THE FISCAL SURVEY OF STATES

Fall 2021

An Update of State Fiscal Conditions

A report by the National Association of State Budget Officers

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

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THE NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS

Founded in 1945, NASBO is the instrument through which the states collectively advance state budget practices. The major functions of the organization consist of research, policy development, education, training, and technical assistance. These are achieved primarily through NASBO's publications, membership meetings, and training sessions. Association membership is composed of the heads of state finance departments, the states' chief budget officers, and their deputies. All other state budget office staff are associate members. NASBO is an independent professional and education association.

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Ashley McTear, Alabama

Hunter Meriwether, Alabama

Alysha Guthrie, Alaska

Jonathan Perkins, Arizona

Eva Yung, Arkansas

Susan Wekanda, California

Matthew Westbrook, California

Megan Davisson, Colorado

Meredith Moon, Colorado

Daniel Innes, Connecticut

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Ryan Evans, Montana

Joe Wilcox, Nebraska

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Casey Harris-Pratt, North Carolina

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Michael Wood, Pennsylvania

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Susan Burdette, Tennessee

Sallie Bentley, Texas

James Bowman, Utah

Duncan Evans, Utah

Timothy Metayer, Vermont

Sara Tatum, Virginia

Gaius Horton, Washington

Michael Cook, West Virginia

Dan Subach, Wisconsin

Folbert Ware, Jr., Wyoming

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PREFACE

The Fiscal Survey of States is published twice annually by the National Association of State Budget Officers (NASBO). The series was started in 1979. The survey presents aggregate and individual data on the states' expenditures, general fund receipts, annual tax and revenue changes, and balances. Although not the totality of state spending, these funds are raised from states' own taxes and fees, such as state income and sales taxes. These general funds are used to finance most broad-based state services and are the most important elements in determining the fiscal health of the states. A separate survey that includes total state spending, NASBO's *State Expenditure Report*, is conducted annually.

Thirty states operate on an annual budget cycle, while 20 states operate primarily on a biennial (two-year) budget cycle. Arkansas, counted among the biennial budget states here, practices a hybrid approach, recommending and reviewing budgets on a biennial basis but enacting appropriations before each fiscal year.

Among the biennial budget states, 16 states enacted two-year budgets in 2021 covering fiscal 2022 and fiscal 2023.

Forty-six states begin their fiscal years in July and end them in June. The exceptions are New York, which starts its fiscal year on April 1; Texas, with a September 1 start date; and Alabama and Michigan, which start their fiscal years on October 1. [For fiscal 2020 only, New Jersey extended its fiscal year so that fiscal 2021 began on October 1, 2020 and will end on June 30, 2021.]

The field survey on which this report is based was conducted by NASBO from September through November 2021. The surveys were completed by executive state budget officers in all 50 states. Subsequent budget recommendations from governors to state legislatures may have occurred after the survey responses were submitted.

Fiscal 2020 data represent actual figures, fiscal 2021 figures are preliminary actual, and fiscal 2022 data generally reflect states' enacted budgets.

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

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

EXECUTIVE SUMMARY

Introduction

Budgets for fiscal 2022 were enacted in most states in the spring of 2021, when state revenue forecasts were continuing to improve and many states were projecting considerable end-of-year surpluses for fiscal 2021. In this environment, states adopted budgets calling for the largest annual percentage increase in general fund spending since fiscal 2007. This increase follows moderate general fund spending growth and a sharp increase in revenues for fiscal 2021.

A number of unique, one-time factors contributed to the large projected general fund spending increase in states' fiscal 2022 enacted budgets. These include one-time spending from surplus funds, a shift in reliance on federal funds to general funds in some program areas, a lower baseline in fiscal 2021 due to spending reductions in some states (that in some cases were restored in fiscal 2022), state funding for pandemic response efforts, and the inclusion of COVID-related federal aid in limited instances. Similarly, the sharp uptick in general fund revenues in fiscal 2021 is partially attributable to the impact of the tax deadline shift on when revenues in some states were recognized, a lower baseline in fiscal 2020 due to the pandemic's economic effects on revenues in that year, and the inclusion of federal funds, borrowing and other sources in at least a few states.

One-time factors aside, the data in this report show a marked improvement in state fiscal conditions compared to expectations when states enacted their original budgets for fiscal 2021, which projected general fund spending and revenue to decline year-over-year. State budgets did not fare as badly as was expected earlier in the pandemic for several reasons. First, federal stimulus measures put a lot of additional money into the economy and directly boosted personal income, helping to lessen state revenue losses. Second, personal income taxes were not as impacted due to the recession disproportionately affecting low-income workers while high-income earners have been relatively insulated. Third, the pandemic's effects on economic activity largely curtailed consumption of services that most states do not tax, while consumption of goods, which are taxed, was less affected. Fourth, the expanded ability to collect online sales taxes following the U.S. Supreme Court decision in Wayfair v. South Dakota helped mitigate sales tax losses.

Examining changes in balance levels provides another look at how much the state fiscal outlook has improved over the last year. In fiscal 2020, some states turned to their rainy day funds to close pandemic-related budget shortfalls, and reserves recorded a decline. However, stronger than anticipated revenue growth in fiscal 2021 led rainy day funds to rise to a new record level by year-end. Similarly, total balance levels – rainy day funds combined with general fund ending balances – saw a sharp uptick in fiscal 2021, nearly doubling from fiscal 2020 levels, due mostly to revenues exceeding expectations when spending levels were first adopted. States are expected to spend down a portion of these unanticipated budget surpluses in fiscal 2022.

State General Fund Spending

Fiscal 2022 Enacted Spending. General fund spending is projected to total $1.018 trillion in fiscal 2022 enacted budgets, a 9.3 percent increase over fiscal 2021 levels. This growth rate is driven by a number of factors, including one-time spending from surplus funds, a shift in reliance on federal funds to general funds in some program areas, a lower baseline in fiscal 2021 due to spending reductions in some states (that in some cases were restored in fiscal 2022), state funding for pandemic response efforts, and the inclusion of COVID-related federal aid in limited instances. General fund spending growth rates also vary considerably by state, reflecting the uneven impacts of COVID-19 on state economies and budgets, differences in timing of state expenditures within a given fiscal year, and states' varying use of federal funds. The high growth rate is also driven by significant increases in a few large states; for this reason, the median general fund spending growth rate for fiscal 2022, at 6.1 percent, is considerably lower than the total.

Fiscal 2021 Preliminary Actual Spending. General fund spending grew moderately by 4.3 percent in fiscal 2021 to total $931.7 billion. This contrasts with states' originally enacted budgets for fiscal 2021, which called for aggregate general fund spending to decline for the first time since fiscal 2010, based on data reported in NASBO's *Fall 2020 Fiscal Survey*. While state budgets have not fared as badly as was expected earlier on in the pandemic, most states still reported general fund spending levels in fiscal 2021 below what governors proposed to spend prior to the onset of the COVID-19 crisis. Once again, the median spending growth rate for fiscal 2021 is lower, at 2.0 percent.

Key Report Findings:

- General fund spending is on track to grow **9.3 percent** in fiscal 2022 enacted budgets over fiscal 2021, in large part due to a series of one-time factors.
- General fund spending grew **4.3 percent** in fiscal 2021 to total $931.7 billion, above originally enacted levels but still slightly below governors' proposed budget levels pre-COVID-19.
- **47 states** reported fiscal 2021 general fund revenue collections came in above original budget projections.
- Fiscal 2021 general fund revenue grew **14.5 percent** over fiscal 2020 levels, with this sharp increase partially driven by the impact of the tax deadline shift, inclusion of federal funds, borrowing, and other sources in a few states, and a lower baseline in fiscal 2020.
- In the aggregate, combined fiscal 2020 and fiscal 2021 general fund revenues came in **2.2 percent** above pre-COVID-19 projections.
- Fiscal 2022 enacted budgets are based on general fund revenues that are **2.6 percent** below preliminary actual levels for fiscal 2021; revenue forecasts used to build enacted budgets were mostly developed earlier in calendar year 2021, before the most recent uptick in collections.
- **32 states** (out of 42 states able to report early in the fiscal year) indicated that fiscal 2022 collections were coming in ahead of budget forecasts, while **10 states** said they were on target.
- States adopted a mix of increases and decreases in taxes and fees, resulting in a projected net revenue change in fiscal 2022 of -**$2.9 billion** — including $1.7 billion in general fund revenue reductions (representing less than 0.2 percent of total general fund revenues forecasted in enacted budgets for fiscal 2022).
- Rainy day fund balances reached a new record level of nearly **$113 billion** in fiscal 2021 due mainly to stronger than anticipated revenue growth, with 35 states reporting increases. The median balance as a share of general fund spending is **9.4 percent**.
- Total balances increased sharply in fiscal 2021, nearly doubling from fiscal 2020 levels, and **46 states** reported total year-end balances greater than 10 percent as a share of general fund spending.

Spending Actions and Other Budget Management Strategies

Fiscal 2022 Enacted Appropriation Changes. Enacted general fund budgets for fiscal 2022 call for $114.5 billion in increases over fiscal 2021 enacted appropriation levels. This figure is larger than typically observed, in part because some states' enacted budgets for fiscal 2021, used as the baseline, assumed significant general fund budget reductions, which were subsequently restored in some cases. Moreover, appropriation increases for fiscal 2022 also reflect a shift from reliance on federal funds for certain expenditures to a greater reliance on general funds. It should also be noted that sizeable appropriation increases in one large state make up a little more than half of the total net spending change reported. Compared to governors' budget proposals for fiscal 2022, enacted budgets plan for significantly more new general fund money. This is attributable largely to upward revisions in revenue forecasts from the time governors proposed budgets to when states enacted appropriations for fiscal 2022. This is especially evident in the "All Other" category, which is slated for new expenditures more than double what was proposed in governors' budgets. Much of the additional funds in this category represent spending for one-time uses supported by prior-year surpluses, including deposits into rainy day funds.

Fiscal 2021 Mid-Year Spending Changes. Overall, 18 states reported net mid-year decreases in general fund spending for fiscal 2021, while 17 states reported increases compared to their enacted budgets. For states reporting net reductions, in a majority of cases the cuts resulted from the availability of federal funds to use in lieu of general funds or lower caseloads. However, seven states indicated that the cuts were made as a direct result of an expected revenue shortfall. Mid-year spending reductions due to a shortfall totaled $4.7 billion in fiscal 2021.

Budget Management Strategies for Fiscal 2021 (Mid-Year) and Fiscal 2022 (Enacted). In order to manage their budgets, states employ a variety of strategies and tools, including spending reductions (across-the-board or targeted), revenue changes, personnel actions, efficiency savings, and one-time measures. While state fiscal conditions and budget outlooks have improved considerably compared to one year ago, states are still taking steps to manage their budgets and control spending levels. During fiscal 2021, 19 states reported making targeted spending cuts, seven states reported making across-the-board cuts, 17 states imposed hiring freezes and/or eliminated vacant positions, four states imposed furloughs, two states reported salary reductions, and one state offered employees early retirement. Some states also utilized one-time measures to manage their budgets in the middle of the year, including tapping rainy day funds (12 states), other fund transfers (13 states), using prior-year fund balances (9 states), and deferring payments (4 states). Some states also reported using federal assistance to offset some eligible general fund costs related to pandemic response and relief. Overall, budget management strategies were used to a lesser extent in fiscal 2022 enacted budgets given improved state fiscal conditions. Fourteen states reporting targeted spending cuts as a budget management strategy, two states reporting across-the-board cuts for fiscal 2022, and ten states reported continuing hiring freezes and/or eliminating vacant positions into fiscal 2022. Outside of hiring freezes, enacted personnel actions were minimal. Five states reported agency reorganizations and seven states cited Medicaid program changes, while six states reported using revenue increases. Only a few states turned to other, largely one-time measures to manage their budgets.

State General Fund Revenues

Fiscal 2022 Enacted Revenue Projections. States' enacted budgets for fiscal 2022 are based on general fund revenues totaling $975.3 billion, 2.6 percent below preliminary actual revenue levels for fiscal 2021. This year-over-year decline is driven in part by two factors. First, the shift in the tax filing deadline from April 2020 to July 2020 resulted in some states recognizing a portion of their revenues (mainly from income taxes) in fiscal 2021 instead of fiscal 2020, causing a one-time bump in fiscal 2021. Second, for most states, their fiscal 2021 and fiscal 2022 figures were determined at two different points in time. Preliminary actual data for fiscal 2021 are based on final revenue collections data after the fiscal year (which ended on June 30, 2021 for most states). Enacted revenue forecasts for fiscal 2022 for many states were developed early in the 2021 calendar year, before the most recent uptick in collections. Thus, state revenues assumed in general fund budgets for fiscal 2022 are likely to be lower compared to more recently revised forecasts that take into account actual revenue collections for fiscal 2021.

Fiscal 2022 Most Current Estimates. In this survey, 14 states separately reported more current revenue estimates for fiscal 2022. Among those states, nearly all reported upward revisions to their fiscal 2022 revenue projections compared to their enacted budget forecasts, with a median increase of 4.9 percent from enacted to most current. Furthermore, at the time of data collection, 32 states reported collections were coming in ahead of budget projections and 10 states were on target for fiscal 2022 (not all states were able to report this early in the fiscal year).

Fiscal 2021 Preliminary Actual Collections. Fiscal 2021 general fund revenues totaled $1.002 trillion, representing a sharp 14.5 percent increase over fiscal 2020 actual collections of $875.1 billion. There are several one-time factors helping to drive this high growth rate – including the impact of the tax deadline shift on when revenues in some states were recognized, a low baseline in fiscal 2020 due to the impact of the pandemic on state revenues that year, and the inclusion of federal funds, borrowing and other sources in at least a few states. That said, state revenues in fiscal 2021 performed considerably better than was expected earlier in the pandemic for several reasons. Federal stimulus measures and the fact that higher-income earners were relatively insulated from the pandemic's impacts helped mitigate state income tax losses. Meanwhile, sales tax collections during the pandemic were helped by the recent enabling of expanded online sales tax collections along with the fact that the pandemic mostly curtailed consumption of services – which are less often included in states' sales tax bases.

General fund collections for fiscal 2021 from all revenue sources came in above original projections used to adopt budgets in 47 states and lower in just 3 states. In addition to revenues outperforming projections from earlier in the pandemic and in enacted budgets, most states have seen general fund collections come in above their pre-COVID forecasts. Examining general fund revenue for fiscal 2020 and fiscal 2021 combined, aggregate collections came in 2.2 percent above states' (mostly) pre-COVID forecasts reported in NASBO's *Spring 2020 Fiscal Survey*.[1]

Enacted and Mid-Year Revenue Actions

Fiscal 2022 Enacted Revenue Actions. According to enacted budgets, 12 states adopted net increases in taxes and fees while 28 states made net decreases, resulting in a projected net revenue impact in fiscal 2022 of -$2.9 billion. General fund revenue will be reduced by an estimated $1.7 billion on net as a result of these changes. This contrasts with proposed revenue actions in governors' budgets reported in the Spring 2021 Fiscal Survey of States, which called for a net increase in revenue of $6.5 billion. This difference is in part indicative of improving fiscal conditions from the time governors released their budget proposals to when states adopted budgets for fiscal 2022. While some states enacted income tax increases, including a temporary high income surcharge and limiting corporate tax breaks, others reported personal income tax decreases in the form of rate reductions or increasing certain deductions. Additionally, a number of states enacted income tax changes to conform with changes at the federal level that will result in net revenue decreases.

Fiscal 2021 Mid-Year Revenue Actions. Fifteen states enacted changes in taxes and fees affecting fiscal 2021 revenues after budget enactment, with three states enacting increases and 12 states with decreases, for a total net revenue decrease of $4.4 billion. The largest reductions included one-time targeted tax relief measures, as well as numerous revenue actions to conform with federal tax changes.

State Balances

Rainy Day Fund Balances. Since fiscal 2010, the median rainy day fund balance level as a percentage of general fund spending had grown from 1.6 percent to 7.9 percent in fiscal 2019, with rainy day fund balances totaling $79.0 billion in fiscal 2019. Facing in some cases substantial budget gaps as a result of COVID-19, some states turned to their rainy day funds to close shortfalls in fiscal 2020, resulting in a modest decline in balance amounts in the aggregate. However, stronger than anticipated revenue growth in fiscal 2021 led rainy day funds to rise to a new record level, totaling $112.7 billion at year-end. Growth in rainy day fund balances was fairly widespread, with 35 states reporting increases in fiscal 2021 compared to fiscal 2020 balance levels.

Total Balances. Like rainy day fund balances, states' total balance levels – states' rainy day fund balances combined with general fund ending balances – reached an all-time high in fiscal 2019 of $121.6 billion. While states recorded a decline in total balances in fiscal 2020, this was followed by a sharp uptick in fiscal 2021, when balances reached $217.1 billion at year end. This increase was driven by revenues exceeding expectations from earlier in the pandemic coupled to various one-time factors, which resulted in unanticipated budget surpluses that bolstered states' ending balances and rainy day funds. According to enacted budgets for fiscal 2022, states are planning to spend down some of their larger-than-expected ending balances, including for one-time investments, with 32 states reporting lower total balance levels for fiscal 2022.

[1] General fund revenue information reported in the *Spring 2020 Fiscal Survey* was adjusted for this comparison to account for a change in Ohio's reporting methodology. Beginning in the *Spring 2021 Fiscal Survey,* Ohio began excluding federal Medicaid reimbursements from its general fund reporting

This edition of the Fiscal Survey of States reflects actual fiscal 2020, preliminary actual fiscal 2021, and enacted fiscal 2022 figures (except where otherwise noted). The data were collected in the fall of 2021.

STATE EXPENDITURE DEVELOPMENTS

CHAPTER ONE

Overview

Budgets for fiscal 2022 were enacted in most states in the spring of 2021, when state revenue forecasts were continuing to improve, in part due to the passage of the *American Rescue Plan Act* (ARPA), and many states were projecting considerable budget surpluses for fiscal 2021. In this environment, states adopted budgets calling for the largest general fund spending increase since fiscal 2007.

General fund spending is projected to grow 9.3 percent in fiscal 2022 over fiscal 2021 levels. This growth rate is driven by a number of factors, including one-time spending from surplus funds, a shift in reliance on federal funds to general funds in some program areas, a lower baseline in fiscal 2021 due to spending reductions in some states (that in some cases were restored in fiscal 2022), state funding for pandemic response efforts, and the inclusion of COVID-related federal aid in limited instances. General fund spending growth rates also vary considerably by state, reflecting the uneven impacts of COVID-19 on state economies and budgets, differences in timing of state expenditures within a given fiscal year, and states' varying use of federal funds.

Compared to governors' budget proposals for fiscal 2022, enacted budgets plan for significantly more new general fund money. This is attributable in large part to upward revisions in revenue forecasts from the time governors proposed budgets to when states enacted appropriations for fiscal 2022. This is especially evident in the "All Other" category, which is slated for new expenditures more than double what was proposed in governors' budgets. Much of the additional funds in this category represent spending for one-time uses supported by prior-year surpluses, including deposits into rainy day funds.

In fiscal 2021, general fund spending grew moderately compared to fiscal 2020 levels. This contrasts with what was expected when states enacted their original budgets for fiscal 2021, calling for the first aggregate spending decline since fiscal 2010. State budgets did not fare as badly as was expected earlier in the pandemic — the reasons for which are discussed in Chapter Two on State Revenues. That said, a number of states reported making net mid-year budget reductions in fiscal 2021. While in some of these instances, the cuts resulted from the availability of federal funds to use in lieu of general funds, some states indicated that the cuts were made as a direct result of an expected revenue shortfall.

State General Fund Spending Trends

Enacted Spending for Fiscal 2022. According to states' enacted budgets, planned general fund spending totals $1.018 trillion in fiscal 2022, which represents a 9.3 percent increase compared to preliminary actual spending levels for fiscal 2021.[1] If this projected growth rate holds, it would mark the highest annual growth in general fund spending recorded in the Fiscal Survey since fiscal 2007, when spending grew 9.4 percent on a nominal basis. General fund spending growth rates vary considerably, with these differences driven by several factors, including the uneven impact of COVID-19 on state economies and budgets, timing of state expenditures within a given fiscal year, and states' varying use of federal funds. Additionally, several of the nation's largest states also reported the highest percentage increases, helping to explain why the median growth rate is considerably lower at 6.1 percent.

Spending growth in fiscal 2022 enacted budgets is largely driven by one-time spending increases funded by budget surpluses in many states from the prior fiscal year. These one-time expenditures include deposits to rainy day funds and other state funds, supplemental pension payments, capital investments, COVID-19-related initiatives, and spending for other purposes. Some of the growth in general fund spending for fiscal 2022 is also attributable to a shift from a reliance on federal funds to general funds that was projected in enacted budgets for certain programs. The higher growth rate in fiscal 2022 also in part reflects lower spending levels in fiscal 2021, especially in states that made budget cuts in response to projected revenue shortfalls at the time.

Moreover, it should be noted that while states were advised to exclude where possible spending from federal funds that may have been deposited into their general funds (such as Coronavirus State Fiscal Recovery Funds appropriated to cover revenue loss), not all states may have been able to separate out these expenditures in their budgeted figures for fiscal 2022. Thus, at least a small portion of general fund spending growth may reflect new direct federal aid to states.

Technical Note: Biennial Budget States

Thirty states budget on an annual basis, while 20 states budget primarily on a biennial basis. Most biennial budget states enacted two-year budgets during 2021 legislative sessions covering fiscal 2022 and fiscal 2023. These include: Connecticut, Hawaii, Indiana, Maine, Minnesota, Montana, Nebraska, Nevada, New Hampshire, North Carolina, North Dakota, Ohio, Oregon, Texas, Washington, and Wisconsin. [Arkansas, counted among the biennial states, practices a hybrid approach, recommending budgets on a biennial basis but enacting appropriations before each fiscal year.] A few of biennial budget states elected to report data for fiscal 2023 based on states' enacted biennial budgets, including on: general fund spending, revenue and balance figures; general fund appropriation changes by program area; budget management strategies; and revenue actions. *(See Tables A–5 to A–9)*

The three remaining biennial states — Kentucky, Virginia and Wyoming — normally would have enacted biennial spending plans for fiscal 2021 and fiscal 2022 during 2020 legislative sessions. However, due to the high degree of uncertainty last year driven by COVID-19, Kentucky only enacted a one-year spending plan for fiscal 2021, and the state enacted a budget for fiscal 2022 during the 2021 legislative session. Earlier this year, Virginia and Wyoming each enacted revisions to their biennial budgets covering fiscal 2021 and fiscal 2022.

Preliminary Actual Spending for Fiscal 2021. This edition of the *Fiscal Survey of States* shows general fund spending increased 4.3 percent in fiscal 2021 to total $931.7 billion. Adjusting for inflation, general fund spending in fiscal 2021 increased 1.7 percent.[2] *(See Tables 3–5)* This contrasts with states' originally enacted budgets for fiscal 2021, which called for aggregate general fund spending to decline for the first time since fiscal 2010, based on data reported in NASBO's *Fall 2020 Fiscal Survey*. While state budgets have not fared as badly as was expected earlier on in the pandemic, most states still reported general fund spending levels in fiscal 2021 below what governors proposed to spend prior to the onset of the COVID-19 crisis. Overall, general fund spending in fiscal 2021 came in 0.3 percent below governors' recommended levels reported in NASBO's *Spring 2020 Fiscal Survey* edition, the last time pre-pandemic budget figures were collected.[3] General fund spending in fiscal 2021 to some extent was affected by an increase in available federal funds — which in some cases allowed states to temporarily reduce certain general fund expenditures — as well as some states making budget cuts in response to projected revenue shortfalls.

Spending Growth by State. According to enacted budgets for fiscal 2022, 14 states are forecasting general fund spending growth between 0 and 5 percent, 13 states expect general fund spending growth between 5 and 10 percent, 14 states are forecasting growth of 10 percent or more, and nine states are expecting general fund spending to decline. Meanwhile, in fiscal 2021, 16 states reported general fund spending growth between 0 and 5 percent, 8 states saw growth between 5 and 10 percent, 8 states reported spending growth greater than 10 percent, and 18 states reported spending declines. This wide variation in spending growth by states in each year reflects the uneven impact of the pandemic on state budgets, differences in how states used and accounted for federal funds in their budgets, and other factors. For states that budget on a biennial basis, spending is not always evenly distributed in a two-year cycle, which can affect year-over-year changes.

[2] The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on November 24, 2021), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates.

[3] General fund spending information reported in the *Spring 2020 Fiscal Survey* was adjusted for this comparison to account for a change in Ohio's reporting methodology. Beginning in the Spring 2021 Fiscal Survey, Ohio began excluding federal Medicaid reimbursements from its general fund reporting.

Additionally, the delay of the tax deadline in 2020 caused a few states to shift some expenditures from fiscal 2020 to fiscal 2021; this delay had a more widespread impact on state revenues recognized over those two years, as will be discussed in Chapter Two. *(See Tables 2 and 6)*

Because the timing of state spending has been more variable during the pandemic, especially given the sizeable amount of one-time expenditures in some states, it can be especially helpful to also look at average spending growth over several years. The three-year average annual general fund spending growth during the course of the pandemic (fiscal 2020, fiscal 2021 and fiscal 2022) for most states is between 2 and 6 percent, with a median of 4.4 percent.

It is also important to remember that fiscal 2022 enacted spending levels were adopted in many cases early in calendar year 2021, and revenue forecast revisions since then may alter those plans. NASBO's *Spring 2022 Fiscal Survey* will provide updated spending estimates for fiscal 2022, along with governor's budget recommendations for fiscal 2023.

TABLE 1

State Nominal and Real Annual Spending Increases, Fiscal 1979 to Fiscal 2022

	State General Fund	
Fiscal Year	Nominal Increase	Real Increase
2022	9.3%	
2021	4.3	1.7%
2020	4.0	2.6
2019	5.5	2.3
2018	3.2	-0.3
2017	3.1	1.7
2016	3.5	3.8
2015	4.4	3.3
2014	4.5	1.5
2013	4.2	1.4
2012	3.4	0.7
2011	3.5	0.3
2010	-5.7	-6.6
2009	-3.8	-5.8
2008	4.9	-0.6
2007	9.4	4.4
2006	8.1	2.6
2005	5.9	-0.1
2004	2.9	-0.8
2003	-0.1	-3.1
2002	0.6	-1.6
2001	8.0	3.6
2000	7.8	3.0
1999	5.9	3.1
1998	5.7	3.7
1997	4.6	2.3
1996	5.4	3.1
1995	6.3	3.3
1994	6.2	4.0
1993	3.2	-0.2
1992	4.6	1.3
1991	5.2	0.7
1990	6.0	1.1
1989	9.8	5.9
1988	8.3	4.2
1987	6.9	3.2
1986	10.7	7.2
1985	10.2	6.0
1984	8.1	4.0
1983	-0.7	-6.2
1982	6.4	-0.9
1981	16.3	5.2
1980	10.0	-0.5
1979	10.1	3.2
1979-2021 average	**5.4%**	**1.6%**

Notes: The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on November 24, 2021), is used for state expenditures in determining real changes. Fiscal Year real changes are based on quarterly averages. Fiscal 2020 figures are based on the change from fiscal 2018 actuals to fiscal 2020 actuals. Fiscal 2021 figures are based on the change from fiscal 2020 actuals to fiscal 2021 preliminary actuals. Fiscal 2022 figures are based on the change from fiscal 2021 preliminary actuals to fiscal 2022 enacted figures.

FIGURE 1:

Annual General Fund Spending Changes, Fiscal 1990 to Fiscal 2022

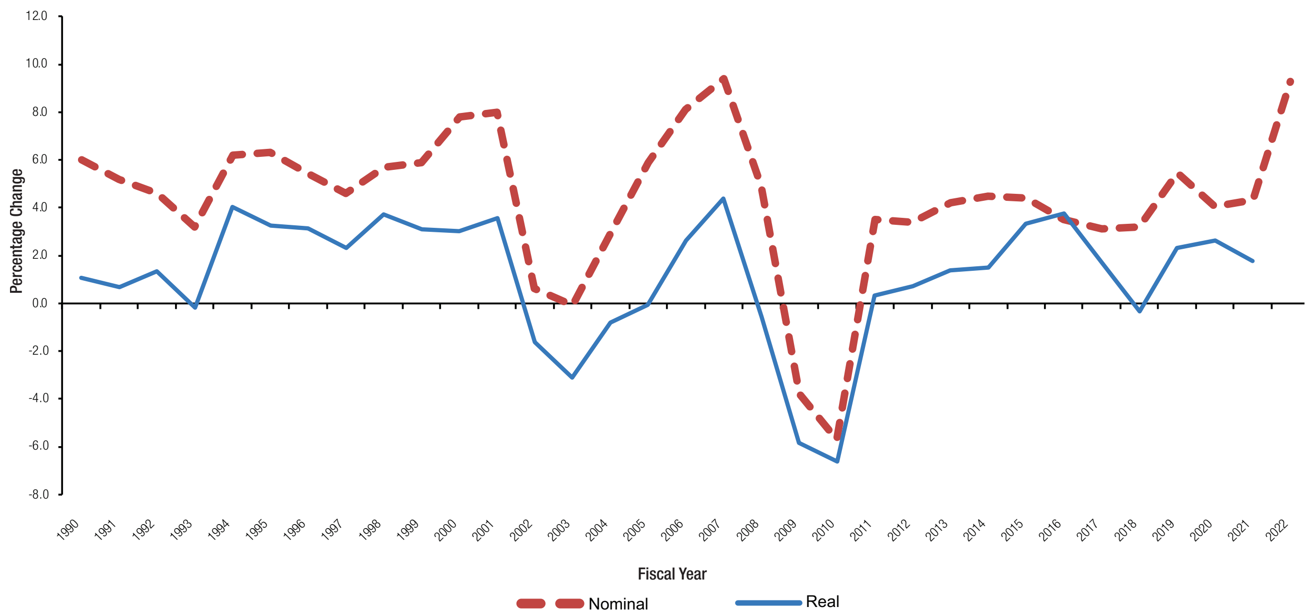


TABLE 2

State General Fund Expenditure Growth, Fiscal 2020 to Fiscal 2022

Spending Growth	Fiscal 2020 (Actual)	Fiscal 2021 (Preliminary Actual)	Fiscal 2022 (Enacted)
0% or less	11	18	9
> 0.0% but < 5.0%	24	16	14
> 5.0% but < 10.0%	12	8	13
10% or more	3	8	14
N/A	0	0	0

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

TABLE 3

Fiscal 2020 State General Fund, Actual (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	$974	$9,724	$15	$10,713	$9,308	$584	$820	$968
Alaska*	0	1,589	2,933	4,522	4,805	1,005	-1,287	1,379
Arizona*	957	10,971	0	11,928	11,284	271	373	979
Arkansas*	0	5,753	0	5,753	5,750	0	3	185
California*	11,280	144,375	-4,386	151,270	146,285	-573	5,557	20,632
Colorado*	1,263	12,868	248	14,379	12,716	-160	1,823	1,823
Connecticut*	0	19,194	0	19,194	19,163	-8	39	3,075
Delaware* **	948	4,526	0	5,473	4,514	0	959	252
Florida*	2,490	31,486	6,438	40,414	32,870	1,191	6,352	1,574
Georgia* **	3,047	25,479	216	28,742	26,119	0	2,622	2,544
Hawaii*	752	7,637	648	9,037	8,035	0	1,003	59
Idaho*	101	4,032	-54	4,080	3,907	-14	186	393
Illinois* **	466	38,060	1,861	40,387	41,921	-2,065	531	4
Indiana*	835	15,640	669	17,144	16,522	80	542	877
Iowa*	0	7,931	196	8,126	7,821	0	306	777
Kansas*	1,105	6,900	12	8,017	7,523	0	495	82
Kentucky*	130	11,679	540	12,349	11,622	375	353	303
Louisiana*	535	9,846	90	10,471	10,141	59	270	568
Maine*	139	3,969	53	4,161	3,934	43	184	273
Maryland*	974	18,634	183	19,791	19,531	-444	703	1,177
Massachusetts* **	3,959	34,521	13,808	52,289	34,185	13,808	4,295	3,501
Michigan*	916	10,382	168	11,466	8,890	42	2,535	829
Minnesota* **	3,971	22,894	256	27,122	23,778	0	3,344	3,010
Mississippi*	5	5,817	0	5,822	5,731	82	9	501
Missouri*	654	8,934	427	10,014	9,212	0	803	652
Montana*	361	2,533	-4	2,891	2,436	3	452	114
Nebraska*	737	4,940	-291	5,386	4,499	176	711	426
Nevada*	353	4,077	688	5,118	4,467	77	574	0
New Hampshire*	193	1,525	0	1,718	1,688	81	-51	116
New Jersey* **	1,711	37,700	891	40,303	38,140	0	2,163	7
New Mexico**	1,834	8,183	248	10,265	7,672	79	2,514	2,514
New York* **	7,206	79,207	0	86,413	77,469	0	8,944	2,476
North Carolina*	1,709	23,939	0	25,649	24,062	116	1,471	1,169
North Dakota*	65	2,098	452	2,615	2,333	0	282	717
Ohio*	1,538	23,024	-102	24,460	23,190	0	1,270	2,692
Oklahoma*	310	7,057	450	7,817	7,493	0	324	230
Oregon*	2,709	8,339	-20	11,029	11,006	0	23	1,153
Pennsylvania*	0	32,276	-920	31,356	35,219	-1,129	-2,734	343
Rhode Island*	31	4,064	4	4,098	3,937	5	156	91
South Carolina* **	1,709	9,179	10	10,898	8,633	460	1,805	1,181
South Dakota*	19	1,700	22	1,741	1,703	19	19	174
Tennessee*	1,642	16,195	-296	17,541	14,620	930	1,991	1,200
Texas*	4,721	56,983	-4,198	57,506	59,084	2,196	-3,774	8,947
Utah*	292	7,244	109	7,646	7,298	44	304	740
Vermont	0	1,620	1	1,621	1,607	14	0	228
Virginia*	230	23,242	0	23,472	22,287	0	1,185	1,072
Washington*	999	23,782	-161	24,620	23,967	0	654	1,683
West Virginia*	518	4,495	48	5,061	4,588	18	454	856
Wisconsin*	1,087	17,532	631	19,250	18,450	-373	1,172	762
Wyoming	0	1,291	336	1,627	1,627	0	0	1,577
Total	**$65,475**	**$875,067**		**$962,761**	**$893,040**		**$52,728**	**$76,886**

*NOTES: NA Indicates data are not available. *See Notes to Table 3 at the end of the chapter. **In these states, the ending balance includes the balance in the rainy day fund.*

TABLE 4

Fiscal 2021 State General Fund, Preliminary Actual (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	$820	$11,045	$0	$11,866	$9,939	$476	$1,450	$1,137
Alaska*	0	1,572	3,281	4,853	4,638	1,135	-920	1,420
Arizona	373	14,102	0	14,475	13,611	0	864	975
Arkansas*	0	6,845	0	6,845	5,900	0	946	210
California*	5,557	180,371	8,403	194,332	166,083	0	28,249	39,752
Colorado*	1,825	14,240	335	16,401	13,251	0	3,150	3,150
Connecticut*	0	20,531	0	20,531	20,051	0	481	4,735
Delaware* **	959	5,390	0	6,350	4,516	0	1,833	252
Florida*	6,352	36,281	7,391	50,024	33,795	2,993	13,236	1,674
Georgia* **	2,622	28,592	456	31,671	25,174	0	6,496	4,289
Hawaii*	1,003	8,170	833	10,006	8,756	0	1,250	320
Idaho*	186	4,255	-580	3,861	3,866	-145	140	607
Illinois* **	531	44,852	1,998	47,381	42,741	1,433	3,206	4
Indiana*	542	19,746	450	20,738	17,732	384	2,621	1,302
Iowa*	0	8,801	247	9,048	7,809	0	1,239	801
Kansas*	495	8,866	9	9,370	7,267	0	2,103	82
Kentucky*	353	12,954	546	13,852	11,508	716	1,629	1,916
Louisiana*	270	9,810	157	10,238	9,871	366	0	546
Maine*	184	4,521	69	4,774	3,895	724	155	497
Maryland*	703	20,831	370	21,904	18,914	-248	3,239	631
Massachusetts* **	4,295	38,719	15,240	58,254	37,035	15,240	5,980	4,630
Michigan*	2,535	10,784	15	13,334	10,433	535	2,366	1,385
Minnesota* **	3,344	23,898	656	27,898	23,978	0	3,920	2,808
Mississippi*	9	5,691	0	5,699	5,586	103	10	540
Missouri*	803	11,240	101	12,144	9,789	0	2,354	604
Montana*	452	2,964	-12	3,404	2,684	0	720	114
Nebraska*	711	5,959	-295	6,375	4,526	0	1,849	412
Nevada*	574	4,474	403	5,451	4,562	106	783	98
New Hampshire*	-51	1,844	0	1,793	1,606	187	0	260
New Jersey* **	2,059	48,140	1,417	51,616	44,963	0	6,653	2,444
New Mexico* **	2,514	8,731	576	11,821	8,893	478	2,451	2,461
New York**	8,944	74,312	0	83,256	74,095	0	9,161	2,476
North Carolina*	1,471	29,699	20	31,190	23,964	2	7,224	1,982
North Dakota*	282	1,870	1,333	3,484	2,362	0	1,123	749
Ohio*	1,270	26,819	-11	28,078	23,357	0	4,721	2,692
Oklahoma*	324	8,278	-134	8,469	6,581	282	1,606	542
Oregon*	23	15,430	-95	15,358	11,455	198	3,704	1,377
Pennsylvania*	-2,734	40,392	-1,023	36,635	34,013	2,622	0	2,866
Rhode Island*	156	4,432	-114	4,474	4,133	8	332	228
South Carolina* **	1,805	10,460	0	12,264	8,398	251	3,615	1,707
South Dakota*	19	1,950	47	2,016	1,888	42	86	216
Tennessee*	1,991	16,237	-101	18,127	15,831	98	2,198	1,450
Texas*	4,869	60,505	7,679	73,053	58,904	2,920	11,229	10,074
Utah*	304	9,265	53	9,621	8,507	0	1,114	746
Vermont*	0	2,157	0	2,157	1,742	311	104	280
Virginia*	1,185	23,427	0	24,612	22,694	0	1,917	1,488
Washington*	653	26,834	706	28,194	24,828	0	3,366	-1
West Virginia*	455	4,988	26	5,468	4,775	14	679	995
Wisconsin*	1,172	19,573	1,186	21,932	19,516	-166	2,581	1,730
Wyoming	0	985	299	1,284	1,284	0	0	1,058
Total	**$62,209**	**$1,001,829**		**$1,115,977**	**$931,697**		**$153,212**	**$112,708**

*NOTES: NA Indicates data are not available. *See Notes to Table 4 at the end of the chapter. **In these states, the ending balance includes the balance in the rainy day fund.*

TABLE 5

Fiscal 2022 State General Fund, Enacted (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance	Date
Alabama	$1,450	$10,028	$0	$11,479	$10,156	$1,144	$178	$1,288	May-21
Alaska*	0	1,662	3,069	4,732	4,564	93	74	1,134	Jun-21
Arizona*	442	13,680	0	14,122	12,827	0	1,295	982	Jun-21
Arkansas*	0	5,866	0	5,866	5,849	0	17	1,202	Apr-21
California*	28,249	177,202	-1,857	203,594	196,440	0	7,154	25,166	Jun-21
Colorado*	3,150	15,277	30	18,457	14,948	0	3,509	3,509	May-21
Connecticut*	0	21,022	0	21,022	20,746	0	275	4,357	Jun-21
Delaware* **	1,833	5,120	0	6,954	5,229	0	1,725	252	Jun-21
Florida*	13,236	36,901	210	50,347	43,023	0	7,324	2,724	Jun-21
Georgia*	6,496	25,783	N/A	32,280	25,783	0	6,496	N/A	May-21
Hawaii*	1,250	8,406	0	9,656	8,872	0	784	1,375	Jun-21
Idaho*	140	4,404	-244	4,300	4,223	0	77	607	Mar-21
Illinois* **	100	42,368	2,000	44,468	43,495	784	188	4	Jun-21
Indiana*	1,360	18,329	0	19,689	18,205	-22	1,506	1,304	Apr-21
Iowa*	0	8,289	233	8,522	8,119	0	402	817	Jun-21
Kansas	2,103	7,562	0	9,665	8,143	0	1,522	0	May-21
Kentucky*	343	11,953	701	12,997	12,227	771	318	1,916	Mar-21
Louisiana	0	9,888	0	9,888	9,883	0	4	571	Jun-21
Maine*	155	4,179	105	4,440	4,163	118	159	498	Mar-21
Maryland*	1,439	20,282	-148	21,572	20,932	-35	676	1,161	Apr-21
Massachusetts* **	5,980	39,265	15,946	61,190	39,336	15,946	5,909	5,801	Jul-21
Michigan*	2,366	11,244	0	13,610	11,778	0	1,832	1,406	Sep-21
Minnesota* **	3,920	24,117	245	28,282	25,409	0	2,873	2,272	Jun-21
Mississippi*	10	5,927	0	5,937	5,819	119	0	556	Apr-21
Missouri*	2,354	9,785	101	12,240	10,428	0	1,812	770	Jun-21
Montana	720	2,643	0	3,363	2,727	0	636	118	May-21
Nebraska*	1,849	4,880	-1,041	5,688	4,815	431	442	998	Apr-21
Nevada*	783	4,524	59	5,365	4,649	157	559	44	Jun-21
New Hampshire*	0	1,661	0	1,661	1,598	50	13	260	Jun-21
New Jersey* **	6,653	41,859	-194	48,318	45,962	0	2,356	0	Jun-21
New Mexico* **	2,461	8,095	619	11,174	7,450	596	3,129	3,129	Apr-21
New York* **	9,161	82,684	4,500	96,345	84,491	4,500	7,354	3,301	Apr-21
North Carolina*	6,331	28,413	0	34,744	25,921	6,336	2,487	3,116	Nov-21
North Dakota*	1,156	1,986	275	3,417	2,497	0	920	749	May-21
Ohio*	4,721	25,983	-74	30,631	27,292	689	2,650	2,692	Jun-21
Oklahoma*	1,606	7,521	0	9,127	7,442	0	1,684	N/A	May-21
Oregon*	3,704	11,316	-20	15,000	12,469	0	2,531	1,660	Jun-21
Pennsylvania*	0	38,695	2,626	41,321	38,585	0	2,736	2,867	Jun-21
Rhode Island*	281	4,411	-141	4,551	4,551	0	1	235	Jul-21
South Carolina* **	3,615	9,271	198	13,085	10,495	176	2,413	1,734	Jun-21
South Dakota*	86	1,858	0	1,944	1,818	86	40	302	Mar-21
Tennessee*	2,198	16,692	-601	18,289	17,355	917	17	1,550	May-21
Texas*	11,230	58,444	0	69,674	60,412	2,815	6,448	12,120	Jun-21
Utah*	1,114	8,699	18	9,831	9,772	0	59	835	Mar-21
Vermont*	0	1,847	0	1,847	1,850	-1	-1	265	Jun-21
Virginia*	1,917	23,611	0	25,529	23,414	0	2,115	2,138	Aug-21
Washington*	3,366	27,532	-203	30,695	27,066	0	3,629	266	May-21
West Virginia*	679	4,570	0	5,249	4,495	15	738	1,050	Apr-21
Wisconsin*	2,581	18,571	464	21,616	19,303	252	2,062	N/A	Jul-21
Wyoming	0	984	299	1,283	1,283	0	0	1,058	May-20
Total	**$142,588**	**$975,287**		**$1,145,052**	**$1,018,309**		**$91,125**	**$100,155**	

*NOTES: N/A indicates data are not available. *See Notes to Table 5 at the end of the chapter. **In these states, the ending balance includes the balance in the rainy day fund. Date listed above reflects date budget was enacted. See footnotes to this table for more details.*

TABLE 6

General Fund Nominal Percentage Expenditure Changes, Fiscal 2020 to Fiscal 2022

State	Fiscal 2020	Fiscal 2021	Fiscal 2022
Alabama	7.6%	6.8%	2.2%
Alaska	-1.7	-3.5	-1.6
Arizona	5.2	20.6	-5.8
Arkansas	2.2	2.6	-0.9
California	4.2	13.5	18.3
Colorado	-1.1	4.2	12.8
Connecticut	-0.6	4.6	3.5
Delaware	2.7	0.1	15.8
Florida	-1.2	2.8	27.3
Georgia	2.8	-3.6	2.4
Hawaii	1.5	9.0	1.3
Idaho	5.6	-1.0	9.2
Illinois	14.6	2.0	1.8
Indiana	1.5	7.3	2.7
Iowa	3.9	-0.2	4.0
Kansas	7.0	-3.4	12.1
Kentucky	-0.3	-1.0	6.2
Louisiana	1.4	-2.7	0.1
Maine	7.5	-1.0	6.9
Maryland	9.0	-3.2	10.7
Massachusetts	3.5	8.3	6.2
Michigan	-14.8	17.4	12.9
Minnesota	3.1	0.8	6.0
Mississippi	3.6	-2.5	4.2
Missouri	-3.4	6.3	6.5
Montana	1.3	10.2	1.6
Nebraska	3.0	0.6	6.4
Nevada	1.1	2.1	1.9
New Hampshire	12.2	-4.9	-0.5
New Jersey	0.3	17.9	2.2
New Mexico	2.1	15.9	-16.2
New York	6.4	-4.4	14.0
North Carolina	1.7	-0.4	8.2
North Dakota	5.7	1.2	5.7
Ohio	-1.8	0.7	16.8
Oklahoma	6.8	-12.2	13.1
Oregon	8.2	4.1	8.8
Pennsylvania	5.4	-3.4	13.4
Rhode Island	0.3	5.0	10.1
South Carolina	6.0	-2.7	25.0
South Dakota	4.0	10.9	-3.7
Tennessee	2.5	8.3	9.6
Texas	13.0	-0.3	2.6
Utah	-3.7	16.6	14.9
Vermont	0.7	8.4	6.2
Virginia	3.9	1.8	3.2
Washington	4.5	3.6	9.0
West Virginia	-0.3	4.1	-5.9
Wisconsin	2.7	5.8	-1.1
Wyoming	0.0	-21.1	-0.1
Average	**4.0%**	**4.3%**	**9.3%**
Median	2.8%	2.0%	6.1%

**Fiscal 2020 reflects changes from fiscal 2019 expenditures (actual) to fiscal 2020 expenditures (actual). Fiscal 2021 reflects changes from fiscal 2020 expenditures (actual) to fiscal 2021 expenditures (preliminary actual). Fiscal 2022 reflects changes from fiscal 2021 expenditures (preliminary actual) to fiscal 2022 expenditures (enacted).*

Mid-Year Budget Actions for Fiscal 2021

Mid-year budget actions include any actions, whether legislative or executive (e.g., executive order, withholding of excess funds), that change the appropriated or authorized expenditure level compared to the original enacted budget. After several years of minimal mid-year budget cuts prior to the COVID-19 crisis, fiscal 2020 saw an uptick in states making mid-year reductions due to a shortfall, as reported in the *Fall 2020 Fiscal Survey* (*See Figure 2)*. This survey looks at mid-year actions that were taken in fiscal 2021.

Overall, 18 states reported net mid-year decreases in general fund spending for fiscal 2021, while 17 states reported increases compared to their enacted budgets. However, among the 18 states that reported net mid-year cuts, only seven attributed these cuts to a revenue shortfall, with spending reductions due to a shortfall totaling $4.7 billion. *(See Table 7)* The other states reporting decreases indicated that the reductions resulted from lower spending needs or in areas where federal assistance was able to be used in place of general funds. A number of states reported using federal funds to offset general fund spending changes in Medicaid and Corrections areas, for example.

For the 17 states that reported net mid-year increases in general fund spending, these included supplemental appropriations for fiscal 2021 — including for pandemic response — restoration of spending cuts included in originally enacted budgets due to upward revisions to revenue forecasts. Some one-time increases due to surplus funds, including rainy day fund deposits, are also reflected in mid-year spending changes.

The net impact of states' mid-year budget changes for fiscal 2021 was a $30.8 billion increase, almost entirely driven by a large increase to one state's enacted budget, which had previously made significant spending reductions. Overall, K–12 education saw the largest net increase of $17.3 billion, while the All Other category saw a net increase of $14.6 billion. Higher Education, Public Assistance and Transportation all saw net mid-year increases as well. Meanwhile, Medicaid and Corrections saw net reductions in general fund spending compared to enacted levels for fiscal 2021; a number of states noted these reductions were offset by the use of additional federal funds in these areas. *(See Table 8)*

State Spending from All Sources

This report captures only state general fund spending. General fund spending represents the primary component of expenditures from revenue derived from taxes and other resources which have not been earmarked to other funds. According to the most recent edition of NASBO's *State Expenditure Report*, fiscal 2021 spending from all sources (general funds, federal funds, other state funds and bonds) is estimated to total $2.65 trillion. While general funds have historically represented the largest category of *total* state spending by fund source, federal funds surpassed them in fiscal 2021 due to the large influx of COVID-19 aid to states. In fiscal 2021, federal funds comprised 40.5 percent of total state spending, with general funds at 34.8 percent, other state funds at 23.0 percent, and bonds at 1.7 percent. The program area components of total state spending for fiscal 2021 are: Medicaid, 27.2 percent; elementary and secondary education, 18.2 percent; higher education, 8.5 percent; transportation, 7.1 percent; corrections, 2.5 percent; public assistance, 1.2 percent; and all other expenditures, 35.3 percent. Pandemic-related spending is heavily concentrated in the All Other category, explaining why this program area's share of the budget grew so significantly in fiscal 2021.

For fiscal 2021, components of general fund spending are elementary and secondary education, 35.8 percent; Medicaid, 17.8 percent; higher education, 9.4 percent; corrections, 5.7 percent; public assistance, 1.0 percent; transportation, 1.2 percent; and all other expenditures, 29.2 percent.

Enacted Appropriation Changes for Fiscal 2022

Overall, enacted general fund budgets for fiscal 2022 call for $114.5 billion in increases over fiscal 2021 enacted appropriation levels. While this figure is larger than typically observed, it is important to note that some states' enacted budgets for fiscal 2021, used as the baseline here, assumed significant general fund budget reductions, which were subsequently restored in some cases. Moreover, appropriation increases for fiscal 2022 also reflect a shift from reliance on federal funds for certain expenditures to a greater reliance on general funds, especially in Medicaid and Corrections. It should also be noted that sizeable appropriation increases in one large state make up a little more than half of the total net spending change reported. Additionally, in limited instances, some federal COVID-19 aid may be reflected in this total figure, though this is generally excluded here.

All program areas would see net increases in general fund appropriations according to states' enacted budgets for fiscal 2022. K–12 education, the largest area of state general fund spending, would see a $29.5 billion increase in general fund appropriations. Medicaid, the second largest area of state general fund spending, would see a $15.3 billion appropriation increase, in large part driven by the expected expiration of the enhanced Federal Medical Assistance Percentage (FMAP). Higher education would see an $8.0 billion appropriation increase, Public Assistance a $1.7 billion increase, and Corrections a $2.8 billion increase. Transportation, which is primarily funded by special fund sources outside of the general fund, would see a $5.7 billion general fund appropriation increase; most of this increase is attributable to one-time investments by one large state.

The "all other" category of general fund spending received the largest proposed general fund appropriation increase in the aggregate for fiscal 2022, with states directing $51.6 billion in additional funding to this broad category comprised of a diverse range of programs. Some states provided further detail on proposed appropriation changes in this category, which include one-time state stimulus investments, increases for housing programs, other health programs besides Medicaid, deposits to reserve funds, pension fund contributions, public safety, environment and conservation projects, economic development, capital construction and debt service, children and family services, local government assistance, and state parks. *(See Table 9)*

States were asked to indicate if any of their enacted general fund appropriation changes were offset or supplemented by changes in other state fund sources or by federal funds. The areas where other state fund changes were most commonly reported were K–12 education and Medicaid. Not surprisingly, federal fund offsets were most often reported for Medicaid, which can be attributed in large part to the enhanced Federal Medical Assistance Percentage (FMAP) during the COVID-19 public health emergency (PHE), and Corrections, due primarily to the allowable use of Coronavirus Relief Funds (CRF) — provided by the CARES Act — for public safety payroll costs. See Notes to Table 9 for more discussion on this.

Compared to governors' budget proposals for fiscal 2022, enacted budgets plan for significantly more new general fund spending. This is attributable in large part to upward revisions in revenue forecasts from the time governors proposed budgets to when states enacted appropriations for fiscal 2022. This is especially evident in the "All Other" category, which is slated to receive more than double the new money that was proposed in governors' budgets. Much of the additional funds in this category represent spending for one-time uses supported by prior-year surpluses.

Budget Gaps

In this survey, 11 states reported facing general fund budget gaps during fiscal 2021 totaling $11.9 billion. This followed fiscal 2020, when 22 states reported closing $25.6 billion in budget gaps in the *Fall 2020 Fiscal Survey*. Meanwhile, 13 states reported closing $23.2 billion in budget gaps for fiscal 2022, while just one state reported an ongoing budget gap for the current fiscal year. So far, five states are forecasting $2.8 billion in budget gaps for fiscal 2023; a number of states are not yet able to estimate budget gaps for the next fiscal year.

It is important to note that these do not represent 50-state shortfall figures. States vary greatly in how they define and measure budget gaps, and not all states have a formal process to identify and report gaps. It is also important to note that budget gap projections are moving targets and can change over the course of the fiscal year. This has been especially true during the pandemic given the high degree of economic uncertainty and rapidly evolving fiscal conditions.

Budget Management Strategies for Fiscal 2021 (Mid-Year) and Fiscal 2022 (Enacted)

In order to manage their budgets, particularly in an economic downturn, states employ a variety of strategies and tools, including spending reductions (across-the-board or targeted), revenue changes, personnel actions, efficiency savings, and one-time measures. While state fiscal conditions and budget outlooks have improved considerably compared to this time one year ago, states are still taking steps to manage their budgets and control spending levels.

Strategies for Fiscal 2021 Mid-Year / Post-Enacted. States reported on the strategies used to manage their budgets in the middle of fiscal 2021, post-enactment. For most states, the strategies identified in this survey represent the actions states took to close budget gaps projected due to the COVID-19 crisis and its economic impacts. Nineteen states reported making targeted spending cuts, and seven states reported making across-the-board cuts in the middle of fiscal 2021. Another way to reduce spending is through personnel actions — in that regard, 17 states imposed hiring freezes and/or eliminated vacant positions, four states imposed furloughs, two states reported salary reductions, and one state offered employees early retirement. The spending impacts of these various changes are shown earlier in this chapter in discussion of mid-year spending adjustments for fiscal 2021. Some states also utilized one-time measures to manage their budgets in the middle of the year, including tapping rainy day funds (12 states), other fund transfers (13 states), using prior-year fund balances (9 states), and deferring payments (4 states). Some states also reported using federal assistance to offset some eligible general fund costs related to pandemic response and relief. Many states provided more details on these strategies in footnotes, printed at the end of this chapter. *(See Table 10)*

Strategies Enacted for Fiscal 2022. States were also asked to identify the strategies used in enacted budgets for fiscal 2022. Overall, budget management strategies were used to a lesser extent in fiscal 2022 given improved state fiscal conditions. Most states that included spending reductions in enacted budgets took a targeted approach, with 14 states reporting targeted spending cuts as a budget management strategy and only two states reporting across-the-board cuts for fiscal 2022. Ten states reported continuing hiring freezes and/or eliminating vacant positions into fiscal 2022. Outside of hiring freezes, enacted personnel actions were minimal. Five states reported agency reorganizations and eight states cited Medicaid program changes, while six states reported using revenue increases. Only a few states turned to other, largely one-time measures to manage their budgets as well, including rainy day funds (5 states), other fund transfers (4 states), using prior-year fund balances (6 states), and deferring payments (2 states). *(See Table 11)*

TABLE 7

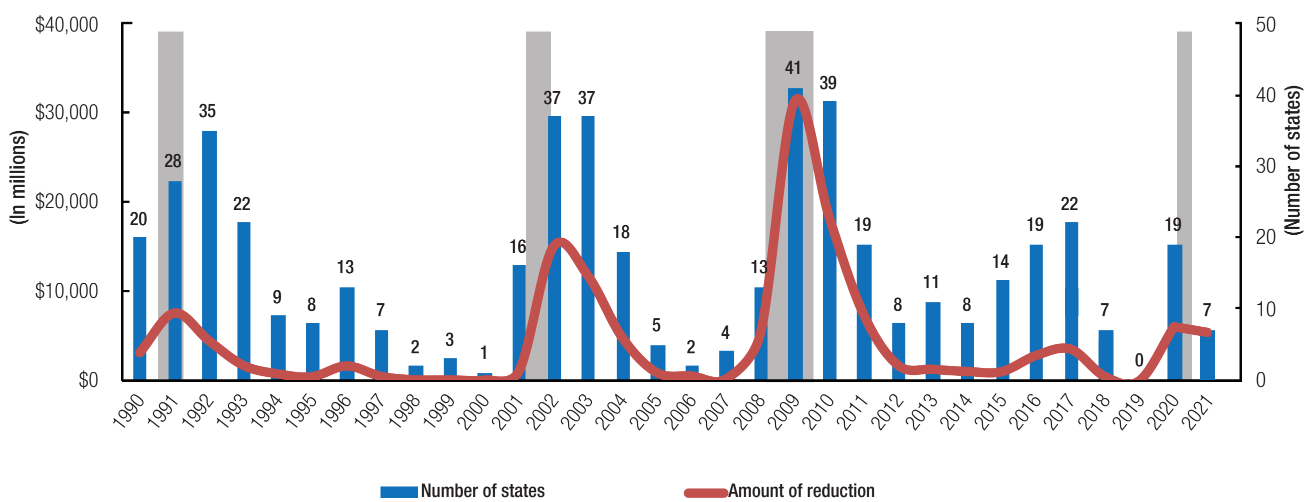
States with Net Mid-Year Cuts in Fiscal 2021 Due to a Shortfall

State	FY 2021 Size of Cuts ($ in Millions)	Programs or Expenditures Exempted from Cuts
Indiana*	$239.9	K–12 education funding, child services, Medicaid, pensions, and other miscellaneous departments
Maine*	194.2	K–12 Education
Maryland*	561.8	
Nevada*	656.0	
New Mexico	558.6	
Ohio	390.0	
Washington*	2,085.0	
Total	**$4,685.5**	

See Notes to Table 7 at the end of the chapter. See Table 8 for more details on mid-year spending actions by program area.

FIGURE 2:

Figure 2: Budget Cuts Made After the Budget Passed, Fiscal 1990 to Fiscal 2021



Gray boxes denote recessionary periods, based on a July-June fiscal year calendar that most states follow. Recession dates are as follows: Early 1990s recession (July 1990 to March 1991); Early 2000s recession (March 2001 to November 2001); Great Recession (December 2007 to June 2009); COVID-19 Recession (February 2020 - April 2020).

Note: Beginning in Fiscal 2018, NASBO asked states reporting net mid-year budget reductions whether the reductions were made due, at least in part, to a revenue shortfall. Effective in FY2018 going forward, only states reporting mid-year budget cuts due to a revenue shortfall are included in the totals reported in this figure. Prior to FY2018, particularly in non-recessionary periods, states that reported mid-year cuts that were due to other reasons, such as a reduction in caseload, would have been included in the counts above.

TABLE 8

Fiscal 2021 Mid-Year Program Area Budget Actions By Dollar Value (Millions)

State	K–12 Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	Other	Total
Alabama*	$52.8	$6.6		$50.2	$40.7		$295.8	$446.1
Alaska*	1.5		$1.2			-$3.5		-0.8
Arizona								
Arkansas*							2.5	2.5
California*	18,315.6	2,275.0	1,245.7		157.2		8,220.0	30,213.5
Colorado*				-294.8				-294.8
Connecticut		50.0	-55.6		1.2		11.0	6.6
Delaware								
Florida*	-102.2	-0.4			-46.6		-146.9	-296.1
Georgia	610.5	77.4	67.3	-395.0	18.2	199.9	125.7	704.0
Hawaii*	-13.6	-12.0	-9.9	-1.5	-1.4		-52.2	-90.6
Idaho*	-98.7	-22.6	-9.0	-36.7	-16.2		-12.3	-195.5
Illinois								
Indiana*		-103.2				-7.1	-129.6	-239.9
Iowa*							44.2	44.2
Kansas								
Kentucky*	-154.0	-20.0			-55.7		-81.3	-311.0
Louisiana*	-2.8	16.6		-147.0	74.3	6.0	691.3	638.4
Maine*	43.8	-0.6		-128.3	-67.5		-41.6	-194.2
Maryland*	-2.0	-155.3	80.0	-645.5	-24.4	-28.0	213.4	-561.8
Massachusetts*	131.3		27.9				102.4	261.6
Michigan*	3.5	57.3	-40.9	-708.9			1,024.0	335.0
Minnesota*	-3.3	-5.3				6.0	-27.8	-30.4
Mississippi*	3.1	4.1			21.7		503.6	532.5
Missouri*								
Montana								
Nebraska*	-1.7				-38.2		-1.6	-41.5
Nevada	-170.7	-140.9	-2.9	-129.7	-3.6		-208.2	-656.0
New Hampshire								
New Jersey*	122.0	7.6	7.8	-399.0	-9.6	-92.5	3,956.5	3,592.8
New Mexico*	-206.8	-98.0	-3.2	-121.4	-16.6		-112.6	-558.6
New York*								
North Carolina								
North Dakota								
Ohio	-175.9	-73.4		-28.0	-13.6	-8.2	-90.9	-390.0
Oklahoma								
Oregon*	-150.2	-25.5	-2.6	-92.0	71.7	93.6	156.8	51.8
Pennsylvania*	-81.0		-4.0	17.0	-197.0		229.0	-36.0
Rhode Island*				-52.7	-52.4		-65.5	-170.6
South Carolina								
South Dakota	2.1	121.9	-21.5	-94.3	-49.7	29.0	181.7	169.2
Tennessee	147.9	15.8					129.7	293.4
Texas								
Utah	128.3	0.3	-1.8	-70.3		4.0	10.5	71.0
Vermont			1.8	-5.6	-12.1	0.1	88.6	72.8
Virginia	-192.8	-84.5	-35.6	-829.5	-9.5		235.2	-916.7
Washington*	-894.0	8.0	-249.0	-83.0	12.0	2.0	-881.0	-2,085.0
West Virginia*	-0.8	33.2			31.9	150.8	222.6	437.7
Wisconsin								
Wyoming								
Total	**$17,312.0**	**$1,932.1**	**$995.7**	**-$4,196.1**	**-$185.2**	**$352.1**	**$14,593.1**	**$30,803.7**
Increases	12	13	7	2	9	9	20	17
Decreases	16	13	12	19	16	5	13	18

*NOTE: *See Notes to Table 8 at the end of the chapter.*

TABLE 9

Fiscal 2022 Enacted Program Area Appropriation Changes by Dollar Value (Millions)

State	K–12 Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
Alabama*	$302.4	$121.4	$6.3	-$51.0	$26.4		$44.2	$449.6
Alaska	-26.3	-4.3	-0.9	-34.5	12.4	-$14.7		-68.2
Arizona*	329.8	136.7	-24.0	-36.4	78.9	3.3	-1,272.1	-783.8
Arkansas	33.6	43.2		60.0	20.5		44.6	201.9
California*	17,946.4	4,959.1	1,184.7	5,530.6	1,358.7	4,516.8	27,044.0	62,540.3
Colorado*	284.3	603.5		532.2	25.7	170.0		1,615.7
Connecticut*	48.9	-5.4	-17.7	-59.7	-55.5		749.5	660.1
Delaware	65.9	4.1		19.9	14.9	10.9	130.6	246.3
Florida*	-314.1	155.9	12.1	1,325.8	72.8		464.0	1,716.5
Georgia	583.7	160.8	83.1	350.1	0.3	223.5	-17.3	1,384.1
Hawaii*	11.5	-29.0	-30.0	0.7	13.3		-350.5	-384.0
Idaho	74.6	6.0		45.5	29.5		4.9	160.5
Illinois	342.0	20.0			-6.0		295.0	651.0
Indiana*	388.6	-20.0	-2.2	-34.0	63.4	-2.0	602.0	995.8
Iowa*	35.2	21.3		44.2	20.5		219.5	340.7
Kansas*	245.4	72.5		239.0	-12.0	239.0	132.0	915.9
Kentucky*	286.5	67.5		-84.5	94.1	14.5	300.6	678.7
Louisiana	-61.2	202.2		-273.9	402.4	10.5	370.5	650.6
Maine*	105.0	9.9	-1.0	65.3	73.7		15.6	268.5
Maryland*	-58.0	-68.4	55.4	204.2	-31.9	8.7	1,158.4	1,268.4
Massachusetts*	275.5	48.0	52.3	705.8	9.9	22.5	512.2	1,626.1
Michigan*	31.0	100.0	-8.3	742.0	196.1		-255.4	805.4
Minnesota	210.6	53.0	2.3	-602.3	2.3	201.6	622.1	489.6
Mississippi*	64.7	26.8		85.8	12.7		43.4	233.4
Missouri	83.7	140.0	1.1	-70.1	28.9	9.2	248.9	441.7
Montana	24.6	1.1		-28.6	0.1		8.6	5.8
Nebraska*	0.3	27.1	1.2	-21.3	11.8		12.5	31.6
Nevada	452.4	-18.6	3.0	125.3	-4.0		45.1	603.2
New Hampshire		0.6			2.9		-58.3	-54.8
New Jersey*	2,400.8	265.3	64.4	422.1	17.3	-266.0	-1,904.9	998.9
New Mexico*	234.7	51.7	-1.4	62.8	-0.5		39.7	387.0
New York*	855.9	-547.9	-43.1	2,431.4	-196.8	-360.9	13,682.4	15,821.0
North Carolina	614.3			-163.1	8.9			460.1
North Dakota				38.3	-6.0			32.3
Ohio*	374.7	173.6	5.0	298.1	81.1	1.9	620.2	1,554.6
Oklahoma*	446.3	-46.6			13.2		448.2	861.1
Oregon*	419.7	332.9	25.8	570.0	-785.5	-82.9	2,504.7	2,984.7
Pennsylvania*	656.0	4.0	-3.0	2,200.0	1,250.0		464.0	4,571.0
Rhode Island*	48.3	22.0		125.2	73.1		128.8	397.5
South Carolina*	246.3	425.3	56.8	36.5	54.5	103.7	998.1	1,921.2
South Dakota	19.6	8.3	12.7	26.4	1.4		7.3	75.7
Tennessee	208.1	212.5		86.0	100.8		235.1	842.5
Texas								
Utah*	142.5	46.0	1.8	85.8	-362.1	867.0	483.6	1,264.6
Vermont	36.3	5.7	3.8	46.7	1.5	-0.1	13.4	107.3
Virginia	2.1	126.1	-8.6	-189.7	-0.5	55.0	915.9	900.3
Washington*	895.1	90.8	264.8	376.5	62.6	1.4	2,227.5	3,918.6
West Virginia*	-67.1	-30.2		20.7	-1.3	-2.8	1.3	-79.5
Wisconsin	226.0	75.6		3.2	61.1	-14.0	-239.4	112.5
Wyoming		-66.0			-28.0		-180.0	-274.0
Total	**$29,526.5**	**$7,984.1**	**$1,696.4**	**$15,256.9**	**$2,807.6**	**$5,716.2**	**$51,560.5**	**$114,548.1**
Increases	41	37	18	32	36	17	37	43
Decreases	5	10	11	13	13	8	8	6

*NOTE: *See Notes to Table 9 at the end of the chapter. Value of changes are in reference to funding level of FY 2021 enacted budget.*

TABLE 10
Strategies Used to Manage Budget, Fiscal 2021 Mid-Year (Post-Enacted)

State	Across-the-Board % Cuts	Targeted Cuts	Layoffs	Furloughs	Early Retirement	Salary Reductions	Cuts to State Employee Benefits	Eliminating Vacant Positions / Hiring Freeze	Pension / OPEB Adjustments
Alabama									
Alaska		X						X	
Arizona*									
Arkansas								X	
California*				X		X			X
Colorado*	X	X						X	
Connecticut		X							
Delaware									
Florida*		X						X	
Georgia									
Hawaii		X						X	
Idaho*	X							X	
Illinois									
Indiana*	X	X						X	
Iowa									
Kansas*		X						X	
Kentucky									
Louisiana*		X						X	
Maine*		X						X	
Maryland*	X	X						X	
Massachusetts*									
Michigan*									
Minnesota									
Mississippi									
Missouri*									
Montana									
Nebraska*		X							
Nevada*	X			X				X	
New Hampshire									
New Jersey*									
New Mexico*	X	X						X	
New York*									
North Carolina									
North Dakota									
Ohio*		X		X		X		X	
Oklahoma									
Oregon*		X						X	
Pennsylvania*		X						X	
Rhode Island*		X			X				
South Carolina									
South Dakota		X							
Tennessee*									
Texas*	X								
Utah									
Vermont		X							
Virginia*									
Washington*		X		X				X	
West Virginia									
Wisconsin*									
Wyoming									
Total	**7**	**19**		**4**	**1**	**2**		**17**	**1**

*NOTE: *See Notes to Table 10 at the end of the chapter.*

TABLE 10 (CONTINUED)

Strategies Used to Manage Budget, Fiscal 2021 Mid-Year (Post-Enacted)

State	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Revenue Increase	Medicaid Program Changes	Other
Alabama										
Alaska		X		X		X			X	
Arizona*									x	
Arkansas				X	X					
California*					X					X
Colorado*				X	X	X	X	X	X	X
Connecticut										
Delaware										
Florida*										X
Georgia										
Hawaii						X				
Idaho*					X	X				
Illinois										
Indiana*					X					
Iowa										
Kansas*					X	X				
Kentucky										
Louisiana*				X				X		
Maine*						X				X
Maryland*	X			X	X					
Massachusetts*										X
Michigan*										
Minnesota										
Mississippi		X								
Missouri*									X	
Montana										
Nebraska*	X			X	X	X				X
Nevada*				X	X					
New Hampshire										
New Jersey*				X			X			X
New Mexico*				X	X					X
New York*							X			
North Carolina										
North Dakota										
Ohio*										
Oklahoma										
Oregon*				X	X					
Pennsylvania*				X	X	X				X
Rhode Island*							X	X		X
South Carolina										
South Dakota										
Tennessee*										X
Texas*										
Utah										
Vermont						X				
Virginia*										X
Washington*				X	X				X	
West Virginia										
Wisconsin*										
Wyoming										
Total	**2**	**2**		**12**	**13**	**9**	**4**	**3**	**5**	**12**

*NOTE: *See Notes to Table 10 at the end of the chapter.*

TABLE 11

Strategies Used to Manage Budget, Fiscal 2022 Enacted

State	Across-the-Board % Cuts	Targeted Cuts	Layoffs	Furloughs	Early Retirement	Salary Reductions	Cuts to State Employee Benefits	Eliminating Vacant Positions / Hiring Freeze	Pension / OPEB Adjustments
Alabama									
Alaska*		X						X	
Arizona*									
Arkansas								X	
California*									X
Colorado*									
Connecticut		X							
Delaware									
Florida									
Georgia									
Hawaii		X							
Idaho*									
Illinois									
Indiana*		X							
Iowa									
Kansas*									
Kentucky									
Louisiana*		X						X	
Maine*		X							
Maryland		X						X	
Massachusetts*									
Michigan									
Minnesota									
Mississippi*								X	
Missouri*		X						X	
Montana									
Nebraska*									
Nevada		X					X		
New Hampshire									
New Jersey*									
New Mexico*								X	
New York*	X							X	
North Carolina									
North Dakota									
Ohio									
Oklahoma									
Oregon									
Pennsylvania*		X						X	
Rhode Island*		X			X				
South Carolina									
South Dakota		X							
Tennessee*									
Texas*	X								
Utah									
Vermont		X							
Virginia*									
Washington*									
West Virginia									
Wisconsin*									
Wyoming		X		X				X	
Total	**2**	**14**		**1**	**1**		**1**	**10**	**1**

*NOTE: *See Notes to Table 11 at the end of the chapter.*

TABLE 11 (CONTINUED)

Strategies Used to Manage Budget, Fiscal 2022 Enacted

State	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Revenue Increase	Medicaid Program Changes	Other
Alabama										
Alaska*		X		X					X	
Arizona*									X	
Arkansas									X	
California*					X					X
Colorado*								X	X	X
Connecticut							X	X		
Delaware										
Florida										
Georgia										
Hawaii						X				
Idaho*					X	X				
Illinois										
Indiana*					X					
Iowa										
Kansas*				X		X				
Kentucky										
Louisiana*										
Maine*						X				X
Maryland										
Massachusetts*										X
Michigan										
Minnesota										
Mississippi*										X
Missouri*		X							X	
Montana		X							X	
Nebraska*	X			X	X				X	X
Nevada				X						
New Hampshire										
New Jersey*				X		X	X			
New Mexico*										
New York*						X		X		
North Carolina										
North Dakota										
Ohio										
Oklahoma										
Oregon										
Pennsylvania*		X						X		X
Rhode Island*								X		X
South Carolina										
South Dakota		X								
Tennessee*										X
Texas*										
Utah										
Vermont										
Virginia*										X
Washington*								X	X	
West Virginia										
Wisconsin*										
Wyoming										
Total	1	5		5	4	6	2	6	8	10

*NOTE: *See Notes to Table 11 at the end of the chapter.*

Notes to Table 3: Fiscal 2020 State General Fund, Actual

For all states, unless otherwise noted, transfers into budget stabilization funds are counted as expenditures, and transfers from budget stabilization funds are counted as revenues.

Alabama Revenue adjustments include transferring $15 million from the ETF Advancement and Technology Fund to the ETF. Expenditure adjustments include transferring $66.5 million from the ETF to the ETF Budget Stabilization Fund, transferring $512.9 million from the ETF to the ETF Advancement and Technology Fund, and transferring $5 million from the GF to the GF Budget Reserve Fund.

Alaska Adjustments include: Prior-year appropriation lapses/reversions to the general fund; Transfers from other funds into the general fund; permanent fund dividends.

Arizona Includes deposit into Budget Stabilization Fund (Rainy Day Fund)

Arkansas 25% of the ending balance was transferred to the Arkansas Highway Transfer Fund, the remaining transferred to the General Revenue Allotment Reserve Fund. Total available revenue amounts are reported as net of refunds and special dedications/payments.

Transfers from the ending balance has been amended in statute during the 2021 Regular Session, where 25% of the first $200M over Revenue Stabilization will be transferred to the Department of Transportation and the remaining amount will be transferred to the General Revenue Allotment Reserve. Previous statute stated, 25% of any amount over Revenue Stabilization would be transferred to the Department of Transportation.

California Total Revenues reflect revenues before transfers and loans to/from the General Fund. Estimated cost recoveries for Fiscal 2020 for COVID-19 and wildfires are included as "revenue adjustments". Revenue and expenditure adjustments to the beginning fund balance consist primarily of adjustments made to major taxes and other non K-12 spending. Revenue adjustments include $4,682.4 million in transfers and loans to/from the General Fund as well as $706.9 million in estimated cost recoveries for COVID-19 and wildfires.

The ending balance includes the Special Fund for Economic Uncertainties (SFEU) but excludes the BSA (a rainy day reserve held in a separate fund) and the Safety Net Reserve Fund. The excluded amounts are $17,350.4 million for the BSA and $900 million for the Safety Net Reserve Fund at the end of FY 2020. Adding these amounts to the FY 2020 ending balance, the projected total balance is $23,807.2 million in FY 2020.

The rainy day balance is made up of the SFEU, BSA, and the Safety Net Reserve Fund, however, withdrawals of mandatory deposits from the BSA are subject to provisions of Proposition 2, 2014.

The ending balance includes a reserve for encumbrances of $3,175.1 million representing amounts which will be expended in the future for state obligations for which goods and services have been ordered/contracted but have not been received by the end of the fiscal year. These amounts are shown as a reserve to the fund balance instead of a hit to the fund balance.

Colorado Revenue Adjustment represents transfers to the general fund. Expenditure Adjustment represents reversions and accounting adjustments.

Connecticut FY 2020 Rainy Day Fund balance includes a deposit of $530.3 million due to the volatility cap and a deposit of $38.7 million due to a surplus at the end of the FY. Once the Rainy Day Fund reaches 15% of the following fiscal year's projected expenditures, Connecticut statute requires funds in excess of the 15% to be transferred from the Rainy Day Fund to reduce the unfunded liability of the State Employees Retirement (SERS) Pension Fund or Teachers Retirement (TRS) Pension Fund, and to reduce bonded indebtedness. The Rainy Day Fund balance at the end of FY 2020 reached the 15% threshold of FY 2021 expenditures. $61.6 million was transferred from the Rainy Day Fund to reduce the liabilities of the SERS Pension Funds. The Rainy Day Fund will then have a total balance of $3,012.9 million after the transfer.

Delaware FY 2020 General Fund balance also includes $126.3 million in the Budget Stabilization Fund

Florida	Revenue adjustments include CARES Act funds and FEMA Reimbursements in addition to "traditional" adjustments associated with trust fund transfers, reversions, and various other actions. Expenditure adjustments include CRF disbursements.
Georgia	FY20 beginning balance reflects general fund balances as of June 30, 2019 for Revenue Shortfall Reserve, Guaranteed Revenue Debt Common Reserve Fund, and State Revenue Collections as reported on the FY19 Combined Balance Sheet of the Budgetary Compliance Report. Adjustments to Revenues include FY19 agency surplus returned and early remittance of FY20 surplus from state agencies.
Hawaii	Due to a combination of timing issues with enactment of various laws and accounting system limitations certain items were processed in FY21 but have been reflected as authorized in FY20. Adjustment in FY 2020, $648 million deposit to the general fund from the Emergency and Budget Reserve Fund.
Idaho	Revenue adjustments: $84.5M for statutory/legislative transfers out, $20.1M for statutory/legislative transfers in, $.4M for miscellaneous adjustments, $7.5M for prior-year reversion, $2.9 for reappropriation. Expenditure adjustments: $17.6M reversions, $2.9M prior-year reappropriation, $1.1M miscellaneous adjustments.
Illinois	Total revenues include $32,078M in state sources, $3,551M in federal, $2,431M in transfers in. Adjustments include $1,198M short-term borrowing proceeds from the Municipal Liquidity Facility (MLF), $462M interfund borrowing, $400M in Treasurer's investment borrowing and minus $199M in Comptroller budgetary basis adjustments. Total expenditures include $30,997M in appropriations, $8,328M in pension contributions, $2,309M in transfers out, and $287M in interfund and investment borrowing repayment. Expenditure adjustments include -$1,725 in unspent appropriations, -$23M in Comptroller budgetary basis adjustments, -$102M in accounts payable, and -$215M in transfers for unclaimed property.
Indiana	Revenue adjustments include a transfer to the General Fund to assist with the Integrated Tax System, a casino relocation fee, a $13.2 million transfer from a Special Transportation Flexibility Fund, a one-time judgment payment of $73.1 million, and a $577.6 million transfer from the Medicaid Contingency & Reserve Account (part of "Rainy Day Fund Balances" in FY19 and prior). Expenditure adjustments include reversions from prior year distributions, capital, and reconciliations; reversions from prior year Medicaid appropriations; state agency and university line item capital projects; the cost of a 13th check for pension recipients; and minimal one-time expenditures.
Iowa	Total Revenues are as actual, also included in revenue adjustments is $195.6 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. Total Expenditures actual appropriations including $185.6 million of supplemental appropriations for FY2020.
Kansas	$11.9 million in prior year released encumbrances shows as revenue.
Kentucky	Revenue includes $112.7 million in Tobacco Settlement Funds. Revenue adjustments include $222.8 million that represents appropriation balances carried forward from the prior fiscal year, and $317.1 million from fund transfers into the General Fund. Expenditure adjustments include $375 in appropriation balances forwarded into the next fiscal year and budgeted balances to be expended in the next fiscal year.
Louisiana	Revenue adjustments — includes $87.9m of Carryforwards, $1.2m unappropriated use of FY17 & FY18 surpluses, $1.1m other receipts Expenditure adjustments of $59.4m includes $67.3m of carryforwards, $1.2m of unappropriated uses of surplus, minus ($9.0m) of pending transfers to be completed in FY21
Maine	Revenue and Expenditure adjustments reflect legislatively authorized transfers and year-end closing adjustments. Legislatively authorized transfers included transfers in from prior year balances available in carrying accounts and transfers out to the Budget Stabilization Fund ($17.4 million) and for funding going to other dedicated revenue accounts. Year-end adjustments included lapsed encumbrances, unbudgeted lapsed balances, other accounting adjustments and a statutory year-end transfer of $2.5 million to Reserve for Operating Capital.

Maryland	Revenue adjustments include $27.6 million in transfers from tax credit reserves, a $158 million transfer from the Revenue Stabilization Account (Rainy Day), and -$2.9 million in revenue under-attainment from transfers. Expenditure adjustments include $443.6 million in reversions, which was largely driven by the utilization of federal Coronavirus Relief Funds to replace salaries for public safety officials (State Police, etc.) as well as a spending and hiring freeze for State agency operations.
Massachusetts	General Fund is defined as all budgeted operating funds, adjusted for expenditures funded by federal reimbursements. This is to better align with spending reported in the *State Expenditure Report* and be more comparable to most other states, which book federally reimbursed expenditures in a separate federal fund; adjustments also account for certain transfers between budgeted funds.
Michigan	Revenue totals are net of payments to local governments and balance sheet adjustments. Adjustments (Revenues): Transfer from various restricted funds to the General Fund Adjustments (Expenditures): $42 million transfer to the School Aid Fund.
Minnesota	Rainy Day Fund balance includes cash flow account of $350 million and a budget reserve of $2,359 billion. Includes stadium reserve of $55.7 million and an appropriation carried forward amount of $246 million.
Mississippi	Adjustments to expenditures reflect statutory transfers and Reappropriations.
Missouri	Revenue adjustments include transfers from other funds into the General Revenue Fund and $250M borrowed from the Coronavirus Relief Fund for cash flow purposes.
Montana	Revenue adjustments reflect prior year revenue activity and expenditure adjustments reflect prior year expenditure activity and adjustments to fund balance as a result of the annual CAFR reconciliation.
Nebraska	Revenue adjustments are transfers between the General Fund and other funds. These include a $272 million transfer from the General Fund to the Property Tax Credit Cash Fund. There is an additional $11 million transfer to the Water Sustainability Cash Fund, $3.3 million to the Water Resources Cash Fund, and $500,000 to the Cultural Preservation Endowment Fund. There are also $48.5 million in usual and customary transfers into the General Fund from other cash funds, which is included in the net receipts line. There was also a $176.4 million transfer to the Cash Reserve Fund for revenues in excess of the Certified Forecast for FY 2019.
Nevada	Revenue adjustments are restricted revenue, reversion, Rainy Day Fund transfers in and reserve transfers in. Expenditure adjustments are restricted transfers out.
New Hampshire	Expenditure Adjustments: The makeup of this adjustment total for FY2020 includes $8.7 million negative GAAP adjustment, a movement of $0.2 million to the Rainy Day Fund, a movement of $4.0 million to the Highway Fund, and a movement of $68.1 million to the Education Trust Fund at year end.
New Jersey	Revenue adjustments include lapses; transfers to other funds; transfer from Surplus Revenue fund to General Fund. NJ extended its FY20 budget fiscal year from June 30 to September 30, 2020, and shortened budget FY21 to 9 months for the period of Oct 1 – June 30, 2021. All amounts and actions reported in this survey reflect a 12 month accounting fiscal period for each year.
New Mexico	Adjustments are net of reversions and transfers from other funds. Revenue adjustments include reversions. Expenditure adjustments include appropriations, expenditures and transfers out.
New York	The Rainy Day Reserve increased by $428 million after a deposit from the General Fund. This was the result of a transfer from the State Purposes Account to the Rainy Day Reserve Fund. Both the State Purposes Account and Rainy Day Reserve Fund are components of New York State's General Fund. General Fund revenues and expenditures include operating transfers to/from other funds which constitute legally authorized transfers from a fund receiving revenues, to a fund through which disbursements will ultimately be made.

North Carolina	Expenditure adjustments include: funds transferred to Budget Stabilization Reserve (Savings Reserve) ($36.5 million), a transfer to a rural broadband project ($15 million), and a transfer to the Department of Transportation out of the General Fund, $64 million, for a total of $115.5 million.
North Dakota	Revenue adjustments are transfers of $382.2 million from the strategic investment and improvements fund and $70.0 million from other special fund sources to the general fund.
Ohio	The negative revenue adjustment reflects the difference between federal revenues and federal expenditures in the general fund for the fiscal year. This change is needed to tie to actual ending fund balance. 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 not included in the General Fund number to be consistent with new NASBO survey guidelines.
Oklahoma	Revenue adjustments include $366.4 million deposit into the GRF from the Constitutional Reserve Fund (Rainy Day Fund) of $302.3 million and $64.1 million from the Revenue Stabilization Fund as directed by Legislative action. Reconciliation adjustments added $83.2 million to resource total reported in spring survey. A total of $229.9 million in reserves were available entering FY21, including $58.7 million in the Rainy Day Fund and $171.2 million in the Revenue Stabilization Fund.
Oregon	Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief
Pennsylvania	Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include a reduction for federal COVID funds.
Rhode Island	Adjustments to revenues reflect a transfer of $126.4 million to the State Budget Reserve and Cash Stabilization Account ("Rainy Day Fund") offset by a transfer from the State Budget Reserve and Cash Stabilization Account of $120.0 million and a reappropriation total of $5.3 million from FY 2019. In FY 2020, there was a $110.0 million FEMA reimbursement disallowance which resulted in a FY 2020 general revenue expenditure. This general revenue expenditure was recognized in expectation that an offsetting positive fund balance adjustment would take place in FY 2021 as FEMA reimbursement was received.
South Carolina	Revenue Adjustments: $9.6M transfer from Litigation Recovery Fund. Expenditure Adjustments: $151.6M transfer from Capital Reserve to agencies, $246.5M transfer from Contingency Reserve to agencies for COVID-19 response, $61.4M one-time taxpayer rebate related to State income taxes collected on prior year Powerball winnings. Ending Balance: includes Rainy Day Funds ($406.2M General Reserve and $775.0M Contingency Reserve), and $623.5M Carrryforward Appropriations to FY21.
South Dakota	The beginning balance of $19.4 million and adjustment to expenditures reflects the prior year's ending balance that is transferred to the rainy day fund. Adjustments to revenue of $22.4 million is from one-time receipts. The ending balance of $19.1 million is cash that is obligated to the Budget Reserve fund the following fiscal year. This $19.1 million is not included in the total rainy day fund balance of $174.3 million.
Tennessee	Revenue adjustments: $31 million transfer from debt service fund unexpended appropriations; -$325 million transfer to Rainy Day Fund; -$12.8 million transfer to Highway Fund; $106.3 million transfer from dedicated revenue reserves; -$95.1 million balancing estimate. Expenditure adjustments: $406.7 million transfer to capital outlay projects fund; $49.5 million transfer to state office buildings and support facilities fund; $3.7 million transfer to debt service fund; $1.0 million transfer to reserves for dedicated revenue appropriations; $464.2 million transfer to reserves for unexpended appropriations; $5.1 million transfer to systems development fund. Ending balance: $1,515.1 million reserve for appropriations 2020–2021; $476 million unappropriated budget surplus at June 30, 2020.
Texas	$2,196.3 is a transfer to the ESF and State Highway to be allocated equally.
Utah	Expenditure adjustments include $44.2 million of surplus revenue collections that were automatically transferred to rainy day funds and other funds at the end of FY 2020 based on statutory formulas. FY 2020 revenue adjustments include transfers to the General Fund and Education fund, the amount set aside for economic development cash incentives, funds that lapsed to General Fund or Education Fund at the end of FY 2020, and other revenue adjustments.
Virginia	Total revenues include transfers.

Washington Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments. Revenue figure reflects total general fund revenues, before transfers in and out of the general fund (which are included as adjustments).

West Virginia Fiscal Year 2020 Beginning balance includes $397.9 million of Reappropriations, Unappropriated Surplus Balance of 36.9 million, $3.76 million of cash balance adjustments, and FY 2019 13th month expenditures of $79.4 million. Total Revenues show the FY 2020 actual general revenue collections of $4,494.9 million. Adjustments (Revenue) are prior year redeposits of $0.016 million and special revenue expirations of $47.95 million. Total Expenditures include general revenue appropriated expenditures of $4,280.9 million, surplus appropriation expenditures of $54.5 million, reappropriation expenditures of $169.6 million, $3.5 million of cash adjustments, $79.4 million of reappropriations transferred to FY 2020 collections, and $54.4 million of 31 day prior year expenditures. Adjustment (Expenditures) represent $18.4 million which was the amount transferred to the Rainy Day Fund from 1/2 of the FY 2019 surplus. The Ending Balance is mostly the historically carried forward reappropriation from previous fiscal years (estimated amounts that will remain and be reappropriated to the next fiscal year), the estimated 13th month expenditures applicable to the current fiscal year & any unappropriated surplus balance (estimated) from the current fiscal year.

Wisconsin Revenue adjustments include Tribal Gaming, $5.3m; Prior Year Designated Balance, $97.1m; and Other Revenue, $528.3m. Expenditure adjustments include Transfers, $149.1m; Lapses, -$525.3m; and Compensation Reserves, $3.7m.

Wyoming The State of Wyoming budgets on a biennial basis, and to arrive at annual figures certain assumptions and estimates are required.

Notes to Table 4: Fiscal 2021 State General Fund, Preliminary Actual

For all states, unless otherwise noted, transfers into budget stabilization funds are counted as expenditures, and transfers from budget stabilization funds are counted as revenues.

Alabama Expenditure adjustments include transferring $22.3 from the GF to the GF Budget Reserve Fund, transferring $146.6 from the ETF to the ETF Budget Stabilization Fund, and transferring $307.1 from the ETF to the ETF Advancement and Technology Fund.

Alaska Adjustments include: Prior-year appropriation lapses/reversions to the general fund; Transfers from other funds into the general fund; permanent fund dividends.

Arkansas Total available revenue amounts are reported as net of refunds and special dedications/payments. 25% of the first $200M ($50M) of the ending balance was transferred to the State Highway and Transportation Department Fund. The remaining amount transferred to the General Revenue Allotment Reserve Fund. After the start of the next fiscal year, any remaining balances in the General Revenue Allotment Reserve Fund that were not obligated, were transferred to the Long Term Reserve Fund. [Transfers from the ending balance were amended in statute during the 2021 Regular Session, where 25% of the first $200M over Revenue Stabilization will be transferred to the Department of Transportation and the remaining amount will be transferred to the General Revenue Allotment Reserve. Previous statute stated, 25% of any amount over Revenue Stabilization would be transferred to the Department of Transportation.]

California Total Revenues reflect revenues before transfers and loans to/from the General Fund. Estimated cost recoveries for Fiscal 2021 for COVID-19 and wildfires are included as "revenue adjustments". Revenue adjustments include $7,833 million in transfers and loans to/from the General Fund (primarily comprised of a net revenue transfer of $5,011 million from the rainy day fund) as well as $570.4 million in estimated cost recoveries for COVID-19 and wildfires.

The ending balance includes the SFEU, but excludes the BSA, the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA). The excluded amounts are $12,339.4 million for the BSA, $450 million for the Safety Net Reserve Fund, and $1,889.2 million for the PSSSA at the end of FY 2021. Adding these amounts to the FY 2021 ending balance, the projected total balance is $42,927.5 million in FY 2021.

The rainy day balance is made up of the SFEU, BSA, the Safety Net Reserve Fund, and the PSSSA however, withdrawals of mandatory deposits from the BSA are subject to provisions of Proposition 2, 2014.

The ending balance includes a reserve for encumbrances of $3,175.1 million representing amounts which will be expended in the future for state obligations for which goods and services have been ordered/contracted, but have not been received by the end of the fiscal year. These amounts are shown as a reserve to the fund balance instead of a hit to the fund balance.

Colorado Revenue Adjustment represents transfers to the general fund.

Connecticut FY2021 Rainy Day Fund balance includes a deposit of $1.24 billion due to the volatility cap and $480.9 million from the FY2021 surplus. This brought the balance of the Budget Reserve Fund to 20.5 percent of net General Fund appropriations. Once the Rainy Day Fund reaches 15% of the following fiscal year's projected expenditures, Connecticut statute requires funds in excess of the 15% to be transferred from the Rainy Day Fund to reduce the unfunded liability of the State Employees Retirement (SERS) Pension Fund or Teachers Retirement (TRS) Pension Fund, and to reduce bonded indebtedness. Due to fund being above the 15% cap, $903.6 million will be transferred from the Rainy Day Fund to reduce the liabilities of the TRS Pension Funds and $238.8 million, in addition to the $480.9 million surplus, will be deposited to reduce the SERS liabilities.

Delaware FY2021 General Fund balance also includes $63.1 million in the Budget Stabilization Fund

Florida Revenue adjustments include CARES Act funds, FEMA Reimbursements, and Coronavirus State Fiscal Recovery Funds, in addition to "traditional" adjustments associated with trust fund transfers, reversions, and various other actions. Expenditure adjustments include CRF disbursements.

Georgia Adjustments to revenue includes FY2020 agency surplus returned as reported in the Georgia Revenues and Reserves Report. Georgia's Rainy Day Fund has a limit of 15% of prior year state revenues and is fully filled for FY2021.

Hawaii Adjustment in FY 2021 include a $750 million working capital loan and $83.2 million transfer from non-general funds pursuant to Act 87, SLH 2021.

Idaho Figures reported here are as of March 2021, which were used to establish "final" revenue benchmarks for the legislative session. Revenue adjustments: $619.4M for statutory/legislative transfers out, $4M for statutory/legislative transfers in, $1.1M for reappropriation, $26.2M for tax conformity, $60.4M for prior-year and early reversion, $0.3M for deficiency warrants. Revenue adjustments — did not include Public Safety Salary Reimbursement from CARES Act. Expenditures include: $195.5M for Governor's holdback and Board of Examiner's Reduction (K–12). Expenditure adjustments: $120.7M for Covid-related expenses, $1.1M prior-year reappropriation, $23.3M for legislative action — Medicaid receipts, CAT Health Care Program claims payments, and other miscellaneous adjustments.

Illinois Total revenues include $38,558M in state sources, $4,744M in federal, $1,550M in transfers in. Adjustments include $1,998M short-term borrowing proceeds from the Municipal Liquidity Facility. Total expenditures include $32,071M in FY21 appropriations, $8,624M in pension contributions, $2,046M in transfers out. Expenditure adjustments include -$1,320M in unspent appropriations, $544M in interfund and investment borrowing repayment and $2,209M in MLF borrowing repayment

Indiana Revenue adjustments include a $10.0 million transfer from a dedicated fund named the Agency Settlement Fund per the 2019 Budget Bill and a $440.0 million in reimbursement from the Coronavirus Relief Fund for public safety and public health payroll costs. Federal fund revenues are usually not included in revenue or adjustment figures, but since this funded customary public health/safety payroll, our intent was not to artificially lower spending lending levels. Expenditure adjustments include $27.0 million reversion in unspent prior year appropriations, a transfer of $214.7 million in unspent FY21 Medicaid appropriation to the Medicaid Contingency and Reserve Account, a transfer of $196.8 million in unspent K–12 Tuition Support appropriation to the State Tuition Reserve fund.

Iowa Total Revenues are as actual, also included in revenue adjustments is $246.9 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. Total Expenditures include $44.2 million of supplemental appropriations and an adjustment of $4.1 million to standing appropriations.

Kansas $9.0 million in prior year released encumbrances shows as revenue.

Kentucky Revenue includes $126.3 million in Tobacco Settlement Funds. Revenue adjustments include $375 million that represents appropriation balances carried forward from the prior fiscal year, and $171.1 million from fund transfers into the General Fund. Expenditure adjustments include $715.7 in appropriation balances forwarded into the next fiscal year and budgeted balances to be expended in the next fiscal year.

Louisiana	Revenue adjustments — includes $90.1m use of Budget Stabilization Fund, and $67.2m of FY19–20 revenue carried forward from FY20 to FY21. Expenditure adjustments — $270.4m use of surplus (includes transfers 25% to the Budget Stabilization Fund and 10% to the Retirement Systems Unfunded Accrued Liability (UAL)), and $96m of transfers to various funds.
Maine	Revenue and Expenditure adjustments reflect legislatively authorized transfers and year-end closing adjustments. Transfers in included $50 million in available balances in liquor sales account and there was about $15 million in lapsed balances and other adjustments adding to available resources at year-end. As May 2021 projections for FY21 revenue substantially exceeded the previous forecast, the biennial budget enacted for 2022–2023 ultimately included approximately $351 million in transfers of FY21 GF unappropriated revenue to Other Special Revenue accounts in agencies for a variety of one-time purposes. The budget also included a transfer out of another $8 million to the Budget Stabilization Fund. FY21 actual revenues exceeded budget as well so year-end statutorily required transfers included nearly $106 million to Transportation's Highway and Bridge Capital account, $2.5 million to the Reserve for Operating Capital and $223.6 million to the Budget Stabilization Fund.
Maryland	Revenue adjustments include $25.8 million in transfers from tax credit reserves and $341 million in FEMA reimbursement. Expenditure adjustments include $248.4 in agency reversions.
Massachusetts	Data as of 8/27/21. General Fund is defined as all budgeted operating funds, adjusted for expenditures funded by federal reimbursements. This is to better align with spending reported in the *State Expenditure Report* and be more comparable to most other states, which book federally reimbursed expenditures in a separate federal fund; adjustments also account for certain transfers between budgeted funds.
Michigan	Revenue totals are net of payments to local government and balance sheet adjustments. Adjustments (Revenues): Transfer from various restricted funds to the General Fund. Adjustment (Expenditures): Total deposit of $535 to the Budget Stabilization/Rainy Day Fund.
Minnesota	Rainy Day Fund balance includes cash flow account of $350 million and a budget reserve of $2,377 billion. Includes stadium reserve of $80.738 million.
Mississippi	Figures for fiscal 2021 here reflect revenue and spending projections at the time of budget enactment for fiscal 2022, not preliminary actual data (preliminary actual data currently not available). Adjustments to expenditures reflect statutory transfers and Reappropriations.
Missouri	Revenue adjustments include transfers from other funds into the General Revenue fund and $250M in cash flow borrowing paid back to the Coronavirus Relief Fund.
Montana	Revenue adjustments reflect prior year revenue activity and expenditure adjustments reflect prior year expenditure activity and adjustments to fund balance as a result of the annual CAFR reconciliation.
Nebraska	Revenue adjustments are transfers between the General Fund and other funds. These include a $272 million transfer from the General Fund to the Property Tax Credit Cash Fund. There is an additional $11 million transfer to the Water Sustainability Cash Fund, and $3.3 million to the Water Resources Cash Fund. There were also usual and customary transfers into the General Fund from other cash funds, which were reduced by $3 million during the 2021 legislative session and is included in the net receipts line. There was also a $10.6 million transfer to the Cash Reserve Fund for revenues in excess of the Certified Forecast for FY 2020. In addition, there was a $125 million reduction from LB 1107 — a comprehensive tax package passed in August 2020 (FY 2021).
Nevada	Revenue adjustments are restricted revenue, reversion, Rainy Day Fund transfers in and reserve transfers in. Expenditure adjustments are restricted transfers out. Reconciliation in process and is subject to change.
New Hampshire	Expenditure Adjustments: The makeup of this adjustment total for FY2021 includes $36 million negative GAAP adjustment, a movement of $144 million to the Rainy Day Fund, and a lapse transfer to the highway fund of $6.9 million.

New Jersey	Revenue adjustments include transfers to other funds and estimated lapses; transfer to Surplus Revenue fund from General Fund; the opening fund balance was restated from $2,163.0 to $2,059.1. Total revenue for FY 2021 includes $4.3 billion in revenue from a bond sale. NJ extended its FY20 budget fiscal year from June 30 to September 30, 2020, and shortened budget FY21 to 9 months for the period of Oct 1 – June 30, 2021. All amounts and actions reported in this survey reflect a 12 month accounting fiscal period for each year.
New Mexico	The information in this row is based on accrual data through May 2021, the latest Consensus Revenue Estimating Group revenue projections, and the data is retrieved from the latest General Fund Financial Summary. Total Revenues for FY21 includes $750 million from the Coronavirus Relief Fund. The funds were appropriated during the 1st Special Session 2020 for FY21 expenditures. Adjustments are net of reversions and transfers from other funds. Revenue adjustments include reversions. Expenditure adjustments include appropriations, expenditures and transfers out.
North Carolina	Expenditure adjustments include: funds transferred to a rural broadband project ($15 million). The revenue adjustment is a $20 million transfer of cash from a special fund to General Fund availability.
North Dakota	Revenue adjustments are transfers of $8.6 million from the tax relief fund, $382.2 million from the strategic investment and improvements fund, $871.7 from the legacy fund and $70.0 million from other special fund sources to the general fund.
Ohio	The negative revenue adjustment reflects the difference between federal revenues and federal expenditures in the general fund for the fiscal year. This change is needed to tie to actual ending fund balance. 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 not included in the General Fund number to be consistent with new NASBO survey guidelines.
Oklahoma	Adjustment to revenue of $133.9 million was a net decrease in cash flow funds. Expenditure adjustment of $282 million was a general revenue fund surplus deposited to the Rainy Day Fund. The Rainy Day Fund balance of $541.9 million is split between the Constitutional Reserve Fund, $370.6 million, and Revenue Stabilization Fund, $171.2 million. The unusually large ending balance is a result of the Legislature appropriating less than their authority in response to a negative economic outlook caused by pandemic factors and unexpectedly strong collections.
Oregon	Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief. Expenditure adjustment includes: the cost of Tax Anticipation Notes, as well as the required deposit into the Rainy Day Fund.
Pennsylvania	Revenue adjustments include refunds and lapses. Expenditure adjustment: General Fund balance of $2.622 billion was transferred to the rainy day fund at the end of the fiscal year, leaving a carryover balance for FY 2022 of $0. 2020–21 "final" budget in November 2020 transferred $100 million of rainy day fund to the General Fund.
Rhode Island	To resolve the $110.0 million in FEMA reimbursement which were not recognized in the prior year, FY 2021 included a revenue adjustment of $105.4 million for a FEMA reimbursement receipts and a $3.8 million vendor rebate that was received in FY 2021 and accounted for as an expenditure credit. There was also a transfer of $137.6 million to the Budget Reserve Fund "Rainy Day Fund"), a transfer of $67.0 million to the Information Technology Investment Restricted Account and a transfer of $20.0 million to the Historic Tax Credit Special Revenue Fund and a reappropriation total of $8.4 million from FY 2021. Similarly, as in FY 2020, the state recognized FEMA eligible expenditures of $216.5 million as general revenue expenses in FY 2021, which will be reimbursed during FY 2022 upon FEMA approval. Rhode Island fully repaid the RI Capital Plan Fund in the amount of $120.0 million to help resolve the prior year withdrawal.
South Carolina	Expenditure Adjustments: $251.1M transfer from Contingency Reserve to agencies for COVID response and other purposes. Ending Balance: Includes $1,707.1M Rainy Day Funds ($440.2M General Reserve, $176.1M Capital Reserve, and $1,090.8M Contingency Reserve), $679.5M Appropriations Carryforward to FY22, and $1,228.6M Surplus Supplemental Appropriations in FY22.
South Dakota	The adjustment to expenditures of $41.6 million reflects the prior year's ending balance of $19.1 million along with an additional $22.5 million that was transferred to the rainy day fund. The ending balance of $85.9 million is cash that is obligated to the Budget Reserve fund the following fiscal year. This $85.9 million is not included in the total rainy day fund balance of $215.9 million.

Tennessee	Revenue adjustments: -$250 million transfer to Rainy Day Fund; $150 million from dedicated reserves; $-0.8 million rounding adjustment. Expenditure adjustments: $80.2 million transfer to capital outlay projects fund; $13.1 million transfer to state office buildings and support facilities fund; $3.7 million transfer to debt service fund; $1.0 million transfer to reserves for dedicated revenue appropriations. Ending balance: $2,197.5 million unappropriated budget surplus at June 30, 2021. Preliminary Actual Fiscal 2021 revenues are as of the April 12, 2021 amendment.
Texas	End of year adjustments made by the Comptroller (-$319m) account for the difference between the ending balance of FY 2020 to the beginning balance of FY 2021. $2,920m is a transfer to the ESF and State Highway to be allocated equally. The CPA revised the BRE for the 3rd Called Special Session on 9/20/2021 to include $11.23 B projected ending balance for FY 2021. This will also change the transfer to the ESF and State Highway Fund. Adjustments to revenues are used here to account for this updated ending balance projection.
Utah	FY 2021 revenue adjustments include transfers to the General Fund and Education Fund and the amount set aside for economic development cash incentives. FY 2021 revenue includes an estimated $795 million of collections that were shifted from FY 2020 to FY 2021 due to the income tax filing extension. The fiscal 2021 revenue provided is based on February 2021 consensus revenue estimates plus impacts of bills enacted during the 2021 General Session, which ended on March 5, 2021. The increase in general fund expenditures for fiscal 2021 was driven in part by a fiscal year shift in some appropriations from fiscal 2020 to fiscal 2021 due to the income tax filing extension.
Vermont	Sec. C.101 of Act 74 (2021) reserved $150M in GF to be part of pension funding initiatives. These funds have not been appropriated by any subsequent legislation.
Virginia	Total revenues include transfers.
Washington	Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments. Revenue figure reflects total general fund revenues, before transfers in and out of the general fund.
West Virginia	Fiscal Year 2021 Beginning balance includes $368.7 million of Reappropriations, Unappropriated Surplus Balance of $57,025, $260,245 of cash balance adjustments, and FY 2020 13th month expenditures of $55.9 million. Total Revenues show the FY 2021 actual general revenue collections of $4,987.5 million. Adjustments (Revenue) are prior year redeposits of $0.017 million and special revenue expirations of $25.79 million. Total Expenditures include general revenue appropriated expenditures of $4,581.5 million, surplus appropriation expenditures of $22.02 million, reappropriation expenditures of $115.2 million, $41,160 of cash adjustments, $55.9 million of reappropriations transferred to FY 2021 collections, and $14.4 million of 31 day prior year expenditures. Adjustment (Expenditures) represent $14.0 million which was the amount transferred to the Rainy Day Fund from 1/2 of the FY 2020 surplus. The Ending Balance is mostly the historically carried forward reappropriation from previous fiscal years (estimated amounts that will remain and be reappropriated to the next fiscal year), the estimated 13th month expenditures applicable to the current fiscal year & any unappropriated surplus balance (estimated) from the current fiscal year.
Wisconsin	Revenue adjustments include Tribal Gaming, $0.1m; Prior Year Designated Balance, $600.9m; and Other Revenue, $585.41m. Expenditure adjustments include Transfers, $1,011.5m; Lapses, -$1,264.7m; and Compensation Reserves, $87.7m.
Wyoming	The State of Wyoming budgets on a biennial basis, and to arrive at annual figures certain assumptions and estimates are required.

Notes to Table 5: Fiscal 2022 State General Fund, Enacted

For all states, unless otherwise noted, transfers into budget stabilization funds are counted as expenditures, and transfers from budget stabilization funds are counted as revenues.

Alaska	Adjustments include: Prior-year appropriation lapses/reversions to the general fund; Transfers from other funds into the general fund; permanent fund dividends.
Arizona	The beginning balance represents the balance contemplated in the enacted budget, which does not take into account preliminary actuals for FY 2021. The actual beginning balance for FY 2022 will be the ending balance as indicated in the Fiscal 2021 Preliminary Actual row.

Arkansas Total available revenue amounts are reported as net of refunds and special dedications/payments. 25% of the first $200M of the ending balance will be transferred to the State Highway and Transportation Department Fund. The remaining amount transferred to the General Revenue Allotment Reserve Fund. [Transfers from the ending balance were amended in statute during the 2021 Regular Session, where 25% of the first $200M over Revenue Stabilization will be transferred to the Department of Transportation and the remaining amount will be transferred to the General Revenue Allotment Reserve. Previous statute stated, 25% of any amount over Revenue Stabilization would be transferred to the Department of Transportation.]

California Total Revenues reflect revenues before transfers and loans to/from the General Fund. Estimated cost recoveries for Fiscal 2022 for COVID-19 and wildfires are included as "revenue adjustments". Revenue adjustments include $6,270.9 million in transfers and loans to/from the General Fund as well as $4,414.4 million in estimated cost recoveries for COVID-19 and wildfires.

The ending balance includes the SFEU, but excludes the BSA, the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA). The excluded amounts are $15,781.4 million for the BSA, $900 million for the Safety Net Reserve Fund, and $4,506.4 million for the PSSSA at the end of FY 2022. Adding these amounts to the FY 2022 ending balance, the projected total balance is $28,341.5 million in FY 2022.

The rainy day balance is made up of the SFEU, BSA, the Safety Net Reserve Fund, and the PSSSA however, withdrawals of mandatory deposits from the BSA are subject to provisions of Proposition 2, 2014.

The ending balance includes a reserve for encumbrances of $3,175.1 million representing amounts which will be expended in the future for state obligations for which goods and services have been ordered/contracted, but have not been received by the end of the fiscal year. These amounts are shown as a reserve to the fund balance instead of a hit to the fund balance.

Colorado Figures represent estimates as of September 2021, not as of budget enactment. Revenue Adjustment represents transfers to the general fund.

Delaware FY 2022 General Fund balance also includes $287.3 million in the Budget Stabilization Fund

Florida Revenue adjustments include trust fund transfers, reversions, and various other actions. We cannot project how much General Revenue will be spent in regard to federal funds provided for Coronavirus Relief in the 2022 fiscal year.

Georgia Georgia is required by its constitution to maintain a balanced report. The fund balances for FY 22 reflects the enacted balanced budget and estimated revenues. Georgia does not project future Rainy Day fund balances; however, the current balance is the maximum legal limit and Georgia does not anticipate any utilization of the Rainy Day Fund beyond the statutorily mandated 1% mid-term adjustment for K–12 enrollment growth.

Hawaii Adjustment in FY 2022 includes a $89 thousand transfer from non-general funds pursuant to Act 87, SLH 2021. General fund revenue total represents the most current estimates at the time of data collection (forecast dated 9/7/2021).

Idaho Revenue adjustments: $94.2M for statutory/legislative transfers out, $110M transfer in from tax relief fund, $26M for tax conformity, $163M for tax relief, $.4M for legislation with revenue impact, $68.4M to the Transportation Expansion and Congestion Mitigation Fund and $1.8M for miscellaneous adjustments. Date of FY22 budget enactment is based on the first agency budget signed by the Governor. Each individual agency budget is voted on by the legislature and then signed into law by the Governor. It doesn't happen all at once. The last budget through was signed on 5/17.

Illinois Total revenues include $36,468M in state sources, $4,203M in federal, $1,697M in transfers in. Adjustments include $2,000M in ARPA reimbursement for essential government services. Total expenditures include $31,983M in appropriations, $9,363M in pension contributions, $2,149M in transfers out. Expenditure adjustments include -$1,189M in unspent appropriations, $928M in interfund borrowing repayment and $1,045M in MLF borrowing repayment

Indiana Expenditure adjustments include an estimated $22.0 million in unspent prior year reversions.

Iowa Total Revenues are estimated as of the March 2021 Revenue Estimating Conference Meeting, adjusted -$97.1 million for legislative action. Revenue adjustment is $233.3 million estimated to be transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. Total Expenditures include an adjustment of $5.8 million to standing appropriations.

Kentucky	Revenue includes $103 million in Tobacco Settlement Funds. Revenue adjustments include $615.7 million that represents appropriation balances carried forward from the prior fiscal year, and $85.4 million from fund transfers into the General Fund. Expenditure adjustments include $770.6 in appropriation balances forwarded into the next fiscal year and budgeted balances to be expended in the next fiscal year.
Maine	Revenue and Expenditure adjustments reflect legislatively authorized transfers and lapses of unspent balances from prior years. Transfers in included $20 million in available balances in the liquor sales account and there was $78 million in lapsed balances from several Health and Human Services accounts. Transfers out included $10 million to support student aid, about $9 million to support indigent legal services and about $97 million for a property tax relief program that historically had been a budgeted GF expense. The 2022–2023 biennial budget was effectively enacted in two parts. The baseline budget was enacted first and signed by the Governor on 3–31–21. The remainder of the budget was enacted later and signed by the Governor on 7–1–21.
Maryland	Revenue adjustments include $31.9 million in transfers from tax credit reserves and $180.2 million in estimated revenue loss due to the enactment of new legislation, primarily resulting in reduced personal income taxes due to the expansion of the Earned Income Tax Credit. Expenditure adjustments represent $35 million in reversions to the unappropriated General Fund balance. The FY 2022 Enacted starting balance does not match the FY 2021 Actual ending balance because the FY 2022 Enacted budget did not incorporate updated revenue and expenditure figures from FY 2021. The budget bill is enacted without the Governor's signature in accordance with Article III, Section 52(6) of the Maryland Constitution.
Massachusetts	Data as of 8/27/21. General Fund is defined as all budgeted operating funds, adjusted for expenditures funded by federal reimbursements. This is to better align with spending reported in the *State Expenditure Report* and be more comparable to most other states, which book federally reimbursed expenditures in a separate federal fund; adjustments also account for certain transfers between budgeted funds.
Michigan	Revenue totals are net of payments to local governments and balance sheet adjustments.
Minnesota	Rainy Day Fund balance includes cash flow account of $350 million and a budget reserve of $1,786 billion. Includes stadium reserve of $135.841 million.
Mississippi	Adjustments to expenditures reflect statutory transfers and Reappropriations. The Governor signed appropriation bills from mid-April 2021 through June 2021.
Missouri	Revenue adjustments include transfers from other funds into the General Revenue Fund.
Nebraska	Revenue adjustments are transfers between the General Fund and other funds. These include a $297 million transfer from the General Fund to the Property Tax Credit Cash Fund. There was also $29 million in usual and customary transfers into the General Fund from other cash funds, and an $11 million Transfer from the General Fund to the Water Sustainability Cash Fund, along with $3.3 million to the Water Resources Cash Fund, which is included in the net receipts line. Also, a $50 million transfer from the General Fund to the Cash Reserve Fund to cover additional set-asides in the Cash Reserve Fund. In addition, there was a $100 million transfer from the General Fund to the Nebraska Capital Construction Fund to reserve for future Correctional Facilities needs. There was also a $535.2 million transfer to the Cash Reserve Fund for revenues in excess of the Certified Forecast for FY 2021.
Nevada	Revenue adjustments are restricted revenue, reversion, Rainy Day Fund transfers in and reserve transfers in. Expenditure adjustments are restricted transfers out.
New Hampshire	Expenditure Adjustments: The makeup of this adjustment total for FY2021 includes a movement of $50 million to the Highway Fund.
New Jersey	Revenue adjustments include transfers to other funds; transfer from Surplus Revenue Fund to General Fund.

New Mexico	The information in this row is based on accrual data through May 2021, the latest Consensus Revenue Estimating Group revenue projections, and the data is retrieved from the latest General Fund Financial Summary. Adjustments are net of reversions and transfers from other funds. Revenue adjustments include reversions. Expenditure adjustments include appropriations, expenditures and transfers out.
New York	The Rainy Day Reserve is projected to increase by $825 million after a deposit from the General Fund. Funds are expected to be transferred from the State Purposes Account to the Rainy Day Reserve Fund. Both the State Purposes Account and Rainy Day Reserve Fund are components of New York State's General Fund. Revenue adjustment and expenditure adjustment reflect the expected receipt and expenditure of $4.5 billion in unrestricted Federal aid in FY 2022. While this funding is treated in the state budget as a general fund resource, it is displayed as an adjustment to be consistent with survey guidelines requesting federal funds be excluded from revenue and expenditure figures where possible. General Fund disbursements, including transfers to other funds and use of unrestricted federal aid, are expected to total nearly $89.0 billion in FY 2022, an increase of $14.9 billion (20.1 percent) from FY 2021 spending. FY 2022 spending includes over $3 billion for time limited recovery initiatives, a substantial School Aid increase, and Medicaid growth of roughly 6 percent. In addition, several transactions that were executed in FY 2021 lowered reported spending in that year. These included funding $2.7 billion of certain eligible health and public safety payroll costs from the CRF; temporary payment withholds that were authorized for release in FY 2021 but not paid until FY 2022; higher State share Medicaid savings from retroactive eFMAP processing; and the deferral of social security taxes from FY 2021 to FY 2022 and FY 2023, as provided in the CARES Act. Projected spending also reflects DOB's cautious estimates of disbursements in each financial category, a practice that provides a cushion for potential receipts shortfalls and unanticipated costs.
North Carolina	Expenditure adjustments include transfers to various reserves including the Savings Reserve, State Capital and Infrastructure Fund, State Emergency and Disaster Reserve, Medicaid related Reserves, and various project reserves.
North Dakota	Revenue adjustments are transfers of $205.0 million from the strategic investment and improvements fund and $70.0 million from other special fund sources to the general fund.
Ohio	The negative revenue adjustment reflects the projected difference between federal revenues and federal expenditures in the general fund for the fiscal year. This change is needed to tie to the projected ending fund balance. The expenditure adjustment reflects prior year encumbrances. 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 not included in the General Fund number to be consistent with new NASBO survey guidelines.
Oklahoma	Amounts included in the Enacted FY22 revenues and expenditures represent actual Legislative appropriations. At this time adjustments to revenues (net cash flow reserve or other possible adjustments) cannot be calculated; nor can adjustments to expenditures be projected, such as a possible deposit into rainy day funds.
Oregon	Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief. Legislature adopted biennial budget for fiscal 2022 and fiscal 2023 in June 2021, though the governor continued to sign bills comprising the budget throughout the summer.
Pennsylvania	Revenue adjustments include refunds and lapses and $3.841 billion deposit of SLFRF dollars into the General Fund for revenue loss.
Rhode Island	Adjustments to revenues reflect a transfer of $140.8 million to the State Budget Reserve and Cash Stabilization Account ("Rainy Day Fund").
South Carolina	Revenue Adjustments: $20.4M transfer from Litigation Recovery and $65.0M CARES Act reimbursements. Expenditure Adjustments: $18.7M transferred to General Reserve and $176.1M FY21 Capital Reserve to agencies. Ending Balance: Includes $1,733.9M Rainy Day Funds ($458.9M General Reserve, $183.6M Capital Reserve, and $1091.4M Contingency Reserve), and $679.4M in projected Carry forward Appropriations to FY23.
South Dakota	The beginning balance of $85.9 million and adjustment to expenditures reflects the prior year's ending balance which is transferred to the rainy day fund.

Tennessee	Revenue adjustments: -$100 million transfer to Rainy Day Fund; -$250 million transfer to K–12 Mental Health Trust Fund; -$250 million transfer to Pension Trust Fund; -$0.5 million rounding adjustment. Expenditure adjustments: $900.2 million transfer to capital outlay projects fund; $12.0 million transfer to state office buildings and support facilities fund; $3.7 million transfer to debt service fund; $1.0 million transfer to reserves for dedicated revenue appropriations. Ending balance: $17.4 million undesignated balance.
Texas	$2,814.9 million is a transfer to the ESF and State Highway to be allocated equally. Total Expenditures reflect Senate recommended GR appropriations.
Utah	FY 2022 revenue adjustments include transfers to the General Fund and Education fund and the amount set aside for economic development cash incentives. The increase in general fund expenditures for fiscal 2022 was driven in part by a fiscal year shift in some appropriations from fiscal 2020 to fiscal 2021 due to the income tax filing extension.
Vermont	This $1.2M deficit is as of the budget passing, however subsequent forecast updates from the economist (as well as estimates before the close of the legislative session) show an increase in GF revenue which more than offsets the -$1.1M displayed. The ending balance from FY21 of $103.6 million was not included in the FY22 enacted budget as it was largely a result of an increase in actual FY21 revenue that occurred subsequent to FY22 budget enactment.
Virginia	Total revenues include transfers.
Washington	Revenue adjustments reflect the net of transfers in and out of the General Fund, as well as prior biennium recoveries and similar resource adjustments. Revenue figure reflects total general fund revenues, before transfers in and out of the general fund (which are included as adjustments).
West Virginia	FY 2022 enacted budget has a remaining unappropriated balance of $74.5 million available for supplemental appropriation.
Wisconsin	Revenue adjustments include Tribal Gaming, $0; and Other Revenue, $464.3m. Expenditure adjustments include Transfers, $428.6m; Lapses, -$219.0m; and Compensation Reserves, $41.9m.
Wyoming	The State of Wyoming budgets on a biennial basis, and to arrive at annual figures certain assumptions and estimates are required.

Notes to Table 6: General Fund Nominal Percentage Expenditure Change, Fiscal 2020 to Fiscal 2022

See Notes to Tables 3–5 for additional explanation of state general fund expenditure amounts used to calculate annual percentage change.

Notes to Table 7: States with Mid-Year Budget Cuts Due to Revenue Shortfall, Fiscal 2021

Indiana	Allotment reserve levels were established early in the fiscal year to help offset an expected revenue shortfall.
Maine	The state projected decreased revenue due to the pandemic so targeted reductions in spending were part of the solution.
Maryland	Major reductions to the budget were introduced in July 2020 and January 2021 in reaction to estimated revenue reductions from the pandemic. During the legislative session, revenue estimates increased, and so some of the reductions were restored in the final enacted budget.
Nevada	The decrease in spending was to wholly address a revenue shortfall.
Washington	All decreases in spending were due to the ongoing COVID-19 pandemic.

Notes to Table 8: Fiscal 2021 Mid-Year Program Area Adjustments by Dollar Value

Alabama K–12 Education: State Department of Education Supplemental; Higher Education: Alabama Community College System Supplemental; Medicaid: State GF carryover; Corrections: Reversion Reappropriated; All Other: Supplemental Appropriation, Conditional Appropriations, Reversion Reappropriations for all other agencies other than those listed above.

Alaska The public assistance is general fund match.

Arkansas All Other — $2.5M was provided back to support County and Municipal Aid.

California K–12 Education: Estimated General Fund revenues led to an increase of $18.3b for K–12 schools based on the updated Proposition 98 calculation (minimum funding guarantee for K–14 education).

Higher Education: Primarily consists of changes for California Community Colleges including $1.1b for deferral repayment and $0.5b for deferred maintenance.

Public Assistance — Includes additional resources to respond to the COVID-19 pandemic.

All Other: The net increase includes $2.7b for the Department of Public Health for COVID-19 emergency response, $2.6b for the Governor's Office of Business and Economic Development (GO-Biz) for small business assistance, and $1.8b for the Department of Resources Recycling and Recovery for wildfire debris removal.

Colorado Medicaid changes were due to enhanced FMAP extension and caseload adjustments.

Florida Governor DeSantis vetoed $1 billion of the FY 2021 budget and asked state agencies to holdback 6% of their annual FY 2021 budget and identify additional potential reductions to allow Florida the financial flexibility to respond to the COVID-19 pandemic.

The 2021 Florida Legislature was able to implement $296.1 million in targeted non-recurring FY 2021 General Revenue reversions for state agencies due to the budget holdback strategy.

Hawaii K–12 Education includes public libraries and charter schools. Some restrictions may have been released.

Idaho The Governor implemented a 5% across the board General Fund holdback, excepting Idaho State Police and the Tax Commission. The legislature appropriated closely with the recommendation. The intent was to address an anticipated shortfall that was never experienced.

Indiana The spending cuts represent management reserves placed on various agency appropriations at the beginning of FY 2021. Generally, agencies were given a 15% target for appropriations to hold in reserve, but most developed a plan to hold-back between 5-15%. A 7% reserve was held on university operating appropriations.

Iowa All Other: $44.2 million was appropriated in one-time spending for implementation of an ERP system.

Kentucky Federal fund replacement of state funds of $275.2 million, reductions due to lower spending requirements of $84.9 million, and supplemental increases of $49.1 million.

Louisiana Net increase is primarily due to carryforwards and supplemental appropriations.

Maine The Legislature enacted the Supplemental Budget for fiscal year 2021 at the end of March 2021 and it did include cost (saving) reductions to some of departments as had been recommended in the Governor's Supplemental Budget. A significant portion of the reductions were related to the enhanced FMAP for the pandemic and the use of Coronavirus Relief Funds for eligible public safety and public health personnel costs. General Fund expenses in some agencies were shifted to other allowable federal or dedicated revenue funding sources. The State also transferred to the General Fund $50 million from available balances in a dedicated revenue account for alcoholic beverage sales. Maine funds its Transportation needs primarily from a separate Highway Fund, the revenue for which is primarily from motor fuel taxes, motor vehicle registration fees and the similar transportation-related revenue streams. The FY21 enacted budget also includes an $8 million transfer to the Budget Stabilization Fund.

The "originally enacted budget" includes all revenue and expenditure actions contained in bills enacted during the First Regular Session of any Legislature where the budget for the next biennium is first set. For example, first budget for 2020–2021 was set during the First Reg Session of the 129th Legislature. "Post-enacted/Mid-Year Budget" actions include all those in bills enacted in subsequent "special" or "regular" legislative sessions for the relevant biennium. For example, the last bills to include actions impacting FY21 would be enacted during the First Regular Session of the 130th Legislature.

Maryland Starting with the Fall 2021 Survey, Maryland has narrowed its definition of K–12 spending to no longer include the Children's Cabinet Interagency Fund, the Maryland Longitudinal Data System Center, and Maryland Public Television. Also starting with the Fall 2021 Survey, Maryland excluded the Kidney Disease Prevention Program from Medicaid as the program has transferred to Public Health.

Higher Education: Federal funds from the CARES Act are being used to partly offset the reduction in general funds. Approximately $24.2 million in bond premium was also provided to public four-year institutions to support capital maintenance projects whose funding was threatened by earlier budget cuts. Community colleges also received $10 million from the ARPA through the RELIEF Act to provide workforce development and job training programs.

Public Assistance: General Funds partially offset by special fund Child Support Offset and federal Temporary Assistance to Needy Families and the American Rescue Plan State Fiscal Relief Fund.

Medicaid: The enhanced federal match for eligible Medicaid services and additional reinsurance funding are used to offset general fund spending for Medicaid.

Corrections: Federal funds from the CARES Act are used to offset general fund reductions for COVID-related salary costs. Additional CARES funds were directed toward increases in deep cleaning and inmate medical costs.

Transportation: Reduce a portion of funding allocated to the Dedicated Purpose Account as the State's contribution to the Washington Metropolitan Area Transit Authority.

"All Other" includes various adjustments in all other State agencies through either mid-year reductions on July 1, 2020, or deficiency appropriations approved by the General Assembly in the enacted FY 2022 budget. Various COVID relief federal funds allowed for increased appropriation of general funds to various programs due to offsets in others.

FY 2021 Program Area Spending Changes do not include COLA funding that was transferred mid-year from the centralized payroll adjustment account to individual agency budgets.

Massachusetts On July 29, 2021, the Governor approved $261.6 million in supplemental appropriations with a net state cost of $64.5 million. Major spending items included $191 million of authorized spending of federal funds included in the December 2020 federal Consolidated Appropriations Act and the *American Rescue Plan Act*.

Michigan Michigan's FY21 budget enacted 9/30/20 was based on significantly lower revenues than subsequently collected, and only 1 quarter of enhanced FMAP.

Major spending changes in FY21 were $500 million deposit to the Rainy Day Fund, $55 million for small business grants, and $190 million in Covid-19 response funding, including hourly wage increase for direct care workers.

Minnesota Agencies that fall under our bill area sections listed on our published fund statement (FBA) includes bill areas that have enacted changes to agency FY21 spending: Property Tax Aids and Credits, Health and Human Services, Public Safety and Judiciary, Environment, Economic Development, Energy, Ag and Housing, State Government and Veteran bill areas all include additional changes to agency spending that make up the -$27.8 million listed in "All Other".

Mississippi Additional other state funds appropriations enacted to cover fiscal year 2021 expenditures that could not be postponed until the next fiscal year appropriation.

Missouri $438.5 million general revenue expenditure restrictions were enacted at the start of the fiscal year; however, as of March 1, 2021, all restrictions were released and made available for expenditure.

Nebraska Adjustments reflect actions based on additional federal funds available to offset General Fund expenditures, as well as improved revenue. Offset $38 million in General Fund reductions in FY 2021 for Corrections with Federal CARES Act Reimbursements for Presumed Payroll. For Health and Human Services, we also lapsed $61.3 million in FY 2020 reappropriations into FY 2021.

New Jersey At the end of the State's fiscal year 2021 budget, the Governor signed legislation establishing a Debt Defeasance and Prevention Fund and appropriated $3.7 billion to the fund. The fund will be used to support debt defeasance and capital projects in lieu of new bond issues.

New Mexico Medicaid — Compensated with $75 million in tobacco settlement funds and $17 million in Families First covid relief funds

New York Executive agency budgets, with exceptions for facility operations and public health and safety, are expected to reduce costs by 10 percent from budgeted levels. The Judiciary and elected officials are expected to achieve comparable reductions in their budgets for FY 2021. These savings, included in the Enacted Budget, were allocated to agencies in the Mid-Year Update resulting in changes to program area spending, but do not meet the criteria of Post-Enacted Spending Actions.

Oregon $200 million was withdrawn from the Education Stability Fund in the 2nd special session in August 2020 to offset reductions in the K–12 education, Transportation received substantial one-time funding in the 19–21 biennium to respond to wildfire debris removal, Corrections received additional funding related to salary compensation plan changes and additional funding to address projected shortfalls.

Pennsylvania The changes here represent the difference between the second, "final" budget enacted for 2020–21 in November 2020 and the end of the fiscal year. Due to the pandemic, Pennsylvania enacted two General Fund budgets in 2020–21. The first was a "five-month" budget, due to the uncertainty of the pandemic where some appropriations were only authorized for five months so things could be re-assessed. The second, and final, budget for 2020–21 was enacted in November 2020. Fiscal 2021 Budget Actions reported in question 9 of the Fall 2020 survey were not included in the calculations listed above.

Rhode Island Includes additional funding in Coronavirus Relief Funds eligible personnel costs which results in direct or indirect general revenue savings; RI expects to recognize corresponding FEMA revenue in FY 2021 in the amount of $105.4 million which results in direct or indirect general revenue savings; Remaining changes reflect various shifts and adjustments between general revenue, CRF, and other federal direct grants resulting from the fact that the CRF 12/30/2020 deadline was extended following passage of the FY 2021 Enacted Budget. The Eleanor Slater Hospital within BHDDH assumed Medicaid savings in the FY21 enacted budget however, the final revised budget ended the year that most patients would not be eligible but for a handful of 65+ patients.

Washington All decreases in spending were due to the ongoing COVID-19 pandemic. All Other: Legislative, Judicial, General Government, and Human Services other than Medicaid, Public Assistance and Corrections.

West Virginia All Other: $20m for Public Defender; (-$500,000) Senior Services; $82,846,838 for Tourism and State Parks; $2,100,000 for Arts, Culture and History; $49,501,000 for Governor's Civil Contingent Fund, Milton Flood wall and Local Economic Development Assistance; $52,000,000 General Revenue appropriated to the Revenue Shortfall Reserve Fund; and $8,500,000 for a Veterans' Nursing Home

Notes to Table 9: Fiscal 2022 Enacted Program Area Adjustments by Dollar Value

Alabama Medicaid carry-forward from FY2020

Arizona All Other: Includes all other operating expenditure changes, a $1,000M deposit into the Public Safety Personnel Retirement System (PSPRS), and a $977.1M payoff of General Fund debt obligations.

California K–12 Education: Estimated General Fund revenues led to an increase of $17.9b for K–12 schools based on the updated Proposition 98 calculation (minimum funding guarantee for K–14 education).

Higher Education: Includes $2.1b for the University of California and California State University primarily consisting of restoration of 2020 Budget Act reductions and 5% base budget increases, restoration of $1.5b from 2020–21 apportionment deferral for California Community Colleges, and $0.9b for the Student Aid Commission.

Public Assistance: Includes a $1.8b shift from the California Department of Education to the Department of Social Services to administer existing early learning and child care programs which is offset by a decrease in program funding for CalWORKs.

Medicaid: The following expenditures are reported under the "All Other" line: the Department of Health Care Services' (DHCS) CHIP, other DHCS expenditures (including Family Health), California Department of Public Health Medicaid and non-Medicaid expenditures, the Department of Aging's non-Medicaid expenditures, and the Department of Developmental Services' non-Medicaid expenditures. The increase in Medicaid funding relative to Fiscal 2021 is primarily driven due to COVID-19 continuous coverage requirements ($1.4b), underlying cost growth ($1.1b), one-time funding for Behavioral Health Continuum Infrastructure Program ($0.7b), enhanced FMAP being assumed to end December 31, 2021 ($0.7b), the implementation of CalAIM ($0.5b), state only claiming adjustments ($0.5b), and lower HQAF collections due to COVID ($0.4b).

Corrections: Primarily comprised of changes for the Department of Corrections and Rehabilitation as a result of various approved proposals as well as $0.4b in COVID-19 direct response expenditures.

Transportation: Includes $3b for the Transportation Infrastructure Package, $0.5b for the Clean California Initiative, and $0.4b for State and Local Transportation Adaptation Program. Expenditures for the California Highway Patrol are reported in the "All Other" line.

All Other: The net increase includes $8.1b for the Golden State Stimulus 2.0 program, $2.4b for the Water Resilience and Drought Preparedness and Response package, $2.3b for the Department of Social Services, $1.8b Zero-Emission Vehicle and Infrastructure package, an additional $1.6b one-time supplemental pension payment above the one-time supplemental pension payment appropriated at the 2020 Budget Act, $1.4b to end employee compensation related pay reductions and the Personal Leave Program, $1.4b for legislative district investments, $1.3b to various departments for homelessness, $1.3b for the Department of Public Health, and $1.2b for the Department of Housing and Community Development for housing.

Colorado Transportation increase was through S.B. 21–260 via a transfer to a cash fund and will not be reflected in Colorado budget summary reports as a General Fund appropriation. Information is pulled from the FY 2021–22 Appropriations Report which is published by the Joint Budget Committee.

Connecticut The Medicaid appropriation in the Department of Social Services (DSS) is "net funded" while other Medicaid expenditures remain gross funded. Funding for the Hospital Supplemental Payments account in DSS is also gross funded.

Florida In FY 2020–21, The Families First Coronavirus Relief Act provided states an Enhanced Federal Medical Percentage (FMAP) of 6.2% to assist with Medicaid Services during the pandemic. The increased FMAP allowed a reduction in state funding required for Medicaid Services by having the ability to utilize the additional federal funding made available through the Act. The Federal Public Health Emergency was extended through July 2021, providing an Enhanced FMAP for the first quarter of FY 2021–22, which is reflected in the Enacted Budget. The Public Health Emergency has since been extended, which provides the Enhanced FMAP through December 31, 2021. Since the Enacted Budget only accounts for one quarter of the Enhanced FMAP during FY 2021–22, there is a higher General Revenue need.

K–12 Education: Florida uses Educational Enhancement Trust Funds, or "Lottery" funds, for the benefit of General Revenue in funding the public education system. Lottery funds are statutorily required to be used to the benefit of public education. While there was a General Revenue decrease of $162 million, the K–12 operating fund had an overall increase in FY 2021–22 of $44.2 million. This is due to a $239.1 million increase in Lottery funds.

Hawaii K–12 Education includes public libraries and charter schools.

Indiana Higher Education reductions are primarily due to a decreased need for public university debt service appropriations. Indiana's TANF (public assistance) state appropriation was being used for part of the federal award's maintenance of effort (MOE) requirement. Other funds were identified to provide the difference in the MOE. Largest share of the "All Other" appropriation change is in one-time capital appropriations.

Iowa All Other: Additional increases include $100.0 million in broadband grants, $17.7 million for technology projects, $53.0 million for mental health, $13.0 million for Department of Human Services, $10.6 million for Department of Public Safety, $9.1 million for Courts, $16.1 million for various programs through state government.

Kansas	All Other: $130.7 million increase for Human Services other than Medicaid and public assistance. $13.8 million increase for general government (mainly judiciary). $9.6 million decrease for other public safety. $2.9 million decrease for agriculture and natural resources.
Kentucky	Fiscal Year 2022 General Fund increases over FY 2021 in several areas were heavily affected by federal fund replacements in FY 2021, particularly in Corrections and State Police. State Police General Fund increase of $91.3 million also included a Road Fund replacement with General Fund of $53 million. Over $170 million of the "Other" increase of $300.6 million represent one-time uses of General Fund.
Maine	K–12 Education spending was increased to meet, for the first time since it was established, the statutory requirement for the State to contribute 55% of the total cost of K–12 education. The increase in Corrections was primarily to recognize increases in the correctional healthcare contract. In addition to the budgeted GF appropriations, the biennial budget enacted for 2022–2023 included approximately $351 million in transfers of year end FY21 GF unappropriated revenue to Other Special Revenue accounts in agencies for a variety of one-time purposes and this funding is effectively a one-time supplement to the GF appropriations. As with all states, additional federal Covid-related funds have been available and are supplementing programs across State government.
Maryland	Starting with the Fall 2021 Survey, Maryland has narrowed its definition of K–12 spending to no longer include the Children's Cabinet Interagency Fund, the Maryland Longitudinal Data System Center, and Maryland Public Television. Also starting with the Fall 2021 Survey, Maryland excluded the Kidney Disease Prevention Program from Medicaid as the program has transferred to Public Health. K–12 Education: Reductions are driven by local aid formula calculations, impacted by a decline in K–12 enrollment during the global pandemic. These reductions are more than offset by large increases in special fund support ($101.5 million), primarily from lottery and marketplace facilitator revenues, and federal fund stimulus support ($271.0 million). Higher Education: $23.3 million in special funds in the Higher Education Investment Fund replaced general funds. Public Assistance: General Funds partially offset by special fund Child Support Offset and federal Temporary Assistance to Needy Families and the American Rescue Plan State Fiscal Relief Fund. Medicaid: Increase reflects mandated provider rate increases and accounts for projected Medicaid enrollment and utilization changes. Change is also driven by enhanced FMAP. All Other: Largely driven by appropriations into the Revenue Stabilization Account (Rainy Day Fund) of $525.8 million.
Massachusetts	Excludes a $250 million supplemental transfer to the Pension Liability Fund, a one-time $350 million transfer to a new Student Opportunity Act Investment Fund, and other non-appropriated transfers.
Michigan	— Medicaid spending assumes GF backfill of 1Q enhanced FMAP savings built into FY21 base. — Corrections increase includes $190 million GF backfill of Coronavirus Relief Funds (CRF) for payroll in FY21. Statewide, a total of $259 million in GF backfill was included for FY21 health and safety payroll costs funded with CRF dollars. — Negative total for "All other" in FY22 is result of removing one-time FY21 $535 million deposit to Rainy Day Fund in FY22.
Mississippi	Legislative funding changes made to the FY2021 spending levels are to increase pay for most state employees through implementation of a new state employee compensation plan. It will be provided to most employees in an effort to have employees compensated at a fair market rate. Funding was also provided for a blended health insurance rate increase, increase information systems fees, and LBR restoration to state agencies.
Nebraska	Biggest "All Other" factor was -$55.2 million reduction in Governor's Emergency Fund Base General Fund Aid amount, to recognize the FY 2020–21 base, which included one-time increase of $55.2 million for Flood Relief. This reduction was offset by $16.8 million increase in other state agency budgets not listed above, plus a $20 million increase in appropriation for Rural Broadband enhancement; $12.7 million in Rural Projects and Business Innovations Aid; $11.6 million in increased Behavioral Health and Child Welfare Aid.

New Jersey	At the end of the State's fiscal year 2021 budget, the Governor signed legislation establishing a Debt Defeasance and Prevention Fund and appropriated $3.7 billion to the fund. The fund will be used to support debt defeasance and capital projects in lieu of new bond issues.
New Mexico	"All Other" includes general government, other public safety and health agencies, commerce, industry and natural resource regulation, and the judiciary.
New York	As in other surveys, the appropriations changes for Fiscal year 2022 were provided using cash estimates per 2021 and 2022 Enacted Budget Financial Plans. All Other includes Economic Development, Children and Family Services, Mental Hygiene, Local Government Assistance and transfers in support of Capital Projects and Debt Service. Annual spending is affected by pandemic response and recovery efforts including, but not limited to: disruptions impacting the timing of payments; availability and timing of federal funding to support State costs, including the Coronavirus Relief Fund and eFMAP; the deferral of non-Medicare payroll taxes from FY 2021 to FYs 2022 and 2023; payment of general salary increases that were scheduled to go into effect on April 1, 2020 in FY 2022; and the inclusion of a series of initiatives in FY 2022 intended to help State residents and businesses recover as quickly as possible from the economic dislocation caused by COVID-19. In addition, the significant increase in other spending is primarily attributable to the inclusion of unallocated budget balance reductions totaling nearly $9 billion in the FY 2021 disbursement estimates. The eFMAP savings, availability of CRF resources to offset certain eligible payroll expenses, and improved tax receipt collections alleviated the need for most of the reductions that were expected to be executed.
Ohio	The net appropriation change between fiscal years 2021 and 2022 is attributable to several factors including debt restructuring, an artificially low fiscal year 2021 due to the pandemic, executive order reductions, and expected recovery in FY 2022. Medicaid's fiscal year 2022 spending increase will be partially offset by an FY 2021 transfer out of the general revenue fund to a non-GRF fund.
Oklahoma	All Other: indicates all other agency appropriations.
Oregon	Biennial change is reflected. Corrections includes the use of one-time ARPA funding, which is backfilling a reduction in General Fund, Transportation includes the phase out of one-time funding in the prior biennium associated with wildfire debris removal.
Pennsylvania	Increase in corrections spending due to having to replace federal CRF funding in Fiscal 2021 that was not available in 2022. All spending is supported by the $3.841 billion in SLFRF that is being deposited in the General Fund to support government operations (due to revenue loss).
Rhode Island	Significant increases in education aid, municipal aid, and personnel categories reflect normal data updates in addition to accounting for the fact that some expenditures covered by federal funds in FY 2021 are returned to general revenue in FY 2022.
South Carolina	$1,921.2M General Fund increase consisted of: $520M recurring appropriations (K–12 — teacher & bus driver salaries, aid to school districts; Corrections — employee retention, salary increases, and health care funding; Higher Ed — tuition mitigation; Public Assistance — child welfare; Medicaid — maintenance of effort, and $1,408.4M nonrecurring surplus appropriations primarily for capital project related repair, maintenance, renovation, and information technology.)
Utah	The change in corrections appropriations is due to $388M of one-time funding being appropriated for new prison construction in FY 2021. After adjusting for that, corrections spending increased by $25.9 million in FY 2022 compared to FY 2021.
Washington	All Other: Legislative, Judicial, General Government, and Human Services other than Medicaid, Public Assistance and Corrections.
West Virginia	All Other: Administrative Functions $1,483,237; Commerce $2,059,311; Arts, Culture & History -$187,789; Economic Development -$3,872,481; Homeland Security -$927,166; Tourism -$7,000,000; Elected Officials -$5,208,666; Environmental Protection -$97,477; DHHR (Other) $3,658,340; Judicial $4,464,000; Legislature $3,912,429; Revenue -$2,210,000; Senior Services -$500,000; Transportation $2,800,000; Veterans' Assistance $7,000,000. Some of these reductions were restored with one-time supplementary appropriations from FY 2021 surplus revenues.

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

Arizona Arizona took part in the enhanced Federal Medical Assistance Percentage (FMAP), which increased the Federal share of Medicaid expenses.

California Furloughs and Salary Reductions (Control Sections 3.90 and 3.91)

In 2021, the state implemented pay reductions and a Personal Leave Program. The Budget includes a provision providing flexibility for the state and bargaining units to negotiate savings totaling roughly $2.8 billion ($1.4 billion General Fund), which is an approximate 10-percent reduction in employee compensation statewide. This included suspending a majority of collectively bargained salary increases that were to be effective in FY 2020–21.

Eliminating Vacant Positions / Hiring Freeze

In 2020 and 2021, as a result of the economic downturn, the state is filling only essential positions when filling vacancies and assessing staffing needs.

OPEB

The state and its employees will continue equally prefunding retiree health benefits for active employees, which was generally phased-in over a three-year period, as collectively bargained with the state's 21 bargaining units.

Other Fund Transfers

Transfer of $114.4 million from the General Fund to the State Parks and Recreation Fund.

Other — Targeted Redirection

Estimated General Fund savings that were a result of reductions in the state's prison population were redirected to COVID-19 prevention and response activities within state prisons.

Colorado Coronavirus Relief Funds were able to support programs that may have otherwise been cut.

Florida Governor DeSantis vetoed $1 billion of the FY 2021 budget and asked state agencies to hold back 6% of their annual FY 2021 budget and identify additional potential reductions to allow Florida the financial flexibility to respond to the pandemic.

The 2021 Florida Legislature was able to implement $296.1 million in targeted non-recurring FY 2021 General Revenue reversions for state agencies due to the budget holdback strategy.

Idaho Our Governor enacted an across the board 5% General Fund holdback for FY21 as well as continued a modified hiring freeze. Our state also moved funding off of GF onto federal funds as allowed and where possible.

Indiana On May 21, 2020, Indiana State Budget Agency (SB) distributed a memo calling for agencies to hold a 15% reserve on FY2021 enacted appropriations. In addition, agencies were to complete and share with SBA a strategic plan on how they would operate within 85% of their FY2021 appropriations. A general hiring freeze was implemented with exemptions for public health, safety, or critically needed positions related to the pandemic. In addition, contingency funds were used to assist agencies with expenses exceeding available appropriations.

Kansas Governor's allotment plan effective 7/1/2020 included reductions to targeted programs. The Division of the Budget employed an informal hiring freeze for non-essential positions. Governor's allotment plan transfers some funding from a few statewide special revenue funds to increase estimated revenues. Prior-year fund balance covers the structurally imbalanced budget.

Louisiana Ongoing Executive Order (JBE 16-03) Hiring Freeze

Maine	In FY21, Maine implemented targeted cuts identified by agencies in areas where there were efficiencies or actual expenditures were anticipated to be under budget. Some agencies also froze positions to assist with addressing reduced General Fund revenues due to COVID impacts. These cuts had minimal to no impact on program service levels. Where allowable, Maine also used federal COVID relief to substitute for General Fund costs like personal services costs for public safety/public health employees. The enhanced FMAP also contributed to reduced General Fund need. Maine also made use of available prior year unspent appropriations that had built up in various General Fund accounts that are authorized to carry balances.
Maryland	Rainy Day Fund: A net $556.0 million has been spent from the Rainy Day Fund in FY 2021 on relief programming related to the COVID-19 pandemic, but it was not a budget management strategy as it was used for additional supports rather than budget balancing. Local Aid: FY 2021 mid-year reductions to local aid included (a) $40.4 million in community college funding, (b) $3.0 million to neighborhood revitalization, (c) $3.6 million in local law enforcement grants, and (d) $0.3 million in environmental-related funding.
Massachusetts	Caps on Full-Time Equivalent employees are in effect for executive department agencies.
Michigan	A hiring freeze was implemented March 30, 2020, and rescinded December 30, 2021. A discretionary spending freeze was implemented March 30, 2020, and rescinded June 4, 2021.
Missouri	$438.5 million general revenue expenditure restrictions were enacted at the start of the fiscal year. As of March 2021, all expenditure restrictions were lifted, and the hiring freeze ended. Medicaid program changes include various pharmacy program changes: switching from 30 day supply to 90 day supply for certain over-the-counter drugs; eliminating grandfathering for most preferred drug list (PDL) classes; creating a reference list for atypical antipsychotic drugs.
Nebraska	Targeted Cuts — Rebase DHHS Programs in line with estimated expenditures; Reduce Local Aid — TEEOSA State Aid to K–12 Schools Formula; Rainy Day Fund — Transfer from Cash Reserve Fund for Capital Construction (54.7 million in FY 2020–21); Prior-Year Fund Balance — Lapse 19.6 Million of FY 2019–20 carryover to FY 2020–21; Other — Subsequent Transfer from the Governor's Emergency Cash Fund for Coronavirus Relief back to the Cash Reserve Fund in FY 2020–21 ($60.5 million). Also, $49.9 million in General Fund spending adjustments to reflect Federally-reimbursed presumed payroll under provisions of the 2020 CARES Act. Also lapsed $61.3 million in FY 2020 General Fund Reappropriations into FY 2021.
Nevada	Budget reductions due to decreased revenue as a result of the COVID 19 pandemic, transfer of balance of rainy day fund to the general fund, hiring freeze. All employees were required to take 48 hours of furlough in the second half of FY 2021.
New Jersey	Rainy Day Fund — Based on a statutory calculation, the State will deposit funding into its Rainy Day Fund in fiscal year 2021. Then, pursuant to authorizing budget language, the State will transfer that balance to undesignated fund balance in fiscal 2022, depleting the Surplus Revenue Fund, or Rainy Day Fund. However, based on the statutory calculation, it's possible that by the end of fiscal 2022 the State will be required to make another deposit to the Rainy Day Fund. Other — At the end of the State's fiscal year 2021 budget, the Governor signed legislation establishing a Debt Defeasance and Prevention Fund, and appropriated $3.7 billion to the fund. The fund will be used to support debt defeasance and capital projects in lieu of new bond issues. This will impact future state budgets; the state should realize debt service savings from defeasing debt and also savings from debt avoidance. Deferred Payments — A 2% COLA increase for 3 major unions were delayed from FY21 into FY22.
New Mexico	During the June 2020 special legislative session, the legislature transferred $750 million of New Mexico's coronavirus relief fund allocation to the state's general fund, to be used for eligible CRF expenditures.
New York	Deferred Payments — The FY 2021 Enacted Budget assumed the State would withhold, for a minimum of 90 days, the general salary increases that were scheduled to go into effect on April 1, 2020. The deferral was extended for the entirety of FY 2021. The FY 2022 Enacted Budget assumes repayment in FY 2022.

Ohio	Reduced GRF spending via targeted cuts by approximately $390.0 million, continued hiring freeze, pay freeze (held COLA in FY 21) for exempt employees, and instituted 10 unpaid furlough days for exempt employees.
Oregon	The Oregon Legislature held a Special Session in August 2020 to rebalance the State Budget. Additionally, while there were budget changes enacted to the Medicaid Program, they were utilization of enhanced FMAP or other one-time revenue sources shifted to use instead of State General Funds. The Medicaid Program itself did not make Programmatic changes to come up with the savings.
Pennsylvania	Agencies were encouraged to prioritize sound budget planning given the significant financial and operational impacts of the COVID-19 pandemic. As new sources of federal funding became available due to the pandemic, agencies were tasked with identifying funding opportunities that would advance agency priorities and reduce the need for General Fund appropriations. Finally, agencies were required to evaluate and phase-out burdensome or outdated practices in an effort to save money, streamline operations and improve outcomes. As part of the second, "final" budget for Fiscal 2021 (passed in November 2020), $100 million was transferred from the rainy day fund to the General Fund and funds were transferred from other state funds to the General Fund.
Rhode Island	Early Retirement: Technically the program initiated in FY 2021 and continuing into FY 2022 is not an early retirement but rather a voluntary retirement incentive which pays an incentive payment to employees already eligible for retirement under current rules to elect this option. Deferred Payments: The Budget includes $120.0 million to make the full repayment in FY 2021, reversing a two year payback authorized by the 2020 General Assembly when the FY 2021 budget was passed related to an FY 2020 withdrawal from the state rainy day fund. Revenue Increase: The state undertook several revenue raising measures in the FY 2021 revised budget, most notably a new tax on forgiven PPP loan amounts above $250,000. Other: Shifting eligible personnel costs otherwise covered by general revenue to Coronavirus Relief Fund. Direct and indirect savings relative to the enacted budget made possible by enhanced FMAP related to the public health emergency and 100 percent FEMA reimbursement.
Tennessee	Agency reserves, base budget reductions, carryforwards and over appropriation adjustments.
Texas	The Legislative Budget Board and the Governor sent a letter to agencies in May of 2020 asking agencies to make 5% strategic cuts to their budgets. These cuts were carried forward to the current budget cycle and agencies started with a 5% cut to their base.
Virginia	Chapter 56, Special Session I (Fall 2020) contained a reduction estimated at $687.2 million the first year to recognize the loss of general fund revenue associated with the COVID-19 pandemic. The savings are associated with the reduction of certain spending items included in Chapter 1289, 2020 Acts of Assembly (Spring 2020).
Washington	All identified budget management strategies for FY 2021 are the result of executive branch action, with the exception of using Rainy Day Funds which was approved as part of the final legislative budget for FY 2021.
Wisconsin	Although there was a 10% lapse previously noted in the Spring Survey, the governor lifted the requirements for the FY21 agency lapses.

Notes to Table 11: Strategies Used to Manage Budget (Enacted), Fiscal 2022

Alaska	Reductions to K–12 Aid, Higher Education
Arizona	Arizona took part in the enhanced Federal Medical Assistance Percentage (FMAP), which increased the Federal share of Medicaid expenses.
California	OPEB

The state and its employees will continue equally prefunding retiree health benefits for active employees, which was generally phased-in over a three-year period, as collectively bargained with the state's 21 bargaining units.

Other Fund Transfers

Transfer of $40.5 million from the General Fund to Special Funds to cover revenue shortfalls.

Other — Operational Efficiencies

The Enacted Budget includes a five-percent permanent reduction in state operations expenditures to reflect operational efficiencies which results in ongoing General Fund savings of $50.4 million.

Colorado	Coronavirus Relief Funds/some ARPA Funds were used for programs which may have otherwise been cut/not funded.
Idaho	Our Governor called for a spending freeze of General Fund for FY22 in all agency budget requests. This meant anything additive had to be absorbed within the agency's existing ongoing appropriation granted for FY21. This allowed for shifting of appropriation from GF to any dedicated or federal funds for eligible expenditures. There were few exceptions made for certain agency requests and any adjustments for benefits were allowed to increase the base. The legislature appropriated very closely to the Governor's recommendation.
Indiana	General management reserves on agency appropriation allotments in the 1–2% range are currently being held. These are targeted though and not across every agency or appropriation. Use of dedicated contingency fund has and will be used to address unforeseen and unbudgeted expenditure increases.
Kansas	Approved budget transfers balance of the rainy day fund back to the State General Fund in FY 2022. Prior-year fund balance covers the structurally imbalanced budget.
Louisiana	Ongoing Executive Order (JBE 16-03) Hiring Freeze
Maine	For FY22, the enacted budget continued some of the targeted cuts made in FY21 that agencies felt could be done on an ongoing basis. Consistent with past budgets, there was also budgeted savings from an increased attrition rate of 5% compared to the 1.6% set out in statute. The enacted also included further use of available prior year unspent appropriations that had built up in various General Fund accounts that are authorized to carry balances.
Massachusetts	Caps on Full-Time Equivalent employees are in effect for executive department agencies.
Mississippi	The elimination of vacant positions is a standard practice in the Joint Legislative Budget Committee (JLBC) recommendation relative to the enacted budget. Affected agencies have an opportunity to lobby to have those positions restored during the legislative process. Defunding agencies vacant positions, reduced funding for travel and vehicle purchases, funding only critical equipment/lease purchase obligations, and spending down cash balances of agencies where possible are the JLBC's recommendation relative to the enacted budget. Again, agencies have the opportunity to lobby for certain items to be restored during the legislative process.
Missouri	Medicaid program changes include outpatient hospital fee schedule change; changing payment methodology for certain drugs; and the addition of a pharmacy program integrity specialist.
Nebraska	Transfers from the General Fund to the Cash Reserve Fund; Utilize Cash Reserve Fund for Capital Construction projects; Usual and Customary Cash Transfers to General Fund; Eliminate remaining tax level on Military Retirement Benefits; Other includes $20 million additional appropriation for underserved Broadband bridge program. Adjustments to pension contributions based on ARC but no plan changes.
New Jersey	Rainy Day Fund — Based on a statutory calculation, the State will deposit funding into its Rainy Day Fund in fiscal year 2021. Then, pursuant to authorizing budget language, the State will transfer that balance to undesignated fund balance in fiscal 2022, depleting the Surplus Revenue Fund, or Rainy Day Fund. However, based on the statutory calculation, it's possible that by the end of fiscal 2022 the State will be required to make another deposit to the Rainy Day Fund.

Prior-year Fund Balance — The State is expecting to use more than $4 billion in opening fiscal 2022 fund balance (including the Surplus Revenue Fund (Rainy Day Fund) to support the fiscal 2022 Appropriations Act.

Deferred Payments — A 2% COLA increase for 3 major unions were delayed from FY22 into FY23.

New Mexico There is no longer a hiring freeze in FY22 but positions that have been vacant for over 2 years continue to be eliminated if they cannot be justified, and agencies are encouraged to reclass existing vacant positions in lieu of requesting new position creations when possible.

New York Across-the-Board % Cuts — Executive agency budgets, with exceptions for facility operations and public health and safety, have been reduced by 10 percent from budgeted levels beginning in FY 2021.

Pennsylvania Agencies were tasked with submitting cost-to-carry budget requests which were enacted in the Fiscal 2022 budget, generally. As usual, agencies were encouraged to analyze operations, find efficiencies, and eliminate waste. In addition, agencies were charged with continuing to seek new sources of federal pandemic-related funding where possible. Government operations continue to be affected by COVID-19 and agencies must be agile in service delivery while limiting costs where possible. While not in the budget appropriations, a reorganization occurred in the Department of Corrections. The Fiscal 2022 budget also included several modest revenue changes, including some increases. The Fiscal 2022 budget includes $3,841 million of State and Local Fiscal Recovery Funding (SLFRF) being transferred into the General Fund due to revenue loss — and is to be used for continuing government operations.

Rhode Island Early Retirement: Technically the program initiated in FY 2021 and continuing into FY 2022 is not an early retirement but rather a voluntary retirement incentive which pays an incentive payment to employees already eligible for retirement under current rules to elect this option.

Revenue Increase: The state undertook several revenue raising measures in the FY 2022 enacted budget, most notably a new tax on forgiven PPP loan amounts above $250,000.

Other: Enhanced FMAP savings of $75.1 million related to the public health emergency for the first half of FY 2022 (6-months). The General Assembly also reserved $39.0 million from general revenues in the event the public health emergency ended before October 1, 2021 (which it did not). Pre-funded future obligations utilizing $67.0 million to the Information Technology Investment Restricted Account and $25.0 million towards a Housing Production Fund.

Tennessee Agency reserves, base budget reductions, and carryforwards.

Texas The Legislative Budget Board and the Governor sent a letter to agencies in May of 2020 asking agencies to make 5% strategic cuts to their budgets. These cuts were carried forward to the current budget cycle and agencies started with a 5% cut to their base.

Virginia Chapter 56, Special Session I (Fall 2020) contained a reduction estimated at $1,048.4 million the second year to recognize the loss of general fund revenue associated with the COVID-19 pandemic. The savings are associated with the reduction of certain spending items included in Chapter 1289, 2020 Acts of Assembly (Spring 2020).

Washington All identified budget management strategies for FY 2021 are the result of executive branch action.

Wisconsin The comparison is Governor Final (Act 58) FY22 vs. Final Post Budget FY21.

STATE REVENUE DEVELOPMENTS

CHAPTER TWO

Overview

Revenue forecasting during the pandemic has been an immensely challenging task for states. In the early months of the pandemic, with the economy largely shut down and a vaccine not yet developed, many states were forecasting large revenue declines on par with or worse than what states experienced during the Great Recession. However, state revenues performed considerably better than was expected for several reasons. Federal stimulus measures and the fact that higher-income earners were relatively insulated from the pandemic's impacts helped mitigate state income tax losses. Meanwhile, sales tax collections during the pandemic were helped by the recent enabling of expanded online sales tax collections along with the fact that the pandemic mostly curtailed consumption of services — which are less often included in states' sales tax bases.

The pandemic's impact has certainly varied by state, but revenues exceeded original budget projections in all but three states. More data on revenue collections, along with positive vaccine developments and the provision of additional federal stimulus in December 2020 and March 2021, led states to upgrade their revenue forecasts compared to the earliest predictions following the onset of the COVID-19 crisis. This trajectory is evident in NASBO's *Fiscal Survey of States*. One year ago, state revenue estimates reported in the *Fall 2020 Fiscal Survey* predicted that general fund revenue would record an annual decline of 3.5 percent in fiscal 2021. In the *Spring 2021 Fiscal Survey*, revenue in fiscal 2021 was expected to grow 3.7 percent. In this survey, preliminary actual collections data show revenue increased by 14.5 percent. These large swings speak to the many difficulties of and tremendous uncertainty surrounding state revenue forecasts during the pandemic — uncertainty that was further exacerbated by a lack of clarity around future federal pandemic response as well as the tax deadline shift (which also contributed to the higher revenue growth rate for fiscal 2021).

Projected general fund revenues in fiscal 2022 enacted budgets are 2.6 percent lower than preliminary actual revenue levels for fiscal 2021. However, it is important to note that the shift in the tax deadline in 2020 inflated fiscal 2021 revenue levels, which partially explains the sharp increase in fiscal 2021 followed by the year-over-year decline in fiscal 2022. Moreover, revenue estimates for fiscal 2022 reported in this survey in most states were developed several (or more) months before preliminary actual tax collections data were available. Thus, state revenues assumed in general fund budgets for fiscal 2022 are likely to be lower compared to more recently revised forecasts that take into account more recent revenue collections data. Indeed, so far in fiscal 2022, most states are reporting collections exceeding their budget forecasts.

Total General Fund Revenue and Annual Growth

Fiscal 2022 Forecasts. States' enacted budgets for fiscal 2022 are based on general fund revenues totaling $975.3 billion, considerably higher than the $928.9 billion forecasted when governors proposed their budgets last winter. Enacted fiscal 2022 general fund revenues are 2.6 percent below preliminary actual revenue levels for fiscal 2021. This year-over-year decline is largely driven by two factors. First, as will be discussed in greater detail in this chapter, the shift in the tax filing deadline from April 2020 to July 2020 resulted in some states recognizing a portion of their revenues (mainly from income taxes) in fiscal 2021 instead of fiscal 2020 — thus causing a one-time bump in fiscal 2021 total general fund revenues that makes year-over-year comparisons more challenging. Second, for most states, their fiscal 2021 and fiscal 2022 figures were determined at two different points in time. Most states reported preliminary actual data for fiscal 2021 (based on final revenue collections data after the fiscal year, which for almost all states ended on June 30, 2021), while reporting enacted revenue forecasts for fiscal 2022, many of which were produced early in the 2021 calendar year or prior to that. Thus, state revenues assumed in general fund budgets for fiscal 2022 are likely to be lower compared to more recently revised forecasts that take into account actual revenue collections for fiscal 2021.

In fact, 14 states separately reported more current revenue estimates for fiscal 2022. Among those states, nearly all reported upward revisions to their fiscal 2022 revenue projections compared to their enacted budget forecasts, with a median increase of 4.9 percent from enacted to most current. This reinforces the theme evident throughout the data presented in this chapter of continued improvements in state revenue performance.

Fiscal 2021 Preliminary Actual Collections. States reported in this survey fiscal 2021 general fund revenues totaling $1,001.8 billion, representing a sharp 14.5 percent increase over fiscal 2020 actual collections of $875.1 billion. While there are some one-time factors driving this figure – including the impact of the tax deadline shift on when revenues in some states were recognized and the inclusion of federal funds, borrowing and other sources in at least a few states – this pace of growth is notable for its size, especially within the context of the pandemic. Several factors help explain recent improvements in states' revenue outlooks. See "Discussion & Analysis" section below for more on these points.

Fiscal 2020 Actual Collections. In the aggregate, states recorded a general fund revenue decline in fiscal 2020 of 0.6 percent, with a median decline of 1.5 percent. This marked the first time state general fund revenues declined year-over-year (without adjusting for inflation) since states experienced two consecutive years of declines during the Great Recession in fiscal 2009 and fiscal 2010. In fiscal 2020, the decline was driven both by the impacts of COVID-19 on economic activity and state revenues as well as by some states recognizing revenue in fiscal 2021 instead of fiscal 2020 due to the tax deadline shift. *(See Tables 12 and 14)*

General Fund Revenue Trends: Discussion & Analysis

Comparing Revenue Collections to Forecasts Earlier in the Pandemic. Without question, fiscal 2021 revenues performed better than was predicted in the early months of the pandemic, when most states were adopting or revising their budgets for fiscal 2021. Several factors made revenue forecasting especially challenging for states over the last year. Models for reliably projecting state revenues in unprecedented events such as a pandemic did not exist. Moreover, public health and economic conditions evolved rapidly and unevenly across states over the course of the pandemic. A large influx of federal stimulus early on, uncertainty regarding additional federal aid much of last year, followed by the passage of the *American Rescue Plan Act* in March 2021, further contributed to the complexity of revenue forecasting since the start of the COVID-19 crisis. The tax deadline shift, discussed more below, further added to forecasting difficulties.

There are a few reasons behind why revenues did not fare as poorly as was predicted earlier in the pandemic. First, federal stimulus measures put a lot of additional money into the economy and directly boosted personal income, helping to lessen state revenue losses. Second, personal income taxes were not as impacted as expected due to the recession disproportionately affecting low-income workers while high-income earners have been relatively insulated. Third, the pandemic's effects on economic activity largely curtailed consumption of services that most states do not tax, while consumption of goods, which are taxed, was less affected. Fourth, increased online sales tax collections following the U.S. Supreme Court decision in *Wayfair v. South Dakota* has mitigated sales tax losses.

Comparing Revenue Collections to Pre-COVID Forecasts. In addition to revenues outperforming projections from earlier in the pandemic, most states have seen general fund collections come in above their pre-COVID forecasts. Examining general fund revenue for fiscal 2020 and fiscal 2021 combined, aggregate collections came in 2.2 percent above states' (mostly) pre-COVID forecasts reported in NASBO's *Spring 2020 Fiscal Survey*.[4] While this speaks to how much improvement revenue collections experienced relative to projections early in the COVID-19 crisis, it also helps put the revenue figures in this survey into some context. Baseline effects, timing issues and the tax deadline shift all contributed to the sharp year-over-year revenue increase reported for fiscal 2021 in this report. It is helpful to remember that over two years (fiscal 2020 and fiscal 2021), general fund revenue performed only moderately better than what was expected before the crisis. Moreover, roughly 15 states still reported lower revenues for fiscal 2020 and fiscal 2021 relative to the forecasts they reported in the Spring 2020 survey, despite a massive influx of federal stimulus into the economy.

Impact of Tax Deadline Shift. After the federal government made the decision to delay its tax filing deadline from April 15 to July 15, 2020 in response to the pandemic, all states that collect an income tax also delayed their tax filing deadlines. The vast majority of these states set July 15 as the new filing deadline. Since most states start their fiscal year on July 1, the delayed collections were received in a different fiscal year than they would have been absent the deadline change. For states where this was the case, many recognized the collections on an

[4] General fund revenue information reported in the *Spring 2020 Fiscal Survey* was adjusted for this comparison to account for a change in Ohio's reporting methodology. Beginning in the Spring 2021 Fiscal Survey, Ohio began excluding federal Medicaid reimbursements from its general fund reporting.

accrual basis and still accounted for them as fiscal 2020 revenues. However, 19 states recognized these delayed collections on a cash basis as fiscal 2021 revenue. This tended to make these states' fiscal 2020 revenue collections smaller, but in turn made their fiscal 2021 revenue collections larger. Eighteen of these 19 states reported deferring an estimated $10.4 billion in general fund revenue into fiscal 2021 due to the deadline change. Most of this revenue represented personal income tax collections ($8.5 billion) and corporate income tax collections ($1.4 billion).[5] A few states also reported deferring some sales taxes and miscellaneous taxes.

Comparing the median general fund growth rates for fiscal 2020 and fiscal 2021 for states that deferred revenues to those that did not defer can help illuminate the impact of the tax deadline shift. The median growth rates for all 50 states were -1.5 percent in fiscal 2020 and 12.5 percent in fiscal 2021. For the 31 states that did not defer revenues due to the deadline change, median growth was 0.9 percent in fiscal 2020 and 10.9 percent in fiscal 2021. For those states that deferred revenue, median growth was -3.7 percent in fiscal 2020 and 20.6 percent in fiscal 2021.

Variation By State. The overall impact that COVID-19 has had on state revenues has been smaller compared to both what states experienced during the Great Recession and to what states forecasted earlier in the pandemic. However, looking at state-by-state revenue data also reveals significant variation in the impact of COVID-19 across the states, as well as one-time factors. Generally, states that have seen more negative impacts of COVID-19 on their budgets include those heavily reliant on tourism and leisure industries and the energy sector. Meanwhile, states that have seen smaller impacts on their revenues include those with a greater reliance on income taxes.

Overall, 32 states recorded revenue declines in fiscal 2020 and six states experienced declines in fiscal 2021. Meanwhile, two states recorded growth greater than 10 percent in fiscal 2020 and 33 states saw revenue growth greater than 10 percent in fiscal 2021. The vast majority of states that recognized delayed revenues due to the tax deadline shift in fiscal 2021 instead of fiscal 2020 experienced revenue declines in fiscal 2020 followed by double-digit percentage increases in fiscal 2021. *(See Table 13)*

Comparing General Fund Collections to Budget Projections

Fiscal 2021 from All Sources. General fund collections for fiscal 2021 from all revenue sources including sales, personal income, corporate income, gaming and other revenues came in above original projections used to adopt budgets in 47 states and lower in just 3 states. While it is important to acknowledge that many states adopted rather pessimistic revenue forecasts in the fiscal 2021 budgets, the fact that nearly all states beat their original budgeted revenues is noteworthy and is evidence of the continued improvements in revenue performance throughout the pandemic. Additionally, the 3 states that came in lower than forecast are all heavily reliant on revenues from the energy and/or tourism sectors, and some also had original revenue projections that predated the COVID-19 crisis. *(See Table 15)*

Fiscal 2022 from All Sources. Among the 42 states able to report on how general fund revenue collections are coming in relative to adopted budget projections, 32 states said collections are exceeding projections and 10 states are on target. No states reported collections coming in below projections. As most states adopted fiscal 2022 budgets based on revenue forecasts developed in spring 2021 or earlier, these forecasts were not able to account for the most recent uptick in state revenue collections, and in some cases, budget forecasts even predated passage of the *American Rescue Plan Act* (ARPA). This helps explain why most states are coming in above their budget forecasts.

Fiscal 2021 by Revenue Type. General fund revenue collections for fiscal 2021 considerably exceeded budget projections for every revenue type tracked separately in this report. Compared to original revenue forecasts, preliminary actual collections for fiscal 2021 for sales and use taxes came in 8.5 percent above, personal income tax collections 21.9 percent above, corporate income tax collections 37.9 percent above, gaming and lottery revenue 8.0 percent above, and all other general fund revenue 8.5 percent above. Seven states had sales tax collections come in lower than forecast (and most of these states set their original budget forecasts before the onset of COVID-19). Virtually all states saw personal and corporate income tax collections exceed original budget forecasts. *(See Tables 16 and 17*)

[5] Seventeen out of 19 states were able to report on deferrals due to the tax deadline shift in NASBO's *Fall 2020 Fiscal Survey of States* (Table 21). One additional state subsequently reported data to NASBO on estimated deferrals..

General Fund Collection Growth By Revenue Type

In fiscal 2022 revenue forecasts used in enacted budgets, personal income taxes account for 46.0 percent of all forecasted general fund revenues, sales and use taxes for 30.2 percent, corporate income taxes for 6.9 percent, gaming and lottery revenues for 1.0 percent, and all other revenues at 15.9 percent. Compared to preliminary actual general fund revenue for fiscal 2021, sales taxes are projected to grow only slightly by 0.8 percent, while every other revenue source is projected to record a decline in the aggregate. However, since fiscal 2022 projections reported by most states were developed before preliminary actual data for fiscal 2021 was available, these figures may be difficult to accurately use in making year-over-year comparisons. Moreover, the impact of the tax deadline shift on fiscal 2021 revenue levels further complicates these comparisons.

Sales & Use Taxes. Forty-four states have a broad-based sales tax that goes towards the general fund; additionally, Vermont's sales taxes go towards its separate Education Fund (not reported in this survey), and Montana collects a small amount of revenue in the sales and use tax category (reported in this survey). General fund sales and use tax collections for these states in the aggregate grew 0.6 percent in fiscal 2020 and 9.1 percent in fiscal 2021. Fiscal 2022 sales tax revenues are forecasted to total $294.1 billion in enacted budgets, 0.8 percent above preliminary actual fiscal 2021 levels. States that reported updated forecasts for fiscal 2022 sales and use tax collections all reported upward revisions to these projections except for one state.

Personal Income Taxes. Forty-one states collect a broad-based personal income tax, while New Hampshire and Tennessee collect taxes on interest and dividends only. Personal income tax collections decreased 0.1 percent in fiscal 2020 and increased 16.4 percent in fiscal 2021. As discussed earlier in this chapter, federal stimulus measures — including enhanced unemployment insurance benefits and individual stimulus payments — played an important role in boosting personal income. Fiscal 2022 personal income tax collections are forecasted to total $447.7 billion, a 3.3 percent decline from fiscal 2021. The tax deadline shift led 19 states to recognize certain income tax collections in fiscal 2021 instead of fiscal 2020, causing lower collections in fiscal 2020 and higher receipts in fiscal 2021. Among those 19 states, 18 were able to report the estimated amount of revenue deferred from fiscal 2020 to fiscal 2021 due to the tax deadline shift. Using those estimates to partially adjust for the tax deadline shift, personal income tax collections grew 2.1 percent in fiscal 2020, increased 11.9 percent in fiscal 2021, and are projected to decline 1.5 percent in fiscal 2022.[6]

Corporate Income Taxes. Forty-five states collect a corporate income tax, which tends to be a more volatile revenue source. Total state corporate income tax revenues declined 6.3 percent in fiscal 2020 followed by a sharp increase of 41.9 percent in fiscal 2021. Fiscal 2022 corporate income tax collections are forecasted to total $67.1 billion, a 16.8 percent decline from fiscal 2021. Using the estimates provided by 18 out of 19 states that deferred revenue from fiscal 2020 to fiscal 2021 due to the tax deadline shift to partially adjust year-over-year comparisons, corporate income tax collections declined 4.0 percent in fiscal 2020, increased 36.1 percent in fiscal 2021, and are projected to decline 15.4 percent in fiscal 2022.[7]

Gaming/Lottery Revenues. Twenty-eight states reported on general fund collections from these sources (some states direct revenues in this category, particularly from lotteries, into special funds, which are not reported on in this survey). Revenues in this category declined 15.0 percent in fiscal 2020 and increased 14.0 percent in fiscal 2021. General fund collections from gaming taxes and lotteries are forecasted to total $9.3 billion in fiscal 2022, a decline of 1.9 percent from fiscal 2021 levels.

Other General Fund Revenues. All other general fund revenues may include collections from cigarette and other excise taxes, severance taxes, insurance taxes, fees, and other sources. Some states may also use this category to record revenue transfers into/out of the general fund from/to other state fund sources as well as from borrowing, which can contribute to large fluctuations

[6] Among the 19 states that reported deferring revenues from fiscal 2020 to fiscal 2021, 18 states reported estimated deferrals from personal income taxes totaling $8.5 billion. One state was not able to report the impact of deferrals. Partial adjustments for the tax deadline shift are derived by subtracting the deferred amount from fiscal 2021 and adding it to fiscal 2020 revenue figures.

[7] Among the 19 states that reported deferring revenues from fiscal 2020 to fiscal 2021, 18 states reported estimated deferrals from corporate income taxes totaling $1.4 billion. One state was not able to report the impact of deferrals. Partial adjustments for the tax deadline shift are derived by subtracting the deferred amount from fiscal 2021 and adding it to fiscal 2020 revenue figures.

year-over-year for some states in this category. All other general fund revenues declined 2.2 percent in fiscal 2020, increased 13.8 percent in fiscal 2021, and are projected to total $155.1 billion in fiscal 2022, a 5.7 percent decline from fiscal 2021 levels. *(See Tables 18 and 19)*

TABLE 12

State Nominal and Real Annual Revenue Increases, Fiscal 1979 to Fiscal 2022

	State General Fund	
Fiscal Year	Nominal Increase	Real Increase
2022	-2.6%	
2021	14.5	11.9%
2020	-0.6	-2.0
2019	5.7	2.5
2018	6.9	3.4
2017	2.4	1.1
2016	1.8	2.1
2015	5.0	3.9
2014	1.9	-1.1
2013	7.1	4.2
2012	2.9	0.2
2011	6.6	3.4
2010	-2.5	-3.4
2009	-8.0	-10.1
2008	3.9	-1.6
2007	5.4	0.4
2006	9.1	3.6
2005	7.8	1.8
2004	5.4	1.7
2003	8.0	5.0
2002	-6.8	-9.1
2001	4.5	0.1
2000	2.0	-2.7
1999	5.5	2.7
1998	6.1	4.1
1997	5.0	2.7
1996	5.9	3.6
1995	5.3	2.3
1994	5.5	3.3
1993	5.8	2.4
1992	6.6	3.3
1991	4.7	0.2
1990	3.4	-1.5
1989	10.1	6.1
1988	6.5	2.4
1987	8.2	4.5
1986	6.3	2.8
1985	8.8	4.6
1984	12.5	8.4
1983	3.7	-1.8
1982	12.6	5.3
1981	7.9	-3.2
1980	9.8	-0.7
1979	7.8	0.9
1979-2021 average	**5.4%**	**1.6%**

Notes: The state and local government implicit price deflator cited by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on November 24, 2021), is used for state revenues in determining real changes. Fiscal Year real changes are based on quarterly averages. Fiscal 2020 figures are based on the change from fiscal 2019 actuals to fiscal 2020 actuals. Fiscal 2021 figures are based on the change from fiscal 2020 actuals to fiscal 2021 preliminary actuals. Fiscal 2022 figures are based on the change from fiscal 2021 preliminary actuals to fiscal 2022 enacted figures.

TABLE 13

State General Fund Revenue Growth, Fiscal 2020 to Fiscal 2022

Revenue Growth	Fiscal 2020 (Actual)	Fiscal 2021 (Preliminary Actual)	Fiscal 2022 (Enacted)
0% or less	32	6	33
> 0.0% but < 5.0%	14	4	13
> 5.0% but < 10.0%	2	7	3
10% or more	2	33	1

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

TABLE 14

General Fund Nominal Percentage Revenue Changes, Fiscal 2020 to Fiscal 2022**

State	Fiscal 2020	Fiscal 2021	Fiscal 2022
Alabama	3.8%	13.6%	-9.2%
Alaska	-39.5	-1.1	5.8
Arizona**	-1.4	28.5	-3.0
Arkansas**	-2.8	19.0	-14.3
California	-0.1	24.9	-1.8
Colorado	2.4	10.7	7.3
Connecticut	-2.3	7.0	2.4
Delaware**	-1.4	19.1	-5.0
Florida	-7.7	15.2	1.7
Georgia	-0.4	12.2	-9.8
Hawaii**	-3.5	7.0	2.9
Idaho	8.0	5.5	3.5
Illinois**	-2.9	17.8	-5.5
Indiana**	-6.3	26.3	-7.2
Iowa	0.9	11.0	-5.8
Kansas**	-6.4	28.5	-14.7
Kentucky	1.5	10.9	-7.7
Louisiana	-2.9	-0.4	0.8
Maine	3.1	13.9	-7.6
Maryland	1.3	11.8	-2.6
Massachusetts	-0.3	12.2	1.4
Michigan	-2.6	3.9	4.3
Minnesota	-3.6	4.4	0.9
Mississippi**	-2.5	-2.2	4.2
Missouri**	-6.6	25.8	-12.9
Montana	-1.6	17.0	-10.8
Nebraska**	0.9	20.6	-18.1
Nevada	-4.9	9.7	1.1
New Hampshire	-6.0	20.9	-9.9
New Jersey	-1.6	27.7	-13.0
New Mexico	3.5	6.7	-7.3
New York	12.3	-6.2	11.3
North Carolina**	-3.6	24.1	-4.3
North Dakota**	9.5	-10.9	6.2
Ohio**	-3.8	16.5	-3.1
Oklahoma**	-8.2	17.3	-9.1
Oregon* **	-28.3	85.0	-26.7
Pennsylvania**	-7.4	25.1	-4.2
Rhode Island	1.0	9.1	-0.5
South Carolina	4.3	14.0	-11.4
South Dakota	3.6	14.7	-4.7
Tennessee	4.9	0.3	2.8
Texas	-1.5	6.2	-3.4
Utah**	-4.0	27.9	-6.1
Vermont**	-3.7	33.1	-14.3
Virginia	13.7	0.8	0.8
Washington	0.9	12.8	2.6
West Virginia**	-5.5	11.0	-8.4
Wisconsin	1.1	11.6	-5.1
Wyoming	0.0	-23.7	-0.1
Average	**-0.6%**	**14.5%**	**-2.6%**
Median	-1.5%	12.5%	-4.3%

**See Notes to Table 14 at the end of the chapter. **Denotes states that recognized some revenue (primarily from income taxes) in fiscal 2021 instead of fiscal 2020 due to the shift in the tax filing deadline from April 15, 2020 to July 15, 2020. Fiscal 2020 reflects changes from fiscal 2019 revenues (actual) to fiscal 2020 revenues (actual). Fiscal 2021 reflects changes from fiscal 2020 revenues (actual) to fiscal 2021 revenues (preliminary actual). Fiscal 2022 reflects changes from fiscal 2021 revenues (preliminary actual) to fiscal 2022 revenues (enacted).*

TABLE 15

General Fund Revenue Collections Compared to Projections, Fiscal 2021 and Fiscal 2022

	Fiscal 2021			Fiscal 2022			
State	On Target	Lower	Higher	On Target	Lower	Higher	N/A
Alabama			X				X
Alaska		X					X
Arizona**			X			x	
Arkansas**			X	X			
California			X			X	
Colorado			X			X	
Connecticut			X	X			
Delaware**			X				X
Florida			X				X
Georgia			X			X	
Hawaii**			X			X	
Idaho			X			X	
Illinois**			X	X			
Indiana* **			X			X	
Iowa			X			X	
Kansas**			X			X	
Kentucky			X			X	
Louisiana			X	X			
Maine			X			X	
Maryland			X			X	
Massachusetts			X				X
Michigan			X			X	
Minnesota			X			X	
Mississippi**			X	X			
Missouri**			X			X	
Montana			X			X	
Nebraska**			X			X	
Nevada		X					X
New Hampshire			X			X	
New Jersey			X	X			
New Mexico			X	X			
New York			X			X	
North Carolina**			X			X	
North Dakota**			X	X			
Ohio**			X	X			
Oklahoma**			X			X	
Oregon**			X			X	
Pennsylvania**			X	X			
Rhode Island*			X			X	
South Carolina			X			X	
South Dakota			X			X	
Tennessee			X			X	
Texas			X				X
Utah**			X			X	
Vermont**			X			X	
Virginia			X			X	
Washington			X			X	
West Virginia**			X			X	
Wisconsin			X				X
Wyoming		X				X	
Total	**0**	**3**	**47**	**10**	**0**	**32**	**8**

*NOTES: Fiscal 2021 reflects whether general fund revenues from all sources thus far have come in higher, lower, or on target with original projections used to adopt the Fiscal 2021 budget. Fiscal 2022 reflects whether collections thus far have been coming in higher, lower, or on target with projections used to adopt the Fiscal 2022 budget. Some states did not have enough data available to provide information on fiscal 2022 at time of data collection. *See Notes to Table 15 at the end of the chapter. **Denotes states that recognized some revenue (primarily from income taxes) in fiscal 2021 instead of fiscal 2020 due to the shift in the tax filing deadline from April 15, 2020 to July 15, 2020.*

TABLE 16

Fiscal 2021 General Fund Revenue Collections Compared With Projections Used to Adpot Fiscal 2021 Budgets (Millions)

	Sales Tax		Personal Income Tax		Corporate Income Tax	
State	Original Estimate	Preliminary Actual	Original Estimate	Preliminary Actual	Original Estimate	Preliminary Actual
Alabama	$2,878	$3,223	$4,371	$4,739	$506	$771
Alaska					75	55
Arizona**	5,276	6,245	5,070	6,517	445	847
Arkansas**	2,569	2,884	3,359	3,969	449	652
California*	20,583	27,936	77,567	125,151	16,534	20,720
Colorado	3,209	3,634	7,035	9,483	578	1,184
Connecticut	4,588	4,793	10,005	10,340	1,083	1,153
Delaware**			1,562	1,888	77	210
Florida	27,023	27,159			2,843	3,396
Georgia	6,272	6,948	12,070	14,221	770	1,751
Hawaii**	3,045	3,055	2,058	3,355	111	186
Idaho	1,772	2,004	1,859	2,446	294	349
Illinois**	9,038	9,368	20,126	22,525	2,489	3,563
Indiana**	8,277	9,073	6,380	7,532	834	1,385
Iowa	3,170	3,512	5,134	5,435	721	984
Kansas**	3,010	3,126	4,084	4,590	534	652
Kentucky	4,191	4,561	4,771	5,144	546	883
Louisiana	3,532	3,840	3,646	3,654	423	550
Maine	1,697	1,856	1,846	2,070	204	284
Maryland	5,041	4,988	11,030	11,705	1,101	1,462
Massachusetts	5,033	5,470	16,180	19,593	2,501	3,590
Michigan	1,415	2,025	6,212	6,794	269	757
Minnesota	5,019	5,833	12,051	12,570	1,155	1,731
Mississippi**	2,291	2,653	2,005	2,226	481	845
Missouri**	2,271	2,357	6,821	7,789	362	678
Montana	52	56	1,405	1,765	156	267
Nebraska**	1,820	2,010	2,750	3,131	360	571
Nevada	1,411	1,381				
New Hampshire					440	632
New Jersey	10,690	12,104	15,016	17,518	3,410	4,945
New Mexico	3,056	2,854	1,661	1,765	17	132
New York	11,342	11,155	41,602	44,034	6,506	6,420
North Carolina**	8,624	9,024	14,822	15,823	1,037	1,552
North Dakota**	1,009	853	425	466	80	147
Ohio* **	11,181	12,191	9,906	10,201	1,653	1,667
Oklahoma**	2,869	3,318	3,277	2,950	299	562
Oregon**			9,951	12,815	473	1,479
Pennsylvania**	11,904	12,835	15,438	16,283	3,253	4,424
Rhode Island	1,213	1,342	1,450	1,616	151	203
South Carolina	3,400	3,826	4,125	4,838	329	623
South Dakota	1,102	1,223				
Tennessee	8,600	10,380	68	54	2,153	3,179
Texas	33,691	32,254				
Utah**	2,296	2,625	5,168	6,111	383	743
Vermont**			836	1,070	49	133
Virginia	3,347	4,166	15,448	17,304	1,042	1,516
Washington	12,352	13,342				
West Virginia**	1,422	1,537	2,156	2,254	145	320
Wisconsin	5,961	6,374	9,142	9,283	1,205	2,560
Wyoming	553	452				
Total	**$269,091**	**$291,842**	**$379,886**	**$463,013**	**$58,526**	**$80,711**

*NOTES: Unless otherwise noted, original estimates reflect the figures used when the fiscal 2021 budget was adopted. *See Notes to Tables 16 and 17 at the end of the chapter.**Denotes states that recognized some revenue (primarily from income taxes) in fiscal 2021 instead of fiscal 2020 due to the shift in the tax filing deadline from April 15, 2020 to July 15, 2020.*

TABLE 16 (CONTINUED)

Fiscal 2021 General Fund Revenue Collections Compared With Projections Used to Adpot Fiscal 2021 Budgets (Millions)

	Gaming/Lottery Revenue		All Other Revenue	
State	Original Estimate	Preliminary Actual	Original Estimate	Preliminary Actual
Alabama			$2,215	$2,312
Alaska	$2	$2	1,128	1,515
Arizona**	87	105	177	347
Arkansas**	33	40	484	576
California*	2	1	4,960	6,563
Colorado			-67	-60
Connecticut	602	639	3,974	3,606
Delaware**	172	216	2,725	3,077
Florida			4,583	5,726
Georgia			5,035	5,672
Hawaii**			1,406	2,407
Idaho			201	210
Illinois**	986	777	9,492	8,619
Indiana**	421	498	1,056	1,259
Iowa	81	101	-1,269	-1,231
Kansas**			472	498
Kentucky	277	289	1,819	1,951
Louisiana	268	382	1,307	1,384
Maine	66	71	138	240
Maryland	565	632	1,629	2,045
Massachusetts	1,295	1,333	8,163	8,733
Michigan			1,151	1,211
Minnesota	135	171	3,333	3,593
Mississippi**	121	158	793	858
Missouri**			344	416
Montana	73	87	783	789
Nebraska**			220	248
Nevada	822	713	2,363	2,381
New Hampshire			1,152	1,212
New Jersey			11,538	13,573
New Mexico	69	19	3,080	3,129
New York	11	10	11,481	12,693
North Carolina**			3,120	3,301
North Dakota**	16	25	970	379
Ohio* **			3,015	2,760
Oklahoma**	180	183	1,271	1,266
Oregon**			699	1,042
Pennsylvania**	198	242	6,162	6,608
Rhode Island	255	298	969	973
South Carolina			1,069	1,173
South Dakota	132	156	508	571
Tennessee	403	398	3,901	4,115
Texas	1,454	1,885	26,681	26,367
Utah**			582	589
Vermont**			833	954
Virginia			1,517	1,893
Washington			11,748	14,198
West Virginia**	75	75	778	801
Wisconsin			1,347	1,356
Wyoming			572	532
Total	**$8,802**	**$9,505**	**$151,608**	**$164,429**

*NOTES: Unless otherwise noted, original estimates reflect the figures used when the fiscal 2021 budget was adopted. *See Notes to Tables 16 and 17 at the end of the chapter.**Denotes states that recognized some revenue (primarily from income taxes) in fiscal 2021 instead of fiscal 2020 due to the shift in the tax filing deadline from April 15, 2020 to July 15, 2020.*

TABLE 17

Fiscal 2021 General Fund Revenue Collections Compared with Projections (Percentage Above or Below)

State	Sales Tax	Personal Income Tax	Corporate Income Tax	Gaming/ Lottery Revenue	All Other Revenue
Alabama	12.0%	8.4%	52.2%	N/A	4.4%
Alaska	N/A	N/A	-26.7	0.0	34.3
Arizona	18.4	28.6	90.5	20.8	96.2
Arkansas	12.2	18.2	45.1	21.7	19.0
California*	35.7	61.3	25.3	-65.6	32.3
Colorado	13.2	34.8	104.7	N/A	-11.0
Connecticut	4.5	3.3	6.5	6.2	-9.3
Delaware	N/A	20.9	173.0	25.5	12.9
Florida	0.5	N/A	19.4	N/A	24.9
Georgia	10.8	17.8	127.3	N/A	12.7
Hawaii	0.3	63.0	67.5	N/A	71.1
Idaho	13.1	31.6	18.9	N/A	4.4
Illinois	3.7	11.9	43.1	-21.2	-9.2
Indiana	9.6	18.1	66.0	18.3	19.2
Iowa	10.8	5.9	36.4	24.6	-3.0
Kansas	3.8	12.4	22.2	N/A	5.5
Kentucky	8.8	7.8	61.7	4.4	7.3
Louisiana	8.7	0.2	30.1	42.5	5.9
Maine	9.4	12.1	39.2	7.8	74.0
Maryland	-1.0	6.1	32.7	11.7	25.5
Massachusetts	8.7	21.1	43.5	2.9	7.0
Michigan	43.2	9.4	181.6	N/A	5.1
Minnesota	16.2	4.3	49.9	26.2	7.8
Mississippi	15.8	11.0	75.8	30.6	8.3
Missouri	3.8	14.2	87.1	N/A	20.9
Montana	6.6	25.7	70.6	18.7	0.8
Nebraska	10.4	13.8	58.7	N/A	12.5
Nevada	-2.2	N/A	N/A	-13.3	0.8
New Hampshire	N/A	N/A	43.8	N/A	5.2
New Jersey	13.2	16.7	45.0	N/A	17.6
New Mexico	-6.6	6.3	671.9	-71.9	1.6
New York	-1.6	5.8	-1.3	-9.1	10.6
North Carolina	4.6	6.8	49.6	N/A	5.8
North Dakota	-15.4	9.6	84.7	54.7	-60.9
Ohio*	9.0	3.0	0.8	N/A	-8.4
Oklahoma	15.7	-10.0	87.9	1.3	-0.3
Oregon	N/A	28.8	212.9	N/A	49.1
Pennsylvania	7.8	5.5	36.0	22.2	7.2
Rhode Island	10.6	11.4	33.9	17.3	0.4
South Carolina	12.5	17.3	89.2	N/A	9.7
South Dakota	11.0	N/A	N/A	17.6	12.4
Tennessee	20.7	-20.8	47.7	-1.2	5.5
Texas*	-4.3	N/A	N/A	29.6	-1.2
Utah	14.3	18.2	93.8	N/A	1.2
Vermont*	N/A	28.0	170.6	N/A	14.5
Virginia	24.5	12.0	45.5	N/A	24.8
Washington	8.0	N/A	N/A	N/A	20.9
West Virginia	8.1	4.6	121.8	0.0	3.0
Wisconsin	6.9	1.5	112.4	N/A	0.7
Wyoming	-18.3	N/A	N/A	N/A	-7.0
Total	**8.5%**	**21.9%**	**37.9%**	**8.0%**	**8.5%**
On target	1	1	0	2	2
Higher	37	39	43	20	40
Lower	7	2	2	6	8

*NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. *See Notes to Tables 16 and 17 at the end of the chapter. **Denotes states that recognized some revenue primarily from income taxes) in fiscal 2021 instead of fiscal 2020 due to the shift in the tax filing deadline from April 15, 2020 to July 15, 2020.*

TABLE 18

Comparison of General Fund Revenue Collections in Fiscal 2020, Fiscal 2021, and Enacted Fiscal 2022 ($ in millions)

	Sales Tax			Personal Income Tax			Corporate Income Tax		
State	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2020	Fiscal 2021	Fiscal 2022
Alabama	$2,842	$3,223	$3,035	$4,168	$4,739	$4,235	$489	$771	$542
Alaska							102	55	10
Arizona**	5,392	6,245	6,380	4,531	6,517	5,054	512	847	645
Arkansas* **	2,544	2,884	2,815	3,419	3,969	3,190	482	652	479
California*	25,509	27,936	28,986	99,599	125,151	123,298	13,954	20,720	18,106
Colorado	3,407	3,634	3,677	8,645	9,483	9,103	728	1,184	803
Connecticut	4,318	4,793	4,275	9,398	10,340	10,361	934	1,153	1,116
Delaware**				1,472	1,888	1,788	117	210	145
Florida	24,591	27,159	27,135				2,474	3,396	2,876
Georgia	6,174	6,948	6,649	12,408	14,221	12,739	1,233	1,751	881
Hawaii**	3,430	3,055	3,748	2,359	3,355	2,498	8	186	149
Idaho*	1,689	2,004	1,866	1,905	2,446	2,089	243	349	261
Illinois**	8,255	9,368	9,255	18,471	22,525	20,792	2,081	3,563	3,293
Indiana**	8,042	9,073	9,074	5,272	7,532	6,711	691	1,385	884
Iowa	3,176	3,512	3,399	4,652	5,435	5,051	649	984	743
Kansas**	2,832	3,126	3,132	3,338	4,590	3,689	384	652	283
Kentucky	4,071	4,561	4,336	4,765	5,144	5,004	639	883	469
Louisiana	3,697	3,840	3,828	3,780	3,654	3,793	578	550	500
Maine	1,614	1,856	1,857	1,836	2,070	1,845	216	284	220
Maryland*	4,635	4,988	4,997	10,699	11,705	11,663	1,052	1,462	1,252
Massachusetts	4,816	5,470	5,552	17,361	19,593	19,941	2,523	3,590	3,437
Michigan	1,585	2,025	2,033	6,870	6,794	7,289	404	757	605
Minnesota	5,746	5,833	6,234	12,094	12,570	12,819	1,580	1,731	1,478
Mississippi**	2,496	2,653	2,629	1,820	2,226	1,884	549	845	490
Missouri**	2,248	2,357	2,254	5,984	7,789	6,745	323	678	412
Montana	58	56	59	1,435	1,765	1,549	187	267	159
Nebraska**	1,848	2,010	1,993	2,446	3,131	2,314	391	571	350
Nevada	1,264	1,381	1,355						
New Hampshire							410	632	604
New Jersey	10,597	12,104	12,222	16,254	17,518	16,881	4,095	4,945	4,093
New Mexico*	3,006	2,854	2,662	1,692	1,765	1,592	63	132	42
New York*	13,626	11,155	14,782	50,508	44,034	53,272	6,370	6,420	6,986
North Carolina**	7,821	9,024	9,611	12,415	15,823	14,312	658	1,552	1,120
North Dakota**	971	853	845	352	466	386	92	147	100
Ohio**	10,686	12,191	12,315	7,881	10,201	8,899	1,672	1,667	1,799
Oklahoma**	2,675	3,318	2,889	2,863	2,950	2,639	289	562	253
Oregon**				7,192	12,815	9,742	488	1,479	681
Pennsylvania* **	10,818	12,835	12,801	12,835	16,283	15,769	2,827	4,424	3,777
Rhode Island	1,167	1,342	1,305	1,406	1,616	1,549	149	203	179
South Carolina*	3,287	3,826	3,419	4,454	4,838	4,458	374	623	422
South Dakota	1,073	1,223	1,183						
Tennessee*	8,982	10,380	9,667	96	54	3	2,610	3,179	2,571
Texas*	30,800	32,254	31,310						
Utah* **	2,265	2,625	2,580	3,985	6,111	5,114	356	743	438
Vermont**				926	1,070	962	148	133	121
Virginia*	3,707	4,166	3,992	15,352	17,304	15,991	1,012	1,516	1,272
Washington*	12,015	13,342	13,348						
West Virginia**	1,387	1,537	1,474	1,948	2,254	2,041	152	320	160
Wisconsin	5,836	6,374	6,640	8,742	9,283	8,681	1,608	2,560	1,910
Wyoming	487	452	465						
Total	**$267,483**	**$291,842**	**$294,062**	**$397,625**	**$463,013**	**$447,732**	**$56,897**	**$80,711**	**$67,114**

*NOTES: Unless otherwise noted, fiscal 2020 figures reflect actual tax collections, fiscal 2021 figures reflect preliminary actual tax collections, and fiscal 2022 figures reflect the estimates based on enacted budgets. *See Notes to Tables 18 and 19 at the end of the chapter. **Denotes states that recognized some revenue (primarily from income taxes) in fiscal 2021 instead of fiscal 2020 due to the shift in the tax filing deadline from April 15, 2020 to July 15, 2020.*

TABLE 18 (CONTINUED)

Comparison of General Fund Revenue Collections in Fiscal 2020, Fiscal 2021, and Enacted Fiscal 2022 ($ in millions)

	Gaming/Lottery Revenue			All Other Revenue		
State	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2020	Fiscal 2021	Fiscal 2022
Alabama				$2,240	$2,312	$2,216
Alaska	$2	$2	$2	1,485	1,515	1,650
Arizona**	104	105	164	432	347	345
Arkansas* **	34	40	33	489	576	478
California*	4	1		5,310	6,563	6,811
Colorado				88	-60	274
Connecticut	504	639	633	4,039	3,606	4,637
Delaware**	177	216	220	2,760	3,077	2,967
Florida				4,301	5,726	4,854
Georgia				5,663	5,672	5,515
Hawaii**				2,488	2,407	1,548
Idaho*	NA		NA	194	210	187
Illinois**	825	777	837	8,428	8,619	8,209
Indiana**	298	498	422	1,338	1,259	1,238
Iowa	81	101	90	-627	-1,231	-994
Kansas**				346	498	459
Kentucky	271	289	292	1,820	1,951	1,749
Louisiana	355	382	363	1,419	1,384	1,404
Maine	73	71	60	230	240	198
Maryland*	549	632	596	1,700	2,045	1,774
Massachusetts	1,227	1,333	1,427	8,594	8,733	8,908
Michigan				1,523	1,211	1,317
Minnesota	149	171	177	3,325	3,593	3,409
Mississippi**	116	158	125	837	858	799
Missouri**				378	416	374
Montana	66	87	76	787	789	800
Nebraska**				255	248	223
Nevada	623	713	739	2,190	2,381	2,331
New Hampshire				1,115	1,212	1,057
New Jersey				6,755	13,573	8,664
New Mexico*	46	19	64	3,376	3,129	3,112
New York*	14	10	14	8,689	12,693	7,630
North Carolina**				3,046	3,301	3,370
North Dakota**	16	25	7	667	379	649
Ohio**				2,785	2,760	2,970
Oklahoma**	145	183	182	1,085	1,266	1,559
Oregon**				639	1,042	682
Pennsylvania* **	143	242	284	5,653	6,608	9,905
Rhode Island	284	298	376	1,058	973	1,001
South Carolina*				1,064	1,173	973
South Dakota	123	156	139	504	571	536
Tennessee*	392	398	396	4,115	4,115	4,057
Texas*	1,656	1,885	1,535	24,528	26,367	25,600
Utah* **				638	589	568
Vermont**				546	954	765
Virginia*				1,668	1,893	1,644
Washington*				11,606	14,198	13,981
West Virginia**	62	75	75	889	801	819
Wisconsin				1,346	1,356	1,341
Wyoming				709	532	518
Total	**$8,340**	**$9,505**	**$9,329**	**$144,514**	**$164,429**	**$155,077**

*NOTES: Unless otherwise noted, fiscal 2020 figures reflect actual tax collections, fiscal 2021 figures reflect preliminary actual tax collections, and fiscal 2022 figures reflect the estimates based on enacted budgets. *See Notes to Tables 18 and 19 at the end of the chapter. **Denotes states that recognized some revenue (primarily from income taxes) in fiscal 2021 instead of fiscal 2020 due to the shift in the tax filing deadline from April 15, 2020 to July 15, 2020.*

TABLE 19

Percentage Change in General Fund Revenue Collections in Fiscal 2020, Fiscal 2021, and Enacted Fiscal 2022

	Sales Tax			Personal Income Tax			Corporate Income Tax		
State	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**	**Fiscal 2020**	**Fiscal 2021**	**Fiscal 2022**
Alabama	7.4%	13.4%	-5.8%	1.8%	13.7%	-10.6%	7.5%	57.6%	-29.6%
Alaska	N/A	N/A	N/A	N/A	N/A	N/A	-10.8	-46.3	-81.8
Arizona**	5.8	15.8	2.2	-9.5	43.8	-22.4	-0.4	65.5	-23.9
Arkansas* **	3.2	13.4	-2.4	-2.9	16.1	-19.6	-15.5	35.2	-26.6
California*	-2.5	9.5	3.8	0.4	25.7	-1.5	-0.9	48.5	-12.6
Colorado	-7.8	6.7	1.2	4.8	9.7	-4.0	-20.8	62.5	-32.2
Connecticut	-0.5	11.0	-10.8	-2.5	10.0	0.2	-11.9	23.4	-3.3
Delaware**	N/A	N/A	N/A	-3.6	28.3	-5.3	-21.2	80.0	-30.9
Florida	-3.1	10.4	-0.1	N/A	N/A	N/A	-21.2	37.3	-15.3
Georgia	-1.2	12.5	-4.3	1.9	14.6	-10.4	-3.0	42.0	-49.7
Hawaii**	-3.2	-10.9	22.7	-8.1	42.2	-25.5	-94.9	2117.9	-20.0
Idaho*	5.7	18.6	-6.9	14.7	28.4	-14.6	-14.1	43.4	-25.2
Illinois**	-1.8	13.5	-1.2	-4.0	21.9	-7.7	-12.9	71.2	-7.6
Indiana**	1.6	12.8	0.0	-13.0	42.9	-10.9	-27.2	100.5	-36.2
Iowa	4.3	10.6	-3.2	-5.9	16.8	-7.1	-8.2	51.7	-24.5
Kansas**	2.3	10.4	0.2	-11.1	37.5	-19.6	-12.1	69.7	-56.7
Kentucky	3.4	12.0	-4.9	4.9	7.9	-2.7	-16.2	38.1	-46.9
Louisiana	-3.6	3.9	-0.3	1.6	-3.3	3.8	-8.3	-4.9	-9.1
Maine	3.3	15.0	0.1	7.9	12.7	-10.9	-14.6	31.6	-22.6
Maryland*	-3.7	7.6	0.2	4.2	9.4	-0.4	1.8	39.0	-14.3
Massachusetts	-0.7	13.6	1.5	1.5	12.9	1.8	-13.8	42.3	-4.3
Michigan	2.1	27.7	0.4	-3.4	-1.1	7.3	-42.2	87.4	-20.1
Minnesota	-0.3	1.5	6.9	-2.5	3.9	2.0	-4.8	9.6	-14.7
Mississippi**	1.3	6.3	-0.9	-4.1	22.3	-15.4	-14.7	54.0	-42.0
Missouri**	2.3	4.9	-4.4	-10.2	30.2	-13.4	-7.1	109.7	-39.3
Montana	-10.5	-4.0	6.8	0.4	23.0	-12.2	0.4	42.2	-40.3
Nebraska**	11.5	8.7	-0.8	-3.9	28.0	-26.1	-7.7	46.0	-38.7
Nevada	-1.6	9.2	-1.8	N/A	N/A	N/A	N/A	N/A	N/A
New Hampshire	N/A	N/A	N/A	N/A	N/A	N/A	-13.6	54.1	-4.4
New Jersey	-2.3	14.2	1.0	2.2	7.8	-3.6	-5.7	20.8	-17.2
New Mexico*	9.8	-5.0	-6.7	1.2	4.3	-9.8	-63.4	108.9	-68.0
New York*	6.0	-18.1	32.5	17.6	-12.8	21.0	15.8	0.8	8.8
North Carolina**	0.9	15.4	6.5	-5.7	27.5	-9.5	-20.8	135.9	-27.8
North Dakota**	1.4	-12.1	-1.0	-14.9	32.2	-17.2	-38.0	60.3	-32.2
Ohio**	1.1	14.1	1.0	-11.5	29.4	-12.8	2.6	-0.3	8.0
Oklahoma**	-3.7	24.0	-12.9	5.5	3.0	-10.5	-1.5	94.4	-54.9
Oregon**	N/A	N/A	N/A	-27.4	78.2	-24.0	-47.3	202.8	-53.9
Pennsylvania* **	-2.5	18.6	-0.3	-8.9	26.9	-3.2	-16.8	56.5	-14.6
Rhode Island	3.7	14.9	-2.7	0.6	14.9	-4.1	-4.2	36.3	-11.6
South Carolina*	3.2	16.4	-10.6	7.1	8.6	-7.9	-16.7	66.3	-32.2
South Dakota	4.6	14.0	-3.3	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee*	2.6	15.6	-6.9	-27.0	-43.5	-95.4	3.8	21.8	-19.1
Texas*	3.2	4.7	-2.9	N/A	N/A	N/A	N/A	N/A	N/A
Utah* **	7.0	15.9	-1.7	-7.7	53.3	-16.3	-31.7	108.7	-41.0
Vermont**	N/A	N/A	N/A	5.8	15.6	-10.1	10.2	-9.8	-9.6
Virginia*	3.5	12.4	-4.2	0.8	12.7	-7.6	7.2	49.8	-16.1
Washington*	1.3	11.0	0.0	N/A	N/A	N/A	N/A	N/A	N/A
West Virginia**	1.2	10.9	-4.1	-7.1	15.7	-9.4	-23.3	110.9	-50.0
Wisconsin	2.5	9.2	4.2	-2.8	6.2	-6.5	20.2	59.2	-25.4
Wyoming	-6.2	-7.2	2.9	N/A	N/A	N/A	N/A	N/A	N/A
Total	**0.6%**	**9.1%**	**0.8%**	**-0.1%**	**16.4%**	**-3.3%**	**-6.3%**	**41.9%**	**-16.8%**
Median	1.4%	11.0%	-0.8%	-2.7%	15.6%	-9.7%	-12.1%	51.7%	-25.2%

*NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. Unless otherwise noted, fiscal 2020 figures reflect actual tax collections, fiscal 2021 figures reflect preliminary actual tax collections, and fiscal 2022 figures reflect the estimates based on enacted budgets. *See Notes to Tables 18 and 19 at the end of the chapter. **Denotes states that recognized some revenue (primarily from income taxes) in fiscal 2021 instead of fiscal 2020 due to the shift in the tax filing deadline from April 15, 2020 to July 15, 2020.*

TABLE 19 (CONTINUED)

Percentage Change in General Fund Revenue Collections in Fiscal 2020, Fiscal 2021, and Enacted Fiscal 2022

	Gaming/Lottery Revenue			All Other Revenue		
State	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2020	Fiscal 2021	Fiscal 2022
Alabama	N/A	N/A	N/A	3.1%	3.2%	-4.2%
Alaska	-81.1%	-12.5%	14.3%	-40.6	2.0	8.9
Arizona**	24.8	1.1	56.4	-18.3	-19.5	-0.9
Arkansas* **	-52.4	18.5	-19.1	-5.3	17.6	-16.9
California*	-23.4	-79.2	-59.8	4.8	23.6	3.8
Colorado	N/A	N/A	N/A	-77.6	-167.8	-557.3
Connecticut	-18.6	26.8	-0.9	1.2	-10.7	28.6
Delaware**	-17.8	21.6	2.0	2.2	11.5	-3.5
Florida	N/A	N/A	N/A	-6.9	33.1	-15.2
Georgia	N/A	N/A	N/A	-3.6	0.2	-2.8
Hawaii**	N/A	N/A	N/A	51.4	-3.2	-35.7
Idaho*	N/A	N/A	N/A	0.7	8.2	-10.8
Illinois**	-17.5	-5.8	7.7	3.3	2.3	-4.8
Indiana**	-32.8	67.2	-15.2	28.3	-5.9	-1.6
Iowa	-10.3	24.8	-10.9	-32.4	-96.3	-19.2
Kansas**	N/A	N/A	N/A	15.1	43.8	-7.8
Kentucky	2.8	6.5	1.0	-3.4	7.2	-10.4
Louisiana	-13.5	7.5	-5.0	-1.7	-2.5	1.4
Maine	16.9	-3.7	-15.0	-14.5	4.4	-17.6
Maryland*	-0.7	15.2	-5.7	-1.7	20.3	-13.2
Massachusetts	-8.1	8.6	7.1	2.5	1.6	2.0
Michigan	N/A	N/A	N/A	17.6	-20.5	8.8
Minnesota	-6.1	14.3	3.4	-4.8	8.1	-5.1
Mississippi**	-19.1	36.7	-21.1	2.3	2.5	-6.9
Missouri**	N/A	N/A	N/A	5.7	9.9	-10.1
Montana	-13.1	33.1	-12.3	-3.7	0.2	1.4
Nebraska**	N/A	N/A	N/A	-4.9	-2.8	-10.1
Nevada	-17.9	14.4	3.7	-2.4	8.7	-2.1
New Hampshire	N/A	N/A	N/A	-2.8	8.7	-12.8
New Jersey	N/A	N/A	N/A	-2.2	100.9	-36.2
New Mexico*	-29.1	-58.0	231.6	3.5	-7.3	-0.6
New York*	-6.7	-28.6	40.0	-5.6	46.1	-39.9
North Carolina**	N/A	N/A	N/A	-1.1	8.4	2.1
North Dakota**	12.3	51.8	-70.7	74.7	-43.2	71.2
Ohio**	N/A	N/A	N/A	-0.9	-0.9	7.6
Oklahoma**	-16.4	26.1	-0.5	-37.4	16.7	23.1
Oregon**	N/A	N/A	N/A	-9.5	63.1	-34.6
Pennsylvania* **	8.3	69.2	17.4	-7.8	16.9	49.9
Rhode Island	-28.6	5.1	25.9	11.5	-8.0	2.9
South Carolina*	N/A	N/A	N/A	5.7	10.2	-17.1
South Dakota	-4.5	26.9	-10.4	-3.1	13.3	-6.1
Tennessee*	1.8	1.5	-0.5	12.6	0.0	-1.4
Texas*	8.7	13.8	-18.6	-7.5	7.5	-2.9
Utah* **	N/A	N/A	N/A	8.9	-7.6	-3.6
Vermont**	N/A	N/A	N/A	-20.1	74.6	-19.8
Virginia*	N/A	N/A	N/A	7.1	13.5	-13.2
Washington*	N/A	N/A	N/A	-0.9	22.3	-1.5
West Virginia**	N/A	N/A	N/A	-18.5	-9.9	2.3
Wisconsin	N/A	N/A	N/A	2.4	0.8	-1.1
Wyoming	N/A	N/A	N/A	-19.0	-25.0	-2.6
Total	**-15.0%**	**14.0%**	**-1.9%**	**-2.2%**	**13.8%**	**-5.7%**
Median	-13.1%	14.3%	-0.5%	-1.7%	3.8%	-3.6%

*NOTES: N/A indicates data are not available because, in most cases, these states do not have that type of tax. Unless otherwise noted, fiscal 2020 figures reflect actual tax collections, fiscal 2021 figures reflect preliminary actual tax collections, and fiscal 2022 figures reflect the estimates based on enacted budgets. *See Notes to Tables 18 and 19 at the end of the chapter. **Denotes states that recognized some revenue (primarily from income taxes) in fiscal 2021 instead of fiscal 2020 due to the shift in the tax filing deadline from April 15, 2020 to July 15, 2020.*

Enacted Fiscal 2022 Revenue Actions

According to enacted budgets, 12 states adopted net increases in taxes and fees while 28 states made net decreases, resulting in a projected net revenue impact in fiscal 2022 of -$2.9 billion. (See Tables 20 and Figure 3) General fund revenue will be reduced by an estimated $1.7 billion on net as a result of these changes, representing less than 0.2 percent of total forecasted general fund revenue in fiscal 2022 budgets. This contrasts with proposed revenue actions in governors' budgets reported in the *Spring 2021 Fiscal Survey of States,* which called for a net increase in revenue of $6.5 billion. This difference is in part indicative of improving fiscal conditions from the time governors released their budget proposals to when states adopted budgets for fiscal 2022.

The largest increases enacted by states included a temporary high income surcharge, corporation franchise tax increase and capital base tax reinstatement adopted by New York; limiting some corporate tax breaks in Illinois; and requiring remote sellers and marketplace platform sellers to collect sales taxes in Florida.

The largest decreases included personal income tax rate reductions and/or increases in certain deductions in Arizona, North Carolina, Ohio and Wisconsin, as well as a Property Tax Incentive Credit in Nebraska. Enacted legislation in Florida lowers the employer contribution rate for the state's unemployment trust fund, and directs the internet sales tax collections from new requirements mentioned earlier to the fund as an offset for the rate reduction. Additionally, a number of states enacted income tax changes to conform with changes at the federal level that will result in net revenue decreases.

Below is a summary of the revenue impacts by category. More detailed, state-by-state information on tax and fee changes enacted in fiscal 2022 is available in the Appendix of this report. *(See Tables 21 and 22, Appendix Tables A–1 and A–2)*

Sales Taxes—Four states enacted sales and use tax increases and 15 states passed mostly modest decreases, which together have a positive net revenue impact of $1,125 million in fiscal 2022 (general fund revenue had the same impact on net). Florida's new marketplace and remote seller requirements make up the bulk of the net increase.

Personal Income Taxes—Five states enacted personal income tax increases, while 24 states enacted decreases, resulting in a net revenue decrease of $4,642 million (general fund revenue impact of -$4,163 million).

Corporate Income Taxes—Six states enacted corporate income tax increases while 16 states adopted decreases for a net increase of $724 million ($592 million general fund impact).

Cigarette and Tobacco Taxes—Two increases and one modest decrease in this category result in a net increase of $207 million (all general fund).

Motor Fuel Taxes—Two states enacted increases and two states passed decreases in motor fuel taxes, resulting in an $88 million revenue impact (almost all non-general fund).

Alcohol Taxes—Two minor changes were reported in this category, with a -$0.7 million net impact.

Gaming Taxes/Lottery Revenue—Three states reported increases in this revenue category, resulting in $352 million in additional revenue ($336 million general fund impact). This includes Florida's new Indian Gaming Compact that goes into effect.

Other Taxes & Revenue—Eleven states reported increases and nine reported decreases adopted for other tax and revenue sources, resulting in a net revenue decline of $898 million. The general fund is expected to see a revenue increase on net of $261 million in this category. This is because the bulk of the decline reported for all state funds is attributed to Florida's reduced employer contribution rates for the state's unemployment insurance trust fund.

Fees—Five states reported net fee increases and three states reported decreases, resulting in a total increase of $95 million (and a $10 million decline in general fund revenue).

Fiscal 2022 Revenue Measures. In addition to tax and fee changes, states also enacted new revenue measures with a total net impact of $17.6 million, including a net reduction in general fund revenues of $497 million. These measures may alter general fund revenue levels, but in most cases, do not affect taxpayer liability and include actions to enforce existing laws, tax amnesties, additional audits and compliance efforts, as well as fund transfers and diversions. *(See Appendix Table A–2)*

Mid-Year Revenue Changes in Fiscal 2021

Fifteen states enacted changes in taxes and fees affecting fiscal 2021 revenues after budget enactment, with three states enacting increases and 12 states with decreases, for a total net revenue decrease of $4.4 billion. The largest reductions included one-time targeted tax relief and economic support measures, such as the Golden State Stimulus payments in California, small business sales tax credits and Earned Income Tax Credit rebates in Maryland, as well as numerous revenue actions to conform with federal tax changes. Additionally, Wisconsin reduced its rates for earners in the bottom tax brackets.

States also reported on revenue measures enacted mid-year for fiscal 2021 that do not affect taxpayer liability. For example, New Jersey reported on its COVID-19 bond sale to raise $4.3 billion in general fund revenue through borrowing in this category. *(See Table 23, Appendix Tables A–3 and A–4)*

TABLE 20

Enacted State Revenue Changes, Fiscal 1979 to Fiscal 2022

Fiscal Year	Revenue Change (Billions)
2022	-$2.9
2021	5.2
2020	6.7
2019	3.1
2018	9.9
2017	1.3
2016	0.5
2015	-2.3
2014	-2.1
2013	6.9
2012	-0.7
2011	6.2
2010	23.9
2009	1.5
2008	4.5
2007	-2.1
2006	2.5
2005	3.5
2004	9.6
2003	8.3
2002	0.3
2001	-5.8
2000	-5.2
1999	-7.0
1998	-4.6
1997	-4.1
1996	-3.8
1995	-2.6
1994	3.0
1993	3.0
1992	15.0
1991	10.3
1990	4.9
1989	0.8
1988	6.0
1987	0.6
1986	-1.1
1985	0.9
1984	10.1
1983	3.5
1982	3.8
1981	0.4
1980	-2.0
1979	-$2.3

SOURCES: Fiscal 1979-1987 data from Advisory Commission on Intergovernmental Relations, Significant Features of Fiscal Federalism,1985-86 edition, page 77, based on data from the Tax Foundation and the National Conference of State Legislatures. Fiscal 1988–2022 data provided by the National Association of State Budget Officers.

FIGURE 3:

Enacted State Revenue Changes, Fiscal 1979 to Fiscal 2022

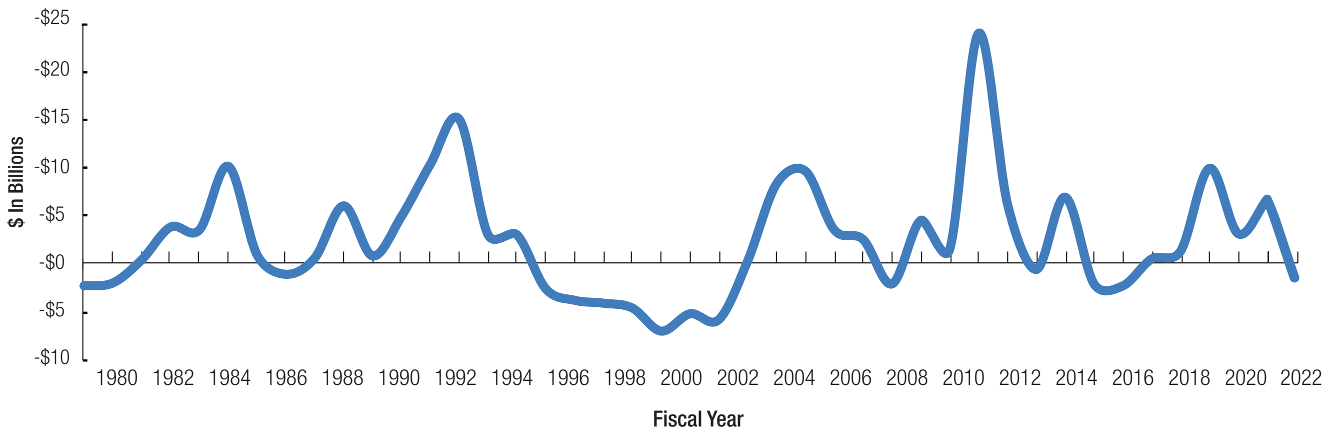


TABLE 21

Enacted Fiscal 2022 Revenue Actions by Type of Revenue and Net Increase or Decrease (Millions)

State	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Cigarette/ Tobacco Tax	Motor Fuel Tax	Alcohol Tax	Gaming Tax/ Lottery Revenue	Other Taxes and Revenues	Fees	Total
Alabama					$43.4					$43.4
Alaska										
Arizona*		-$866.0								-866.0
Arkansas		-3.1	-$179.0					-$0.6		-182.7
California	-$40.0	-1,472.2	-172.2					14.0	$40.3	-1,630.1
Colorado*	210.2	274.4	-170.5	$115.7		-$0.8	$16.8	127.8	54.5	628.1
Connecticut	-7.5		94.4					7.9	1.3	96.1
Delaware		-4.5						-18.8		-23.3
Florida*	859.0		-17.5				317.6	-1,326.0		-166.9
Georgia										
Hawaii								3.8		3.8
Idaho*		-189.0								-189.0
Illinois	249.0	51.9	1,025.2							1,326.1
Indiana	-5.3									-5.3
Iowa		-43.2						-25.0		-68.2
Kansas	37.7	-101.8	-36.1					-1.3		-101.5
Kentucky	-10.5	-25.0	-125.0	-0.7				-0.3		-161.5
Louisiana	-3.0	-1.5						-7.5		-12.0
Maine		-57.5	5.4							-52.1
Maryland		-260.8	-3.3	92.1						-172.0
Massachusetts*		45.4								45.4
Michigan										
Minnesota	-16.5	-459.4	-199.8							-675.7
Mississippi		-30.0	-26.0							-56.0
Missouri		-4.2			53.3			-10.0	11.0	50.1
Montana		-9.9	2.4					36.7	-1.1	28.0
Nebraska		-446.3	-3.3							-449.6
Nevada								82.8		82.8
New Hampshire	-11.4		-35.4							-46.8
New Jersey		-473.8								-473.8
New Mexico	-3.0	-76.9						16.9		-63.0
New York	-2.0	2,753.0	859.0		-5.0					3,605.0
North Carolina		-1,075.8	-180.6					0.5		-1,255.9
North Dakota										
Ohio*	-99.5	-824.3						-3.5		-927.3
Oklahoma	-7.5	-108.0	-50.7							-166.2
Oregon									-4.2	-4.2
Pennsylvania	-17.2		-74.6				17.9			-73.9
Rhode Island		14.4	31.8					172.1	2.7	221.0
South Carolina										
South Dakota										
Tennessee										
Texas										
Utah		-97.8								-97.8
Vermont	-1.7					0.1		0.0		-1.5
Virginia	-4.9	-110.5	-18.0							-133.4
Washington	-1.2							31.9	-9.4	21.3
West Virginia										
Wisconsin		-1,039.4	-2.3		-3.8					-1,045.5
Wyoming										
Total	**$1,124.7**	**-$4,641.7**	**$723.8**	**$207.1**	**$87.9**	**-$0.7**	**$352.3**	**-$898.4**	**$95.1**	**-$2,949.9**
Increases	4	5	6	2	2	1	3	11	5	12
Decreases	15	24	16	1	2	1		9	3	28

*NOTE: See Appendix Table A-1 for details on specific revenue changes. *See Notes to Table 21 at the end of the chapter.*

TABLE 22

Enacted Fiscal 2022 Revenue Actions — General Fund Impact (Millions)

State	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Cigarette/ Tobacco Tax	Motor Fuel Tax	Alcohol Tax	Gaming Tax/ Lottery Revenue	Other Taxes and Revenues	Fees	Total
Alabama										
Alaska										
Arizona		-$866.0								-$866.0
Arkansas		-3.1	-$179.0							-182.1
California	-$40.0	-1,472.2	-172.2							-1,684.4
Colorado	210.2	274.4	-170.5	$115.7		-$0.8		$20.0		449.0
Connecticut	-7.5		94.4					7.9	$1.3	96.1
Delaware		-4.5						-18.8		-23.3
Florida	859.0		-17.5				$317.6	-9.7		1,149.4
Georgia										
Hawaii										
Idaho		-189.0								-189.0
Illinois	249.0	51.9	1,025.2							1,326.1
Indiana	-5.3									-5.3
Iowa		-72.1						-25.0		-97.1
Kansas	31.6	-101.8	-36.1					-1.3		-107.6
Kentucky	-10.5	-25.0	-125.0	-0.7				-0.3		-161.5
Louisiana	-3.0	-1.5						-7.5		-12.0
Maine		-57.5	5.4							-52.1
Maryland		-260.8	-3.3	92.1						-172.0
Massachusetts		45.4								45.4
Michigan										
Minnesota	-16.5	-459.4	-199.8							-675.7
Mississippi		-30.0	-26.0							-56.0
Missouri		-4.2						-10.0		-14.2
Montana		-9.9	2.4					6.3		-1.3
Nebraska		-446.3	-3.3							-449.6
Nevada								82.8		82.8
New Hampshire	-11.1		-25.1							-36.2
New Jersey										
New Mexico	-3.0	-76.9						16.9		-63.0
New York	-2.0	2,753.0	708.0		-$1.5					3,457.5
North Carolina		-1,075.8	-180.6					0.5		-1,255.9
North Dakota										
Ohio	-96.2	-796.9						-3.4		-896.5
Oklahoma	-6.7	-101.1	-41.8							-149.6
Oregon									-4.2	-4.2
Pennsylvania	-17.2		-74.6				17.9			-73.9
Rhode Island		14.4	31.8					170.2	2.7	219.1
South Carolina										
South Dakota										
Tennessee										
Texas										
Utah		-97.8								-97.8
Vermont						0.1		0.0		0.1
Virginia	-4.9	-110.5	-18.0							-133.4
Washington	-1.2							31.9	-9.4	21.3
West Virginia										
Wisconsin		-1,039.4	-2.3							-1,041.7
Wyoming										
Total	**$1,124.7**	**-$4,162.6**	**$592.0**	**$207.1**	**-$1.5**	**-$0.7**	**$335.5**	**$260.5**	**-$9.5**	**-$1,654.5**
Increases	4	5	6	2		1	2	9	2	10
Decreases	14	23	16	1	1	1		8	2	27

*NOTE: See Appendix Table A-1 for details on specific revenue changes. *See Notes to Table 22 at the end of the chapter.*

TABLE 23

Mid-Year Fiscal 2021 Revenue Actions by Type of Revenue and Net Increase or Decrease (Millions)

State	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Cigarette/ Tobacco Tax	Motor Fuel Tax	Alcohol Tax	Gaming Tax/ Lottery Revenue	Other Taxes and Revenues	Fees	Total
Alabama	-$1.6				$43.4					$41.8
Alaska										
Arizona										
Arkansas		-$51.0	-$33.0							-84.0
California	-7.6	-2,873.8	-73.8						-$126.6	-3,081.8
Colorado										
Connecticut										
Delaware										
Florida										
Georgia										
Hawaii										
Idaho*		-26.0								-26.0
Illinois										
Indiana										
Iowa										
Kansas										
Kentucky			-25.0							-25.0
Louisiana										
Maine		-125.6	-1.8							-127.4
Maryland	-185.8	-221.6		$34.9						-372.5
Massachusetts										
Michigan										
Minnesota		-63.8	-25.3							-89.1
Mississippi										
Missouri										
Montana										
Nebraska										
Nevada								$83.0		83.0
New Hampshire										
New Jersey										
New Mexico	-195.8	5.0								-190.8
New York										
North Carolina										
North Dakota										
Ohio*		-36.8								-36.8
Oklahoma										
Oregon										
Pennsylvania										
Rhode Island		0.5	1.1							1.6
South Carolina										
South Dakota										
Tennessee										
Texas										
Utah										
Vermont										
Virginia	-4.0	-66.8								-70.8
Washington									-2.6	-2.6
West Virginia										
Wisconsin		-338.7	-124.2							-462.9
Wyoming										
Total	**-$394.8**	**-$3,798.6**	**-$282.0**	**$34.9**	**$43.4**	**$0**	**$0**	**$83.0**	**-$129.2**	**-$4,443.3**
Increases		2	1	1	1			1		3
Decreases	5	9	6						2	12

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

CHAPTER 2 NOTES

Notes to Table 14: General Fund Nominal Percentage Revenue Change, Fiscal 2020 to Fiscal 2022

See Notes to Tables 3-5 for additional explanation of state general fund revenue amounts used to calculate annual percentage change.

Oregon Fiscal 2020 revenues were impacted by the state paying out a large "kicker" refund in the spring of 2020. In addition, some fiscal 2020 revenues were shifted to fiscal 2021 following the extension of the tax deadline to July 15, 2020.

Notes to Tables 16 and 17: Fiscal 2021 General Fund Revenue Collections Compared with Projections Used in Adopting Fiscal 2021 Budgets ($ Amounts and Percentage Change)

Ohio Corporate Income Tax: Ohio doesn't have a corporate income tax and instead has a commercial activities tax (CAT). FY21 Original Personal Income Tax reflects as-enacted revenue estimate, with a $719 million upward adjustment to reflect the estimated impact of the postponement of income tax filing/payments, from April 2020 and June 2020, to July 2020.

Notes to Tables 18 and 19: Comparison of Tax Collections in Fiscal 2020, Fiscal 2021, and Enacted Fiscal 2022 ($ Amounts and Percentage Change)

Arkansas Revenue amounts here are reported as "gross" (before refunds and special dedications/payments).

California Excludes cost recoveries from wildfires and COVID-19, as well as transfers and loans.

Fiscal 2020 does not include $4.7 billion in revenue transfers and loans from the General Fund or $707 million in cost recoveries from wildfires.

Fiscal 2021 estimate adopted in the 2020 Budget Act does not include $12.3 billion in expected revenue transfers and loans to the General fund or $5.7 billion in cost recoveries from COVID-19 and wildfires.

Fiscal 2021 does not include $7.8 billion in revenue transfers and loans to the General Fund or $570 million in cost recoveries from COVID-19 and wildfires.

Fiscal 2022 does not include $6.3 billion in revenue transfers and loans from the General Fund or $4.4 billion in cost recoveries from COVID-19 and wildfires.

Idaho Preliminary actual figures for fiscal 2021 represent final revenue figures calculated by Economic Bureau after year-end close of June 30, 2021.

Maryland The State of Maryland revenue forecast for FY 2022 includes -$80 million for revenue volatility. It would be more accurate to show this figure on its own row, but without that, we have incorporated that amount into "All Other Revenues."

New Mexico Preliminary Actual FY21: The figures ar\e based on 11 months' worth of accrual data for FY21. Excludes infusion of $750 million from the Coronavirus Relief Fund for FY21 expenditures. The projection for FY22 was based on the revenue projection estimated during February 2021; the figures did not anticipate the strong growth in other state tax revenue between February 2021 to June 2021.

New York In FY 2021 revenues reflect $4.5 billion in PIT note sales executed in the first quarter of FY 2021, as well as the subsequent repayment within FY 2021. The borrowings were done to address liquidity needs in response to the Federal government's decision to extend the calendar year 2019 income tax filing from April 15, 2020 to July 15, 2020. The FY 2021 Enacted Budget authorized up to $8 billion of short-term borrowing in the form of personal income tax revenue or bond anticipation notes and up to $3 billion of credit facilities in the form of a line of credit at one or more banks. In FY 2021, the note proceeds increase miscellaneous receipts by $4.5 billion, while the repayment results in a reduction of PIT receipts of $4.5 billion, resulting in no impact to total revenue estimates.

Pennsylvania Fiscal 2022 revenue estimates reported here include $3.841 billion in State and Local Fiscal Recovery Funds deposit into the General Fund for revenue loss. This is excluded from revenue figure in Table 5.

South Carolina FY 2022 revenues currently running significantly ahead of estimates. The BEA meets in November to consider any changes to forecast.

Tennessee	Preliminary Actual Fiscal 2021 revenues are as of August 13, 2021. Sales tax, personal income tax, and corporate income tax are shared with local governments. Corporate income tax includes franchise tax. Tennessee's personal income tax is assessed on dividend and interest income. Legislation was passed in 2017 to annually reduce this tax to zero by fiscal year 2022.
Texas	Preliminary actual fiscal 2021 figures reflect totals from Texas Comptroller of Public Accounts (CPA) on 9/1/2021.
Utah	The preliminary actual fiscal 2021 revenue data provided is the pre-closeout actuals as of September 2021.
Virginia	Revenue information excludes transfers.
Washington	Total revenues reflect total available general fund revenues, after transfers.

Notes to Table 21: Enacted Fiscal 2022 Revenue Actions by Type of Revenue and Net Increase or Decrease

Arizona	The $(30M) impact of the alternative small business tax does not match the scoring of this provision as indicated in the FY 2022 budget. The Joint Legislative Budget Committee contemplated a range of $0-$30M for the impact of this provision in FY 2022, with $0 being the ultimate scoring included in the budget.
Colorado	Any revenue change will increase/decrease the TABOR refund but will not impact how much GF can be spent on government functions.
Florida	The 2021 Florida Legislature passed SB 50, which transferred internet sales tax collections into the Reemployment Assistance Trust Fund over the next five years to offset the decrease in employer contributions due to COVID-19. By FY 2026, $3.3 billion of internet sales tax collections will be transferred into the Trust Fund, while employer contributions decreased by an equivalent $3.3 billion.
Idaho	Addresses portions of both corporate and personal tax conformity
Massachusetts	Enacted tax initiatives as of 8/27/21. The Governor vetoed an outside section that would have delayed the implementation of the charitable tax deduction and returned with amendment another tax initiative. These actions and related proposals are pending action by the Legislature.
Ohio	The FY 2022–23 operating budget bill (HB 110,134th GA) included several tax provisions that will not take effect until after the current biennium. One change entails an extension and cap increase for the Rural Business Growth Funds tax credit, which will not impact revenue until fiscal year 2025. Two changes will first take effect in fiscal year 2027, consisting of a venture capital income tax deduction; and an expansion of the business income deduction to include capital gains from sale of a business interest.

Notes to Table 23: Fiscal 2021 Mid-Year Revenue Actions by Type of Revenue and Net Increase or Decrease

Idaho	Addresses portions of both corporate and personal tax conformity
Ohio	"Transformational mixed use" tax credit was enacted in December 2020 (SB 39, 133rd GA) that allows up to $100 million per fiscal year in tax credits to be issued to taxpayers with qualifying projects. Under this bill, no credits may be granted after fiscal year 2023 but the FY 2022-23 budget bill (HB 110, 134th GA) subsequently extended the sunset date to allow credits to be granted through fiscal year 2025. No estimate could be derived for this law change in any fiscal year. The Ohio Department of Taxation extended the filing and payment date for tax year 2020 annual income tax returns, from April 15, 2021 to May 17, 2021. Because the extension fell in the same fiscal year, there was no estimated revenue impact in fiscal year 2021. Legislation enacted in 2021 — SB 18 (134th GA) — will result in a reduction of qualifying pass-through entity withholding tax rates. This will cause a one-time timing-related revenue loss in FY 2023, estimated at $45.1 million for the GRF and $1.5 million for the Local Government Fund/Public Library Fund. Ohio sales tax revenue stream was altered effective July 1, 2020 (FY 2021) as a result of federal law change that repealed the "grandfather clause" that permitted several states to continue to impose sales tax on internal access. This change is estimated to reduce FY 2021 GRF tax revenue by $187.8 million. Because this change did not occur as a result of Ohio legislation, it is not included in this table.

TOTAL BALANCES

CHAPTER THREE

Overview

Before the COVID-19 crisis hit, state rainy day funds and total balances were at a then all-time high, after a decade of rebuilding reserves following the Great Recession. Since fiscal 2010, the median rainy day fund balance level as a percentage of general fund spending had grown from 1.6 percent to 7.9 percent in fiscal 2019, with rainy day fund balances totaling $79.0 billion in fiscal 2019. Facing in some cases substantial budget gaps as a result of COVID-19, some states turned to their rainy day funds to close shortfalls in fiscal 2020. However, stronger than anticipated revenue growth in fiscal 2021 led rainy day funds to rise to a new record level, totaling $112.7 billion at year-end. Growth in rainy day fund balances was fairly widespread, with 35 states reporting increases in fiscal 2021 compared to fiscal 2020 balance levels.

Like rainy day fund balances, states' total balance levels — states' rainy day fund balances combined with general fund ending balances — reached a then all-time high in fiscal 2019. While states recorded a decline in total balances in fiscal 2020, this was followed by a sharp uptick in fiscal 2021. This increase was driven mostly by revenues exceeding expectations from earlier in the pandemic, which resulted in unanticipated budget surpluses that bolstered states' ending balances and rainy day funds. According to enacted budgets for fiscal 2022, states are planning to spend down some of their larger-than-expected ending balances, including for one-time investments, with 32 states forecasting declines in their total balance levels for fiscal 2022.

Rainy Day Funds

In NASBO's 2021 *Budget Processes in the States* report, all 50 states report now having at least one rainy day fund or budget stabilization fund established to supplement general fund spending during a revenue downturn or other unanticipated shortfall (if the specific restrictions on the use of the fund are met).[8] Rainy day funds are a reflection of deliberate state policy choices by elected officials, and recent balance trends and current fund policies demonstrate how states have taken actions to strengthen their reserves such as by refining methods of deposit and tying target fund size to revenue volatility.

Pre-COVID Rainy Day Fund Levels. Since the Great Recession, governors and state lawmakers have focused on rebuilding their states' rainy day funds, or budget stabilization funds. Rainy day fund balances, in the aggregate, reached $79.0 billion in fiscal 2019 (with a median balance of 7.9 percent as a share of general fund spending). Overall, states were in a relatively strong position in terms of their reserve levels as they entered the COVID-19 recession. By comparison, when states entered the Great Recession crisis in fiscal 2008, the median rainy day fund balance was 4.8 percent, falling to a low of 1.6 percent in fiscal 2010. *(See Tables 24 and Figure 4)*

Rainy Day Fund Use During the COVID Era. Facing in some cases substantial budget gaps as a result of COVID-19, some states turned to their rainy day funds to close shortfalls in fiscal 2020. Fourteen states recorded net declines in their rainy day fund balance levels in fiscal 2020 compared to fiscal 2019, and rainy day fund balances totaled $76.9 billion across the states — a decline in the aggregate from fiscal 2019. Meanwhile, 34 states recorded increases in their rainy day fund balances, and the median balance ticked up slightly to 8.4 percent in fiscal 2020. Some states experienced unexpected surpluses in fiscal 2020 (in some cases in specific revenue streams) that resulted in automatic deposits into their reserves.

In fiscal 2021, total rainy day fund balances and the median balance as a share of general fund spending both rose to new all-time highs — reaching $112.7 billion with a median balance of 9.4 percent. Overall, 34 states reported rainy day fund increases over the prior year, while just nine states reported decreases. This growth in reserves is largely the result of stronger than anticipated revenue growth that led to large surpluses in many states. Automatic deposit rules and/or state policymaker actions directed some of these surplus funds into rainy day funds. According to enacted budgets, rainy day fund balances are expected to total $100.2 billion at the end of fiscal 2022 — however, this figure excludes data from 3 states that do not estimate future balance levels. Accounting for this exclusion,

[8] For more details on states' budget stabilization or rainy day funds, see NASBO's *Budget Processes in the States* (2021), Table 13.

rainy day fund balance levels are expected to remain flat in fiscal 2022 budgets on a nominal dollar basis. As a share of general fund spending, rainy day fund balances in the aggregate are projected to decline from 12.1 percent in fiscal 2021 to 10.4 percent in fiscal 2022, while the median balance is projected to increase to 11.9 percent. *(See Table 26A and 26B)*

Rainy Day Fund Levels Vary Across States. Rainy day fund levels as a share of expenditures vary across states, ranging in fiscal 2021 from a low of 0 percent to a high of 82 percent. This variation is related to differing rainy day fund structures, policy decisions, revenue volatility levels, fiscal conditions, and other factors. That said, as more states have deliberately focused on building reserves and changed deposit rules in recent years to align with this goal, rainy day fund balance growth has been widespread. In fiscal 2021, 24 states ended the year with rainy day fund balances greater than 10 percent as a share of their general fund expenditures, 16 states had balances between 5 percent and 10 percent, eight states had balances between 1 percent and 5 percent, and two states had balances of less than 1 percent of general fund spending. According to states' budget projections for fiscal 2022, this breakdown is expected to change only modestly, with 25 states estimating rainy day fund balances greater than 10 percent as a share of their general fund expenditures, 14 states with balances between 5 percent and 10 percent, 3 states with balances between 1 percent and 5 percent, and five states with balances of less than 1 percent of general fund spending (data were not available for all states). *(See Table 25)*

Rainy Day Fund Names. All states now have at least one rainy day fund established to supplement general fund spending during a revenue downturn or other unanticipated shortfall, most commonly referred to as a "budget stabilization fund" or "budget reserve fund." Some states also have a reserve fund dedicated to supplement education funding or for other specific purposes. States reported to NASBO the name of the fund(s) included in their rainy day fund balance amounts. *(See Table 27)*. For more details on how these funds are structured, as well as information on other more targeted state budget stabilization funds not included here, see NASBO's *Budget Processes in the States* (2021), Table 13.

Total Balances

Total balances include ending balances (both reserved and unreserved) and the amounts in states' budget stabilization or rainy day funds. Since fiscal 2009, when states' total balance levels declined due to the severe drop in revenues resulting from the Great Recession, states made significant progress rebuilding budget reserves. In fiscal 2019 — before the COVID-19 crisis — total balances reached a then all-time high in actual dollars, totaling $121.6 billion, and as a share of general fund spending, at 14.0 percent of general fund spending. As states grappled with the early impacts of the COVID-19 pandemic, the cash flow challenges created by the tax deadline shift, and other factors, total balance levels recorded a decline in fiscal 2020 — the first substantive year-over-year reduction in total balance levels since fiscal 2009. However, due to revenues beating state forecasts — by a considerable margin in many cases — coupled with state fiscal relief provided by the federal government to help with pandemic response efforts and other one-time factors, total balances experienced a sharp increase in fiscal 2021 and reached a new high of $217.1 billion — exceeding the previous high in fiscal 2019 by $95 billion. *(See Table 28, Figure 5)*

According to enacted budgets for fiscal 2022, state total balance levels are expected to drop to $163.3 billion or 16.5 percent of general fund expenditures, with 32 states forecasting annual declines. Part of this projected decline is likely due to states' plans to spend down a portion of their larger-than-expected ending balances from fiscal 2021, including for one-time investments. Several states reported reaching the legal maximum size balance in their rainy day fund, leading them to direct surplus funds to other uses. Moreover, enacted budgets for fiscal 2022 were set in many states when revenue forecasts were not as rosy as they are presently, so at least some of the decline projected could be a product of data representing differing points in time for different fiscal years.

In fiscal 2021, 46 states had total balances greater than 10 percent as a share of their general fund expenditures, up from 35 states with balances above this threshold in fiscal 2020. The remaining four states had total year-end balances between 5 percent and 10 percent. According to states' enacted budgets for fiscal 2022, 39 states estimate total balances greater than

10 percent as a share of their general fund expenditures, eight states project balances between 5 percent and 10 percent, and only one state projects a balance of less than 1 percent of general fund spending (data were unavailable for two states). *(See Tables 29-30)*

TABLE 24

Rainy Day Fund Balances, Fiscal 1988 to Fiscal 2022

Fiscal Year	RDF Balance (Billions)	Total RDF Balance (Percentage of Expenditures)	Median RDF Balance (Percentage of Expenditures)
2022*	$100.2	10.4%	11.9%
2021*	112.7	12.1	9.4
2020	76.9	8.6	8.4
2019	79.0	9.1	7.9
2018	68.0	8.3	6.5
2017	55.7	6.9	5.6
2016	51.9	6.6	5.3
2015	48.1	6.3	4.9
2014	48.0	6.6	4.4
2013	41.8	6.0	3.6
2012	36.9	5.5	2.4
2011	29.0	4.5	1.8
2010	27.3	4.4	1.6
2009	29.3	4.4	2.6
2008	33.2	4.8	4.8
2007	31.1	4.8	4.7
2006	31.9	5.3	4.6
2005	25.0	4.5	2.5
2004	12.3	2.4	1.8
2003	8.4	1.7	0.7
2002	10.9	2.1	1.7
2001	22.0	4.4	4.6
2000	27.9	6.0	4.1
1999	21.0	4.8	3.5
1998	19.5	4.8	3.3
1997	13.7	3.5	2.6
1996	11.0	3.0	2.4
1995	9.1	2.6	1.9
1994	5.7	1.7	1.6
1993	5.3	1.7	1.0
1992	3.0	1.0	0.0
1991	3.0	1.0	0.0
1990	3.6	1.3	0.7
1989	4.2	1.6	1.5
1988	$3.0	1.3%	0.8%

*NOTE: *Figures for fiscal 2021 are preliminary actual; figures for fiscal 2022 are projected based on enacted budgets. Figures for fiscal 2022 exclude Georgia, Texas, and Wisconsin. Historical rainy day fund balance data shown in this table may differ from figures published in previous editions of The Fiscal Survey of States, as figures for some years were updated based on a review of original source data.*

TABLE 25

Rainy Day Fund Balances as a Percentage of Expenditures, Fiscal 2020 to Fiscal 2022

	Number of States		
Percentage	Fiscal 2020 (Actual)	Fiscal 2021 (Preliminary Actual)	Fiscal 2022 (Enacted)
Less than 1%	5	2	5
> 1% but < 5%	11	8	3
> 5% but < 10%	15	16	14
10% or more	19	24	25
N/A	0	0	3

NOTE: See Table 26 for state-by-state data. Georgia, Oklahoma and Wisconsin were unable to provide rainy day fund balance data for fiscal 2021 and fiscal 2022.

FIGURE 4:
Rainy Day Fund Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2022

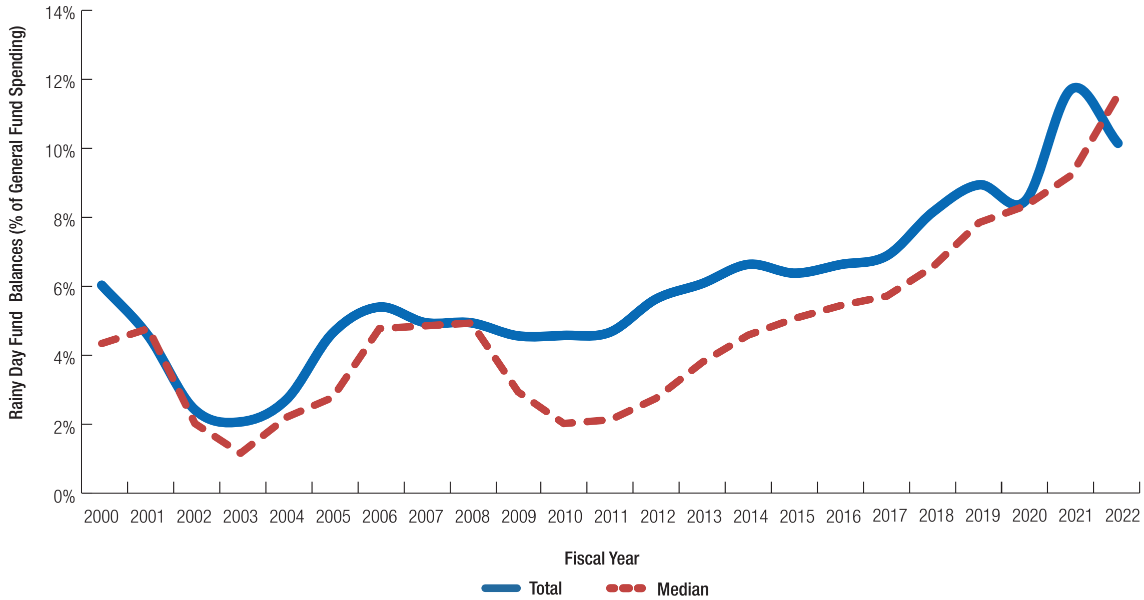


FIGURE 5:
Total Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2022

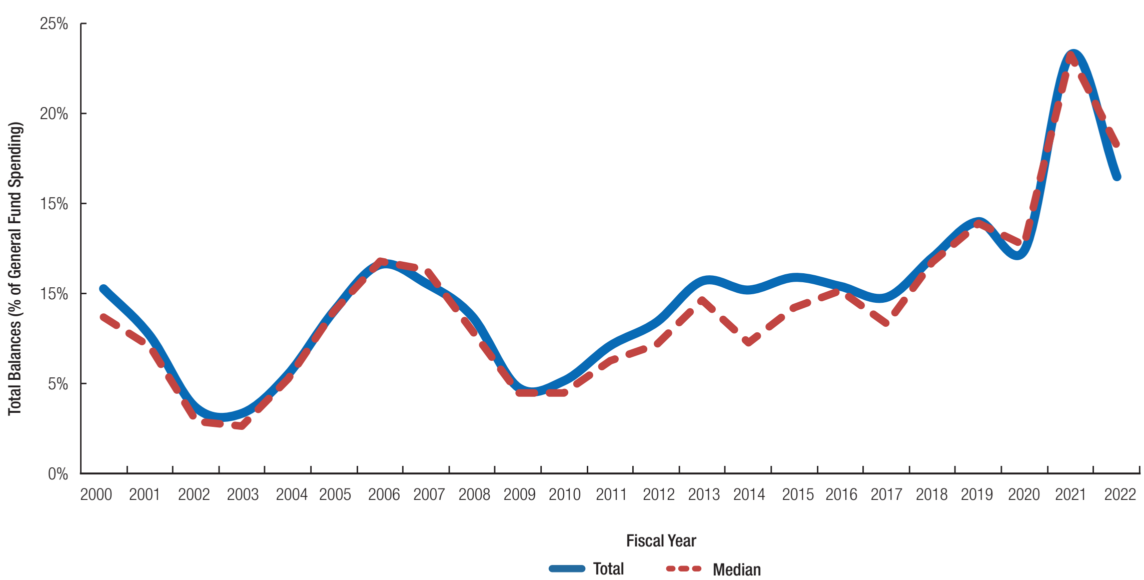


TABLE 26A

Rainy Day Fund Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2011 to Fiscal 2022

	Rainy Day Fund Balances ($ in Millions)**					
State	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Alabama	$0	$14	$14	$11	$412	$530
Alaska	12,981	15,880	16,332	15,597	10,442	7,109
Arizona	0	250	454	455	458	461
Arkansas	0	0	0	0	0	0
California	0	0	1,573	4,619	4,085	7,224
Colorado	157	281	373	411	709	513
Connecticut	0	93	271	519	406	236
Delaware	186	186	199	202	213	215
Florida	279	494	709	925	1,139	1,354
Georgia	328	378	717	863	1,431	2,033
Hawaii	10	24	24	83	90	101
Idaho	0	24	135	162	244	259
Illinois	0	0	0	276	276	277
Indiana	57	352	515	969	1,254	1,468
Iowa	440	601	611	670	698	729
Kansas	0	0	0	0	0	0
Kentucky	0	122	122	77	77	236
Louisiana	647	443	444	445	470	359
Maine*	0	45	60	93	119	122
Maryland	624	672	705	764	774	832
Massachusetts	1,379	1,652	1,557	1,248	1,252	1,292
Michigan	2	365	506	386	498	612
Minnesota	9	658	656	661	994	1,969
Mississippi	191	100	32	110	395	350
Missouri	507	498	505	557	543	586
Montana	0	0	0	0	0	0
Nebraska	313	429	384	719	728	731
Nevada	0	39	85	28	0	0
New Hampshire	9	9	9	9	22	93
New Jersey	0	0	0	0	0	0
New Mexico	501	713	651	638	613	148
New York	1,206	1,306	1,306	1,481	1,798	1,798
North Carolina	296	419	651	651	852	1,575
North Dakota	386	386	584	584	573	573
Ohio	0	247	482	1,478	1,478	2,005
Oklahoma	249	578	535	535	385	241
Oregon	16	128	69	153	391	550
Pennsylvania	0	0	0	0	0	0
Rhode Island	130	153	172	177	185	192
South Carolina	712	288	388	408	447	459
South Dakota	107	135	135	139	149	143
Tennessee	284	306	356	456	492	568
Texas	5,012	6,133	6,170	6,704	8,469	9,715
Utah	233	277	403	432	491	493
Vermont	54	58	74	71	76	78
Virginia	299	303	440	688	468	236
Washington	1	130	270	415	513	550
West Virginia	659	851	915	956	869	779
Wisconsin	17	125	279	280	280	281
Wyoming	752	765	927	926	1,811	1,811
Total**	**$29,034**	**$36,911**	**$41,798**	**$48,028**	**$48,067**	**$51,881**

*NOTES: N/A indicates data not available. Fiscal 2020 are actual figures, fiscal 2021 are preliminary actual figures, and fiscal 2022 are enacted figures. **Total Rainy day fund balances for fiscal 2022 exclude Georgia, Oklahoma, and Wisconsin as data were unavailable for these years.*

TABLE 26A (CONTINUED)

Rainy Day Fund Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2011 to Fiscal 2022

	Rainy Day Fund Balances ($ in Millions)**					
State	2017	2018	2019	2020	2021	2022
Alabama	$766	$784	$848	$968	$1,137	$1,288
Alaska	4,641	2,533	2,288	1,379	1,420	1,134
Arizona	461	458	743	979	975	982
Arkansas	123	127	153	185	210	1,202
California	11,251	20,842	23,001	20,632	39,752	25,166
Colorado	614	1,366	1,262	1,823	3,150	3,509
Connecticut	213	1,185	2,506	3,075	4,735	4,357
Delaware	221	232	240	252	252	252
Florida	1,384	1,417	1,483	1,574	1,674	2,724
Georgia	2,309	2,557	2,808	2,544	4,289	N/A
Hawaii	311	376	378	59	320	1,375
Idaho	413	354	373	393	607	607
Illinois	10	4	4	4	4	4
Indiana	1,474	1,419	1,436	877	1,302	1,304
Iowa	605	620	757	777	801	817
Kansas	0	0	0	82	82	0
Kentucky	151	94	129	303	1,916	1,916
Louisiana	287	321	405	568	546	571
Maine*	209	288	309	273	497	498
Maryland	833	857	877	1,177	631	1,161
Massachusetts	1,301	2,001	3,424	3,501	4,630	5,801
Michigan	710	1,006	1,149	829	1,385	1,406
Minnesota	1,980	2,092	2,480	3,010	2,808	2,272
Mississippi	269	295	350	501	540	556
Missouri	591	616	651	652	604	770
Montana	0	0	60	114	114	118
Nebraska	681	340	334	426	412	998
Nevada	146	180	332	0	98	44
New Hampshire	100	110	115	116	260	260
New Jersey	0	0	421	7	2,444	0
New Mexico	0	527	1,834	2,514	2,461	3,129
New York	1,798	1,798	2,048	2,476	2,476	3,301
North Carolina	1,838	1,849	1,849	1,169	1,982	3,116
North Dakota	38	113	659	717	749	749
Ohio	2,034	2,034	2,692	2,692	2,692	2,692
Oklahoma	93	452	806	230	542	N/A
Oregon	761	940	1,288	1,153	1,377	1,660
Pennsylvania	0	0	22	343	2,866	2,867
Rhode Island	193	199	204	91	228	235
South Carolina	487	509	871	1,181	1,707	1,734
South Dakota	157	160	170	174	216	302
Tennessee	668	800	875	1,200	1,450	1,550
Texas	10,290	11,043	10,099	8,947	10,074	12,120
Utah	508	578	697	740	746	835
Vermont	107	133	224	228	280	265
Virginia	549	440	792	1,072	1,488	2,138
Washington	1,638	1,369	1,618	1,683	-1	266
West Virginia	652	710	753	856	995	1,050
Wisconsin	283	320	649	762	1,730	N/A
Wyoming	1,538	1,538	1,577	1,577	1,058	1,058
Total**	**$55,687**	**$67,983**	**$79,040**	**$76,886**	**$112,708**	**$100,155**

*NOTES: N/A indicates data not available. Fiscal 2020 are actual figures, fiscal 2021 are preliminary actual figures, and fiscal 2022 are enacted figures. **Total Rainy day fund balances for fiscal 2022 exclude Georgia, Oklahoma, and Wisconsin as data were unavailable for these years.*

TABLE 26B

Rainy Day Fund Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2011 to Fiscal 2022

	Rainy Day Fund Balances as a Percent of General Fund Expenditures					
State	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**
Alabama	0.0%	0.2%	0.2%	0.1%	5.3%	6.8%
Alaska	238.2	226.4	209.9	213.0	173.6	129.9
Arizona	0.0	3.0	5.4	5.2	4.9	4.8
Arkansas	0.0	0.0	0.0	0.0	0.0	0.0
California	0.0	0.0	1.6	4.6	3.6	6.3
Colorado	2.3	3.9	4.7	4.7	7.4	5.0
Connecticut	0.0	0.5	1.4	3.1	2.3	1.3
Delaware	5.7	5.2	5.4	5.3	5.5	5.5
Florida	1.2	2.1	2.9	3.4	4.1	4.6
Georgia	1.9	2.2	3.9	4.5	7.1	9.3
Hawaii	0.2	0.4	0.4	1.3	1.4	1.5
Idaho	0.0	0.9	5.0	5.8	8.3	8.5
Illinois	0.0	0.0	0.0	0.9	0.9	1.0
Indiana	0.4	2.6	3.6	6.7	8.4	9.8
Iowa	8.2	10.0	9.5	10.4	9.9	10.1
Kansas	0.0	0.0	0.0	0.0	0.0	0.0
Kentucky	0.0	1.3	1.3	0.8	0.8	2.3
Louisiana	8.3	5.4	5.3	5.2	5.5	4.1
Maine*	0.0	1.4	1.9	3.0	3.7	3.7
Maryland	4.7	4.5	4.7	4.9	4.8	5.0
Massachusetts	4.3	5.1	4.6	3.5	3.3	3.2
Michigan	0.0	4.4	5.7	4.3	5.4	6.3
Minnesota	0.1	4.0	3.5	3.4	4.9	9.8
Mississippi	4.2	2.1	0.7	2.0	7.1	6.1
Missouri	6.6	6.3	6.3	6.6	6.2	6.5
Montana	0.0	0.0	0.0	0.0	0.0	0.0
Nebraska	9.4	12.4	10.7	19.0	18.1	17.4
Nevada	0.0	1.3	2.6	0.9	0.0	0.0
New Hampshire	0.7	0.7	0.7	0.7	1.7	6.7
New Jersey	0.0	0.0	0.0	0.0	0.0	0.0
New Mexico	9.4	12.8	11.2	10.6	9.7	2.3
New York	2.2	2.3	2.2	2.4	2.9	2.6
North Carolina	1.6	2.1	3.2	3.1	4.1	7.4
North Dakota	23.4	17.4	24.8	18.0	17.5	19.0
Ohio	0.0	0.9	1.7	4.9	4.7	5.8
Oklahoma	4.6	9.9	8.5	8.2	6.0	3.9
Oregon	0.3	1.9	1.0	2.0	4.8	6.1
Pennsylvania	0.0	0.0	0.0	0.0	0.0	0.0
Rhode Island	4.4	4.9	5.3	5.3	5.4	5.4
South Carolina	13.8	5.2	6.3	6.4	6.6	6.4
South Dakota	9.3	11.2	10.4	9.7	10.8	9.8
Tennessee	2.8	2.7	3.1	3.8	4.0	4.5
Texas	12.9	13.8	15.1	14.3	17.2	18.0
Utah	4.9	5.7	7.9	8.0	8.5	7.8
Vermont	4.7	4.6	5.6	5.1	5.3	5.3
Virginia	1.9	1.9	2.6	3.9	2.6	1.2
Washington	0.0	0.9	1.7	2.6	3.1	3.0
West Virginia	17.5	20.6	21.4	22.7	20.5	18.7
Wisconsin	0.1	0.9	1.9	1.9	1.8	1.8
Wyoming	47.6	48.4	51.8	51.8	86.2	109.7
Total**	**4.5%**	**5.5%**	**6.0%**	**6.6%**	**6.3%**	**6.6%**
Median	**1.8%**	**2.4%**	**3.6%**	**4.4%**	**4.9%**	**5.3%**

*NOTES: N/A indicates data not available. Fiscal 2020 are actual figures, fiscal 2021 are preliminary actual figures, and fiscal 2022 are enacted figures. **Total Rainy day fund balances for fiscal 2022 exclude Georgia, Oklahoma and Wisconsin, as data were unavailable for these years.*

TABLE 26B (CONTINUED)

Rainy Day Fund Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2011 to Fiscal 2022

	Rainy Day Fund Balances as a Percent of General Fund Expenditures					
State	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**
Alabama	9.4%	9.4%	9.8%	10.4%	11.4%	12.7%
Alaska	103.2	56.4	46.8	28.7	30.6	24.8
Arizona	4.8	4.7	6.9	8.7	7.2	7.7
Arkansas	2.3	2.3	2.7	3.2	3.6	20.5
California	9.4	16.7	16.4	14.1	23.9	12.8
Colorado	5.9	12.2	9.8	14.3	23.8	23.5
Connecticut	1.2	6.3	13.0	16.0	23.6	21.0
Delaware	5.4	5.6	5.5	5.6	5.6	4.8
Florida	4.6	4.5	4.5	4.8	5.0	6.3
Georgia	10.0	10.6	11.1	9.7	17.0	N/A
Hawaii	4.2	4.8	4.8	0.7	3.6	15.5
Idaho	12.7	10.2	10.1	10.1	15.7	14.4
Illinois	0.0	0.0	0.0	0.0	0.0	0.0
Indiana	9.5	9.0	8.8	5.3	7.3	7.2
Iowa	8.3	8.6	10.1	9.9	10.3	10.1
Kansas	0.0	0.0	0.0	1.1	1.1	0.0
Kentucky	1.3	0.8	1.1	2.6	16.6	15.7
Louisiana	3.1	3.3	4.1	5.6	5.5	5.8
Maine*	6.2	8.2	8.4	6.9	12.8	12.0
Maryland	4.8	5.0	4.9	6.0	3.3	5.5
Massachusetts	3.2	6.4	10.4	10.2	12.5	14.7
Michigan	7.2	10.0	11.0	9.3	13.3	11.9
Minnesota	9.4	9.4	10.8	12.7	11.7	8.9
Mississippi	4.7	5.3	6.3	8.7	9.7	9.6
Missouri	6.5	6.6	6.8	7.1	6.2	7.4
Montana	0.0	0.0	2.5	4.7	4.2	4.3
Nebraska	15.7	7.8	7.6	9.5	9.1	20.7
Nevada	3.7	4.5	7.5	0.0	2.1	1.0
New Hampshire	6.6	7.3	7.7	6.8	16.2	16.2
New Jersey	0.0	0.0	1.1	0.0	5.4	0.0
New Mexico	0.0	8.5	24.4	32.8	27.7	42.0
New York	2.6	2.6	2.8	3.2	3.3	3.9
North Carolina	8.3	8.1	7.8	4.9	8.3	12.0
North Dakota	1.5	5.2	29.9	30.7	31.7	30.0
Ohio	5.8	6.4	8.0	11.6	11.5	9.9
Oklahoma	1.6	7.5	11.5	3.1	8.2	N/A
Oregon	8.4	9.6	12.7	10.5	12.0	13.3
Pennsylvania	0.0	0.0	0.1	1.0	8.4	7.4
Rhode Island	5.2	5.2	5.2	2.3	5.5	5.2
South Carolina	6.4	6.4	10.7	13.7	20.3	16.5
South Dakota	10.2	10.0	10.4	10.2	11.4	16.6
Tennessee	5.0	5.8	6.1	8.2	9.2	8.9
Texas	19.2	19.7	19.3	15.1	17.1	20.1
Utah	7.9	8.6	9.2	10.1	8.8	8.5
Vermont	6.9	8.5	14.0	14.2	16.1	14.3
Virginia	2.7	2.2	3.7	4.8	6.6	9.1
Washington	8.5	6.7	7.1	7.0	0.0	1.0
West Virginia	15.4	16.8	16.4	18.7	20.8	23.4
Wisconsin	1.7	1.9	3.6	4.1	8.9	N/A
Wyoming	100.5	100.5	96.9	96.9	82.4	82.5
Total**	**6.9%**	**8.3%**	**9.1%**	**8.6%**	**12.1%**	**10.4%**
Median	**5.6%**	**6.5%**	**7.9%**	**8.4%**	**9.4%**	**11.9%**

*NOTES: N/A indicates data not available. Fiscal 2020 are actual figures, fiscal 2021 are preliminary actual figures, and fiscal 2022 are enacted figures. **Total Rainy day fund balances for fiscal 2022 exclude Georgia, Oklahoma and Wisconsin, as data were unavailable for these years.*

TABLE 27

State Rainy Day Fund Names*

State	Fund Name(s)
Alabama	Education Trust Fund Budget Stabilization Fund, General Fund Budget Reserve Fund, Education Trust Fund Rainy Day Account, and General Fund Rainy Day Account
Alaska	Constitutional Budget Reserve Fund, Statutory Budget Reserve Fund
Arizona	Budget Stabilization Fund
Arkansas	Long Term Reserve Fund
California*	Special Fund for Economic Uncertainties (SFEU) Budget Stabilization Account (BSA) Safety Net Reserve Public School System Stabilization Account (PSSSA)
Colorado	General Fund Reserve
Connecticut	Budget Reserve Fund (BRF)
Delaware	Budget Reserve Account
Florida	Budget Stabilization Fund
Georgia	Revenue Shortfall Reserve
Hawaii	Emergency and Budget Reserve Fund
Idaho	Budget Stabilization Fund
Illinois	Budget Stabilization Fund
Indiana	Medicaid Contingency & Reserve, State Tuition Reserve, Counter-Cyclical Revenue and Economic Stabilization Fund ("Rainy Day Fund")
Iowa	Cash Reserve Fund, Economic Emergency Fund
Kansas	Budget Stabilization Fund
Kentucky	Budget Reserve Trust Fund
Louisiana	Budget Stabilization Fund
Maine	Budget Stabilization Fund, Reserve for Operating Capital
Maryland	Revenue Stabilization Account
Massachusetts	Commonwealth Stabilization Fund
Michigan	Countercyclical Budget and Economic Stabilization Fund
Minnesota	Budget Reserve, Cash Flow Account, Stadium Reserve
Mississippi	Working Cash Stabilization Fund
Missouri	Budget Reserve Fund
Montana	Budget Stabilization Reserve Fund
Nebraska	Cash Reserve Fund
Nevada	Account to Stabilize the Operation of State Government ("Rainy Day Fund")
New Hampshire	Revenue Stabilization Reserve Account
New Jersey	Surplus Revenue Fund
New Mexico	Tax Stabilization Reserve Fund, Operating Reserves, Appropriation Contingency, State Support Reserves, Tobacco Settlement Permanent Fund
New York	Tax Stabilization Reserve, Rainy Day Reserve
North Carolina	Budget Stabilization Reserve
North Dakota	Budget Stabilization Fund
Ohio	Budget Stabilization Fund
Oklahoma	Constitutional Reserve Fund, Revenue Stabilization Fund
Oregon	Rainy Day Fund, Education Stability Fund
Pennsylvania	Budget Stabilization Reserve Fund
Rhode Island	Budget Reserve and Cash Stabilization Fund
South Carolina	5% General Reserve, 2% Capital Reserve, and Contingency Reserve
South Dakota	Budget Reserve Fund, General Revenue Replacement Fund
Tennessee	Revenue Fluctuation Reserve
Texas	Economic Stabilization Fund
Utah	General Fund Budget Reserve Account, Education Budget Reserve Account
Vermont	Budget Stabilization Reserve, Human Services Caseload Reserve, General Fund Balance Reserve, and the 27/53 Reserve
Virginia	Revenue Stabilization Fund, Revenue Cash Reserve
Washington	Budget Stabilization Account
West Virginia	Revenue Shortfall Reserve Fund, Revenue Shortfall Reserve Fund Part B
Wisconsin	Budget Stabilization Fund
Wyoming	Legislative Stabilization Reserve Account (LSRA)

Notes: Above are the names of those funds that are included in the rainy day fund balances reported in this survey. For more details on how these funds are structured, as well as information on other more targeted state budget stabilization funds not included here, see NASBO's Budget Processes in the States *(2021), Table 13.*

TABLE 28

Total Balances, Fiscal 1979 to Fiscal 2022

Fiscal Year	Total Balance (Billions)	Total Balance (Percentage of Expenditures)
2022*	$163.3	16.5%
2021*	217.1	23.3
2020	111.2	12.4
2019	121.6	14.0
2018	98.9	12.0
2017	79.4	9.8
2016	81.8	10.4
2015	82.5	10.9
2014	74.0	10.2
2013	74.4	10.7
2012	55.8	8.4
2011	46.0	7.1
2010	32.1	5.2
2009	31.6	4.8
2008	60.1	8.7
2007	69.2	10.6
2006	69.5	11.6
2005	50.0	9.0
2004	28.7	5.5
2003	16.9	3.3
2002	18.7	3.7
2001	38.8	7.7
2000	48.1	10.3
1999	39.3	9.0
1998	35.4	8.6
1997	30.7	7.9
1996	25.1	6.8
1995	20.6	5.8
1994	16.9	5.1
1993	13.0	4.2
1992	5.3	1.8
1991	3.1	1.1
1990	9.4	3.4
1989	12.5	4.8
1988	9.8	4.2
1987	6.7	3.1
1986	7.2	3.5
1985	9.7	5.3
1984	6.4	3.8
1983	2.3	1.5
1982	4.5	2.9
1981	6.5	4.4
1980	11.8	9.4
1979	$11.2	9.8%

*NOTE: *Figures for fiscal 2021 are preliminary actual; figures for fiscal 2022 are projected based on states' enacted budgets. Figures for fiscal 2022 exclude Oklahoma and Wisconsin. Historical total balance data shown in this table may differ from figures published in previous editions of The Fiscal Survey of States, as figures for some years were updated based on a review of original source data.*

TABLE 29

Total Balances as a Percentage of Expenditures, Fiscal 2020 to Fiscal 2022

	Number of States		
Percentage	Fiscal 2020 (Actual)	Fiscal 2021 (Preliminary)	Fiscal 2022* (Enacted)
Less than 1%	1	0	1
> 1% but < 5%	3	0	0
> 5% but < 10%	11	4	8
10% or more	35	46	39
N/A	0	0	2

*NOTE: See Table 30 for state-by-state data.*Oklahoma and Wisconsin were unable to provide complete total balance data for fiscal 2022.*

TABLE 30

Total Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2020 to Fiscal 2022

	Total Balances ($ in Millions)			Total Balances as a Percent of General Fund Expenditures		
State	Fiscal 2020	Fiscal 2021	Fiscal 2022	Fiscal 2020	Fiscal 2021	Fiscal 2022
Alabama	$1,788	$2,587	$1,466	19.2%	26.0%	14.4%
Alaska	1,379	1,420	1,208	28.7	30.6	26.5
Arizona	1,351	1,839	2,277	12.0	13.5	17.8
Arkansas	188	1,156	1,219	3.3	19.6	20.8
California	23,807	42,928	28,342	16.3	25.8	14.4
Colorado***	1,823	3,150	3,509	14.3	23.8	23.5
Connecticut	3,075	4,735	4,357	16.0	23.6	21.0
Delaware***	959	1,833	1,725	21.3	40.6	33.0
Florida	7,926	14,910	10,048	24.1	44.1	23.4
Georgia***	2,622	6,496	6,496	10.0	25.8	25.2
Hawaii	1,062	1,569	2,158	13.2	17.9	24.3
Idaho	580	747	684	14.8	19.3	16.2
Illinois***	535	3,210	192	1.3	7.5	0.4
Indiana	1,419	3,923	2,810	8.6	22.1	15.4
Iowa	1,083	2,040	1,219	13.8	26.1	15.0
Kansas	577	2,185	1,522	7.7	30.1	18.7
Kentucky	656	3,544	2,233	5.6	30.8	18.3
Louisiana	839	546	575	8.3	5.5	5.8
Maine	457	653	656	11.6	16.8	15.8
Maryland	1,881	3,870	1,836	9.6	20.5	8.8
Massachusetts***	4,295	5,980	5,909	12.6	16.1	15.0
Michigan	3,364	3,751	3,239	37.8	36.0	27.5
Minnesota***	3,344	3,920	2,873	14.1	16.3	11.3
Mississippi	509	550	556	8.9	9.9	9.6
Missouri	1,455	2,958	2,581	15.8	30.2	24.8
Montana	566	834	754	23.2	31.1	27.6
Nebraska	1,137	2,261	1,439	25.3	50.0	29.9
Nevada	574	880	603	12.9	19.3	13.0
New Hampshire	64	260	272	3.8	16.2	17.1
New Jersey***	2,163	6,653	2,356	5.7	14.8	5.1
New Mexico***	2,514	2,451	3,129	32.8	27.6	42.0
New York***	8,944	9,161	7,354	11.5	12.4	8.7
North Carolina	2,640	9,206	5,603	11.0	38.4	21.6
North Dakota	1,000	1,872	1,669	42.8	79.3	66.9
Ohio	3,962	7,413	5,341	17.1	31.7	19.6
Oklahoma	554	2,147	N/A	7.4	32.6	N/A
Oregon	1,175	5,081	4,191	10.7	44.4	33.6
Pennsylvania	-2,391	2,866	5,603	-6.8	8.4	14.5
Rhode Island	247	561	235	6.3	13.6	5.2
South Carolina***	1,805	3,615	2,413	20.9	43.1	23.0
South Dakota	193	302	342	11.4	16.0	18.8
Tennessee	3,191	3,648	1,567	21.8	23.0	9.0
Texas	5,173	21,303	18,568	8.8	36.2	30.7
Utah	1,044	1,860	894	14.3	21.9	9.1
Vermont	228	384	264	14.2	22.0	14.3
Virginia	2,257	3,406	4,253	10.1	15.0	18.2
Washington	2,336	3,365	3,895	9.7	13.6	14.4
West Virginia	1,310	1,674	1,788	28.6	35.1	39.8
Wisconsin	1,934	4,311	N/A	10.5	22.1	N/A
Wyoming	1,577	1,058	1,058	96.9	82.4	82.5
Total**	**$111,172**	**$217,069**	**$163,281**	**12.4%**	**23.3%**	**16.5%**
			Median	**12.7%**	**23.3%**	**18.2%**

*NOTES: Total balances include both the ending balance and Rainy Day Funds. Fiscal 2020 are actual figures, fiscal 2021 are preliminary actual figures, and fiscal 2022 are enacted figures. N/A indicates data not available. **Fiscal 2022 total excludes Oklahoma and Wisconsin, as complete data were not available for that year. ***Ending Balance includes Rainy Day Fund.*

CHAPTER 3 NOTES

Notes to Table 26: Rainy Day Fund Balances, Dollar Amount and as a Percentage of Expenditures, Fiscal 2011 to Fiscal 2022

See Notes to Tables 3-5 in Chapter One for explanation of state rainy day fund balances reported.

Maine During FY 2018 and FY 2019, $79.5 million was legislatively earmarked and deposited into Maine's Rainy Day Fund to cover a disallowance from the federal Centers for Medicare and Medicaid Services. The FY 2019 Rainy Day Fund balance included the remaining $60 million of those earmarked funds that were paid out as planned in FY 2020 unrelated to the impacts of the COVID-19 pandemic.

Notes to Table 27: State Rainy Day Fund Names

California Safety Net Reserve Fund created in the 2018 Budget Act to maintain existing benefits and services for Medi-Cal and CalWORKs during economic downturns.

Public School System Stabilization Account enacted in 2014 as part of Proposition 2 to serve as a Proposition 98 Rainy Day Fund to lessen the impact of volatile state revenues on K-14 schools.

Notes to Table 30: Total Balances, Dollar Amount and as a Percentage of Expenditures, Fiscal 2020 to Fiscal 2022

See Notes to Tables 3-5 in Chapter One for explanation of state total balances reported.

OTHER STATE BUDGETING CHANGES

CHAPTER FOUR

Changes in Aid to Local Governments, Fiscal 2022

Some states reported on changes in their enacted budgets for fiscal 2022 affecting state aid to local governments as well as other changes with a fiscal impact on localities. States were asked to report on these changes organized by the following categories: 1) general aid to local governments; 2) revenue-sharing payments; 3) funding for education; 4) funding for transportation; 5) funding for other specific grant programs; 6) pension/OPEB contributions; 7) local government revenue capacity; 8) local property tax relief; and 9) other. *(See Table 37)*

Most of the narrative descriptions of aid to localities presented in this chapter represent enacted increases for fiscal 2022. Earlier in this survey, just two states reported reductions in local aid as a budget management strategy in the middle of fiscal 2021, while one state indicated reducing local aid in the enacted budget for fiscal 2022.

General Aid to Local Governments. Thirteen states reported on various changes to general aid for local governments in their fiscal 2022 enacted budgets. These included altering the formula and increasing funding for Payment-in-Lieu-of-Taxes (PILOT) grants in Connecticut, increasing funding for municipal capital projects and Open Space Payments in Lieu of Taxation in New Jersey, rural county stabilization funds in South Carolina, and nonrecurring grants to local governments in Tennessee.

Revenue-Sharing Payments. Seven states reported on enacted changes related to revenue-sharing payments. For example, both Arizona and Maine both reported increasing the percentages used to determine payment amounts for their revenue-sharing programs.

Funding for Education. Public education funding is typically the largest component of state spending that interacts with local government finances. Significant variation exists in how states help fund school districts and the share of K-12 spending covered by state versus local revenues. Seventeen states reported on enacted changes affecting education funding for local school districts in fiscal 2022. Among the increases reported were funding in California to repay deferrals and restore a cost-of-living adjustment that was withheld last year as well as make new investments, an increase in direct education assistance as part of school reform legislation in Massachusetts and expanded income eligibility for Choice Scholarships (school vouchers) in Indiana.

Funding for Transportation. Nine states reported on budget actions related to transportation funding for local governments. These include a substantial increase in general fund support for transportation that will flow through local governments in California, most of which is contingent upon other legislative steps taken regarding transportation policy, as well as a one-time infusion of funding for local road projects in Wisconsin.

Other Specific Grant Program Funding. Four states noted funding for other specific grant programs. Indiana reported on federal *American Rescue Plan Act* (ARPA) funding appropriated for local and regional trails as well as regional economic development initiatives, while Minnesota reported on funding for numerous targeted grant programs for public health infrastructure, community corrections, mental health services and numerous other purposes.

Pension/OPEB Contributions. Five states enacted changes to pension and/or OPEB contributions in fiscal 2022 affecting plans that cover school districts, community colleges, and other local government employers. The items reported reflect the variances in how state funding contributes to local government and school system pensions. Changes reported include a contribution rate increase in Arkansas and a 23 percent increase in New Jersey's benefit payments on behalf of localities.

Local Government Revenue Capacity. One state, Maryland, reported on its Disparity Grant program, which addresses the difference in the abilities of counties to raise revenues from local income tax.

Local Property Tax Relief. Six states reported on enacted property tax relief changes, including the next phase of Property Tax Relief and Homestead Exemption increase in Nebraska, as well as property tax revenue loss backfill funding for wildfires in California.

Other Changes. Five states reported on other changes affecting local government finances, including a new rent supplement program for low-income households in New York, additional funding for county indigent defense services in Ohio, and West Virginia's phasing out of the state property transfer tax that begins in fiscal 2022.

Changes in Budgeting and Financial Management Practices

Several states reported on enacted changes to budget and financial management practices for fiscal 2022. *(See Table 38)* Some examples of the changes reported include:

Major Restructuring Efforts. Alaska continues to consolidate procurement, human resources and information technology, Missouri consolidated various early learning programs into a new Office of Childhood, and Utah consolidated state agencies with similar missions.

Workforce Policy Changes. Pennsylvania reported on significant workforce changes due to increased teleworking and that many agencies are allowing workers to permanently telework.

Statewide Review of Expenditures or Revenues. Indiana enacted legislation requiring certain discretionary federal aid received by the state to be appropriated by the legislature or reviewed by the State Budget Committee prior to obligation.

Budget System Changes. Several states included funding to build or upgrade the state's budgeting and/or enterprise systems.

Other Changes. Kentucky reported on a shift in the funding methodology for the state's primary state employee pension system's unfunded liability.

Changes to Employment Compensation, Fiscal 2022

Twenty-five states reported authorizing across-the-board salary increases for at least some employee categories in fiscal 2022, an increase over the 18 states approving across-the-board increases in fiscal 2021 but still lower than the 37 states that approved pay increases in fiscal 2020 budgets. Additionally, 10 states provided for at least some merit increases, and 14 states made other modifications to employee compensation in fiscal 2022 including one-time bonuses, longevity payments or step increases, targeted salary increases. Some of these increases reflect restored pay raises that were withheld last year due to the pandemic. Some states indicated that compensation decisions for fiscal 2022 had not been finalized at the time of data collection.

TABLE 31

Enacted Changes in Aid to Local Governments, Fiscal 2022

State	Description
	GENERAL AID TO LOCAL GOVERNMENTS
Alaska	Distribution of COVID-19 funds/assistance.
California	The 2021 Budget Act includes: • $100 million for COVID-19 relief for special districts, $65 million for criminal fines and fees backfill for counties, $10 million for vehicle license fee insufficiencies. • A reduction of $2.2 million for county charges associated with prosecuting inmate crimes committed in state prison. This reduction is a decrease of 8.1% relative to the 2020-21 Enacted Budget. • An increase of $53.8 million for the Office of Emergency Services' California Disaster Assistance Act (CDAA) program. This increase is 49.4% higher than 2020-21 Enacted Budget.
Connecticut	The statutory formula for Payment-in-Lieu-of-Taxes (PILOT) grants was amended during the 2021 legislative session to provide different reimbursement amounts based on each municipality's net grand list per capita. Along with this formula change, total funding for PILOT grants was increased by $147 million, or 89%. $66 million of this increase was appropriated from the General Fund, and the remainder will be funded from the Municipal Revenue Sharing Account.
Maryland	Aid totals $8.9 billion, an increase of $327.6 million (3.8%) over FY 2021.
Massachusetts	$39.5 million, or 3.5%, increase to $1.168 billion
Minnesota	$1 million annually in FY22 and FY23, and $250 thousand annually thereafter for the Pollution Control Agency to establish a new program to promote climate adaptation and resiliency for local governments. $1 million annually in FY22 and FY23 for the Board of Water and Soil Resources to establish a new program to promote water storage and treatment for local governments to adapt to climate change. One time aid to specific cities totaling $1.014 million in FY22.
Nebraska	$20 million for the Nebraska Broadband Birdge Act, plus $2.0 million in Aid to Counties to pay certain Federal Judgments
New Jersey	General aid to local governments increased by $19.5 million, or 1.2%. Increase were to grant programs for municipal capital projects ($16 million) and Open Space Payments in Lieu of Taxation ($3.5 million).

Table 31 continues on next page.

TABLE 31 (CONTINUED)

Enacted Changes in Aid to Local Governments, Fiscal 2022

State	Description
	GENERAL AID TO LOCAL GOVERNMENTS
New York	The impact of the FY 2022 Enacted Budget on local governments can be measured in two ways. First, and most fundamentally, total assumed spending on behalf of local governments in FY 2022 can be compared to that of the prior fiscal year. This view reflects that State spending on behalf of local governments can go up or down because of budgetary changes, but also by increases in caseload or statutory automatic inflators. Total spending on behalf of local governments through major local aid programs and savings initiatives is expected to total $46.2 billion in FY 2022 under the Enacted Budget. This represents an increase of more than $4 billion over the prior year, predominantly due to increases in School Aid. The second way of measuring the impact of the FY 2022 Enacted Budget on local governments is reflected on the traditional local impact table. In this view, increases in caseload or statutory automatic inflators are excluded, and only new changes proposed in this Enacted Budget are considered. Under this narrower criteria, actions taken in the Enacted Budget, result in a year-to-year net positive local impact of over $3.1 billion for municipalities and school districts for their fiscal years ending in 2022. • Support for County Governments. Total State spending on behalf of counties outside of New York City through major local aid programs is expected to total more than $5.3 billion in FY 2022 under the Enacted Budget. This includes $2.3 billion attributable to the State takeover of local Medicaid growth. Total support for counites is approximately $556 million higher than FY 2021. The traditional local impact table excludes increases in caseload, statutory automatic inflators, and the incremental increase in county Medicaid growth that is paid for by the State. Under this narrower criteria, the Enacted Budget has a year-to-year negative fiscal impact of $29.5 million for counties outside New York City. • Support for New York City. Total State spending on behalf of New York City through major local aid programs is expected to total more than $19.2 billion in FY 2022 under the Enacted Budget. This also includes $2.4 billion attributable to the State takeover of local Medicaid growth and over $11.9 billion in School Aid. Total support for New York City is higher than FY 2021 by nearly $1.4 billion, in large measure due to a year to year School Aid increase. Traditional local impacts presented in the Enacted Budget reflect a net positive impact of over $1.3 billion for the 2022 City Fiscal Year, due almost entirely to the City's $1.3 billion increase in School Aid, as well as over $34 million in increased transportation aid. • Support for Other Cities, Towns and Villages. The Enacted Budget provides nearly $1.3 billion in support for towns, villages, and cities other than the City of New York. The most notable local impacts for such local governments in the FY 2022 Enacted Budget are increases in CHIPS, Extreme Winter Recovery, PaveNY, and State Touring Routes funding. Additionally, the FY 2022 Enacted budget provides over $747 million in AIM and AIM-related funding to towns, villages, and cities other than the City of New York, including repayment of all amounts still withheld from FY 2021, along with over $26 million in Video Lottery Terminal aid.
Ohio	GRF tax revenue credited to the Public Library Fund increased from statutory 1.66% level to a temporary 1.70% funding level during FY 2022–23. This will increase aid to public libraries by an estimated $10.8 million during FY 2022.

Table 31 continues on next page.

TABLE 31 (CONTINUED)

Enacted Changes in Aid to Local Governments, Fiscal 2022

State	Description
	GENERAL AID TO LOCAL GOVERNMENTS
Rhode Island	FY 2022 general aid to local governments included financing for all regular local aid streams. One notable change was that the Municipal COVID-19 Relief Fund program, which provided municipalities with federal Coronavirus Relief Funds for eligible COVID-19 expenses in FY 2021 did not receive additional funding in FY 2022, consistent with the intent of the program to provide municipalities a one-time share of federal funds.
South Carolina	$10M rural county stabilization fund
Tennessee	$100M in nonrecurring grants to local governments
	REVENUE-SHARING PAYMENTS
Arizona	Increased the Urban Revenue Sharing percentage to 18% from 15% (beginning in FY 2024)
Connecticut	Beginning in FY 2022, a portion of Connecticut's Sales and Use Tax revenue will be transferred into the Municipal Revenue Sharing Account. In FY 2022, a projected $82 million will fund an expansion of PILOT grants to municipalities, $262 million will be transferred back into the General Fund, and the remaining balance in the account will fund Municipal Revenue Sharing grants according to a statutory formula.
Maine	For FY22, the State budgeted for revenue-sharing payments at 4.5% which was an increase from FY21 which was at 3.75%. State statute calls for revenue-sharing to be at 5% and the 5% is currently budgeted for FY23.
Maryland	The State provides very small grants for payments in lieu of taxes (PILOT), with insignificant year over year growth.
Michigan	$10 million increase (2%) in statutory revenue sharing payments to cities, villages, townships, and counties.
New York	Legislation enacted in March 2021 regulates the sale and use of adult-use cannabis and imposes a local excise tax of 4 percent on the retail sale of cannabis products to a consumer. Revenues from this tax will be distributed to local governments based on the location of the retail dispensary. Counties are authorized and entitled to retain 25 percent of the total local tax revenue and distribute the remaining 75 percent to the cities, towns, or villages within the county based on the proportion of cannabis sales. However, if a retail dispensary is located in a village within the town, the revenue will be distributed based upon the distribution agreement entered between the town and village. Alternatively, if no such agreement exists, then the revenue should then be distributed evenly between the said town and village.The revenue impact is $6.5 million in Local Fiscal Year (LFY) 2022, $23 million in LFY 2023, and up to $38 million in LFY 2024.
South Carolina	$17.9M formula-based Aid to Subdivisions for General Fund revenue increase.
	FUNDING FOR EDUCATION
Arkansas	The per student amount increased from $7,018 in FY21 to $7,182 in FY22. The per student amount will increase again in FY23 to $7,349.

Table 31 continues on next page.

TABLE 31 (CONTINUED)

Enacted Changes in Aid to Local Governments, Fiscal 2022

State	Description
	FUNDING FOR EDUCATION
California	The 2021 Budget Act includes: • A 5.07% COLA on the Local Control Funding Formula for K–12 schools in fiscal year 2022 and fully retired apportionment deferrals enacted as part of the 2020 Budget Act. Additionally, several billion dollars were allocated for augmentations or new investments for programs such as Special Education, Teacher workforce development, and expanded learning opportunities for students outside of the traditional school day. • $33.8 million for education programming ($18.5 million for College Service Program, and $15 million for Student Success Coach Grant Program).
Colorado	Funding for schools goes to the school districts and not local governments.
Connecticut	Funding to municipalities for education through the Education Cost Sharing (ECS) grant was increased by 2.3% in FY 22. This amounts to a $47.2 million dollar increase over FY 21.
Indiana	Funding for K-12 education is the largest appropriation in Indiana's state budget. The tuition support formula, which allocates dollars to local school corporations, increased per pupil funding for several categories including foundation, complexity, and special education. In addition, the General Assembly expanded income eligibility for Choice Scholarships to 300% of the amount required for the individual to qualify for a free or reduced-price lunch.
Kansas	$183.5 million K–12 aid to local increase 3.3%
Maine	The State increased funding for K–12 education to meet the statutory requirement to fund 55% of the total cost of K-12 essential programs and services for the first time since the requirement was established.
Maryland	K–12 education totals $7.6 billion, an increase of $267.5 million (3.7%). Community Colleges funding totals $376.8 million, an increase of $30.4 million (8.8%).
Massachusetts	$220 million increase to direct education assistance (i.e., "Chapter 70 Aid") in connection with the Student Opportunity Act, a reform initiative that increases funding for school districts; $34 million in new funding for charter school tuition reimbursement; $28 million in additional support for special education circuit breaker reimbursement for cities and towns. The FY22 budget also includes a transfer of $350 million into a trust for the purposes of implementing the provisions of the Student Opportunity Act in future years.
Minnesota	General education formula increase of 2.45% in FY22 ($156 million). Maintain existing prekindergarten funding set to expire ($19 million in FY22). One-time special education increase of $10 million for FY22. New/increased funding for programs intended to increase the number of teachers of color ($10 million in FY22), most of which is available to school districts. Expenditure of various federal funds available to districts was also approved, including ARP State Fiscal Recovery Funds for summer learning ($75 million) and districts experiencing enrollment loss ($29 million).
Nebraska	Reduction of $7.6 million in TEEOSA-state school aid formula, partially offset by $4.8 million increases for Special Education and Early Childhood programs
New Jersey	Local school aid for K–12 education represented an increase of 13.7% ($2.126m).

Table 31 continues on next page.

TABLE 31 (CONTINUED)
Enacted Changes in Aid to Local Governments, Fiscal 2022

State	Description
	FUNDING FOR EDUCATION
New York	In the 2021–22 school year, the Enacted Budget increases aid for school districts outside New York City by over $1.6 billion. Partially offsetting this increase, the Budget also shifts the State share of the residential cost for Committees on Special Education (CSE) placements to school districts for another year, which results in a $28 million negative impact across two fiscal years. In total, the FY 2022 Enacted Budget provides over $17 billion in School Aid to school districts outside New York City. School Aid to New York City was increased by $1.3 billion for the 2022 City Fiscal Year.
Pennsylvania	Fiscal 2022 budget included a $292 million, or 4.1%, increase in state aid to schools for basic education (including the state's social security subsidy) and a $50 million, or 4.2%, increase in state aid to schools for special education.
Rhode Island	In FY 2022, state education aid held schools districts harmless from the substantial impacts of COVID-19 on student enrollment. Local education agencies are receiving education aid based on student enrollment in either March 2020 or March 2021, whichever is greater.
South Dakota	2.4% increase
Wisconsin	In comparison to FY21, FY22 has an increase of $139.9 million for K–12 education, including increases in equalization aid and special education. Aid to technical colleges increased $4.5 million. The University of Wisconsin received a set-aside in the legislative supplemental appropriation of $4.25 million for a variety of programs.

State	Description
	FUNDING FOR TRANSPORTATION
California	The 2021 Budget Act includes an increase of $3.6 billion General Fund in transportation funding that will flow through local governments. However, approximately $3.1 billion has provisional language in the 2021 enacted budget that prevents the funding from being accessed unless other legislative steps are taken regarding statewide transportation policy.
Colorado	SB 21–260 provided $36.5M to local governments in FY 20–21. Funding will be reduced by $13.3M in FY 2021–22 and will include in FY 2022–23 by $14.8M.
Indiana	The budget appropriates $231.0 million in federal ARP Act funding for regional rail infrastructure projects in northwest Indiana.
Maryland	Transportation funding totals $259.9 million, an increase of $17.4 million (7.2%).
Minnesota	Department of Transportation funding including: $5 million to cities, counties and school districts to improve student safety, reduce traffic, and improve air quality near schools. $14 million for grants to cities to and counties to replace or rehabilitate local deficient bridges. $5.5 million for grants to cities and counties to construct or reconstruct local roads. $18 million in formula funding for cities of less than 5,000 people for construction and maintenance of roads located within the city. $5.6 million one time for a grant to the city of Karlstad for land acquisition, predesign, design, engineering, and construction of a primary airport runway. $12 million in formula funding to townships for the construction, reconstruction, and gravel maintenance of town roads within the town. $30.93 million in funding for early-stage transportation projects (such as studies and project development) that may be allocated to state-owned, city-owned, or county-owned roads. Metropolitan Council funding including: $250 thousand to develop a zero-emission and electric transit vehicle transition plan. $250 thousand for analysis of transit service improvements in the marked Trunk Highway 55 corridor from Medina to downtown Minneapolis and $57.5 million for funding for arterial bus rapid transit projects, including but not limited to predesign, design, engineering, environmental analysis and mitigation, right-of-way acquisition, construction, and acquisition of rolling stock.

Table 31 continues on next page.

TABLE 31 (CONTINUED)

Enacted Changes in Aid to Local Governments, Fiscal 2022

State	Description
	FUNDING FOR TRANSPORTATION
New Jersey	State aid to local municipalities for capital projects increased by $78.8 million.
New York	The FY 2022 Enacted Budget increases transportation aid by $350 million for various programs and initiatives throughout New York State. The Extreme Winter Recovery (EWR) program provides $100 million to aid municipalities' efforts to maintain roads and bridges, particularly given the impacts of severe weather. Additionally, CHIPS has been increased by $100 million to aid in capital projects such as highway paving. This Budget also provides $100 million of new funding for NY, US, and Interstate "signed touring routes", allocated to municipalities by mileage of these routes. PaveNY is also increased by $50 million.
South Carolina	$50M nonrecurrring for county transportation committees
Wisconsin	Provide $100 million one-time funding in FY22 for local road projects. Also, increase general transportation aids to counties and municipalities by 2% in CY2022 (increasing county aids by $2.4 million and municipal aids by $7.7 million).
	FUNDING FOR OTHER SPECIFIC GRANT PROGRAMS
California	The 2021 Budget Act includes: • $10.3 million for Gun Violence Reduction Grant Program. • $4 million to address sexual assault kit backlog for local law enforcement agencies. • $100 million one-time for the Department of Cannabis Control to establish a local jurisdiction assistance grant program to help local governments and aid licensees in moving from provisional licenses into annual licenses, in a way that supports environmental compliance requirements. • $66 million for the Adult Reentry Grant Program; this is an 83 percent increase from 2020-21 funding of $36 million. • $76 million for the California Violence Intervention Prevention Program, a 744 percent increase over the 2020–21 funding level of $9 million. • $353 million for the Community Care Expansion Program. • $35 million for the Universal Basic Income Pilot Program. • $10 million for the Community Response Initiative to Strength Emergency Systems Act Pilot Program. • $150 million for Child Care Infrastructure Facilities. • $121.8 million for the Department of Health Care Services' California Advancing and Innovating Medi-Cal Initiative • $869.5 million for the Department of Health Care Services and HCAI Children and Youth Behavioral Health Initiative • $445.7 million for the Behavioral Health Continuum Infrastructure Program • $300 million for Department of Health Care Services' support for Public Hospitals and Health Systems
Indiana	An additional $3.0 million for county jail maintenance of Department of Correction offenders. $60.0 million in federal ARP Act funding was appropriated for local and regional trails. $500.0 million in federal ARP Act funding was appropriated for regional economic development initiatives.
Maryland	The State also provides aid for libraries ($87.4 million), police and fire aid ($182.9 million), local health ($65.8 million), program open space ($59.4 million), etc.

Table 31 continues on next page.

TABLE 31 (CONTINUED)

Enacted Changes in Aid to Local Governments, Fiscal 2022

State	Description
	FUNDING FOR OTHER SPECIFIC GRANT PROGRAMS
Minnesota	$1.5 million for of the Office of the Secretary of State to provide grants for local governments to purchase election equipment and $2 million to provide grants for local governments to purchase ballot drop boxes. Grants at the Department of Health of $800 thousand in FY22 and FY23 to communities to assist with surface water based systems in their source water protection planning efforts. There is no base. Grants at the Department of Health of $250 thousand in FY22 and FY23 to local governments to protect sources of drinking water and improve the capacity of LGU to protect and restore groundwater resources. There is no base. $6 million annually for the Department of Health for public health infrastructure funds to distribute to community health boards and Tribal governments to support their ability to meet national public health standards $1.321 million for the Department of Corrections to increase grants to counties under two community supervision delivery mechanisms, Community Corrections Act and County Probation Officer Reimbursement. This is a 2% increase in base. Department of Human Services funding including: $875 thousand in FY23 and beyond for a new grant program for grants to expand access and inclusion for older Minnesotans. $1.7 million in FY22 and FY23 (5% increase from base) for grants to local governments to expand county funded mental health services. $520 thousand in FY22 and beyond for new grants to counties to pay for court appointed counsel related to child custody reforms. $8 million in FY22 and FY23 (45% increase from base) for grants to counties to pay for mobile mental health intervention services. $5 million in FY22 and FY23 (167% increase from base) for grants for housing expansion into local social services work. $550 thousand in FY22 for a pilot project in Anoka County to determine the effectiveness of telephonic support in substance abuse recovery. $2 million in FY22 and beyond for new resources to reimburse counties and tribes for a portion of treatment costs in children’s residential facilities. Public Facilities Authority funding including: $7.968 million in FY22 and FY23 for grants to local governments to assist with the cost of water infrastructure projects and $100 thousand in FY22 and FY23 for grants to small local communities for wastewater treatment grants and loans.
	PENSION/OPEB CONTRIBUTIONS
Arkansas	The state enacted an increase in the State Police Retirement System employer contribution rate from 22% to 26%, as well as increasing the State Police Retirement System Tier I benefits from 1.55% to 1.66% and Tier II from 2.475% to 2.65%, with required years of service decreasing from 30 to 28 years. There is a fiscal impact of $1.2M in FY22. The state is also required to increase the Arkansas Teacher Retirement System employer contribution rate from 14.5% in FY21 to 15% by FY23. The state is required by law to fund the increase employer contribution rate.
California	A $3.15 billion payment in fiscal 2019 from the state's General Fund to the California State Teachers' Retirement System (CalSTRS) and the California Public Employees' Retirement System (CalPERS) Schools Pool on behalf of participating school employers (i.e., school districts, community colleges, County Offices of Education) was included as part of the fiscal 2020 state budget. The initial direction of the payment to produce short and long-term contribution savings to school employers was revised as part of the fiscal 2021 state budget. The $3.15 billion payment reducing school employers contributions to CalSTRS and the CalPERS Schools Pool as follows: by $500 million in 2019–20, by $1.5 billion in 2020–21, and by $1.15 billion in 2021–22.

Table 31 continues on next page.

TABLE 31 (CONTINUED)
Enacted Changes in Aid to Local Governments, Fiscal 2022

State	Description
	PENSION/OPEB CONTRIBUTIONS
Maryland	Local pension aid totals $845.4 million, an increase of $29.5 million (3.6%).
Nebraska	$2.2 million increase for Teachers, Judges, and State Patrol Troopers Retirement plans
New Jersey	An increase of $59.96 million (23.4%) for Employee Benefits on behalf of Local Governments.

	LOCAL GOVERNMENT REVENUE CAPACITY
Maryland	Revenue capacity considerations are built throughout the K-12 funding model, as well as local aid programs. The Disparity Grant program in particular provides noncategorical State aid to low-wealth jurisdictions for county government purposes. Disparity grants address the difference in the abilities of counties to raise revenues from the local income tax, which for most counties is one of their larger revenue sources. The Disparity Grant is funded at $158.2 million in FY 2022, $5.1 million less than FY 2021.

	LOCAL PROPERTY TAX RELIEF
Minnesota	One time grants totaling $29.355 million to specific counties for a portion of the refund to a pipeline company as a result of a final judgement of an appeal.
Minnesota	One time grants totaling $29.355 million to specific counties for a portion of the refund to a pipeline company as a result of a final judgement of an appeal.
Nebraska	Property Tax Incentive Act of 2021, provides for an increase in Income Tax Credits relative to Property Tax payments in FY 2022 over FY 2021 of $423.2 million. Additionally, a Property Tax Credit increase of $25 million in FY 2022 over FY 2021.
New Jersey	An increase in direct property tax relief of $76.5 million (14%), due to expanded eligibility and updated benefit calculations.
Rhode Island	The FY 2022 Enacted Budget provides full funding to continue the phase-out of the local motor vehicle excise tax. The FY 2022 Enacted Budget provides $139.7 million to municipalities as well as eligible fire districts to offset forgone revenue resulting from mandated local tax reductions.
Wisconsin	In FY21, school districts received an increase of $179 per pupil in revenue limit authority, but no additional authority was provided for FY22. Property tax relief aid to the technical colleges increased by $29 million in FY22 compared to FY21.

Table 31 continues on next page.

TABLE 31 (CONTINUED)

Enacted Changes in Aid to Local Governments, Fiscal 2022

State	Description
	OTHER
Massachusetts	$4 million increase (+13%) for reimbursements in lieu of taxes on state-owned land; $2 million increase (+8%) for libraries local aid
Minnesota	$1.488 million for the Office of the State Auditor to provide free audits to local school districts. This is not a payment to local governments but is a cost avoidance for them, as they would otherwise need to pay for these audits themselves. Various sales tax exemptions for local governments for public safety facilities construction and various specific local governments, which are estimated to reduce state sales tax by $2.860 million in FY22.
New York	The FY 2022 Enacted Budget creates a new $100 million rent supplement program for low-income households who are homeless or facing an imminent loss of housing. Participants will have their rent contribution capped at 30 percent of income. The program will be provided at local district option, and funds will be available to households earning at or below 30 percent of area median income with districts given flexibility to extend supplements to households earning up to 50 percent of area median income. The timing of disbursements to local districts is still under development.
Ohio	Additional GRF funding was added to the Ohio Public Defender Commission to allow for a 100 percent reimbursement rate for county indigent defense services.
West Virginia	State is phasing out State property transfer tax over 10 years beginning in FY2022 with 10% of the State tax going to county commissions & rising each year by additional 10% until the whole tax becomes a county tax [$1.5 million to $2.0 million in FY2022]

TABLE 32

Enacted Changes to Budget and Financial Management Practices, Fiscal 2022

State	Description
	MAJOR RESTRUCTURING OF PRIMARY GOVERNMENT FUNCTIONS
Alaska	Continue consolidation of procurement, HR, and Information Technology.
Missouri	Missouri consolidated various early childhood learning and safety programs under the newly created Office of Childhood in the Department of Elementary and Secondary Education.
Utah	Consolidation of State Agencies with similiar missions
	MAJOR POLICY PROPOSAL WITH RESPECT TO YOUR WORKFORCE
Pennsylvania	While not a change to budgeting practices, agencies in Pennsylvania have seen significant workforce changes due to teleworking and many are allowing workers to permanently telework. Ongoing efforts to encourage employee COVID-19 vaccinations and determining testing requirements for the unvaccinated, particularly in congregate settings.
	STATEWIDE REVIEW OF EXPENDITURES OR REVENUES
Indiana	House Enrolled Act 1123 enacted during the 2021 legislative session requires certain discretionary federal aid that the state receives to be either appropriated by the Indiana General Assembly or reviewed by the State Budget Committee prior to obligation.
	CHANGE TO YOUR AUTOMATED BUDGET OR FINANCIAL SYSTEM
Idaho	Our state Controller's Office has begun implementation of their new enterprise system which includes a budget and financials module. All statewide budget work is being done in the new system for FY23. The Governor has supported and recommended funding for this project over the course of design, build, and now implementation.
New Mexico	New budgeting system funded through nonrecurring appropriations has been implemented in FY22 for the FY23 budget request
North Dakota	Currently implementing a new budget system. Plan is to go live in April, 2022
Rhode Island	The FY 2022 Enacted Budget includes a statewide Enterprise Resource Planning (ERP) IT solution to manage HR, payroll, accounting, grants, and budgeting functions in the five-year capital plan with development to commence in FY 2023. Financing will be funded via $50.0 million coming from the state's dedicated IT fund.
	OTHER
Kentucky	Shifted the funding policy for the primary state employee pension system's unfunded liability to a level-dollar method instead of a percent of payroll method.

TABLE 33

Enacted Changes in State Employee Compensation, Fiscal 2022

State	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
Alabama	2.0	5.0		
Alaska				Alaska does not budget merit increases. The general idea is that as higher range positions retire and new employees are hired at a lower range, this will generally have a net zero effect.
Arizona				
Arkansas		3.0		
California	4.9	Depends on individual eligibility		Across-the-board percentage reflects the weighted average general salary increase received by a majority of state civil service employees. Base salaries that were reduced by 4.5 to 9.23 percent in FY 2020–21 were restored for FY 2021–22.
Colorado	3.0			
Connecticut				Most bargaining unit contracts are unsettled, and FY 2022 wage package is subject to ongoing negotiation.
Delaware	See notes	See notes		1.7% Collective Bargaining Agreements and 1.0% One-time salary bonus for merit employees
Florida	See notes		See notes	Effective July 1, 2021, the following pay adjustments were provided: statewide pay increase to increase minimum wage to $13 per hour for eligible employees; 10% pay increase for judges, state attorneys, and public defenders; increases were provided for the Department of Military Affairs (National Guard) on full-time military duty; a base pay increase to $48,000 for attorneys in the Department of Business and Professional Regulation; and increases were provided to heads of agencies across the state.
Georgia				
Hawaii				Some units remain unsettled (firefighters and nurses).
Idaho		2.0	2.0	Our total compensation package took effect July 1 and includes health insurance, variable benefits (including retirement) and change in compensation (CEC). All agencies receive the same CEC percentage in their budgets to be used in the fiscal year, based on merit, compa-ratio, and director discretion (which could include years in service or other components). The CEC amount is included here. Certain agencies provide step increases for classes of employees and most utilize a compensation matrix based on performance and compensation ratio. This year, the legislature appropriated a 2% pay schedule adjustment upward with a 2% CEC and the option to add the 2% CEC that was awarded for FY21 and not implemented across most state agencies.

Table 33 continues on next page.

TABLE 33 (CONTINUED)

Enacted Changes in State Employee Compensation, Fiscal 2022

State	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
Illinois				
Indiana				State employee pay-for-performance compensation adjustment discussions will take place later in the calendar year.
Iowa	1.1	3.0		
Kansas				
Kentucky				
Louisiana		2.0 to 4.0		Permanent classified state employees received an increase in compensation based on which quartile their current salary fell in for the position. The first quartile received 4%, second received 3%, and third and fourth received 2%. This increase in compensation was subject to the employee receiving a 'Successful' or above on their annual performance evaluation.
Maine	2.0	5.0	See notes	Collective bargaining agreements provided most employees with a 2% cost of living adjustment effective 12/1/2021 (mid-year FY22) and a $2,000 one-time payment in lieu of a higher COLA. Eligible employees receive a merit increase of approximately 5%.
Maryland			4.0	Employees represented by the State Law Enforcement Officers Labor Alliance (SLEOLA) received a 4% COLA.
Massachusetts	2.0		0.5	Contracts currently reflect or are anticipated to reflect a 2% across-the-board increase for FY22. Eligible employees will also receive step increases equivalent to, on average, approximately 0.5% of base pay. In addition, subject to legislative approval, eligible employees will receive a one-time payment of 1.5% of base salary; a minimum amount of $1,000 shall be set for the one-time payment.
Michigan	3.0			2% base increase effective October 2021, additional 1% base increase effective April 2022.
Minnesota	2.5		3.5*	Only about 52% of the employees are eligible for an "other" or Step Increase. Employees are not eligible if they have reached the top of the range. The 3.5% represents an approximation of step size, some are lower and some higher.
Mississippi			3.0	This pay is not an across-the-board increase, it will be provided to employees based on their current rate of compensation in order to have employees compensated at a fair market rate as established by Project SEC2 of the State Personnel Board.

Table 33 continues on next page.

TABLE 33 (CONTINUED)

Enacted Changes in State Employee Compensation, Fiscal 2022

State	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
Missouri	2.0		See notes	The 2.0% across the board adjustment is effective 01/01/2022. A targeted recruitment pay plan for DOC food staff (2% for food service workers & supervisors) and correctional officers (3%) starting 07/01/2021. A 2.5% increase for elected officials starting 01/01/2022 in accordance with Citizen's Commission recommendations.
Montana			$0.55 per hour	
Nebraska	2.0		0.5	Step plan alignment equivalent to approximately a 0.5% increase. $3 million was appropriated to cover costs of Corrections Protective Services employees' step plan
Nevada				
New Hampshire	1.2			Effective 7/2/2021
New Jersey	See notes			Although AFSCME, CWA, Confidentials, IBEW Locals 30 and 33, IFPTE, PBA 105, and STFA have settled, roughly 5% of the unionized workforce remains unsettled. All settled unions, excluding IBEW Local 30, received a 2% ATB increase in July of fiscal 2022 pursuant to the settled contracts. All of the ratified contracts listed, excluding IBEW Local 30 and STFA, will receive a second 2% ATB increase in December of fiscal 2022 as a result of the negotiated ATB increase deferrals in fiscal 2021. Additionally, IBEW Local 33 will receive a third 2% ATB increase in May of fiscal 2022, which was deferred from January of fiscal 2022. STFA will receive a second 2% ATB increase in April of fiscal 2022. IBEW Local 30 received a 2% ATB increase in September of fiscal 2022 and will receive a second 2% ATB increase in January of fiscal 2022. All eligible employees will still receive increments averaging roughly 1.5% of their salaries regardless of their contract status. This information is representative of only the Executive Branch workforce.
New Mexico	1.5		3.5	3.5% increase for judges, justices and magistrates, $3 million provided for frontline health and social service workers above 1.5% ATB increase.

Table 33 continues on next page.

TABLE 33 (CONTINUED)
Enacted Changes in State Employee Compensation, Fiscal 2022

State	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
New York*			See notes	The State has settled collective bargaining agreements with several unions through Fiscal Year 2023 which provide a two percent General Salary Increase in each year of their respective terms, and certain items of additional compensation offset by health insurance and overtime savings. All contracts contain salary step provisions. The State is negotiating with unions whose contracts have expired, including the largest union, Civil Service Employees Association (CSEA). The Judiciary's contracts with all 12 unions represented within its workforce have expired. This includes contracts with the CSEA; the New York State Supreme Court Officers Association, the New York State Court Officers Association and the Court Clerks Association; and eight other unions.
North Carolina				
North Dakota		1.5		The FY2022 compensation adjustments are to average 1.5% with a minimum of $100 per month.
Ohio	3.0			
Oklahoma				House Bill 1146, passed during the 2021 legislative session, removes the classified/unclassified employment structure of state employment beginning Jan 1, 2022.
Oregon	2.5	4.8		For the 2021–23 biennium (FY22 & FY23) Oregon approved (in general) cost of living increases of 2.5% effective December 1, 2021 and 3.1% effective December 1, 2022. Annual step increases were approved for employees that were not currently on the top step of their classification were also approved. A step increase is roughly equivalent to a 4.75% salary increase.
Pennsylvania	2.5			Across-the-board: Most state employees will receive a 2.5% general salary increase effective 10/1/21.
Rhode Island				Final increase under contracts expired on 6/30/20. State in current negotiations for next 3-year contract.
South Carolina	2.5		See notes	Correctional agencies received additional funding for employee retention and hiring.
South Dakota	2.4			
Tennessee	2.0 FY21 and 2.0 FY22			A 2% increase for FY21 was made retroactive to 1.1.21 upon passage of the FY22 budget plus a 2% increase for FY22. Also, for FY22 $40M was included for market salary adjustments for certain classifications.
Texas				

Table 33 continues on next page.

TABLE 33 (CONTINUED)\

Enacted Changes in State Employee Compensation, Fiscal 2022

State	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
Utah	3.0			State employees received an across the board 3% increase.
Vermont	2.3			
Virginia	5.0			
Washington			See notes	For FY22, non-represented employees receiving over $53,000 per year received a general wage increase of 3%, one year after other employees had received the same general wage increase
West Virginia				
Wisconsin	2.0			The budget has a 2% general wage adjustment in January 2022 for FY22 and another 2% increase in January 2023 for FY23.
Wyoming				

APPENDIX

TABLE A-1

Enacted Revenue Changes by Type of Revenue, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	SALES TAXES				
California	Main Street Small Business Tax Credit II	07–21	-$13.4		-$13.4
	Main Street Small Business Tax Credit I	09–20	-26.6		-26.6
Colorado	Sales and Use tax changes		210.2		210.2
Connecticut	Restaurants retain the full 7.35% tax for one week only	01–22	-7.0		-7.0
	Exempt breast feeding supplies from sales tax	07–21	-0.5		-0.5
Florida	Marketplace Platform Sellers collection requirement	07–21	887.8		887.8
	Remote Sellers collection requirement	07–21	85.8		85.8
	change of rounding algorithm	07–21	-16.2		-16.2
	car sharing services	07–21	4.5		4.5
	Back-to-School Holiday	7/1/221	-53.4		-53.4
	Freedom Week Holiday	07–21	-41.4		-41.4
	Disaster Preparedness Holiday	07–21	-8.1		-8.1
Colorado	Sales and Use tax changes		210.2		210.2
Illinois	Cap Retailer's discount	07–21	77.0		77.0
	eliminate exemptions	07–21	172.0		172.0
Indiana	SEA 383: Utility scale battery energy storage exemption.	05–21	-5.3	0.0	-5.3
Kansas	Exemption for motor vehicle rebates	07–21	-3.9	-0.8	-4.7
	Requires marketplace facilitators to collect and remit taxes	07–21	35.5	6.9	42.4
Kentucky	Cryptocurrency mining operations credits	01–22	-10.5		-10.5
Louisiana	Tax exemption for re-leases	07–21	-3.0		-3.0
Minnesota	21, SS1, CH 14 – June Acc Exempt Construction Material Vend.	07–21	-12.1		-12.1
	Other various exemptions		-4.4		-4.4
New Hampshire	Decrease Meals & Room tax rate to 8.5% from 9%	10–21	-11.1	-0.3	-11.4
New Mexico	Manufacturing Services Gross Receipts	01–22	-3.0		-3.0
New York	Extend the Vending Machine Sales Tax Exemption for One Year	04–21	-2.0	0.0	-2.0
Ohio	Exempt investment coins and bullion	10–21	-3.8	-0.1	-3.9
	Exclude employee placement services from taxation	10–21	-92.4	-3.2	-95.6
Oklahoma	Motor Vehicle Sales Tax exemption for commercial vehicles	11–21	-6.7	-0.8	-7.5
Pennsylvania	Change in exemptions	07–21	-17.2		-17.2
Vermont	Sales Tax exemption for feminine hygiene products		0.0	-0.7	-0.7
	Sales Tax exemption for residential fuel sales of wood pellets		0.0	-1.0	-1.0
Virginia	PPE Exemption		-7.0		-7.0
	Accommodation Fees Tax		2.1		2.1
Washington	Existing structure sales and use tax exemption	10–21	-1.2		-1.2
Total Revenue Changes—Sales & Use Tax			**$1,124.7**	**$0.0**	**$1,124.7**

**See Notes to Table A-1 on page 120.*

Table A–1 continues on next page.

TABLE A-1 (CONTINUED)

Enacted Revenue Changes by Type of Revenue, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	PERSONAL INCOME TAXES				
Arizona	4.5% top marginal cap	01–21	-$836.0		-$836.0
	Alternative small business income tax	01–21	-30.0		-30.0
Arkansas	Exempt Unemployment benefits for tax years 2020 and 2021	Tax Year 2020	-3.1		-3.1
California	Main Street Small Business Tax Credit I	09–20	-13.3		-13.3
	Main Street Small Business Tax Credit II	07–21	-6.7		-6.7
	PPP Conformity	01–20	-1,450.0		-1,450.0
	Homeless Hiring Credit	01–21	-2.2		-2.2
Colorado	Personal Income tax changes		274.4		274.4
Delaware	EITC Modification	08–21	-4.5		-4.5
Idaho	Conformity	01–21	-26.0		-26.0
	Tax Relief	07–21	-163.0		-163.0
Illinois	Cap contributions and depreciation	07–21	51.9		51.9
Iowa	the maximum net income amount used in determining eligibility for Early Childhood Development and Dependent Care Tax Credits	01–21	-16.2		-16.2
	Couples Iowa tax law with bonus depreciation for qualified equipment and other capital assets	01–21	-28.9		
	Increase in tuition and textbook tax credit and school tuition organization tax credit	05–21	-14.9		-14.9
	Changes in various tax credits	01–21	-12.1		-12.1
Kansas	Decoupling from certain TCJA Provisions	07–21	-99.3	0.0	-99.3
	Eisenhower & Rural Opportunity Zone tax credits	07–21	-2.5	0.0	-2.5
Kentucky	Education opportunity grant program	01–21	-25.0		-25.0
Louisiana	Tax exemption for military survivor benefit plans	07–21	-1.5		-1.5
Maine	Adjust revenue to conform to the United States Internal Revenue Code as of Dec 31, 2020.	06–21	-9.3		-9.3
	Adjust revenue to conform to federal tax change to exempt certain amount of unemployment compensation for tax year 2020	06–21	-6.6		-6.6
	Adjust revenue to conform to federal Covid-related tax measures authorized in ARPA	07–21	-18.9		-18.9
	Increase maximum property tax fairness credit for tax year 2021 by $500 for those 65 years and older	07–21	-3.9		-3.9
	Establish earned income tax credit rate at 20% of federal earned income credit for tax year 2021.	07–21	-18.8		-18.8
Maryland	Earned Income Tax Credit rebates for tax years 2019 and 2020 and expansion for tax years 2020 to 2022	02–21	-227.8		-227.8
	Repeal personal income tax on unemployment benefits	02–21	-30.0		-30.0
	New refundable credit against the State income tax for 20% of the rehabilitation and new construction costs incurred for a "catalytic revitalization project" in the State	07–21	-3.0		-3.0
Massachusetts	Charitable Deduction Delay	07–21	64.0		64.0
	Childcare and Dependent Tax Credit	01–21	-16.3		-16.3
	MEFA College Savings Tax Deduction	07–21	-2.3		-2.3
	Disability Employment Tax Credit	01–23	0.0		0.0

**See Notes to Table A-1 on page 120.*

Table A–1 continues on next page.

TABLE A-1 (CONTINUED)

Enacted Revenue Changes by Type of Revenue, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	PERSONAL INCOME TAXES				
Minnesota	21, SS1, CH 14 — Fed Conformity Further Consol. Approp. Act	07–21	-11.7		-11.7
	21, SS1, CH 14 — Federal Conformity CARES Act	07–21	-1.6		-1.6
	21, SS1, CH 14 — Fed Conformity Consol Approp Act	07–21	-5.6		-5.6
	21, SS1, CH 14 — PPP Loan Exclusion, 100% from Gross Income	07–21	-191.5		-191.5
	21, SS1, CH 14— Federal Conformity UI Benefit Subtraction	07–21	-234.8		-234.8
	21, SS1, CH 14 — Section 179 Expensing Modified	07–21	-3.8		-3.8
	21, SS1, CH 14 — Working Family Credit - Lower Minimum Age	07–21	-4.3		-4.3
	21, SS1, CH 14 — Film Production Tax Credit	07–21	-5.0		-5.0
	21, SS1, CH 14 — Other changes	07–21	-1.1		-1.1
Mississippi	Continued phase out of the 3% income tax rate	07–21	-30.0		-30.0
Missouri	MOST deduction expansion	08–21	-4.2	0.0	-4.2
Montana	Revise residential property tax credit for elderly	07–21	-2.9	0.0	-2.9
	Non-refundable tax credit for employer-paid education of trade professions	07–21	-1.0	0.0	-1.0
	Lower top marginal tax rate from 6.9% to 6.75%	07–21	-6.0	0.0	-6.0
Nebraska	Social Security	01–21	-15.1		-15.1
	Military Retirement	01–22	-8.0		-8.0
	Property Tax Incentive Credit	01–21	-423.2		-423.2
New Jersey	Child care credit	07–21		-97.0	-97.0
	Earned income tax expansion	07–21		-114.0	-114.0
	College affordability	07–21		-86.8	-86.8
	Pension exclusion	07–21		-111.0	-111.0
	NY Credit from other jurisdictions	07–21		-65.0	-65.0
New Mexico	Sustainable Building Tax Credit	06–21	-2.2		-2.2
	Omnibus Tax Bill	07–21 and 01–22	-1.0		-1.0
	Tax Changes	07–21 and 01–22	-73.7		-73.7
New York	Enact Temporary PIT High Income Surcharge	01–21	2,753.0	0.0	2,753.0
North Carolina	Reduce tax rate from 5.25% to 4.99% in TY22 and 4.75% in TY23; increase standard deduction; increase and expand child deduction; conform to federal medical expense deduction	01–22	-619.2		-619.2
	Exempt military pension income	01–21	-30.8		-30.8
	Allow deduction for PPP, EIDL and similar programs	01–20	-427.0		-427.0
	Expand historic rehab credit	01–21	-0.2		-0.2
	Extend and re-enact mill/railroad rehab credit	01–21	1.4		1.4

**See Notes to Table A-1 on page 120.*

Table A–1 continues on next page.

TABLE A-1 (CONTINUED)

Enacted Revenue Changes by Type of Revenue, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	PERSONAL INCOME TAXES				
Ohio	Creates three new tax credits pertaining to private education: expenses for home schooling; contributions to qualified non-profit scholarship-granting organization; tuition paid to non-chartered, non-public school. (Each tax credit has a maximum allowable credit amount.)	Taxable years beginning on or after 01/01/2021	-58.3	-2.0	-60.3
	Suspend inflation indexing of personal exemption during tax years 2021 and 2022	Taxable years beginning on or after 01/01/2021 through 12/31/2022	12.6	0.4	13.0
	Set the top income tax rate at 3.99% (causing elimination of previous top income bracket, and lowering the rate for what has become the highest bracket); reduce rates for all other taxable income brackets by 3.0%; increase the income level for the non-taxable (bottom) income bracket	Taxable years beginning on or after 01/01/2021	-751.2	-25.8	-777.0
Oklahoma	Tax Reduction from 5% to 4.75%	01-22	-71.1	-6.9	-78.0
	Film Rebate Program	07-22	-30.0	0.0	-30.0
Rhode Island	Tax forgiven PPP loan amounts above $250,000	07-21	14.4		14.4
Utah	Reduce taxation of social security income	01-21	-18.3		-18.3
	Make military retirement income nontaxable	01-21	-24.6		-24.6
	Increase Utah personal exemption	01-21	-54.9		-54.9
Virginia	Conformity CAA		-69.7		-69.7
	PPE Loans Deduction		-24.8		-24.8
	Enhance Ag Equip Credit		-1.0		-1.0
	Housing Tax Credit		-15.0		-15.0
Wisconsin	Reduce 3rd individual income tax bracket rate from 6.27% to 5.3%.	01-21	-1,019.2		-1,019.2
	Exclude federal active duty military pay from taxable income.	01-21	-20.2		-20.2
Total Revenue Changes—Personal Income Tax			**-$4,162.6**	**-$508.1**	**-$4,641.7**

**See Notes to Table A-1 on page 120.*

Table A–1 continues on next page.

TABLE A-1 (CONTINUED)

Enacted Revenue Changes by Type of Revenue, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	CORPORATE INCOME TAXES				
Arkansas	Exempt certain forgiven small business loans	01–20	-$179.0		-$179.0
California	Homeless Hiring Credit	01–21	-2.2		-2.2
	PPP Conformity	01–20	-1,450.0		-1,450
	Main Street Small Business Tax Credit I	09–20	-13.3		-13.3
	Main Street Small Business Tax Credit II	07–21	-6.7		-6.7
	Elective Pass Through Entity Tax	01–21	1,300.0		1,300
Colorado	Corporate Income tax changes		-170.5		-170.5
Connecticut	Maintain 10% Tax surcharge for 2 years	Passage	80.0		80.0
	Delay and extend the elimination of the Capital Base Tax	Passage	20.9		20.9
	Phase in R&D Tax Credit from 50.01% to 60% to 70% by FY 2024	Passage	-6.5		-6.5
Florida	Increase in Brownfield tax credits	07–21	-17.5		-17.5
Illinois	Cap depreciation	07–21	1,78.2		1,78.2
	Cap NOL deduction and treatment of foreign dividends	07–21	847.0		847.0
Kansas	Decoupling from certain TCJA Provisions	07–21	-36.1	0	-36.1
Kentucky	Paycheck protection program forgivable loan expense deduction	03–21	-125.0		-125.0
Maine	Adjust revenue to conform to the United States Internal Revenue Code as of Dec 31, 2020.	06–21	2.7		2.7
	Adjust revenue to conform to federal Covid-related tax measures authorized in ARPA	07–21	2.7		2.7
Maryland	Extension and expansion of job creation tax credits for businesses that hire veterans	07–21	-3.3		-3.3
Massachusetts	Disability Employment Tax Credit	01–23	0.0		0
Minnesota	21, SS1, CH 14 — Fed Conformity Further Consol. Approp. Act	07–21	-4.4		-4.42
	21, SS1, CH 14 — Fed Conformity Consol Approp Act	07–21	-4.9		-4.9
	21, SS1, CH 14 — PPP Loan Exclusion, 100% from Gross Income	07–21	-183.5		-183.5
	21, SS1, CH 14 — Section 179 Expensing Modified	07–21	-1.4		-1.4
	21, SS1, CH 14 — Historic Rehabilitation Credit	07–21	-5.6		-5.6
Mississippi	Continued phase out of the corporate franchise tax	07–21	-26.0		-26.0
Montana	Double-weight sales in the three-factor apportionment formula	07–21	2.4	0	2.4
Nebraska	Corporate Tax Rates	01–22	-1.9		-1.9
	Urban Redevelopment Credit	01–22	-1.4		-1.4
New Hampshire	Decrease Business Enterprise Tax rate 0.55% from 0.675%	12–22	-0.8	-3.9	-4.7
	Decrease Business Profit Tax rate to 7.6% from 7.7%	12–22	-1.3		-1.3
	Business Taxes Credit Carry forward Provisions	12–22	-2.4	-1.6	-4.0
	Paycheck Protection Program (PPP) Business Tax Exemption	12–22	-20.6	-4.8	-25.4

See Notes to Table A-1 on page 120.

Table A–1 continues on next page.

TABLE A-1 (CONTINUED)

Enacted Revenue Changes by Type of Revenue, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	CORPORATE INCOME TAXES				
New York	Enact the Pandemic Recovery and Restart Program	04–21	-20.0	0.0	-20.0
	Increase CFT Rate and Reinstate Capital Base	04–21	750.0	150.0	900.0
	Decouple from Federal Opportunity Zones Program	04–21	8.0	7.0	15.0
	COVID Utility Arrears Credit	04–21	-30.0	-6.0	-36.0
North Carolina	Allow deduction for PPP, EIDL and similar programs	01–20	-183.0		-183.0
	Expand historic rehab credit	01–21	-0.5		-0.5
	Extend and re-enact mill/railroad rehab credit	01–21	2.9		2.9
Oklahoma	Tax Reduction from 6% to 4%	01–22	-41.8	-8.9	-50.7
Pennsylvania	Increase education improvement tax credit (most claimants are corporate or personal income taxpayers)	07–21	-40.0		-40.0
	Change in deductions and bank apportionment factor	07–21	-34.6		-34.6
Rhode Island	Tax forgiven PPP loan amounts above $250,000	07–21	31.8		31.8
Virginia	PPE Loans Deduction		-18.0		-18.0
Wisconsin	Increase refundable portion of research credit from 10% to 15% of the amount of the credit.	01–21	-2.3		-2.3
Total Revenue Changes—Corporate Income Tax			**$592.0**	**$131.8**	**$723.8**
	CIGARETTE TAXES				
Colorado	Cigarette/Tobacco/Prop EE		$115.7		$115.7
Kentucky	Cigarette wholesaler adjustment	01–22	-0.7		-0.7
Maryland	Increases tobacco tax rate from $2 to $3.75 per pack of cigarettes (Veto override of 2020 bill during 2021 session)	02–21	92.1		92.1
Total Revenue Changes—Cigarette Tax			**$207.1**	**$0.0**	**$207.1**
	MOTOR FUEL TAXES				
Alabama	The Rebuild Alabama Act levied an additional excise tax on gasoline and diesel fuel. The additional excise tax is increased by $.02 to $.10 on each net gallon of gasoline and diesel fuel.	10–21		$43.4	$43.4
Missouri	Tax and Decal Fee increase	10–21	0.0	53.3	53.3
New York	Extend the Alternative Fuels Exemption for Five Years	04–21	-1.5	-3.5	-5
Wisconsin	Increase licensed motor fuel supplier administrative allowance from 0.675% to 1.35%.	10–21		-3.8	-$3.8
Total Revenue Changes—Motor Fuel Tax			**-$1.5**	**$89.4**	**$87.9**
	ALCOHOLIC BEVERAGES TAXES				
Colorado	Alcohol tax changes		-$0.8		-$0.8
Vermont	Extends tax-exempt status to alcoholic beverages if sold at tax-exempt organization event.		0.1	0.0	0.1
Total Revenue Changes—Alcoholic Beverages Tax			**-$0.7**	**$0.0**	**-$0.7**

*See Notes to Table A-1 on page 120.

Table A–1 continues on next page.

TABLE A-1 (CONTINUED)

Enacted Revenue Changes by Type of Revenue, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	GAMING TAXES / LOTTERY REVENUE				
Colorado	Limited Gaming			$16.8	$16.8
Florida	New Indian Gaming Compact	07–21	317.6		317.6
Pennsylvania	Elimination of planned table games rate reduction	07–21	17.9		17.9
Total Revenue Changes—Gaming Tax			$335.5	$16.8	$352.3
	OTHER TAXES AND REVENUE				
Arkansas	Amend registration fee on hybrid vehicles from $100 to $50	01–22		-$0.6	-$0.6
California	Per Barrel Oil Fee	10–21		14.0	14.0
Colorado	Marijuana		20.0		20.0
	Severance Tax changes			107.8	107.8
Connecticut	Maintain current eligibility on the Property Tax Credit	01–21	53.0		53.0
	Eliminate Admissions Tax	06–21	-11.0		-11.0
	Adjust EITC rate from 23% to 30.5%	01–21	-34.1		-34.1
Delaware	UI Relief from Taxation of Benefits	02–21	-18.8		-18.8
Florida	Reduction in Reemployment Assistance Tax employer contribution rates	01–21		-1,306.5	-1,306.5
	disposition of unclaimed property	07–21		-4.4	-4.4
	Home book delivery for elementary students	07–21	-10.0		-10.0
	Termination of Lawton Chiles Endowment Fund	07–21		-9.0	-9.0
	Penalties for State Law Enforcement Radio System	07–21	0.3	3.6	3.9
Hawaii	Increase in Rental Vehicle Tax by $0.50 per year from 1/1/2022 to 12/31/27. Goes to Highway Fund	01–22		3.8	3.8
Iowa	Phaseout of State Inheritance Tax over 5 years	01–21	-15.1		-15.1
	various tax law changes	various	-9.9		-9.9
Kansas	Decoupling from certain TCJA Provisions	07–21	-1.3	0.0	-1.3
Kentucky	Vaping tax adjustment	01–22	-0.3		-0.3
Louisiana	Suspends bottom tier of Corp Franchise Tax	07–21	-7.5		-7.5
Missouri	Capital Complex Tax Credit	08–21	-10.0	0.0	-10.0
Montana	Places a sales tax on the retail price of recreational marijuana	07–21	6.3	30.5	36.7
Nevada	Mining Gross Revenue Tax — Gold and Silver. This is an annual tax on each business entity engaged in the business of extracting gold or silver in this State whose Nevada gross revenue in a taxable year exceeds $20 million. The tax rate is 0.75% of all taxable revenue in excess of $20 million, but not more than $150 million; and 1.1% of all Nevada gross revenue in excess of $150 million.	07–21	83.8		83.8
	Unclaimed Property. The State Controller will transfer after the close of FY 2021 $1,000,000 from the Abandoned Property Trust Account (Unclaimed Property) to the Grant Matching Account for the purpose of providing grants or satisfying matching requirements for nongovernmental organizational grants by the Office of Federal Assistance in the Office of the Governor. For FY 2023 and all subsequent years, the first $1.0 million of revenue from Unclaimed Property that is generated after the required transfer of the first $7.6 million to the Millennium Scholarship Trust Fund must be transferred to the Grant Matching Account.	07–21	-1.0		-1.0

*See Notes to Table A-1 on page 120.

Table A–1 continues on next page.

TABLE A-1 (CONTINUED)

Enacted Revenue Changes by Type of Revenue, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	OTHER TAXES AND REVENUE				
New Mexico	No Behavioral Health Cost Sharing	01–22	22.0		22.0
	Alcohol Deliveries	07–21	-5.1		-5.1
North Carolina	Limit gross premiums tax on surety bonds	01–22	-0.7		-0.7
	Expand historic rehab credit	01–21	-0.3		-0.3
	Extend and re-enact mill/railroad rehab credit	01–21	1.5		1.5
Ohio	Kilowatt-hour tax: Alter definition of electric distribution company and create new end-user exemption	10–21	-2.4	-0.1	-2.5
	Gross receipts of suppliers to an operator of a "megaproject" are excluded from commercial activity tax	10–21	-1.0	0.0	-1.0
Rhode Island	Reinstate hospital licensing fee at 5.725% based on hospital FY 2020	07–21	170.2		170.2
	Double real estate conveyance fee for values above $800,000	01–22		1.9	1.9
Vermont	Clarified meals tax obligation for online delivery platforms		0.0	0.0	0.0
Washington	Regulation of captive insurance companies	05–21	31.9		31.9
Total Revenue Changes—Other Tax			$335.5	$16.8	$352.3
	FEES				
California	Office of the State Fire Marshal Hazardous Liquid Pipeline Safety Fund	01–22		$1.9	$1.9
	Pesticide Registration Fee Increase	09–21		5.0	5.0
	Fees on water systems	06–21		2.0	2.0
	Operator Certification Fees	06–21		1.0	1.0
	Licensing and Certification Program: Statewide Fee Adjustment	07–21		11.1	11.1
	Licensing and Certification Program: L.A. County Supplemental Fee Adjustment	07–21		20.6	20.6
	Childhood Lead Poisoning Prevention Fund Fee Adjustment	07–21		6.8	6.8
	Food Safety Fund License Fee Adjustment	07–21		1.2	1.2
	Oil, Gas, and Geothermal Administrative Fund.	07–21		-24.5	-24.5
	Unified Program Account Fee Increase	07–21		3.1	3.1
	Debt Collector's Application Fee — Adds a $350 application fee for a debt collector's license related to the Debt Collection Licensing Act in compliance to Chapter 163, Statutes of 2020 (SB 908). The revenues in 2021-22 are based on an estimated 2,000 applicants.	07–21		0.7	0.7
	Alcohol License Fee Increase Concurrent with the Consumer Price Index — The proposed fee increase applies to the majority of existing alcohol license application and renewal fees in the Alcoholic Beverage Control Act. The fee increase for the various license types is concurrent with the increase in the Consumer Price Index from August 2018 to August 2020. The increase will fund program enhancements, and will become effective January 1, 2022.	01–22		1.7	1.7
	Managed Care Fines and Penalties Fund Fee Increase	07–21		8.6	8.6
	Community Care Licensing Administrator Fees	07–21		1.1	1.1

**See Notes to Table A-1 on page 120.*

Table A–1 continues on next page.

TABLE A-1 (CONTINUED)

Enacted Revenue Changes by Type of Revenue, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	PERSONAL INCOME TAXES				
Colorado	Transportation Related fees			54.5	54.5
Connecticut	Office of Health Strategy Hospital Assessment	N/A	1.3		1.3
Missouri	Boat Registration	08–21	0.0	-5.3	-5.3
	Vehicle Dealer Administrative Fee	08–21	0.0	16.3	16.3
Montana	Aquatic invasive species hydroelectric facility fee — Changes fee structure from tiered rates linked to nameplate capacity to a flat rate	07–21	0.0	-1.1	-1.1
Oregon	SB 397 — Elimination of Certain Court Fees	01–22	-1.2		-1.2
	SB 817 — Eliminate Court Fees, Costs & Fines with Juvenile Delinquency Matters	07–21	-3.0		-3.0
Rhode Island	Increase securities sales rep licensing fee from $75 to $100	07–21	2.7		2.7
Washington	Prohibiting the Department of Children, Youth, and Families from charging child care license fees.	07–21	-1.7		-1.7
	Waiver of certain liquor license fees	02–21	-7.7		-7.7
Total Revenue Changes—Fees			**-$9.5**	**$104.6**	**$95.1**

See Notes to Table A-1 on page 120.

TABLE A-2

Enacted Revenue Measures, Fiscal 2022

State	Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	SALES TAXES				
Alabama	Act 2021-372 allows for an exemption of sales and use taxes by contractors who purchase supplies for construction projects for a tax-exempt government agency.	01–22	-$11.5		-$11.5
Connecticut	Allow use of the Film Production Tax credit at a 78% discount against the Sales Tax.	01–21	2.2		2.2
Florida	Distribution to Unemployment TF	07–21	-506.6	506.6	0.0
Indiana	SEA 384: Renews expiring local professional sports and convention development areas	07–21	-2.9	0.0	-2.9
Nebraska	Sales Tax Exemptions	10–21	-7.3		-7.3
	Residential Water	10–22	-4.6		-4.6
New York	Simplify Certain Tax Filing and Reporting Requirements	04–21	-1.0	0.0	-1.0
North Carolina	Direct short-term rentals tax from General Fund to Highway Fund	01–22	-69.8	69.8	0.0
Ohio	Increase share of GRF tax revenue to be allocated to Public Library Fund: sales tax revenue transfer increased from 0.83% of GRF to 0.85% of GRF	07–21	-5.4	5.4	0.0
Oklahoma	Apportionment restored to pensions	07–21	0.0	-38.2	-38.2
Tennessee	Redirect taxes for NFL sports facility debt and capital projects	07–21	-2.0		-2.0
	PERSONAL INCOME TAXES				
New York	Increase Wage and Withholding Filing Penalty	04–21	$1.0	$0.0	$1.0
	Increase Refund Payment Threshold	04–21	1.0	0.0	1.0
	Update Tax Preparer Regulation and Enforcement	04–21	1.0	0.0	1.0
	Decouple from Federal Opportunity Zones Program	01–21	29.0	0.0	29.0
Ohio	Reduce employer withholding tax rates by 3.0% (one-time loss in FY 2022). Tax commissioner directive.	09–21	-146.4	-5.0	-151.4
Oklahoma	Apportionment restored to pensions	07–21	0.0	-45.2	-45.2
Oregon	HB 2457 — Federal IRC Connection	Tax Year 2021	-13.0		-13.0
	HB 2433 — Tax Credit Extensions	Beginning Tax Year 2021	-69.6		-69.6
	SB 139 — Modifies Passthrough Tax Rates	Beginning Tax Year 2021	41.7		41.7
Wisconsin	Subsequent to the enactment of the budget, the state is set to reduce individual income tax withholding to reflect tax rate reductions and indexing changes since 2014.	01–22	-710.0		-710.0
Vermont	Military retirement income tax exclusion	10–20	-1.4		-1.4
	Military retirement income tax exclusion	10–20	-1.4		-1.4
	Military retirement income tax exclusion	10–20	-1.4		-1.4
West Virginia	Phase-in of partial social security income exclusion	01–20	-3.1		-3.1
Wisconsin	Reduction in the bottom two brackets from 3.86% and 5.04% to 3.54% and 4.65%, respectively.	01–20	-179.0		-179.0

Table A–2 continues on next page.

TABLE A-2 (CONTINUED)
Enacted Revenue Measures, Fiscal 2022

State	Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	CORPORATE INCOME TAXES				
Arkansas	Arkansas Wood Energy Products and Forest Maintenance income tax credit	Tax Year 2021	-$5.0		-$5.0
Oklahoma	Apportionment restored to pensions from Education Reform Revolving Fund (1017 Fund)	07–21	0.0	-4.0	-4.0
	CIGARETTE/TOBACCO TAXES				
Florida	Increased distribution to non-state recipient	07–21	-$11.4		-11.4
Oklahoma	Tobacco Products Tax Enforcement Act of 2021	07–21	1.5	0.3	1.8
	ALCOHOLIC BEVERAGES TAXES				
Nebraska	Cocktail Tax & Promo Licenses	05–21	-$1.7		-$1.7
	GAMING TAX / LOTTERY REVENUE				
Connecticut	Modernizing Gaming and Lottery	Passage	$30.5		$30.5
	Increase CLC revenue diversion to the Chronic Gamblers Account	Passage	-1.0		-1.0
Indiana	HEA 1055: Tribal-State Compact Revenue Sharing	04–21	5.5	0.0	5.5
Maryland	Extends distribution of admissions and amusement tax to the Maryland E-Nnovation Fund instead of diverting to the General Fund in FY 2022 (Veto override of 2020 bill during 2021 session)	07–20	-9.0		-9.0
	Distributes $1 million of lottery revenue to a newly established Youth and Amateur Sports Grants Program. (Veto override of 2020 bill during 2021 session)	07–20	-1.0		-1.0
	Alters distribution of Video Lottery Terminal proceeds to increase portion paid to facility licensees	07–21	-3.9		-3.9
Montana	Creation of new lottery game	10–21		1.0	1.0
New York	Authorize Mobile Sports Wagering	06–21	0.0	99.0	99.0
	Remove Restrictions on Lottery Draw Game Offerings	06–21	7.0	0.0	7.0
North Dakota	Revenue now covering operating expenses in place of general fund	07–21	-19.8		-19.8
	OTHER TAXES AND REVENUES				
Arkansas	Extension of 4.5 mills gas assessment to be deposited as general revenue	07–21	$1.8		$1.8

Table A–2 continues on next page.

TABLE A-2 (CONTINUED)

Enacted Revenue Measures, Fiscal 2022

State	Tax Change Description	Effective Date	Fiscal 2022 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	OTHER TAXES AND REVENUES				
Arkansas	Extension of 4.5 mills gas assessment to be deposited as general revenue	07–21	$1.8		$1.8
Connecticut	DRS Tax Amnesty Program	07–21	40.0		40.0
	Revenue gain attributable to expenditure changes	Passage	27.7		27.7
	Revenue gain attributable to Group Home Strike Settlement	Passage	16.0		16.0
	Enhanced FMAP (+6.2%) Extended for Qtrs. Ending 9/30/21 & 12/31/21	Passage	59.1		59.1
	Delay GAAP Deficit Payment to FY 2024	Passage	85.1		85.1
	Federal Stimulus	Passage	559.9		559.9
	Further Limit Public Assistance Recoveries	07–21	-6.0		-6.0
	Transfer to the Tourism Fund	Passage	-3.1		-3.1
	Transfer from MRSA for Muni Grants and PILOT spending in GF	07–21	262.7		262.7
Florida	Redistribution of Documentary Stamp Tax	07–21	6.8	-6.8	0.0
Maryland	Increases the distribution of unclaimed property funds to the Maryland Legal Services Corporation	07–21	-6.0		-6.0
Minnesota	Miscellaneous changes		11.1		11.1
New Mexico	Fire Protection Fund Changes	07–21	-19.1		-19.1
New York	Enact the Cannabis Regulation and Taxation Act	01–22	0.0	20.0	20.0
North Dakota	Change made to exempt the generation tax and a portion of the capacity tax from coal conversion	07–21	-42.6		-42.6
Ohio	Increase share of GRF tax revenue to be allocated to Public Library Fund: kilowatt-hour tax revenue transfer increased from 0.83% of GRF to 0.85% of GRF	07–21	-5.4	5.4	0.0
Oklahoma	Premium Tax Apportionment restored to pensions	07–21	0.0	-45.6	-45.6
	Road funds apportionment restored to Transportation	07–21	0.0	-180.0	-180.0
	Medical Marijuana Authority appropriation	05–21	0.0	37.5	37.5
Rhode Island	Allow the centralized state debt collections unit to continue past FY 2021	07–21	1.4		1.4
Washington	Implementing the National 988 System	07–21		94.0	94.0
	FEES				
Rhode Island	Delay reissuance of new license plates to FY 2023	07–21	-$3.4		-$3.4
Total Revenue Changes—Personal Income Tax			**-$496.6**	**$514.2**	**$17.6**

TABLE A-3

Mid-Year Revenue Changes by Type of Revenue, Fiscal 2021

			Fiscal 2021 Revenue Impact ($ in millions)		
State	Tax Change Description	Effective Date	General Fund	Other State Fund	Total
	SALES & USE TAXES				
Alabama	Act 2021-298 exempts airport authorities from sales and use tax. Receipts for the ETF are estimated to decrease.	01–21	-$1.6		-$1.6
California	Main Street Small Business Tax Credit I	09–20	-7.6		-7.6
Maryland	Small business sales tax credits of up to $3,000 for four months	02–21	-185.8		-185.8
New Mexico	Technology Readiness Gross Receipts Credit	06–21	1.5		1.5
	Tax Changes	07–21	2.4		2.4
	Restaurant Gross Receipt Tax Deduction	02–21	-199.7		-199.7
Virginia	PPE Exemption		-4.0		-4.0
Total Revenue Changes—Sales & Use Tax			**-$394.8**	**$0.0**	**-$394.8**
	PERSONAL INCOME TAXES				
Arkansas	Exempt Unemployment benefits for tax years 2020 and 2021	Tax Year 2020	-$51.0		-$51.0
California	Golden State Stimulus I	03–20	-2,800.0		-2,800.0
	PPP Conformity	01–20	-70.0		-70.0
	Main Street Small Business Tax Credit I	09–20	-3.8		-3.8
Idaho	Conformity	01–21	-26.0		-26.0
Maine	Adjust revenue to conform to the United States Internal Revenue Code as of Dec 31, 2020.	12–20	-87.2		-87.2
	Adjust revenue to conform to federal tax change to exempt certain amount of unemployment compensation for tax year 2020	12–20	-36.6		-36.6
	Adjust revenue for tax conformity	03–20	-1.8		-1.8
Maryland	Earned Income Tax Credit rebates for tax years 2019 and 2020 and expansion for tax years 2020 to 2022	02–21	-171.6		-171.6
	Repeal personal income tax on unemployment benefits	02–21	-50.0		-50.0
Minnesota	20, SS5, CH 3 - Inc Tax - Full Sec 179 Expensing for All Properties	11–20	-63.8		-63.8
New Mexico	Solar Market Development Income Tax Credit	05–21	5.0		5.0
Ohio	Enact campaign contribution tax credit (SB 39, 133rd GA)	Taxable years beginning on or after 1/1/2020	-3.0	0.0	-3.0
	Conforms Ohio tax law with provisions in HR 133, the "Consolidated Appropriations Act of 2021" and HR 1319, the "*American Rescue Plan Act* of 2021" (SB 18, 134th GA)	Taxable years beginning on or after 1/1/2020	-32.7	-1.1	-33.8
Rhode Island	Tax forgiven PPP loan amounts above $250,000	07–21	0.5		0.5
Virginia	Conformity		-9.0		-9.0
	Deductibility of PPE loans		-57.8		-57.8
Wisconsin	Reduction in the bottom two brackets from 3.86% and 5.04% to 3.54% and 4.65%, respectively.	01–20	-179.0		-179.0
	Adopt federal CAA provisions (exempt Paycheck Protection Program Forgiven loans and other business assistance)	01–20	-129.7		-129.7
	Federalize Earned Income Tax Credit TY2020 Provisions	01–20	-30.0		-30.0
Total Revenue Changes—Personal Income Tax			**-$3,797.5**	**-$1.1**	**-$3,798.6**

**See Notes to Table A-3 on page 120.*

Table A–3 continues on next page.

TABLE A-3 (CONTINUED)

Mid-Year Revenue Changes by Type of Revenue, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	CORPORATE INCOME TAXES				
Arkansas	Exempt certain forgiven small business loans	01–20	-$33.0		-$33.0
California	PPP Conformity	01–20	-70.0		-70.0
	Main Street Small Business Tax Credit I	09–20	-3.8		-3.8
Kentucky	Paycheck protection program forgivable loan expense deduction	03–21	-25.0		-25.0
Maine	Increase the seed tax investment credit	03–20	-1.3		-1.3
	Adjust revenue for tax conformity	03–20	-0.5		-0.5
Minnesota	20, SS5, CH 3 - Corp Tax - Full Sec 179 Expensing for All Properties	11–20	-24.2		-24.2
	20, SS5, CH 3 - Corp Tax - Retro Sec 179 for Like-Kind Exchange Proper	11–20	-1.1		-1.1
Rhode Island	Tax forgiven PPP loan amounts above $250,000	07–21	1.1		1.1
Wisconsin	Adopt federal CAA provisions (exempt Paycheck Protection Program Forgiven loans and other business assistance)	01–20	-124.2		-124.2
Total Revenue Changes—Corporate Income Tax			**-$282.0**	**$0.0**	**-$282.0**
	CIGARETTE / TOBACCO TAX				
Maryland	Increases tobacco tax rate from $2 to $3.75 per pack of cigarettes (Veto override of 2020 bill during 2021 session)	02–21	$34.9		$34.9
Total Revenue Changes—Cigarette / Tobacco Tax			**$34.9**	**$0.0**	**$34.9**
	MOTOR FUEL TAX				
Alabama	The Rebuild Alabama Act levied an additional excise tax on gasoline and diesel fuel. The additional excise tax is increased by $.02 to $.08 on each net gallon of gasoline and diesel fuel.	10–20		$43.4	$43.4
Total Revenue Changes—Motor Fuel Tax			**$0.0**	**$43.4**	**$43.4**
	OTHER TAXES AND REVENUES				
Nevada	Supreme court decision on the Modified Business Tax	05–21	$83.0		$83.0
Total Revenue Changes—Other			**$83.0**	**$0.0**	**$83.0**
	FEES				
California	Hospital Building Fund Fee Increase	07–21		$1.0	$1.0
	Managed Care Fund Fee Decrease	07–21		-9.0	-9.0
	License fee revenue reduction for one-time fee waivers for licensees of the Board of Barbering and Cosmetology.	01–21		-25.6	-25.6
	License fee revenue reduction for one-time fee waivers for licensees of the Department of Alcoholic Beverage Control.	03–21		-93.0	-93.0
Washington	Waiver of certain liquor license fees	02–21	-2.6		-2.6
Total Revenue Changes—Fees			**-$2.6**	**-$126.6**	**-$129.2**

*See Notes to Table A-3 on page 120.

TABLE A-4

Mid-Year Revenue Measures, Fiscal 2021

State	Tax Change Description	Effective Date	Fiscal 2021 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	PERSONAL INCOME TAXES				
Maine	Deferral of income tax filing date from April 15 to July 15, 2020 which pushed some collections and refunds into the next fiscal year. No impact on budgeted revenue due to accrual in FY20 and reversal of accrual in FY21.				$0.0
	CORPORATE INCOME TAXES				
Alabama	The Alabama Business Tax Competitiveness Act changes how business income is apportioned to Alabama.	01–21	13.0		13.0
Maine	Deferral of income tax filing date from April 15 to July 15, 2020 which pushed some collections and refunds into the next fiscal year. No impact on budgeted revenue due to accrual in FY20 and reversal of accrual in FY21.				0.0
	GAMING TAX / LOTTERY REVENUE				
Maryland	Distributes $1 million of lottery revenue to a newly established Youth and Amateur Sports Grants Program. (Veto override of 2020 bill during 2021 session)	07–20	-1.0		-1.0
	OTHER TAXES AND REVENUES				
Minnesota	20, SS5, CH 3 - DHS SOS Revenue	11–20	3.6		3.6
New Jersey	COVID 19 bond sale	11–20	4,288.7		4,288.7
Total			**$4,304.3**	**$0.0**	**$4,304.3**

TABLE A-5

Fiscal 2023 State General Fund, Enacted (Millions)

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Connecticut	$0	$21,537	$0	$21,537	$21,534		$3	$4,331
Hawaii	$784	$8,661		$9,445	$9,109		$336	$1,383
Indiana*	$1,506	$19,097	$0	$20,603	$19,025	$288	$1,290	$1,316
North Carolina	$2,687	$28,752		$31,439	$31,311		$128	$4,250
Ohio*	$2,650	$26,903	-$93	$29,461	$26,945		$2,515	

*NOTES: The states listed above opted to provide fiscal 2023 data based on their enacted biennial budgets. In addition, Maine, Minnesota, Montana, Nebraska, Nevada, New Hampshire, North Dakota, Oregon, Texas, Washington, and Wisconsin enacted fiscal 2022-2023 biennial budgets. *See Notes to Table A-5 on page 120.*

TABLE A-6

Fiscal 2023 Enacted Program Area Appropriation Changes by Dollar Value (Millions)

State	K–12 Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	Other	Total
Connecticut*	-$60.0	-$7.3	-$10.9	$174.5	-$31.0		$1,382.8	$1,448.1
Hawaii	$24.3	-$23.5	-$30.0	-$0.3	$2.8		-$262.7	-$289.3
Indiana*	$770.1	$1.0	-$2.2	$313.3	$68.8	-$2.0	$258.3	$1,407.3
North Carolina	$938.4				$64.6			$1,003.0
Ohio	$175.5	$3.3		$1,674.6	$74.2	$1.0	-$29.4	$1,899.2

*NOTE: The states listed above opted to provide fiscal 2023 data based on their states' enacted biennial budgets. *See Notes to Table A-6 on page 120. Value of changes are in reference to funding level of FY 2021 enacted budget.*

TABLE A-7

Strategies Used to Manage Budget, Fiscal 2023

State	Across-the-Board % Cuts	Targeted Cuts	Layoffs	Furloughs	Early Retirement	Salary Reductions	Cuts to State Employee Benefits	Eliminating Vacant Positions / Hiring Freeze	Pension/ OPEB Adjustments
Connecticut		X							
Hawaii		X							
Indiana*		X							
North Carolina									
Ohio									
Total	**0**	**3**	**0**	**0**	**0**	**0**	**0**	**0**	**0**

*NOTE: The states listed above opted to provide fiscal 2023 data based on their states' enacted biennial budgets. *See Notes to Table A-7 on page 120.*

TABLE A-7 (CONTINUED)

Strategies Used to Manage Budget, Fiscal 2023

State	Reduce Local Aid	Reorganize Agencies	Privatization	Rainy Day Fund	Other Fund Transfers	Prior-year Fund Balance	Deferred Payments	Revenue Increase	Medicaid Program Changes	Other (Specify)
Connecticut							X	X	X	
Hawaii										
Indiana*					X					
North Carolina										
Ohio										
Total	**0**	**0**	**0**	**0**	**1**	**0**	**1**	**1**	**1**	**0**

*NOTE: The states listed above opted to provide fiscal 2023 data based on their states' enacted biennial budgets. *See Notes to Table A-7 on page 120.*

TABLE A-8

Enacted Revenue Actions by Type of Revenue, Fiscal 2023

State	Tax Change Description	Effective Date	Fiscal 2023 Revenue Impact: General Fund	Other State Fund	Total
	SALES TAXES				
Connecticut	Exempt breast feeding supplies from sales tax	07–21	-$0.5		-$0.5
	Sales Tax on Cannabis Products	07–21	10.5		10.5
	THC Tax on Cannabis Products	07–21	7.9		7.9
Indiana	SEA 383: Utility scale battery energy storage exemption.	05–21	-5.3		-5.3
Ohio	Exempt investment coins and bullion	10–21	-5.9	-$0.2	-6.1
	Exclude employee placement services from taxation	10–21	-138.6	-4.8	-143.4
Total Revenue Changes—Sales Taxes			**-$131.9**	**-$5.0**	**-$136.9**
	PERSONAL INCOME TAXES				
North Carolina	Reduce tax rate from 5.25% to 4.99% in TY22 and 4.75% in TY23; increase standard deduction; increase and expand child deduction; conform to federal medical expense deduction	01–22	-$1,670.0		-$1,670.0
	Exempt military pension income	01–21	-30.6		-30.6
	Allow deduction for PPP, EIDL and similar programs	01–20	-35.0		-5.0
	Expand historic rehab credit	01–21	-0.2		-0.2
	Extend and re-enact mill/railroad rehab credit	01–21	-3.7		-3.7
Ohio	Creates three new tax credits pertaining to private education: expenses for home schooling; contributions to qualified non-profit scholarship-granting organization; tuition paid to non-chartered, non-public school. (Each tax credit has a maximum allowable credit amount.)	Taxable years beginning on or after 01/01/2021	-58.3	-2.0	-60.3
	Suspend inflation indexing of personal exemption during tax years 2021 and 2022	Taxable years beginning on or after 01/01/2021, through 12/31/2022	37.3	1.2	38.5
	Set the top income tax rate at 3.99% (causing elimination of previous top income bracket, and lowering the rate for what has become the highest bracket); reduce rates for all other taxable income brackets by 3.0%; increase the income level for the non-taxable (bottom) income bracket	Taxable years beginning on or after 01/01/2021	-795.8	-27.3	-823.1
	Reduce pass-through entity withholding tax rates (one-time loss in FY 2023)	Taxable years beginning on or after 01/01/2023	-45.1	-1.5	-46.6
Total Revenue Changes—Personal Income Taxes			**-$861.9**	**-$29.6**	**-$891.5**

Table A–8 continues on next page.

TABLE A-8 (CONTINUED)

Enacted Revenue Actions by Type of Revenue, Fiscal 2023

State	Tax Change Description	Effective Date	Fiscal 2023 Revenue Impact: General Fund	Other State Fund	Total
	CORPORATE INCOME TAXES				
Connecticut	Maintain 10% Tax surcharge for 2 years	Passage	$50.0		$50.0
	Delay and extend the elimination of the Capital Base Tax	Passage	29.2		29.2
	Phase-In R&D Tax Credit from 50.01% to 60% to 70% by IY 2023	Passage	-17.2		
North Carolina	Allow deduction for PPP, EIDL and similar programs	01–20	-15.0		-15.0
	Expand historic rehab credit	01–21	-0.5		-0.5
	Extend and re-enact mill/railroad rehab credit	01–21	-7.5		-7.5
Total Revenue Changes—Corporate Income Taxes			**$39.0**	**$0.0**	**$56.2**
	CIGARETTE TAXES				
North Carolina	Expand cigar tax	07–23	$25.2		$25.2
Total Revenue Changes—Cigarette Taxes			**$25.2**	**$0.0**	**$25.2**
	OTHER TAXES AND REVENUES				
Connecticut	Eliminate Admissions Tax	06–21	-$11.0		-$11.0
	Adjust EITC rate from 23% to 30.5%	01–21	-34.1		-34.1
	Office of Health Strategy Hospital Assessment	n/a	1.3		1.3
	Maintain current eligibility on the Property Tax Credit	01–21	53.0		53.0
	CREATES Revenue Initiative	n/a	40.0		40.0
Hawaii	Increase in Rental Vehicle Tax by $0.50 per year from 1/1/2022 to 12/31/27. Goes to Highway fund	01–22		$13.0	13.0
North Carolina	Limit gross premiums tax on surety bonds	01–22	-1.0		-1.0
	Expand historic rehab credit	01–21	-0.3		-0.3
	Extend and re-enact mill/railroad rehab credit	01–21	-3.8		-3.8
	Franchise tax changes - base simplification	01–23	-173.3		-173.3
Ohio	Kilowatt-hour tax: Alter definition of electric distribution company and create new end-user exemption	10–21	-3.8	-0.1	-3.9
Total Revenue Changes—Other Taxes and Revenues			**-$133.0**	**$12.9**	**-$120.1**
	FEES				
Connecticut	Impose convenience fee for Credit/Debit card use	07–22	$2.5		$2.5
Total Revenue Changes—Fees			**$2.5**	**$0.0**	**$2.5**

TABLE A-9

Enacted Revenue Measures, Fiscal 2023

State	Tax Change Description	Effective Date	Fiscal 2023 Revenue Impact ($ in millions) General Fund	Other State Fund	Total
	SALES TAXES				
Connecticut	Allow use of the Film Production Tax credit at a 78% discount against the Sales Tax.	01–21	$4.3		$4.3
Indiana	SEA 384: Renews expiring local professional sports and convention development areas	07–21	-2.8		-2.8
North Carolina	Direct short-term rentals tax from General Fund to Highway Fund	01–22	-74.6	$74.6	0.0
Ohio	Increase share of GRF tax revenue to be allocated to Public Library Fund: sales tax revenue transfer increased from 0.83% of GRF to 0.85% of GRF	07–21	-5.6	5.6	0.0
	GAMING TAX / LOTTERY REVENUE				
Connecticut	Modernizing Gaming and Lottery	Passage	43.1		43.1
	Increase CLC revenue diversion to the Chronic Gamblers Account	Passage	-1.0		-1.0
Indiana	HEA 1055: Tribal-State Compact Revenue Sharing	04–21	9.5		9.5
	OTHER TAXES AND REVENUES				
Connecticut	DRS Tax Amnesty Program	07–21	-4.0		-4.0
	Bottle Bill	01–24	0.5		0.5
	Revenue gain attributable to expenditure changes	Passage	8.4		8.4
	Revenue gain attributable to Group Home Strike Settlement	Passage	45.9		45.9
	Further Limit Public Assistance Recoveries	07–21	-6.0		
	Delay GAAP Deficit Payment to FY 2024	Passage	85.1		85.1
	Federal Stimulus/Transfer from Budget Reserve Fund	Passage	1,194.9		1,194.9
	Transfer from MRSA for Munu Grants and PILOT spending in GF	07–21	276.3		276.3
North Carolina	Adjust transfers from State Treasurer and Insurance Regulatory Fund to General Fund	11–21	3.4	-3.4	0.0
	Replace transfer of DSH payments from largest state hospital system with a specified dollar amount	11–21	31.3	0.0	31.3
Ohio	Increase share of GRF tax revenue to be allocated to Public Library Fund: kilowatt-hour tax revenue transfer increased from 0.83% of GRF to 0.85% of GRF	07–21	-5.6	5.6	0.0
Total			**$1,603.1**	**$82.4**	**$1,691.5**

NOTES TO APPENDIX

Notes to Table A-1: Enacted Revenue Changes by Type of Revenue, Fiscal 2022

See Notes to Table 21 in Chapter Two for additional details about states' enacted revenue changes.

Notes to Table A-3: Mid-Year Revenue Changes by Type of Revenue, Fiscal 2021

See Notes to Table 23 in Chapter Two for additional details about states' mid-year revenue changes.

Notes to Table A-5: Fiscal 2023 State General Fund, Enacted

Indiana Expenditure adjustments include $22.0 million in estimated unspent prior year appropriation reversions and an estimated $309.6 million transfer to pensions triggered by a statutory excess reserves calculation.

Ohio The negative revenue adjustment reflects the projected difference between federal revenues and federal expenditures in the general fund for the fiscal year. This change is needed to tie to the projected ending fund balance.

Notes to Table A-6: Fiscal 2023 Enacted Program Area Appropriation Changes

Connecticut The Medicaid appropriation in the Department of Social Services (DSS) is "net funded" while other Medicaid expenditures remain gross funded. Funding for the Hospital Supplemental Payments account in DSS is also gross funded.

Indiana Indiana's TANF (public assistance) state appropriation was being used for part of the maintenance of effort requirement on the federal award. Other funds were identified to provide the difference in the MOE. Largest share of the "All Other" appropriation change is in one-time capital appropriations.

Notes to Table A-7: Strategies Used to Manage Budget, Fiscal 2023

Indiana Plan to continue long-standing practice of holding back on agency appropriation allotments (2-3%) as a management reserve against revenue misses. Also, will continue to need dedicated contingency fund for unforeseen and unbudgeted expenditure increases.

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