditures

State elementary and secondary education expenditures totaled \$344.6 billion in fiscal 2014, a 3.3 percent increase over the previous year. State funding to K-12 education increased by 4.1 percent, while federal funding only grew 0.1 percent. General funds comprised 72.4 percent of total state elementary and secondary education spending, federal funds comprised 15.1 percent, other state funds comprised 11.9 percent, and bonds comprised 0.5 percent (see Figure 10) in fiscal 2014.

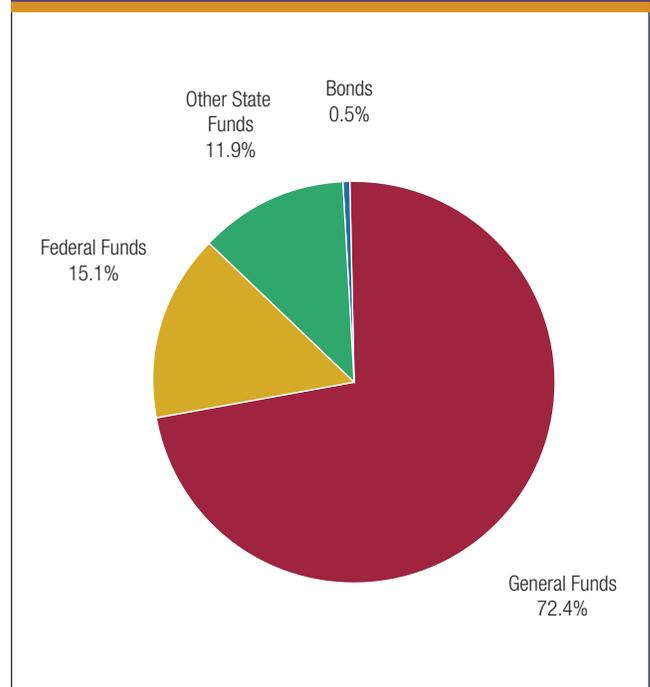
In fiscal 2015, it is estimated that overall elementary and secondary expenditures grew by 5.1 percent, with state funds increasing by 5.4 percent and federal funds increasing by 3.7 percent. As the national economy and state revenues continue to grow modestly, states are restoring some of the prior cuts made to K-12 education due to the most recent recession.

While elementary and secondary education has historically been the largest category of total state spending, it was surpassed by Medicaid in fiscal 2009. In fiscal 2014, Medicaid comprised 25.6 percent of total state spending and K-12 represented 19.8 percent. Elementary and secondary education remains by far the largest component of general fund spending in fiscal 2014 at 35.0 percent, compared to 19.3 percent for Medicaid.

## Sources of Funding

State funding systems for education vary greatly. Over the years, some states have moved toward increasing their share of funding for elementary and secondary education by substituting state funds for local funds, often in order to reduce local governments' reliance on property taxes. Funds are distributed to schools both through general funds on a per-pupil basis and as categorical grants to support specific programs or needs. The federal share serves mainly as a source of supplemental funding for poor school districts and also helps cover the cost of educating children with special needs. However, the federal government has also provided competitive grants to states to help encourage innovation and reforms at the state level. According to the U.S. Census Bureau's report on public education finances, 45.6 percent of elementary and secondary education revenue came from states, 45.3 percent from localities, and 9.1 percent from the federal government in fiscal 2013.

**FIGURE 10**  
**STATE EXPENDITURES FOR ELEMENTARY AND SECONDARY EDUCATION BY FUND SOURCE, FISCAL 2014**



## Regional Expenditures

The following table shows percentage changes in expenditures for elementary and secondary education for fiscal 2013-2014 and fiscal 2014-2015 by region. In both fiscal 2014 and fiscal 2015, all regions saw a net increase in both spending from state funds and total state spending on K-12, while some regions saw a reduction in federal funds in either one, or both, of the years.

**TABLE 6**  
**REGIONAL PERCENTAGE CHANGE IN STATE ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES, FISCAL 2014 AND 2015**

Region	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	4.6 %	-1.4 %	3.9 %	2.4 %	-7.9 %	0.3 %
Mid-Atlantic	1.2	6.1	1.9	4.8	-2.5	3.7
Great Lakes	3.5	2.3	3.0	3.4	8.7	4.6
Plains	0.7	-2.4	0.3	4.5	4.7	4.6
Southeast	3.3	-0.6	2.6	4.0	3.0	3.8
Southwest	7.9	-2.9	5.8	3.6	2.6	3.4
Rocky Mountain	3.6	-4.7	2.7	7.3	7.7	7.3
Far West	7.7	-1.5	5.4	10.5	8.9	9.8
<b>ALL STATES</b>	<b>4.1 %</b>	<b>0.1 %</b>	<b>3.3 %</b>	<b>5.4 %</b>	<b>3.7 %</b>	<b>5.1 %</b>

## ESEA Reauthorization & Flexibility Requests

The *Elementary and Secondary Education Act* (ESEA), and its current reauthorization known as “No Child Left Behind” (NCLB), continues to await a new reauthorization by Congress. In July 2015, the House and Senate both approved bills to reauthorize the *Elementary and Secondary Education Act* (ESEA). Broadly speaking, both bills would reduce the role of the federal government in the nation’s K-12 education system. The next step in the reauthorization effort is for lawmakers from both chambers to work together in conference to reconcile differences between the two bills and reach an agreement on legislation that can pass through both chambers and get the President’s approval. In the meantime, the U.S. Department of Education continues to grant flexibility waivers from certain NCLB requirements to states that develop their own rigorous accountability systems, designed to focus on college- and career-readiness for students, close achievement gaps, promote equity and improve instructional quality.

## Elementary and Secondary Education—Expenditure Exclusions

When comparing resources spent on elementary and secondary education, it is important to understand the types of programs states exclude from these figures. For this report, 15 states wholly or partially excluded employer contributions to teacher pensions and 17 states wholly or partially excluded contributions to health benefits. Additionally, other items that are wholly or partially excluded include: day care programs (41 states), school health care (43), Head Start (34), and libraries (29). Summary expenditure data can be found in Tables 7 through 9, accompanied by explanatory notes. Table 10 lists programs excluded from the expenditure data.

TABLE 7

## ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES (\$ IN MILLIONS)

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$2,880	\$484	\$3	\$563	\$3,930	\$3,039	\$475	\$2	\$628	\$4,144	\$3,265	\$489	\$2	\$528	\$4,284
Maine*	1,087	202	8	0	1,297	1,150	194	30	0	1,374	1,137	192	30	0	1,359
Massachusetts	4,742	1,072	687	0	6,501	4,919	1,086	733	0	6,738	4,992	934	698	0	6,624
New Hampshire	0	199	959	14	1,172	0	186	954	1	1,141	0	179	946	1	1,126
Rhode Island	928	214	29	1	1,172	960	204	34	2	1,200	995	171	29	7	1,202
Vermont	357	121	1,103	8	1,589	370	116	1,176	7	1,669	387	117	1,212	10	1,726
<b>MID-ATLANTIC</b>															
Delaware	1,194	211	681	141	2,227	1,243	208	700	168	2,319	1,278	209	747	98	2,332
Maryland	5,552	969	437	0	6,958	5,690	1,044	406	0	7,140	5,864	1,101	406	0	7,371
New Jersey	11,754	856	20	0	12,630	11,713	782	19	0	12,514	12,047	852	16	0	12,915
New York	19,070	3,407	3,164	16	25,657	19,279	3,927	3,310	17	26,533	20,534	3,433	3,344	15	27,326
Pennsylvania	9,705	2,423	618	0	12,746	9,847	2,386	614	0	12,847	10,287	2,541	847	0	13,675
<b>GREAT LAKES</b>															
Illinois	6,539	2,128	34	0	8,701	6,681	2,217	41	0	8,939	6,555	2,977	268	0	9,800
Indiana	7,452	1,057	171	0	8,680	7,625	980	120	0	8,725	7,705	968	142	0	8,815
Michigan*	313	1,743	10,841	0	12,897	185	1,900	11,288	0	13,373	73	1,911	11,848	0	13,832
Ohio*	6,831	2,000	751	312	9,894	7,128	1,912	1,045	201	10,286	7,617	1,871	1,098	378	10,964
Wisconsin	5,915	782	238	0	6,935	6,080	875	253	0	7,208	6,277	842	257	0	7,376
<b>PLAINS</b>															
Iowa	2,731	444	31	0	3,206	2,864	439	67	0	3,370	3,006	460	77	0	3,543
Kansas*	3,092	479	171	0	3,742	2,963	470	376	0	3,809	3,172	478	928	0	4,578
Minnesota	8,865	745	38	1	9,649	8,430	737	40	3	9,210	8,188	835	46	0	9,069
Missouri	2,914	957	1,358	0	5,229	2,922	943	1,426	0	5,291	3,141	958	1,405	0	5,504
Nebraska	1,088	328	72	0	1,488	1,142	303	77	0	1,522	1,209	322	79	0	1,610
North Dakota	660	141	57	0	858	841	127	74	0	1,042	880	115	69	0	1,064
South Dakota	402	173	3	0	578	401	168	5	0	574	405	169	6	0	580
<b>SOUTHEAST</b>															
Alabama*	3,773	967	273	0	5,013	4,017	919	181	0	5,117	4,109	1,396	187	0	5,692
Arkansas	2,056	519	767	0	3,342	2,103	520	816	0	3,439	2,181	534	761	0	3,476
Florida	9,106	1,893	1,004	0	12,003	10,020	1,950	1,116	0	13,086	10,174	1,730	1,317	0	13,221
Georgia	7,380	2,353	334	167	10,234	7,597	2,385	349	239	10,570	8,139	2,411	360	273	11,183
Kentucky	4,141	846	34	0	5,021	4,202	797	35	0	5,034	4,390	802	35	0	5,227
Louisiana	3,370	1,042	847	0	5,259	3,514	1,049	601	0	5,164	3,520	1,086	725	0	5,331
Mississippi	2,011	705	324	0	3,040	2,059	639	324	0	3,022	2,154	798	370	0	3,322
North Carolina*	7,740	2,040	24	0	9,804	7,768	2,035	23	0	9,826	8,047	2,174	24	0	10,245
South Carolina	2,264	890	749	0	3,903	2,416	901	735	0	4,052	2,538	852	754	0	4,144
Tennessee	4,160	1,165	89	0	5,414	4,327	1,207	70	0	5,604	4,354	1,094	105	0	5,553
Virginia	5,254	1,029	645	0	6,928	5,302	967	678	0	6,947	5,471	906	939	0	7,316
West Virginia	1,969	346	14	23	2,352	1,970	340	14	23	2,347	1,975	340	15	23	2,353
<b>SOUTHWEST</b>															
Arizona	3,465	1,119	544	0	5,128	3,662	1,075	592	0	5,329	3,835	1,082	633	0	5,550
New Mexico	2,455	414	1	0	2,870	2,556	414	2	0	2,972	2,715	414	5	0	3,134
Oklahoma	2,007	616	851	0	3,474	2,046	628	817	0	3,491	2,104	638	857	0	3,599
Texas	14,826	4,961	5,900	3	25,690	18,683	4,784	4,056	3	27,526	19,221	4,948	4,219	0	28,388
<b>ROCKY MOUNTAIN</b>															
Colorado*	3,015	614	3,918	0	7,547	3,199	594	4,169	0	7,962	3,358	585	4,513	0	8,456
Idaho	1,299	243	80	0	1,622	1,327	232	86	0	1,645	1,398	286	96	0	1,780
Montana	697	162	77	0	936	721	163	86	0	970	758	167	82	0	1,007
Utah	2,534	433	26	0	2,993	2,654	419	60	0	3,133	2,756	482	124	0	3,362
Wyoming	2	28	964	0	994	0	3	763	0	766	1	0	933	0	934
<b>FAR WEST</b>															
Alaska	1,364	209	32	0	1,605	1,359	210	33	0	1,602	1,500	228	31	0	1,759
California*	37,979	6,307	127	872	45,285	39,221	6,198	74	407	45,900	45,878	7,061	72	37	53,048
Hawaii	1,444	287	63	0	1,794	1,537	303	49	0	1,889	1,582	241	68	0	1,891
Nevada	1,214	384	382	0	1,980	1,298	257	291	0	1,846	1,371	289	293	0	1,953
Oregon	2,527	560	593	0	3,680	3,356	593	1,852	0	5,801	3,408	648	399	0	4,455
Washington*	6,735	856	109	264	7,964	7,219	916	348	139	8,622	7,612	767	366	245	8,990
<b>TOTAL</b>	<b>\$238,858</b>	<b>\$52,123</b>	<b>\$40,245</b>	<b>\$2,385</b>	<b>\$333,611</b>	<b>\$249,605</b>	<b>\$52,177</b>	<b>\$41,010</b>	<b>\$1,838</b>	<b>\$344,630</b>	<b>\$263,563</b>	<b>\$54,083</b>	<b>\$42,783</b>	<b>\$1,615</b>	<b>\$362,044</b>

\*See notes at the end of the chapter.

**TABLE 8  
ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES AS A  
PERCENT OF TOTAL EXPENDITURES**

Region/State	Fiscal 2013	Fiscal 2014	Fiscal 2015
<b>NEW ENGLAND</b>			
Connecticut	14.2 %	14.2 %	14.0 %
Maine	16.9	17.0	17.6
Massachusetts	11.9	12.0	11.6
New Hampshire	23.4	22.2	20.7
Rhode Island	14.0	13.4	13.5
Vermont	32.0	31.7	31.8
<b>MID-ATLANTIC</b>			
Delaware	24.3	24.1	23.9
Maryland	19.2	18.8	17.7
New Jersey	24.9	23.6	23.1
New York	19.3	19.3	19.0
Pennsylvania	18.4	18.7	18.5
<b>GREAT LAKES</b>			
Illinois	15.0	14.6	13.7
Indiana	30.8	32.0	30.0
Michigan	27.2	26.9	25.5
Ohio	17.0	16.8	16.8
Wisconsin	16.2	16.1	16.2
<b>PLAINS</b>			
Iowa	16.4	16.6	16.3
Kansas	26.8	25.9	29.6
Minnesota	30.6	28.2	25.2
Missouri	22.8	22.8	22.8
Nebraska	14.6	14.4	14.7
North Dakota	15.0	15.8	13.7
South Dakota	14.0	14.0	14.7
<b>SOUTHEAST</b>			
Alabama	20.4	20.5	22.6
Arkansas	15.6	15.1	14.6
Florida	18.8	19.2	17.2
Georgia	24.1	24.3	25.2
Kentucky	19.6	17.4	16.7
Louisiana	18.7	18.9	17.6
Mississippi	15.8	16.3	15.7
North Carolina	22.9	22.4	23.0
South Carolina	17.6	18.4	18.3
Tennessee	17.8	18.3	17.3
Virginia	15.1	15.1	15.5
West Virginia	10.5	9.8	10.0
<b>SOUTHWEST</b>			
Arizona	18.6	18.3	17.7
New Mexico	19.5	18.3	18.3
Oklahoma	16.2	15.6	16.1
Texas	25.5	25.0	24.8
<b>ROCKY MOUNTAIN</b>			
Colorado	25.1	25.4	25.6
Idaho	24.2	24.0	23.3
Montana	15.5	15.7	15.8
Utah	24.8	25.7	26.0
Wyoming	10.9	10.0	10.6
<b>FAR WEST</b>			
Alaska	13.4	14.1	12.6
California	21.4	21.3	20.5
Hawaii	15.5	15.0	14.7
Nevada	22.9	19.6	18.0
Oregon	14.3	17.9	13.3
Washington	23.4	23.4	23.0
<b>ALL STATES</b>	<b>20.0 %</b>	<b>19.8 %</b>	<b>19.3 %</b>

**TABLE 9**

**ANNUAL PERCENTAGE CHANGE IN ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES**

Region/State	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	5.5 %	-1.9 %	5.4 %	7.4 %	2.9 %	3.4 %
Maine	7.8	-4.0	5.9	-1.1	-1.0	-1.1
Massachusetts	4.1	1.3	3.6	0.7	-14.0	-1.7
New Hampshire	-0.5	-6.5	-2.6	-0.8	-3.8	-1.3
Rhode Island	3.9	-4.7	2.4	3.0	-16.2	0.2
Vermont	5.9	-4.1	5.0	3.4	0.9	3.4
<b>MID-ATLANTIC</b>						
Delaware	3.6	-1.4	4.1	4.2	0.5	0.6
Maryland	1.8	7.7	2.6	2.9	5.5	3.2
New Jersey	-0.4	-8.6	-0.9	2.8	9.0	3.2
New York	1.6	15.3	3.4	5.7	-12.6	3.0
Pennsylvania	1.3	-1.5	0.8	6.4	6.5	6.4
<b>GREAT LAKES</b>						
Illinois	2.3	4.2	2.7	1.5	34.3	9.6
Indiana	1.6	-7.3	0.5	1.3	-1.2	1.0
Michigan	2.9	9.0	3.7	3.9	0.6	3.4
Ohio	7.8	-4.4	4.0	6.6	-2.1	6.6
Wisconsin	2.9	11.9	3.9	3.2	-3.8	2.3
<b>PLAINS</b>						
Iowa	6.1	-1.1	5.1	5.2	4.8	5.1
Kansas	2.3	-1.9	1.8	22.8	1.7	20.2
Minnesota	-4.9	-1.1	-4.5	-2.8	13.3	-1.5
Missouri	1.8	-1.5	1.2	4.6	1.6	4.0
Nebraska	5.1	-7.6	2.3	5.7	6.3	5.8
North Dakota	27.6	-9.9	21.4	3.7	-9.4	2.1
South Dakota	0.2	-2.9	-0.7	1.2	0.6	1.0
<b>SOUTHEAST</b>						
Alabama	3.8	-5.0	2.1	2.3	51.9	11.2
Arkansas	3.4	0.2	2.9	0.8	2.7	1.1
Florida	10.1	3.0	9.0	3.2	-11.3	1.0
Georgia*	3.0	1.4	3.3	7.0	1.1	5.8
Kentucky	1.5	-5.8	0.3	4.4	0.6	3.8
Louisiana	-2.4	0.7	-1.8	3.2	3.5	3.2
Mississippi	2.1	-9.4	-0.6	5.9	24.9	9.9
North Carolina	0.3	-0.2	0.2	3.6	6.8	4.3
South Carolina	4.6	1.2	3.8	4.5	-5.4	2.3
Tennessee	3.5	3.6	3.5	1.4	-9.4	-0.9
Virginia	1.4	-6.0	0.3	7.2	-6.3	5.3
West Virginia	0.1	-1.7	-0.2	0.3	0.0	0.3
<b>SOUTHWEST</b>						
Arizona	6.1	-3.9	3.9	5.0	0.7	4.1
New Mexico	4.2	0.0	3.6	6.3	0.0	5.5
Oklahoma	0.2	1.9	0.5	3.4	1.6	3.1
Texas	9.7	-3.6	7.1	3.1	3.4	3.1
<b>ROCKY MOUNTAIN</b>						
Colorado	6.3	-3.3	5.5	6.8	-1.5	6.2
Idaho	2.5	-4.5	1.4	5.7	23.3	8.2
Montana	4.3	0.6	3.6	4.1	2.5	3.8
Utah	6.0	-3.2	4.7	6.1	15.0	7.3
Wyoming	-21.0	-89.3	-22.9	22.4	-100.0	21.9
<b>FAR WEST</b>						
Alaska	-0.3	0.5	-0.2	10.0	8.6	9.8
California	3.1	-1.7	1.4	16.9	13.9	15.6
Hawaii	5.2	5.6	5.3	4.0	-20.5	0.1
Nevada	-0.4	-33.1	-6.8	4.7	12.5	5.8
Oregon	66.9	5.9	57.6	-26.9	9.3	-23.2
Washington	10.6	7.0	8.3	5.4	-16.3	4.3
<b>ALL STATES</b>	<b>4.1 %</b>	<b>0.1 %</b>	<b>3.3 %</b>	<b>5.4 %</b>	<b>3.7 %</b>	<b>5.1 %</b>

Note: State funds are defined as general funds and other state funds (bonds are excluded).

**TABLE 10**

**ITEMS EXCLUDED FROM ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES**

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Head Start	Libraries	Day Care Programs	School Health Care/ Immunization
<b>NEW ENGLAND</b>						
Connecticut	X	X		X	P	P
Maine			X		X	X
Massachusetts	X	X	X	X	X	X
New Hampshire			X	X	X	
Rhode Island			X	X	X	P
Vermont			X	X	X	X
<b>MID-ATLANTIC</b>						
Delaware					X	P
Maryland				X		P
New Jersey		P	X		X	P
New York	P	P	X		X	P
Pennsylvania				X	X	X
<b>GREAT LAKES</b>						
Illinois	X	X	X	X	X	X
Indiana	P	P	X	P	P	X
Michigan*	P	P	X		X	X
Ohio*	P	P		X	P	X
Wisconsin	X	X			P	X
<b>PLAINS</b>						
Iowa			X			
Kansas		X	X	X	X	X
Minnesota	P	P				X
Missouri	X	X	X	X		X
Nebraska	P	P	X	X	X	X
North Dakota			X	X	X	X
South Dakota					X	X
<b>SOUTHEAST</b>						
Alabama				X	X	X
Arkansas			P		P	P
Florida			X	X	X	X
Georgia			X	X		
Kentucky				X	X	
Louisiana			X	X	X	X
Mississippi			P		X	
North Carolina						X
South Carolina			X	X		X
Tennessee					P	P
Virginia					X	
West Virginia			X	X	X	X
<b>SOUTHWEST</b>						
Arizona			X		X	X
New Mexico						P
Oklahoma			X	X	X	X
Texas			X	P	P	P
<b>ROCKY MOUNTAIN</b>						
Colorado*	P	X	X	P	X	P
Idaho			X		X	X
Montana	P	P	X	P	X	X
Utah			X		X	X
Wyoming						
<b>FAR WEST</b>						
Alaska				X	X	X
California			X		X	X
Hawaii	P	P	X		X	X
Nevada			X	X	X	X
Oregon			X	P	X	X
Washington	P	P	X	X	X	X
<b>ALL STATES</b>	<b>15</b>	<b>17</b>	<b>34</b>	<b>29</b>	<b>41</b>	<b>43</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
 \*See notes at the end of the chapter.

## Elementary and Secondary Education Notes

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Small dollar amounts, when rounded, cause an aberration in the percentage increase. In these instances, the actual dollar amounts should be consulted to determine the exact percentage increase.

**Alabama:** Federal funds received directly by local school systems are not reported at the state budget level.

**California:** State funding for schools and community colleges is determined largely by a constitutional formula, enacted by Proposition 98 in 1988. The Proposition 98 funding level increased significantly in 2015 primarily due to increases in General Fund revenues.

**Colorado:** School personnel are paid at the school district level — state costs for employer contributions to employee pensions and health benefits only reflect Colorado Dept. of Education personnel. Funds library-related programs across the state.

**Kansas:** Beginning in fiscal 2015, revenues generated from the state's 20-mill local property tax levy are deposited in the state treasury and distributed to school districts as state aid. Prior to fiscal 2015, these funds were collected and remitted by county treasurers and were not part of the state's budget. For fiscal 2015, revenue generated from the 20-mill tax levy totaled \$579.0 million.

**Maine:** The Elementary and Secondary Education expenditure category includes capital expenditures in amounts less than \$200,000 each fiscal year.

**Michigan:** Figures reflect K-12 education, the Michigan Department of Education, adult education and pre-school. Employer contributions to current employees' pensions and health benefits are reported for Department of Education employees and partially excluded for employees of K-12 schools. Effective for fiscal 2013, state funds partially offset employer-paid retirement obligations for employees of K-12 schools.

**North Carolina:** Community college funding is now included in the higher education section, whereas in last year's edition of the State Expenditure Report it was included in the elementary and secondary education section.

**Ohio:** Employer contributions to current employees' pensions are not directly appropriated, or fully funded, by the state; however, some of the unrestricted support provided to localities for elementary and secondary education is used to help cover these costs. There are no direct appropriations for employer contributions to health benefits, though it can be assumed that some of the unrestricted support provided for elementary and secondary education is used for these costs.

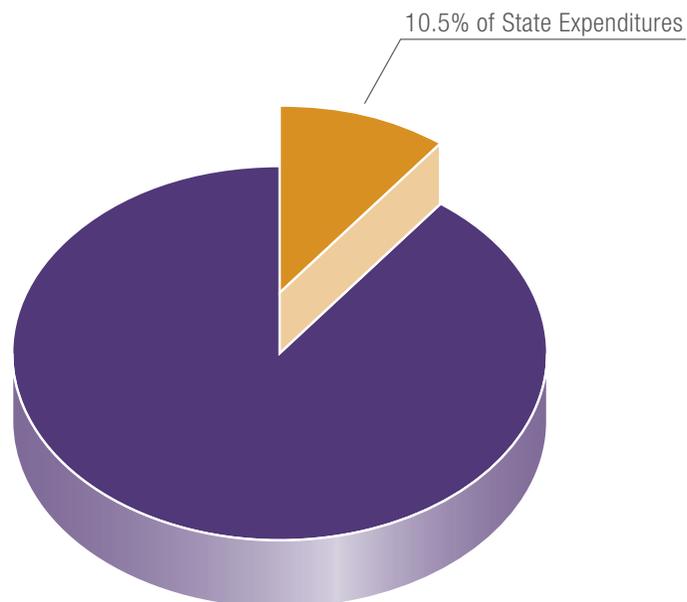
**Washington:** Figures for Elementary and Secondary Education include Capital expenditures.

# 2

## CHAPTER



# HIGHER EDUCATION EXPENDITURES

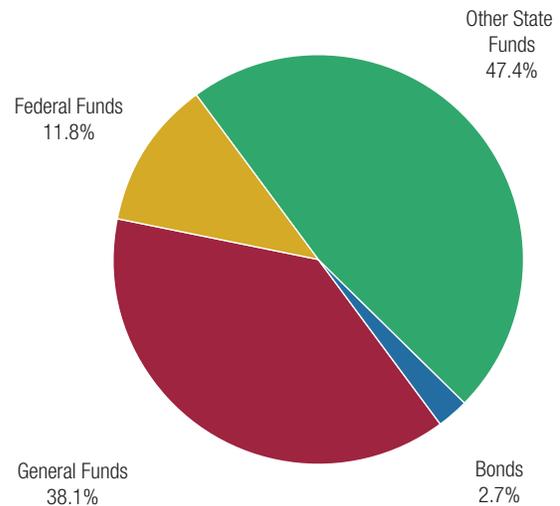


## Higher Education Expenditures

State higher education spending reflects financial support of public university systems, community colleges, and vocational education institutions. In fiscal 2014, states spent \$182.4 billion on higher education, 10.5 percent of total state spending, and 9.7 percent of general fund expenditures. General funds account for 38.1 percent of state spending on higher education, other state funds 47.4 percent, federal funds 11.8 percent, and bonds 2.7 percent (see Figure 11 and Table 12).

Overall, total state higher education spending rose by 4.6 percent in fiscal 2014. State funds (general funds plus other state funds) increased by 6.0 percent, which was partially offset by a 1.4 percent decline in federal funds. In fiscal 2015, estimated total state higher education spending growth accelerated, increasing 6.0 percent, with state funds rising 6.9 percent while federal funds further declined by 1.6 percent.

**FIGURE 11**  
STATE EXPENDITURES FOR HIGHER EDUCATION BY FUND SOURCE, FISCAL 2014



**TABLE 11**  
REGIONAL PERCENTAGE CHANGE IN STATE HIGHER EDUCATION EXPENDITURES, FISCAL 2014 AND 2015

Region	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	3.2 %	0.0 %	2.2 %	4.6 %	-1.3 %	6.8 %
Mid-Atlantic	3.9	2.9	2.4	3.8	1.2	3.8
Great Lakes	4.0	-4.1	4.0	5.5	5.9	5.7
Plains	6.4	-7.9	4.1	3.2	9.8	4.7
Southeast	5.0	1.2	4.1	5.9	-2.2	5.1
Southwest	8.0	-5.6	5.3	1.4	-3.6	0.5
Rocky Mountain	3.2	-11.7	1.8	50.3	-9.3	45.4
Far West	12.6	4.9	9.4	12.3	-5.0	8.5
<b>ALL STATES</b>	<b>6.0 %</b>	<b>-1.4 %</b>	<b>4.6 %</b>	<b>6.9 %</b>	<b>-1.6 %</b>	<b>6.0 %</b>

## Capital Spending

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State expenditures for higher education-related construction, renovation and other capital projects decreased slightly by 1.1 percent in fiscal 2014, and are estimated to have increased 7.8 percent in fiscal 2015 (see Table 48). State spending on capital projects has historically fluctuated from year-to-year partly because the nature of capital spending includes long construction timetables.

## Regional Expenditures

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Table 11 shows regional percentage changes in expenditures for higher education for fiscal 2013-2014 and fiscal 2014-2015. In both fiscal 2014 and fiscal 2015, all regions saw a net increase in both spending from state funds and total state spending on higher education, while some regions saw a reduction in federal funds in either one, or both, of the years.

## Financing Issues

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Higher education represents the third largest component of total state spending, and is also the third largest component of general fund spending. However, as a share of general fund spending, higher education expenditures have been shrinking, as spending in other program areas like Medicaid has been on the rise. For example, in fiscal 1995, higher education comprised 12.9 percent of general fund spending, while in fiscal 2014, higher education spending made up 9.7 percent of general fund expenditures. Accordingly, over that same period, general funds went from making up 58.2 percent of total state spending on higher education in fiscal 1995 to 38.1 percent in fiscal 2014. This has caused the “Other State Funds” source (which for the vast majority of states includes tuition and fees) to surpass the general fund as the single largest fund source for state spending on higher education, making up 47.4 percent of total state higher education expenditures in fiscal 2014.

These trends reflect how an increasing share of the cost burden of higher education is being placed on students through higher

tuition rates. The cost of college has been rising at rates above the rate of inflation. According to The College Board, tuition and fees continue to increase, though at a slower rate than in previous years. Average published in-state tuition and fees at public four-year institutions increased by only 0.8 percent in real terms in 2013-2014 and again in 2014-2015. However, they still increased 17 percent over the five-year period from 2009-2010 to 2014-2015, after adjusting for inflation.

These financing trends raise important questions for states about college affordability and access, especially as states also try to boost educational attainment and completion rates. A growing number of initiatives led by governors, state legislatures, and public higher education systems are aiming to increase the affordability of public higher education by curbing institution costs and restricting tuition increases, while at the same time making strategic investments and policy changes to meet attainment goals. In spring 2013, NASBO released a report entitled, *Improving Postsecondary Education through the Budget Process: Challenges & Opportunities*, describing the need for changes in how public higher education is financed to put it on a more fiscally sustainable path. As a follow up to that report, NASBO is developing a new guidebook for states that will provide state budget officers and analysts with key resources and tools to help them make informed, strategic decisions about the allocation of state resources for higher education.

## Higher Education—Expenditure Exclusions

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In calculating higher education expenditures for fiscal 2014, 13 states wholly or partially excluded tuition and fees, and 21 states wholly or partially excluded student loan programs. Additionally, other items that are wholly or partially excluded include: university research grants (34 states); vocational education (20); assistance to private colleges or universities (26); and employer contributions to pensions (16) and health benefits (16). Table 15 lists programs excluded from the expenditure data by state. Summary expenditure data can be found in Tables 12 through 14, accompanied by explanatory notes.

**TABLE 12**  
**HIGHER EDUCATION EXPENDITURES—CAPITAL INCLUSIVE (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$627	\$359	\$1,660	\$311	<b>\$2,957</b>	\$677	\$357	\$1,737	\$322	<b>\$3,093</b>	\$734	\$354	\$2,117	\$604	<b>\$3,809</b>
Maine	264	0	7	3	<b>274</b>	270	0	8	7	<b>285</b>	272	0	7	26	<b>305</b>
Massachusetts*	982	9	4,552	288	<b>5,831</b>	1,079	10	4,539	218	<b>5,846</b>	1,155	8	4,438	179	<b>5,780</b>
New Hampshire	75	0	13	24	<b>112</b>	109	0	3	15	<b>127</b>	123	0	4	5	<b>132</b>
Rhode Island	173	4	832	16	<b>1,025</b>	179	5	877	15	<b>1,076</b>	188	5	882	38	<b>1,113</b>
Vermont	80	0	7	4	<b>91</b>	84	0	6	3	<b>93</b>	84	0	6	3	<b>93</b>
<b>MID-ATLANTIC</b>															
Delaware	227	65	114	12	<b>418</b>	235	65	124	11	<b>435</b>	232	56	118	13	<b>419</b>
Maryland	1,594	348	3,045	278	<b>5,265</b>	1,713	354	3,078	328	<b>5,473</b>	1,849	356	3,197	375	<b>5,777</b>
New Jersey	2,202	19	1,773	0	<b>3,994</b>	2,305	20	1,782	0	<b>4,107</b>	2,472	21	1,824	0	<b>4,317</b>
New York	3,485	297	5,303	1,082	<b>10,167</b>	3,004	311	6,244	941	<b>10,500</b>	3,287	326	6,258	809	<b>10,680</b>
Pennsylvania	1,615	0	94	212	<b>1,921</b>	1,621	0	106	45	<b>1,772</b>	1,635	0	106	200	<b>1,941</b>
<b>GREAT LAKES</b>															
Illinois	1,977	248	52	118	<b>2,395</b>	1,988	240	55	210	<b>2,493</b>	1,950	379	78	232	<b>2,639</b>
Indiana	1,696	9	8	0	<b>1,713</b>	1,788	2	7	0	<b>1,797</b>	1,935	2	7	0	<b>1,944</b>
Michigan*	1,353	116	398	120	<b>1,987</b>	1,424	109	398	180	<b>2,111</b>	1,535	117	403	194	<b>2,249</b>
Ohio*	2,289	23	37	165	<b>2,514</b>	2,305	21	26	208	<b>2,560</b>	2,380	22	25	235	<b>2,662</b>
Wisconsin	1,349	1,794	2,988	0	<b>6,131</b>	1,351	1,729	3,289	0	<b>6,369</b>	1,750	1,706	3,257	0	<b>6,713</b>
<b>PLAINS</b>															
Iowa	794	505	3,788	0	<b>5,087</b>	835	485	4,122	0	<b>5,442</b>	857	544	4,162	0	<b>5,563</b>
Kansas	770	623	1,097	56	<b>2,546</b>	762	542	1,233	53	<b>2,590</b>	784	566	1,298	65	<b>2,713</b>
Minnesota	1,295	5	-188	216	<b>1,328</b>	1,381	5	-110	149	<b>1,425</b>	1,453	5	-193	236	<b>1,501</b>
Missouri	828	4	272	0	<b>1,104</b>	838	3	267	0	<b>1,108</b>	905	1	257	1	<b>1,164</b>
Nebraska	653	350	1,368	0	<b>2,371</b>	690	332	1,455	0	<b>2,477</b>	714	338	1,535	0	<b>2,587</b>
North Dakota	413	118	548	6	<b>1,085</b>	441	118	563	16	<b>1,138</b>	538	187	774	14	<b>1,513</b>
South Dakota	203	81	630	34	<b>948</b>	215	68	582	19	<b>884</b>	216	64	402	46	<b>728</b>
<b>SOUTHEAST</b>															
Alabama*	1,456	1,198	2,236	0	<b>4,890</b>	1,496	1,300	2,339	0	<b>5,135</b>	1,519	1,137	2,362	0	<b>5,018</b>
Arkansas	781	13	2,516	0	<b>3,310</b>	778	13	2,750	0	<b>3,541</b>	776	9	2,790	0	<b>3,575</b>
Florida	2,938	101	916	26	<b>3,981</b>	3,524	95	1,111	17	<b>4,747</b>	3,661	114	3,208	31	<b>7,014</b>
Georgia	2,098	62	5,462	431	<b>8,053</b>	2,241	63	5,455	407	<b>8,166</b>	2,332	81	5,750	273	<b>8,436</b>
Kentucky	1,167	954	4,733	0	<b>6,854</b>	1,178	888	4,858	0	<b>6,924</b>	1,156	903	5,060	0	<b>7,119</b>
Louisiana	995	153	1,617	43	<b>2,808</b>	542	113	2,081	101	<b>2,837</b>	921	105	1,610	136	<b>2,772</b>
Mississippi	800	182	2,248	29	<b>3,259</b>	842	219	2,448	7	<b>3,516</b>	874	229	2,548	88	<b>3,739</b>
North Carolina*	3,688	60	2,751	0	<b>6,499</b>	3,589	62	2,752	0	<b>6,403</b>	3,660	63	2,713	0	<b>6,436</b>
South Carolina	608	621	3,106	0	<b>4,335</b>	628	726	3,794	48	<b>5,196</b>	667	725	3,839	94	<b>5,325</b>
Tennessee	1,550	209	2,289	197	<b>4,245</b>	1,665	215	2,332	159	<b>4,371</b>	1,658	219	2,339	28	<b>4,244</b>
Virginia	1,623	1,251	3,313	805	<b>6,992</b>	1,683	1,203	3,484	587	<b>6,957</b>	1,721	1,198	3,613	700	<b>7,232</b>
West Virginia	533	268	2,195	54	<b>3,050</b>	499	237	2,106	55	<b>2,897</b>	500	240	2,110	54	<b>2,904</b>
<b>SOUTHWEST</b>															
Arizona	724	805	3,139	26	<b>4,694</b>	735	741	3,410	38	<b>4,924</b>	768	754	3,658	72	<b>5,252</b>
New Mexico	758	664	1,418	0	<b>2,840</b>	796	673	1,442	0	<b>2,911</b>	830	692	0	0	<b>1,522</b>
Oklahoma	955	512	3,395	5	<b>4,867</b>	989	510	3,598	125	<b>5,222</b>	989	515	3,615	125	<b>5,244</b>
Texas	6,330	4,253	4,046	0	<b>14,629</b>	6,983	3,959	4,470	0	<b>15,412</b>	7,574	3,712	5,294	0	<b>16,580</b>
<b>ROCKY MOUNTAIN</b>															
Colorado*	642	438	1,330	0	<b>2,410</b>	703	385	1,424	0	<b>2,512</b>	866	352	3,462	0	<b>4,680</b>
Idaho	312	5	222	6	<b>545</b>	323	5	220	6	<b>554</b>	346	7	394	6	<b>753</b>
Montana	188	51	371	0	<b>610</b>	209	50	383	0	<b>642</b>	222	42	397	0	<b>661</b>
Utah	753	16	683	0	<b>1,452</b>	803	10	730	0	<b>1,543</b>	897	7	724	0	<b>1,628</b>
Wyoming	416	1	17	0	<b>434</b>	286	1	12	0	<b>299</b>	340	1	7	0	<b>348</b>
<b>FAR WEST</b>															
Alaska	586	131	322	0	<b>1,039</b>	481	128	308	0	<b>917</b>	461	154	387	0	<b>1,002</b>
California	9,014	4,868	42	303	<b>14,227</b>	10,675	5,160	14	292	<b>16,141</b>	12,567	4,877	57	319	<b>17,820</b>
Hawaii*	374	14	609	267	<b>1,264</b>	391	9	601	235	<b>1,236</b>	413	10	563	140	<b>1,126</b>
Nevada	473	3	276	8	<b>760</b>	484	3	271	7	<b>765</b>	493	3	286	4	<b>786</b>
Oregon*	204	44	24	0	<b>272</b>	347	40	37	0	<b>424</b>	267	41	45	0	<b>353</b>
Washington	1,164	46	3,386	255	<b>4,851</b>	1,342	17	3,593	95	<b>5,047</b>	1,320	6	3,962	248	<b>5,536</b>
<b>TOTAL</b>	<b>\$66,074</b>	<b>\$21,900</b>	<b>\$81,060</b>	<b>\$5,400</b>	<b>\$174,434</b>	<b>\$69,506</b>	<b>\$21,601</b>	<b>\$86,414</b>	<b>\$4,919</b>	<b>\$182,440</b>	<b>\$74,846</b>	<b>\$21,253</b>	<b>\$91,755</b>	<b>\$5,593</b>	<b>\$193,447</b>

\*See notes at the end of the chapter.

**TABLE 13**  
**HIGHER EDUCATION EXPENDITURES AS A PERCENT OF**  
**TOTAL EXPENDITURES**

Region/State	Fiscal 2013	Fiscal 2014	Fiscal 2015
<b>NEW ENGLAND</b>			
Connecticut	10.6 %	10.6 %	12.4 %
Maine	3.6	3.5	3.9
Massachusetts	10.7	10.4	10.1
New Hampshire	2.2	2.5	2.4
Rhode Island	12.2	12.0	12.5
Vermont	1.8	1.8	1.7
<b>MID-ATLANTIC</b>			
Delaware	4.6	4.5	4.3
Maryland	14.5	14.4	13.9
New Jersey	7.9	7.7	7.7
New York	7.6	7.6	7.4
Pennsylvania	2.8	2.6	2.6
<b>GREAT LAKES</b>			
Illinois	4.1	4.1	3.7
Indiana	6.1	6.6	6.6
Michigan	4.2	4.3	4.1
Ohio	4.3	4.2	4.1
Wisconsin	14.3	14.2	14.8
<b>PLAINS</b>			
Iowa	26.0	26.7	25.5
Kansas	18.2	17.6	17.6
Minnesota	4.2	4.4	4.2
Missouri	4.8	4.8	4.8
Nebraska	23.3	23.5	23.6
North Dakota	19.0	17.3	19.5
South Dakota	22.9	21.6	18.4
<b>SOUTHEAST</b>			
Alabama	19.9	20.6	19.9
Arkansas	15.4	15.6	15.0
Florida	6.2	7.0	9.1
Georgia	19.0	18.8	19.0
Kentucky	26.7	23.9	22.7
Louisiana	10.0	10.4	9.1
Mississippi	17.0	18.9	17.6
North Carolina	15.2	14.6	14.5
South Carolina	19.5	23.6	23.5
Tennessee	13.9	14.2	13.2
Virginia	15.3	15.2	15.4
West Virginia	13.7	12.1	12.4
<b>SOUTHWEST</b>			
Arizona	17.0	16.9	16.8
New Mexico	19.3	18.0	8.9
Oklahoma	22.7	23.3	23.4
Texas	14.5	14.0	14.5
<b>ROCKY MOUNTAIN</b>			
Colorado	8.0	8.0	14.2
Idaho	8.1	8.1	9.9
Montana	10.1	10.4	10.4
Utah	12.0	12.7	12.6
Wyoming	4.8	3.9	3.9
<b>FAR WEST</b>			
Alaska	8.6	8.0	7.2
California	6.7	7.5	6.9
Hawaii	10.9	9.8	8.7
Nevada	8.8	8.1	7.2
Oregon	1.1	1.3	1.1
Washington	14.3	13.7	14.2
<b>ALL STATES</b>	<b>10.4 %</b>	<b>10.5 %</b>	<b>10.3 %</b>

**TABLE 14**  
**ANNUAL PERCENTAGE CHANGE IN HIGHER EDUCATION EXPENDITURES**

Region/State	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	5.6 %	-0.6 %	4.6 %	18.1 %	-0.8 %	23.1 %
Maine	2.6	—	4.0	0.4	—	7.0
Massachusetts	1.5	11.1	0.3	-0.4	-20.0	-1.1
New Hampshire	27.3	—	13.4	13.4	—	3.9
Rhode Island	5.1	25.0	5.0	1.3	0.0	3.4
Vermont	3.4	—	2.2	0.0	—	0.0
<b>MID-ATLANTIC</b>						
Delaware	5.3	0.0	4.1	-2.5	-13.8	-3.7
Maryland	3.3	1.7	4.0	5.3	0.6	5.6
New Jersey	2.8	5.3	2.8	5.1	5.0	5.1
New York	5.2	4.7	3.3	3.2	4.8	1.7
Pennsylvania	1.1	—	-7.8	0.8	—	9.5
<b>GREAT LAKES</b>						
Illinois	0.7	-3.2	4.1	-0.7	57.9	5.9
Indiana	5.3	-77.8	4.9	8.2	0.0	8.2
Michigan	4.1	-6.0	6.2	6.4	7.3	6.5
Ohio	0.2	-8.7	1.8	3.2	4.8	4.0
Wisconsin	7.0	-3.6	3.9	7.9	-1.3	5.4
<b>PLAINS</b>						
Iowa	8.2	-4.0	7.0	1.3	12.2	2.2
Kansas	6.9	-13.0	1.7	4.4	4.4	4.7
Minnesota	14.8	0.0	7.3	-0.9	0.0	5.3
Missouri	0.5	-25.0	0.4	5.2	-66.7	5.1
Nebraska	6.1	-5.1	4.5	4.8	1.8	4.4
North Dakota	4.5	0.0	4.9	30.7	58.5	33.0
South Dakota	-4.3	-16.0	-6.8	-22.5	-5.9	-17.6
<b>SOUTHEAST</b>						
Alabama	3.9	8.5	5.0	1.2	-12.5	-2.3
Arkansas	7.0	0.0	7.0	1.1	-30.8	1.0
Florida	20.3	-5.9	19.2	48.2	20.0	47.8
Georgia	1.8	1.6	1.4	5.0	28.6	3.3
Kentucky	2.3	-6.9	1.0	3.0	1.7	2.8
Louisiana	0.4	-26.1	1.0	-3.5	-7.1	-2.3
Mississippi	7.9	20.3	7.9	4.0	4.6	6.3
North Carolina	-1.5	3.3	-1.5	0.5	1.6	0.5
South Carolina	19.1	16.9	19.9	1.9	-0.1	2.5
Tennessee	4.1	2.9	3.0	0.0	1.9	-2.9
Virginia	4.7	-3.8	-0.5	3.2	-0.4	4.0
West Virginia	-4.5	-11.6	-5.0	0.2	1.3	0.2
<b>SOUTHWEST</b>						
Arizona	7.3	-8.0	4.9	6.8	1.8	6.7
New Mexico	2.8	1.4	2.5	-62.9	2.8	-47.7
Oklahoma	5.4	-0.4	7.3	0.4	1.0	0.4
Texas	10.4	-6.9	5.4	12.4	-6.2	7.6
<b>ROCKY MOUNTAIN</b>						
Colorado	7.9	-12.1	4.2	103.5	-8.6	86.3
Idaho	1.7	0.0	1.7	36.3	40.0	35.9
Montana	5.9	-2.0	5.2	4.6	-16.0	3.0
Utah	6.8	-37.5	6.3	5.7	-30.0	5.5
Wyoming	-31.2	0.0	-31.1	16.4	0.0	16.4
<b>FAR WEST</b>						
Alaska	-13.1	-2.3	-11.7	7.5	20.3	9.3
California	18.0	6.0	13.5	18.1	-5.5	10.4
Hawaii	0.9	-35.7	-2.2	-1.6	11.1	-8.9
Nevada	0.8	0.0	0.7	3.2	0.0	2.7
Oregon	68.4	-9.1	55.9	-18.8	2.5	-16.7
Washington	8.5	-63.0	4.0	7.0	-64.7	9.7
<b>ALL STATES</b>	<b>6.0 %</b>	<b>-1.4 %</b>	<b>4.6 %</b>	<b>6.9 %</b>	<b>-1.6 %</b>	<b>6.0 %</b>

Note: State funds are defined as general funds and other state funds (bonds are excluded).

**TABLE 15**  
**ITEMS EXCLUDED FROM HIGHER EDUCATION EXPENDITURES**

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Tuition and Fees	Student Loan Programs	University Research Grants	Vocational Education	Assistance To Private Colleges & Universities
<b>NEW ENGLAND</b>							
Connecticut	X	X		P	X	X	
Maine	P	P	P		P		X
Massachusetts*	P	P		X		P	X
New Hampshire	P	P	P	P	X		X
Rhode Island				P		P	X
Vermont	X	X	X	X	X	X	
<b>MID-ATLANTIC</b>							
Delaware			X		X	X	X
Maryland							
New Jersey					X	X	
New York	P	P			P	P	P
Pennsylvania	X	X		P	X	P	
<b>GREAT LAKES</b>							
Illinois	X	X	X	X	X	X	X
Indiana	P	P	X		X		X
Michigan*	P	X	X	X	P		
Ohio*	P	P	X	X	X	P	X
Wisconsin					X		
<b>PLAINS</b>							
Iowa							
Kansas							
Minnesota	P	P	X	X	X	X	X
Missouri	X	X	X		X	X	X
Nebraska					X		
North Dakota						X	X
South Dakota							X
<b>SOUTHEAST</b>							
Alabama*							
Arkansas					P		
Florida			P		X		
Georgia				X	X		
Kentucky						P	
Louisiana					X		
Mississippi					P		X
North Carolina					X		
South Carolina							
Tennessee					X		
Virginia				X			
West Virginia				X	P	P	
<b>SOUTHWEST</b>							
Arizona							X
New Mexico							P
Oklahoma				P	P	P	P
Texas							
<b>ROCKY MOUNTAIN</b>							
Colorado*	P	P		X	X		X
Idaho				X	X		X
Montana				X	X		
Utah					X		X
Wyoming							
<b>FAR WEST</b>							
Alaska							X
California			X		P	P	P
Hawaii	P	P		X	X	X	X
Nevada				X	X	X	X
Oregon	P	P	P	P	P	P	P
Washington				X	X		X
<b>ALL STATES</b>	<b>16</b>	<b>16</b>	<b>13</b>	<b>21</b>	<b>34</b>	<b>20</b>	<b>26</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## Higher Education Notes

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Small dollar amounts, when rounded, cause an aberration in the percentage increase. In these instances, the actual dollar amounts should be consulted to determine the exact percentage increase.

**Alabama:** Other state funds for Higher Education include tuition and fees as reported by institutions. Bonds issued and expended directly by institutions are not reported at the state budget level.

**Colorado:** In fiscal 2015, other state funds for higher education includes informational only appropriations of about \$1.9 billion in Higher Ed institutions, and will in future years as well. HED colleges and universities pay pension and health benefits out of their allotments, which include but are not limited to, state general fund appropriations (as well as tuition and other sources). Tuition and fees are paid straight to institutions by the student, or on behalf of the student, and show up as cash funds to the institution in the state budget. Only a small part of research in E&G is funded by the state; for all practical purposes it is funded by outside grants. The College Opportunity Fund (COF) provides some (stipend) funds to students who attend private colleges and universities. However, this sum is very small relative to the total expenditure; as such, it is categorized as excluded for purposes of this survey.

**Massachusetts:** Employer contributions to current employee' pensions, health benefits, and university research grants are included in other funds.

**Michigan:** General Fund support in fiscal 2013 reflects a shift to the state School Aid Fund for operating budgets. Federal

fund support reflects receipt of TANF revenue for student financial aid: \$90.9 million (fiscal 2013), \$90.5 million (fiscal 2014), and \$94.8 million (fiscal 2015). Effective for fiscal 2013, state general fund support partially offsets employer-paid retirement obligations.

**North Carolina:** Community college funding is now included in the higher education section, whereas in last year's edition of the State Expenditure Report it was included in the elementary and secondary education section.

**Ohio:** Employer contributions to current employees' pensions and employer contributions to employee health benefits are not direct expenditures of the state; however, some of the unrestricted support provided to higher education institutions can be assumed to have been used to help cover these costs. The majority of career-technical education/vocational education is funded through appropriations made to the Ohio Department of Education for career-technical/vocational education for students starting as early as the 7th grade. Ohio provides assistance to private colleges and universities through financial aid to students with the greatest need through the Ohio College Opportunity Grant (OCOG). Students attending private colleges and universities are eligible to receive OCOG.

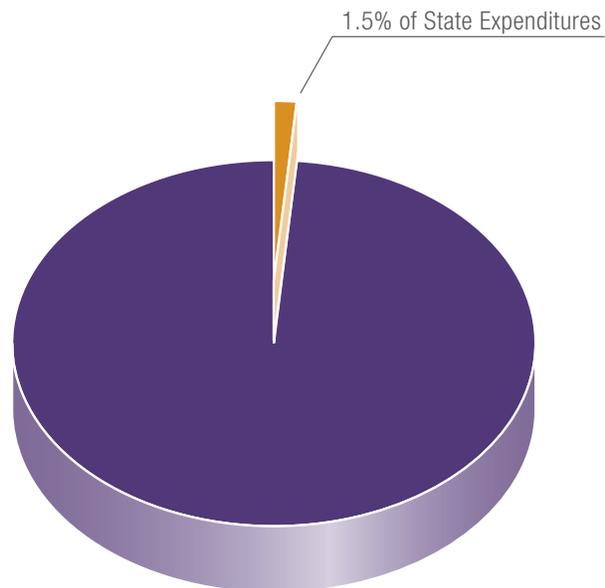
**Oregon:** Beginning in fiscal 2012, the Oregon University System operates as a "public corporation" and as such is no longer considered part of the state budget. The OUS continues to receive General Fund support from the state, as indicated in the survey results, but OF and FF expenditures now only reflect capital expenditures and debt.

# 3

## CHAPTER



# PUBLIC ASSISTANCE EXPENDITURES



## Public Assistance Expenditures

This chapter contains data on cash assistance provided through the Temporary Assistance for Needy Families (TANF) program and other public assistance programs. Spending for these categories totaled \$26.6 billion in fiscal 2014 and represented 1.5 percent of total state expenditures. Public assistance spending from all funds increased by 3.8 percent from fiscal 2013 to fiscal 2014, with spending from state funds increasing by 7.5 percent and spending from federal funds increasing by 0.5 percent. Total spending on public assistance from all funds decreased by 7.3 percent from fiscal 2014 to fiscal 2015 to total \$24.7 billion. State funds decreased by 13.6 percent and federal funds decreased by 1.4 percent.

The primary sources of public assistance funding for fiscal 2014 are federal funds, providing 51.5 percent, followed by general funds at 37.1 percent and other states funds at 11.4 percent (see Figure 12).

The “other cash assistance” category, which includes optional state programs for Supplemental Security Income (SSI) and General Assistance, are not funded in all states, and when funded, are relatively small programs.

## TANF

The Temporary Assistance for Needy Families (TANF) program was reauthorized through September 2010 under the *Deficit Reduction Act of 2005*. Since then, Congress has continued funding the program through short-term extensions, most recently through continuing resolutions. The TANF block grant is funded at \$16.6 billion each year. The program includes specific definitions of work, work verification requirements, and penalties if states do not meet the requirements. As a result of these changes, most states have to significantly increase work participation rates.

This report has information only on the changes in the cash assistance benefit levels within the programs, and does not reflect total TANF spending. Other areas of TANF spending include child care and employment programs. Cash assistance payments under TANF comprise approximately 27 percent of

total TANF spending. States have wide flexibility under TANF to determine their own eligibility criteria, benefit levels, and the type of services and benefits available to TANF recipients. States must maintain a historical level of state spending or maintenance of effort requirement and must meet minimum work participation rate requirements. In addition, families that have received federally funded assistance under TANF for five cumulative years are not eligible for additional federal assistance, though states have considerable flexibility in determining how time limits apply to individual families.

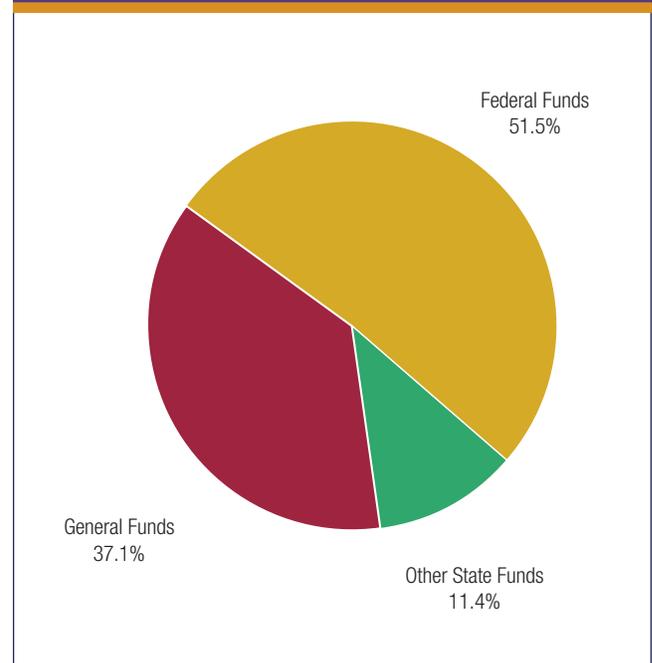
Since welfare reform was initially passed in 1996, states have focused on providing supportive services for families to achieve self-sufficiency. Since 1996, caseloads have declined significantly. The average monthly number of recipients fell from 12.8 million prior to the enactment of TANF to 3.1 million on average in 2015, a decrease of about three-quarters.

Expenditure data on total cash assistance, TANF cash assistance, and other cash assistance can be found on Tables 16-26, accompanied by explanatory notes.

## Fund Shares

The figure below provides fund shares for fiscal 2014.

**FIGURE 12**  
**STATE EXPENDITURES FOR TOTAL PUBLIC ASSISTANCE**  
**BY FUND SOURCE, FISCAL 2014**



## Regional Expenditures

The following table shows regional percentage changes in expenditures for total cash assistance for fiscal 2013-2014 and 2014-2015 by region.

**TABLE 16**  
**REGIONAL PERCENTAGE CHANGE IN STATE TOTAL CASH ASSISTANCE EXPENDITURES, FISCAL 2014 AND 2015**

Region	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	0.2 %	-6.1 %	-0.6 %	0.0 %	-5.2 %	-0.6 %
Mid-Atlantic	40.2	11.2	23.2	-25.9	-9.2	-17.1
Great Lakes	-5.1	-6.3	-5.8	-4.1	2.8	-0.2
Plains	0.4	-2.0	-0.7	0.2	2.8	1.4
Southeast	0.9	-5.0	-3.7	-3.0	2.9	1.6
Southwest	-1.3	-15.2	-10.8	-35.3	29.1	6.5
Rocky Mountain	-8.5	-5.5	-6.7	-7.0	7.2	1.8
Far West	-8.9	-4.7	-6.9	-10.1	3.0	-3.7
<b>ALL STATES</b>	<b>7.5 %</b>	<b>0.5 %</b>	<b>3.8 %</b>	<b>-13.6 %</b>	<b>-1.4 %</b>	<b>-7.3 %</b>

## Expenditures for Cash Assistance under Temporary Assistance for Needy Families (TANF) Program

State and federal funds for TANF cash assistance expenditures totaled \$17.0 billion in fiscal 2014, an increase of 9.8 percent from fiscal 2013 (see Table 23). State funds increased by 28.4 percent and federal funds increased by 0.9 percent. For fiscal 2015, total spending for TANF cash assistance expenditures decreased by 12.1 percent to \$15.0 billion, with federal funds declining by 2.9 percent and state spending declining by 27 percent. Cash assistance payments under TANF comprise approximately 27 percent of total TANF spending.

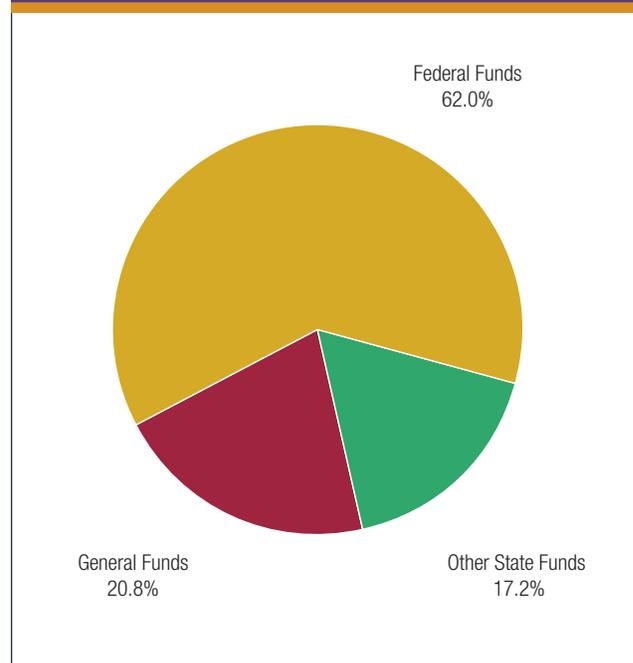
States have also provided funding for programs to address childcare services, transportation needs, transitional rental assistance, substance abuse, job readiness and job retention training, and domestic violence. As cash assistance has declined, these supportive services have gained greater importance in the program.

Expenditure data for TANF cash assistance can be found on Tables 21-23.

## Fund Shares

The figure below provides fund shares for 2014.

**FIGURE 13**  
**STATE EXPENDITURES FOR TEMPORARY ASSISTANCE FOR NEEDY FAMILIES BY FUND SOURCE, FISCAL 2014**



## Regional Expenditures

The following table shows percentage changes in expenditures for TANF cash assistance for fiscal 2013-2014 and 2014-2015 by region.

**TABLE 17**  
**REGIONAL PERCENTAGE CHANGE IN STATE TANF EXPENDITURES,**  
**FISCAL 2014 AND 2015**

Region	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-4.3 %	-8.1 %	-4.8 %	-3.3 %	-16.8 %	-5.0 %
Mid-Atlantic	161.7	20.4	59.1	-35.4	-16.1	-24.8
Great Lakes	-3.8	-8.5	-6.7	-7.6	4.2	-0.5
Plains	-3.2	-2.0	-2.4	-4.4	2.8	0.5
Southeast	2.0	-6.4	-4.9	-4.1	1.5	0.5
Southwest	-1.9	-22.4	-16.7	-50.5	35.8	7.5
Rocky Mountain	-12.1	-5.5	-7.5	-3.4	7.2	4.1
Far West	-22.8	-6.8	-12.0	-38.9	4.6	-7.7
<b>ALL STATES</b>	<b>28.4 %</b>	<b>0.9 %</b>	<b>9.8 %</b>	<b>-27.0 %</b>	<b>-2.9 %</b>	<b>-12.1 %</b>

## Expenditures for Other Cash Assistance

The second component of cash assistance for public welfare is other cash assistance, including state participation in the Supplemental Security Income (SSI) program, which pays benefits to disabled adults and children, General Assistance (GA), and emergency assistance. Each state determines the structure of its own program, resulting in significant variations in programs and funding. Some have statewide uniform eligibility

rules while others simply require some form of county participation. Thirty-three states spend some amount on other cash assistance.

Other cash assistance programs accounted for 0.6 percent of total state spending in fiscal 2014. States spent \$9.6 billion for other cash assistance, with 67.4 percent of that amount funded from state funds in fiscal 2014. Expenditure data for other cash assistance can be found on Tables 24-26.

**TABLE 18**  
**TOTAL PUBLIC ASSISTANCE EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013				Actual Fiscal 2014				Estimated Fiscal 2015			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$378	\$0	\$0	<b>\$378</b>	\$384	\$0	\$0	<b>\$384</b>	\$388	\$0	\$0	<b>\$388</b>
Maine	42	47	91	<b>180</b>	47	35	90	<b>172</b>	41	30	91	<b>162</b>
Massachusetts	1,181	29	0	<b>1,210</b>	1,180	29	1	<b>1,210</b>	1,193	28	0	<b>1,221</b>
New Hampshire	59	27	0	<b>86</b>	50	29	0	<b>79</b>	53	19	0	<b>72</b>
Rhode Island	29	78	0	<b>107</b>	30	76	0	<b>106</b>	29	75	0	<b>104</b>
Vermont	40	66	10	<b>116</b>	45	63	6	<b>114</b>	37	68	1	<b>106</b>
<b>MID-ATLANTIC</b>												
Delaware	16	7	1	<b>24</b>	20	2	1	<b>23</b>	24	3	1	<b>28</b>
Maryland	85	1,270	19	<b>1,374</b>	66	1,288	1	<b>1,355</b>	73	1,365	19	<b>1,457</b>
New Jersey	295	163	0	<b>458</b>	263	157	0	<b>420</b>	242	156	0	<b>398</b>
New York	1,417	2,583	0	<b>4,000</b>	1,246	3,168	0	<b>4,414</b>	1,138	2,633	0	<b>3,771</b>
Pennsylvania	526	760	999	<b>2,285</b>	359	703	2,752	<b>3,814</b>	344	670	1,646	<b>2,660</b>
<b>GREAT LAKES</b>												
Illinois	191	0	0	<b>191</b>	178	0	0	<b>178</b>	176	5	0	<b>181</b>
Indiana	65	320	0	<b>385</b>	66	337	0	<b>403</b>	66	337	0	<b>403</b>
Michigan*	187	101	58	<b>346</b>	147	73	50	<b>270</b>	144	53	48	<b>245</b>
Ohio	232	620	0	<b>852</b>	213	588	0	<b>801</b>	214	625	0	<b>839</b>
Wisconsin	72	61	14	<b>147</b>	104	35	19	<b>158</b>	82	42	15	<b>139</b>
<b>PLAINS</b>												
Iowa	63	32	11	<b>106</b>	62	26	12	<b>100</b>	63	40	10	<b>113</b>
Kansas	8	21	0	<b>29</b>	3	21	0	<b>24</b>	0	20	0	<b>20</b>
Minnesota	301	195	2	<b>498</b>	309	175	2	<b>486</b>	317	184	2	<b>503</b>
Missouri	33	99	32	<b>164</b>	35	115	32	<b>182</b>	35	107	32	<b>174</b>
Nebraska	20	32	0	<b>52</b>	17	33	0	<b>50</b>	16	30	0	<b>46</b>
North Dakota	2	0	3	<b>5</b>	0	0	5	<b>5</b>	0	1	3	<b>4</b>
South Dakota	9	18	0	<b>27</b>	9	19	0	<b>28</b>	9	18	0	<b>27</b>
<b>SOUTHEAST</b>												
Alabama	0	46	0	<b>46</b>	0	40	0	<b>40</b>	0	43	0	<b>43</b>
Arkansas*	154	308	38	<b>500</b>	142	333	50	<b>525</b>	153	357	41	<b>551</b>
Florida	148	61	0	<b>209</b>	157	42	0	<b>199</b>	152	55	0	<b>207</b>
Georgia	0	48	0	<b>48</b>	0	42	0	<b>42</b>	0	48	0	<b>48</b>
Kentucky	76	149	0	<b>225</b>	73	142	0	<b>215</b>	74	116	0	<b>190</b>
Louisiana	3	141	0	<b>144</b>	0	140	0	<b>140</b>	0	140	0	<b>140</b>
Mississippi	34	1,060	4	<b>1,098</b>	34	986	4	<b>1,024</b>	34	1,024	4	<b>1,062</b>
North Carolina	61	171	1	<b>233</b>	61	171	1	<b>233</b>	61	158	1	<b>220</b>
South Carolina	28	63	0	<b>91</b>	28	61	0	<b>89</b>	17	69	0	<b>86</b>
Tennessee	13	97	0	<b>110</b>	20	82	0	<b>102</b>	14	100	0	<b>114</b>
Virginia	44	123	0	<b>167</b>	40	109	0	<b>149</b>	40	103	0	<b>143</b>
West Virginia	30	87	0	<b>117</b>	30	89	0	<b>119</b>	30	88	0	<b>118</b>
<b>SOUTHWEST</b>												
Arizona	2	46	0	<b>48</b>	0	40	0	<b>40</b>	0	45	0	<b>45</b>
New Mexico	6	145	0	<b>151</b>	6	96	0	<b>102</b>	6	115	0	<b>121</b>
Oklahoma	78	118	0	<b>196</b>	78	133	0	<b>211</b>	78	146	0	<b>224</b>
Texas	66	19	0	<b>85</b>	66	9	0	<b>75</b>	13	53	0	<b>66</b>
<b>ROCKY MOUNTAIN</b>												
Colorado	0	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0	0	<b>0</b>
Idaho	9	7	0	<b>16</b>	9	7	0	<b>16</b>	9	7	0	<b>16</b>
Montana	12	19	0	<b>31</b>	11	18	0	<b>29</b>	11	18	0	<b>29</b>
Utah	23	47	3	<b>73</b>	20	44	3	<b>67</b>	13	49	7	<b>69</b>
Wyoming	0	0	0	<b>0</b>	0	0	0	<b>0</b>	0	0	0	<b>0</b>
<b>FAR WEST</b>												
Alaska	99	9	16	<b>124</b>	98	9	15	<b>122</b>	103	19	18	<b>140</b>
California	4,309	3,989	0	<b>8,298</b>	3,951	3,801	0	<b>7,752</b>	3,563	3,917	0	<b>7,480</b>
Hawaii	47	41	0	<b>88</b>	47	37	0	<b>84</b>	50	34	0	<b>84</b>
Nevada	25	24	0	<b>49</b>	25	25	0	<b>50</b>	25	29	0	<b>54</b>
Oregon	74	108	0	<b>182</b>	90	86	2	<b>178</b>	39	117	0	<b>156</b>
Washington	125	166	0	<b>291</b>	51	175	0	<b>226</b>	48	142	0	<b>190</b>
<b>TOTAL</b>	<b>\$10,717</b>	<b>\$13,621</b>	<b>\$1,302</b>	<b>\$25,640</b>	<b>\$9,870</b>	<b>\$13,689</b>	<b>\$3,046</b>	<b>\$26,605</b>	<b>\$9,217</b>	<b>\$13,501</b>	<b>\$1,939</b>	<b>\$24,657</b>

Note: This table reflects TANF and other cash assistance expenditures. \*See notes at the end of the chapter.

**TABLE 19**  
**TOTAL PUBLIC ASSISTANCE EXPENDITURES AS A PERCENT OF**  
**TOTAL EXPENDITURES**

Region/State	Fiscal 2013	Fiscal 2014	Fiscal 2015
<b>NEW ENGLAND</b>			
Connecticut	1.4 %	1.3 %	1.3 %
Maine	2.3	2.1	2.1
Massachusetts	2.2	2.2	2.1
New Hampshire	1.7	1.5	1.3
Rhode Island	1.3	1.2	1.2
Vermont	2.3	2.2	2.0
<b>MID-ATLANTIC</b>			
Delaware	0.3	0.2	0.3
Maryland	3.8	3.6	3.5
New Jersey	0.9	0.8	0.7
New York	3.0	3.2	2.6
Pennsylvania	3.3	5.5	3.6
<b>GREAT LAKES</b>			
Illinois	0.3	0.3	0.3
Indiana	1.4	1.5	1.4
Michigan	0.7	0.5	0.5
Ohio	1.5	1.3	1.3
Wisconsin	0.3	0.4	0.3
<b>PLAINS</b>			
Iowa	0.5	0.5	0.5
Kansas	0.2	0.2	0.1
Minnesota	1.6	1.5	1.4
Missouri	0.7	0.8	0.7
Nebraska	0.5	0.5	0.4
North Dakota	0.1	0.1	0.1
South Dakota	0.7	0.7	0.7
<b>SOUTHEAST</b>			
Alabama	0.2	0.2	0.2
Arkansas	2.3	2.3	2.3
Florida	0.3	0.3	0.3
Georgia	0.1	0.1	0.1
Kentucky	0.9	0.7	0.6
Louisiana	0.5	0.5	0.5
Mississippi	5.7	5.5	5.0
North Carolina	0.5	0.5	0.5
South Carolina	0.4	0.4	0.4
Tennessee	0.4	0.3	0.4
Virginia	0.4	0.3	0.3
West Virginia	0.5	0.5	0.5
<b>SOUTHWEST</b>			
Arizona	0.2	0.1	0.1
New Mexico	1.0	0.6	0.7
Oklahoma	0.9	0.9	1.0
Texas	0.1	0.1	0.1
<b>ROCKY MOUNTAIN</b>			
Colorado	0.0	0.0	0.0
Idaho	0.2	0.2	0.2
Montana	0.5	0.5	0.5
Utah	0.6	0.5	0.5
Wyoming	0.0	0.0	0.0
<b>FAR WEST</b>			
Alaska	1.0	1.1	1.0
California	3.9	3.6	2.9
Hawaii	0.8	0.7	0.7
Nevada	0.6	0.5	0.5
Oregon	0.7	0.5	0.5
Washington	0.9	0.6	0.5
<b>ALL STATES</b>	<b>1.5 %</b>	<b>1.5 %</b>	<b>1.3 %</b>

Note: This table reflects TANF and other cash assistance expenditures.

**TABLE 20**  
**ANNUAL PERCENTAGE CHANGE IN TOTAL PUBLIC ASSISTANCE EXPENDITURES**

Region/State	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	1.6 %	— %	1.6 %	1.0 %	— %	1.0 %
Maine	3.0	-25.5	-4.4	-3.6	-14.3	-5.8
Massachusetts	0.0	0.0	0.0	1.0	-3.4	0.9
New Hampshire	-15.3	7.4	-8.1	6.0	-34.5	-8.9
Rhode Island	3.4	-2.6	-0.9	-3.3	-1.3	-1.9
Vermont	2.0	-4.5	-1.7	-25.5	7.9	-7.0
<b>MID-ATLANTIC</b>						
Delaware	23.5	-71.4	-4.2	19.0	50.0	21.7
Maryland	-35.6	1.4	-1.4	37.3	6.0	7.5
New Jersey	-10.8	-3.7	-8.3	-8.0	-0.6	-5.2
New York	-12.1	22.6	10.4	-8.7	-16.9	-14.6
Pennsylvania	104.0	-7.5	66.9	-36.0	-4.7	-30.3
<b>GREAT LAKES</b>						
Illinois	-6.8	—	-6.8	-1.1	—	1.7
Indiana	1.5	5.3	4.7	0.0	0.0	0.0
Michigan	-19.6	-27.7	-22.0	-2.5	-27.4	-9.3
Ohio	-8.2	-5.2	-6.0	0.5	6.3	4.7
Wisconsin	43.0	-42.6	7.5	-21.1	20.0	-12.0
<b>PLAINS</b>						
Iowa	0.0	-18.8	-5.7	-1.4	53.8	13.0
Kansas	-62.5	0.0	-17.2	-100.0	-4.8	-16.7
Minnesota	2.6	-10.3	-2.4	2.6	5.1	3.5
Missouri	3.1	16.2	11.0	0.0	-7.0	-4.4
Nebraska	-15.0	3.1	-3.8	-5.9	-9.1	-8.0
North Dakota	0.0	—	0.0	-40.0	—	-20.0
South Dakota	0.0	5.6	3.7	0.0	-5.3	-3.6
<b>SOUTHEAST</b>						
Alabama	—	-13.0	-13.0	—	7.5	7.5
Arkansas	0.0	8.1	5.0	1.0	7.2	5.0
Florida	6.1	-31.1	-4.8	-3.2	31.0	4.0
Georgia	—	-12.5	-12.5	—	14.3	14.3
Kentucky	-3.9	-4.7	-4.4	1.4	-18.3	-11.6
Louisiana	-100.0	-0.7	-2.8	—	0.0	0.0
Mississippi	0.0	-7.0	-6.7	0.0	3.9	3.7
North Carolina	0.0	0.0	0.0	0.0	-7.6	-5.6
South Carolina	0.0	-3.2	-2.2	-39.3	13.1	-3.4
Tennessee	53.8	-15.5	-7.3	-30.0	22.0	11.8
Virginia	-9.1	-11.4	-10.8	0.0	-5.5	-4.0
West Virginia	0.0	2.3	1.7	0.0	-1.1	-0.8
<b>SOUTHWEST</b>						
Arizona	-100.0	-13.0	-16.7	—	12.5	12.5
New Mexico	0.0	-33.8	-32.5	0.0	19.8	18.6
Oklahoma	0.0	12.7	7.7	0.0	9.8	6.2
Texas	0.0	-52.6	-11.8	-80.3	488.9	-12.0
<b>ROCKY MOUNTAIN</b>						
Colorado	—	—	—	—	—	—
Idaho	0.0	0.0	0.0	0.0	0.0	0.0
Montana	-8.3	-5.3	-6.5	0.0	0.0	0.0
Utah	-11.5	-6.4	-8.2	-13.0	11.4	3.0
Wyoming	—	—	—	—	—	—
<b>FAR WEST</b>						
Alaska	-1.7	0.0	-1.6	7.1	111.1	14.8
California	-8.3	-4.7	-6.6	-9.8	3.1	-3.5
Hawaii	0.0	-9.8	-4.5	6.4	-8.1	0.0
Nevada	0.0	4.2	2.0	0.0	16.0	8.0
Oregon	24.3	-20.4	-2.2	-57.6	36.0	-12.4
Washington	-59.2	5.4	-22.3	-5.9	—	-15.9
<b>ALL STATES</b>	<b>7.5 %</b>	<b>0.5 %</b>	<b>3.8 %</b>	<b>-13.6 %</b>	<b>-1.4 %</b>	<b>-7.3 %</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded). This table reflects TANF and other cash assistance expenditures.

TABLE 21

## CASH EXPENDITURES UNDER TEMPORARY ASSISTANCE TO NEEDY FAMILIES EXPENDITURES (TANF) (\$ IN MILLIONS)

Region/State	Actual Fiscal 2013				Actual Fiscal 2014				Estimated Fiscal 2015			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$267	\$0	\$0	\$267	\$267	\$0	\$0	\$267	\$267	\$0	\$0	\$267
Maine	22	37	90	149	23	29	89	141	21	22	91	134
Massachusetts	381	0	0	381	355	0	0	355	333	0	0	333
New Hampshire	43	27	0	70	34	29	0	63	39	19	0	58
Rhode Island	0	39	0	39	0	36	0	36	0	31	0	31
Vermont	23	20	2	45	20	19	4	43	14	22	1	37
<b>MID-ATLANTIC</b>												
Delaware	11	7	1	19	15	2	1	18	17	1	0	18
Maryland	38	100	10	148	15	130	0	145	29	105	10	144
New Jersey	77	45	0	122	65	60	0	125	64	47	0	111
New York	0	2,583	0	2,583	0	3,168	0	3,168	0	2,633	0	2,633
Pennsylvania	224	350	805	1,379	203	354	2,752	3,309	205	329	1,646	2,180
<b>GREAT LAKES</b>												
Illinois	191	0	0	191	178	0	0	178	176	5	0	181
Indiana	28	168	0	196	29	173	0	202	29	173	0	202
Michigan*	96	85	49	230	56	60	44	160	49	39	43	131
Ohio	151	620	0	771	152	588	0	740	152	625	0	777
Wisconsin	55	30	5	90	84	5	10	99	62	19	0	81
<b>PLAINS</b>												
Iowa	48	32	11	91	48	26	12	86	49	40	10	99
Kansas	8	21	0	29	3	21	0	24	0	20	0	20
Minnesota	85	195	0	280	84	175	0	259	83	184	0	267
Missouri	8	99	0	107	10	115	0	125	10	107	0	117
Nebraska	13	29	0	42	10	30	0	40	9	27	0	36
North Dakota	2	0	3	5	0	0	5	5	0	1	3	4
South Dakota	9	18	0	27	9	19	0	28	9	18	0	27
<b>SOUTHEAST</b>												
Alabama	0	46	0	46	0	40	0	40	0	43	0	43
Arkansas	16	55	1	72	17	63	2	82	17	62	1	80
Florida	130	44	0	174	141	23	0	164	130	34	0	164
Georgia	0	48	0	48	0	42	0	42	0	48	0	48
Kentucky	76	149	0	225	73	142	0	215	74	116	0	190
Louisiana	3	141	0	144	0	140	0	140	0	140	0	140
Mississippi	34	1,060	4	1,098	34	986	4	1,024	34	1,024	4	1,062
North Carolina	61	171	1	233	61	171	1	233	61	158	1	220
South Carolina	5	27	0	32	2	28	0	30	2	28	0	30
Tennessee	13	97	0	110	20	82	0	102	14	100	0	114
Virginia	43	54	0	97	39	47	0	86	39	40	0	79
West Virginia	23	87	0	110	24	89	0	113	24	88	0	112
<b>SOUTHWEST</b>												
Arizona	2	46	0	48	0	40	0	40	0	45	0	45
New Mexico	0	145	0	145	0	96	0	96	0	115	0	115
Oklahoma	39	67	0	106	39	70	0	109	39	79	0	118
Texas	66	19	0	85	66	9	0	75	13	53	0	66
<b>ROCKY MOUNTAIN</b>												
Colorado	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	7	0	7	0	7	0	7	0	7	0	7
Montana	12	19	0	31	11	18	0	29	11	18	0	29
Utah	18	47	3	68	15	44	3	62	10	49	7	66
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>												
Alaska	18	8	0	26	19	8	0	27	15	17	0	32
California	1,545	3,301	0	4,846	1,162	3,069	0	4,231	701	3,217	0	3,918
Hawaii	23	41	0	64	23	37	0	60	23	34	0	57
Nevada	25	24	0	49	25	25	0	50	25	29	0	54
Oregon	74	102	0	176	90	80	2	172	39	111	0	150
Washington	46	166	0	212	15	175	0	190	13	142	0	155
<b>TOTAL</b>	<b>\$4,052</b>	<b>\$10,476</b>	<b>\$985</b>	<b>\$15,513</b>	<b>\$3,536</b>	<b>\$10,570</b>	<b>\$2,929</b>	<b>\$17,035</b>	<b>\$2,901</b>	<b>\$10,264</b>	<b>\$1,817</b>	<b>\$14,982</b>

\*See notes at the end of the chapter.

**TABLE 22**  
**TANF EXPENDITURES FOR CASH ASSISTANCE AS A PERCENT OF**  
**TOTAL EXPENDITURES**

Region/State	Fiscal 2013		Fiscal 2014		Fiscal 2015
<b>NEW ENGLAND</b>					
Connecticut	1.0	%	0.9	%	0.9
Maine	1.9		1.7		1.7
Massachusetts	0.7		0.6		0.6
New Hampshire	1.4		1.2		1.1
Rhode Island	0.5		0.4		0.3
Vermont	0.9		0.8		0.7
<b>MID-ATLANTIC</b>					
Delaware	0.2		0.2		0.2
Maryland	0.4		0.4		0.3
New Jersey	0.2		0.2		0.2
New York	1.9		2.3		1.8
Pennsylvania	2.0		4.8		2.9
<b>GREAT LAKES</b>					
Illinois	0.3		0.3		0.3
Indiana	0.7		0.7		0.7
Michigan	0.5		0.3		0.2
Ohio	1.3		1.2		1.2
Wisconsin	0.2		0.2		0.2
<b>PLAINS</b>					
Iowa	0.5		0.4		0.5
Kansas	0.2		0.2		0.1
Minnesota	0.9		0.8		0.7
Missouri	0.5		0.5		0.5
Nebraska	0.4		0.4		0.3
North Dakota	0.1		0.1		0.1
South Dakota	0.7		0.7		0.7
<b>SOUTHEAST</b>					
Alabama	0.2		0.2		0.2
Arkansas	0.3		0.4		0.3
Florida	0.3		0.2		0.2
Georgia	0.1		0.1		0.1
Kentucky	0.9		0.7		0.6
Louisiana	0.5		0.5		0.5
Mississippi	5.7		5.5		5.0
North Carolina	0.5		0.5		0.5
South Carolina	0.1		0.1		0.1
Tennessee	0.4		0.3		0.4
Virginia	0.2		0.2		0.2
West Virginia	0.5		0.5		0.5
<b>SOUTHWEST</b>					
Arizona	0.2		0.1		0.1
New Mexico	1.0		0.6		0.7
Oklahoma	0.5		0.5		0.5
Texas	0.1		0.1		0.1
<b>ROCKY MOUNTAIN</b>					
Colorado	0.0		0.0		0.0
Idaho	0.1		0.1		0.1
Montana	0.5		0.5		0.5
Utah	0.6		0.5		0.5
Wyoming	0.0		0.0		0.0
<b>FAR WEST</b>					
Alaska	0.2		0.2		0.2
California	2.3		2.0		1.5
Hawaii	0.6		0.5		0.4
Nevada	0.6		0.5		0.5
Oregon	0.7		0.5		0.4
Washington	0.6		0.5		0.4
<b>ALL STATES</b>	<b>0.9</b>	<b>%</b>	<b>1.0</b>	<b>%</b>	<b>0.8</b>

**TABLE 23**

**ANNUAL PERCENTAGE CHANGE IN TANF CASH ASSISTANCE EXPENDITURES**

Region/State	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	0.0 %	— %	0.0 %	0.0 %	— %	0.0 %
Maine	0.0	-21.6	-5.4	0.0	-24.1	-5.0
Massachusetts	-6.8	—	-6.8	-6.2	—	-6.2
New Hampshire	-20.9	7.4	-10.0	14.7	-34.5	-7.9
Rhode Island	—	-7.7	-7.7	—	-13.9	-13.9
Vermont	-4.0	-5.0	-4.4	-37.5	15.8	-14.0
<b>MID-ATLANTIC</b>						
Delaware	33.3	-71.4	-5.3	6.3	-50.0	0.0
Maryland	-68.8	30.0	-2.0	160.0	-19.2	-0.7
New Jersey	-15.6	33.3	2.5	-1.5	-21.7	-11.2
New York	—	22.6	22.6	—	-16.9	-16.9
Pennsylvania	187.2	1.1	140.0	-37.4	-7.1	-34.1
<b>GREAT LAKES</b>						
Illinois	-6.8	—	-6.8	-1.1	—	1.7
Indiana	3.6	3.0	3.1	0.0	0.0	0.0
Michigan	-31.0	-29.4	-30.4	-8.0	-35.0	-18.1
Ohio	0.7	-5.2	-4.0	0.0	6.3	5.0
Wisconsin	56.7	-83.3	10.0	-34.0	280.0	-18.2
<b>PLAINS</b>						
Iowa	1.7	-18.8	-5.5	-1.7	53.8	15.1
Kansas	-62.5	0.0	-17.2	-100.0	-4.8	-16.7
Minnesota	-1.2	-10.3	-7.5	-1.2	5.1	3.1
Missouri	25.0	16.2	16.8	0.0	-7.0	-6.4
Nebraska	-23.1	3.4	-4.8	-10.0	-10.0	-10.0
North Dakota	0.0	—	0.0	-40.0	—	-20.0
South Dakota	0.0	5.6	3.7	0.0	-5.3	-3.6
<b>SOUTHEAST</b>						
Alabama	—	-13.0	-13.0	—	7.5	7.5
Arkansas	11.8	14.5	13.9	-5.3	-1.6	-2.4
Florida	8.5	-47.7	-5.7	-7.8	47.8	0.0
Georgia	—	-12.5	-12.5	—	14.3	14.3
Kentucky	-3.9	-4.7	-4.4	1.4	-18.3	-11.6
Louisiana	-100.0	-0.7	-2.8	—	0.0	0.0
Mississippi	0.0	-7.0	-6.7	0.0	3.9	3.7
North Carolina	0.0	0.0	0.0	0.0	-7.6	-5.6
South Carolina	-60.0	3.7	-6.3	0.0	0.0	0.0
Tennessee	53.8	-15.5	-7.3	-30.0	22.0	11.8
Virginia	-9.3	-13.0	-11.3	0.0	-14.9	-8.1
West Virginia	4.3	2.3	2.7	0.0	-1.1	-0.9
<b>SOUTHWEST</b>						
Arizona	-100.0	-13.0	-16.7	—	12.5	12.5
New Mexico	—	-33.8	-33.8	—	19.8	19.8
Oklahoma	0.0	4.5	2.8	0.0	12.9	8.3
Texas	0.0	-52.6	-11.8	-80.3	488.9	-12.0
<b>ROCKY MOUNTAIN</b>						
Colorado	—	—	—	—	—	—
Idaho	—	0.0	0.0	—	0.0	0.0
Montana	-8.3	-5.3	-6.5	0.0	0.0	0.0
Utah	-14.3	-6.4	-8.8	-5.6	11.4	6.5
Wyoming	—	—	—	—	—	—
<b>FAR WEST</b>						
Alaska	5.6	0.0	3.8	-21.1	112.5	18.5
California	-24.8	-7.0	-12.7	-39.7	4.8	-7.4
Hawaii	0.0	-9.8	-6.3	0.0	-8.1	-5.0
Nevada	0.0	4.2	2.0	0.0	16.0	8.0
Oregon	24.3	-21.6	-2.3	-57.6	38.8	-12.8
Washington	-67.4	5.4	-10.4	-13.3	-18.9	-18.4
<b>ALL STATES</b>	<b>28.4 %</b>	<b>0.9 %</b>	<b>9.8 %</b>	<b>-27.0 %</b>	<b>-2.9 %</b>	<b>-12.1 %</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded).

**TABLE 24**  
**OTHER CASH ASSISTANCE EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013				Actual Fiscal 2014				Estimated Fiscal 2015			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$111	\$0	\$0	\$111	\$117	\$0	\$0	\$117	\$121	\$0	\$0	\$121
Maine	21	10	1	32	24	6	0	30	20	8	0	28
Massachusetts	800	29	0	829	825	29	1	855	860	28	0	888
New Hampshire	16	0	0	16	16	0	0	16	14	0	0	14
Rhode Island	29	39	0	68	30	40	0	70	29	44	0	73
Vermont	17	46	8	71	25	44	2	71	23	46	0	69
<b>MID-ATLANTIC</b>												
Delaware	5	0	0	5	5	0	0	5	7	2	1	10
Maryland	47	1,170	9	1,226	51	1,158	1	1,210	44	1,259	9	1,312
New Jersey	218	118	0	336	198	97	0	295	178	109	0	287
New York	1,417	0	0	1,417	1,246	0	0	1,246	1,138	0	0	1,138
Pennsylvania	302	410	194	906	156	349	0	505	139	341	0	480
<b>GREAT LAKES</b>												
Illinois	0	0	0	0	0	0	0	0	0	0	0	0
Indiana	37	152	0	189	37	164	0	201	37	164	0	201
Michigan*	91	16	9	116	91	13	6	110	95	14	5	114
Ohio	81	0	0	81	62	0	0	62	62	0	0	62
Wisconsin	17	31	9	57	20	30	9	59	20	24	15	59
<b>PLAINS</b>												
Iowa	15	0	0	15	14	0	0	14	14	0	0	14
Kansas	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	216	0	2	218	225	0	2	227	234	0	2	236
Missouri	25	0	32	57	25	0	32	57	25	0	32	57
Nebraska	7	2	0	9	7	3	0	10	7	3	0	10
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>												
Alabama	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas*	138	253	36	427	125	270	48	443	136	295	40	471
Florida	18	17	0	35	16	19	0	35	22	21	0	43
Georgia	0	0	0	0	0	0	0	0	0	0	0	0
Kentucky	0	0	0	0	0	0	0	0	0	0	0	0
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	0	0	0	0	0	0	0	0	0	0	0
North Carolina	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	23	36	0	59	26	33	0	59	15	41	0	56
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	1	69	0	70	1	62	0	63	0	63	0	63
West Virginia	7	0	0	7	6	0	0	6	6	0	0	6
<b>SOUTHWEST</b>												
Arizona	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	6	0	0	6	6	0	0	6	6	0	0	6
Oklahoma	39	51	0	90	39	63	0	102	39	67	0	106
Texas	0	0	0	0	0	0	0	0	0	0	0	0
<b>ROCKY MOUNTAIN</b>												
Colorado	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	9	0	0	9	9	0	0	9	9	0	0	9
Montana	0	0	0	0	0	0	0	0	0	0	0	0
Utah	5	0	0	5	5	0	0	5	3	0	0	3
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>												
Alaska	81	1	16	98	79	1	15	95	88	2	18	108
California	2,764	688	0	3,452	2,789	732	0	3,521	2,862	700	0	3,562
Hawaii	24	0	0	24	24	0	0	24	27	0	0	27
Nevada	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	6	0	6	0	6	0	6	0	6	0	6
Washington	79	0	0	79	36	0	0	36	35	0	0	35
<b>TOTAL</b>	<b>\$6,666</b>	<b>\$3,144</b>	<b>\$316</b>	<b>\$10,126</b>	<b>\$6,335</b>	<b>\$3,119</b>	<b>\$116</b>	<b>\$9,570</b>	<b>\$6,315</b>	<b>\$3,237</b>	<b>\$122</b>	<b>\$9,674</b>

\*See notes at the end of the chapter.

**TABLE 25**  
**OTHER CASH ASSISTANCE EXPENDITURES AS A PERCENT OF**  
**TOTAL EXPENDITURES**

Region/State	Fiscal 2013		Fiscal 2014		Fiscal 2015
<b>NEW ENGLAND</b>					
Connecticut	0.4	%	0.4	%	0.4 %
Maine	0.4				0.4
Massachusetts	1.5		1.5		1.5
New Hampshire	0.3		0.3		0.3
Rhode Island	0.8		0.8		0.8
Vermont	1.4		1.3		1.3
<b>MID-ATLANTIC</b>					
Delaware	0.1		0.1		0.1
Maryland	3.4		3.2		3.2
New Jersey	0.7		0.6		0.5
New York	1.1		0.9		0.8
Pennsylvania	1.3		0.7		0.6
<b>GREAT LAKES</b>					
Illinois	0.0		0.0		0.0
Indiana	0.7		0.7		0.7
Michigan	0.2		0.2		0.2
Ohio	0.1		0.1		0.1
Wisconsin	0.1		0.1		0.1
<b>PLAINS</b>					
Iowa	0.1		0.1		0.1
Kansas	0.0		0.0		0.0
Minnesota	0.7		0.7		0.7
Missouri	0.2		0.2		0.2
Nebraska	0.1		0.1		0.1
North Dakota	0.0		0.0		0.0
South Dakota	0.0		0.0		0.0
<b>SOUTHEAST</b>					
Alabama	0.0		0.0		0.0
Arkansas	2.0		1.9		2.0
Florida	0.1		0.1		0.1
Georgia	0.0		0.0		0.0
Kentucky	0.0		0.0		0.0
Louisiana	0.0		0.0		0.0
Mississippi	0.0		0.0		0.0
North Carolina	0.0		0.0		0.0
South Carolina	0.3		0.3		0.2
Tennessee	0.0		0.0		0.0
Virginia	0.2		0.1		0.1
West Virginia	0.0		0.0		0.0
<b>SOUTHWEST</b>					
Arizona	0.0		0.0		0.0
New Mexico	0.0		0.0		0.0
Oklahoma	0.4		0.5		0.5
Texas	0.0		0.0		0.0
<b>ROCKY MOUNTAIN</b>					
Colorado	0.0		0.0		0.0
Idaho	0.1		0.1		0.1
Montana	0.0		0.0		0.0
Utah	0.0		0.0		0.0
Wyoming	0.0		0.0		0.0
<b>FAR WEST</b>					
Alaska	0.8		0.8		0.8
California	1.6		1.6		1.4
Hawaii	0.2		0.2		0.2
Nevada	0.0		0.0		0.0
Oregon	0.0		0.0		0.0
Washington	0.2		0.1		0.1
<b>ALL STATES</b>	<b>0.6</b>	<b>%</b>	<b>0.6</b>	<b>%</b>	<b>0.5 %</b>

**TABLE 26**  
**ANNUAL PERCENTAGE CHANGE IN OTHER CASH ASSISTANCE EXPENDITURES**

Region/State	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	5.4 %	— %	5.4 %	3.4 %	— %	3.4 %
Maine	9.1	-40.0	-6.3	-16.7	33.3	-6.7
Massachusetts	3.3	0.0	3.1	4.1	-3.4	3.9
New Hampshire	0.0	—	0.0	-12.5	—	-12.5
Rhode Island	3.4	2.6	2.9	-3.3	10.0	4.3
Vermont	8.0	-4.3	0.0	-14.8	4.5	-2.8
<b>MID-ATLANTIC</b>						
Delaware	0.0	—	0.0	60.0	—	100.0
Maryland	-7.1	-1.0	-1.3	1.9	8.7	8.4
New Jersey	-9.2	-17.8	-12.2	-10.1	12.4	-2.7
New York	-12.1	—	-12.1	-8.7	—	-8.7
Pennsylvania	-68.5	-14.9	-44.3	-10.9	-2.3	-5.0
<b>GREAT LAKES</b>						
Illinois	—	—	—	—	—	—
Indiana	0.0	7.9	6.3	0.0	0.0	0.0
Michigan	-3.0	-18.8	-5.2	3.1	7.7	3.6
Ohio	-23.5	—	-23.5	0.0	—	0.0
Wisconsin	11.5	-3.2	3.5	20.7	-20.0	0.0
<b>PLAINS</b>						
Iowa	-6.7	—	-6.7	0.0	—	0.0
Kansas	—	—	—	—	—	—
Minnesota	4.1	—	4.1	4.0	—	4.0
Missouri	0.0	—	0.0	0.0	—	0.0
Nebraska	0.0	50.0	11.1	0.0	0.0	0.0
North Dakota	—	—	—	—	—	—
South Dakota	—	—	—	—	—	—
<b>SOUTHEAST</b>						
Alabama	—	—	—	—	—	—
Arkansas	-0.6	6.7	3.7	1.7	9.3	6.3
Florida	-11.1	11.8	0.0	37.5	10.5	22.9
Georgia	—	—	—	—	—	—
Kentucky	—	—	—	—	—	—
Louisiana	—	—	—	—	—	—
Mississippi	—	—	—	—	—	—
North Carolina	—	—	—	—	—	—
South Carolina	13.0	-8.3	0.0	-42.3	24.2	-5.1
Tennessee	—	—	—	—	—	—
Virginia	0.0	-10.1	-10.0	-100.0	1.6	0.0
West Virginia	-14.3	—	-14.3	0.0	—	0.0
<b>SOUTHWEST</b>						
Arizona	—	—	—	—	—	—
New Mexico	0.0	—	0.0	0.0	—	0.0
Oklahoma	0.0	23.5	13.3	0.0	6.3	3.9
Texas	—	—	—	—	—	—
<b>ROCKY MOUNTAIN</b>						
Colorado	—	—	—	—	—	—
Idaho	0.0	—	0.0	0.0	—	0.0
Montana	—	—	—	—	—	—
Utah	0.0	—	0.0	-40.0	—	-40.0
Wyoming	—	—	—	—	—	—
<b>FAR WEST</b>						
Alaska	-3.1	0.0	-3.1	12.8	100.0	13.7
California	0.9	6.4	2.0	2.6	-4.4	1.2
Hawaii	0.0	—	0.0	12.5	—	12.5
Nevada	—	—	—	—	—	—
Oregon	—	0.0	0.0	—	0.0	0.0
Washington	-54.4	—	-54.4	-2.8	—	-2.8
<b>ALL STATES</b>	<b>-7.6 %</b>	<b>-0.8 %</b>	<b>-5.5 %</b>	<b>-0.2 %</b>	<b>3.8 %</b>	<b>1.1 %</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded).

## Public Assistance Notes

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Small dollar amounts, when rounded, cause an aberration in the percentage increase. In these instances, the actual dollar amounts should be consulted to determine the exact percentage increase.

**Arkansas:** Arkansas is now categorizing the WIC program as part of public assistance, whereas in past editions of the State Expenditure Report it has been reported as part of the “all other” spending category.

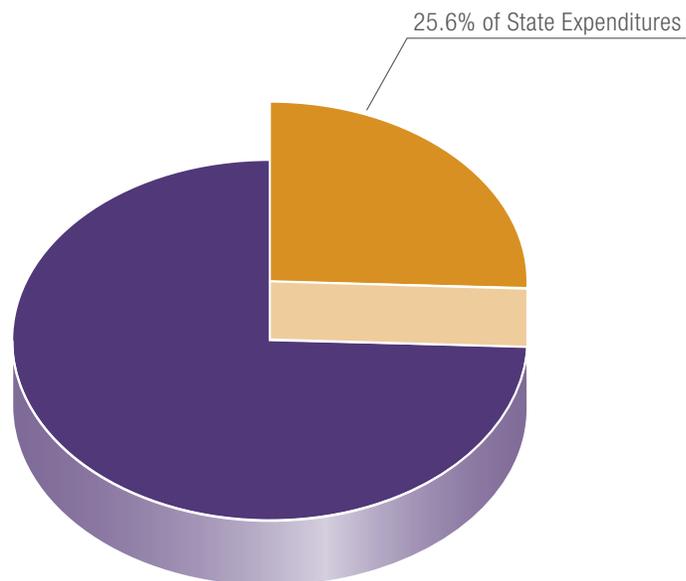
**Michigan:** Regarding TANF, figures for fiscal 2013 include expenditures for cash assistance litigation payments made to families who remained temporarily eligible for assistance while Michigan’s time limit policy was under legal review. Effective for fiscal 2014, litigation payments were no longer issued as Michigan’s time limit policy went into effect prior to the beginning of the fiscal year. Litigation expenditures total \$14.4 million in fiscal 2013. “Other Cash Assistance” figures do not include expenditures for child development and care programs, a large part of Michigan’s public assistance program. Child development and care expenditures total \$134.4 million in fiscal 2013; \$147.4 million in fiscal year 2014; and an estimated \$153.1 million in fiscal year 2015.

# 4

CHAPTER



## MEDICAID EXPENDITURES



## Medicaid Expenditures

Medicaid, a means-tested entitlement program financed by the states and the federal government, provides comprehensive and long-term medical care for more than 70 million low-income individuals. Total Medicaid spending in fiscal 2014 was \$445 billion, excluding administrative costs, which represents a 9.5 percent increase over fiscal 2013. State funds increased by 4.4 percent and federal funds increased by 13.5 percent over fiscal 2013 amounts. In fiscal 2014, federal funds comprised 58.2 percent of total Medicaid spending, general funds 31 percent, and other state funds 10.8 percent.

Total Medicaid spending for fiscal 2015 is estimated at \$512.3 billion, an increase of 15.1 percent over fiscal 2014. State funds increased by an estimated 4.8 percent while federal funds increased by 22.5 percent over fiscal 2014 amounts. The rate of growth in federal funds exceeds state funds since costs for those newly eligible for coverage in states implementing the Medicaid expansion under the *Affordable Care Act* are fully federally funded in calendar years 2014, 2015, and 2016. Federal funding will begin to phase down in 2017 and will be at 90 percent by 2020 and beyond. Increased participation among those currently eligible is funded at the state's regular Medicaid matching rate.

Also included in Medicaid spending are Medicare Part D "clawback" payments, statutorily known as the phased down state contribution. Beginning in January 2006, prescription drug costs for individuals eligible for both Medicare and Medicaid were no longer part of the Medicaid program. Instead these costs are now included in Medicare Part D. States finance these benefits by providing a payment to the federal Medicare trust fund—commonly known as "clawback" payments. As shown in Appendix Table A-3, these "clawback" payments totaled \$8.7 billion in fiscal 2013, \$8.7 billion in fiscal 2014, and are estimated at \$8.6 billion for fiscal 2015.

Medicaid spending accounted for 25.6 percent of total state spending in fiscal 2014, the single largest component of *total* state expenditures, and 19.3 percent of general fund expenditures. In fiscal 2015, it is estimated to be 27.4 percent of total state spending, with the growth largely resulting from an increase in federal Medicaid funds, and 19.3 percent of general fund expenditures, the same percentage of general fund expenditures as the previous year.

**Medicaid Enrollment.** Enrollment growth averaged 13.8 percent in fiscal 2015, according to the Kaiser Commission on Medicaid and the Uninsured. For those states that expanded Medicaid under the *Affordable Care Act* (ACA), enrollment growth was 18 percent and for those non-expansion states enrollment growth was 5.1 percent. For fiscal 2016, enrollment growth is projected to average 4 percent. The implementation of the *Affordable Care Act* has greatly increased the number of individuals served in the Medicaid program in 2014 and thereafter. According to the Centers for Medicare and Medicaid Services' Office of the Actuary, enrollment is projected to increase at an average annual rate of 3.0 percent over the next 10 years and to reach 78.8 million in 2023.

**Medicaid Program Changes.** State actions are aimed at controlling costs, selectively increasing payments and benefits, and changing delivery methods to improve care. The proportion of Medicaid benefits through a managed care plan is expected to increase with both the coverage of newly eligible enrollees and the expanded use of managed care to cover aged and disabled enrollees and long-term care services. States also continue moving in the direction of home- and community-based care and away from institutional settings and are also focusing on greater integration of physical and behavioral health. A number of states expanded or enhanced covered benefits in fiscal 2015 and enhanced benefits in behavioral health and substance abuse, home and community based services and dental services for adults were the most common services.

According to the Kaiser Commission on Medicaid and the Uninsured Annual Budget survey, states are concerned about the potential future fiscal impact of new and emerging specialty drug therapies. Accordingly, over two-thirds of the states took actions to address higher pharmaceutical costs in fiscal 2015.

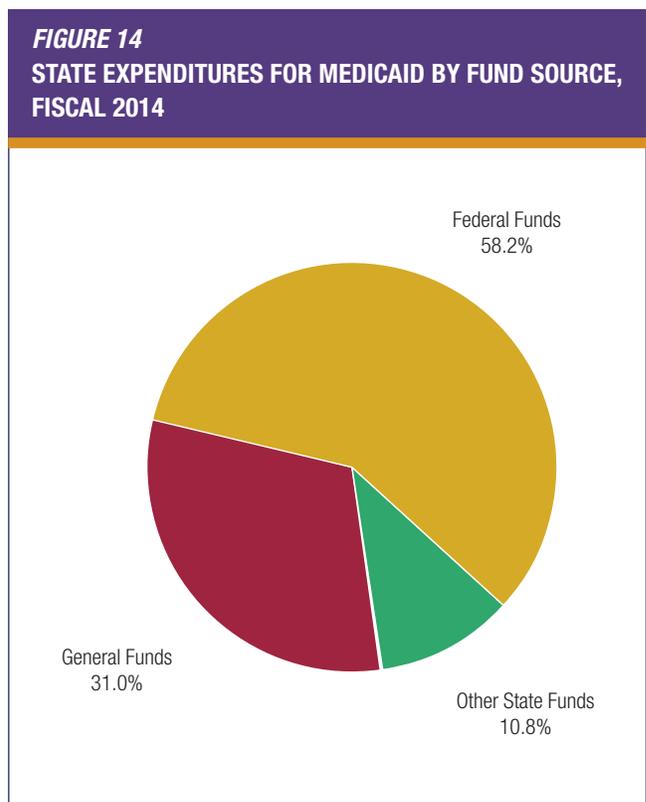
**Affordable Care Act.** The Supreme Court's ruling in June 2012 upheld the constitutionality of the *Affordable Care Act* and affected states by making the expansion of Medicaid effectively a state option. The Supreme Court ruled that the Medicaid expansion is constitutional though the federal government could not withhold existing Medicaid funding for states that opted not to participate in the expansion. Beginning January 1, 2014, state Medicaid programs had the option to expand to cover non-pregnant, non-elderly individuals with incomes up to 138 percent federal of the poverty level. The cost for those newly eligible for coverage are fully federally funded in calendar years 2014, 2015, and 2016 with federal

financing phasing down to 90 percent by 2020 and beyond. As of October 2015, 30 states and the District of Columbia have adopted the Medicaid expansion while a number of other states continue to debate the issue.

**Long-Term Health Care Spending.** Medicaid spending, similar to other areas of health care spending, has historically increased faster than the economy as a whole. According to the Centers for Medicare and Medicaid Services' (CMS) *2014 Actuarial Report on the Financial Outlook for Medicaid*, the projected annual average growth rate of Medicaid expenditures from 2014 to 2023 is 6.2 percent, faster than the projection of average annual GDP growth of 4.9 percent.

### Fund Shares

Figure 14 provides fund shares for 2014.



### Regional Expenditures

The following table shows percentage changes in expenditures for Medicaid for fiscal 2013-2014 and 2014-2015 by region.

Additional expenditure data on Medicaid can be found on Tables 28-30, accompanied by explanatory notes.

**TABLE 27**  
**REGIONAL PERCENTAGE CHANGE IN STATE MEDICAID EXPENDITURES, FISCAL 2014 AND 2015**

Region	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-13.0 %	47.3 %	8.6 %	4.3 %	15.2 %	9.6 %
Mid-Atlantic	3.3	7.3	5.6	3.3	17.9	11.8
Great Lakes	9.5	15.3	12.4	6.2	19.1	12.7
Plains	10.0	10.3	10.1	4.2	13.5	9.1
Southeast	5.3	7.0	6.4	6.0	9.7	8.4
Southwest	9.0	11.9	10.8	10.6	15.7	13.8
Rocky Mountain	3.6	13.0	8.7	-8.8	15.7	4.9
Far West	3.8	25.6	16.0	3.1	61.8	38.6
<b>ALL STATES</b>	<b>4.4 %</b>	<b>13.5 %</b>	<b>9.5 %</b>	<b>4.8 %</b>	<b>22.5 %</b>	<b>15.1 %</b>

**TABLE 28**  
**MEDICAID EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013				Actual Fiscal 2014				Estimated Fiscal 2015			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut*	\$6,202	\$0	\$0	<b>\$6,202</b>	\$3,779	\$2,992	\$0	<b>\$6,771</b>	\$3,496	\$3,483	\$0	<b>\$6,979</b>
Maine*	737	1,517	256	<b>2,510</b>	746	1,767	267	<b>2,780</b>	753	1,510	270	<b>2,533</b>
Massachusetts	5,916	4,884	316	<b>11,116</b>	6,359	5,542	143	<b>12,044</b>	7,120	6,704	171	<b>13,995</b>
New Hampshire	511	605	169	<b>1,285</b>	546	660	175	<b>1,381</b>	548	917	166	<b>1,631</b>
Rhode Island	939	1,007	28	<b>1,974</b>	998	1,190	31	<b>2,219</b>	1,067	1,482	30	<b>2,579</b>
Vermont*	295	775	334	<b>1,404</b>	282	797	332	<b>1,411</b>	283	824	335	<b>1,442</b>
<b>MID-ATLANTIC</b>												
Delaware	707	870	0	<b>1,577</b>	662	1,001	0	<b>1,663</b>	668	1,193	14	<b>1,875</b>
Maryland*	2,758	3,893	974	<b>7,625</b>	2,893	4,807	860	<b>8,560</b>	2,922	5,688	951	<b>9,561</b>
New Jersey*	3,718	5,546	1,092	<b>10,356</b>	3,961	6,920	1,043	<b>11,924</b>	3,869	8,912	1,068	<b>13,849</b>
New York	10,602	23,421	4,769	<b>38,792</b>	10,981	24,237	4,754	<b>39,972</b>	11,161	29,393	5,114	<b>45,668</b>
Pennsylvania	7,620	12,245	2,364	<b>22,229</b>	7,945	12,371	2,632	<b>22,948</b>	8,298	12,996	2,849	<b>24,143</b>
<b>GREAT LAKES</b>												
Illinois	4,811	7,464	3,098	<b>15,373</b>	4,354	8,135	3,452	<b>15,941</b>	4,445	9,921	3,235	<b>17,601</b>
Indiana	1,883	5,950	956	<b>8,789</b>	1,815	6,225	679	<b>8,719</b>	2,009	6,476	677	<b>9,162</b>
Michigan*	2,330	8,194	1,990	<b>12,514</b>	2,428	9,287	1,995	<b>13,710</b>	2,797	12,494	2,029	<b>17,320</b>
Ohio*	12,030	4,102	878	<b>17,010</b>	13,571	6,317	2,053	<b>21,941</b>	14,861	7,541	1,925	<b>24,327</b>
Wisconsin	2,144	4,435	762	<b>7,341</b>	2,411	4,806	1,044	<b>8,261</b>	2,650	4,969	1,259	<b>8,878</b>
<b>PLAINS</b>												
Iowa	987	2,140	749	<b>3,876</b>	1,171	2,390	690	<b>4,251</b>	1,268	2,846	691	<b>4,805</b>
Kansas	1,100	1,425	58	<b>2,583</b>	1,176	1,583	544	<b>3,303</b>	1,281	1,689	578	<b>3,548</b>
Minnesota	4,127	4,293	131	<b>8,551</b>	4,453	5,143	154	<b>9,750</b>	4,533	6,187	164	<b>10,884</b>
Missouri*	1,636	4,112	2,289	<b>8,037</b>	1,804	4,246	2,254	<b>8,304</b>	1,778	4,511	2,419	<b>8,708</b>
Nebraska	784	1,003	35	<b>1,822</b>	817	1,006	34	<b>1,857</b>	850	968	37	<b>1,855</b>
North Dakota	355	421	6	<b>782</b>	388	455	6	<b>849</b>	441	697	7	<b>1,145</b>
South Dakota	316	500	0	<b>816</b>	335	498	0	<b>833</b>	364	484	0	<b>848</b>
<b>SOUTHEAST</b>												
Alabama*	595	3,820	1,171	<b>5,586</b>	625	3,920	1,266	<b>5,811</b>	685	4,155	1,192	<b>6,032</b>
Arkansas	736	3,180	595	<b>4,511</b>	818	3,802	404	<b>5,024</b>	898	4,568	593	<b>6,059</b>
Florida	4,721	11,823	3,789	<b>20,333</b>	5,015	12,716	4,056	<b>21,787</b>	5,294	13,799	4,487	<b>23,580</b>
Georgia	2,755	5,914	363	<b>9,032</b>	2,769	6,236	370	<b>9,375</b>	3,052	5,943	329	<b>9,324</b>
Kentucky	1,267	3,923	436	<b>5,626</b>	1,443	5,042	449	<b>6,934</b>	1,501	7,517	504	<b>9,522</b>
Louisiana	1,425	4,721	704	<b>6,850</b>	1,725	4,668	916	<b>7,309</b>	1,610	4,588	1,216	<b>7,414</b>
Mississippi	316	3,627	891	<b>4,834</b>	475	3,312	781	<b>4,568</b>	640	3,633	635	<b>4,908</b>
North Carolina	3,518	7,720	1,406	<b>12,644</b>	3,404	8,433	1,467	<b>13,304</b>	3,594	8,752	1,435	<b>13,781</b>
South Carolina	688	3,519	683	<b>4,890</b>	746	3,909	773	<b>5,428</b>	1,023	4,359	640	<b>6,022</b>
Tennessee*	2,787	6,121	491	<b>9,399</b>	3,071	5,869	452	<b>9,392</b>	3,316	6,673	370	<b>10,359</b>
Virginia	3,862	3,772	0	<b>7,634</b>	3,934	3,961	0	<b>7,895</b>	4,114	4,123	0	<b>8,237</b>
West Virginia	375	2,143	490	<b>3,008</b>	518	2,612	404	<b>3,534</b>	520	2,610	400	<b>3,530</b>
<b>SOUTHWEST</b>												
Arizona	2,069	5,756	606	<b>8,431</b>	2,125	6,332	557	<b>9,014</b>	2,279	8,040	602	<b>10,921</b>
New Mexico	868	2,560	250	<b>3,678</b>	874	3,063	235	<b>4,172</b>	862	4,036	238	<b>5,136</b>
Oklahoma	1,343	2,931	646	<b>4,920</b>	1,412	3,079	692	<b>5,183</b>	1,417	2,930	717	<b>5,064</b>
Texas	10,190	17,483	1,845	<b>29,518</b>	10,724	19,674	2,807	<b>33,205</b>	11,381	22,197	3,983	<b>37,561</b>
<b>ROCKY MOUNTAIN</b>												
Colorado*	1,844	2,805	1,736	<b>6,385</b>	2,091	3,489	1,636	<b>7,216</b>	2,312	4,557	735	<b>7,604</b>
Idaho	467	1,241	168	<b>1,876</b>	469	1,262	189	<b>1,920</b>	475	1,304	250	<b>2,029</b>
Montana	235	736	110	<b>1,081</b>	255	714	86	<b>1,055</b>	271	748	91	<b>1,110</b>
Utah	380	1,435	369	<b>2,184</b>	364	1,593	424	<b>2,381</b>	400	1,614	467	<b>2,481</b>
Wyoming	272	309	23	<b>604</b>	267	317	24	<b>608</b>	272	309	23	<b>604</b>
<b>FAR WEST</b>												
Alaska*	568	817	3	<b>1,388</b>	445	816	1	<b>1,262</b>	694	951	5	<b>1,650</b>
California*	14,473	25,715	6,211	<b>46,399</b>	15,711	30,983	5,687	<b>52,381</b>	16,599	52,658	5,699	<b>74,956</b>
Hawaii	796	877	0	<b>1,673</b>	844	1,112	0	<b>1,956</b>	888	1,160	0	<b>2,048</b>
Nevada	549	1,043	181	<b>1,773</b>	521	1,363	142	<b>2,026</b>	564	2,225	114	<b>2,903</b>
Oregon	923	3,476	1,111	<b>5,510</b>	1,342	4,623	791	<b>6,756</b>	728	6,683	1,260	<b>8,671</b>
Washington	1,764	1,993	280	<b>4,037</b>	2,023	3,712	366	<b>6,101</b>	2,008	5,285	180	<b>7,473</b>
<b>ALL STATES</b>	<b>\$132,294</b>	<b>\$228,262</b>	<b>\$45,812</b>	<b>\$406,368</b>	<b>\$137,885</b>	<b>\$258,987</b>	<b>\$48,117</b>	<b>\$444,989</b>	<b>\$144,859</b>	<b>\$317,302</b>	<b>\$50,154</b>	<b>\$512,315</b>

\*See notes at the end of the chapter.

**TABLE 29**  
**MEDICAID EXPENDITURES AS A PERCENT OF**  
**TOTAL EXPENDITURES**

Region/State	Fiscal 2013	Fiscal 2014	Fiscal 2015
<b>NEW ENGLAND</b>			
Connecticut	22.3 %	23.2 %	22.7 %
Maine	32.7	34.4	32.8
Massachusetts	20.3	21.4	24.4
New Hampshire	25.6	26.8	29.9
Rhode Island	23.6	24.8	28.9
Vermont	28.3	26.8	26.6
<b>MID-ATLANTIC</b>			
Delaware	17.2	17.3	19.2
Maryland	21.0	22.5	23.0
New Jersey	20.4	22.5	24.8
New York	29.1	29.1	31.7
Pennsylvania	32.2	33.3	32.6
<b>GREAT LAKES</b>			
Illinois	26.4	26.1	24.6
Indiana	31.2	32.0	31.2
Michigan	26.4	27.6	31.9
Ohio	29.2	35.8	37.4
Wisconsin	17.2	18.4	19.6
<b>PLAINS</b>			
Iowa	19.8	20.9	22.1
Kansas	18.5	22.4	23.0
Minnesota	27.1	29.8	30.2
Missouri	35.0	35.8	36.1
Nebraska	17.9	17.6	16.9
North Dakota	13.7	12.9	14.8
South Dakota	19.7	20.3	21.5
<b>SOUTHEAST</b>			
Alabama	22.8	23.3	24.0
Arkansas	21.0	22.1	25.5
Florida	31.8	32.0	30.6
Georgia	21.3	21.6	21.0
Kentucky	21.9	24.0	30.4
Louisiana	24.4	26.8	24.4
Mississippi	25.2	24.6	23.2
North Carolina	29.5	30.4	31.0
South Carolina	22.0	24.6	26.6
Tennessee	30.8	30.6	32.3
Virginia	16.7	17.2	17.5
West Virginia	13.5	14.8	15.0
<b>SOUTHWEST</b>			
Arizona	30.6	31.0	34.9
New Mexico	25.0	25.8	30.1
Oklahoma	23.0	23.2	22.6
Texas	29.2	30.1	32.8
<b>ROCKY MOUNTAIN</b>			
Colorado	21.2	23.0	23.0
Idaho	28.0	28.0	26.6
Montana	17.9	17.0	17.4
Utah	18.1	19.5	19.2
Wyoming	6.6	8.0	6.8
<b>FAR WEST</b>			
Alaska	11.5	11.1	11.8
California	21.9	24.3	29.0
Hawaii	14.4	15.5	15.9
Nevada	20.5	21.5	26.7
Oregon	21.4	20.9	25.9
Washington	11.9	16.5	19.1
<b>ALL STATES</b>	<b>24.3 %</b>	<b>25.6 %</b>	<b>27.4 %</b>

**TABLE 30**  
**ANNUAL PERCENTAGE CHANGE IN MEDICAID EXPENDITURES**

Region/State	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-39.1 %	— %	9.2 %	-7.5 %	16.4 %	3.1 %
Maine	2.0	16.5	10.8	1.0	-14.5	-8.9
Massachusetts	4.3	13.5	8.3	12.1	21.0	16.2
New Hampshire	6.0	9.1	7.5	-1.0	38.9	18.1
Rhode Island	6.4	18.2	12.4	6.6	24.5	16.2
Vermont	-2.4	2.8	0.5	0.7	3.4	2.2
<b>MID-ATLANTIC</b>						
Delaware	-6.4	15.1	5.5	3.0	19.2	12.7
Maryland	0.6	23.5	12.3	3.2	18.3	11.7
New Jersey	4.0	24.8	15.1	-1.3	28.8	16.1
New York	2.4	3.5	3.0	3.4	21.3	14.2
Pennsylvania	5.9	1.0	3.2	5.4	5.1	5.2
<b>GREAT LAKES</b>						
Illinois	-1.3	9.0	3.7	-1.6	22.0	10.4
Indiana	-12.2	4.6	-0.8	7.7	4.0	5.1
Michigan	2.4	13.3	9.6	9.1	34.5	26.3
Ohio	21.0	54.0	29.0	7.4	19.4	10.9
Wisconsin	18.9	8.4	12.5	13.1	3.4	7.5
<b>PLAINS</b>						
Iowa	7.2	11.7	9.7	5.3	19.1	13.0
Kansas	48.5	11.1	27.9	8.1	6.7	7.4
Minnesota	8.2	19.8	14.0	2.0	20.3	11.6
Missouri	3.4	3.3	3.3	3.4	6.2	4.9
Nebraska	3.9	0.3	1.9	4.2	-3.8	-0.1
North Dakota	9.1	8.1	8.6	13.7	53.2	34.9
South Dakota	6.0	-0.4	2.1	8.7	-2.8	1.8
<b>SOUTHEAST</b>						
Alabama	7.1	2.6	4.0	-0.7	6.0	3.8
Arkansas	-8.2	19.6	11.4	22.0	20.1	20.6
Florida	6.6	7.6	7.2	7.8	8.5	8.2
Georgia	0.7	5.4	3.8	7.7	-4.7	-0.5
Kentucky	11.1	28.5	23.2	6.0	49.1	37.3
Louisiana	24.0	-1.1	6.7	7.0	-1.7	1.4
Mississippi	4.1	-8.7	-5.5	1.5	9.7	7.4
North Carolina	-1.1	9.2	5.2	3.2	3.8	3.6
South Carolina	10.8	11.1	11.0	9.5	11.5	10.9
Tennessee	7.5	-4.1	-0.1	4.6	13.7	10.3
Virginia	1.9	5.0	3.4	4.6	4.1	4.3
West Virginia	6.6	21.9	17.5	-0.2	-0.1	-0.1
<b>SOUTHWEST</b>						
Arizona	0.3	10.0	6.9	7.4	27.0	21.2
New Mexico	-0.8	19.6	13.4	-0.8	31.8	23.1
Oklahoma	5.8	5.0	5.3	1.4	-4.8	-2.3
Texas	12.4	12.5	12.5	13.5	12.8	13.1
<b>ROCKY MOUNTAIN</b>						
Colorado	4.1	24.4	13.0	-18.2	30.6	5.4
Idaho	3.6	1.7	2.3	10.2	3.3	5.7
Montana	-1.2	-3.0	-2.4	6.2	4.8	5.2
Utah	5.2	11.0	9.0	10.0	1.3	4.2
Wyoming	-1.4	2.6	0.7	1.4	-2.5	-0.7
<b>FAR WEST</b>						
Alaska	-21.9	-0.1	-9.1	56.7	16.5	30.7
California	3.5	20.5	12.9	4.2	70.0	43.1
Hawaii	6.0	26.8	16.9	5.2	4.3	4.7
Nevada	-9.2	30.7	14.3	2.3	63.2	43.3
Oregon	4.9	33.0	22.6	-6.8	44.6	28.3
Washington	16.9	86.3	51.1	-8.4	42.4	22.5
<b>ALL STATES</b>	<b>4.4 %</b>	<b>13.5 %</b>	<b>9.5 %</b>	<b>4.8 %</b>	<b>22.5 %</b>	<b>15.1 %</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded).

## Medicaid Notes

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States were asked to report Medicaid expenditures as follows: General funds: all general funds appropriated to the Medicaid agency and any other agency which are used for direct Medicaid matching purposes under Title XIX. Other state funds: other funds and revenue sources used as Medicaid match, such as local funds and provider taxes, fees, donations, assessments (as defined by the Centers for Medicare and Medicaid Services). Federal Funds: all federal matching funds provided pursuant to Title XIX.

The states were asked to separately detail the amount of provider taxes, fees, donations, assessments and local funds reported as Other State Funds.

**Alabama:** Fiscal 2013 through fiscal 2015 Other State Funds includes provider taxes in the amounts of \$356M, \$374M, and \$370M, respectively.

**Alaska:** Due to a one-time accounting item, \$132 million of state general fund expenditures were moved from prior year (fiscal 2014) to current year (fiscal 2015). This does not reflect a change in Medicaid spending for the fiscal year, rather, this is a technical audit adjustment regarding the issuance of advanced payments to providers following the rollout of a new information system.

**California:** Changes in Medicaid program costs in fiscal 2015 reflects, among other things, increased costs associated with the Affordable Care Act's Medicaid expansion.

**Colorado:** In fiscal 2015, there was a policy change to split and charge expenses directly to cash funds rather than as transfers out from the cash funds to the General Fund from which the payment was made. In the past the cash funds data included both the transfer and the real expenses; this is a permanent change going forward. CHIP is included in "Medicaid" expenditures, all part of the Department of Health Care Policy and Financing

**Connecticut:** In fiscal 2013, Medicaid was "gross funded" with federal funds deposited directly to the General Fund. Beginning in fiscal 2014, the Medicaid appropriation in the Department of Social Services (DSS) is "net funded" while other Medicaid expenditures remain gross funded. With the exception of an enhanced reimbursement rate for certain populations and services, Connecticut's FMAP is 50%. Includes Medicaid expenditures for administrative services organiza-

tions and fiscal intermediaries in DSS. Excludes state portion of Qualified Medicare Beneficiaries and School Based Child Health as those expenditures are netted out of federal Medicaid reimbursement. Also excludes provider taxes, which are deposited directly to the General Fund.

**Maine:** Medicaid Other State Funds provider taxes are: fiscal 2013 \$153.3 million; fiscal 2014 \$168.1 million; and fiscal 2015, \$171.7 million.

**Maryland:** For Medicaid and CHIP fiscal 2015 estimate: Used actual data for the first three quarters of the year and projected the fourth quarter using the average of the first three. Fourth quarter data will be updated when available.

**Michigan:** Increased spending in fiscal 2014 and fiscal 2015 is primarily due to Medicaid expansion under the federal Affordable Care Act (ACA) known as the Healthy Michigan Plan. Other state funds include local funds of \$99.0 million and provider taxes of \$973.6 million for fiscal 2013; local funds of \$86.0 million and provider taxes of \$977.4 million for fiscal 2014; and local funds of \$76.3 million and provider taxes of \$1.04 billion for fiscal 2015. Public health and community and institutional care for mentally and developmentally disabled persons are partially reported in the Medicaid totals.

**Missouri:** Total Medicaid expenditures were incorrectly reported in the 2013 survey. The amount reported in 2013 included CHIP funding. The amounts reported on the 2014 survey are correct.

**New Jersey:** Medicaid Other State Funds: FY13/FY14/FY15 (in millions); Nursing Home Provider Tax \$134/126/127; Other Assessments/Taxes/Fees \$570/571/584. Beginning in federal fiscal year 2014, CHIP parents were moved to Medicaid (Title XIX).

**Ohio:** Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are contained in the General Fund number to be consistent with Ohio accounting practices and with other portrayals of Ohio's general fund. This amounts to \$9,353.6 million in fiscal 2015. This will tend to make Ohio's GRF expenditures look higher and conversely make Ohio's federal expenditures look lower relative to most other states that don't follow this practice.

**Tennessee:** Regarding premium revenue: fiscal 2013 totals \$302 million, fiscal 2014 totals \$322 million, and fiscal 2015 totals \$323 million. Certified Public Expenditures – Local fund from Hospitals: fiscal 2013 totals \$378 million, fiscal 2014 totals \$120 million, and fiscal 2015 totals \$124 million. Nursing Home Tax: fiscal 2013 totals \$83 million, fiscal 2014 totals \$84 million, and fiscal 2015 totals \$107 million. ICF/MR 6 percent Gross Receipts Tax: fiscal 2013 totals \$14 million, fiscal 2014 totals \$12 million, and fiscal 2015 totals \$11 million. Intergovernmental Transfers: fiscal 2013 totals \$70 million, fiscal 2014 totals \$100 million, and fiscal 2015 totals \$100 million.

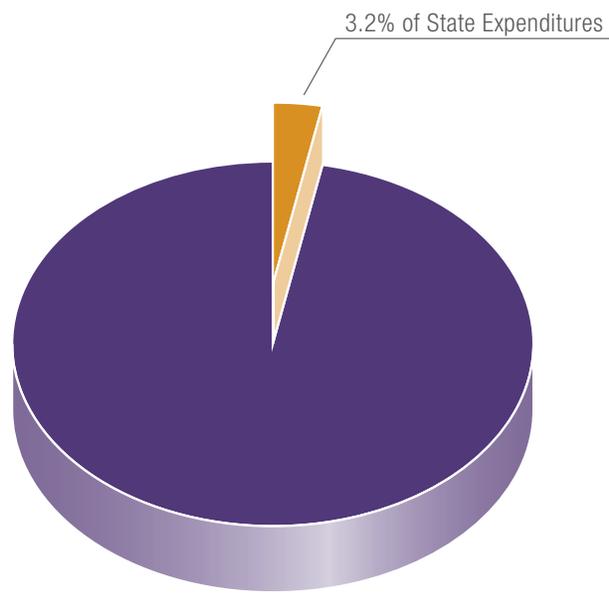
**Vermont:** The breakdown of local funds, etc. included in Other State Funds is as follows for fiscal 2013: provider tax \$148,638,656; employee assessment \$11,886,600; local match provided by schools \$17,758,156; tobacco litigation settlement funds \$31,343,693; other \$124,012,725. The breakdown is as follows for fiscal 2014: provider tax \$140,255,562; employee assessment \$12,995,400; local match provided by schools \$19,206,889; tobacco litigation settlement funds \$35,975,693, other \$123,177,964. The breakdown is as follows for estimated fiscal 2015: provider tax \$143,454,419; employee assessment \$15,640,000; local match provided by schools \$20,649,819; tobacco litigation settlement funds \$33,031,032, other \$122,650,110.

# 5

CHAPTER



## CORRECTIONS EXPENDITURES



## Corrections Expenditures

State spending on corrections reflects the costs to build and operate prison systems and may include spending on juvenile justice programs and alternatives to incarceration such as probation and parole. State spending for corrections totaled \$55.0 billion in fiscal 2014, compared to \$53.4 billion in fiscal 2013, a 3.0 percent increase in total spending with state funds increasing 3.4 percent and federal funds declining 5.2 percent. In fiscal 2014, corrections spending represented 3.2 percent of total state spending and 6.9 percent of general fund spending. General fund dollars are the primary source for state corrections and account for \$49.1 billion, or 89.3 percent, of all fiscal 2014 state corrections spending. State funds (general funds and other state funds combined, but excluding bonds) accounted for 97.9 percent of total state corrections spending in fiscal 2014. Federal funds accounted for 1.3 percent and bonds accounted for 0.9 percent.

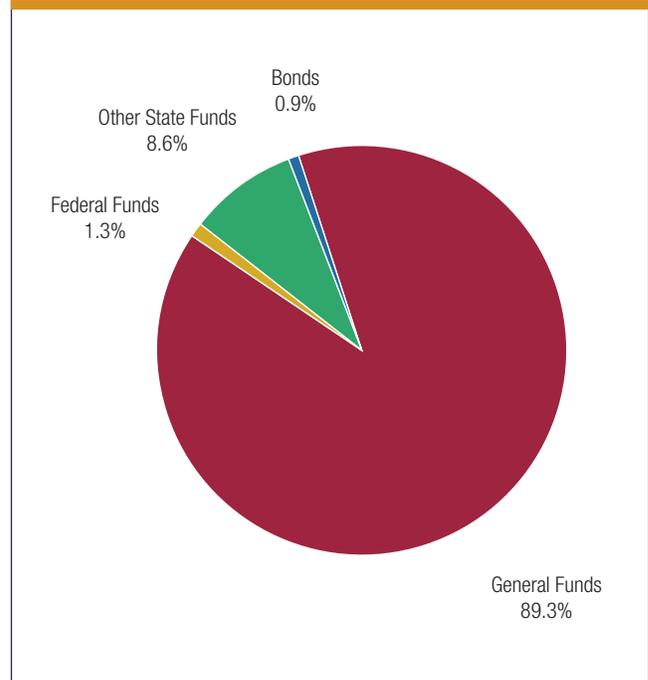
State spending on corrections in fiscal 2015 is estimated to total \$57.2 billion, a 4.0 percent increase from fiscal 2014. State funds are estimated to increase by 3.8 percent, while federal funds are estimated to increase by 10.4 percent.

Data on capital expenditures for corrections are displayed in Chapter Eight (Table 49).

## Regional Expenditures

Table 31 shows changes in corrections expenditures by region between fiscal 2013 and fiscal 2014 and between fiscal 2014 and estimated fiscal 2015. In fiscal 2014, all regions except for

**FIGURE 15**  
STATE EXPENDITURES FOR CORRECTIONS BY FUND SOURCE, FISCAL 2014



the Mid-Atlantic experienced an increase in total corrections spending, while in fiscal 2015 it is estimated that the Southwest and Rocky Mountain regions experienced slight declines.

**TABLE 31**  
REGIONAL PERCENTAGE CHANGE IN STATE CORRECTIONS EXPENDITURES, FISCAL 2014 AND 2015

Region	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	5.2 %	0.0 %	5.0 %	3.7 %	0.0 %	4.7 %
Mid-Atlantic	0.3	-21.7	-1.0	3.0	-17.6	2.7
Great Lakes	3.0	-10.0	2.7	1.5	7.4	2.0
Plains	4.0	-4.0	4.7	9.8	0.0	7.3
Southeast	2.4	0.0	2.3	2.9	37.5	4.0
Southwest	3.0	-5.1	2.8	-0.6	-18.9	-0.6
Rocky Mountain	10.8	-8.3	10.7	-0.5	-9.1	-0.6
Far West	5.1	17.6	4.8	7.5	5.0	7.6
<b>ALL STATES</b>	<b>3.4 %</b>	<b>-5.2 %</b>	<b>3.0 %</b>	<b>3.8 %</b>	<b>10.4 %</b>	<b>4.0 %</b>

## Financing Issues

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According to the U.S. Bureau of Justice Statistics, the number of prisoners under state jurisdiction has generally been dropping, from 1,365,688 prisoners in 2009 to 1,317,262 prisoners in 2014, a decline of 3.5 percent. One group of inmates that is showing an increase, however, are female prisoners; the number of female prisoners in state facilities increased 2.7 percent in 2013 and 2.3 percent in 2014.

This general pattern of declining prison populations at the state level is occurring as crime rates have dropped in the United States. According to the Federal Bureau of Investigation (FBI), in 2009 there were 432 violent crimes nationwide per 100,000 inhabitants, versus 366 in 2014; this represents a decrease of 15 percent. Property crime also decreased over the same time period, with the FBI reporting 3,041 property crimes per 100,000 inhabitants in 2009 compared to 2,596 in 2014, a decrease of 14.6 percent. In this environment, a number of states are examining their criminal justice systems and implementing reforms to concentrate resources on the most violent offenders while ensuring other offenders are equipped with the tools and supports needed to successfully transition back to the community. These reforms include alternatives to incarceration, earning sentence credits for good behavior, parole reforms, and increased treatment to address mental health and substance abuse disorders.

Even though overall state populations have decreased, state spending on corrections continues to grow. Some factors impacting corrections spending include: states investing in programming to reduce recidivism and readmissions to prison; inmate health care spending, especially as the number of elderly inmates continues to grow; and aging facilities which are expensive to maintain. Corrections is also a personnel-intensive government function, therefore salary or benefit increases awarded to state employees would increase correctional spending. Finally, states may not see significant savings from decreasing correctional populations until the number of prisoners declines sufficiently to close a prison unit or facility, which decreases the number of staff needed.

## Corrections—Expenditures Exclusions

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Some states exclude certain items when reporting corrections expenditures. Twenty states wholly or partially excluded juvenile delinquency counseling from their corrections figures and 15 states wholly or partially excluded spending on juvenile institutions. Some states wholly or partially excluded spending on drug abuse rehabilitation centers (20), institutions for the criminally insane (38), and aid to local governments for jails (21). For details, see Table 36.

**TABLE 32**  
**CORRECTIONS EXPENDITURES—CAPITAL INCLUSIVE (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$708	\$4	\$0	\$5	<b>\$717</b>	\$756	\$4	\$0	\$4	<b>\$764</b>	\$763	\$4	\$0	\$26	<b>\$793</b>
Maine*	133	2	5	0	<b>140</b>	154	2	4	0	<b>160</b>	166	2	5	0	<b>173</b>
Massachusetts	1,268	1	3	0	<b>1,272</b>	1,321	1	3	0	<b>1,325</b>	1,392	1	5	0	<b>1,398</b>
New Hampshire	95	0	5	2	<b>102</b>	95	0	5	1	<b>101</b>	104	0	5	6	<b>115</b>
Rhode Island	184	2	14	0	<b>200</b>	188	2	16	0	<b>206</b>	191	2	15	0	<b>208</b>
Vermont	135	0	9	1	<b>145</b>	141	0	8	1	<b>150</b>	137	0	8	0	<b>145</b>
<b>MID-ATLANTIC</b>															
Delaware	265	1	5	1	<b>272</b>	273	1	5	3	<b>282</b>	283	0	5	3	<b>291</b>
Maryland*	1,308	41	104	8	<b>1,461</b>	1,347	35	85	30	<b>1,497</b>	1,392	34	95	64	<b>1,585</b>
New Jersey	1,505	15	79	0	<b>1,599</b>	1,555	8	74	0	<b>1,637</b>	1,522	14	75	0	<b>1,611</b>
New York	2,918	110	73	192	<b>3,293</b>	2,747	86	68	231	<b>3,132</b>	2,809	58	65	208	<b>3,140</b>
Pennsylvania*	2,110	22	105	137	<b>2,374</b>	2,241	18	100	0	<b>2,359</b>	2,384	16	118	0	<b>2,518</b>
<b>GREAT LAKES</b>															
Illinois	1,280	0	80	19	<b>1,379</b>	1,391	0	83	14	<b>1,488</b>	1,444	0	104	20	<b>1,568</b>
Indiana	687	5	58	0	<b>750</b>	714	4	51	0	<b>769</b>	724	4	48	0	<b>776</b>
Michigan*	2,030	98	45	0	<b>2,173</b>	2,052	89	52	0	<b>2,193</b>	2,092	100	66	0	<b>2,258</b>
Ohio*	1,727	15	73	26	<b>1,841</b>	1,741	13	82	20	<b>1,856</b>	1,742	11	81	42	<b>1,876</b>
Wisconsin	1,138	2	105	0	<b>1,245</b>	1,168	2	108	0	<b>1,278</b>	1,146	1	110	0	<b>1,257</b>
<b>PLAINS</b>															
Iowa	361	0	17	37	<b>415</b>	372	0	52	37	<b>461</b>	379	0	97	0	<b>476</b>
Kansas	352	2	22	7	<b>383</b>	349	2	23	8	<b>382</b>	359	2	24	7	<b>392</b>
Minnesota	469	3	14	0	<b>486</b>	480	5	-5	19	<b>499</b>	519	7	12	6	<b>544</b>
Missouri	589	5	32	0	<b>626</b>	604	3	36	0	<b>643</b>	649	4	34	0	<b>687</b>
Nebraska	198	2	22	0	<b>222</b>	233	2	24	0	<b>259</b>	301	1	26	0	<b>328</b>
North Dakota	82	3	25	0	<b>110</b>	86	3	14	0	<b>103</b>	84	3	15	0	<b>102</b>
South Dakota	86	10	8	0	<b>104</b>	92	9	8	0	<b>109</b>	93	7	7	0	<b>107</b>
<b>SOUTHEAST</b>															
Alabama	452	20	112	0	<b>584</b>	476	20	115	0	<b>611</b>	493	22	115	0	<b>630</b>
Arkansas	385	1	63	0	<b>449</b>	401	2	70	0	<b>473</b>	438	1	57	0	<b>496</b>
Florida	2,288	70	113	18	<b>2,489</b>	2,440	64	81	0	<b>2,585</b>	2,559	91	134	0	<b>2,784</b>
Georgia	1,458	11	73	13	<b>1,555</b>	1,469	12	59	28	<b>1,568</b>	1,509	7	14	77	<b>1,607</b>
Kentucky	558	13	46	0	<b>617</b>	546	15	48	0	<b>609</b>	560	15	37	0	<b>612</b>
Louisiana	707	2	96	3	<b>808</b>	706	2	100	6	<b>814</b>	735	3	83	10	<b>831</b>
Mississippi	312	0	49	0	<b>361</b>	335	1	42	0	<b>378</b>	346	0	36	0	<b>382</b>
North Carolina	1,655	108	178	0	<b>1,941</b>	1,694	110	180	0	<b>1,984</b>	1,727	182	177	0	<b>2,086</b>
South Carolina	492	6	104	0	<b>602</b>	512	6	101	0	<b>619</b>	499	6	104	0	<b>609</b>
Tennessee	819	0	49	0	<b>868</b>	861	0	78	0	<b>939</b>	917	0	45	0	<b>962</b>
Virginia	1,174	17	76	23	<b>1,290</b>	1,151	16	73	21	<b>1,261</b>	1,226	14	68	19	<b>1,327</b>
West Virginia	230	0	6	0	<b>236</b>	226	0	7	0	<b>233</b>	225	0	6	0	<b>231</b>
<b>SOUTHWEST</b>															
Arizona	947	8	95	0	<b>1,050</b>	971	9	122	0	<b>1,102</b>	999	7	111	0	<b>1,117</b>
New Mexico	266	3	22	0	<b>291</b>	271	0	23	0	<b>294</b>	277	0	0	0	<b>277</b>
Oklahoma	459	2	102	0	<b>563</b>	474	2	104	0	<b>580</b>	453	2	41	0	<b>496</b>
Texas	3,199	26	81	40	<b>3,346</b>	3,269	26	94	34	<b>3,423</b>	3,337	21	80	38	<b>3,476</b>
<b>ROCKY MOUNTAIN</b>															
Colorado*	670	5	88	0	<b>763</b>	696	5	199	0	<b>900</b>	752	3	73	0	<b>828</b>
Idaho	211	5	37	0	<b>253</b>	219	5	36	0	<b>260</b>	241	6	40	0	<b>287</b>
Montana	178	1	12	0	<b>191</b>	182	1	12	0	<b>195</b>	191	1	16	0	<b>208</b>
Utah	239	1	5	0	<b>245</b>	240	0	21	0	<b>261</b>	263	0	21	0	<b>284</b>
Wyoming	123	0	9	0	<b>132</b>	127	0	10	0	<b>137</b>	128	0	8	0	<b>136</b>
<b>FAR WEST</b>															
Alaska	347	4	21	0	<b>372</b>	354	6	17	0	<b>377</b>	358	7	16	0	<b>381</b>
California	8,490	77	2,088	1	<b>10,656</b>	9,100	88	2,173	2	<b>11,363</b>	9,915	99	2,385	0	<b>12,399</b>
Hawaii	218	0	13	0	<b>231</b>	209	2	11	0	<b>222</b>	235	1	12	0	<b>248</b>
Nevada	238	3	31	12	<b>284</b>	251	2	29	4	<b>286</b>	246	2	33	11	<b>292</b>
Oregon	802	16	176	17	<b>1,011</b>	885	18	20	2	<b>925</b>	871	16	24	3	<b>914</b>
Washington	873	2	11	33	<b>919</b>	928	4	9	8	<b>949</b>	842	1	93	25	<b>961</b>
<b>TOTAL</b>	<b>\$47,418</b>	<b>\$744</b>	<b>\$4,659</b>	<b>\$595</b>	<b>\$53,416</b>	<b>\$49,093</b>	<b>\$705</b>	<b>\$4,730</b>	<b>\$473</b>	<b>\$55,001</b>	<b>\$51,017</b>	<b>\$778</b>	<b>\$4,849</b>	<b>\$565</b>	<b>\$57,209</b>

\*See notes at the end of the chapter.

**TABLE 33**  
**CORRECTIONS EXPENDITURES AS A PERCENT OF**  
**TOTAL EXPENDITURES**

Region/State	Fiscal 2013	Fiscal 2014	Fiscal 2015
<b>NEW ENGLAND</b>			
Connecticut	2.6 %	2.6 %	2.6 %
Maine	1.8	2.0	2.2
Massachusetts	2.3	2.4	2.4
New Hampshire	2.0	2.0	2.1
Rhode Island	2.4	2.3	2.3
Vermont	2.9	2.8	2.7
<b>MID-ATLANTIC</b>			
Delaware	3.0	2.9	3.0
Maryland	4.0	3.9	3.8
New Jersey	3.1	3.1	2.9
New York	2.5	2.3	2.2
Pennsylvania	3.4	3.4	3.4
<b>GREAT LAKES</b>			
Illinois	2.4	2.4	2.2
Indiana	2.7	2.8	2.6
Michigan	4.6	4.4	4.2
Ohio	3.2	3.0	2.9
Wisconsin	2.9	2.8	2.8
<b>PLAINS</b>			
Iowa	2.1	2.3	2.2
Kansas	2.7	2.6	2.5
Minnesota	1.5	1.5	1.5
Missouri	2.7	2.8	2.8
Nebraska	2.2	2.5	3.0
North Dakota	1.9	1.6	1.3
South Dakota	2.5	2.7	2.7
<b>SOUTHEAST</b>			
Alabama	2.4	2.4	2.5
Arkansas	2.1	2.1	2.1
Florida	3.9	3.8	3.6
Georgia	3.7	3.6	3.6
Kentucky	2.4	2.1	2.0
Louisiana	2.9	3.0	2.7
Mississippi	1.9	2.0	1.8
North Carolina	4.5	4.5	4.7
South Carolina	2.7	2.8	2.7
Tennessee	2.8	3.1	3.0
Virginia	2.8	2.7	2.8
West Virginia	1.1	1.0	1.0
<b>SOUTHWEST</b>			
Arizona	3.8	3.8	3.6
New Mexico	2.0	1.8	1.6
Oklahoma	2.6	2.6	2.2
Texas	3.3	3.1	3.0
<b>ROCKY MOUNTAIN</b>			
Colorado	2.5	2.9	2.5
Idaho	3.8	3.8	3.8
Montana	3.2	3.2	3.3
Utah	2.0	2.1	2.2
Wyoming	1.4	1.8	1.5
<b>FAR WEST</b>			
Alaska	3.1	3.3	2.7
California	5.0	5.3	4.8
Hawaii	2.0	1.8	1.9
Nevada	3.3	3.0	2.7
Oregon	3.9	2.9	2.7
Washington	2.7	2.6	2.5
<b>ALL STATES</b>	<b>3.2 %</b>	<b>3.2 %</b>	<b>3.1 %</b>

**TABLE 34**  
**CORRECTIONS GENERAL FUND EXPENDITURES AS A PERCENT OF**  
**TOTAL GENERAL FUND EXPENDITURES**

Region/State	Fiscal 2013	Fiscal 2014	Fiscal 2015
<b>NEW ENGLAND</b>			
Connecticut	3.7 %	4.5 %	4.4 %
Maine	4.4	4.9	5.2
Massachusetts	4.6	4.6	4.6
New Hampshire	7.5	7.6	8.3
Rhode Island	5.7	5.6	5.6
Vermont	10.0	10.1	9.7
<b>MID-ATLANTIC</b>			
Delaware	7.2	7.2	7.4
Maryland	8.6	8.6	8.7
New Jersey	4.8	5.0	4.7
New York	4.9	4.5	4.5
Pennsylvania	7.6	7.9	8.2
<b>GREAT LAKES</b>			
Illinois	4.8	4.9	5.0
Indiana	4.8	4.9	4.7
Michigan	22.9	21.6	21.6
Ohio	6.3	6.0	5.7
Wisconsin	8.1	8.0	7.5
<b>PLAINS</b>			
Iowa	5.7	5.7	5.4
Kansas	5.7	5.8	5.7
Minnesota	2.5	2.5	2.5
Missouri	7.3	7.2	7.4
Nebraska	5.5	6.1	7.5
North Dakota	3.7	2.7	2.6
South Dakota	6.7	6.4	6.7
<b>SOUTHEAST</b>			
Alabama	6.3	6.1	6.3
Arkansas	8.1	8.2	8.7
Florida	9.3	9.3	9.2
Georgia	8.1	7.8	7.5
Kentucky	5.9	5.6	5.8
Louisiana	8.5	8.2	8.4
Mississippi	6.6	6.7	6.3
North Carolina	8.2	8.4	8.4
South Carolina	7.9	8.1	7.3
Tennessee	6.8	6.7	6.9
Virginia	6.2	6.4	6.9
West Virginia	5.4	5.3	5.3
<b>SOUTHWEST</b>			
Arizona	11.3	11.0	10.7
New Mexico	4.7	4.6	4.5
Oklahoma	6.9	6.9	6.6
Texas	7.8	7.0	6.9
<b>ROCKY MOUNTAIN</b>			
Colorado	7.4	7.7	7.9
Idaho	7.8	7.9	8.3
Montana	9.1	8.9	8.9
Utah	4.7	4.5	4.6
Wyoming	3.3	4.2	3.9
<b>FAR WEST</b>			
Alaska	4.5	4.9	6.0
California	8.8	9.1	8.7
Hawaii	3.8	3.3	3.7
Nevada	7.5	8.0	7.3
Oregon	13.5	11.2	10.9
Washington	5.6	5.8	5.1
<b>ALL STATES</b>	<b>6.9 %</b>	<b>6.9 %</b>	<b>6.8 %</b>

**TABLE 35**  
**ANNUAL PERCENTAGE CHANGE IN CORRECTIONS EXPENDITURES**

Region/State	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	6.8 %	0.0 %	6.6 %	0.9 %	0.0 %	3.8 %
Maine	14.5	0.0	14.3	8.2	0.0	8.1
Massachusetts	4.2	0.0	4.2	5.5	0.0	5.5
New Hampshire	0.0	—	-1.0	9.0	—	13.9
Rhode Island	3.0	0.0	3.0	1.0	0.0	1.0
Vermont	3.5	—	3.4	-2.7	—	-3.3
<b>MID-ATLANTIC</b>						
Delaware	3.0	0.0	3.7	3.6	-100.0	3.2
Maryland	1.4	-14.6	2.5	3.8	-2.9	5.9
New Jersey	2.8	-46.7	2.4	-2.0	75.0	-1.6
New York	-5.9	-21.8	-4.9	2.1	-32.6	0.3
Pennsylvania	5.7	-18.2	-0.6	6.9	-11.1	6.7
<b>GREAT LAKES</b>						
Illinois	8.4	—	7.9	5.0	—	5.4
Indiana	2.7	-20.0	2.5	0.9	0.0	0.9
Michigan	1.4	-9.2	0.9	2.6	12.4	3.0
Ohio	1.3	-13.3	0.8	0.0	-15.4	1.1
Wisconsin	2.7	0.0	2.7	-1.6	-50.0	-1.6
<b>PLAINS</b>						
Iowa	12.2	—	11.1	12.3	—	3.3
Kansas	-0.5	0.0	-0.3	3.0	0.0	2.6
Minnesota	-1.7	66.7	2.7	11.8	40.0	9.0
Missouri	3.1	-40.0	2.7	6.7	33.3	6.8
Nebraska	16.8	0.0	16.7	27.2	-50.0	26.6
North Dakota	-6.5	0.0	-6.4	-1.0	0.0	-1.0
South Dakota	6.4	-10.0	4.8	0.0	-22.2	-1.8
<b>SOUTHEAST</b>						
Alabama	4.8	0.0	4.6	2.9	10.0	3.1
Arkansas	5.1	100.0	5.3	5.1	-50.0	4.9
Florida	5.0	-8.6	3.9	6.8	42.2	7.7
Georgia	-0.2	9.1	0.8	-0.3	-41.7	2.5
Kentucky	-1.7	15.4	-1.3	0.5	0.0	0.5
Louisiana	0.4	0.0	0.7	1.5	50.0	2.1
Mississippi	4.4	—	4.7	1.3	-100.0	1.1
North Carolina	2.2	1.9	2.2	1.6	65.5	5.1
South Carolina	2.9	0.0	2.8	-1.6	0.0	-1.6
Tennessee	8.2	—	8.2	2.4	—	2.4
Virginia	-2.1	-5.9	-2.2	5.7	-12.5	5.2
West Virginia	-1.3	—	-1.3	-0.9	—	-0.9
<b>SOUTHWEST</b>						
Arizona	4.9	12.5	5.0	1.6	-22.2	1.4
New Mexico	2.1	-100.0	1.0	-5.8	—	-5.8
Oklahoma	3.0	0.0	3.0	-14.5	0.0	-14.5
Texas	2.5	0.0	2.3	1.6	-19.2	1.5
<b>ROCKY MOUNTAIN</b>						
Colorado	18.1	0.0	18.0	-7.8	-40.0	-8.0
Idaho	2.8	0.0	2.8	10.2	20.0	10.4
Montana	2.1	0.0	2.1	6.7	0.0	6.7
Utah	7.0	-100.0	6.5	8.8	—	8.8
Wyoming	3.8	—	3.8	-0.7	—	-0.7
<b>FAR WEST</b>						
Alaska	0.8	50.0	1.3	0.8	16.7	1.1
California	6.6	14.3	6.6	9.1	12.5	9.1
Hawaii	-4.8	—	-3.9	12.3	-50.0	11.7
Nevada	4.1	-33.3	0.7	-0.4	0.0	2.1
Oregon	-7.5	12.5	-8.5	-1.1	-11.1	-1.2
Washington	6.0	100.0	3.3	-0.2	-75.0	1.3
<b>ALL STATES</b>	<b>3.4 %</b>	<b>-5.2 %</b>	<b>3.0 %</b>	<b>3.8 %</b>	<b>10.4 %</b>	<b>4.0 %</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded).

**TABLE 36**  
**ITEMS EXCLUDED FROM CORRECTIONS EXPENDITURES**

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Juvenile Delinquency Counseling	Juvenile Institutions	Aid to Local Govts. for Jails	Drug Abuse Rehab. Centers	Institutions for the Criminally Insane
<b>NEW ENGLAND</b>							
Connecticut	X	X			X	P	X
Maine							X
Massachusetts	X	X	P		X		
New Hampshire			X	X	X		
Rhode Island			X	X	X		X
Vermont			X	X	X	P	X
<b>MID-ATLANTIC</b>							
Delaware					X		
Maryland						X	X
New Jersey							X
New York	P	P	P	X	X		X
Pennsylvania							
<b>GREAT LAKES</b>							
Illinois	X	X					
Indiana					P	P	X
Michigan*			P			X	X
Ohio*						P	X
Wisconsin							
<b>PLAINS</b>							
Iowa							
Kansas							
Minnesota			P		X	P	X
Missouri	X	X	X	X		P	X
Nebraska					N/A	X	X
North Dakota							X
South Dakota					X		X
<b>SOUTHEAST</b>							
Alabama					X		X
Arkansas			X	X			X
Florida					X	P	X
Georgia							X
Kentucky							X
Louisiana						X	X
Mississippi			X	X			X
North Carolina					X		
South Carolina							
Tennessee			X	X			P
Virginia							
West Virginia		X	X	X	X	X	X
<b>SOUTHWEST</b>							
Arizona			X	X	X		X
New Mexico			X	X	X		X
Oklahoma			X	X		X	X
Texas	X	P			X	P	X
<b>ROCKY MOUNTAIN</b>							
Colorado*			X	P			P
Idaho							X
Montana						P	X
Utah			X			X	X
Wyoming							
<b>FAR WEST</b>							
Alaska			P			X	X
California						P	X
Hawaii	P	P	X	X	X		X
Nevada			X	X	X		X
Oregon						P	X
Washington					X	X	X
<b>ALL STATES</b>	<b>7</b>	<b>8</b>	<b>20</b>	<b>15</b>	<b>21</b>	<b>20</b>	<b>38</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## Corrections Notes

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Small dollar amounts, when rounded, cause an aberration in the percentage increase. In these instances, the actual dollar amounts should be consulted to determine the exact percentage increase.

**Colorado:** Juvenile delinquent counseling programs are funded in the Colorado Department of Human Services, Division of Youth Corrections (DYC). Funding for the Youthful Offender System (youths convicted as adults) is in the Colorado Dept. of Corrections. Other programs for youth corrections are in the Department of Human Services, Division of Youth Corrections. Regarding institutions for the criminally insane, San Carlos services significantly mentally ill inmates, but note that the Colorado Dept of Human Services Forensics Institute serves mentally ill people including those found not guilty by reason of insanity.

**Maine:** Surveys prior to the 2013 State Expenditure Report omitted the Board of Corrections from the corrections expenditure category. Beginning with that survey, the board expenditures have been included.

**Maryland:** General Fund fiscal 2013 number revised slightly (to \$1,308 million from \$1,307 million) due to a rounding error in last year's report.

**Michigan:** Figures include adult inmate and juvenile justice expenditures. Fiscal 2013 actual spending is adjusted from the 2013 published survey amount to correct an overstatement of \$23.5 million in spending from other state funds.

**Ohio:** While employer contributions to current employees' pensions and employer contributions to employee health benefits are included in the expenditure totals, agencies do not receive specific appropriations for these purposes. As of fiscal year 2016, drug recovery services within Department of Rehabilitation and Correction (DRC) institutions are provided by the Department of Mental Health and Addiction Services. However, DRC continues to fund drug abuse rehabilitation programs in community settings through per-bed or per-diem payments to Halfway Houses and Community Based Correctional Facilities.

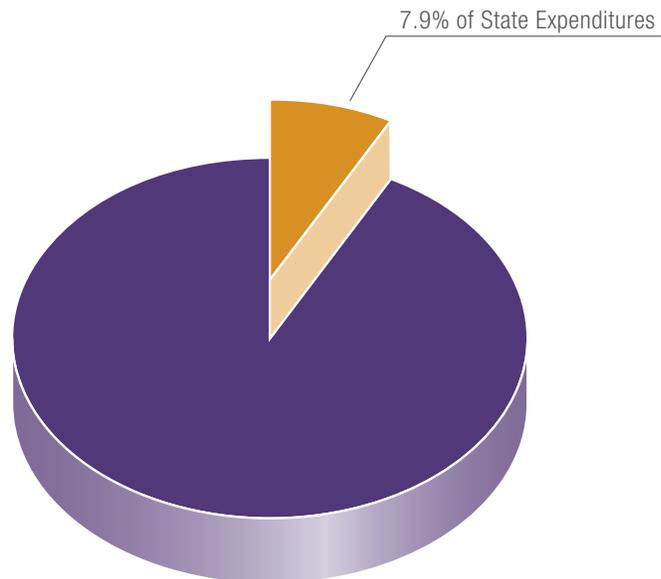


# 6

CHAPTER



## TRANSPORTATION EXPENDITURES



## Transportation Expenditures

Transportation expenditures totaled \$137.4 billion in fiscal 2014, 7.9 percent of total state spending and an increase of 4.9 percent over the previous year. State funds (general funds and other state funds combined, excluding bonds) for transportation increased 10.5 percent in fiscal 2014, while federal funds grew a more modest 1.5 percent. In fiscal 2015, total state expenditures for transportation are estimated to have grown by 4.4 percent. Once again, the growth was driven by state funds. In fiscal 2015 it is estimated that state funds for transportation grew 9.1 percent, while federal funds declined 2.0 percent.

Approximately 56.2 percent of fiscal 2014 transportation expenditures are funded from earmarked revenues placed in special transportation trust funds, captured in the “Other State Funds” category in this report. The largest earmarked revenue source is states’ motor fuel excise taxes. While “Other State Funds” account for the majority of transportation spending, federal funds also play a large role. In fiscal 2014, federal funds accounted for 31.1 percent of total transportation spending, with bonds (8.7 percent) and general funds (4.0 percent) comprising the remaining amount.

## Federal Transportation Funding and State Financing Issues

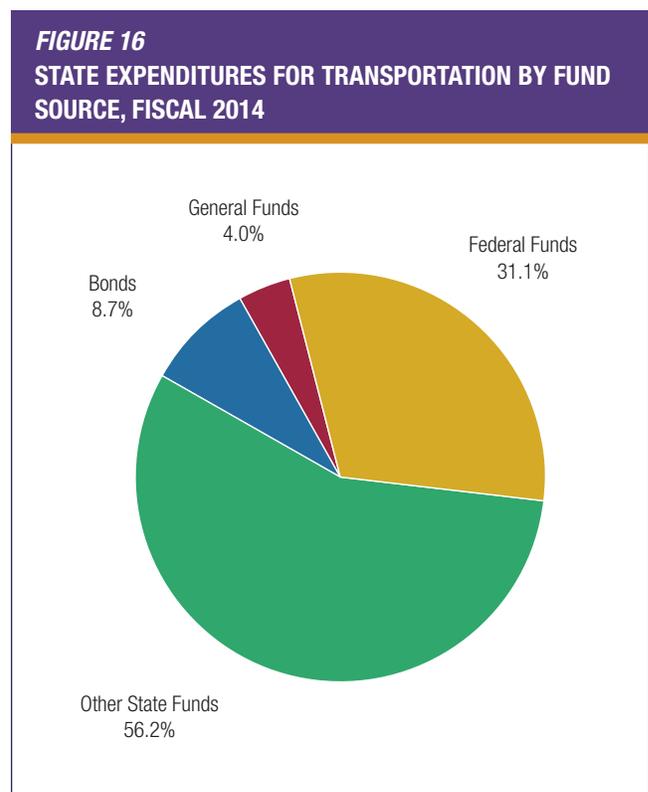
On July 6, 2012, President Obama signed into law the *Moving Ahead for Progress in the 21st Century Act (MAP-21)*. The legislation (P.L. 112-141) marked the first long-term reauthorization for surface transportation programs passed since the 2005 *Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users (SAFETEA-LU)*. Federal-aid highway programs had been operating under a series of temporary extensions since SAFETEA-LU expired in 2009. MAP-21 covered highway programs through September 2014 at current spending levels and restructured programs to offer more flexibility to states to decide how to allocate funds. MAP-21 funded surface transportation programs at over \$105 billion for federal fiscal years 2013 and 2014. In August 2014, the *Highway and Transportation Funding Act of 2014* (P.L. 113-159) was signed into law, which temporarily extended spending authority for surface transportation programs under MAP 21 through May 2015. As part of that legislation, the Highway Trust Fund (HTF) received a one-time cash infusion to avert insolvency through

May 31, 2015. At the time of publication of this report, the Highway Trust Fund is being funded through a short-term authorization as the U.S. House and Senate debate the length and funding mechanisms for a long-term surface transportation reauthorization bill.

States are concerned that in the long-term, the current structure of federal and state gas tax revenue will not be able to meet transportation needs as most gas taxes are set at fixed rates and do not rise with inflation, the growth in vehicle miles traveled has leveled off, and fuel efficiency continues to increase. States have begun to examine and implement a number a number of policy options in order to meet future transportation needs including: raising gas tax rates, shifting to other revenue sources such as sales taxes, directing more general fund spending to transportation, raising vehicle registration fees, implementing a vehicle-miles traveled tax, increasing the use of toll roads and additional public-private partnerships.

## Fund Shares

The figure below provides fund shares for fiscal 2014.



## Regional Expenditures

Table 37 shows percentage changes in transportation expenditures by region between fiscal 2013 and fiscal 2014 and between fiscal 2014 and estimated fiscal 2015. In fiscal 2014, all but the Great Lakes region saw an increase in total transportation spending, while in fiscal 2015, it is estimated that all but the Rocky Mountain region decreased total transportation spending.

## Transportation—Expenditure Exclusions

Forty-two states wholly or partially exclude state police and highway patrols from the transportation expenditures contained within the report. Additionally, 39 states wholly or partially exclude port authority operations, 22 states exclude truck enforcement regulation programs, 23 states omit motor vehicle licensing, and 13 states exclude gasoline tax and fee collections. For details, see Table 41.

**TABLE 37**  
**REGIONAL PERCENTAGE CHANGE IN STATE TRANSPORTATION EXPENDITURES,**  
**FISCAL 2014 AND 2015**

Region	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	3.8 %	-2.7 %	6.8 %	2.8 %	5.5 %	0.8 %
Mid-Atlantic	8.2	1.4	5.3	9.3	0.7	7.7
Great Lakes	-0.6	-10.5	-2.6	10.1	-5.9	4.1
Plains	14.9	-0.8	9.4	13.6	-4.8	9.3
Southeast	19.6	-6.9	8.0	12.6	-5.8	5.7
Southwest	22.3	11.3	11.7	4.3	-4.1	3.1
Rocky Mountain	-3.8	6.7	0.5	-11.6	-9.6	-10.7
Far West	8.6	24.2	0.6	9.0	6.9	1.8
<b>ALL STATES</b>	<b>10.5 %</b>	<b>1.5 %</b>	<b>4.9 %</b>	<b>9.1 %</b>	<b>-2.0 %</b>	<b>4.4 %</b>

**TABLE 38**  
**TRANSPORTATION EXPENDITURES—CAPITAL INCLUSIVE (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$740	\$1,280	\$600	\$2,620	\$0	\$650	\$1,367	\$761	\$2,778	\$0	\$719	\$1,419	\$668	\$2,806
Maine	0	242	379	5	626	0	221	370	38	629	0	226	349	80	655
Massachusetts	405	535	1,900	1,053	3,893	654	519	1,857	1,324	4,354	618	498	2,031	1,259	4,406
New Hampshire	1	170	333	0	504	1	215	286	0	502	1	291	215	0	507
Rhode Island	0	273	235	90	598	0	284	189	92	565	0	238	214	30	482
Vermont	4	287	245	6	542	0	297	242	9	548	0	335	257	5	597
<b>MID-ATLANTIC</b>															
Delaware	0	216	580	0	796	0	200	543	0	743	0	237	511	0	748
Maryland	0	852	2,764	0	3,616	0	891	3,115	0	4,006	0	911	3,570	0	4,481
New Jersey	1,091	1,737	986	1,264	5,078	1,389	1,468	1,273	1,136	5,266	1,451	1,493	1,165	1,225	5,334
New York	99	1,497	5,956	908	8,460	119	1,722	6,188	920	8,949	117	1,612	6,458	1,268	9,455
Pennsylvania	17	2,020	4,055	250	6,342	6	2,129	4,190	295	6,620	6	2,203	5,106	220	7,535
<b>GREAT LAKES</b>															
Illinois	22	117	4,179	1,147	5,465	22	83	4,258	1,331	5,694	6	91	4,907	1,194	6,198
Indiana	41	1,000	1,288	0	2,329	241	711	663	0	1,615	241	668	659	0	1,568
Michigan*	11	1,430	2,100	169	3,710	95	1,389	2,172	84	3,740	285	1,206	2,067	10	3,568
Ohio*	9	1,637	2,068	188	3,902	13	1,527	2,130	210	3,880	9	1,393	2,660	234	4,296
Wisconsin	140	847	1,982	0	2,969	174	791	2,004	0	2,969	100	878	2,032	0	3,010
<b>PLAINS</b>															
Iowa	0	485	835	2	1,322	0	631	836	2	1,469	0	439	1,316	0	1,755
Kansas	16	414	393	181	1,004	16	439	1,061	164	1,680	13	329	812	191	1,345
Minnesota	64	359	2,395	363	3,181	148	277	2,383	301	3,109	92	569	2,868	325	3,854
Missouri*	9	128	1,986	0	2,123	14	86	1,878	0	1,978	14	74	1,885	0	1,973
Nebraska	0	364	427	0	791	4	350	451	0	805	1	321	520	0	842
North Dakota	96	353	469	0	918	680	306	266	0	1,252	702	275	599	0	1,576
South Dakota	0	371	243	0	614	9	366	218	0	593	1	331	222	0	554
<b>SOUTHEAST</b>															
Alabama	0	912	654	38	1,604	0	952	496	162	1,610	0	740	495	200	1,435
Arkansas	2	563	607	81	1,253	2	539	746	98	1,385	3	493	834	75	1,405
Florida	4	2,105	4,578	267	6,954	0	2,468	5,468	265	8,201	12	2,247	7,601	258	10,118
Georgia	826	1,504	77	0	2,407	814	1,559	181	3	2,557	869	1,593	95	23	2,580
Kentucky	5	769	1,741	0	2,515	6	712	2,026	0	2,744	14	763	2,189	0	2,966
Louisiana	73	876	528	166	1,643	31	753	548	163	1,495	50	649	516	212	1,427
Mississippi	0	616	602	27	1,245	0	625	682	12	1,319	32	530	579	40	1,181
North Carolina	0	1,331	3,189	78	4,598	0	1,476	3,192	34	4,702	0	1,376	3,166	14	4,556
South Carolina	1	635	561	0	1,197	60	644	720	0	1,424	75	699	614	0	1,388
Tennessee*	0	984	881	0	1,865	0	1,023	731	0	1,754	0	976	864	0	1,840
Virginia	41	2,817	2,175	8	5,041	42	1,364	4,103	4	5,513	12	1,357	4,407	2	5,778
West Virginia	5	477	675	0	1,157	12	542	743	0	1,297	9	504	754	0	1,267
<b>SOUTHWEST</b>															
Arizona	0	818	823	166	1,807	0	684	760	160	1,604	0	688	1,286	78	2,052
New Mexico	0	403	432	0	835	0	407	457	0	864	0	409	454	0	863
Oklahoma	0	560	605	124	1,289	0	695	645	5	1,345	0	748	769	5	1,522
Texas	66	2,865	3,958	1,441	8,330	118	3,385	5,219	1,163	9,885	184	3,112	4,815	1,580	9,691
<b>ROCKY MOUNTAIN</b>															
Colorado*	0	722	859	0	1,581	0	765	965	0	1,730	0	879	410	0	1,289
Idaho	0	270	372	0	642	0	234	410	0	644	0	285	469	0	754
Montana	7	391	269	0	667	8	430	268	0	706	9	434	305	0	748
Utah	1	398	919	0	1,318	2	345	587	0	934	0	183	757	0	940
Wyoming	134	185	261	0	580	161	323	314	0	798	139	115	310	0	564
<b>FAR WEST</b>															
Alaska	740	695	244	288	1,967	501	781	213	0	1,495	437	1,000	264	15	1,716
California	83	3,869	4,607	4,133	12,692	83	5,166	5,614	2,315	13,178	83	5,497	5,337	1,435	12,352
Hawaii	0	199	858	90	1,147	0	226	861	104	1,191	0	250	939	171	1,360
Nevada	0	351	310	0	661	0	331	196	0	527	0	337	345	0	682
Oregon	1	52	1,471	54	1,578	3	48	1,801	27	1,879	10	49	2,706	41	2,806
Washington	1	710	1,516	793	3,020	1	747	1,400	766	2,914	1	673	1,509	458	2,641
<b>TOTAL</b>	<b>\$4,015</b>	<b>\$42,151</b>	<b>\$70,850</b>	<b>\$13,980</b>	<b>\$130,996</b>	<b>\$5,429</b>	<b>\$42,776</b>	<b>\$77,286</b>	<b>\$11,948</b>	<b>\$137,439</b>	<b>\$5,596</b>	<b>\$41,923</b>	<b>\$84,631</b>	<b>\$11,316</b>	<b>\$143,466</b>

\*See notes at the end of the chapter.

**TABLE 39**  
**TRANSPORTATION EXPENDITURES AS A PERCENT OF**  
**TOTAL EXPENDITURES**

Region/State	Fiscal 2013	Fiscal 2014	Fiscal 2015
<b>NEW ENGLAND</b>			
Connecticut	9.4 %	9.5 %	9.1 %
Maine	8.2	7.8	8.5
Massachusetts	7.1	7.7	7.7
New Hampshire	10.0	9.8	9.3
Rhode Island	7.1	6.3	5.4
Vermont	10.9	10.4	11.0
<b>MID-ATLANTIC</b>			
Delaware	8.7	7.7	7.7
Maryland	10.0	10.5	10.8
New Jersey	10.0	9.9	9.6
New York	6.4	6.5	6.6
Pennsylvania	9.2	9.6	10.2
<b>GREAT LAKES</b>			
Illinois	9.4	9.3	8.7
Indiana	8.3	5.9	5.3
Michigan	7.8	7.5	6.6
Ohio	6.7	6.3	6.6
Wisconsin	6.9	6.6	6.6
<b>PLAINS</b>			
Iowa	6.8	7.2	8.1
Kansas	7.2	11.4	8.7
Minnesota	10.1	9.5	10.7
Missouri	9.3	8.5	8.2
Nebraska	7.8	7.6	7.7
North Dakota	16.1	19.0	20.3
South Dakota	14.9	14.5	14.0
<b>SOUTHEAST</b>			
Alabama	6.5	6.4	5.7
Arkansas	5.8	6.1	5.9
Florida	10.9	12.1	13.1
Georgia	5.7	5.9	5.8
Kentucky	9.8	9.5	9.5
Louisiana	5.9	5.5	4.7
Mississippi	6.5	7.1	5.6
North Carolina	10.7	10.7	10.2
South Carolina	5.4	6.5	6.1
Tennessee	6.1	5.7	5.7
Virginia	11.0	12.0	12.3
West Virginia	5.2	5.4	5.4
<b>SOUTHWEST</b>			
Arizona	6.6	5.5	6.5
New Mexico	5.7	5.3	5.0
Oklahoma	6.0	6.0	6.8
Texas	8.3	9.0	8.5
<b>ROCKY MOUNTAIN</b>			
Colorado	5.3	5.5	3.9
Idaho	9.6	9.4	9.9
Montana	11.0	11.4	11.7
Utah	10.9	7.7	7.3
Wyoming	6.4	10.5	6.4
<b>FAR WEST</b>			
Alaska	16.4	13.1	12.3
California	6.0	6.1	4.8
Hawaii	9.9	9.5	10.6
Nevada	7.6	5.6	6.3
Oregon	6.1	5.8	8.4
Washington	8.9	7.9	6.8
<b>ALL STATES</b>	<b>7.8 %</b>	<b>7.9 %</b>	<b>7.7 %</b>

**TABLE 40**  
**ANNUAL PERCENTAGE CHANGE IN TRANSPORTATION EXPENDITURES**

Region/State	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	6.8 %	-12.2 %	6.0 %	3.8 %	10.6 %	1.0 %
Maine	-2.4	-8.7	0.5	-5.7	2.3	4.1
Massachusetts	8.9	-3.0	11.8	5.5	-4.0	1.2
New Hampshire	-14.1	26.5	-0.4	-24.7	35.3	1.0
Rhode Island	-19.6	4.0	-5.5	13.2	-16.2	-14.7
Vermont	-2.8	3.5	1.1	6.2	12.8	8.9
<b>MID-ATLANTIC</b>						
Delaware	-6.4	-7.4	-6.7	-5.9	18.5	0.7
Maryland	12.7	4.6	10.8	14.6	2.2	11.9
New Jersey	28.2	-15.5	3.7	-1.7	1.7	1.3
New York	4.2	15.0	5.8	4.2	-6.4	5.7
Pennsylvania	3.0	5.4	4.4	21.8	3.5	13.8
<b>GREAT LAKES</b>						
Illinois	1.9	-29.1	4.2	14.8	9.6	8.9
Indiana	-32.0	-28.9	-30.7	-0.4	-6.0	-2.9
Michigan	7.4	-2.9	0.8	3.7	-13.2	-4.6
Ohio	3.2	-6.7	-0.6	24.5	-8.8	10.7
Wisconsin	2.6	-6.6	0.0	-2.1	11.0	1.4
<b>PLAINS</b>						
Iowa	0.1	30.1	11.1	57.4	-30.4	19.5
Kansas	163.3	6.0	67.3	-23.4	-25.1	-19.9
Minnesota	2.9	-22.8	-2.3	16.9	105.4	24.0
Missouri	-5.2	-32.8	-6.8	0.4	-14.0	-0.3
Nebraska	6.6	-3.8	1.8	14.5	-8.3	4.6
North Dakota	67.4	-13.3	36.4	37.5	-10.1	25.9
South Dakota	-6.6	-1.3	-3.4	-1.8	-9.6	-6.6
<b>SOUTHEAST</b>						
Alabama	-24.2	4.4	0.4	-0.2	-22.3	-10.9
Arkansas	22.8	-4.3	10.5	11.9	-8.5	1.4
Florida	19.3	17.2	17.9	39.2	-9.0	23.4
Georgia*	10.2	3.7	6.2	-3.1	2.2	0.9
Kentucky	16.4	-7.4	9.1	8.4	7.2	8.1
Louisiana	-3.7	-14.0	-9.0	-2.2	-13.8	-4.5
Mississippi	13.3	1.5	5.9	-10.4	-15.2	-10.5
North Carolina	0.1	10.9	2.3	-0.8	-6.8	-3.1
South Carolina	38.8	1.4	19.0	-11.7	8.5	-2.5
Tennessee	-17.0	4.0	-6.0	18.2	-4.6	4.9
Virginia	87.0	-51.6	9.4	6.6	-0.5	4.8
West Virginia	11.0	13.6	12.1	1.1	-7.0	-2.3
<b>SOUTHWEST</b>						
Arizona	-7.7	-16.4	-11.2	69.2	0.6	27.9
New Mexico	5.8	1.0	3.5	-0.7	0.5	-0.1
Oklahoma	6.6	24.1	4.3	19.2	7.6	13.2
Texas	32.6	18.2	18.7	-6.3	-8.1	-2.0
<b>ROCKY MOUNTAIN</b>						
Colorado	12.3	6.0	9.4	-57.5	14.9	-25.5
Idaho	10.2	-13.3	0.3	14.4	21.8	17.1
Montana	0.0	10.0	5.8	13.8	0.9	5.9
Utah	-36.0	-13.3	-29.1	28.5	-47.0	0.6
Wyoming	20.3	74.6	37.6	-5.5	-64.4	-29.3
<b>FAR WEST</b>						
Alaska	-27.4	12.4	-24.0	-1.8	28.0	14.8
California	21.5	33.5	3.8	-4.9	6.4	-6.3
Hawaii	0.3	13.6	3.8	9.1	10.6	14.2
Nevada	-36.8	-5.7	-20.3	76.0	1.8	29.4
Oregon	22.6	-7.7	19.1	50.6	2.1	49.3
Washington	-7.6	5.2	-3.5	7.8	-9.9	-9.4
<b>ALL STATES</b>	<b>10.5 %</b>	<b>1.5 %</b>	<b>4.9 %</b>	<b>9.1 %</b>	<b>-2.0 %</b>	<b>4.4 %</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded).

**TABLE 41**  
**ITEMS EXCLUDED FROM TRANSPORTATION EXPENDITURES**

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Port Authority Operations	Gasoline Tax & Fee Collections	Truck Enforcement Reg. Programs	Train/Railroad Subsidy Programs	Road Assist. Authority Subsidy Prog. for Local Govts.	Motor Vehicle Licensing	State Police/ Highway Patrol
<b>NEW ENGLAND</b>									
Connecticut				X					X
Maine					X			X	X
Massachusetts			X	X	X	P			X
New Hampshire								X	X
Rhode Island			X		X		X	X	X
Vermont			X						X
<b>MID-ATLANTIC</b>									
Delaware			X						
Maryland									X
New Jersey			X						X
New York	P	P	N/A	X					X
Pennsylvania			P	P					X
<b>GREAT LAKES</b>									
Illinois		P	X					X	P
Indiana			X					X	X
Michigan			X						X
Ohio*			X		X		P	P	X
Wisconsin			X						
<b>PLAINS</b>									
Iowa			X						
Kansas			X		X			X	X
Minnesota			X						
Missouri				X			X	X	X
Nebraska			N/A		P				X
North Dakota			X		X				X
South Dakota			X		X			X	X
<b>SOUTHEAST</b>									
Alabama			X		P	X	X	X	X
Arkansas			X			X		X	X
Florida			X	X	X			X	X
Georgia			X	X	X			X	X
Kentucky			X						X
Louisiana			X		P	X		X	X
Mississippi				X		X		X	X
North Carolina			X						
South Carolina			X			X	X		
Tennessee				X	X			X	X
Virginia									
West Virginia			P	X	X	N/A	N/A		X
<b>SOUTHWEST</b>									
Arizona			P				P		X
New Mexico			X		X	X	X	X	X
Oklahoma	X		X	P	X			X	X
Texas	X	X	X		P	P	P	P	X
<b>ROCKY MOUNTAIN</b>									
Colorado*			X	X	X	X	X	X	X
Idaho					X				X
Montana			X						X
Utah						X	P	P	X
Wyoming									
<b>FAR WEST</b>									
Alaska			X	X		X	P		X
California			X						X
Hawaii			X		X	X	X	X	X
Nevada			X		X	X		X	X
Oregon			X						X
Washington			X		X				X
<b>ALL STATES</b>	<b>3</b>	<b>3</b>	<b>39</b>	<b>13</b>	<b>22</b>	<b>14</b>	<b>13</b>	<b>23</b>	<b>42</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## Transportation Notes

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Small dollar amounts, when rounded, cause an aberration in the percentage increase. In these instances, the actual dollar amounts should be consulted to determine the exact percentage increase.

**Colorado:** Port authority operations, gasoline tax and fee collections, and motor vehicle licensing are at Dept. of Revenue. State police/highway patrol is funded at the Dept. of Public Safety.

**Michigan:** General fund support mitigates shortfalls in restricted revenue funds needed to match federal transit grants and additional funding for infrastructure projects.

**Missouri:** The Transportation expenditures were incorrectly reported in the 2013 survey. The federal and other fund amounts were incorrect. The amounts reported on the 2014 survey are correct.

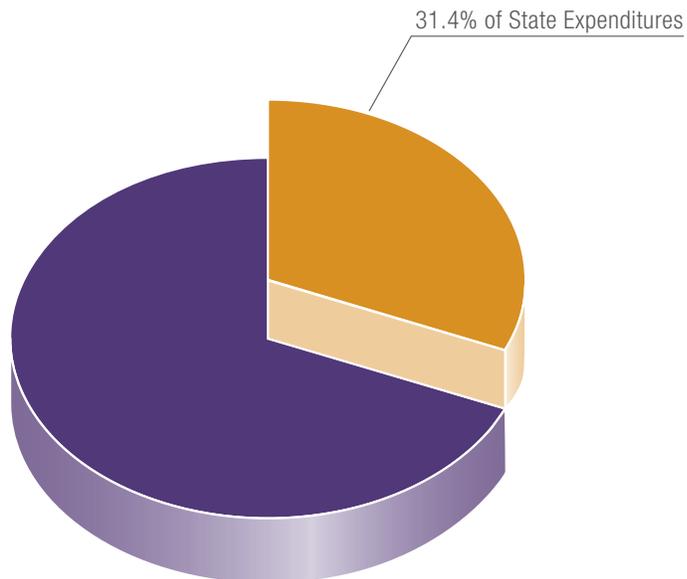
**Ohio:** While employer contributions to current employees' pensions and employer contributions to employee health benefits are included in the expenditure totals, agencies do not receive specific appropriations for these purposes. The Ohio Department of Public Safety and the Ohio Public Utilities Commission are responsible for truck enforcement/regulatory programs. A portion of spending by the Ohio Public Works Commission to retire debt for local road and bridge projects is not included in road assistance subsidy programs for local government. Included in motor vehicle licensing are funds distributed to locals for road construction projects and an additional portion collected on behalf of locals for road construction projects.

**Tennessee:** Bond estimates represent bond authorizations, while actual bonds represent bond proceeds utilized.

# CHAPTER



## ALL OTHER EXPENDITURES



## All Other Expenditures

The “All Other” category reflects a substantial amount of state spending not included in the categories described in previous chapters. “All Other” spending in states includes the Children’s Health Insurance Program (CHIP), institutional and community care for the mentally ill and developmentally disabled, public health programs, employer contributions to pensions and health benefits, economic development, environmental projects, state police, parks and recreation, housing, and general aid to local governments (a list of the items excluded from the “All Other” category is displayed in Table 46).

The “All Other” category of expenditures totaled \$545.4 billion for fiscal 2014, or 31.4 percent of total state spending. Total spending in the “All Other” category declined by 0.2 percent in fiscal 2014 and increased by an estimated 6.2 percent in fiscal 2015. In fiscal 2014, state funds for “All Other” grew 1.6 percent while federal funds declined 5.6 percent, and in fiscal 2015 it is estimated that state funds grew 6.5 percent while federal funds increased 3.6 percent.

## Children’s Health Insurance Program

Enacted as part of the *Balanced Budget Act of 1997*, the State Children’s Health Insurance Program (SCHIP) expanded health care coverage for previously uninsured children. The program is targeted toward children from families with incomes too high to qualify for Medicaid but too low to afford private insurance. SCHIP’s original ten-year authorization ran through September 30, 2007. Legislation was signed in January 2008 that extended

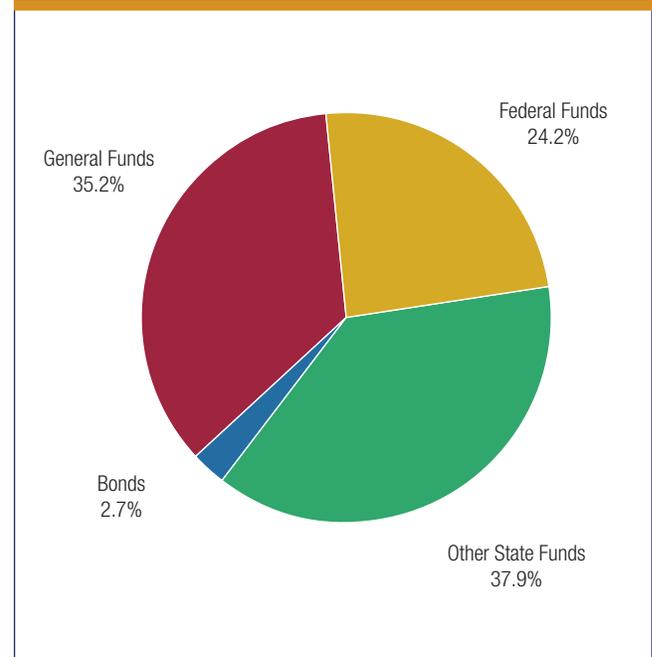
SCHIP until March 2009 at levels that would provide coverage for the current enrollment population. In February 2009, the *Children’s Health Insurance Program Reauthorization Act* (CHIPRA) was signed into law. Along with renaming the program, the reauthorization act expanded children’s coverage and added \$33 billion in federal funds through 2013, financed mostly by increased federal tobacco taxes. In 2010, the *Affordable Care Act* extended CHIP funding until October 1, 2015 and maintained CHIP eligibility standards through 2019. Finally, in April 2015, the *Medicare Access and CHIP Reauthorization Act* reauthorized the program for an additional two years through September 2017.

According to the Centers for Medicare and Medicaid Services (CMS), approximately 8.13 million children were enrolled under CHIP during fiscal 2014. As shown in Appendix Table A-2, total spending for CHIP was \$11.8 billion in fiscal 2013, \$12.2 billion in fiscal 2014, and is estimated at \$12.7 billion in fiscal 2015.

## Fund Shares

The figure below illustrates fund shares for fiscal 2014. Other state funds comprised the largest percentage of the “All Other” category at 37.9 percent in fiscal 2014, with general funds representing 35.2 percent, federal funds 24.2 percent, and bonds 2.7 percent.

**FIGURE 17**  
**STATE EXPENDITURES FOR ALL OTHER PROGRAMS BY FUND SOURCE, FISCAL 2014**



## Regional Expenditures

The following table shows percentage changes for “All Other” expenditures for fiscal 2013-2014 and 2014-2015 by region.

**TABLE 42**  
**REGIONAL PERCENTAGE CHANGE IN STATE ALL OTHER EXPENDITURES,**  
**FISCAL 2014 AND 2015**

Region	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	1.3 %	-3.7 %	1.8 %	-1.1 %	-6.1 %	-1.9 %
Mid-Atlantic	-1.1	1.0	-0.6	3.6	9.2	4.7
Great Lakes	3.8	-14.1	0.1	8.6	19.6	10.4
Plains	2.0	-6.7	-0.7	10.8	2.5	7.6
Southeast	0.3	-4.6	-1.5	3.9	7.2	5.1
Southwest	2.4	17.2	8.5	3.2	-12.4	-3.7
Rocky Mountain	-5.1	-8.7	-6.1	2.5	6.7	3.7
Far West	5.3	-15.0	-0.7	14.5	-1.4	12.2
<b>ALL STATES</b>	<b>1.6 %</b>	<b>-5.6 %</b>	<b>-0.2 %</b>	<b>6.5 %</b>	<b>3.6 %</b>	<b>6.2 %</b>

**TABLE 43**  
**ALL OTHER EXPENDITURES—CAPITAL INCLUSIVE (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$8,231	\$1,008	\$821	\$905	\$10,965	\$8,345	\$931	\$798	\$1,185	\$11,259	\$8,759	\$931	\$798	\$1,150	\$11,638
Maine*	778	554	1,314	8	2,654	782	478	1,410	19	2,689	795	462	1,273	9	2,539
Massachusetts	12,833	1,549	9,619	812	24,813	13,023	1,495	9,224	992	24,734	13,861	1,262	7,862	897	23,882
New Hampshire	525	603	581	47	1,756	448	611	708	46	1,813	430	538	849	46	1,863
Rhode Island	970	944	1,330	51	3,295	981	915	1,643	33	3,572	932	847	1,425	28	3,232
Vermont	441	446	137	54	1,078	470	487	233	96	1,286	485	575	180	80	1,320
<b>MID-ATLANTIC</b>															
Delaware	1,250	413	1,900	285	3,848	1,361	426	2,086	268	4,141	1,347	365	2,127	235	4,074
Maryland	3,830	1,811	3,466	881	9,988	3,894	2,095	3,228	788	10,005	3,898	2,599	4,047	778	11,322
New Jersey	10,630	3,705	2,244	110	16,689	9,917	4,017	3,064	237	17,235	10,571	3,694	3,138	0	17,403
New York	21,369	7,259	13,040	1,060	42,728	23,867	7,720	11,108	1,331	44,026	23,810	8,288	10,529	1,224	43,851
Pennsylvania	6,123	7,144	7,157	780	21,204	6,375	6,287	5,332	460	18,454	6,152	7,495	7,122	845	21,614
<b>GREAT LAKES</b>															
Illinois	12,081	2,961	8,940	686	24,668	13,767	2,887	8,809	843	26,306	14,277	4,531	14,061	654	33,523
Indiana	2,365	2,016	1,144	0	5,525	2,304	1,719	1,209	0	5,232	2,666	1,850	2,159	0	6,675
Michigan*	2,658	5,741	5,334	37	13,770	3,154	5,305	5,733	66	14,258	2,776	6,752	5,070	151	14,749
Ohio*	4,321	4,251	12,189	1,495	22,256	3,932	2,668	11,804	1,494	19,898	4,008	2,531	11,973	1,620	20,132
Wisconsin	3,285	2,895	11,824	0	18,004	3,346	2,768	12,536	0	18,650	3,303	2,684	12,038	0	18,025
<b>PLAINS</b>															
Iowa	1,363	2,121	1,967	68	5,519	1,260	1,957	1,968	68	5,253	1,421	2,006	2,082	25	5,534
Kansas	808	926	1,777	171	3,682	714	843	1,237	141	2,935	646	798	1,266	139	2,849
Minnesota	3,619	2,743	1,235	230	7,827	4,147	2,557	1,182	307	8,193	5,278	2,815	1,334	200	9,627
Missouri*	2,013	1,904	1,742	0	5,659	2,132	1,806	1,730	0	5,668	2,251	1,840	1,822	0	5,913
Nebraska	847	935	1,635	0	3,417	888	885	1,799	0	3,572	941	927	1,846	0	3,714
North Dakota	612	500	842	0	1,954	801	514	888	0	2,203	579	396	1,383	0	2,358
South Dakota	275	341	428	1	1,045	366	275	435	2	1,078	290	274	527	14	1,105
<b>SOUTHEAST</b>															
Alabama	848	2,525	3,253	186	6,812	1,205	2,209	3,001	224	6,639	1,030	2,063	2,803	408	6,304
Arkansas*	629	1,485	5,847	122	8,083	663	1,296	6,361	58	8,378	613	1,171	6,364	97	8,245
Florida	5,285	8,107	3,039	1,571	18,002	5,159	7,019	3,969	1,281	17,428	6,062	7,456	5,342	1,289	20,149
Georgia	3,503	3,156	4,262	198	11,119	3,953	2,886	4,153	173	11,165	4,120	2,817	4,023	232	11,192
Kentucky	2,212	1,347	1,256	0	4,815	2,258	2,001	2,222	0	6,481	2,010	1,714	1,982	0	5,706
Louisiana	1,774	2,585	6,046	166	10,571	2,047	2,268	4,974	231	9,520	1,879	3,578	6,715	249	12,421
Mississippi	1,226	1,951	1,477	704	5,358	1,278	1,780	1,442	231	4,731	1,424	2,739	1,805	637	6,605
North Carolina	3,540	1,208	2,239	153	7,140	3,718	1,225	2,245	153	7,341	3,578	1,225	2,245	87	7,135
South Carolina	2,119	2,066	3,005	0	7,190	1,939	1,295	1,993	5	5,232	2,032	921	2,124	4	5,081
Tennessee	2,764	3,956	1,766	104	8,590	2,893	3,804	1,817	26	8,540	2,939	4,094	1,885	56	8,974
Virginia	6,836	537	9,982	332	17,687	5,901	1,948	8,733	554	17,136	5,160	2,004	9,487	368	17,019
West Virginia	1,141	754	10,505	0	12,400	1,001	592	11,868	0	13,461	1,000	590	11,500	0	13,090
<b>SOUTHWEST</b>															
Arizona	1,207	3,456	1,739	0	6,402	1,355	3,956	1,779	0	7,090	1,454	2,536	2,405	0	6,395
New Mexico	1,298	1,611	1,123	0	4,032	1,407	1,455	2,021	0	4,883	1,461	916	3,662	0	6,039
Oklahoma	1,788	1,914	2,165	254	6,121	1,860	2,357	1,995	137	6,349	1,868	2,289	1,874	208	6,239
Texas	6,153	7,757	5,144	276	19,330	6,921	9,511	3,766	422	20,620	6,696	9,387	2,355	379	18,817
<b>ROCKY MOUNTAIN</b>															
Colorado*	2,853	2,839	5,733	0	11,425	2,359	2,621	6,046	0	11,026	2,251	2,340	5,553	0	10,144
Idaho	393	876	463	4	1,736	420	869	515	22	1,826	446	942	612	15	2,015
Montana	630	755	1,139	0	2,524	655	773	1,163	0	2,591	676	779	1,165	0	2,620
Utah	1,168	1,132	1,524	0	3,824	1,300	1,086	1,479	0	3,865	1,420	1,307	1,461	0	4,188
Wyoming	2,762	1,831	1,795	0	6,388	2,170	1,438	1,409	0	5,017	2,417	1,873	1,961	0	6,251
<b>FAR WEST</b>															
Alaska*	3,986	724	620	197	5,527	3,988	755	879	0	5,622	2,460	775	3,899	0	7,134
California	22,214	25,606	24,649	1,406	73,875	21,264	21,187	24,749	1,478	68,678	25,868	19,445	30,973	4,298	80,584
Hawaii	2,787	494	1,728	378	5,387	3,247	477	1,815	486	6,025	3,248	554	1,852	458	6,112
Nevada	686	988	1,449	21	3,144	546	878	2,476	9	3,909	670	1,012	2,489	13	4,184
Oregon	1,426	3,195	8,888	61	13,570	1,907	2,694	11,688	131	16,420	2,635	3,748	9,697	89	16,169
Washington	4,817	4,327	3,483	287	12,914	4,515	4,060	3,762	671	13,008	4,729	4,101	4,000	496	13,326
<b>TOTAL</b>	<b>\$187,272</b>	<b>\$139,952</b>	<b>\$204,985</b>	<b>\$14,101</b>	<b>\$546,310</b>	<b>\$192,203</b>	<b>\$132,086</b>	<b>\$206,484</b>	<b>\$14,668</b>	<b>\$545,441</b>	<b>\$199,622</b>	<b>\$136,836</b>	<b>\$225,144</b>	<b>\$17,478</b>	<b>\$579,080</b>

\*See notes at the end of the chapter.

**TABLE 44**  
**ALL OTHER EXPENDITURES AS A PERCENT OF**  
**TOTAL EXPENDITURES**

Region/State	Fiscal 2013	Fiscal 2014	Fiscal 2015
<b>NEW ENGLAND</b>			
Connecticut	39.5 %	38.6 %	37.9 %
Maine	34.6	33.2	32.9
Massachusetts	45.4	44.0	41.7
New Hampshire	35.0	35.2	34.2
Rhode Island	39.4	39.9	36.2
Vermont	21.7	24.4	24.3
<b>MID-ATLANTIC</b>			
Delaware	42.0	43.1	41.7
Maryland	27.5	26.3	27.2
New Jersey	32.8	32.5	31.2
New York	32.1	32.0	30.5
Pennsylvania	30.7	26.8	29.2
<b>GREAT LAKES</b>			
Illinois	42.4	43.1	46.9
Indiana	19.6	19.2	22.7
Michigan	29.1	28.7	27.2
Ohio	38.2	32.5	30.9
Wisconsin	42.1	41.5	39.7
<b>PLAINS</b>			
Iowa	28.3	25.8	25.4
Kansas	26.4	19.9	18.4
Minnesota	24.8	25.1	26.8
Missouri	24.7	24.5	24.5
Nebraska	33.6	33.9	33.8
North Dakota	34.2	33.4	30.4
South Dakota	25.3	26.3	28.0
<b>SOUTHEAST</b>			
Alabama	27.8	26.6	25.1
Arkansas	37.7	36.8	34.6
Florida	28.1	25.6	26.1
Georgia	26.2	25.7	25.2
Kentucky	18.8	22.4	18.2
Louisiana	37.6	34.9	40.9
Mississippi	27.9	25.5	31.2
North Carolina	16.7	16.8	16.0
South Carolina	32.4	23.7	22.4
Tennessee	28.2	27.8	28.0
Virginia	38.7	37.4	36.2
West Virginia	55.6	56.4	55.7
<b>SOUTHWEST</b>			
Arizona	23.2	24.4	20.4
New Mexico	27.4	30.1	35.3
Oklahoma	28.6	28.4	27.9
Texas	19.2	18.7	16.4
<b>ROCKY MOUNTAIN</b>			
Colorado	37.9	35.2	30.7
Idaho	25.9	26.6	26.4
Montana	41.8	41.9	41.0
Utah	31.6	31.7	32.3
Wyoming	70.0	65.8	70.7
<b>FAR WEST</b>			
Alaska	46.0	49.3	51.2
California	34.9	31.9	31.2
Hawaii	46.5	47.8	47.5
Nevada	36.3	41.5	38.5
Oregon	52.6	50.7	48.2
Washington	38.0	35.3	34.1
<b>ALL STATES</b>	<b>32.7 %</b>	<b>31.4 %</b>	<b>30.9 %</b>

**TABLE 45**  
**ANNUAL PERCENTAGE CHANGE IN ALL OTHER EXPENDITURES**

Region/State	Fiscal 2013 to 2014			Fiscal 2014 to 2015		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	1.0 %	-7.6 %	2.7 %	4.5 %	0.0 %	3.4 %
Maine	4.8	-13.7	1.3	-5.7	-3.3	-5.6
Massachusetts	-0.9	-3.5	-0.3	-2.4	-15.6	-3.4
New Hampshire	4.5	1.3	3.2	10.6	-11.9	2.8
Rhode Island	14.1	-3.1	8.4	-10.2	-7.4	-9.5
Vermont	21.6	9.2	19.3	-5.4	18.1	2.6
<b>MID-ATLANTIC</b>						
Delaware	9.4	3.1	7.6	0.8	-14.3	-1.6
Maryland	-2.4	15.7	0.2	11.6	24.1	13.2
New Jersey	0.8	8.4	3.3	5.6	-8.0	1.0
New York	1.6	6.4	3.0	-1.8	7.4	-0.4
Pennsylvania	-11.8	-12.0	-13.0	13.4	19.2	17.1
<b>GREAT LAKES</b>						
Illinois	7.4	-2.5	6.6	25.5	56.9	27.4
Indiana	0.1	-14.7	-5.3	37.3	7.6	27.6
Michigan	11.2	-7.6	3.5	-11.7	27.3	3.4
Ohio	-4.7	-37.2	-10.6	1.6	-5.1	1.2
Wisconsin	5.1	-4.4	3.6	-3.4	-3.0	-3.4
<b>PLAINS</b>						
Iowa	-3.1	-7.7	-4.8	8.5	2.5	5.3
Kansas	-24.5	-9.0	-20.3	-2.0	-5.3	-2.9
Minnesota	9.8	-6.8	4.7	24.1	10.1	17.5
Missouri	2.8	-5.1	0.2	5.5	1.9	4.3
Nebraska	8.3	-5.3	4.5	3.7	4.7	4.0
North Dakota	16.2	2.8	12.7	16.2	-23.0	7.0
South Dakota	13.9	-19.4	3.2	2.0	-0.4	2.5
<b>SOUTHEAST</b>						
Alabama	2.6	-12.5	-2.5	-8.9	-6.6	-5.0
Arkansas	8.5	-12.7	3.6	-0.7	-9.6	-1.6
Florida	9.7	-13.4	-3.2	24.9	6.2	15.6
Georgia*	4.4	-8.6	0.4	0.5	-2.4	0.2
Kentucky	29.2	48.6	34.6	-10.9	-14.3	-12.0
Louisiana	-10.2	-12.3	-9.9	22.4	57.8	30.5
Mississippi	0.6	-8.8	-11.7	18.7	53.9	39.6
North Carolina	3.2	1.4	2.8	-2.3	0.0	-2.8
South Carolina	-23.3	-37.3	-27.2	5.7	-28.9	-2.9
Tennessee	4.0	-3.8	-0.6	2.4	7.6	5.1
Virginia	-13.0	262.8	-3.1	0.1	2.9	-0.7
West Virginia	10.5	-21.5	8.6	-2.9	-0.3	-2.8
<b>SOUTHWEST</b>						
Arizona	6.4	14.5	10.7	23.1	-35.9	-9.8
New Mexico	41.6	-9.7	21.1	49.4	-37.0	23.7
Oklahoma	-2.5	23.1	3.7	-2.9	-2.9	-1.7
Texas	-5.4	22.6	6.7	-15.3	-1.3	-8.7
<b>ROCKY MOUNTAIN</b>						
Colorado	-2.1	-7.7	-3.5	-7.2	-10.7	-8.0
Idaho	9.2	-0.8	5.2	13.2	8.4	10.4
Montana	2.8	2.4	2.7	1.3	0.8	1.1
Utah	3.2	-4.1	1.1	3.7	20.3	8.4
Wyoming	-21.5	-21.5	-21.5	22.3	30.3	24.6
<b>FAR WEST</b>						
Alaska	5.7	4.3	1.7	30.7	2.6	26.9
California	-1.8	-17.3	-7.0	23.5	-8.2	17.3
Hawaii	12.1	-3.4	11.8	0.8	16.1	1.4
Nevada	41.5	-11.1	24.3	4.5	15.3	7.0
Oregon	31.8	-15.7	21.0	-9.3	39.1	-1.5
Washington	-0.3	-6.2	0.7	5.5	1.0	2.4
<b>ALL STATES</b>	<b>1.6 %</b>	<b>-5.6 %</b>	<b>-0.2 %</b>	<b>6.5 %</b>	<b>3.6 %</b>	<b>6.2 %</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded).

**TABLE 46**  
**ITEMS EXCLUDED FROM ALL OTHER EXPENDITURES**

Region/State	Employers Contribution to Pensions	Employer Contributions to Health Benefits	Child Health Insurance Program	Public Health	Community and Institutional for Mental Health	Community and Institutional for Dev. Disabled	Environmental Programs	Parks and Recreation	Housing	General Aid to Local Government
<b>NEW ENGLAND</b>										
Connecticut					P	P				
Maine										
Massachusetts			X							
New Hampshire										
Rhode Island									X	
Vermont				P	P	X				
<b>MID-ATLANTIC</b>										
Delaware										
Maryland										
New Jersey										
New York*	P	P								
Pennsylvania										
<b>GREAT LAKES</b>										
Illinois										P
Indiana										
Michigan*				P	P	P				
Ohio*			X			P			P	
Wisconsin										
<b>PLAINS</b>										
Iowa									X	
Kansas							N/A		N/A	
Minnesota										
Missouri									X	
Nebraska										
North Dakota										
South Dakota										X
<b>SOUTHEAST</b>										
Alabama									P	P
Arkansas										
Florida										
Georgia										
Kentucky										
Louisiana				X	X	X				
Mississippi									X	
North Carolina										
South Carolina										
Tennessee										X
Virginia										
West Virginia										
<b>SOUTHWEST</b>										
Arizona										
New Mexico										
Oklahoma									P	P
Texas										
<b>ROCKY MOUNTAIN</b>										
Colorado*										
Idaho									X	X
Montana										
Utah										
Wyoming										
<b>FAR WEST</b>										
Alaska										
California										
Hawaii*	P	P								
Nevada*			P							X
Oregon										
Washington				P						X
<b>ALL STATES</b>	<b>2</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>5</b>	<b>1</b>	<b>0</b>	<b>9</b>	<b>8</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## All Other Expenditure Notes

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Small dollar amounts, when rounded, cause an aberration in the percentage increase. In these instances, the actual dollar amounts should be consulted to determine the exact percentage increase.

**Alaska:** A \$3 billion transfer to the state retirement systems (PERS & TRS) was made at the beginning of fiscal 2015 from the Constitutional Budget reserve fund in order to pay down a \$12 billion unfunded pension liability, and is included in fiscal 2015 other state funds for the “all other” category.

**Arkansas:** Arkansas is now categorizing the WIC program as part of public assistance, whereas in past editions of the State Expenditure Report it has been reported as part of the “all other” spending category.

**Colorado:** CHIP is included in “Medicaid” expenditures, all part of the Department of Health Care Policy and Financing.

**Maine:** Prizes paid to lottery winners were excluded as follows: fiscal 2013 \$143.9 million; fiscal 2014 \$145.0 million; and fiscal 2015, \$157.7 million.

**Michigan:** Public health and community and institutional care for mentally and developmentally disabled persons are partially reported in the Medicaid totals.

**Missouri:** Total Expenditure amounts do not include employee benefits by each expenditure category. Those are included in the “All Other” state expenditures.

**Ohio:** While employer contributions to current employees’ pensions and employer contributions to employee health benefits are included in the expenditure totals, agencies do not receive specific appropriations for these purposes. Some expenditures in community and institutional care for the developmentally disabled are included in the Medicaid totals. Most of the expenditures of the Ohio Housing Finance Agency occur outside of the state financial system and are excluded from the housing totals.

# 8

CHAPTER



## CAPITAL EXPENDITURES

## Capital Expenditures

Capital expenditures are made for new construction, infrastructure, major repairs and improvements, land purchases and the acquisition of major equipment and existing structures. Minor repairs and routine maintenance are reported as operating expenses. Given the long-term nature of capital projects, states often find it difficult to report capital expenditures for one specific fiscal year. This is because the amount of money appropriated when a project initially is undertaken usually will not be the amount spent in a single year. Additionally, because the nature of capital spending often includes long construction timetables and unforeseen or delayed project costs, state spending on capital projects has historically fluctuated from year-to-year. For greater detail on states' capital spending practices, see NASBO's recently updated report *Capital Budgeting in the States*, available at [www.nasbo.org](http://www.nasbo.org) in the publications and data section. The report contains information on defining capital and maintenance expenditures, the organization of the capital budget, capital budget development and execution, capital financing and debt management, and capital asset management.

The following chapter includes capital expenditures for higher education, corrections, transportation, environmental projects, housing, and "all other". Due to differences in states' reporting capabilities, or expenditures for items not easily classified, capital expenditures not included in these categories are included in the "All Other" category. Tables 47-53 display capital expenditure data.

## Total Capital Expenditures

States increased capital spending by 2.9 percent in fiscal 2013, 4.5 percent in fiscal 2014 and by an estimated 3.0 percent in fiscal 2015. Overall, state capital spending totaled \$91.2 billion in fiscal 2013, \$95.3 billion in fiscal 2014, and is estimated to total \$98.2 billion in fiscal 2015.

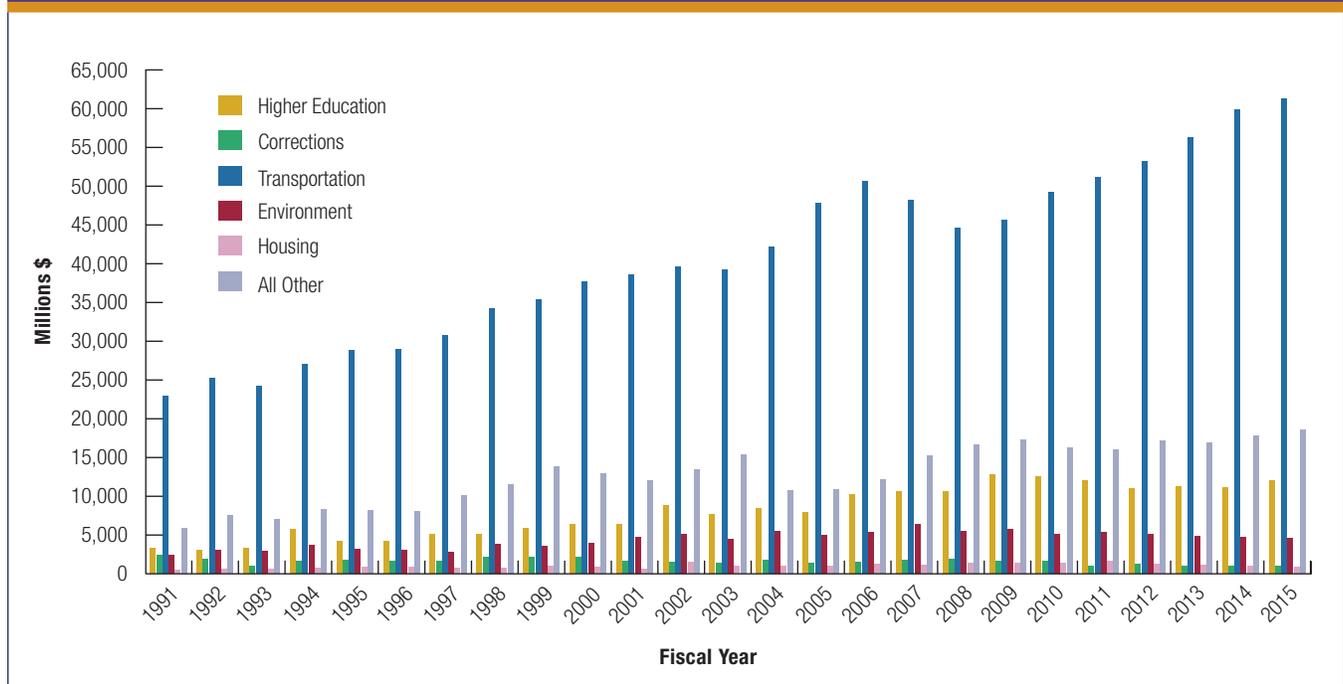
## Capital Fund Sources

State spending on capital projects traditionally has come from non-general fund sources. Other state funds such as dedicated fees and fund surpluses (34.5 percent in fiscal 2014) and bonds (28.8 percent) combine to account for two-thirds of total state spending on capital projects. In some prior years, bonds represented a greater share of total capital spending than other state funds. The slight shift in funding sources is partly due to below average debt issuance in the majority of states; Moody's Investors Service noted that total net tax supported debt declined in 2014 for the first time in their 28 years of compiling data. Federal funds (31.2 percent) and state general funds (5.4 percent) also contribute to capital spending.

## Capital Funds by Use

Comprising 62.7 percent (\$59.8 billion) of all capital expenditures in fiscal 2014, **transportation** is the largest category of state capital expenditures. Capital spending for transportation

**FIGURE 18:**  
**CAPITAL EXPENDITURES BY TYPE, FISCAL 1991 TO 2015**



increased by 6.2 percent in fiscal 2014, and is expected to increase by 2.5 percent in fiscal 2015.

**Higher education** capital expenditures declined by 1.1 percent in fiscal 2014, totaling \$11.1 billion, and accounted for 11.6 percent of total state capital outlays. In fiscal 2015, higher education capital spending is estimated to increase by 7.8 percent.

State capital spending for **environmental** purposes in fiscal 2014 totaled \$4.7 billion, 5.0 percent of total capital spending and a 0.5 percent decrease from fiscal 2013. Environmental capital expenditures are estimated to decrease by 4.9 percent in fiscal 2015.

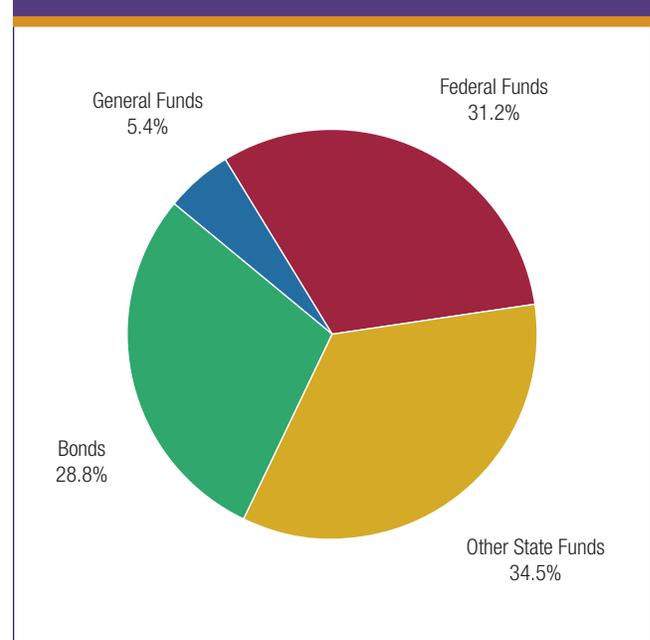
**Housing** capital expenditures account for just 1.0 percent of total fiscal 2014 capital spending, at approximately \$956 million. Housing capital spending decreased by 13.9 percent in fiscal 2014, and is estimated to decrease by 10.5 percent in fiscal 2015.

**Corrections** capital spending experienced a decline of 3.5 percent in fiscal 2014, totaling \$944 million. Corrections accounted for only 1.0 percent of total state capital expenditures. Fiscal 2015 estimates indicate spending of \$983 million, a 4.1 percent increase.

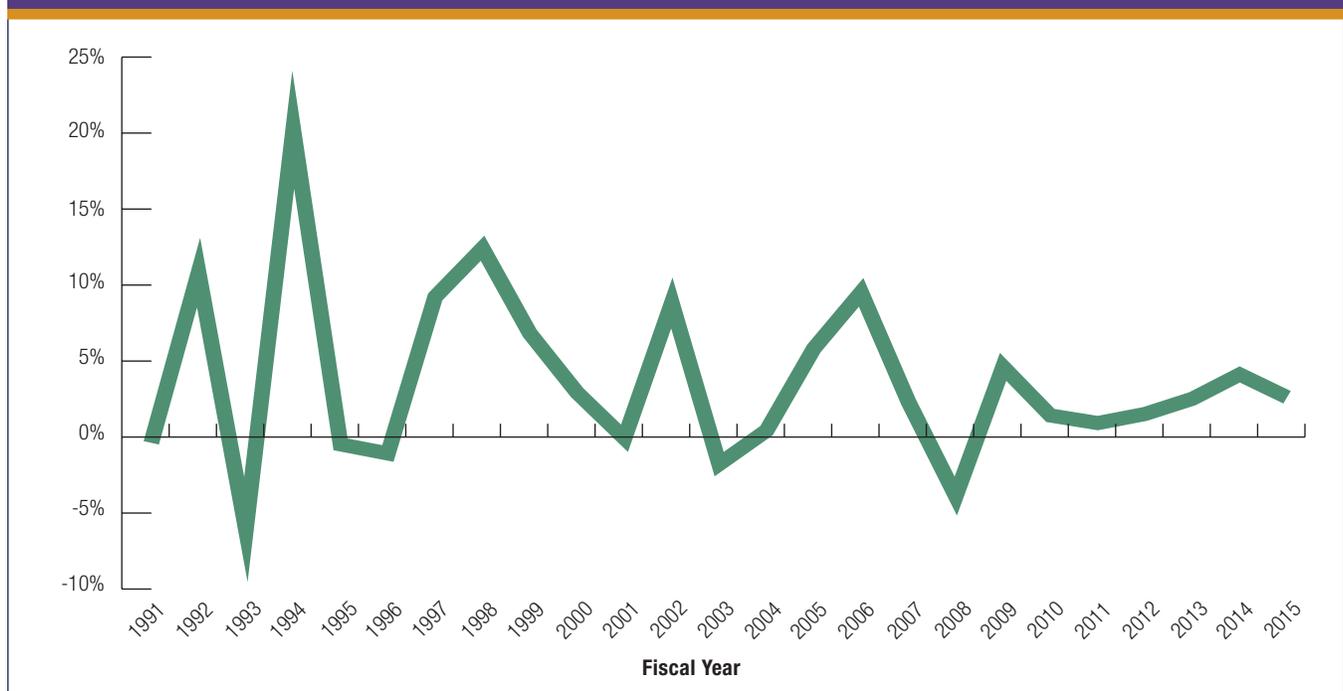
State spending for **“all other”** purposes totaled \$17.8 billion in fiscal 2014, or 18.7 percent of total capital spending. This includes capital expenditures not easily classified into one of the other categories. Examples of expenditures in the “all

other” category may include items such as public school facilities, zoo improvements, health care infrastructure, or sports facilities. In fiscal 2015, “all other” capital spending is estimated to increase by 4.5 percent to \$18.6 billion.

**FIGURE 20**  
TOTAL CAPITAL EXPENDITURES BY FUNDING SOURCE,  
FISCAL 2014



**FIGURE 19:**  
ANNUAL PERCENTAGE CHANGE IN TOTAL CAPITAL EXPENDITURES



**TABLE 47**  
**TOTAL CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$509	\$36	\$2,384	<b>\$2,929</b>	\$0	\$433	\$28	\$2,900	<b>\$3,361</b>	\$0	\$434	\$17	\$2,975	<b>\$3,426</b>
Maine	1	176	130	8	<b>315</b>	5	147	90	35	<b>276</b>	8	157	87	67	<b>318</b>
Massachusetts	0	604	107	2,154	<b>2,865</b>	0	654	148	2,535	<b>3,336</b>	0	505	205	2,335	<b>3,044</b>
New Hampshire	0	18	145	87	<b>250</b>	0	10	195	63	<b>268</b>	0	10	267	57	<b>334</b>
Rhode Island*	11	269	107	158	<b>545</b>	11	292	104	142	<b>549</b>	5	256	114	103	<b>478</b>
Vermont	1	239	36	73	<b>349</b>	1	226	38	116	<b>381</b>	1	232	40	98	<b>371</b>
<b>MID-ATLANTIC</b>															
Delaware	0	212	215	225	<b>652</b>	0	200	178	271	<b>649</b>	0	233	146	201	<b>580</b>
Maryland*	1	931	1,214	1,167	<b>3,313</b>	40	887	1,284	1,146	<b>3,357</b>	3	884	1,726	1,217	<b>3,830</b>
New Jersey	1,315	1,781	314	1,374	<b>4,784</b>	1,343	1,716	638	1,373	<b>5,070</b>	1,621	1,485	20	1,225	<b>4,351</b>
New York	0	1,860	2,422	3,258	<b>7,540</b>	0	2,027	2,284	3,440	<b>7,751</b>	0	1,826	2,197	3,524	<b>7,547</b>
Pennsylvania	0	0	0	1,379	<b>1,379</b>	0	0	0	800	<b>800</b>	0	0	0	1,265	<b>1,265</b>
<b>GREAT LAKES</b>															
Illinois	0	123	2,411	1,954	<b>4,488</b>	0	90	2,263	2,382	<b>4,735</b>	0	100	2,604	2,076	<b>4,780</b>
Indiana	151	0	50	0	<b>201</b>	269	0	54	0	<b>323</b>	361	0	49	0	<b>410</b>
Michigan*	247	1,549	720	311	<b>2,827</b>	257	1,331	913	317	<b>2,818</b>	265	1,209	310	355	<b>2,138</b>
Ohio	0	1,407	585	1,015	<b>3,007</b>	0	1,303	897	947	<b>3,148</b>	0	1,180	1,174	1,154	<b>3,508</b>
Wisconsin	0	0	0	0	<b>0</b>	0	0	0	0	<b>0</b>	0	0	0	0	<b>0</b>
<b>PLAINS</b>															
Iowa	0	396	520	42	<b>958</b>	0	522	486	16	<b>1,024</b>	0	499	683	1	<b>1,183</b>
Kansas	34	428	142	168	<b>772</b>	39	454	778	161	<b>1,432</b>	28	342	505	178	<b>1,053</b>
Minnesota	0	0	0	810	<b>810</b>	0	0	0	779	<b>779</b>	0	0	0	767	<b>767</b>
Missouri	70	11	27	0	<b>109</b>	21	13	45	0	<b>78</b>	103	24	66	1	<b>194</b>
Nebraska	15	400	545	0	<b>960</b>	19	373	594	0	<b>985</b>	21	325	690	0	<b>1,035</b>
North Dakota	157	293	293	6	<b>749</b>	541	244	156	16	<b>957</b>	235	244	497	14	<b>990</b>
South Dakota	15	24	44	35	<b>118</b>	3	38	62	21	<b>124</b>	3	36	62	60	<b>161</b>
<b>SOUTHEAST</b>															
Alabama*	3	399	283	224	<b>909</b>	4	358	191	386	<b>939</b>	4	418	192	608	<b>1,222</b>
Arkansas	1	269	377	97	<b>744</b>	0	275	412	41	<b>727</b>	0	290	558	75	<b>923</b>
Florida*	145	2,395	4,688	1,882	<b>9,110</b>	210	2,730	5,853	1,563	<b>10,356</b>	434	2,555	8,212	1,578	<b>12,779</b>
Georgia*	279	1,048	28	808	<b>2,163</b>	312	1,119	146	850	<b>2,427</b>	285	729	249	878	<b>2,141</b>
Kentucky	0	0	697	0	<b>697</b>	0	0	582	0	<b>582</b>	0	0	577	0	<b>577</b>
Louisiana	139	720	637	378	<b>1,874</b>	71	625	557	501	<b>1,754</b>	85	581	407	607	<b>1,680</b>
Mississippi	32	395	469	760	<b>1,656</b>	27	388	479	250	<b>1,144</b>	26	302	546	765	<b>1,639</b>
North Carolina	28	1,198	1,496	231	<b>2,953</b>	14	1,321	1,491	187	<b>3,013</b>	10	1,183	1,511	101	<b>2,805</b>
South Carolina	0	18	164	0	<b>182</b>	38	19	347	53	<b>457</b>	36	7	436	98	<b>577</b>
Tennessee*	150	1,004	516	301	<b>1,971</b>	165	1,026	335	185	<b>1,711</b>	123	978	181	84	<b>1,366</b>
Virginia	3	14	117	900	<b>1,034</b>	4	5	93	650	<b>752</b>	0	9	127	791	<b>928</b>
West Virginia	20	552	880	54	<b>1,506</b>	53	593	943	55	<b>1,644</b>	48	552	921	54	<b>1,575</b>
<b>SOUTHWEST</b>															
Arizona	0	797	474	192	<b>1,463</b>	1	664	413	198	<b>1,276</b>	26	668	919	150	<b>1,763</b>
New Mexico	0	410	111	366	<b>887</b>	0	588	174	326	<b>1,088</b>	45	500	143	348	<b>1,036</b>
Oklahoma	7	782	608	241	<b>1,638</b>	6	749	500	155	<b>1,410</b>	5	701	674	172	<b>1,552</b>
Texas	153	1,256	4,400	727	<b>6,536</b>	161	1,915	5,757	654	<b>8,487</b>	163	1,832	5,556	914	<b>8,465</b>
<b>ROCKY MOUNTAIN</b>															
Colorado	98	0	139	0	<b>237</b>	247	0	228	0	<b>475</b>	76	0	4	0	<b>80</b>
Idaho	12	243	96	10	<b>361</b>	12	204	136	28	<b>380</b>	14	251	203	21	<b>489</b>
Montana	0	0	0	0	<b>0</b>	0	0	0	0	<b>0</b>	0	0	0	0	<b>0</b>
Utah*	204	389	1,388	0	<b>1,981</b>	288	326	965	0	<b>1,579</b>	366	173	988	0	<b>1,527</b>
Wyoming	62	72	101	0	<b>235</b>	66	80	112	0	<b>258</b>	59	47	118	0	<b>224</b>
<b>FAR WEST</b>															
Alaska	2,098	816	164	485	<b>3,563</b>	881	928	315	0	<b>2,124</b>	608	1,118	259	173	<b>2,158</b>
California	34	1,648	441	2,390	<b>4,513</b>	66	3,816	342	1,243	<b>5,467</b>	133	3,219	1,230	1,498	<b>6,080</b>
Hawaii	0	193	247	735	<b>1,175</b>	0	221	242	826	<b>1,288</b>	0	283	238	769	<b>1,290</b>
Nevada	0	35	4	41	<b>80</b>	0	7	7	20	<b>34</b>	0	1	9	28	<b>38</b>
Oregon	0	16	26	132	<b>174</b>	0	20	22	160	<b>202</b>	0	10	23	132	<b>165</b>
Washington	0	825	1,219	1,632	<b>3,676</b>	0	847	1,036	1,679	<b>3,562</b>	0	698	1,181	1,472	<b>3,351</b>
<b>TOTAL*</b>	<b>\$5,486</b>	<b>\$26,725</b>	<b>\$29,832</b>	<b>\$29,196</b>	<b>\$91,238</b>	<b>\$5,173</b>	<b>\$29,782</b>	<b>\$32,912</b>	<b>\$27,471</b>	<b>\$95,338</b>	<b>\$5,199</b>	<b>\$27,084</b>	<b>\$36,921</b>	<b>\$28,989</b>	<b>\$98,193</b>

\*See notes at the end of the chapter.

**TABLE 48**  
**HIGHER EDUCATION CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$311	\$311	\$0	\$0	\$0	\$322	\$322	\$0	\$0	\$0	\$604	\$604
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	288	288	0	0	0	218	218	0	0	0	179	179
New Hampshire	0	0	0	24	24	0	0	0	15	15	0	0	0	5	5
Rhode Island*	3	0	33	16	52	1	0	33	15	49	2	0	33	38	73
Vermont	0	0	0	4	4	0	0	0	3	3	0	0	0	3	3
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	12	12	0	0	0	11	11	0	0	0	13	13
Maryland	0	0	0	310	310	0	0	0	361	361	0	0	0	406	406
New Jersey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	0	0	186	1,082	1,268	0	0	166	941	1,107	0	0	138	809	947
Pennsylvania	0	0	0	212	212	0	0	0	45	45	0	0	0	200	200
<b>GREAT LAKES</b>															
Illinois	0	0	0	118	118	0	0	0	210	210	0	0	0	232	232
Indiana	0	0	0	0	0	136	0	0	0	136	136	0	0	0	136
Michigan*	138	0	0	120	258	148	0	0	180	328	149	0	0	194	343
Ohio	0	0	0	165	165	0	0	0	208	208	0	0	0	235	235
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	41	0	41	0	0	45	0	45	0	0	43	0	43
Kansas	1	2	110	32	145	8	0	109	29	146	7	0	101	31	139
Minnesota	0	0	0	216	216	0	0	0	149	149	0	0	0	236	236
Missouri	0	0	1	0	1	0	0	0	0	0	5	0	0	1	6
Nebraska	13	13	173	0	199	15	4	203	0	222	15	0	232	0	247
North Dakota	49	0	13	6	68	49	0	15	16	80	125	0	45	14	184
South Dakota	0	0	13	34	47	0	0	20	19	39	0	0	20	46	66
<b>SOUTHEAST</b>															
Alabama*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas	0	0	14	0	14	0	0	37	0	37	0	0	18	0	18
Florida	9	0	118	26	153	9	0	255	17	281	2	0	381	31	414
Georgia	0	0	0	431	431	0	0	0	407	407	0	0	0	273	273
Kentucky	0	0	210	0	210	0	0	285	0	285	0	0	331	0	331
Louisiana	15	1	281	43	340	7	3	295	101	406	2	3	41	136	182
Mississippi	26	3	81	29	139	19	4	96	7	126	18	4	84	88	194
North Carolina	4	0	0	0	4	3	0	0	0	3	3	0	0	0	3
South Carolina	0	0	123	0	123	18	2	232	48	300	20	0	296	94	410
Tennessee	84	0	61	197	342	116	0	35	159	310	97	0	4	28	129
Virginia	0	0	70	765	835	0	0	65	535	600	0	0	76	654	730
West Virginia	0	0	621	54	675	0	0	621	55	676	0	0	621	54	675
<b>SOUTHWEST</b>															
Arizona	0	0	0	26	26	0	0	0	38	38	2	0	0	72	74
New Mexico	0	0	0	136	136	0	163	41	44	248	0	82	21	90	193
Oklahoma	2	0	238	5	245	2	0	75	125	202	2	0	128	125	255
Texas	128	86	2,558	0	2,772	133	78	2,577	0	2,788	144	83	2,625	0	2,852
<b>ROCKY MOUNTAIN</b>															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	10	0	10	6	26	9	0	11	6	26	12	0	34	6	52
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	9	0	0	0	9	7	0	0	0	7	1	0	0	1	
<b>FAR WEST</b>															
Alaska	202	1	17	0	220	90	0	1	0	91	77	0	30	158	265
California	0	0	0	88	88	0	0	0	81	81	0	0	0	41	41
Hawaii	0	0	-4	267	263	0	0	0	235	235	0	0	0	140	140
Nevada	0	0	3	8	11	0	0	3	7	10	0	0	3	4	7
Oregon	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Washington	0	0	168	255	423	0	0	155	95	250	0	0	179	248	427
<b>TOTAL</b>	<b>\$693</b>	<b>\$106</b>	<b>\$5,139</b>	<b>\$5,286</b>	<b>\$11,224</b>	<b>\$770</b>	<b>\$254</b>	<b>\$5,375</b>	<b>\$4,702</b>	<b>\$11,101</b>	<b>\$819</b>	<b>\$172</b>	<b>\$5,484</b>	<b>\$5,488</b>	<b>\$11,963</b>

\*See notes at the end of the chapter.

**TABLE 49**  
**CORRECTIONS CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$5	\$5	\$0	\$0	\$0	\$4	\$4	\$0	\$0	\$0	\$26	\$26
Maine	1	0	0	0	1	3	0	0	0	3	7	0	0	0	7
Massachusetts	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Hampshire	0	0	0	2	2	0	0	0	1	1	0	0	0	6	6
Rhode Island	0	0	3	0	3	0	0	6	0	6	1	0	3	0	4
Vermont	0	0	0	1	1	1	0	0	1	2	1	0	0	0	1
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	0	0	0	0	0	3	3	0	0	0	3	3
Maryland	0	8	0	8	16	0	0	0	30	30	0	0	0	64	64
New Jersey	9	4	0	0	13	8	0	0	0	8	13	0	0	0	13
New York	0	0	0	192	192	0	0	0	231	231	0	0	0	208	208
Pennsylvania	0	0	0	137	137	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	0	0	19	19	0	0	0	14	14	0	0	0	20	20
Indiana	56	0	14	0	70	55	0	13	0	68	50	0	11	0	61
Michigan	37	0	0	0	37	39	0	0	0	39	40	0	0	0	40
Ohio	0	0	0	26	26	0	0	0	20	20	0	0	0	42	42
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	34	37	71	0	0	29	2	31	0	0	25	0	25
Kansas	4	0	3	4	11	2	0	2	6	10	2	0	7	5	14
Minnesota	0	0	0	8	8	0	0	0	19	19	0	0	0	6	6
Missouri	0	0	0	0	0	0	0	6	0	6	0	0	2	0	2
Nebraska	1	0	0	0	1	1	0	0	0	1	1	0	1	0	2
North Dakota	2	0	14	0	16	2	0	3	0	5	3	0	1	0	4
South Dakota	8	0	2	0	10	1	0	1	0	2	1	0	1	0	2
<b>SOUTHEAST</b>															
Alabama	0	0	5	0	5	0	0	8	0	8	0	0	0	0	0
Arkansas	0	0	2	0	2	0	0	4	0	4	0	0	6	0	6
Florida	4	0	0	18	22	4	0	0	0	4	8	0	0	0	8
Georgia	0	0	0	13	13	0	0	0	28	28	0	0	0	77	77
Kentucky	0	0	18	0	18	0	0	12	0	12	0	0	6	0	6
Louisiana	0	0	1	3	4	0	0	0	6	6	0	0	2	10	12
Mississippi	1	0	1	0	2	2	0	2	0	4	1	0	5	0	6
North Carolina	10	0	0	0	10	3	0	0	0	3	0	0	0	0	0
South Carolina	0	0	3	0	3	4	0	1	0	5	6	0	0	0	6
Tennessee	0	0	33	0	33	0	0	61	0	61	5	0	24	0	29
Virginia	1	0	0	23	24	1	1	2	21	25	0	0	7	19	26
West Virginia	5	0	9	0	14	11	0	7	0	18	10	0	6	0	16
<b>SOUTHWEST</b>															
Arizona	0	0	5	0	5	0	0	13	0	13	3	0	5	0	8
New Mexico	0	0	2	2	4	0	0	2	11	13	0	0	2	7	9
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas	22	0	0	40	62	25	0	0	34	59	15	0	0	38	53
<b>ROCKY MOUNTAIN</b>															
Colorado	18	0	0	0	18	22	0	112	0	134	26	0	0	0	26
Idaho	2	1	3	0	6	3	1	2	0	6	2	0	3	0	5
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	12	0	0	0	12	7	0	0	0	7	5	0	0	0	5
California	19	0	0	1	20	15	0	0	2	17	96	0	0	0	96
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nevada	0	0	0	12	12	0	0	0	4	4	0	0	0	11	11
Oregon	0	0	0	17	17	0	0	0	2	2	0	0	0	3	3
Washington	0	0	0	33	33	0	0	0	8	8	0	0	0	25	25
<b>TOTAL</b>	<b>\$212</b>	<b>\$13</b>	<b>\$152</b>	<b>\$601</b>	<b>\$978</b>	<b>\$209</b>	<b>\$2</b>	<b>\$286</b>	<b>\$447</b>	<b>\$944</b>	<b>\$296</b>	<b>\$0</b>	<b>\$117</b>	<b>\$570</b>	<b>\$983</b>

\*See notes at the end of the chapter.

**TABLE 50**  
**TRANSPORTATION CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$509	\$36	\$600	\$1,145	\$0	\$433	\$28	\$761	\$1,222	\$0	\$434	\$17	\$668	\$1,119
Maine	0	160	121	3	284	0	143	84	34	261	0	149	80	66	295
Massachusetts	0	484	107	1,053	1,644	0	468	148	1,324	1,940	0	462	205	1,259	1,926
New Hampshire	0	18	145	0	163	0	10	195	0	205	0	10	267	0	277
Rhode Island*	0	219	37	90	346	0	228	8	92	328	0	249	31	30	310
Vermont	0	225	36	6	267	0	226	38	9	273	0	232	40	5	277
<b>MID-ATLANTIC</b>															
Delaware	0	212	215	0	427	0	200	178	0	378	0	233	146	0	379
Maryland	0	780	863	0	1,643	0	800	1,001	0	1,801	0	817	1,465	0	2,282
New Jersey	971	1,714	296	1,264	4,245	1,125	1,445	565	1,136	4,271	1,268	1,471	5	1,225	3,969
New York	0	1,433	1,634	908	3,975	0	1,666	1,445	920	4,031	0	1,541	1,615	1,268	4,424
Pennsylvania	0	0	0	250	250	0	0	0	295	295	0	0	0	220	220
<b>GREAT LAKES</b>															
Illinois	0	116	2,056	1,147	3,319	0	82	1,953	1,331	3,366	0	90	2,139	1,194	3,423
Indiana	0	0	14	0	14	0	0	13	0	13	0	0	13	0	13
Michigan	0	1,360	586	154	2,100	0	1,318	782	71	2,171	0	1,162	157	10	1,329
Ohio	0	1,406	545	188	2,139	0	1,298	719	210	2,227	0	1,170	1,003	234	2,407
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	344	364	0	708	0	473	345	0	818	0	439	521	0	960
Kansas	9	414	3	107	533	9	439	663	103	1,214	9	329	380	113	831
Minnesota	0	0	0	363	363	0	0	0	307	307	0	0	0	325	325
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	363	333	0	696	0	349	361	0	710	0	321	425	0	746
North Dakota	47	279	230	0	556	457	241	96	0	794	47	230	377	0	654
South Dakota	0	0	16	0	16	0	0	25	0	25	0	0	25	0	25
<b>SOUTHEAST</b>															
Alabama	0	399	180	38	617	0	358	94	162	614	0	418	131	200	749
Arkansas	0	250	347	46	643	0	264	298	41	603	0	279	473	75	827
Florida	4	2,105	3,868	267	6,244	0	2,468	4,753	265	7,486	12	2,247	6,854	258	9,371
Georgia*	279	1,048	28	0	1,355	312	1,119	146	3	1,580	285	729	249	23	1,286
Kentucky	0	0	22	0	22	0	0	20	0	20	0	0	10	0	10
Louisiana	73	680	201	166	1,120	31	611	132	163	937	50	510	118	212	890
Mississippi	0	372	261	27	660	0	356	300	12	668	0	259	173	40	472
North Carolina	0	1,198	1,496	78	2,772	0	1,321	1,491	34	2,846	0	1,183	1,511	14	2,708
South Carolina	0	0	15	0	15	0	0	33	0	33	0	0	77	0	77
Tennessee	0	984	407	0	1,391	0	1,023	239	0	1,262	0	976	153	0	1,129
Virginia	0	0	18	8	26	0	0	13	4	17	0	0	27	2	29
West Virginia	2	466	198	0	666	5	529	269	0	803	3	490	252	0	745
<b>SOUTHWEST</b>															
Arizona	0	797	457	166	1,420	0	664	387	160	1,211	0	668	900	78	1,646
New Mexico	0	354	88	1	443	0	372	98	18	488	45	363	93	10	511
Oklahoma	0	673	275	124	1,072	0	644	330	5	979	0	587	458	5	1,050
Texas	0	1,118	1,544	562	3,224	0	1,805	2,783	620	5,208	0	1,725	2,668	876	5,269
<b>ROCKY MOUNTAIN</b>															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	242	60	0	302	0	203	86	0	289	0	251	130	0	381
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	1	370	618	0	989	2	306	334	0	642	0	153	493	0	646
Wyoming	51	71	100	0	222	57	78	111	0	246	50	41	111	0	202
<b>FAR WEST</b>															
Alaska	437	692	90	288	1,507	200	778	57	0	1,035	159	1,002	93	15	1,269
California	0	1,592	439	2,180	4,211	0	2,513	332	960	3,805	0	2,542	674	376	3,592
Hawaii	0	180	80	90	350	0	206	43	104	353	0	236	103	171	510
Nevada	0	0	0	0	0	0	0	0	0	0	0	0	3	0	3
Oregon	0	2	0	54	56	0	1	0	27	28	0	3	0	41	44
Washington	0	671	645	793	2,109	0	710	520	766	1,996	0	633	593	458	1,684
<b>TOTAL</b>	<b>\$1,874</b>	<b>\$24,300</b>	<b>\$19,074</b>	<b>\$11,021</b>	<b>\$56,269</b>	<b>\$2,198</b>	<b>\$26,148</b>	<b>\$21,516</b>	<b>\$9,937</b>	<b>\$59,799</b>	<b>\$1,928</b>	<b>\$24,634</b>	<b>\$25,258</b>	<b>\$9,471</b>	<b>\$61,291</b>

\*See notes at the end of the chapter.

**TABLE 51**  
**ENVIRONMENTAL PROJECTS CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$106	\$106	\$0	\$0	\$0	\$342	\$342	\$0	\$0	\$0	\$215	\$215
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	132	132	0	0	0	157	157	0	0	0	151	151
New Hampshire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rhode Island	0	1	2	14	17	0	4	8	3	15	0	3	13	4	20
Vermont	0	0	0	10	10	0	0	0	13	13	0	0	0	12	12
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	4	4	0	0	0	11	11	0	0	0	8	8
Maryland	0	49	325	224	598	7	51	257	171	486	1	45	217	163	426
New Jersey	82	42	2	75	201	62	199	31	129	421	91	0	5	0	96
New York	0	278	259	201	738	0	303	266	247	816	0	182	198	257	637
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	7	349	60	416	0	8	303	35	346	0	10	461	55	526
Indiana	17	0	2	0	19	32	0	2	0	34	13	0	2	0	15
Michigan	5	10	46	16	77	5	10	48	18	81	2	19	80	121	222
Ohio	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	34	1	35	0	0	33	0	33	0	0	31	0	31
Kansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	0	0	0	51	51	0	0	0	20	20	0	0	0	23	23
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	19	5	27	0	51	3	2	33	0	38	6	1	53	0	60
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>															
Alabama*	0	0	63	0	63	0	0	43	0	43	0	0	23	0	23
Arkansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Florida	46	290	286	433	1,055	95	262	367	179	903	230	308	415	191	1,144
Georgia	0	0	0	50	50	0	0	0	24	24	0	0	0	50	50
Kentucky	0	0	28	0	28	0	0	26	0	26	0	0	11	0	11
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	4	10	24	38	0	10	6	1	17	0	6	6	9	21
North Carolina	12	0	0	0	12	6	0	0	0	6	6	0	0	0	6
South Carolina	0	0	0	0	0	0	1	5	0	6	0	0	0	0	0
Tennessee	14	0	4	11	29	5	0	0	0	5	1	0	0	0	1
Virginia	0	3	6	13	22	0	1	2	4	7	0	3	11	5	19
West Virginia	0	32	12	0	44	0	32	8	0	40	0	32	7	0	39
<b>SOUTHWEST</b>															
Arizona	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	0	11	2	14	27	0	8	4	5	17	0	10	3	10	23
Oklahoma	2	20	20	99	141	1	15	15	20	51	1	15	15	40	71
Texas	3	1	13	0	17	3	0	8	0	11	4	0	13	0	17
<b>ROCKY MOUNTAIN</b>															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	71	59	21	0	151	62	59	22	0	143	40	57	26	0	123
California	0	24	-14	121	131	0	0	0	0	0	0	0	0	0	0
Hawaii	0	0	0	10	10	0	0	0	12	12	0	0	0	14	14
Nevada	0	0	0	1	1	0	0	0	1	1	0	0	0	0	0
Oregon	0	0	26	29	55	0	0	22	40	62	0	0	23	23	46
Washington	0	109	198	125	432	0	77	173	302	552	0	35	225	196	456
<b>TOTAL</b>	<b>\$271</b>	<b>\$945</b>	<b>\$1,721</b>	<b>\$1,824</b>	<b>\$4,761</b>	<b>\$281</b>	<b>\$1,042</b>	<b>\$1,682</b>	<b>\$1,734</b>	<b>\$4,739</b>	<b>\$395</b>	<b>\$726</b>	<b>\$1,838</b>	<b>\$1,547</b>	<b>\$4,506</b>

\*See notes at the end of the chapter.

**TABLE 52**  
**HOUSING CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$58	\$58	\$0	\$0	\$0	\$91	\$91	\$0	\$0	\$0	\$145	\$145
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	183	183	0	0	0	182	182	0	0	0	169	169
New Hampshire	0	0	0	10	10	0	0	0	10	10	0	0	0	12	12
Rhode Island	0	0	0	0	0	0	0	0	3	3	0	0	0	6	6
Vermont	0	0	0	2	2	0	0	0	0	0	0	0	0	0	0
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	8	8	0	0	0	2	2	0	0	0	2	2
Maryland	0	24	26	51	101	3	19	26	54	102	0	17	31	65	113
New Jersey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	0	1	0	121	122	0	3	0	114	117	0	0	0	100	100
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	0	0	24	24	0	0	0	56	56	0	0	0	0	0
Indiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Michigan	0	175	70	13	258	0	0	59	18	77	0	0	55	9	64
Ohio	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	0	0	0	2	2	0	0	0	2	2	0	0	0	5	5
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>															
Alabama	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Florida*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Georgia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kentucky	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHWEST</b>															
Arizona	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas	0	51	5	125	181	0	32	4	0	36	0	24	4	0	28
<b>ROCKY MOUNTAIN</b>															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	100	12	1	22	135	93	14	36	0	143	78	12	3	0	93
California	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nevada	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Washington	0	0	0	26	26	0	0	3	132	135	0	0	0	119	119
<b>TOTAL</b>	<b>\$100</b>	<b>\$263</b>	<b>\$102</b>	<b>\$645</b>	<b>\$1,110</b>	<b>\$96</b>	<b>\$68</b>	<b>\$128</b>	<b>\$664</b>	<b>\$956</b>	<b>\$78</b>	<b>\$53</b>	<b>\$93</b>	<b>\$632</b>	<b>\$856</b>

\*See notes at the end of the chapter.

**TABLE 53**  
**ALL OTHER CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013					Actual Fiscal 2014					Estimated Fiscal 2015				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$1,305	\$1,305	\$0	\$0	\$0	\$1,380	\$1,380	\$0	\$0	\$0	\$1,317	\$1,317
Maine	0	16	9	5	30	1	3	5	1	10	1	8	7	1	17
Massachusetts	0	120	0	497	617	0	186	0	654	840	0	43	0	577	620
New Hampshire	0	0	0	51	51	0	0	0	37	37	0	0	0	34	34
Rhode Island*	8	49	32	38	127	10	60	49	29	148	2	4	34	25	65
Vermont	1	14	0	50	65	0	0	0	90	90	0	0	0	78	78
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	201	201	0	0	0	244	244	0	0	0	175	175
Maryland	1	70	0	574	645	30	17	0	530	577	2	5	13	519	539
New Jersey	253	21	16	35	325	148	72	42	108	370	249	14	10	0	273
New York	0	148	343	754	1,245	0	55	407	987	1,449	0	103	246	882	1,231
Pennsylvania	0	0	0	780	780	0	0	0	460	460	0	0	0	845	845
<b>GREAT LAKES</b>															
Illinois	0	0	6	586	592	0	0	7	736	743	0	0	4	575	579
Indiana	78	0	20	0	98	46	0	26	0	72	162	0	23	0	185
Michigan	68	5	18	7	98	65	3	24	31	123	73	28	18	21	140
Ohio	0	0	40	637	677	0	5	178	509	692	0	10	172	643	825
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	52	47	4	103	0	49	34	14	97	0	60	63	1	124
Kansas	20	12	26	25	83	20	15	4	23	62	10	13	17	29	69
Minnesota	0	0	0	170	170	0	0	0	282	282	0	0	0	172	172
Missouri	70	11	26	0	107	21	13	38	0	72	98	24	64	0	186
Nebraska	1	24	39	0	64	3	19	30	0	52	4	3	33	0	40
North Dakota	40	9	9	0	58	30	1	9	0	40	54	13	21	0	88
South Dakota	7	24	13	1	45	2	38	16	2	58	2	36	16	14	68
<b>SOUTHEAST</b>															
Alabama*	3	0	35	186	224	4	0	46	224	274	4	0	38	408	450
Arkansas	0	19	15	52	86	0	11	73	0	84	0	11	62	0	73
Florida	82	0	416	1,138	1,636	102	0	478	1,102	1,682	182	0	562	1,098	1,842
Georgia	0	0	0	315	315	0	0	0	388	388	0	0	0	456	456
Kentucky	0	0	419	0	419	0	0	239	0	239	0	0	219	0	219
Louisiana	51	39	154	166	410	33	11	130	231	405	33	68	246	249	596
Mississippi	5	16	116	680	817	6	18	75	230	329	7	33	278	628	946
North Carolina	2	0	0	153	155	2	0	0	153	155	2	0	0	87	89
South Carolina	0	18	23	0	41	16	16	76	5	113	10	7	63	4	84
Tennessee	52	20	11	93	176	44	3	0	26	73	20	2	0	56	78
Virginia	2	10	23	93	128	3	3	11	85	102	0	6	6	110	122
West Virginia	13	54	40	0	107	37	32	38	0	107	35	30	35	0	100
<b>SOUTHWEST</b>															
Arizona	0	0	12	0	12	1	0	13	0	14	21	0	14	0	35
New Mexico	0	45	19	213	277	0	45	29	248	322	0	45	24	231	300
Oklahoma	3	89	75	13	180	3	90	80	5	178	2	99	73	2	176
Texas	0	0	280	0	280	0	0	385	0	385	0	0	246	0	246
<b>ROCKY MOUNTAIN</b>															
Colorado	80	0	139	0	219	225	0	116	0	341	50	0	4	0	54
Idaho	0	0	23	4	27	0	0	37	22	59	0	0	36	15	51
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah*	203	19	770	0	992	286	20	631	0	937	366	20	495	0	881
Wyoming	2	1	1	0	4	2	2	1	0	5	8	6	7	0	21
<b>FAR WEST</b>															
Alaska	1,276	52	35	175	1,538	429	77	199	0	705	249	47	107	0	403
California	15	32	16	0	63	51	1,303	10	200	1,564	37	677	556	1,081	2,351
Hawaii	0	13	171	368	552	0	15	199	475	689	0	47	135	444	626
Nevada	0	35	1	20	56	0	7	4	8	19	0	1	3	13	17
Oregon	0	14	0	32	46	0	19	0	91	110	0	7	0	65	72
Washington	0	45	208	400	653	0	60	185	376	621	0	30	184	426	640
<b>TOTAL*</b>	<b>\$2,336</b>	<b>\$1,096</b>	<b>\$3,646</b>	<b>\$9,821</b>	<b>\$16,899</b>	<b>\$1,620</b>	<b>\$2,268</b>	<b>\$3,924</b>	<b>\$9,986</b>	<b>\$17,798</b>	<b>\$1,683</b>	<b>\$1,500</b>	<b>\$4,134</b>	<b>\$11,281</b>	<b>\$18,598</b>

## Capital Spending Notes

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**Alabama:** Capital expenditures for higher education are not captured/available at the state budget level. Capital expenditures for Environmental and All Other from Federal and Other State Funds are not reported separately, combined amounts are included in the Other State Funds.

**Florida:** Florida provided housing grants in fiscal 2013 in the amount of \$115 million (\$60 million from general funds and \$55 million from other state funds). Florida also provided housing grants of \$68 million from other states funds in fiscal 2015.

**Georgia:** Other State Funds shown for capital expenditures for Transportation reflect current spending to date for Fiscal Year 2015. It is expected that expenditures will be adjusted after year end to reflect the availability of additional federal funds. Final expenditures for federal and other funds are expected to be in line with previous fiscal years following rebalancing.

**Maryland:** Capital expenditure figures reflect authorizations; meaningful data for expenditures by fiscal year are not available. Total for bonds is not net of de-authorizations. "Bond Funds" include GO and Academic Revenue Bonds.

**Michigan:** Higher education capital expenditures made from non-state funds are excluded.

**Rhode Island:** Fiscal 2013 expenditures are revised to more accurately reflect actual capital expenditures, primarily in Transportation, Higher Education, and "All Other".

**Tennessee:** Bond estimates represent bond authorizations, while actual bonds represent bond proceeds utilized.

**Utah:** Expenditures of operating and capital budgets include expendable revenue funds and accounts, but do not include any expenditures of local property tax revenue. "All Other" capital expenditures include capital improvement and development for all state facilities, including higher education buildings, and debt service payments for capital projects.



# 9

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## CHAPTER

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# REVENUE SOURCES IN THE GENERAL FUND

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## Revenue Sources in the General Fund

General fund revenue, the source of most state expenditures and the most discretionary, totaled \$734.9 billion in fiscal 2014. The three main sources of general fund revenue—personal income taxes, sales and compensating use taxes, and corporate income taxes—accounted for 78.7 percent of general fund collections. Specifically, personal income taxes accounted for 42.1 percent of the total, sales and compensating use taxes for 30.5 percent, and corporate income taxes for 6.1 percent of total general fund revenues in 2014. Other taxes and fees represented 20.6 percent of general fund revenues, while gaming taxes were 0.7 percent. The major sources of general fund revenues are displayed by state in Table 54, while information on items excluded from revenue sources can be found in Table 55.

Depending on the state, “other taxes and fees” may include cigarette and tobacco taxes, alcoholic beverage taxes, insurance premiums, severance taxes, licenses and fees for permits, inheritances taxes, and charges for state-provided services.

States use a variety of taxes and fees to finance programs, not all of which are reflected in the general fund. These include some gaming taxes, lottery proceeds, and motor vehicle fees, which often are earmarked for special purposes or specific funds, such as education or roads.

Table 55 illustrates the major items that are excluded from general fund revenue sources. For example, property taxes are a mainstay of local government finance and the majority of states exclude them from both their general funds and their revenue bases. However, many states use aid to local governments or other subsidies to help reduce the amount of property taxes local governments collect.

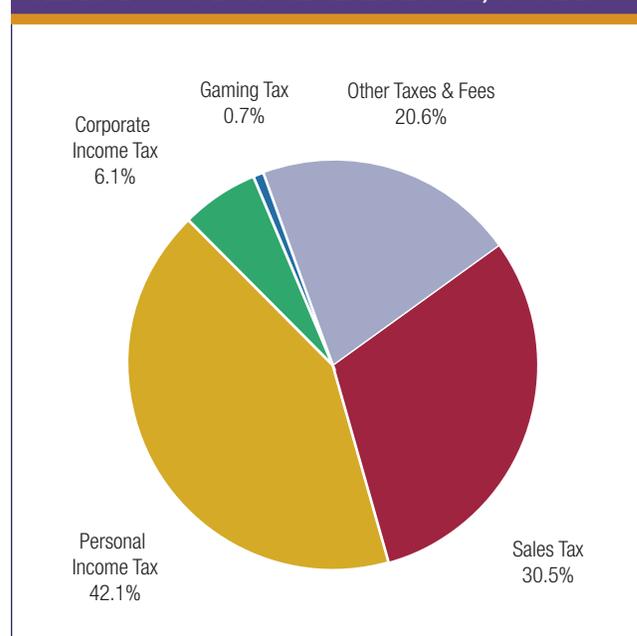
## State Tax Collection Trends

State general fund revenues once again increased in fiscal 2014, albeit at a much slower rate than the prior year. Total general fund revenues increased 1.8 percent in fiscal 2014, compared to a 7.3 percent increase in fiscal 2013. The main reason for both the large increase in fiscal 2013 and the more modest increase in fiscal 2014 was due to the impact of the federal “fiscal cliff,” in which many taxpayers shifted capital gains and other income to calendar year 2012 to avoid higher scheduled federal tax rates. Most states anticipated slower personal income tax growth in fiscal 2014 compared to fiscal 2013 due to prior tax shifting brought on by the federal tax uncertainty. However, the drop off was more significant than a number of states predicted, and some saw revenues come in below projections in the spring of 2014. According to NASBO’s *Fall 2014 Fiscal Survey of States*,

20 states saw revenues come in below original projections in fiscal 2014, while in 5 states revenues were on target, and in 25 states revenues were above projections. When examining the various sources that comprise general fund revenues, sales taxes experienced the largest increase in fiscal 2014 at 4.5 percent, while personal income taxes grew 1.3 percent and corporate income taxes increased 0.4 percent. Both “other taxes and fees” and gaming taxes experienced declines in fiscal 2014, decreasing 0.2 percent and 5.0 percent respectively.

In fiscal 2015, it is estimated that total general fund revenues grew at a faster pace than fiscal 2014, increasing 3.8 percent. Part of the reason for the more robust growth was the fact that most states experienced a positive “April surprise” this year, in contrast to last year. April surprises often occur in states after taxpayers pay both their federal and state taxes. The positive April surprise in fiscal 2015 is mainly attributable to an increase in income tax collections, partly from the strong stock market performance in calendar year 2014, and is viewed as a one-time occurrence. Overall, personal income taxes experienced the largest increase in fiscal 2015 increasing 6.3 percent year-over-year, while corporate income taxes grew 6.1 percent, sales taxes increased 5.4 percent, and gaming taxes experienced modest growth of 1.0 percent. In contrast to the aforementioned revenue sources, “other taxes and fees” are estimated to have declined 4.3 percent in fiscal 2015. This is likely largely due to the recent decline in oil prices impacting severance taxes, which are considered part of other taxes and fees. For example, Alaska experienced a 62 percent decline in other taxes and fees in fiscal 2015.

**FIGURE 21**  
**REVENUE SOURCES IN THE GENERAL FUND, FISCAL 2014**



**TABLE 54**  
**REVENUE SOURCES IN THE GENERAL FUND (\$ IN MILLIONS)**

Region/state	Actual Fiscal 2013						Actual Fiscal 2014						Estimated Fiscal 2015					
	Sales Tax	Personal Income Tax	Corporate Income Tax	Gaming Tax	Other Taxes & Fees	Total	Sales Tax	Personal Income Tax	Corporate Income Tax	Gaming Tax	Other Taxes & Fees	Total	Sales Tax	Personal Income Tax	Corporate Income Tax	Gaming Tax	Other Taxes & Fees	Total
<b>NEW ENGLAND</b>																		
Connecticut*	\$3,897	\$8,719	\$743	\$612	\$5,434	\$19,405	\$4,101	\$8,719	\$782	\$603	\$2,805	\$17,010	\$4,211	\$9,164	\$800	\$591	\$2,551	\$17,317
Maine*	1,037	1,522	172	0	364	3,094	1,156	1,406	183	0	368	3,114	1,244	1,500	168	0	387	3,299
Massachusetts	5,164	12,831	1,822	0	16,910	36,727	5,496	13,202	2,049	0	18,032	38,778	5,774	14,448	2,172	97	18,590	41,081
New Hampshire	0	0	552	4	1,720	2,276	0	0	549	3	1,621	2,173	0	0	556	3	1,702	2,261
Rhode Island	879	1,086	132	1	1,226	3,324	916	1,116	114	1	1,283	3,430	954	1,227	143	1	1,291	3,616
Vermont	231	661	95	0	302	1,289	230	671	95	0	333	1,329	237	703	121	0	315	1,376
<b>MID-ATLANTIC</b>																		
Delaware	0	1,084	206	0	2,440	3,730	0	1,027	176	0	2,370	3,573	0	1,252	270	0	2,433	3,955
Maryland*	4,068	7,691	818	0	2,308	14,885	4,143	7,774	761	0	2,428	15,106	4,335	8,168	768	0	2,421	15,692
New Jersey	8,455	12,109	2,536	1,107	7,225	31,432	8,849	12,312	2,299	981	6,982	31,423	9,039	13,403	2,870	943	6,873	33,128
New York	11,232	40,227	6,253	18	2,461	60,191	11,786	42,961	6,046	17	2,826	63,636	12,137	43,710	6,265	18	2,754	64,884
Pennsylvania	8,894	11,371	2,423	89	5,870	28,647	9,130	11,437	2,502	90	5,448	28,607	9,574	11,951	2,711	94	5,847	30,177
<b>GREAT LAKES</b>																		
Illinois	7,354	16,539	3,177	1,001	8,257	36,328	7,675	16,642	3,164	989	8,298	36,768	8,030	15,433	2,686	971	8,768	35,888
Indiana	6,796	4,978	968	555	1,165	14,462	6,926	4,899	1,054	474	1,049	14,402	7,195	5,233	1,094	447	930	14,898
Michigan*	1,842	5,931	660	0	1,130	9,563	1,862	5,527	137	0	1,409	8,935	2,034	6,199	259	0	1,140	9,632
Ohio*	8,445	9,508	262	0	11,344	29,559	9,166	8,065	-11	0	12,014	29,233	9,960	8,507	2	0	13,004	31,473
Wisconsin	4,410	7,497	925	0	1,254	14,086	4,628	7,061	967	0	1,292	13,948	4,892	7,326	1,005	0	1,318	14,541
<b>PLAINS</b>																		
Iowa	2,087	3,440	428	123	691	6,769	2,183	3,201	389	72	644	6,489	2,254	3,445	444	70	554	6,767
Kansas	2,525	2,931	371	0	514	6,341	2,446	2,218	399	0	590	5,653	2,485	2,278	418	0	747	5,928
Minnesota	4,736	9,013	1,281	37	2,880	17,946	5,020	9,660	1,278	43	3,275	19,276	5,162	10,045	1,317	46	3,238	19,809
Missouri	1,872	5,489	415	0	307	8,083	1,925	5,404	396	0	278	8,003	1,988	5,947	436	0	338	8,709
Nebraska	1,475	2,102	276	1	199	4,052	1,525	2,061	307	1	224	4,117	1,535	2,206	347	1	217	4,305
North Dakota	1,296	616	187	5	532	2,636	1,350	514	239	4	820	2,927	1,432	416	223	3	699	2,773
South Dakota	776	0	0	1	587	1,364	823	0	0	1	652	1,476	845	0	0	1	570	1,416
<b>SOUTHEAST</b>																		
Alabama*	1,920	3,103	349	2	2,035	7,409	1,954	3,102	378	2	2,121	7,557	2,038	3,193	468	2	2,118	7,819
Arkansas	2,125	3,144	431	36	478	6,214	2,173	3,111	440	40	479	6,243	2,198	3,189	493	47	544	6,470
Florida	18,418	0	2,081	245	4,571	25,315	19,708	0	2,043	256	4,192	26,199	21,012	0	2,185	272	4,018	27,487
Georgia	5,277	8,772	797	0	3,449	18,296	5,126	8,966	944	0	4,133	19,168	5,340	9,364	955	0	4,155	19,814
Kentucky	3,022	3,723	401	0	2,202	9,348	3,131	3,749	475	0	2,107	9,462	3,267	4,070	528	0	2,102	9,967
Louisiana	2,874	2,754	336	390	1,924	8,278	2,926	2,751	330	389	1,800	8,195	3,054	2,863	385	406	1,777	8,485
Mississippi	2,145	1,650	524	140	660	5,119	2,201	1,667	677	128	730	5,403	2,261	1,743	714	131	686	5,535
North Carolina	5,556	11,114	1,195	0	2,877	20,742	5,294	10,953	1,192	0	3,101	20,540	6,244	11,079	1,328	0	2,798	21,448
South Carolina	2,448	2,844	351	0	746	6,389	2,517	2,921	288	0	826	6,552	2,657	3,159	327	0	817	6,960
Tennessee*	6,608	170	1,082	0	3,590	11,450	6,866	156	949	0	3,575	11,546	7,176	164	975	0	3,649	11,964
Virginia	3,249	11,093	821	0	1,259	16,422	3,066	11,253	757	0	1,334	16,410	3,218	11,816	841	0	1,311	17,186
West Virginia	1,197	1,722	249	0	982	4,150	1,204	1,767	230	0	935	4,136	1,228	1,804	186	0	986	4,204
<b>SOUTHWEST</b>																		
Arizona	3,842	3,398	662	0	754	8,656	3,986	3,462	575	0	791	8,815	4,190	3,739	650	0	769	9,349
New Mexico	2,398	1,241	267	63	1,740	5,709	2,514	1,255	197	67	2,008	6,041	2,682	1,315	230	68	1,820	6,115
Oklahoma	2,087	2,114	452	17	935	5,604	2,156	2,085	307	16	1,065	5,628	2,224	2,218	304	17	965	5,727
Texas	25,943	0	0	0	21,838	47,781	27,386	0	0	0	23,607	50,993	28,901	0	0	0	21,633	50,534
<b>ROCKY MOUNTAIN</b>																		
Colorado*	2,454	5,596	636	12	-144	8,555	2,667	5,696	721	12	-106	8,989	2,881	6,350	693	14	-123	9,815
Idaho	1,110	1,284	199	0	158	2,751	1,146	1,329	188	0	152	2,815	1,204	1,413	200	0	147	2,964
Montana	62	1,048	178	70	720	2,078	63	1,063	148	69	734	2,077	64	1,176	173	72	716	2,200
Utah	1,616	2,852	338	0	523	5,329	1,657	2,890	314	0	559	5,420	1,730	3,034	372	0	561	5,697
Wyoming	481	0	0	0	900	1,381	521	0	0	0	861	1,382	561	0	0	0	584	1,145
<b>FAR WEST</b>																		
Alaska	0	0	547	3	6,382	6,932	0	0	408	3	4,980	5,390	0	0	320	3	1,893	2,216
California*	20,482	64,484	7,783	1	6,652	99,402	22,263	67,025	9,093	1	4,993	103,375	23,684	75,384	9,809	1	2,429	111,307
Hawaii	2,945	1,736	101	0	1,452	6,234	2,825	1,745	87	0	1,439	6,096	2,993	1,988	52	0	1,544	6,577
Nevada	923	0	0	711	1,499	3,133	968	0	0	719	1,380	3,067	1,038	0	0	713	1,468	3,219
Oregon	0	6,256	453	0	505	7,213	0	6,604	488	0	509	7,601	0	7,378	597	0	510	8,486
Washington*	7,687	0	0	0	8,062	15,749	8,237	0	0	0	8,146	16,383	8,839	0	0	0	8,431	17,270
<b>ALL STATES</b>	<b>\$214,340</b>	<b>\$305,441</b>	<b>\$44,934</b>	<b>\$5,243</b>	<b>\$151,867</b>	<b>\$721,826</b>	<b>\$223,891</b>	<b>\$309,426</b>	<b>\$45,101</b>	<b>\$4,980</b>	<b>\$151,491</b>	<b>\$734,889</b>	<b>\$236,001</b>	<b>\$328,999</b>	<b>\$47,859</b>	<b>\$5,031</b>	<b>\$144,994</b>	<b>\$762,884</b>

\*See notes at the end of the chapter.

**TABLE 55**  
**ITEMS EXCLUDED FROM REVENUE SOURCES**

Region/State	Sales and Compensating Use Taxes	Personal Income Taxes	Corporate Income Taxes	Gaming Taxes	Lottery Funds	Cigarette and Tobacco Taxes	Motor Fuel Taxes	Alcoholic Beverage Taxes	Insurance Premium Taxes	Property Taxes	Utility Taxes	Severance Taxes	Federal Funds	Licenses and Fees	Other
<b>NEW ENGLAND</b>															
Connecticut*							X			X		X	P		
Maine*							P			P		X	X		
Massachusetts															
New Hampshire	X	X										X			
Rhode Island							X			X		X	X		
Vermont	P			X	X	X	X			P	P	X	X		
<b>MID-ATLANTIC</b>															
Delaware	X			X			X			X		X	X		
Maryland*				X			P			X		X	X		
New Jersey	P		P	X		P		P	P	X	P	X	X	P	
New York	P		P		X	P	X		P	X	P	X	X	X	X
Pennsylvania	P			P	X	P	X		P	P		X	X	P	P
<b>GREAT LAKES</b>															
Illinois							X			X		X			
Indiana					X	P	X			X	P	X	X	P	
Michigan	P	P		X	X	P	X	P		X			P	P	P
Ohio*			X	X	X		X			X		X			
Wisconsin				X	X		X			X		X	X	X	
<b>PLAINS</b>															
Iowa				P		P	X			X			X		
Kansas				P	P		X			P	X		X	P	P
Minnesota															
Missouri	P			X	X	X	X	P	P	X	X	X	P	P	P
Nebraska				P	X	P	X		P	X	P	P	X	P	P
North Dakota							X			X	X		X		
South Dakota		N/A	N/A	P			X			X	X		X		
<b>SOUTHEAST</b>															
Alabama					X	P	X	P		P			X	P	
Arkansas	P				X		P			X	X	P	X	P	
Florida		X			X	P	X			X	X		X	P	P
Georgia				X	X							X	X		X
Kentucky				N/A			X						X	X	
Louisiana				P	X		X			X	X		X	X	X
Mississippi					X		P				X		X	X	
North Carolina				X	X		X			X		X	X		
South Carolina				X			X			X		X	X		
Tennessee*				X	P					X					
Virginia				X	X	P				X	X	X		P	
West Virginia				N/A	P		X				X		X		
<b>SOUTHWEST</b>															
Arizona	P			X	P	P	X	P			P	X	P	P	P
New Mexico					X		X			X	X		X		
Oklahoma	P	P	P	P	X	P	P	P	P	X	X	P	X	P	P
Texas		X	X	X	X					X			X	P	
<b>ROCKY MOUNTAIN</b>															
Colorado*		P	P	P	X	P	X			X	X	X	X	P	P
Idaho				X	X	P	X	P		X	X	X	X	X	
Montana							X						X		
Utah				X	X		X			X			X		
Wyoming		X	X												
<b>FAR WEST</b>															
Alaska	X	X			X						X	X	X		
California*	P	P		P	X	P	X			X	X	X	X	P	P
Hawaii	P			N/A	N/A	P	X		P	N/A	P	N/A	P	P	P
Nevada		X	X		X		X				X	X	X		
Oregon	N/A			X	X	P	X	P		X	X		X		
Washington		N/A	N/A	N/A	X	P	X					X	X	P	
<b>ALL STATES</b>	<b>15</b>	<b>12</b>	<b>10</b>	<b>31</b>	<b>33</b>	<b>20</b>	<b>40</b>	<b>8</b>	<b>7</b>	<b>37</b>	<b>25</b>	<b>30</b>	<b>42</b>	<b>24</b>	<b>14</b>

Excluded=X Partially Excluded=P Not Applicable=N/A  
\*See notes at the end of the chapter.

## Revenue Sources in the General Fund Notes

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**Alabama:** Fiscal 2013, 2014 and 2015 Other Taxes and Fees includes \$146M transfer from Alabama Trust Fund per Constitutional Amendment 856.

**California:** Gaming taxes consist of horse racing taxes.

**Colorado:** Regarding personal income taxes and corporate income taxes, one-third of 1% of Colorado taxable income is required to be transferred to a special fund for education each year. Thus, not all income tax revenue is credited to the General Fund.

**Connecticut:** Regarding Other Taxes and Fees, Connecticut began budgeting Medicaid on a net basis in fiscal 2014, accounting for a \$2.2 billion decrease in federal grant contributions to the general fund.

**Maine:** Maine historically reports Gaming Revenue in Other Taxes and Fees.

**Maryland:** Per statute, property taxes are not included in general fund revenues. However, the State has reverted part of the Transfer Tax to the general fund in recent years as part of the budget balancing plan.

**Michigan:** Actual fiscal 2013 and fiscal 2014 amounts reflect general fund non-dedicated revenue as contained in the respective State of Michigan Comprehensive Annual Financial Reports. Revenue figures have been adjusted to put them on a basis comparable to the consensus estimates. Fiscal 2015 estimates are the May 2015 consensus revenue estimates.

**Ohio:** Ohio eliminated the Corporate Franchise Tax beginning in fiscal 2014.

**Tennessee:** Tennessee collects personal income tax on income from dividends on stocks and interest on certain bonds. Tax revenue estimates do not include federal funds and other departmental revenues. However, federal funds and other departmental revenues are included in the budget as funding sources for the general fund, along with state tax revenues.

**Washington:** Fiscal 2013 totals are based on the June 2014 revenue forecast document while fiscal 2014 and estimated fiscal 2015 are based on the June 2015 revenue forecast document.



# APPENDIX

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**TABLE A-1**  
**TOTAL STATE EXPENDITURES BY FUND SOURCE (EXCLUDES BONDS) (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013			Actual Fiscal 2014			Estimated Fiscal 2015		
	State Funds	Federal Funds	State & Federal Funds	State Funds	Federal Funds	State & Federal Funds	State Funds	Federal Funds	State & Federal Funds
<b>NEW ENGLAND</b>									
Connecticut	\$22,790	\$2,595	\$25,385	\$20,884	\$5,409	\$26,293	\$21,741	\$5,980	\$27,721
Maine	5,100	2,563	7,663	5,329	2,696	8,025	5,189	2,422	7,611
Massachusetts	44,403	8,079	52,482	45,034	8,681	53,715	45,535	9,435	54,970
New Hampshire	3,326	1,604	4,930	3,380	1,701	5,081	3,444	1,944	5,388
Rhode Island	5,691	2,522	8,213	6,126	2,676	8,802	5,997	2,820	8,817
Vermont	3,197	1,695	4,892	3,395	1,760	5,155	3,412	1,919	5,331
<b>MID-ATLANTIC</b>									
Delaware	6,940	1,783	8,723	7,253	1,903	9,156	7,355	2,063	9,418
Maryland	25,936	9,184	35,120	26,376	10,514	36,890	28,283	12,053	40,336
New Jersey	37,389	12,041	49,430	38,358	13,372	51,730	39,460	15,142	54,602
New York	91,265	38,574	129,839	92,915	41,171	134,086	94,624	45,743	140,367
Pennsylvania	43,108	24,614	67,722	44,120	23,894	68,014	46,900	25,921	72,821
<b>GREAT LAKES</b>									
Illinois	43,284	12,918	56,202	45,079	13,562	58,641	51,506	17,904	69,410
Indiana	17,814	10,357	28,171	17,282	9,978	27,260	19,037	10,305	29,342
Michigan	29,648	17,423	47,071	31,174	18,152	49,326	31,232	22,633	53,865
Ohio	43,435	12,647	56,082	46,043	13,046	59,089	48,593	13,994	62,587
Wisconsin	31,954	10,815	42,769	33,887	11,006	44,893	34,275	11,122	45,397
<b>PLAINS</b>									
Iowa	13,697	5,727	19,424	14,311	5,928	20,239	15,429	6,335	21,764
Kansas	9,664	3,890	13,554	10,457	3,900	14,357	11,161	3,882	15,043
Minnesota	22,366	8,345	30,711	22,994	8,900	31,894	24,613	10,601	35,214
Missouri	15,733	7,209	22,942	15,971	7,201	23,172	16,626	7,495	24,121
Nebraska	7,148	3,014	10,162	7,631	2,911	10,542	8,074	2,908	10,982
North Dakota	4,170	1,536	5,706	5,053	1,523	6,576	6,074	1,674	7,748
South Dakota	2,603	1,494	4,097	2,675	1,403	4,078	2,542	1,347	3,889
<b>SOUTHEAST</b>									
Alabama	14,823	9,488	24,311	15,217	9,360	24,577	14,990	9,556	24,546
Arkansas	15,177	6,068	21,245	16,105	6,504	22,609	16,502	7,131	23,633
Florida	37,929	24,160	62,089	42,116	24,354	66,470	50,003	25,492	75,495
Georgia	28,590	13,046	41,636	29,410	13,184	42,594	30,593	12,901	43,494
Kentucky	17,672	8,001	25,673	19,344	9,597	28,941	19,512	11,830	31,342
Louisiana	18,185	9,520	27,705	17,785	8,993	26,778	19,580	10,149	29,729
Mississippi	10,294	8,141	18,435	10,746	7,562	18,308	11,481	8,953	20,434
North Carolina	29,990	12,638	42,628	30,094	13,512	43,606	30,426	13,930	44,356
South Carolina	14,408	7,800	22,208	14,445	7,542	21,987	14,926	7,631	22,557
Tennessee	17,658	12,532	30,190	18,317	12,200	30,517	18,806	13,156	31,962
Virginia	35,024	9,546	44,570	35,123	9,568	44,691	36,257	9,706	45,963
West Virginia	18,168	4,075	22,243	19,398	4,412	23,810	19,044	4,372	23,416
<b>SOUTHWEST</b>									
Arizona	15,360	12,008	27,368	16,068	12,837	28,905	18,030	13,152	31,182
New Mexico	8,897	5,799	14,696	10,090	6,108	16,198	10,510	6,581	17,091
Oklahoma	14,394	6,653	21,047	14,710	7,404	22,114	14,782	7,268	22,050
Texas	61,804	37,364	99,168	67,176	41,348	108,524	69,152	43,430	112,582
<b>ROCKY MOUNTAIN</b>									
Colorado	22,688	7,423	30,111	23,487	7,859	31,346	24,285	8,716	33,001
Idaho	4,033	2,647	6,680	4,223	2,614	6,837	4,776	2,837	7,613
Montana	3,925	2,115	6,040	4,039	2,149	6,188	4,194	2,189	6,383
Utah	8,627	3,462	12,089	8,687	3,497	12,184	9,310	3,642	12,952
Wyoming	6,778	2,354	9,132	5,543	2,082	7,625	6,539	2,298	8,837
<b>FAR WEST</b>									
Alaska	8,948	2,589	11,537	8,692	2,705	11,397	10,633	3,134	13,767
California	134,286	70,431	204,717	138,316	72,583	210,899	158,996	93,554	252,550
Hawaii	8,937	1,912	10,849	9,612	2,166	11,778	9,850	2,250	12,100
Nevada	5,814	2,796	8,610	6,530	2,859	9,389	6,929	3,897	10,826
Oregon	18,220	7,451	25,671	24,121	8,102	32,223	22,091	11,302	33,393
Washington	24,264	8,100	32,364	25,557	9,631	35,188	26,670	10,975	37,645
<b>TOTAL</b>	<b>\$1,135,554</b>	<b>\$498,748</b>	<b>\$1,634,302</b>	<b>\$1,180,678</b>	<b>\$522,019</b>	<b>\$1,702,697</b>	<b>\$1,249,969</b>	<b>\$585,674</b>	<b>\$1,835,643</b>

Note: State funds are defined as general funds and other state funds (bonds are excluded).

**TABLE A-2**  
**CHILDREN'S HEALTH INSURANCE BLOCK GRANTS (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013				Actual Fiscal 2014				Estimated Fiscal 2015			
	General Fund	Other State Funds	Federal Funds	Total	General Fund	Other State Funds	Federal Funds	Total	General Fund	Other State Funds	Federal Funds	Total
<b>NEW ENGLAND</b>												
Connecticut*	\$26	\$0	\$0	\$26	\$29	\$0	\$0	\$29	\$29	\$0	\$0	\$29
Maine*	10	0	30	40	3	0	9	13	3	0	9	12
Massachusetts	178	0	331	510	162	0	301	462	158	0	294	452
New Hampshire	5	0	10	15	4	0	8	12	10	0	19	29
Rhode Island	19	0	37	56	21	0	37	58	14	0	27	41
Vermont	3	0	12	15	3	0	13	16	2	0	12	14
<b>MID-ATLANTIC</b>												
Delaware	2	6	17	25	8	0	18	26	8	0	17	25
Maryland*	77	7	156	240	88	5	173	266	89	8	180	277
New Jersey*	245	117	595	957	85	121	357	563	39	122	299	460
New York	0	372	525	897	0	406	604	1010	0	411	608	1019
Pennsylvania	105	32	302	439	115	25	294	434	82	41	230	353
<b>GREAT LAKES</b>												
Illinois	164	10	321	495	148	11	294	452	155	11	309	475
Indiana	0	37	84	121	0	37	128	165	0	34	113	147
Michigan*	30	0	98	128	25	0	80	104	25	0	79	104
Ohio	365	0	0	365	384	0	0	384	349	0	0	349
Wisconsin	33	3	97	133	35	22	144	201	47	26	154	227
<b>PLAINS</b>												
Iowa	39	0	92	131	41	0	99	140	44	0	96	140
Kansas	17	4	50	71	16	11	62	89	16	13	67	96
Minnesota	6	0	11	17	7	0	13	20	10	0	19	29
Missouri	28	18	126	172	31	16	133	180	31	15	103	150
Nebraska	13	7	46	67	17	7	53	77	19	7	56	82
North Dakota	4	0	9	13	4	0	9	13	3	0	6	9
South Dakota	8	0	18	26	7	0	15	22	8	0	16	24
<b>SOUTHEAST</b>												
Alabama	35	5	159	199	36	5	130	171	36	5	118	159
Arkansas	17	4	81	102	18	2	75	95	16	0	62	78
Florida	46	108	335	489	45	111	353	509	135	17	342	494
Georgia	87	0	285	372	97	0	315	412	85	0	277	362
Kentucky	35	0	135	170	35	0	137	172	25	1	92	118
Louisiana	3	56	164	223	66	0	172	239	63	0	172	236
Mississippi	38	0	165	203	42	0	179	221	34	0	149	183
North Carolina	79	10	236	326	59	5	187	251	103	1	327	431
South Carolina	27	0	105	132	30	0	116	146	32	0	124	156
Tennessee*	63	2	196	261	62	3	190	255	58	2	179	239
Virginia	87	14	189	291	91	14	199	304	86	14	191	291
West Virginia	12	0	45	57	11	0	44	55	12	0	45	57
<b>SOUTHWEST</b>												
Arizona	5	11	54	69	1	10	45	56	1	0	5	6
New Mexico	31	0	111	142	24	0	89	113	22	0	77	99
Oklahoma	38	3	120	161	38	3	124	165	45	4	140	189
Texas	355	0	886	1241	381	0	925	1306	408	0	984	1392
<b>ROCKY MOUNTAIN</b>												
Colorado*	29	41	126	196	13	74	100	187	13	42	76	131
Idaho	11	1	41	53	12	1	48	61	11	1	43	55
Montana	3	17	68	88	4	18	74	96	4	16	67	86
Utah	2	15	56	73	3	8	63	74	7	14	62	83
Wyoming	5	0	10	15	5	0	9	14	5	0	9	14
<b>FAR WEST</b>												
Alaska	11	0	19	30	11	0	20	31	8	0	15	23
California	389	144	1074	1607	796	37	1333	2166	922	25	2004	2951
Hawaii	11	0	21	32	18	0	34	52	19	0	36	55
Nevada	9	2	25	36	9	2	27	38	9	2	35	46
Oregon*	-3	56	155	208	19	40	206	265	40	10	158	208
Washington	14	1	29	44	18	2	37	57	18	1	33	52
<b>TOTAL</b>	<b>\$2,816</b>	<b>\$1,104</b>	<b>\$7,857</b>	<b>\$11,777</b>	<b>\$3,174</b>	<b>\$996</b>	<b>\$8,075</b>	<b>\$12,245</b>	<b>\$3,358</b>	<b>\$844</b>	<b>\$8,536</b>	<b>\$12,737</b>

\*See notes at the end of the chapter.

## Children's Health Insurance Block Grants Notes

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**Colorado:** CHIP is included in “Medicaid” expenditures, all part of the Department of Health Care Policy and Financing.

**Connecticut:** CHIP appropriation is “gross funded”—federal funds are deposited directly to the General Fund.

**Maine:** Data for the fiscal 2013 amount includes CHIP of \$10.2 million federal, \$3.6 million state, and administrative expenditures of \$1.5 million federal, \$.6 million state. Data for the fiscal 2014 amount and going forward do not include administrative expenditures.

**Maryland:** For Medicaid and CHIP fiscal 2015 estimate: Used actual data for the first three quarters of the year and projected the fourth quarter using the average of the first three. Fourth quarter data will be updated when available.

**Michigan:** Prior to January 2010, Child Health Insurance expenditures were for the traditional SCHIP program for children (“MiChild”) and for the Adult Benefits Waiver (ABW). ABW is a program to provide health care to childless adults using SCHIP funding. As of January 1, 2010, the ABW program was converted to a Medicaid (Title XIX) financed program. Fiscal 2013 through fiscal 2015 expenditures reflect MiChild expenditures only.

**New Jersey:** Beginning in federal fiscal year 2014, CHIP parents were moved to Medicaid (Title XIX).

**Oregon:** The general fund is -\$3 million for SFY 2013. This is the result of the fiscal 11-13 biennial adjustment and the Tobacco Tax application that was applied at the end of the biennium.

**Tennessee:** Tennessee began receiving funds for the Child Health Insurance Block Grant in fiscal 2007.

**TABLE A-3  
MEDICARE PART D CLAWBACK PAYMENTS (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2013			Actual Fiscal 2014			Estimated Fiscal 2015		
	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total
<b>NEW ENGLAND</b>									
Connecticut	\$142	\$0	\$142	\$141	\$0	\$141	\$139	\$0	\$139
Maine	51	0	51	54	0	54	43	0	43
Massachusetts	285	0	285	284	0	284	311	0	311
New Hampshire	35	0	35	32	0	32	35	0	35
Rhode Island	50	0	50	51	0	51	50	0	50
Vermont	26	0	26	26	0	26	26	0	26
<b>MID-ATLANTIC</b>									
Delaware	15	0	15	14	0	14	15	0	15
Maryland*	123	0	123	127	0	127	126	0	126
New Jersey	348	0	348	344	0	344	344	0	344
New York	1007	0	1007	949	0	949	846	0	846
Pennsylvania	511	0	511	527	0	527	535	0	535
<b>GREAT LAKES</b>									
Illinois	466	0	466	465	0	465	461	0	461
Indiana	102	0	102	106	0	106	133	0	133
Michigan	187	0	187	186	0	186	193	0	193
Ohio	293	0	293	296	0	296	290	0	290
Wisconsin	160	0	160	179	0	179	162	0	162
<b>PLAINS</b>									
Iowa	85	0	85	88	0	88	91	0	91
Kansas	0	58	58	0	56	56	0	54	54
Minnesota	182	0	182	181	0	181	180	0	180
Missouri	193	0	193	200	0	200	183	0	183
Nebraska	51	0	51	52	0	52	51	0	51
North Dakota	14	1	15	14	1	15	14	1	15
South Dakota	17	0	17	18	0	18	18	0	18
<b>SOUTHEAST</b>									
Alabama	9	59	68	50	17	67	43	21	64
Arkansas	45	3	48	44	4	48	42	4	46
Florida	486	0	486	468	0	468	456	0	456
Georgia	133	0	133	130	0	130	126	0	126
Kentucky	0	86	86	0	93	93	0	86	86
Louisiana	105	0	105	115	0	115	119	0	119
Mississippi	49	0	49	49	0	49	48	0	48
North Carolina	282	0	282	268	0	268	250	0	250
South Carolina	80	2	82	80	0	80	78	1	79
Tennessee	170	0	170	168	0	168	170	0	170
Virginia	192	0	192	191	0	191	189	0	189
West Virginia	36	0	36	37	0	37	37	0	37
<b>SOUTHWEST</b>									
Arizona	81	0	81	82	0	82	82	0	82
New Mexico	25	0	25	26	0	26	30	0	30
Oklahoma	78	0	78	77	0	77	77	0	77
Texas	376	0	376	373	0	373	378	0	378
<b>ROCKY MOUNTAIN</b>									
Colorado	52	50	102	68	38	106	108	0	108
Idaho	23	0	23	23	0	23	23	0	23
Montana	16	0	16	16	0	16	16	0	16
Utah	28	0	28	34	0	34	31	0	31
Wyoming	10	0	10	11	0	11	11	0	11
<b>FAR WEST</b>									
Alaska	27	0	27	26	0	26	21	0	21
California	1455	0	1455	1480	0	1480	1517	0	1517
Hawaii	33	0	33	34	0	34	35	0	35
Nevada	29	0	29	23	1	24	22	2	24
Oregon	77	0	77	65	0	65	94	0	94
Washington	188	0	188	187	0	187	187	0	187
<b>TOTAL</b>	<b>\$8,428</b>	<b>\$259</b>	<b>\$8,687</b>	<b>\$8,459</b>	<b>\$210</b>	<b>\$8,669</b>	<b>\$8,436</b>	<b>\$169</b>	<b>\$8,605</b>

\*See notes at the end of the chapter.

## Medicare Part D Clawback Notes

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**Maryland:** For Medicare Part D Clawback fiscal 2015 estimate, used fiscal 2015 appropriation.

## Methodology

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The Fiscal Year 2014 *State Expenditure Report* reflects three years of data: actual fiscal year 2013, actual fiscal year 2014, and estimated fiscal year 2015. The text of this report focuses on actual fiscal year 2014 data, with a secondary focus on estimated fiscal 2015. Expenditure data are detailed by program area and funding source so that trends in state spending can be evaluated. Readers are cautioned that a more complete understanding of service levels within a given state would require comparisons of spending by both state and local governments, which is not the purpose of this report. In addition, the data are self-reported by the states.

This report documents state expenditures in six functional categories: elementary and secondary education, higher education, public assistance including Temporary Assistance for Needy Families and other cash assistance, Medicaid, corrections, and transportation. All other expenditures make up a seventh category. The report includes expenditures from four fund sources, including general funds, federal funds, other state funds, and bonds. States were asked to include spending from the *American Recovery and Reinvestment Act of 2009 (ARRA)* if applicable in the federal funds totals for the seven categories. Data for each category typically include employer contributions to current employees' pensions and to employee health benefits for employees.

Elementary and secondary education spending, detailed in chapter one, includes state and federal fund expenditures only, and excludes local funds raised for education purposes. States also were asked to include, where applicable, state expenditures that support the state's Department of Education, transportation of school children, adult literacy programs, handicapped education programs, programs for other special populations (i.e., gifted and talented programs), anti-drug programs, and vocational education. States were asked to exclude spending for day care programs in the school system and spending for school health and immunization programs.

For higher education, states were requested to include expenditures made for capital construction, community colleges, vocational education, law, medical, veterinary, nursing and technical schools, and assistance to private colleges and universities, as well as tuition, fees and student loan programs. Higher education expenditures exclude federal research grants and endowments to universities. Higher education data can be found in chapter two.

Spending for public assistance, which is examined in chapter three, includes expenditures for cash assistance under the Temporary Assistance for Needy Families (TANF) program and other cash assistance (i.e., state supplements to the Supplemental Security Income program, general or emergency assistance). States were asked to exclude administrative costs from reported expenditures.

Medicaid spending amounts, highlighted in chapter four, exclude administrative costs, but include spending from state funds, federal matching funds and other funds and revenue sources used as a Medicaid match such as provider taxes, fees, assessments, donations, and local funds. Medicare Part D clawback payments are included in a state's overall Medicaid expenditures, and are also listed separately in the Appendix.

For corrections, states were asked to include, where applicable, expenditures for capital construction, aid to local governments for jails, parole programs, prison industries, and community corrections, as well as expenditures made for juvenile correction programs. States were asked to exclude expenditures for drug abuse rehabilitation programs and institutions for the criminally insane. Corrections data can be found in chapter five.

Transportation figures, detailed in chapter six, include capital and operating expenditures for highways, mass transit, and airports. States were also asked to include expenditures for road assistance to local governments, the administration of the Department of Transportation, truck and train/railroad programs, motor vehicle licensing, and gas tax and fee collection. The data exclude spending for port authorities, state police and highway patrol.

The "all other" expenditure category includes all remaining programs not captured in the functional categories previously described, including the Children's Health Insurance Program and any debt service for other state programs (i.e., environmental projects, housing). States with lotteries were asked to exclude prizes paid to lottery winners. States were also asked to exclude expenditures for state-owned utilities and liquor stores. "All other" expenditure data can be found in chapter seven.

Capital spending is included with operating expenditures within each functional category, unless otherwise noted. Capital expenditures have also been collected separately in the following categories: corrections, environmental projects, higher

education, housing, and transportation. Capital expenditure data can be found in Chapter Eight.

Chapter Nine illustrates the major sources of state revenue including sales taxes, personal income taxes, corporate income taxes, gaming taxes, and other taxes and fees. This chapter only contains information on general fund revenue.

Tables included in four of the functional categories reflect expenditures that states have excluded from their reported data. Each table underscores the observation that state-to-state expenditure comparisons in any functional category can be misleading. For example, one state may have included its juvenile institutions in its corrections budget, while another state may have included them in its human resources budget. Comparisons for one state over time, however, should prove accurate.

All years reported are state fiscal years unless otherwise indicated. In 46 states the fiscal year begins on July 1 and ends on June 30. The exceptions are as follows: in Texas, the fiscal year begins on September 1; in Alabama and Michigan the fiscal year begins on October 1; and in New York, the fiscal year begins on April 1. Additionally, the length of budget cycles vary among states, with more than half of the states budgeting annually and the remainder enacting biennial budgets.

## Definitions

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**General Fund:** predominant fund for financing a state's operations. Revenues are received from broad-based state taxes. There are differences in how specific functions are financed from state to state, however.

**Federal Funds:** funds received directly from the federal government.

**Other State Funds:** expenditures from revenue sources, which are restricted by law for particular governmental functions or activities. For example, a gasoline tax dedicated to a highway trust fund would appear in the "Other State Funds" column (Note: For Medicaid, other state funds include provider taxes, fees, donations, assessments and local funds).

**Bonds:** expenditures from the sale of bonds, generally for capital projects.

**State Funds:** general fund plus other state fund spending, excluding state spending from bonds.





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