



THE FISCAL SURVEY OF STATES

SPRING 2023

AN UPDATE OF STATE FISCAL CONDITIONS

A REPORT BY THE NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS

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THE NATIONAL ASSOCIATION OF STATE BUDGET OFFICERS

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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 began in 1979. The survey presents aggregate and individual data on the states' general fund expenditures and receipts, annual tax and revenue changes, and balances. Although not the totality of state spending, general 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, governors in 17 states proposed two-year budgets for considering during 2023 legislative sessions covering fiscal 2024 and fiscal 2025.

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.

The field survey on which this report is based was conducted by NASBO from February through May 2023. The surveys were completed by executive budget officers in 50 states, three territories, and the District of Columbia (DC). This edition marks the first Fiscal Survey to include data from multiple territories and DC.

Generally, fiscal 2022 data represent actual figures, fiscal 2023 figures are estimated, and fiscal 2024 data reflect governors' recommended budgets. Footnotes in this report document exceptions to this. 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

This edition of the Fiscal Survey of States reflects actual fiscal 2022, estimated fiscal 2023, and recommended fiscal 2024 figures (except where otherwise noted) for all 50 states, three territories, and the District of Columbia. The report includes data on general fund spending, revenue, rainy day funds and total balances, as well as information on recommended changes to general fund revenue sources and state employee compensation. The data were collected in the spring of 2023. All data are reported in nominal terms (not adjusted for inflation) unless otherwise specified.

Introduction

State general fund spending growth in fiscal 2024 is expected to slow following two consecutive years of sharp increases, which were driven in part by an uptick in one-time expenditures. Governors' recommended budgets for fiscal 2024 call for total general fund spending 2.5 percent above estimated levels for fiscal 2023. This modest growth follows a record-setting 16.8 percent year-over-year spending increase in fiscal 2022 and an additional 12.6 percent bump estimated for fiscal 2023. Adjusted for inflation, general fund spending grew 8.1 percent in fiscal 2022 and an estimated 4.4 percent in fiscal 2023.

Similarly, on the revenue side, growth in state tax collections has slowed considerably following the extraordinary double-digit percentage increases recorded in fiscal 2021 and fiscal 2022. Based on current estimates at the time of data collection, revenues are on track to decline slightly by 0.3 percent in fiscal 2023 and are forecasted to decline again in fiscal 2024 by 0.7 percent based on revenue forecasts used in governors' budgets. This revenue slowdown is from a very high baseline set in fiscal 2022 and reflects the impact of recently enacted or proposed tax cuts (including both one-time and recurring actions), a slower pace of economic growth, and weaker stock market performance and capital gains.

Despite the estimated decline in general fund collections, current revenue estimates for fiscal 2023 are outperforming revenue forecasts when budgets were enacted by 6.5 percent, a reflection on how state revenues have continued to exceed earlier expectations in the vast majority of states this year. More recent revenue performance has been a bit more mixed, and governors' budgets for fiscal 2024 are

generally based on conservative revenue forecasts in light of the ongoing economic uncertainty amidst high interest rates, inflationary pressures, weakening consumer spending, and a possible recession on the horizon.

States continue to plan for a possible economic downturn by bolstering their rainy day funds or "savings accounts" during this time of strong state fiscal conditions. Most states are on track to end fiscal 2023 with larger rainy day fund balances than they had the previous year, building on two years of substantial increases in reserves, and the median rainy day fund balance in fiscal 2023 is estimated at 12.0 percent as a share of general fund spending. Total balances, which include rainy day funds and general fund ending balances, also saw tremendous growth in fiscal 2021 and fiscal 2022, reaching 37.3 percent as a share of general fund spending. Total balances are estimated to decline in fiscal 2023 and fiscal 2024 as states spend down some of their elevated general fund balances, including on one-time uses such as paying off debt, supplemental pension payments, capital construction, economic development, and other expenditures to strengthen their fiscal resiliency over the longer term.

State General Fund Spending

Fiscal 2024 Recommended Spending. Governors' budgets for fiscal 2024 call for general fund spending totaling \$1.23 trillion, which represents growth of 2.5 percent compared to estimated levels for fiscal 2023. This modest increase builds upon the high baseline established after two consecutive years of double-digit percentage growth in general fund spending — growth that was partially driven by one-time expenditures using surplus funds. The median growth rate for fiscal 2024 is higher at 4.0 percent, with 32 states projecting increases. For more information on governors' budgets, including key spending initiatives by program area, see *Summaries of Fiscal Year 2024 Proposed Budgets* (April 25, 2023), available on NASBO's website.¹

Fiscal 2023 Estimated Spending. In fiscal 2023, states are on track to record total general fund spending of \$1.20 trillion, representing annual growth in the aggregate of 12.6 percent. This rate is considerably higher than previously estimated based on states' enacted budgets reported

Key Report Findings:

- Recommended budgets for fiscal 2024 call for general fund spending of **\$1.23 trillion**, a **2.5 percent** increase over a high baseline established in fiscal 2023.
- General fund spending is on track to grow **12.6 percent** in fiscal 2023, following a record annual increase of **16.8 percent** in fiscal 2022; spending growth in both years was affected in part by an uptick in one-time expenditures. Adjusted for inflation, spending grew **8.1 percent** in fiscal 2022 and an estimated **4.4 percent** in fiscal 2023.
- **23 states** reported net mid-year spending increases in fiscal 2023, including one-time expenditures from surplus funds, while **five states** reported net mid-year cuts; only **one state** attributed the cuts to a revenue shortfall.
- After two consecutive years of double-digit percentage growth, general fund revenue in the aggregate is estimated to **decrease 0.3 percent** in fiscal 2023 from the high baseline established in fiscal 2022 and decline by another **0.7 percent** in fiscal 2024 proposed budget forecasts.
- **45 states** reported fiscal 2023 general fund revenues were exceeding enacted revenue forecasts; at the time of data collection, current estimates for fiscal 2023 were up **6.5 percent** compared to original revenue projections used in enacted budgets.
- States recommended net tax reductions in fiscal 2024 with a general fund revenue impact of **-\$13.8 billion** (1.2 percent as a share of forecasted revenue for fiscal 2024); more than half of this total impact (**-\$7.3 billion**) is attributable to one-time/temporary tax cuts.
- **39 states** are on track to further increase the size of their rainy day fund balances in fiscal 2023. The median rainy day fund balance as a share of spending is expected to increase from **11.5 percent** in fiscal 2022 to **12.0 percent** in fiscal 2023 and **13.5 percent** in recommended budgets for fiscal 2024. In nominal dollars, rainy day fund balances in the aggregate rose to \$164.3 billion in fiscal 2022 and are expected to drop slightly in fiscal 2023.
- Total balances (rainy day funds + general fund ending balances) by the end of fiscal 2022 were more than 3.5 times their aggregate level in nominal dollars at the end of fiscal 2020, and represented **37.3 percent** as a share of total general fund expenditures. As states begin to draw down on their elevated general fund balances, total balances are projected at **22.8 percent** of general fund expenditures by the end of fiscal 2024, according to governors' budgets.

in NASBO's *Fall 2022 Fiscal Survey*, in part due to states recommending or enacting mid-year spending increases in response to revenues exceeding original forecasts used to enact fiscal 2023 budgets. Higher inflation, spending on one-time investments, and a continued shift towards greater reliance on general funds in place of expiring federal funds in certain areas, contributed to the spending growth rate for fiscal 2023. Adjusted for inflation, general fund spending is estimated to increase 4.4 percent in fiscal 2023.

Fiscal 2022 Actual Spending. Total general fund spending came in at \$1.07 trillion in fiscal 2022, representing a 16.8 percent annual increase over fiscal 2021 levels. This is the highest annual growth rate ever recorded in the *Fiscal Survey* since its inception in 1979. High inflation, increased spending in response to the pandemic, a lower baseline in fiscal 2021, an uptick in one-time expenditures using surplus funds, and a shift from a reliance on temporary federal funds towards general funds in certain program areas all contributed to this high growth rate.



Fiscal Data from U.S. Territories and the District of Columbia Now Included

For the first time in the history of the Fiscal Survey, general fund spending, revenue and balance data are included for multiple U.S. territories — Guam, Puerto Rico, and the U.S. Virgin Islands (USVI) — as well as the District of Columbia (DC). Unless otherwise noted, aggregate figures cited in the text and tables of this report include data from the 50 states only to allow for comparisons to historical survey data. When including data from the 50 states, three territories reporting, and DC, in fiscal 2023 estimated general fund spending totaled \$1.23 trillion, current estimates for general fund revenue totaled \$1.21 trillion, rainy day fund balances total an estimated \$155.6 billion, and total balances (rainy day funds + general fund ending balances) are an estimated \$357.7 billion.

Spending Actions, Budget Management Strategies, and Employment Compensation

Fiscal 2023 Mid-Year Spending Changes. Overall, 23 states reported recommending or adopting net mid-year increases in general fund spending for fiscal 2023 while just five states reported decreases compared to their originally enacted budgets, resulting in a net mid-year increase of \$10.5 billion. For the states that reported net mid-year increases in general fund spending, these included supplemental appropriations for fiscal 2023 to address additional spending needs, as well as one-time uses of surplus funds such as taxpayer refunds and paying off debt. Among the five states reporting net mid-year cuts, only one state attributed these cuts to a revenue shortfall, while the others reported these reductions resulted from lower spending needs or the use of federal assistance in place of general funds.

Budget Management Strategies for Fiscal 2023 (Mid-Year) and Fiscal 2024 (Recommended). Reported budget management strategies such as spending reductions, revenue increases, personnel actions, efficiency savings, and one-time measures were minimal in this survey, given continued strength in state fiscal conditions. In managing

their fiscal 2023 budgets in the middle of the year, just six states reported making targeted cuts; additionally, six states reported use of this strategy in recommended budgets for fiscal 2024. Also in fiscal 2024 proposed budgets, five states recommended hiring freezes or eliminating vacant positions in fiscal 2023, ten states reported using prior-year fund balances, and eight states reported recommending other fund transfers.

Fiscal 2024 Employment Compensation Changes. Thirty-three states, the District of Columbia (DC), and Guam reported proposed across-the-board (ATB) pay increases for at least some employee categories in fiscal 2024. Similar to the circumstances last year when states adopted budgets for fiscal 2023, a tight labor market, high inflation, and strong state fiscal conditions continued to keep the number of states proposing across-the-board pay increases elevated. Additionally, 14 states, DC and the U.S. Virgin Islands proposed at least some merit increases. Some states also proposed other modifications to employee compensation in fiscal 2024 including one-time bonuses, longevity payments or step increases, and targeted salary increases for certain employee groups. Among the states that reported an average percentage ATB increase, the rate of increases ranged from 2.0 to 10.0 percent, with a median pay raise of 5.0 percent.

State General Fund Revenues

Fiscal 2024 Revenue Forecasts. Recommended budgets for fiscal 2024 are based on general fund revenues totaling \$1.17 trillion, which would represent a 0.7 percent decline compared to fiscal 2023 current estimates. Despite this slight decline and as a result of the significant year-over-year growth in revenues in fiscal 2021 and fiscal 2022, projected revenues for fiscal 2024 in the aggregate are still roughly 32 percent above fiscal 2019 (pre-pandemic) levels (without adjusting for inflation). Among the states reporting more current estimates for fiscal 2024 than those used in governors' budgets, states were fairly evenly split between those making upward versus downward revisions.

Fiscal 2023 Current Estimates. States reported in this survey fiscal 2023 general fund revenue totaling \$1.18 trillion. This marks a slight decline of 0.3 percent from a very high baseline following two consecutive years of double-digit

percentage increases in revenue in fiscal 2021 and fiscal 2022. This slight decline reflects a slowdown in the pace of economic growth, weaker stock market performance and capital gains, the impact of recent tax cuts, and the high baseline in fiscal 2022. While on track to record a slight year-over-year decline, fiscal 2023 revenues are estimated to come in 6.5 percent ahead of original revenue forecasts used in enacted budgets. At the time of data collection, 45 states reported general fund revenues were coming in ahead of originally enacted revenue forecasts. Compared to current estimates for fiscal 2023, collections were coming in ahead in 23 states, on target in 15 states, and lower in six states. Based on the number of states seeing collections exceeding revised estimates, actual revenues for fiscal 2023 may come in higher than estimated in this survey.

Fiscal 2022 Actual Collections. States reported in this survey fiscal 2022 general fund revenues totaling \$1.19 trillion, representing a sharp 16.3 percent year-over-year increase. This marks the second consecutive year of double-digit percentage growth in revenues, after general fund collections grew 16.6 percent in fiscal 2021 year-over-year. The annual revenue growth experienced in fiscal 2021 and fiscal 2022 represent the two highest growth rates recorded in NASBO's *Fiscal Survey* since its inception in 1979. Employment growth and high consumer demand, as well as a strong stock market performance in calendar year 2021, helped to further drive revenue gains in fiscal 2022. The inclusion of federal aid in general fund revenues in a few states as well as the economic impacts of federal stimulus contributed to revenue growth in fiscal 2022 as well. The effect of inflation on both consumer prices and wages also contributed to revenue growth; adjusted for inflation, general fund revenues grew 7.6 percent in fiscal 2022.

Revenue Trends by Tax Source. Sales and use tax collections came in well ahead of forecast in fiscal 2022, growing 14.5 percent year-over-year, due to pent-up consumer demand, strong economic growth and the impact of high inflation on prices. In fiscal 2023, sales tax collections are on track for slower growth of 4.9 percent but from a high baseline, as consumption slows somewhat and consumer behavior shifts towards spending more on services rather than goods. Meanwhile, personal income tax collections grew 14.2 percent in fiscal 2022 following already strong growth in fiscal 2021,

driven primarily by employment growth, wage increases, and a strong stock market performance in 2021. For fiscal 2023, personal income taxes are estimated to decline 3.6 percent, which is partially attributable to the high baseline in fiscal 2022 that involved certain one-time factors, some slowing in economic growth and weaker capital gains, and the impact of both recurring and one-time tax policy changes. Corporate income taxes saw tremendous growth in fiscal 2022 for a second consecutive year, increasing 44.8 percent, followed by an estimated decline of 5.4 percent in fiscal 2023. All other general fund revenues, which consist of myriad sources that vary by state (cigarette and other excise taxes, severance taxes, gaming and lottery revenue, insurance taxes, fees, etc.) grew 11.4 percent in fiscal 2022 and are estimated to record a 1.1 percent decline in fiscal 2023.

Compared to fiscal 2023 current estimates, fiscal 2024 revenue forecasts in governors' budgets project relatively flat growth in sales taxes and personal income taxes, a 3.2 percent decline in corporate income taxes, and slight 0.4 increase in all other general fund revenue.

Revenue Actions

Fiscal 2024 Recommended Revenue Actions. Governors in 28 states recommended net decreases in general fund revenue for fiscal 2024, while net increases were recommended in nine states, resulting in a projected net impact on general fund revenue of -\$13.8 billion. Measured as a share of general fund revenue, the impact of these proposed changes is equivalent to roughly 1.3 percent of forecasted general fund revenue in fiscal 2024 budgets, a similar percentage to the reductions recorded in the late 1990s and fiscal years 2000-2001. The scale and scope of tax reductions recommended by governors in their fiscal 2024 budgets reflect continued strong fiscal conditions. More than half of the estimated fiscal 2024 revenue impact of recommended changes reported in this survey (-\$7.3 billion) is attributable to one-time or temporary revenue actions. This means that the recurring revenue impacts of proposed changes in this survey total an estimated -\$6.5 billion in fiscal 2024. Recommended changes to personal income taxes accounted for most of net revenue impact estimated (-\$10 billion), with roughly half of those changes (-\$4.9 billion) being one-time in nature.



Fiscal 2023 Recommended Mid-Year Revenue Actions.

The tax changes proposed by governors reported in this survey would also reduce general fund revenue for fiscal 2023 by an additional \$2.3 billion, after states already enacted reductions last year that were set to reduce fiscal 2023 general fund revenue by an estimated \$15.5 billion, according to NASBO's *Fall 2022 Fiscal Survey of States*. Net mid-year decreases for fiscal 2023 are recommended in 12 states, while one state is estimating a net increase. Changes reported in this survey impacting fiscal 2023 revenue include both recurring actions that were recommended for fiscal 2024 that would also affect fiscal 2023 collections depending on their effective date as well as standalone mid-year changes (especially one-time or temporary actions) that do not carry over to fiscal 2024. Of the \$2.3 billion revenue impact for fiscal 2023, roughly -\$1.2 billion is one-time in nature, with the remaining -\$1.1 billion ongoing.

State Balances

Rainy Day Fund Balances. Recent balance trends and current fund policies demonstrate how states have taken actions to strengthen their rainy day funds, also known as budget stabilization funds. From fiscal 2020 to fiscal 2022, rainy day fund balances more than doubled from \$77.0 billion to \$164.3 billion, as states deposited a portion of their revenue surpluses into these reserve funds. In fiscal 2023, 39 states are estimating further increases to their rainy day funds, though balance levels in the aggregate are estimated to decline in nominal dollars. The median rainy day fund balance as a share of general fund spending is set to rise from 11.5 percent in fiscal 2022 to an estimated 12.0 percent in fiscal 2023 and a projected 13.5 percent in fiscal 2024 based on governors' recommended budgets. As states face ongoing economic uncertainty, these high rainy day fund levels, coupled with other recent steps states have taken to bolster their fiscal resiliency, leave states well-prepared to manage their budgets through a possible downturn.

Total Balances. Total balances include general fund ending balances and the amounts in states' rainy day funds. General fund balances have swelled in recent years as a result of revenues far exceeding the revenue forecasts used in enacted budgets for fiscal 2021 and fiscal 2022. By the end of fiscal 2022, total balances had reached \$398.8 billion, more than 3.5 times their aggregate level in nominal dollars at the end of fiscal 2020 and representing 37.3 percent as a share of total general fund expenditures in fiscal 2022. As states begin to draw down on those ending balances, directing them in large part to one-time investments or transfers to other state funds, total balances are on track to decline in fiscal 2023 and again in fiscal 2024. In governors' budgets for fiscal 2024, combined ending balances and rainy day funds are projected to total 22.8 percent as a share of proposed general fund spending, which still well exceeds the 14.0 percent aggregate level reached in fiscal 2019 before the pandemic. These elevated total balance levels provide a budgetary cushion for states amidst some signs of an economic slowdown.

STATE EXPENDITURE DEVELOPMENTS

CHAPTER ONE

Overview

Governors' budgets for fiscal 2024 call for general fund spending growth of 2.5 percent compared to estimated levels for fiscal 2023. This modest increase builds upon the high baseline established after two consecutive years of double-digit percentage growth in general fund spending. The median growth rate for fiscal 2024 is higher at 4.0 percent, with 32 states projecting increases.

In fiscal 2023, states are on track to record spending growth in the aggregate of 12.6 percent. This rate is considerably higher than previously estimated based on states' enacted budgets reported in NASBO's *Fall 2022 Fiscal Survey*. After nearly all states ended fiscal 2022 with revenue surpluses, and with most states on track to collect more revenue than originally projected in fiscal 2023, 23 states reported proposed or enacted mid-year spending increases for fiscal 2023. This additional spending includes supplemental appropriations to meet programmatic needs, as well as one-time uses of surplus funds such as taxpayer refunds and paying off debt. Meanwhile, only five states reported net reductions compared to originally enacted budgets for fiscal 2023 and only one state attributed these mid-year cuts to a revenue shortfall.

States recorded 16.8 percent growth in general fund spending in fiscal 2022, the highest annual increase ever recorded in the history of the *Fiscal Survey*. High inflation, increased spending in response to the pandemic, and a lower baseline in fiscal 2021 all contributed to this high growth rate. Spending in both fiscal 2022 and fiscal 2023 was also partially driven by an uptick in one-time expenditures using surplus funds, which in turn contributes to slower projected spending growth in fiscal 2024.

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 recommended two-year budgets for consideration during 2023 legislative sessions covering fiscal 2024 and fiscal 2025. These include: Arkansas*, 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, generally recommending budgets on a biennial basis but enacting appropriations before each fiscal year.] Some of these states provided data on their budget recommendations for fiscal 2025 in this survey. (See [Table A-3](#))

The three remaining biennial states — Kentucky, Virginia and Wyoming — enacted budgets in calendar year 2022 covering fiscal 2023 and fiscal 2024. In some of these states, governors proposed and states adopted revised or supplemental budgets for fiscal 2024, the second year of the biennium. Please refer to the footnotes to Table 5 for these states to learn what version of the budget was reported on by these biennial states.

State General Fund Spending

Recommended Spending for Fiscal 2024. Governors' recommended budgets call for general fund spending totaling \$1.23 trillion in fiscal 2024, which represents a modest 2.5 percent increase compared to estimated spending levels for fiscal 2023. This growth rate follows two consecutive years of double-digit percentage growth in general fund expenditures in fiscal 2022 and fiscal 2023. Overall, 32 states are projecting

general fund spending increases in fiscal 2024, while 16 states are forecasting declines and two states are forecasting flat growth. Among the states reporting projected declines in enacted general fund spending for fiscal 2024 proposed budgets, all experienced double-digit percentage growth in one or both of the preceding two fiscal years — growth which was likely driven in part by one-time expenditures using surplus funds.

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 helpful to also look at average spending growth over several years. Average annual general fund spending growth for all 50 states over three years (fiscal 2022, fiscal 2023 and fiscal 2024) is estimated at 10.2 percent, with a median average growth rate of 9.4 percent for the 50 states. This growth over three years follows much lower growth rates in fiscal 2020 and fiscal 2021, when some states reduced spending in response to the early economic impacts of the pandemic.

Estimated Spending for Fiscal 2023. Based on current estimates (or recommendations at the time of the governor's budget proposal for fiscal 2024) general fund spending in fiscal 2023 is on track to total \$1.20 trillion, a 12.6 percent increase over fiscal 2022 levels. Adjusted for inflation, this represents an increase of 4.4 percent in real terms. It should be noted that spending estimates for fiscal 2023 are considerably larger than what was projected in NASBO'S *Fall 2022 Fiscal Survey* based on states' enacted budgets. At that time, general fund spending was projected to total \$1.16 trillion. This in part reflects how states have proposed or adopted supplemental spending in fiscal 2023, including one-time expenditures supported by surplus funds resulting from revenues exceeding projections in fiscal 2022 and fiscal 2023.

Some of the growth in general fund spending for fiscal 2023 is also attributable to a shift from a reliance on federal funds to general funds in certain program areas. Additionally, while the general fund figures in this survey typically exclude federal COVID-19 assistance, at least a few states noted that their expenditures included some funds from the American

Rescue Plan Act and other federal legislation. Thus, the growth rate in spending is at least partially driven by spending from federal funds for COVID-19 relief.

Actual Spending for Fiscal 2022. This survey also collected actual general fund spending figures for fiscal 2022, which came to a total of \$1.07 trillion. This represents a 16.8 percent annual increase over fiscal 2021 levels. A number of variables contributed to the large spending increase in fiscal 2022, including states spending down surplus funds from fiscal 2021 and fiscal 2022 after experiencing double-digit percentage growth in revenues for those two consecutive years. States commonly directed these surplus dollars to one-time uses such as deposits to rainy day funds and other state funds, supplemental pension payments, paying off debt, capital investments, COVID-19-related initiatives, and other purposes. The rising level of inflation is likely another driver of the large spending increase, as states have needed to increase wages to compete for workers and spend more on goods and services. Adjusted for inflation, general fund spending in fiscal 2022 grew 8.1 percent.¹

Similar to fiscal 2023, fiscal 2022 spending was also driven in part by a shift away from relying on federal funds to general funds in some areas, as well as the inclusion of spending from federal COVID-19 aid in a few states. The lower baseline in fiscal 2021, when some states made budget cuts in response to projected revenue shortfalls at the time of budget adoption, also contributed to the high growth rate in spending in fiscal 2022. Additionally, the median growth rates in fiscal 2022 and fiscal 2023, at 11.6 percent and 9.2 percent, are considerably lower than the aggregate increases, while the median increase in fiscal 2024, at 4.0 percent, is higher than the total. This reflects how the aggregate spending changes are more heavily impacted by fluctuations in larger states.

Spending Growth by State. According to recommended budgets for fiscal 2024, 11 states are calling for general fund spending growth between 0 and 5 percent, five states expect general fund spending growth between 5 and 10 percent, 16 states are recommending growth of 10 percent or more,

¹ 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 May 25, 2023), is used for inflation adjustments. Quarterly averages are used to calculate fiscal year inflation rates

and 18 states are expecting general fund spending to stay flat or decline compared to estimated fiscal 2023 spending. Meanwhile, in fiscal 2023, nine states estimated general fund spending grew between 0 and 5 percent, 15 states saw spending increase between 5 and 10 percent, 21 states reported spending growth greater than 10 percent, and five states reported spending declines. In fiscal 2022, just over half of states (26) saw general fund spending grow 10 percent or more. Variation in spending growth by state in each year reflects the timing of one-time expenditures, demographic factors, differences in how states used and accounted for federal funds in their budgets, spending policy decisions, 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. (See Tables 2 and 6)

Spending in the Territories and District of Columbia. For the first time in the history of the *Fiscal Survey*, general fund spending, revenue and balance data are included for multiple U.S. territories — Guam, Puerto Rico, and the U.S. Virgin Islands (USVI) — as well as the District of Columbia (DC). In Fiscal 2023, Guam and DC estimate double-digit percentage growth in general fund spending, while Puerto Rico and the Virgin Islands are on track for declines compared to fiscal 2022 levels. In recommended budgets for fiscal 2024, DC and Guam forecast declines in general fund spending, while USVI expects a modest increase after the estimated drop in fiscal 2023. When including the territories and DC, general fund spending totaled \$1.09 trillion in fiscal 2022 and an estimated \$1.23 trillion in fiscal 2023, and is projected to total \$1.26 trillion in fiscal 2024 recommended budgets.²

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 2022 spending from all sources (general funds, federal funds, other state funds and bonds) is estimated to total \$2.86 trillion. While general funds have historically represented the largest category of **state** spending by fund source, federal funds surpassed them in fiscal 2021 and continued to be the largest source in fiscal 2022 due to the significant amount of federal COVID-19 aid sent to states. In fiscal 2022, federal funds comprised 38.0 percent of total state spending, with general funds at 36.6 percent, other state funds at 23.6 percent, and bonds at 1.8 percent. The program area components of total state spending for fiscal 2022 are: Medicaid, 27.6 percent; elementary and secondary education, 18.8 percent; higher education, 8.7 percent; transportation, 7.3 percent; corrections, 2.5 percent; public assistance, 1.1 percent; and all other expenditures, 34.0 percent.

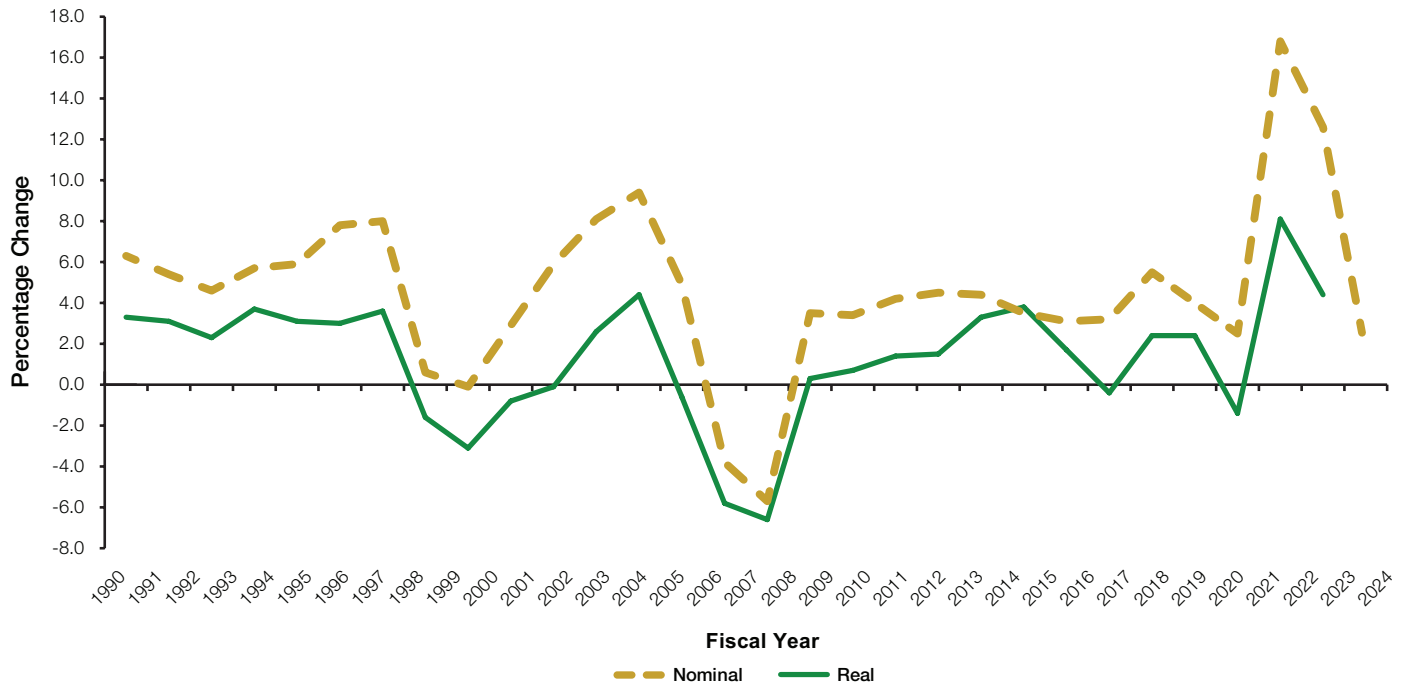
For fiscal 2022, components of general fund spending are elementary and secondary education, 34.2 percent; Medicaid, 17.3 percent; higher education, 9.2 percent; corrections, 5.5 percent; public assistance, 0.9 percent; transportation, 1.2 percent; and all other expenditures, 31.7 percent.

² Puerto Rico was not able to report on a proposed general fund spending figure for fiscal 2024. To allow for year-over-year comparisons, the fiscal 2024 general fund spending total (including territories and DC) was adjusted to include Puerto Rico's fiscal 2023 general fund spending estimate.

TABLE 1**State Nominal and Real Annual Budget Increases,
Fiscal 1979 to Fiscal 2024**

Fiscal Year	State General Fund	
	Nominal Increase	Real Increase
2024	2.5%	
2023	12.6	4.4%
2022	16.8	8.1
2021	2.5	-1.4
2020	4.0	2.4
2019	5.5	2.4
2018	3.2	-0.4
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
1979–2023 average	5.7%	1.7%

Notes: The state and local government implicit price deflator quarterly data provided by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on May 25, 2023) is used to determine real changes in state expenditures. Fiscal Year (July to June for most states) real changes are based on quarterly averages. Fiscal 2023 figures are based on the change from fiscal 2022 actuals to fiscal 2023 estimates. Fiscal 2024 figures are based on the change from fiscal 2023 estimates to fiscal 2024 recommended figures.

FIGURE 1:**Annual General Fund Spending Changes, Fiscal 1990 to Fiscal 2024 (Recommended)****TABLE 2****State General Fund Expenditure Growth, Fiscal 2022 to Fiscal 2024**

Spending Growth	Fiscal 2022 (Actual)	Fiscal 2023 (Estimated)	Fiscal 2024 (Recommended)
0% or less	7	5	18
> 0.0% but < 5.0%	10	9	11
> 5.0% but < 10.0%	7	15	5
10% or more	26	21	16

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

TABLE 3

Fiscal 2022 State General Fund, Actual (Millions)

State/Territory	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	\$1,821	\$13,197	\$0	\$15,018	\$10,654	\$941	\$3,423	\$1,429
Alaska*	0	3,929	3,069	6,998	5,422	938	639	2,626
Arizona	895	16,704	0	17,599	12,890	0	4,709	982
Arkansas*	0	7,447	0	7,447	5,849	0	1,598	1,212
California*	38,334	221,449	13,805	273,588	222,280	-1,405	52,713	76,217
Colorado* **	3,182	17,698	71	20,951	17,829	-80	3,202	1,612
Connecticut*	0	21,991	0	21,991	20,731	-1	1,261	3,313
Delaware**	1,833	5,830	0	7,663	5,058	0	2,605	280
Florida*	13,802	44,435	5,814	64,050	38,136	3,111	22,803	2,730
Georgia* **	6,671	34,935	257	41,863	28,387	1,191	12,285	5,240
Hawaii	1,250	10,212	0	11,461	8,842	0	2,619	326
Idaho*	890	6,198	-1,349	5,738	4,418	-13	1,334	883
Illinois* **	975	50,334	698	52,007	48,332	1,613	2,062	752
Indiana*	2,621	21,443	0	24,064	18,415	1,142	4,508	1,617
Iowa*	0	9,803	234	10,037	8,123	0	1,914	830
Kansas*	2,095	7,916	20	10,031	8,196	0	1,835	969
Kentucky*	1,516	14,832	803	17,152	13,156	2,117	1,878	1,034
Louisiana*	699	12,899	214	13,812	12,730	356	727	721
Maine*	155	5,392	197	5,744	4,074	1,637	34	907
Maryland*	3,239	24,045	-854	26,429	21,199	-268	5,499	1,662
Massachusetts* **	12,099	46,305	24,009	82,413	40,204	24,009	18,200	6,938
Michigan*	4,363	14,709	0	19,072	11,428	180	7,464	1,589
Minnesota* **	7,026	30,317	313	37,655	24,686	0	12,969	3,252
Mississippi*	11	7,387	0	7,397	5,766	1,627	4	558
Missouri*	2,354	12,881	131	15,366	10,467	0	4,899	772
Montana	720	3,891	-13	4,598	2,748	-4	1,854	118
Nebraska*	1,849	6,349	-1,032	7,166	4,672	0	2,494	928
Nevada*	1,041	5,537	150	6,727	4,537	349	1,842	340
New Hampshire*	0	1,991	0	1,991	1,607	131	253	160
New Jersey*	6,885	52,135	1,535	60,554	52,235	0	8,319	0
New Mexico* **	2,505	8,773	2,549	13,826	8,514	2,081	3,231	3,230
New York* **	9,161	91,880	20,930	121,971	84,418	4,500	33,053	3,319
North Carolina*	6,313	33,209	20	39,542	25,793	6,583	7,166	3,116
North Dakota*	1,122	2,390	205	3,718	2,741	18	959	717
Ohio*	4,722	28,763	6	33,490	26,943	0	6,547	2,706
Oklahoma*	1,137	9,590	0	10,727	7,442	963	2,323	1,453
Oregon*	4,082	14,944	-25	19,002	13,652	221	5,129	1,598
Pennsylvania*	0	44,293	2,695	46,988	39,351	2,100	5,537	4,969
Rhode Island*	374	5,204	-4	5,575	5,240	125	210	279
South Carolina* **	3,615	13,654	-565	16,705	9,596	243	6,866	1,847
South Dakota*	86	2,155	13	2,254	2,047	91	116	307
Tennessee*	4,518	21,452	-747	25,223	15,759	2,032	7,432	1,550
Texas	11,235	76,473	0	87,708	61,465	0	26,243	10,615
Utah*	1,728	11,524	426	13,678	10,254	205	3,220	1,187
Vermont*	104	2,356	0	2,459	2,333	-51	177	266
Virginia*	1,890	29,263	0	31,153	26,420	0	4,733	2,647
Washington*	3,674	30,025	-235	33,464	27,969	0	5,495	335
West Virginia*	679	5,888	183	6,750	4,740	15	1,994	957
Wisconsin*	2,581	20,548	633	23,762	19,377	86	4,299	1,734
Wyoming*	0	1,262	281	1,543	1,543	0	0	1,478
Total (50-State)	\$175,851	\$1,185,836		\$1,436,122	\$1,068,668		\$310,676	\$164,305
District of Columbia*	3,599	11,127	3,623	18,348	11,287	2,169	4,892	746
Guam*	30	869	(86)	812	680	15	117	15
Puerto Rico* **	0	14,744	0	14,744	11,329	0	3,415	304
U.S. Virgin Islands*	152	913	253	1,318	1,307	0	11	16
Total (50-State plus DC, territories)	\$179,631	\$1,213,488		\$1,471,344	\$1,093,272		\$319,111	\$165,386

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 2023 State General Fund, Estimated (Millions)

State/Territory	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Alabama*	\$3,423	\$13,367	\$0	\$16,790	\$11,358	\$50	\$5,383	\$1,586
Alaska*	0	3,619	3,911	7,530	5,648	2,100	-218	2,060
Arizona	4,709	13,736	0	18,446	15,512	0	2,934	1,427
Arkansas*	0	6,622	0	6,622	6,024	0	598	1,363
California*	52,713	208,240	643	261,597	240,076	0	21,521	47,740
Colorado* **	3,202	16,973	25	20,199	17,890	-151	2,461	1,992
Connecticut*	0	23,282	0	23,282	21,827	18	1,437	3,343
Delaware**	2,605	6,240	0	8,845	5,716	0	3,129	316
Florida*	22,803	46,352	0	69,156	53,808	4,577	10,770	3,140
Georgia* **	12,285	30,647	349	43,282	30,997	0	12,285	N/A
Hawaii*	2,619	10,873	-238	13,254	10,643	131	2,481	973
Idaho*	1,334	5,868	-2,270	4,931	4,652	69	211	1,100
Illinois* **	2,062	50,596	763	53,421	50,951	364	2,106	1,926
Indiana*	4,508	20,982	0	25,490	19,829	3,852	1,809	2,264
Iowa*	0	9,615	197	9,813	8,204	6	1,603	895
Kansas	1,835	8,887	0	10,722	9,240	0	1,481	1,484
Kentucky*	1,878	15,309	2,120	19,307	14,429	3,065	1,814	3,600
Louisiana*	727	11,965	405	13,096	11,441	0	1,655	722
Maine*	34	5,041	111	5,186	4,447	717	22	907
Maryland*	5,499	23,739	1,258	30,496	28,351	-171	2,316	2,916
Massachusetts* **	18,200	45,468	18,954	82,622	50,268	18,954	13,400	8,513
Michigan*	7,464	13,168	0	20,632	17,529	200	2,903	1,888
Minnesota* **	12,969	29,855	197	43,021	26,968	0	16,053	3,568
Mississippi*	4	6,987	0	6,992	6,296	696	0	579
Missouri*	4,899	13,061	159	18,119	13,001	0	5,118	887
Montana*	1,854	3,677	0	5,531	5,031	0	501	118
Nebraska*	2,494	6,445	-1,956	6,983	5,126	583	1,275	1,688
Nevada*	1,842	5,669	59	7,569	6,353	608	608	904
New Hampshire*	253	1,949	0	2,202	1,618	584	0	254
New Jersey* **	8,319	53,504	1,671	63,494	53,968	0	9,526	1,603
New Mexico* **	3,230	10,039	1,835	15,105	10,041	2,226	2,838	2,839
New York* **	33,053	103,893	-3,531	133,415	92,141	2,350	38,924	6,468
North Carolina*	7,166	33,760	771	41,697	27,902	9,784	4,010	4,750
North Dakota*	959	2,220	345	3,524	2,252	0	1,272	602
Ohio*	6,547	28,744	-96	35,195	29,189	0	6,006	3,479
Oklahoma*	2,323	9,961	0	12,283	8,936	453	2,894	1,675
Oregon*	5,129	13,940	-232	18,837	14,209	0	4,628	2,051
Pennsylvania*	5,537	43,927	-494	48,970	42,770	-1,658	7,858	5,117
Rhode Island*	210	5,211	100	5,521	4,976	295	250	271
South Carolina* **	6,866	12,469	-189	19,146	13,179	1,184	4,783	1,999
South Dakota*	116	2,269	8	2,393	2,277	116	0	220
Tennessee*	7,432	22,542	-804	29,170	20,971	3,143	5,057	1,800
Texas*	26,243	80,510	96	106,849	74,163	10,921	21,764	13,717
Utah*	3,220	11,648	28	14,896	12,087	0	2,808	1,187
Vermont*	177	2,290	0	2,468	2,046	47	375	288
Virginia*	4,733	28,459	0	33,192	31,742	0	1,450	3,801
Washington*	5,495	30,949	-1,602	34,842	31,434	0	3,408	651
West Virginia*	1,994	4,645	-9	6,630	4,689	0	1,941	1,015
Wisconsin*	4,299	21,353	712	26,364	19,777	-511	7,099	1,734
Wyoming*	0	1,341	434	1,775	1,775	0	0	1,491
Total (50-State)	\$305,261	\$1,181,905		\$1,510,897	\$1,203,752		\$242,544	\$154,913
District of Columbia*	4,892	12,975	0	17,868	13,388	0	4,480	553
Guam*	117	855	(84)	888	824	15	49	30
Puerto Rico* **	0	14,106	0	14,106	11,192	0	2,914	77
U.S. Virgin Islands*	11	910	250	1,171	1,109	0	62	21
Total (50-State plus DC, territories)	\$310,282	\$1,210,752		\$1,544,930	\$1,230,266		\$250,049	\$155,595

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 2024 State General Fund, Recommended* (Millions)**

State/Territory	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance	Date
Alabama*	\$5,383	\$13,772	\$0	\$19,155	\$11,537	\$0	\$7,618	\$1,771	Mar-23
Alaska*	0	2,731	3,537	6,268	4,925	2,246	-903	1,182	Mar-23
Arizona	2,934	14,721	0	17,655	17,132	250	273	1,697	Jan-23
Arkansas*	0	6,593	0	6,593	6,593	0	0	1,363	Nov-22
California*	21,521	207,439	2,735	231,695	223,614	0	8,081	35,577	Jan-23
Colorado**	2,461	16,696	27	19,183	16,981	0	2,202	2,174	Mar-23
Connecticut*	0	22,380	0	22,380	22,035	0	345	3,359	Feb-23
Delaware**	3,129	6,022	0	9,151	6,706	0	2,445	326	Jan-23
Florida*	10,770	41,423	0	52,193	45,294	0	6,900	3,440	Feb-23
Georgia**	12,285	30,784	N/A	43,069	30,784	0	12,285	N/A	Jan-23
Hawaii*	2,481	10,918	0	13,398	11,117	500	1,781	1,502	Feb-23
Idaho*	211	5,547	-351	5,406	5,186	0	220	1,162	Jan-23
Illinois**	2,106	49,944	0	52,050	49,857	-774	2,967	2,064	Feb-23
Indiana*	1,809	21,652	0	23,462	21,760	978	724	2,272	Jan-23
Iowa*	0	9,626	854	10,480	8,482	0	1,998	963	Jan-23
Kansas	1,481	9,994	0	11,476	9,491	0	1,984	1,514	Jan-23
Kentucky*	265	15,220	4,119	19,605	14,257	4,114	1,234	4,800	Apr-23
Louisiana*	0	11,442	0	11,442	11,442	0	0	904	Feb-23
Maine*	22	5,186	21	5,229	5,068	155	7	907	Jan-23
Maryland*	2,316	25,090	364	27,769	26,994	-45	820	2,510	Jan-23
Massachusetts**	13,400	46,447	15,822	75,670	46,497	15,822	13,351	9,143	Mar-23
Michigan*	2,903	12,984	0	15,887	14,956	0	931	1,997	Feb-23
Minnesota**	15,702	25,342	130	41,174	34,846	0	6,327	3,202	Mar-23
Mississippi*	0	7,524	0	7,524	6,352	151	1,021	N/A	Nov-22
Missouri*	5,118	13,153	174	18,445	14,390	0	4,054	894	Jan-23
Montana*	501	2,929	0	3,429	2,792	0	637	300	Dec-23
Nebraska*	1,275	6,475	-2,181	5,568	5,126	170	273	1,622	Jan-23
Nevada*	608	5,628	59	6,295	5,950	11	335	1,218	Jan-23
New Hampshire*	0	1,945	0	1,945	1,764	134	47	254	Feb-23
New Jersey**	9,526	53,228	-254	62,500	52,485	0	10,015	1,603	Feb-23
New Mexico**	3,660	11,495	937	16,092	12,001	809	3,282	3,282	Jan-23
New York**	38,924	103,761	-46	142,639	104,683	2,250	35,706	6,468	Mar-23
North Carolina*	4,010	34,148	1,084	39,242	32,950	5,276	1,016	4,550	Mar-23
North Dakota*	1,272	2,289	200	3,761	3,019	0	742	602	Dec-22
Ohio*	6,006	29,340	-102	35,245	34,361	0	885	3,525	Feb-23
Oklahoma*	2,894	10,163	698	13,756	9,958	1,000	2,797	2,675	Feb-23
Oregon*	4,628	11,271	-26	15,872	14,848	0	1,024	2,330	Mar-23
Pennsylvania*	7,858	43,229	-1,052	50,035	44,397	0	5,638	5,271	Mar-23
Rhode Island*	250	5,275	-221	5,305	5,303	0	2	276	Jan-23
South Carolina**	4,783	12,164	-651	16,297	13,023	209	3,065	1,630	Jan-23
South Dakota*	0	2,200	0	2,200	2,200	0	0	220	Dec-22
Tennessee*	5,057	22,685	-801	26,941	25,046	1,819	77	2,050	Feb-23
Texas*	21,764	81,117	-11,478	91,403	88,938	0	2,465	27,100	Jun-23
Utah*	2,794	11,798	-129	14,463	13,286	0	1,178	1,187	Dec-22
Vermont*	375	2,128	0	2,503	2,316	187	0	358	Jan-23
Virginia*	1,450	28,425	0	29,875	29,027	0	848	4,245	Apr-23
Washington*	3,408	30,895	-389	33,915	32,769	0	1,145	983	Dec-22
West Virginia*	1,941	4,884	0	6,825	4,884	0	1,941	1,025	Jan-23
Wisconsin*	7,099	21,731	716	29,545	24,228	3,409	1,908	N/A	Feb-23
Wyoming*	0	1,341	434	1,775	1,775	0	0	1,491	Nov-22
Total (50-State)	\$236,379	\$1,173,174		\$1,423,784	\$1,233,424		\$151,690	\$158,987	
District of Columbia*	4,480	12,070	0	16,550	12,873	0	3,677	640	Mar-23
Guam*	49	879	(84)	843	779	16	49	46	Jan-23
Puerto Rico**	N/A	N/A	0	N/A	N/A	0	N/A	N/A	N/A
U.S. Virgin Islands*	62	930	214	1,206	1,150	0	56	26	May-23
Total (50-State plus DC, territories)****	\$240,970	\$1,201,159		\$1,442,382	\$1,259,417		\$155,471	\$159,699	

NOTES: N/A indicates data are not available. Date listed above reflects date budget was recommended and/or the date of projections shown for fiscal 2024. See footnotes to this table for more details. *See Notes to Table 5 on page 31. **In these states, the ending balance includes the balance in the rainy day fund. ***For some states, fiscal 2024 data in this survey reflect enacted budget information. ****Puerto Rico was not able to report on proposed general fund figures for fiscal 2024; to allow for year-over-year comparisons, the total revenue and expenditure amounts (including DC and territories) have been adjusted to include Puerto Rico's fiscal 2023 general fund revenue and spending estimates.

TABLE 6**General Fund Nominal Percentage Expenditure Changes,
Fiscal 2022 to Fiscal 2024**

State/Territory	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	9.5%	6.6%	1.6%
Alaska	16.9	4.2	-12.8
Arizona	-5.2	20.3	10.4
Arkansas	-0.9	3.0	9.4
California	37.1	8.0	-6.9
Colorado	33.8	0.3	-5.1
Connecticut	3.4	5.3	1.0
Delaware	12.0	13.0	17.3
Florida	5.1	41.1	-15.8
Georgia	12.8	9.2	-0.7
Hawaii	1.0	20.4	4.5
Idaho	6.5	5.3	11.5
Illinois	11.1	5.4	-2.1
Indiana	3.8	7.7	9.7
Iowa	4.0	1.0	3.4
Kansas	12.8	12.7	2.7
Kentucky	14.3	9.7	-1.2
Louisiana	22.9	-10.1	0.0
Maine	4.6	9.2	14.0
Maryland	12.1	33.7	-4.8
Massachusetts	30.8	25.0	-7.5
Michigan	14.4	53.4	-14.7
Minnesota	4.4	9.2	29.2
Mississippi	3.7	9.2	0.9
Missouri	6.9	24.2	10.7
Montana	1.8	83.1	-44.5
Nebraska	3.2	9.7	0.0
Nevada	-0.7	40.0	-6.4
New Hampshire	0.1	0.7	9.0
New Jersey	16.5	3.3	-2.7
New Mexico	-4.4	17.9	19.5
New York	13.9	9.1	13.6
North Carolina	7.6	8.2	18.1
North Dakota	16.1	-17.9	34.1
Ohio	15.4	8.3	17.7
Oklahoma	13.1	20.1	11.4
Oregon	19.2	4.1	4.5
Pennsylvania	15.7	8.7	3.8
Rhode Island	28.5	-5.0	6.6
South Carolina	14.3	37.3	-1.2
South Dakota	8.4	11.3	-3.4
Tennessee	9.1	33.1	19.4
Texas	20.7	20.7	19.9
Utah	20.5	17.9	9.9
Vermont	33.9	-12.3	13.2
Virginia	16.3	20.1	-8.6
Washington	12.7	12.4	4.2
West Virginia	-0.7	-1.1	4.2
Wisconsin	-0.7	2.1	22.5
Wyoming	0.0	15.0	0.0
Total	16.8%	12.6%	2.5%
Median	11.6%	9.2%	4.0%
District of Columbia	N/A	18.6	-3.8
Guam	N/A	21.2	-5.5
Puerto Rico	N/A	-1.2	N/A
U.S. Virgin Islands	N/A	-15.1	3.7

Fiscal 2022 reflects changes from fiscal 2021 expenditures (actual) to fiscal 2022 expenditures (actual). Fiscal 2023 reflects changes from fiscal 2022 expenditures (actual) to fiscal 2023 expenditures (estimated). Fiscal 2024 reflects changes from fiscal 2023 expenditures (estimated) to fiscal 2024 expenditures (recommended).

Mid-Year Spending Actions for Fiscal 2023

Mid-year spending actions refer to any actions, whether authorized by the legislature (appropriation) or the executive branch (e.g., executive order, withholding of excess funds), that changes the appropriated or authorized expenditure level compared to the original enacted budget. This survey looks at mid-year actions recommended or adopted in fiscal 2023.

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*, followed by fairly minimal budget cuts in fiscal 2021 and no reductions due to a shortfall in fiscal 2022. In fiscal 2023, five states reported proposed or enacted net reductions in general fund spending compared to originally enacted budgets. However, only one out of these five states attributed the cuts to a revenue shortfall. (See *Figure 2*) The other states attributed decreases to lower spending needs or to cases where federal assistance (such as the enhanced Federal Medical Assistance Percentage, or FMAP, which was extended longer than anticipated in enacted budgets) was able to be used in place of general funds.

Meanwhile, 23 states reported net mid-year increases in general fund spending proposed or approved for fiscal 2023. (See *Table 7*) For the states that reported net mid-year increases in general fund spending, these included supplemental appropriations for fiscal 2023 to address additional spending needs, as well as one-time uses of surplus funds such as taxpayer refunds and paying off debt. The net impact of states' reported mid-year budget changes for fiscal 2023 was a \$10.5 billion increase. Note that this figure does not account for the entire gap between the amount of general fund spending projected for fiscal 2023 in enacted budgets (as reported in NASBO's *Fall 2022 Fiscal Survey*) and current spending estimates for fiscal 2023 reported in this survey, due to a combination of factors (how some biennial budget states report, how states define "mid-year spending actions," etc.).

Budget Gaps

In this survey, just two states reported closing general fund budget gaps in fiscal 2023 totaling \$1.6 billion, while two states reported ongoing gaps for fiscal 2023 totaling \$0.4 billion. Prior to gubernatorial budget recommendations, seven states reported forecasted budget gaps for fiscal 2024 totaling \$4.3 billion and six states were forecasting a combined \$8.0 billion in budget gaps for fiscal 2025.

When interpreting NASBO data on budget gaps, it is important to note that states vary greatly in how they define and measure budget gaps, and not all states have a formal process to identify and report gaps. Moreover, budget gap projections are moving targets and can change over the course of the fiscal year.

Budget Management Strategies for Fiscal 2023 (Mid-Year) and Fiscal 2024

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. Given strong fiscal conditions in most states, budget management strategies reported in this survey were once again fairly minimal and targeted.

Strategies for Fiscal 2023 Mid-Year/Post-Enacted. States reported on the strategies used or recommended to manage their budgets in the middle of fiscal 2023, post-enactment. Six states reported making targeted cuts while one state reported across-the-board cuts. Another way to reduce spending is through personnel actions — in that regard, just three states imposed hiring freezes and/or eliminated vacant positions, while no states implemented furloughs, salary reductions, layoffs, or early retirement incentives. Very few states reported utilizing one-time measures to manage their budgets in the middle of the year. The most commonly reported budget strategy used in the middle of fiscal 2023 was prior-year fund balances, given how many states were left with large surpluses in fiscal 2022, as well as other state fund transfers. (See *Table 8*)

Strategies Recommended for Fiscal 2024. States were also asked to identify the strategies recommended in governors' budgets for fiscal 2024. Similar to fiscal 2023, budget management strategies were used to a lesser extent in fiscal 2024 given improved state fiscal conditions. In six states, governors recommended targeted spending reductions, while five states reported hiring freezes and/or eliminating vacant positions in fiscal 2023. Ten states reported recommending the use of their prior-year fund balances and eight states reported recommending other fund transfers. Some states also reported using rainy day funds to manage their budgets (note that some states interpreted this to include depositing excess funds into these reserves, as mentioned in footnotes). States provided more details about budget management strategies used in footnotes to both tables. *(See Table 9)*

Changes to Employee Compensation, Fiscal 2024 Recommended

Thirty-three states, the District of Columbia (DC), and Guam reported proposed across-the-board (ATB) pay increases for at least some employee categories in fiscal 2024. Similar to the circumstances last year when states adopted budgets for fiscal 2023, a tight labor market, high inflation, and strong state fiscal conditions continued to keep the number of states proposing across-the-board pay increases elevated. Among those states that reported an average percentage ATB increase, the rate of increases ranged from 2.0 to 10.0 percent, with a median pay raise of 5.0 percent. Additionally, 14 states, DC and the U.S. Virgin Islands proposed at least some merit increases. Some states also proposed other modifications to employee compensation in fiscal 2024 including one-time bonuses, longevity payments or step increases, and targeted salary increases for certain employee groups. Not all states had information on proposed compensation changes available to share at the time of data collection, and in some cases these are contingent on ongoing collective bargaining negotiations. *(See Table 10)*

TABLE 7

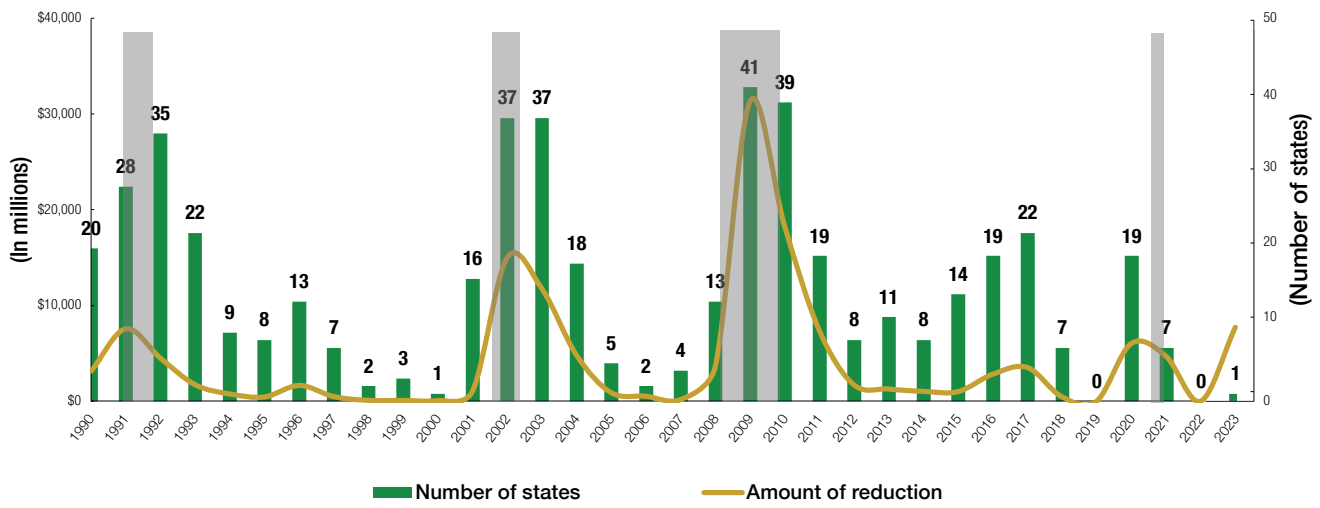
Fiscal 2023 Mid-Year / Post-Enacted Spending Actions (Recommended or Enacted)

State/Territory	Total (in millions)	For Decreases Only: Due to a Revenue Shortfall?	Programs or Expenditures Exempted from Cuts (if applicable)
Alabama	\$3,036.2		
Alaska*	102.6		
Arizona			
Arkansas			
California*	-7,716.7	Yes	
Colorado			
Connecticut			
Delaware			
Florida			
Georgia	2,363.3		
Hawaii*	-673.6	No	Higher education, debt service, employee retirement and health benefits are exempt.
Idaho			
Illinois	3,752.0		
Indiana*	1,009.2		
Iowa			
Kansas*	71.0		
Kentucky	171.3		
Louisiana	404.9		
Maine	108.2		
Maryland	281.6		
Massachusetts	388.7		
Michigan*	2,424.0		
Minnesota*	351.1		
Mississippi			
Missouri*	598.2		
Montana			
Nebraska	31.7		
Nevada			
New Hampshire			
New Jersey*	2,257.6		
New Mexico			
New York			
North Carolina			
North Dakota			
Ohio			
Oklahoma			
Oregon	2,415.0		
Pennsylvania*	-1,658.0	No	
Rhode Island	224.4		
South Carolina			
South Dakota	216.0		
Tennessee*	393.0		
Texas			
Utah	463.1		
Vermont	13.5		
Virginia	491.9		
Washington	-962.0	No	
West Virginia			
Wisconsin	-21.3	No	
Wyoming			
Total	\$10,536.9		
Increases	23		
Decreases	5		
District of Columbia			
Guam*	101		
Puerto Rico*			
U.S. Virgin Islands			

NOTE: *See Notes to Table 7 at the end of the chapter.

FIGURE 2:

Budget Cuts Made After the Budget Passed, Fiscal 1990 to Fiscal 2023



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

Strategies Used to Manage Budget, Fiscal 2023 (Mid-Year / Post-Enacted)

State/Territory	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									
Delaware									
Florida									
Georgia									
Hawaii		X							
Idaho*									
Illinois									
Indiana*									
Iowa									
Kansas*									
Kentucky									
Louisiana*								X	
Maine*									
Maryland									
Massachusetts*									
Michigan									
Minnesota									
Mississippi									
Missouri									
Montana									
Nebraska*									
Nevada									
New Hampshire									
New Jersey*									
New Mexico*									
New York									
North Carolina									
North Dakota									
Ohio									
Oklahoma									
Oregon									
Pennsylvania*		X							
Rhode Island*									
South Carolina									
South Dakota		X							
Tennessee*									
Texas*	X								
Utah									
Vermont		X							
Virginia									
Washington*									
West Virginia*									
Wisconsin									
Wyoming									
Total	1	6						3	
District of Columbia		X							
Guam*									
Puerto Rico*									
U.S. Virgin Islands									

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

Table 8 continues on next page.

TABLE 8 (CONTINUED)

Strategies Used to Manage Budget, Fiscal 2023 (Mid-Year / Post-Enacted)

State/Territory	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						
Arizona										
Arkansas									X	
California*					X		X			X
Colorado*										
Connecticut										
Delaware										
Florida										
Georgia										
Hawaii						X				
Idaho*										
Illinois										
Indiana*					X					X
Iowa										
Kansas*				X						
Kentucky										
Louisiana*										
Maine*					X	X			X	
Maryland										
Massachusetts*						X				X
Michigan										
Minnesota										
Mississippi										
Missouri										
Montana										
Nebraska*				X	X					
Nevada										
New Hampshire										
New Jersey*				X	X					
New Mexico*										
New York										
North Carolina										
North Dakota										
Ohio										
Oklahoma										
Oregon										
Pennsylvania*		X				X				
Rhode Island*					X	X				
South Carolina										
South Dakota				X						
Tennessee*										X
Texas*										
Utah										
Vermont						X				
Virginia										
Washington*										
West Virginia*										
Wisconsin										
Wyoming										
Total		2		5	6	6	1		2	4
District of Columbia										
Guam*					X	X		X		
Puerto Rico*										
U.S. Virgin Islands					X		X			

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

TABLE 9

Strategies Used to Manage Budget, Fiscal 2024 Recommended

State/Territory	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	
Arizona									
Arkansas								X	
California*		X							
Colorado*									
Connecticut									
Delaware									
Florida*									X
Georgia									
Hawaii									
Idaho									
Illinois									
Indiana									
Iowa									
Kansas*									
Kentucky									
Louisiana*								X	
Maine*									
Maryland		X							
Massachusetts*									
Michigan									
Minnesota									
Mississippi									
Missouri									
Montana									
Nebraska*									
Nevada									
New Hampshire*									
New Jersey*									
New Mexico									
New York*									
North Carolina*									
North Dakota*									X
Ohio									
Oklahoma									
Oregon*		X						X	
Pennsylvania		X						X	
Rhode Island*									
South Carolina*									X
South Dakota		X							
Tennessee*									
Texas*									
Utah									
Vermont		X							
Virginia									
Washington									
West Virginia									
Wisconsin									
Wyoming									
Total		6						5	3
District of Columbia		X						X	
Guam									
Puerto Rico*									
U.S. Virgin Islands*									

NOTE: *See Notes to Table 9 at the end of the chapter.

Table 9 continues on next page.

TABLE 9 (CONTINUED)

Strategies Used to Manage Budget, Fiscal 2024 Recommended

State/Territory	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						
Arizona										
Arkansas		X							X	
California*					X		X	X		X
Colorado*										X
Connecticut										
Delaware										
Florida*				X	X					
Georgia										
Hawaii						X				
Idaho										
Illinois										
Indiana										
Iowa										
Kansas*					X				X	
Kentucky										
Louisiana*										
Maine*					X	X			X	X
Maryland										
Massachusetts*						X				X
Michigan										
Minnesota										
Mississippi										
Missouri										
Montana										
Nebraska*				X	X				X	X
Nevada										
New Hampshire*						X				
New Jersey*					X				X	
New Mexico										
New York*						X				X
North Carolina*				X		X		X	X	
North Dakota*				X						
Ohio										
Oklahoma										
Oregon*				X	X	X				
Pennsylvania					X	X				
Rhode Island*		X		X		X		X	X	
South Carolina*				X						
South Dakota										
Tennessee*										X
Texas*										
Utah										
Vermont						X				
Virginia										
Washington										
West Virginia		X		X						
Wisconsin										
Wyoming										
Total		4		9	8	10	1	3	7	7
District of Columbia					X	X				
Guam					X					
Puerto Rico*										
U.S. Virgin Islands*		X			X					X

NOTE: *See Notes to Table 9 at the end of the chapter.

TABLE 10

Recommended Changes in State Employee Compensation, Fiscal 2024

State/Territory	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
Alabama	2.0	5.0		A COLA was proposed by the Governor for FY24 and has been included but is still pending legislative action.
Alaska		3.3	5.0	3.25% Merit steps are received by most state employees annually for their first 6 years and bi-annually thereafter. Mission Critical Incentive Pay was offered to maintenance and operations employees across the state to address recruitment and retention issues. Hiring/retention bonuses were offered to teachers across the state due to high number of vacant positions/turnover.
Arizona			8.0-15.0	Targeted pay raises for nursing staff, caseworkers that work with children and at-risk adults, probation officers, and other job classes that experienced equity in pay issues.
Arkansas				Proposed compensation package has not been released at this time.
California	3.9	See note		Across-the-board percentage reflects the weighted average general salary increase received by state civil service employees covered by currently bargained contracts. Merit increases and other pay adjustments are provided based on individual eligibility.
Colorado	5.0			FY 2023–24 was the second year of the Partnership Agreement — which was amended in November 2022 to create a step plan starting in FY 2024-25.
Connecticut	2.5	See note		Merit increases vary based on employee classification, years of service, and performance and are typically between 0% and 3%.
Delaware		3.0		Pay scale adjustment for merit plans; 3% increase for all other state employees in addition to annual step increases. Includes 43 collective bargaining units.
Florida	5.0			In addition to the statewide 5% increase, the Governor's Recommended Budget for Fiscal Year 2023-2024 proposed the following pay adjustments: a pay increase of up to 10%, for recruitment and retention for hard-to-hire positions such as nurses, auditors, laboratory technicians, paralegals, attorneys, finance and budget, accountants and information technology. An increase for correctional officers to \$47,840 (\$23/hr) at the Department of Corrections. Also, proposed a retention plan for correctional and probation officers and pay increase for maintenance staff at the Department of Corrections. A 3% pay increase for state attorneys and a compression pay plan increase for assistant state attorneys. An increase to the minimum base pay for law enforcement officers to \$55,000 and retention pay plan increase based on years of service. A pay increase for Administrative Law Judges, Deputy Chief Judge of Compensation Claim, and the Director of Administration at to \$172,000. A pay adjustment for child protective investigators and comprehensive eligibility services positions at the Department of Children and Families; recruitment and retention pay increase for eligible employees of Central Intake, Customer Contact Center, and Hotels and Restaurants Compliance and Enforcement programs at the Department of Business and Professional Regulation.
Georgia	3.0			Compensation package for FY 2024 included an across the board pay raise of \$2,000 per state employee calculated based on 3% of median state employee pay.
Hawaii	4.5		0.4	Only certain bargaining units receive step increases and generally only a portion of those employees will be eligible in any given year.
Idaho		4.0	6.0	The recommended CEC is a 4% based on merit for all permanent employees and a 6% salary adjustment for specific public safety classifications. The recommendation includes a shift up in the core salary structure by an average of 8.5% and the additional of a new pay structure for public safety classifications.
Illinois				The current contract between the state and our employee unions is being negotiated. The current contract will expire June 30th, 2023. This information will be provided once that contract is in place.
Indiana			14.5	Starting in the summer of 2022, Indiana's State Personnel Department conducted a comprehensive compensation study for the 33,175 employees of the State. The results of that study led to salary changes in November for various job classifications. On average, the statewide salary increase was 14.5%, but the percentages ranged from 0%-34.5% depending on the job classification and the results of the study.
Iowa	See note	See note		All AFSCME (except for public safety units) IUP and Judicial PPME have a 3.0% ATB for FY2024. Merit increases may be granted up to 3.0% based on performance reviews for these bargaining units. SPOC has a 6.5% ATB and merit increases up to 4.5% with AFSCME Public Safety Unit having a 5.0% ATB and merit increase of up to 6.0%. ATB and merit increases have not been decided for non-contract state employees at this time.
Kansas	5.0		See note	After the 5% ATB raise is implemented, employees whose pay rate is more than 5% below the average market rate for that job classification will get an additional increase to bring the rate to 5% below average market rate.
Kentucky	6.0		See note	Separately, targeted salary increases for correctional officers, nurses, public defenders were also included in the budget.
Louisiana		2.0 - 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		4.0		All employees do receive step increases annually providing performance meets expectations and employee is not at top step in the assigned pay grade. The steps are built into the salary schedule and the % increase between steps is not consistent, generally however it averages about 4% per step.
Maryland	2.0	2.5		Non-law enforcement employees will receive a 2% COLA increase on July 1 as well as a merit-based increment. Law enforcement officers negotiated a COLA of 5% and a merit-based increment.
Massachusetts	N/A	N/A	N/A	Various collectively bargained contracts have expired. Parameters for upcoming contracts are under development.
Michigan	2.0			
Minnesota	TBD		3.5	Only about 49% are eligible for an "other" or Step Increase. The amount of employees has increased at the top of the range, making them ineligible for a step increase
Mississippi				
Missouri	8.7			All state employees received 8.7% pay increase beginning March 1, 2023.
Montana	4.0			Effective July 1, 2023.

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

Table 10 continues on next page.

TABLE 10 (CONTINUED)

Recommended Changes in State Employee Compensation, Fiscal 2024

State/Territory	Across-the-Board (percent)	Merit (percent)	Other (percent)	Notes
Nebraska	5.0	2.0		Targeted special wage adjustments 10-20% plus 2% merit.
Nevada				
New Hampshire	10.0			Step increases in accordance with CBA, if employee is not at maximum step.
New Jersey	See note			Although the STNCOA and STSOA union contracts have settled through fiscal year 2025, all of the remaining contracts will have expired on or before June 30, 2023. The fiscal 2024 recommendation includes funding to support one 2% ATB increase anticipated in July 2023 for all of the union contracts that will be expired, as well as one 2.75% ATB increase in July 2023 for STNCOA and STSOA pursuant to the settled contracts. 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	4.0			
New York	3.0			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 has commenced labor negotiations with several unions for successor contracts. The State also reached an agreement with CSEA for a five-year term covering FY 2022 through FY 2026. The agreement provides annual 2 percent salary increases in FY 2022 and FY 2023, and annual 3 percent salary increases in FY 2024 through FY 2026. The Judiciary has contracts in place with all 12 unions represented within its workforce consistent with the terms of the CSEA agreement. 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	5.0	3.0	See note	The merit pay is a 3.0% reserve for labor market adjustment rates. The other category reflects a change to the State's Longevity Pay system. This pay typically begins after the 10th year of service. The recommended budget begins it after the second year. The total increase to an employees pay for longevity would be 4.5% after 25 years. In addition the Governor recommends bonus of \$1,000 for those over \$75,000 in salary and \$1,500 for those under \$75,000.
North Dakota	6.0			The increase is across the board, but it is technically to be based on merit.
Ohio	3.0			
Oklahoma				No change proposed.
Oregon			See note	The Governor's Budget sets aside \$320 Million for standard State Employee Compensation increases in the 2023-25 biennium and an additional \$130 million for State Workforce Retention and Recruitment Efforts. The breakout of how the state employee compensation funds will be allocated will be negotiated through discussions with the state's labor unions.
Pennsylvania	N/A	N/A	N/A	The current contract with the largest union in Pennsylvania ends 6/30/23, and the new contract is currently being negotiated.
Rhode Island	2.5			FY 2024 represents the final year of a four-year labor agreement for State Employees. In addition, both Rhode Island's Public Safety Cabinet Level Agencies (State Troopers and Correctional Officers) finalized their contracts including 2.5% annual COLA's for each of the four contract years, however these two groups also included changes to their classification schedules, notably increasing the base salary for those Correctional Officers at year one along with adding new "senior" level positions/salaries in between existing ranks to help with retention efforts (State Police and Correctional Officers.)
South Carolina				None per Governor's Budget
South Dakota	5.0	12.0		Merit pay is estimated to impact approximately 60% of permanent employees.
Tennessee	5.0			The 5% is a pay for performance pool for executive branch agencies and across-the-board pay for others. Additionally, there are market rate adjustments for certain agency/job classes.
Texas	5.0			
Utah	5.0	2.5	4.7	The 4.7% of Other includes an equivalent of 3.75% for below-market positions plus additional increases for child and family services, dispatchers, attorneys, and corrections pay plan.
Vermont	2.0			
Virginia	5.0			
Washington	4.0			
West Virginia	See note			\$2,300 Across the Board for all state employees, teachers, and school service personnel.
Wisconsin	5.0			An across-the-board increase of 5% was proposed under the Governor's 2023-25 Executive Budget. This increase is subject to approval by the Legislature.
Wyoming	4.0 - 7.0			
District of Columbia	3.0 and 4.0	3.0 or 5.0	See note	Please note that the 3% and 4% fire COLA is for our unions that have been approved. Additionally the 3% and 5% for merit increases are for fire and police, and are based on step increases that aren't all annual. Other amounts are solely discretionary and not all employees in a specific group are eligible.
Guam	22.0			Bill No. 24-37 passed by the Legislature on 3/24/23 authorizes a 22% salary increase to employees in the General Pay Plan (to be effective 4/2023). This is in addition to other recent pay adjustments authorized by the Governor: Nurse Pay Plan (15%) (8/2021), Law Enforcement Pay Plan (18%) (1/2022), and Educator Pay Plan (20%) (5/2022).
Puerto Rico			See note	Total General Fund Payroll estimated at \$5,224. A strict salary freeze has been in effect since PROMESA, and incidental regulations. However, on 02/21/23, a Uniform Remuneration Plan ("URP") has been deployed for specific Component Units of the Commonwealth. For further details about the URP, please refer to Circular Letter No. 1-2023 issued by the Commonwealth's Office of the Administration and Transformation of Human Resources ("OATRH").
U.S. Virgin Islands		3.0		Newly ratified contracts require 3% increases in year 2.

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

CHAPTER 1 NOTES

Notes to Table 3: Fiscal 2022 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 Expenditure adjustments include transferring \$117.7 million from the ETF to the ETF Budget Stabilization Fund, transferring \$750.4 million from the ETF to the ETF Advancement and Technology Fund, and transferring \$72.7 million from the GF to the GF Budget Reserve Fund.

Alaska Revenue adjustment represents statutory draw from the Alaska Permanent Fund Earnings Reserve Account. Expenditure adjustment represents Permanent Fund dividend payments.

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 will be transferred to the State Highway and Transportation Department Fund, and 75% of the first \$200M (\$150M) will be transferred to the General Revenue Allotment Reserve Fund. The remaining balance will be transferred to the Catastrophic Reserve Fund if the Catastrophic Reserve Fund balance does not equal or exceed 20% of the total amount of general revenue last distributed. If there is a balance after determining the Catastrophic Reserve Fund equals or exceeds 20% of the total amount of general revenue last distributed or transferring a portion of the remaining balance to ensure the Catastrophic Reserve Fund equals 20% of the total amount of general revenue last distributed, the remaining balance will be transferred to the General Revenue Allotment Reserve Fund.

California Total Revenues: reflect revenues before transfers and loans to/from the General Fund. Estimated cost recoveries for Fiscal 2022 for COVID-19, wildfires, and various disaster relief 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 \$10,723.5 million in transfers and loans to/from the General Fund as well as \$1,718.7 million in estimated cost recoveries for COVID-19, wildfires, and other disaster relief.

The ending balance includes the Special Fund for Economic Uncertainties (SFEU) and reserve for encumbrances but excludes the BSA (a rainy day reserve held in a separate fund), the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA). The excluded amounts are \$19,867.4 million for the BSA and \$900 million for the Safety Net Reserve Fund, and \$7,012.4 million for the PSSSA at the end of FY 2022. Adding these amounts to the FY 2022 ending balance, the projected total balance is \$80,493.2 million in FY 2022.

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.

A reserve for encumbrances of \$4,276.4 million, included in the ending balance, represents 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 Based on the March 16, 2023 OPSB Forecast - TABLE 4 - page 70. Revenue adjustment includes transfers to the general fund (\$71.3m). Expenditure adjustments include reversions and accounting adjustments.

Connecticut FY 2022 Actual Revenue: Included in the total revenue figure of \$21,990.9 million, \$1,934.9 million is included as Federal Grant Revenue. Without the \$1,934.9 million in Federal Grant Revenue, the total revenue collected would be \$20,056.0 million. Federal Grants figures do not include any Coronavirus Relief Fund dollars or Coronavirus State and Local Fiscal Recovery Fund dollars.

Rainy Day Fund balance includes ending balance as the fiscal year-end surplus gets transferred to the Rainy Day Fund. Once the Rainy Day Fund reaches 15% of net General Fund appropriations, the amount over the 15% threshold gets transferred out of the Rainy Day Fund to reduce the unfunded liabilities of the State Employees' Retirement System (SERS) and/or the Teachers' Retirement System (TRS). The Rainy Day Fund balance is not growing by the respective ending balances because the fund is already at the 15% maximum threshold.



FY 2022: FY 2022 Rainy Day Fund balance includes a deposit of \$3.05 billion due to the volatility cap and \$1,261.3 million from the FY2022 surplus. This brought the balance of the Budget Reserve Fund to 33.6% 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 the 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 \$3,204.0 million will be deposited to reduce the SERS liabilities. Net of all transfers, the rainy day fund balance at the end of FY 2022 was about \$3,313.4 million.

District of Columbia	The adjustments for revenues are debt issuance, bond sales premiums, leases, transfers in, and capital asset sales. The adjustments for expenses are transfers out and payment to refunded bond escrow agent.
Florida	<p>Total revenues listed reflect official General Revenue Fund Outlook, which includes all collections such as taxes, fees, licenses, and charges for services, as well as adjustments like FEMA reimbursements, reversions, and legal settlements.</p> <p>The adjustments include Medicare Managed Care Achieved Savings Rebate and funds from ARP Act of 2021.</p> <p>FY 2022 Adjusted Revenues include \$5.7 billion in federal American Rescue Plan (ARP) Act funds. The majority of these funds are the ARP State and Local Fiscal Recovery Fund.</p>
Georgia	Adjustments in FY22 are due to early remittance of FY surplus. Expenditure adjustments include a one-time tax refund authorized to be funded through prior year undesignated regular surplus.
Guam	<p>Revenue Adjustments: Income Tax Refund Efficient Payment Trust Fund deposit (\$67,974,116), Transfer out to GMHA Pharmaceuticals Fund (\$17,982,304), Harmon Tax Credit (\$175,000), Transfer out to Better Public Service Fund (\$350,762).</p> <p>Expenditure Adjustments: Deposit to the Rainy Day Fund (\$15,000,000)</p>
Idaho	Revenue Adjustment includes \$1.6M re-appropriation, \$69.2M year-end reversions, -\$1,481.8 transfer out, and 62.3M CRF reimbursements. Total expenditures include supplementals/rescissions. Expenditure adjustments include -\$15.3M Reversions, \$.7M misc., and \$1.6M reappropriations.
Illinois	Total revenues include \$43,658M in state sources, \$4,584M in federal, and \$2,092M in transfers in. Revenue adjustments include \$736M in ARPA reimbursement for essential government services and -\$38M in Comptroller budgetary basis adjustments. Total expenditures include \$34,386M in appropriations, \$9,581M in pension contributions, \$3,432M in transfers out, and \$933M in interfund borrowing repayment. Expenditure adjustments include -\$830M in unspent appropriations, -\$43M in comptroller budgetary basis adjustments, \$1,652M in accounts payable, \$1,052M in MLF repayment, and -\$218M in transfers for unclaimed property.
Indiana	Expenditure adjustments include \$42.8 million in unspent prior year reversions, a \$1,090.8 million excess reserves transfer that is split evenly between Teachers Retirement Fund pensions and an Automatic Taxpayer Refund, and a transfer of surplus K-12 funding to the Tuition Support Reserve Account (this account is included in the Rainy Day Fund balances).
Iowa	Total Revenues are as actual, also included in revenue adjustments is \$233.6 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. Total Expenditures include \$0.1 million of supplemental appropriations and an adjustment of \$18.0 million to standing appropriations. At the end of the fiscal year, any ending balance is transferred in the subsequent fiscal year to the Reserve Funds. After the Reserve Funds are filled to their statutory limit and other transfers are completed as required by statute, the remaining balance is transferred back to the General Fund. There are no federal funds included in these amounts.
Kansas	\$19.7 million in prior year released encumbrances shows as revenue.

Kentucky	Revenue includes \$129.6 in Tobacco Settlement Funds. Revenue adjustments include \$715.5 million that represents appropriation balances carried forward from the prior fiscal year, and \$87.8 million from fund transfers into the General Fund. Expenditure adjustments include \$2.12 billion in appropriation balances forwarded into the next fiscal year. Ending balance of \$1,878.3 million of which \$1.033.5 million went to the Rainy Day Fund and the remaining \$844.8 million was budgeted carryforward into FY 2023.
Louisiana	<p>FY2022 Actual state general fund revenue reported represents the certified number provided by the Office of Statewide Reporting and Accounting Policy (OSRAP), including the total amount of Taxes, Licenses and Fees collected. Revenue adjustments — Includes \$183.6 million of carryforwards from FY 21 to FY 22, and \$30.6 million of other non-specified transfers</p> <p>Expenditure adjustments — Includes \$404.9 million of carryforwards from FY 22 to FY 23; \$65.8 million of adjustments to be completed in FY 23 — remote sellers (\$17.6m), Coastal Protection and Restoration Fund (\$0.725m), various fund reversions in corrections (\$9.4m), sales tax and individual income tax revenues (\$25.8m), and corporate income and franchise tax (\$13.7m); \$13.7 million of additional transfer due to audit adjustment to corporate taxes; and \$2.8 million of unappropriated uses of FY 21surplus</p>
Maine	Revenue and Expenditure adjustments reflect legislatively authorized transfers, lapses of unspent balances from prior years and year-end closing adjustments. Transfers In included \$20 million in available balances in the liquor sales account and there was \$116 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. Additionally, there was approximately \$892 million in transfers of FY22 unappropriated revenue to Other Special Revenue accounts in agencies for a variety of one-time purposes. FY22 actual revenues exceeded budget as well so year-end statutorily required transfers included about \$135 million to Highway and Bridge Capital and Reserve accounts, \$2.5 million to the Reserve for Operating Capital, \$15 million to a newly created Education Stabilization Fund and nearly \$402 million to the Budget Stabilization Fund.
Maryland	Revenue adjustments include a \$500.2 million transfer to the Rainy Day Fund and \$370.0 million transfer to the Fiscal Responsibility Fund (triggered by revenue overattainment), and \$20.4 million in transfers from tax credit reserves. Expenditure adjustments include \$268.2 million in agency reversions.
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. Fiscal 2022 reflects the carryforward from Fiscal 2021 of \$4.9 billion from the CSFRF and \$1.5 billion in the Transitional Escrow Fund from a fiscal 2021 tax surplus, which were credited as operating revenue in fiscal 2021 and 2022. Fiscal 2023 expenditures reflect excess state tax revenue of \$2.941 billion to be applied by the Department of Revenue pursuant to Chapter 62F, which was credited as operating revenue in fiscal 2022. Expenditures of these funds in fiscal 2023 are affordable from these sources
Michigan	<p>Revenue totals are net of payments to local governments and balance sheet adjustments.</p> <p>Expenditure Adjustment: \$180 million transfer to Rainy Day Fund. Final FY22 balance was determined after the FY24 Executive Recommendation was presented; different ending balance was assumed for FY23 and FY24.</p>
Minnesota	Rainy Day Fund balance includes cash flow account of \$350 million, a budget reserve of \$2.672 billion and stadium reserve of \$229 million. Revenue Adjustments include Dedicated Revenue, Transfers-In and Prior Year Adjustments.
Mississippi	Cash ending balance disposition in accordance with Miss. Code Ann. §27-103-213. Adjustments to expenditures reflect statutory transfers and reappropriations.
Missouri	Revenue adjustments include transfers from other funds into the General Revenue Fund.

Nebraska	Revenue Adjustments include \$339.6 million in re-appropriations, a transfer of \$535.3 million to the Cash Reserve Fund from FY 2020-21 General Fund tax receipts exceeding the certified forecast, an additional \$50 million transfer to the Cash Reserve Fund, and \$660,000 related to legislative bills. The following General Fund transfers are also included: \$297 million to the Property Tax Credit Fund, \$100 million to the Nebraska Capital Construction Fund, \$11 million to the Water Sustainability Fund, \$15 million to the Shovel-Ready Capital Projects Fund, \$15 million to the Prison Overcrowding Contingency Fund, \$5 million to the ImagiNE Revolving Loan Fund, and \$12.8 million in transfers to other cash funds. Expenditure Adjustments reflect the net mid-biennium budget recommendations of \$8.1 million.
Nevada	Adjustments include: 1-Millennium Scholarship; 2-Live Entertainment Tax; 3-Transfer to Disaster Relief; 4-Transfer to Rainy Day Fund
New Hampshire	Expenditure Adjustments: The make-up of this adjustment total for FY2022 includes: a negative \$15.4 million standard GAAP adjustment; a negative \$62.9 million FEMA future recoveries GAAP adjustment; a \$2.1 million transfer to the Rainy Day Fund; a \$50 million transfer to the Highway Fund; and a \$0.1 million transfer to the Fish & Game Fund.
New Jersey	Lapses, transfers to other funds, transfer from Surplus Revenue Fund to General Fund
New Mexico	Adjustments are net of reversions and transfers from other funds. Revenue adjustments include reversions. Expenditure adjustments include appropriations, expenditures and transfers out. The NASBO calculated ending reserve balances and the reported estimated Rainy Day Fund balances are slightly different. This is due to rounded figures in the aggregated funds that make up the New Mexico Rainy Day Fund balance.
New York	<p>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.</p> <p>The Rainy Day Reserve increased by \$843 million after a deposit from the General Fund 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.</p> <p>Revenue and Expenditures adjustments reflect the receipt & disbursement 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.</p> <p>As part of the State's continuing response to Federal tax law changes, legislation was enacted in FY 2022 to allow an optional Pass-Through Entity Tax (PTET) on the New York-sourced income of partnerships and S corporations. Qualifying entities that elect to pay PTET will pay a tax of up to 10.9 percent on their taxable income at the partnership or corporation level, and their individual partners, members and shareholders will receive a refundable Personal Income Tax (PIT) credit equal to the proportionate or pro rata share of taxes paid by the electing entity. In December 2021, entities began making PTET payments that were recorded as business taxes which totaled \$16.4 billion in FY 2022. DOB expects the accompanying tax credits will impact PIT receipts beginning in April 2022, which would decrease PIT collections. DOB expects that the PTET will be revenue neutral for the State. However, because PTET payments will generally be received in the fiscal year prior to credit claiming, the PTET will not be revenue-neutral within each fiscal year. Therefore, a reserve has been established for PTET collected in FY 2022 for purposes of offsetting the decrease in PIT receipts expected in FY 2023, as such the \$16.4 billion of PTET receipts is treated as a revenue adjustment.</p>
North Carolina	Revenue adjustments include funds from opioid related litigation. Expenditures adjustments represent large "above the line" transfers to a variety of programs such as the State Capital and Infrastructure Fund.
North Dakota	Revenue adjustments are transfers of \$205.0 million from the strategic investment and improvements fund. Expenditure adjustment is for a contingent appropriation that was met for a loan repayment.

Ohio	Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are not included in the General Fund number to be consistent with NASBO survey guidelines. The positive 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 the actual ending fund balance.
Oklahoma	Expenditure adjustment includes \$962.5m in deposits into the Constitutional Reserve Fund. No Federal Funds are included in calculations.
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, lapses, adjustments to beginning balances, and the deposit of \$3.841 billion in SLFRF funding into the General Fund. Expenditure adjustments include transfers to the Budget Stabilization Reserve Fund (which is the commonwealth's rainy day fund). The \$2.1 billion transfer to the Rainy Day fund is included in the 2021-22 balance, although it didn't happen until September 2022 (in 2022-23).
Puerto Rico	In light of the ongoing post-debt restructuring procedures under PROMESA [Pub. L. 114-187], as a general rule each FY begins with a 0 balance (except certain carryovers allowed thereunder; e.g., Rainy Day Fund, Capex); ending balances include several restricted funds as part of the aforementioned restructuring procedures; Rainy Day Fund Balance consists of: (i) Budgetary Reserve, & (ii) certain extensions/reprogrammings from prior Fiscal Years under PROMESA.
Rhode Island	Adjustments to revenues reflect a transfer of \$167.4 million to the State Budget Reserve and Cash Stabilization Account ("Rainy Day Fund") offset by a FEMA receivable of \$155.3 million for reimbursement of FY 2021 expenditures along with a reappropriation total of \$8.4 million from FY 2021. Adjustments to expenditures reflect a transfer of \$75.0 million to the Information Technology Investment Restricted Account, a transfer of \$25.0 million to the Housing Production Restricted Account, and a transfer of \$6.0 million to the Pay for Success Restricted Account and a reappropriation of \$19.4 million from FY 2022. Final Audited FY 2022 Closing numbers were not available during the time of the Governor's FY 2024 Budget Submission (1/19/23). The final audited numbers became available on 1/31/23. As such, we report out Final Audited FY 2022 Closing numbers for purposes of the Spring 2023 Fiscal Survey. All else remains as submitted by the Governor.
South Carolina	Revenue Adjustments: (\$650.0) transfer to Tax Relief Trust Fund, \$20.5 transfer from Litigation Recovery, and \$65.0 CARES Act reimbursements. Expenditure Adjustments: \$176.1 FY21 Capital Reserve transfer to agencies, \$67.1 transfer to local tax relief trust fund. Ending Balance: Rainy Day Funds: \$458.9 General Reserve, \$183.6 Capital Reserve, and \$1,204.8 Contingency Reserve. Reserved/Designated: \$1,434.4 agency carryforward appropriations and \$3,584.2 designated for FY23 nonrecurring appropriations.
South Dakota	Adjustments to revenue of \$12.9 million is from prior year revenue, prior period adjustments, and unexpended carryovers and specials. The adjustment to expenditures of \$91.2 million reflects the prior year's ending balance of \$85.9 million along with an additional \$5.3 million prior period adjustment due to a provision that allows enhanced Medicaid funding for certain home and community-based services in FY21. The ending balance of \$115.5 million is cash that is obligated to reserves the following fiscal year. This \$115.5 million is not included in the total rainy day funds balance of \$307.1 million.
Tennessee	Adjustments (Revenues): -\$100M transfer to Rainy Day Fund, -\$250M transfer to K-12 Mental Health Trust Fund, -\$250M to Retirement System Trust Fund, -\$343.2M to Highway Fund, -\$65.5 transfer to dedicated reserves, \$3M from Debt Service Fund, \$258.9 balancing estimate. Adjustments (Expenditures): \$1,633.0M transfer to Capital Outlay Projects Fund, \$12.3M transfer to State Office Buildings and Support Facilities Fund, \$3.6M transfer to Debt Service Fund, \$1.0M transfer to reserves for dedicated revenue appropriations.
U.S. Virgin Islands	Adjustments include appropriated transfers from other state funds as a contribution to General Fund. Information consistent with weekly statement of cash flows bank activity.

Utah	Expenditure adjustments include \$204.6 million of surplus revenue collections were automatically transferred to rainy day funds and other funds at the end of FY 2022 based on statutory formulas. FY 2022 revenue adjustments include transfers to the General Fund and Income Tax Fund, the amount set aside for economic development cash incentives, funds that lapsed to General Fund or Income Tax Fund at the end of FY 2021, and other revenue adjustments.
Vermont	Expenditure adjustments reflect net GF transfers to/(from) other funds
Virginia	Total revenue includes 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.
West Virginia	Fiscal Year 2022 Beginning balance includes \$604.1 million of Reappropriations, Unappropriated Surplus Balance of \$30.8 million, \$0.21 million of cash balance adjustments, and FY 2021 13th month expenditures of \$44.1 million. Total Revenues show FY 2022 actual general revenue collections of \$5,887.9 million. Adjustments (Revenue) are prior year redeposits of \$0.72 million and special revenue expirations of \$182.1 million. Total Expenditures include current year general revenue appropriated expenditures of \$4,298.7 million, surplus appropriation expenditures of \$186.4 million, reappropriation expenditures of \$211.6 million, \$0.24 of cash adjustments, \$44.1 million of reappropriations transferred to FY 2022 collections and \$28.5 million of 31 day prior year expenditures. Adjustment (Expenditures) represent \$15.4 million which was the amount transferred to the Rainy Day Fund from 1/2 of the FY 21 surplus. The Ending Balance is mostly the historically carried forward reappropriations 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 & the any unappropriated surplus balance (estimated) from the current fiscal year.
Wisconsin	Revenue adjustments include Tribal Gaming, \$0; Prior Year Designated Balance, \$62.8; and Other Revenue, \$569.7. Expenditure adjustments include Transfers, \$428.5; Lapses, -\$360.4; and Compensation Reserves, \$18.2.
Wyoming	The State of Wyoming budgets on a biennial basis. To arrive at annual figures certain assumptions and estimates are required.

Notes to Table 4: Fiscal 2023 State General Fund, Estimated

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 \$50 million to the General Fund Budget Reserve Fund.
Alaska	Revenue adjustment includes statutory draw from the Alaska Permanent Fund Earnings Reserve Account (\$3,361m) and carryforward and other adjustments (\$551m). Expenditure adjustment represents Permanent Fund dividend payments. Revenue forecast as of March 2023. Expenditure amount and rainy day fund balance based on March 2023 Amended Budget.
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 will be transferred to the State Highway and Transportation Department Fund, and 75% of the first \$200M (\$150M) will be transferred to the General Revenue Allotment Reserve Fund. The remaining balance will be transferred to the Catastrophic Reserve Fund if the Catastrophic Reserve Fund balance does not equal or exceed 20% of the total amount of general revenue last distributed. If there is a balance after determining the Catastrophic Reserve Fund equals or exceeds 20% of the total amount of general revenue last distributed or transferring a portion of the remaining balance to ensure the Catastrophic Reserve Fund equals 20% of the total amount of general revenue last distributed, the remaining balance will be transferred to the General Revenue Allotment Reserve Fund.

California Total Revenues: reflect revenues before transfers and loans to/from the General Fund. Estimated cost recoveries for Fiscal 2023 for COVID-19 and wildfires are included as “revenue adjustments”.

Revenue adjustments include \$1,862.6 million in transfers and loans to/from the General Fund as well as \$2,505.9 million in estimated cost recoveries for COVID-19 and wildfires.

The ending balance includes the SFEU and reserve for encumbrances, but excludes the BSA, the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA). The excluded amounts are \$21,487.4 million for the BSA, \$900 million for the Safety Net Reserve Fund, and \$8,108 million for the PSSSA at the end of FY 2023. Adding these amounts to the FY 2023 ending balance, the projected total balance is \$52,016.4 million in FY 2023.

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.

A reserve for encumbrances of \$4,276.4 million, included in the ending balance, represents 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 Based on the March 16, 2023 OPSB Forecast — TABLE 4 — page 70. Revenue adjustment includes transfers to the general fund (\$24.7m). Expenditure adjustments include reversions and accounting adjustments.

Connecticut FY 2023 Estimated Actual: Included in the total revenue figure of \$23,281.5 million, \$2,210.1 million is included as Federal Grant Revenue. Without the Federal Grant, the total revenue collected would be \$21,071.4 million. Federal Grants figures do not include any Coronavirus Relief Fund dollars or Coronavirus State and Local Fiscal Recovery Fund dollars.

Rainy Day Fund balance includes ending balance as the fiscal year-end surplus gets transferred to the Rainy Day Fund. Once the Rainy Day Fund reaches 15% of net General Fund appropriations, the amount over the 15% threshold gets transferred out of the Rainy Day Fund to reduce the unfunded liabilities of the State Employees' Retirement System (SERS) and/or the Teachers' Retirement System (TRS). The Rainy Day Fund balance is not growing by the respective ending balances because the fund is already at the 15% maximum threshold.

FY 2023: FY 2023 is estimated to deposit \$3,276.1 million into the Rainy Day Fund of which \$1,428.6 million is due to the surplus and \$1,847.5 million is due to the volatility cap transfer. This would bring the Rainy Day Fund balance to 29.9% of the current fiscal year 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. \$30 million is estimated to stay in the Rainy Day Fund to bring it to its statutory 15% cap. Due to the fund reaching and exceeding the 15% cap, \$3,246.1 million is expected to be transferred from the Rainy Day Fund to reduce the liabilities of the TRS and SERS Pension Funds. Net of all transfers, it is estimated that the Rainy Day Fund Balance at the end of FY 2023 will be about \$3,343.4 million.

District of Columbia Adjustments are only done in our published yearly expenditure report. We do not do an estimated or outlook in regard to projections or surplus.

Florida Total revenues listed reflect official General Revenue Fund Outlook, which includes all collections such as taxes, fees, licenses, and charges for services, as well as adjustments like FEMA reimbursements, reversions, and legal settlements.

The adjusted expenditures include \$4.5 billion of Coronavirus State Fiscal Recovery Fund expenditures. FY 2023 General Revenue estimated expenditures increased over FY 2022 expenditures due to a \$2.6b increase in Medicaid Services and increases in non-recurring appropriations, including disaster relief for Hurricanes Ian and Nicole and Environmental and Transportation projects. The Governor also proposed another \$5.2b in his Framework for Freedom Budget for FY 2023, including \$4b for targeted transportation infrastructure and a \$650 million transfer to Florida's Emergency Preparedness and Response Fund.

Georgia	Adjustments in FY 23 are due to Mid-Year Adjustment for Education. Georgia does not project future Rainy Day fund balances.
Guam	<p>Revenue Adjustments: Income Tax Refund Efficient Payment Trust Fund deposit (\$62,884,123), Transfer out to GMHA Pharmaceuticals Fund (\$18,700,991), Harmon Tax Credit (\$175,000), Transfer out to Better Public Service Fund (\$349,676). Additional transfer out to GMHA Pharmaceuticals Fund (\$1,881,236) anticipated due to passage of Bills No. 24-37 and 32-37.</p> <p>Expenditure Adjustments: Deposit to the Rainy Day Fund (\$15,366,454)</p>
Hawaii	Adjustment in FY 2023 includes less \$338.4 million statutorily required tax refund to Hawai'i State taxpayers, and plus \$100 million FEMA reimbursement for health cost bridge loan. Includes \$131 million mandatory transfer into the Emergency and Budget Reserve Fund.
Idaho	Estimate includes FY2023 budget enacted in 2022 session and the additional recommendations for be acted on in the 2023 session. Revenue Adjustments include Tax Relief -\$575M, \$69M re-appropriation & Executive Carry Forward, \$11.8M After year-end reversions, and -\$1,776.3M Transfers out. Total Expenditures includes \$1081.4M supplementals and -\$1,054.4M in adjustments. Exp adjustment is re-appropriations.
Illinois	Total revenues include \$43,315M in state sources, \$4,013M in federal, and \$3,268M in transfers in. Revenue adjustments include \$763M in ARPA reimbursement for essential government services. Total expenditures include \$35,771M in appropriations, \$9,847M in pension contributions, \$3,023M in transfers out and \$2,310M in supplementals. Expenditure adjustments include -\$745M in unspent appropriations, \$300M in proposed transfers out, \$1,024M in accounts payable, and -\$215M in transfers for unclaimed property.
Indiana	<p>Revenue: revenue estimates are based on the December 16, 2022 forecast update. A new forecast will be published April 19, 2023.</p> <p>Expenditure adjustments include an estimated \$33.2 million in unspent prior year reversions, a statutorily directed excess reserves transfer of \$2,500.0 million to Teachers Retirement Fund pensions, \$935.0 million distributed as enhanced automatic taxpayer refunds, and a statutory calculated transfer from the General Fund to the Rainy Day Fund at \$450.3 million.</p>
Iowa	Total Revenues are as estimated at the December 2022 REC, also included in revenue adjustments is \$197.3 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. At the end of the fiscal year, any ending balance is transferred in the subsequent fiscal year to the Reserve Funds. After the Reserve Funds are filled to their statutory limit and other transfers are completed as required by statute, the remaining balance is transferred back to the General Fund. There are no federal funds included in these amounts.
Kentucky	Fiscal 2023 figures represent the enacted fiscal 2023–2024 biennial budget, with enacted revisions. Revenue includes \$118.2 million in Tobacco Settlement Funds. Revenue adjustments include \$2.1 billion that represents appropriation balances carried forward from the prior fiscal year, and \$3.5 million from fund transfers into the General Fund. Expenditure adjustments include \$3.1 billion in appropriation balances forwarded into the next fiscal year.
Louisiana	<p>Revenue adjustments — Includes \$404.9 million of carryforwards from FY 22 to FY 23</p> <p>Expenditure adjustments — none</p> <p>FY 23 numbers are budgeted and not actual.</p>
Maine	Revenue and Expenditure adjustments reflect legislatively authorized transfers and lapses of unspent balances from prior years. Transfers In included \$56 million in available balances in the liquor sales account and \$1 million in available balances from the medical marijuana account. Transfers Out included \$9.3 million to support indigent legal services, about \$97.6 million for a property tax relief program that historically had been a budgeted GF expense, about \$3 million to fund changes to the property tax exemption program and \$15 million to support payments to medical providers. Additionally, there was approximately \$47.4 million in transfers of FY23 GF unappropriated revenue to Other Special Revenue accounts in agencies for a variety of one-time purposes.

Maryland	Revenue adjustments include a \$1.2 billion transfer from the Rainy Day Fund and \$41.6 million in transfers from tax credit reserves, as well as an assumption of \$50 million in recoupment from behavioral health providers that were erroneously paid for services. The expenditure adjustment includes \$170.5 million in estimated agency reversions.
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. Fiscal 2022 reflects the carryforward from Fiscal 2021 of \$4.9 billion from the CSFRF and \$1.5 billion in the Transitional Escrow Fund from a fiscal 2021 tax surplus, which were credited as operating revenue in fiscal 2021 and 2022. Fiscal 2023 expenditures reflect excess state tax revenue of \$2.941 billion to be applied by the Department of Revenue pursuant to Chapter 62F, which was credited as operating revenue in fiscal 2022. Expenditures of these funds in fiscal 2023 are affordable from these sources
Michigan	Revenue totals are net of payments to local governments and balance sheet adjustments. Balance sheet adjustments include proposed tax policy changes recommended in the FY24 Executive Budget. Expenditure Adjustment: Proposed \$200 million transfer to Rainy Day Fund. Final FY22 balance was determined after the FY24 Executive Recommendation was presented; different ending balance was assumed for FY23 and FY24
Minnesota	Rainy Day Fund balance includes cash flow account of \$350 million, a budget reserve of \$2.852 billion and stadium reserve of \$366 million. Revenue Adjustments include Dedicated Revenue, Transfers-In and Prior Year Adjustments.
Mississippi	Cash ending balance disposition in accordance with Miss. Code Ann. §27-103-213. Adjustments to expenditures reflect statutory transfers and reappropriations.
Missouri	Revenue adjustments include transfers from other funds into the General Revenue Fund.
Montana	Total includes approximately \$2.5 billion in proposed one-time-only spend.
Nebraska	Revenue adjustments include transfers of \$310 million to the Property Tax Credit Fund, \$100 million to the Roads Operations Cash Fund, \$15 million to the Shovel-Ready Capital Recovery & Investment Cash Fund, \$1 million to the Cultural Preservation Fund, \$3.3 million to Water Resources Fund, \$11 million to Water Sustainability Fund, \$5 million to the Site and Building Development Fund, \$5 million to the ImagiNE Revolving Loan Fund, \$1 million to the State Teammate Community College Fund, \$100 million to the Water Recreation Enhancement Fund, \$20 million to the Jobs and Economic Development Fund, \$5 million to the Governor's Emergency Fund, \$1.3 billion to the Cash Reserve Fund, and \$40.7 million to the Capital Construction Fund. Expenditure adjustments include carryover obligations of \$550.3 million.
Nevada	Adjustments include: 1-Millennium Scholarship; 2-Live Entertainment Tax; 3-Transfer to Disaster Relief; 4-Transfer to Rainy Day Fund
New Hampshire	Expenditure Adjustments: The make-up of this adjustment total for FY2023 includes: \$265.2 million of additional legislative appropriations from the 2022 session; \$224.5 million appropriated from FY 2023 funds in the budget trailer bill; and a \$94 million transfer to the Rainy Day Fund.
New Jersey	Transfers to other funds and estimated lapses, transfer to Surplus Revenue Fund from General Fund
New Mexico	Adjustments are net of reversions and transfers from other funds. Revenue adjustments include reversions. Expenditure adjustments include appropriations, expenditures and transfers out. The NASBO calculated ending reserve balances and the reported estimated Rainy Day Fund balances are slightly different. This is due to rounded figures in the aggregated funds that make up the New Mexico Rainy Day Fund balance.
New York	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. The Rainy Day Reserve is projected to increase by \$3.1 billion 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 and Expenditures adjustments reflect the expected receipt & disbursement of \$2.35 billion in unrestricted Federal aid in FY 2023. 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.

As described in the FY 2022 footnotes, beginning in FY 2022, the PTET program began affecting reported General Fund tax collections. In FY 2022, the State collected \$16.4 billion in PTET payments through business tax receipts. In FY 2023, it expects to collect another \$12.9 billion from PTET and pay \$18.8 billion in PIT refunds connected with the program. The General Fund reserved the entire amount of PTET collections received in FY 2022 and will use \$5.9 billion of that balance to cover the difference between PTET collections and related PIT refunds in FY 2023. The timing between the initial PTET collections and subsequent refunds will be managed in a similar manner in each year of the Financial Plan. The PTET program is expected to have no net impact on operations over its life but will distort the annual change for business and PIT receipts. The reserve established for PTET collected in FY 2022 offsets the decrease in PIT receipts expected in FY 2023, as such, the net \$5.9 billion tax receipts reduction is treated as a revenue adjustment.

Explanation of increase in fund balance: The increase in fund balances is primarily driven by planned deposits totaling \$10.6 billion to the State's principal reserves (Rainy Day Reserves and Reserve for Economic Uncertainties), \$1.9 billion added to the debt management reserve, \$490 million reserved for labor settlements and agency operations and \$1.1 billion set aside for future operations, partially offset by the planned use of the reserve for pandemic assistance (\$2 billion), the PTET reserve described above (\$5.9 billion), and \$285 million from the reserved Extraordinary Monetary Settlements to fund planned expenses.

Explanation of Revenue Increase: General Fund receipts, as adjusted, are estimated to total \$103.9 billion in FY 2023, an increase of \$12 billion (13.1 percent) from FY 2022. The increase reflects projected growth in tax receipts and the actual and planned prepayments of debt service due in future years. These transactions reduce reported tax receipts in the fiscal year in which the payments are made and increase tax receipts in the fiscal years in which the debt service was originally scheduled to be paid.

Explanation of Expenditure Increase: General Fund disbursements, as adjusted, are expected to total \$92.1 billion in FY 2023, an increase of \$7.7 billion (9.1 percent) from FY 2022 spending. The growth in spending is attributable to initiatives and investments in nearly all major programs, including health care, School Aid, mental hygiene, social services, one-time bonus payments to health care/direct care workers, recovery assistance to individuals and small businesses and Medicaid growth driven by an updated method for calculating spending growth under the Global Cap. In addition, several transactions that were executed in FY 2022 temporarily lower spending. These transactions include funding \$2.2 billion of certain eligible health and public safety payroll costs, including fringe benefits, from the CRF and the payment of prior year salary increases.

North Carolina	Revenue adjustments include funds from opioid related litigation. Expenditures adjustments represent large "above the line" transfers to a variety of programs such as the State Capital and Infrastructure Fund. Revenue items updated for Governors Recommended Budget for March 2023, which included updated revenue items as well as recommended expenditures for FY 2023.
North Dakota	Revenue adjustments are transfers of \$205.0 million from the strategic investment and improvements fund and \$140.0 million from other special fund sources to the general fund.
Ohio	Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are not included in the General Fund number to be consistent with NASBO survey guidelines. The 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 the actual ending fund balance. The FY 2023 expenditures estimate includes expenditures against prior year encumbrances, reservation of \$1,182.3 million for estimated year-end encumbrances, and \$2,524.7 million in transfers out of the GRF.
Oklahoma	Expenditure Adjustment includes \$230.1m deposit into Revenue Stabilization Fund and \$222.9m deposit into Constitutional Reserve Fund. No Federal Funds are included in calculations.

Oregon	Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief, a statutory required distribution from Corporate Income Taxes to the Rainy Day Fund and the PERS Liability, and also a transfer of Estate Tax Revenues to the PERS Unfunded Actuarial Liability.
Pennsylvania	Revenue adjustments include refunds, lapses and adjustments to beginning balances. Expenditure adjustments include proposed supplementals. No transfers to the rainy day fund are planned for 2022–23.
Puerto Rico	In light of the ongoing post-debt restructuring procedures under PROMESA [Pub. L. 114-187], as a general rule each FY begins with a 0 balance (except certain carryovers allowed thereunder; e.g., Rainy Day Fund, Capex); ending balances include several restricted funds as part of the aforementioned restructuring procedures; Rainy Day Fund Balance consists of: (i) Budgetary Reserve, & (ii) certain extensions/reprogrammings from prior Fiscal Years under PROMESA. Additionally, although a Calendar to Certify the FY24 has already begun, from the date of survey submission until 06/30/23, Revenue and Expenditures estimates could vary and/or be adjusted to actuals; Rainy Day Fund Balance estimate as of 04/04/23.
Rhode Island	Adjustments to revenues reflect \$243.7 million for a FEMA receivable that was disallowed in FY 2022 and instead recognized as a general revenue expenditure. RI expects to recognize corresponding FEMA revenue in FY 2023 to offset the GR expense along with a reappropriation total of \$19.4 million from FY 2022. There is also a transfer of \$162.6 million to the Budget Reserve Fund. Adjustments to expenditures reflect multiple one-time transfers: a transfer of \$242.5 million to the RI Capital Plan Fund; a transfer of \$28.5 million to the Clean Water/Drinking Water State Revolving Loan Fund, and a transfer of \$4.4 million to the Workers Compensation Fund.
South Carolina	Revenue Adjustments: Transfer-out (\$768.1) to Tax Relief Trust Fund; Transfer-in \$53.9 from Litigation Recovery and \$525.0 from Savannah River Site settlement. Expenditure Adjustments: Transfer-out \$183.6 FY22 Capital Reserve to agencies and \$1,000.0 to individual income tax rebate fund. Ending Balance: Rainy Day Funds: \$575.2 General Reserve, \$209.2 Capital Reserve, and \$9.4 projected Contingency Reserve. Reserved/Designated: \$1,434.4 projected agency carryforward appropriations and \$1,350.2 projected surplus recommended by Governor for FY2024 nonrecurring appropriations.
South Dakota	The adjustment to revenues of \$8.4 million is from unexpended carryovers and specials, as well as prior year revenue. The adjustment to expenditures of \$115.5 million reflects the prior year's ending balance that was transferred to the State's rain day funds. Included in the total expenditures is a transfer from the rainy day fund to the incarceration construction fund of \$87.0 million for the purpose of building State prisons.
Tennessee	Adjustments (Revenues): -\$250M transfer to Rainy Day Fund, -\$300M transfer to OPEB, -\$350M transfer to Retirement System Trust Fund, \$96.1M transfer from Debt Service Fund, -\$0.06M rounding adjustment. Adjustments (Expenditures): \$3,125.9M transfer to Capital Outlay Projects Fund, \$12.3M transfer to State Office Buildings and Support Facilities Fund, \$3.4M to Debt Service Fund, \$1.0M transfer to reserves for dedicated revenue appropriations.
Texas	Adjustment to the: (1) GRR revenue to add gain in GRD account balances and (2) increase in GRR expenditures as a result of supplemental appropriations based on SB 30 as filed, 88th Legislature, Regular Session. Estimates for FY23 may change after passage of SB30.
U.S. Virgin Islands	Adjustments include appropriated transfers from other state funds as a contribution to General Fund. Information consistent with weekly statement of cash flows bank activity.
Utah	FY 2023 revenue adjustments include transfers to the General Fund and Income Tax Fund, the amount set aside for economic development cash incentives, and other revenue adjustments. Based on FY 2023 revenue projections when the FY 2024 Governor's budget proposal was released.
Vermont	Expenditure adjustments reflect net GF transfers to/(from) other funds.
Virginia	Total revenue includes 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.
West Virginia	Total Revenue is the original official estimate for FY 2023 Total General Revenue collections. Adjustments (Revenue) are prior year redeposits of \$0.174 million less revenue adjustment of 9.4 million. Total Expenditures are FY 2023 general revenue appropriations of \$4,636 million, FY 2023 surplus appropriations of \$1,058 million, and FY 2022's 13th month expenditures of \$52.9 million. There was no transfer to the Rainy Day fund due to passage of Senate Bill 487 that requires 20% of the previous FY total appropriations be the total balance in Rainy Day A and B. The Ending Balance is mostly the historically carried forward reappropriation amounts that will remain and be reappropriated to the next fiscal year and the 13th month expenditure allowance for the current fiscal year, expirations and any unappropriated surplus balance.
Wisconsin	Revenue adjustments include Tribal Gaming, \$0; and Other Revenue, \$712.0. Expenditure adjustments include Transfers, \$685.1; Lapses, -\$1,302.2; and Compensation Reserves, \$106.0.
Wyoming	The State of Wyoming budgets on a biennial basis. To arrive at annual figures certain assumptions and estimates are required.

Notes to Table 5: Fiscal 2024 State General Fund, Recommended

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	Revenue adjustment includes statutory draw from the Alaska Permanent Fund Earnings Reserve Account (\$3,526m) and carryforward and other adjustments (\$11m). Expenditure adjustment represents Permanent Fund dividend payments. Revenue forecast as of December 2021. Expenditure amount and rainy day fund balance based on March 2023 Amended Budget.
Arizona	Expenditure adjustment represents recommended deposit into the Rainy Day Fund.
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 will be transferred to the State Highway and Transportation Department Fund, and 75% of the first \$200M (\$150M) will be transferred to the General Revenue Allotment Reserve Fund. The remaining balance will be transferred to the Catastrophic Reserve Fund if the Catastrophic Reserve Fund balance does not equal or exceed 20% of the total amount of general revenue last distributed. If there is a balance after determining the Catastrophic Reserve Fund equals or exceeds 20% of the total amount of general revenue last distributed or transferring a portion of the remaining balance to ensure the Catastrophic Reserve Fund equals 20% of the total amount of general revenue last distributed, the remaining balance will be transferred to the General Revenue Allotment Reserve Fund.
California	<p>Total Revenues: reflect revenues before transfers and loans to/from the General Fund. Estimated cost recoveries for Fiscal 2024 for COVID-19 and wildfires are included as "revenue adjustments".</p> <p>Revenue adjustments include \$466.9 million in transfers and loans to/from the General Fund as well as \$2,268.5 million in estimated cost recoveries for COVID-19 and wildfires.</p> <p>The ending balance includes the SFEU and reserve for encumbrances, but excludes the BSA, the Safety Net Reserve Fund, and the Public School System Stabilization Account (PSSSA). The excluded amounts are \$22,398.4 million for the BSA, \$900 million for the Safety Net Reserve Fund, and \$8,473.4 million for the PSSSA at the end of FY 2024. Adding these amounts to the FY 2024 ending balance, the projected total balance is \$39,852.9 million in FY 2024.</p> <p>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.</p> <p>A reserve for encumbrances of \$4,276.4 million, included in the ending balance, represents 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.</p>

Colorado	Based on the March 16, 2023 OPSB Forecast — TABLE 4 — page 70. Revenue adjustment includes transfers to the general fund (\$26.8m).
Connecticut	<p>FY 2023 Estimated Actual: Included in the total revenue figure of \$23,281.5 million, \$2,210.1 million is included as Federal Grant Revenue. Without the Federal Grant, the total revenue collected would be \$21,071.4 million. Federal Grants figures do not include any Coronavirus Relief Fund dollars or Coronavirus State and Local Fiscal Recovery Fund dollars.</p> <p>Rainy Day Fund balance includes ending balance as the fiscal year-end surplus gets transferred to the Rainy Day Fund. Once the Rainy Day Fund reaches 15% of net General Fund appropriations, the amount over the 15% threshold gets transferred out of the Rainy Day Fund to reduce the unfunded liabilities of the State Employees' Retirement System (SERS) and/or the Teachers' Retirement System (TRS). The Rainy Day Fund balance is not growing by the respective ending balances because the fund is already at the 15% maximum threshold.</p> <p>FY 2024: recommended budget assumes a surplus of \$344.9 million at the end of the fiscal year of which \$335.7 million is due to the revenue cap and \$9.2 million is due to balance. The revenue cap limits the amount of appropriations that can be made based on a certain percentage of revenue: 98.75% in FY 2023. The FY 2024 recommended budget also assumes a \$1,107.6 million volatility cap transfer to the Rainy Day Fund at the end of the fiscal year. This would equate to a total deposit to the Rainy Day Fund of \$1,452.5 million. Because the Rainy Day Fund is already at its 15% threshold, it is expected that a significant amount, if not all of the surplus and volatility cap transfer, will again be transferred out of the Rainy Day Fund to reduce the unfunded liabilities of SERS/TRS. The Rainy Day Fund balance at the end of FY 2024 is expected to be about \$3,358.9 million which equates to 15% of the ensuing fiscal year appropriations.</p>
District of Columbia	Adjustments are only done in our published yearly expenditure report. We do not do an estimated or outlook in regard to projections or surplus.
Florida	Total revenues listed reflect official General Revenue Fund Outlook, which includes all collections such as taxes, fees, licenses, and charges for services, as well as adjustments like FEMA reimbursements, reversions, and legal settlements.
Georgia	Adjustments in FY 23 are due to Mid-Year Adjustment for Education. Georgia does not project future Rainy Day fund balances.
Guam	<p>Revenue Adjustments: Income Tax Refund Efficient Payment Trust Fund deposit (\$62,884,123), Transfer out to GMHA Pharmaceuticals Fund (\$18,700,991), Harmon Tax Credit (\$175,000), Transfer out to Better Public Service Fund (\$340,668).</p> <p>Expenditure Adjustments: Deposit to the Rainy Day Fund (\$15,896,803)</p>
Hawaii	Includes \$500M proposed transfer into the Emergency and Budget Reserve Fund
Idaho	Rev Adjustments include -\$120M Tax Relief, -\$561.3M transfers out, \$330M obligated in HB1 2022 special session
Illinois	Total revenues include \$43,880M in state sources, \$4,014M in federal, and \$2,050M in transfers in. Total expenditures include \$38,476M in appropriations, \$10,048M in pension contributions, and \$2,032M in transfers out. Expenditure adjustments include -\$700M in unspent appropriations, \$141M in accounts payable, and -\$215M in transfers for unclaimed property.
Indiana	<p>Revenue: revenue estimates are based on the December 16, 2022 forecast. A new forecast will be published April 19, 2023.</p> <p>Expenditure adjustments include an estimated \$22.0 million in unspent prior year reversions, a statutorily directed excess reserves transfer of \$1,000.0 million to Teachers Retirement Fund pensions.</p>
Iowa	Total Revenues are as estimated at the December 2022 REC, also included in revenue adjustments is \$854.4 million of residual funds transferred to the General Fund after the Reserve Funds are filled to their statutory maximum amounts. At the end of the fiscal year, any ending balance is transferred in the subsequent fiscal year to the Reserve Funds. After the Reserve Funds are filled to their statutory limit and other transfers are completed as required by statute, the remaining balance is transferred back to the General Fund. There are no federal funds included in these amounts.

Kentucky	Fiscal 2024 figures represent the enacted fiscal 2023-2024 biennial budget, with enacted revisions. Revenue includes \$102.2 in Tobacco Settlement Funds. Revenue adjustments include \$4.1 billion that represents appropriation balances carried forward from the prior fiscal year, and \$5.3 million from fund transfers into the General Fund. Expenditure adjustments include \$4.1 billion in appropriation balances forwarded into the next fiscal year.
Louisiana	Revenue adjustments — none Expenditure adjustments — none Rain Day Fund Balance includes a deposit of \$181.6 million due to using 25% of FY 21-22 surplus revenues of \$726.5 million as required by the Louisiana Constitution.
Maine	Revenue and Expenditure adjustments reflect legislatively authorized transfers and lapses of unspent balances from prior years. Recommended Transfers Out include about \$20.6 million in lapsed balances. Additionally, there is approximately \$154.8 million in recommended transfers of unappropriated revenue to Other Special Revenue accounts in agencies for a variety of one-time purposes.
Maryland	Revenue adjustments include a \$479 million transfer from the Rainy Day Fund and \$39.3 million in transfers from tax credit reserves, as well as an assumption of \$50 million in recoupment from behavioral health providers that were erroneously paid for services. Revenue adjustments also assume enactment of the Governor’s proposed legislation to extend the Earned Income Tax Credit (-\$151 million), enact a Child Tax Credit (-\$20 million), and reduce taxes on military retirement income (-\$33 million). Expenditure adjustments represent \$45 million in estimated agency reversions.
Massachusetts	Total resources decline primarily as a result of assumed draw down of CSFRF and Transitional Escrow Funds in Fiscal 2023. On a recurring basis net to budget, FY24 annual spending is matched with annual revenues. Incorporates an estimated \$1 B in revenues derived from an additional 4% surtax on millionaire’s income passed into law via ballot initiative.
Michigan	Revenue totals are net of payments to local governments and balance sheet adjustments. Balance sheet adjustments include proposed tax policy changes recommended in the FY24 Executive Budget. Final FY22 balance was determined after the FY24 Executive Recommendation was presented; different ending balance was assumed for FY23 and FY24.
Minnesota	Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.852 billion. Revenue Adjustments include Dedicated Revenue, Transfers-In and Prior Year Adjustments.
Mississippi	Cash ending balance disposition in accordance with Miss. Code Ann. §27-103-213. Adjustments to expenditures reflect statutory transfers. Rainy Day Fund balance undetermined — Working Cash Stabilization balance is a result of actual expenditures based on appropriated funding pursuant to Miss. Code Ann. §27-103-213.
Missouri	Revenue adjustments include transfers from other funds into the General Revenue Fund.
Nebraska	Revenue adjustments include transfers of \$1 billion to the Education Future Cash Fund; \$620.6 million to the Cash Reserve Fund; \$360 million to the Property Tax Credit Fund; \$85.3 million to the Capital Construction Fund; \$11 million to the Water Sustainability Fund; \$10 million to the Economic Recovery Contingency Fund; \$5 million to the Site and Building Development Fund; \$1 million to the Cultural Preservation Fund; and \$1 million to the State Teammate Community College Fund. Expenditure adjustments include carryover obligations of \$550.3 million. Also included in revenue adjustments is \$120.2 million for tax reform legislation, and \$6.4 million in reallocations.
Nevada	Adjustments include: 1-Millennium Scholarship; 2—Live Entertainment Tax; 3—Transfer to Disaster Relief; 4—Transfer to Rainy Day Fund
New Hampshire	Expenditure Adjustments: The make-up of this adjustment total for FY2024 includes: \$89 million of Additional Legislative Appropriations in the budget trailer bill and \$44.9 million additional appropriation for a 10% pay raise.
New Jersey	Transfers to other funds and estimated lapses

New Mexico Adjustments are net of reversions and transfers from other funds. Revenue adjustments include reversions. Expenditure adjustments include appropriations, expenditures and transfers out. Fiscal 2024 total revenue figure incorporates a \$500M tax relief package proposed by the governor. The NASBO calculated ending reserve balances and the reported estimated Rainy Day Fund balances are slightly different. This is due to rounded figures in the aggregated funds that make up the New Mexico Rainy Day Fund balance.

New York 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.

Revenue and Expenditures adjustments reflect the expected receipt & disbursement of \$2.25 billion in unrestricted Federal aid in FY 2024. 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.

As described in the FY 2022 footnotes, beginning in FY 2022, the PTET program began affecting reported General Fund tax collections. In FY 2022, the State collected \$16.4 billion in PTET payments through business tax receipts. In FY 2024, it expects to collect another \$11.5 billion from PTET and pay \$13.8 billion in PIT refunds connected with the program. The General Fund reserved the entire amount of PTET collections received in FY 2022 and will use \$2.3 billion of that balance to cover the difference between PTET collections and related PIT refunds in FY 2024. The timing between the initial PTET collections and subsequent refunds will be managed in a similar manner in each year of the Financial Plan. The PTET program is expected to have no net impact on operations over its life but will distort the annual change for business and PIT receipts. The reserve established for PTET collected in FY 2022 offsets the decrease in PIT receipts expected in FY 2024, as such, the net \$2.3 billion tax receipts reduction is treated as a revenue adjustment.

Explanation of decrease in fund balance: The \$3.2 billion decline in General Fund balance is largely attributed to the use of: the reserve for timing of PTET/PIT Credits, described above, (\$2.3 billion); prior year resources to fund certain commitments and operations in FY 2024 (\$2.0 billion); and the reserve for extraordinary monetary settlements to fund existing commitments and projects (\$827 million), partially offset by deposits to reserves for debt management and labor settlements (\$1 billion) and the addition of an reserve for consensus revenue (\$800 million).

Explanation of Revenue Decrease: General Fund receipts, as adjusted, are estimated to total \$103.8 billion in FY 2024, a decrease of \$132 million (0.1 percent) from FY 2023. The decrease reflects the effects of a mild recession on personal income tax revenues, in addition to, declines in corporate franchise tax receipts and estate and gift taxes and lower projected investment income.

Explanation of Expenditure Increase: General Fund disbursements, as adjusted, are expected to total \$104.7 billion in FY 2024, an increase of \$12.5 billion (13.6 percent) from FY 2023 spending. The annual change in spending is primarily attributable to increases in School Aid reflecting the final year of the phase-in of full funding of the current Foundation Aid formula and Medicaid due to investments in health care, offset by the phase down of the eFMAP extension through December 31, 2023. Additional growth is primarily the result of additional assistance to the MTA to address operating shortfalls, initiatives and investments to improve mental health care services, access to affordable housing, additional support for public safety initiatives, wage increases, one-time funding to support asylum seekers services and assistance in New York City, and an increase in hard dollar capital spending.

North Carolina Adjustments to revenue include estimated reversions, funds from the Savings Reserve, and adjustments to non-tax revenue from various agency receipts. Expenditures adjustments represent large “above the line transfers” to a variety of programs such as the State Capital and Infrastructure Fund. Medicaid expansion funds are presented as an adjustment to revenue (and the expenditure as an adjustment to expenditures).

North Dakota Revenue adjustments are transfers of \$200.0 million from the strategic investment and improvements fund.

Ohio	Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are not included in the General Fund number to be consistent with NASBO survey guidelines. The 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 the actual ending fund balance. The FY 2024 expenditure estimate includes \$6,277.0 million in transfers out of the GRF.
Oklahoma	Revenue adjustment includes the \$698m "LEAD Act" incentive, which was appropriated in FY 23, expired per SB 1176, and will return to General Revenue in FY 24. Expenditure adjustment includes a proposal to invest \$1 billion in surplus General Revenue into Oklahoma Legacy Fund. No Federal Funds are included in calculations.
Oregon	Revenue adjustments include: a revenue adjustment for a statutory transfer to local governments for local property tax relief. Expenditures for Fiscal Year 2024 are based on the Governor's Recommended Budget for the 2023-25 Biennium. Rainy Day Fund balances are forecasted on a biennial basis. I estimated the balance to include a deposit in the amount of 1% of the prior biennium (2021-23) expenditures.
Pennsylvania	Revenue adjustments include refunds and lapses.
Puerto Rico	By Calendar Year 2016, the Commonwealth of Puerto Rico ("Commonwealth") was in the midst of an irreconcilable liquidity, fiscal, and economic crisis: (i) the Commonwealth was being crushed under the weight of public debt that was larger than its GNP, (ii) it had started to default on its debt obligations, and (iii) it had lost access to external financing. In response to this crisis, on June 30, 2016, President Obama signed into law the Puerto Rico Oversight, Management, and Economic Stability Act ("PROMESA"), 48 U.S.C. § 2101 et seq., to provide a bankruptcy-like remedy to the ongoing fiscal and humanitarian crisis in Puerto Rico. The key goals of PROMESA are: (i) to meet Puerto Rico's immediate need to provide its residents effective services, (ii) to formulate a debt restructuring, and (iii) to implement fiscal and structural reforms leading to a sustainable economy, fiscal responsibility, and market access. On January 18, 2022, Judge Laura Taylor Swain confirmed the Commonwealth's Plan of Adjustment ("PoA") restructuring approximately \$35 billion of debt and other claims against the Commonwealth, the Public Buildings Authority, and the Employee Retirement System, as well as more than \$50 billion of unfunded pension liabilities. The PoA went effective on March 15th, 2022. Notwithstanding the PoA, PROMESA is still in effect – mainly for the completion of several Commonwealth's Component Units debt restructurings (e.g., Puerto Rico Electric Power Authority, the Puerto Rico Industrial Development Company, and the Puerto Rico Highway Transportation Authority), along certain matters related to the PoA and/or PROMESA. Additionally, on 03/28/2023, the Governor submitted the FY24 Recommended Budget pursuant to Section 203 of PROMESA; subsequent steps needed for budget certification will be according to PROMESA and/or the Scheduled Calendar established thereunder. FY24 figures will be provided in the Fall 2023 Fiscal Survey once a final budget is certified.
Rhode Island	Adjustments to revenues reflect a transfer of \$165.8 million to the Budget Reserve Fund and a transfer of \$55.0 million to an additional fund to supplement the statutory rainy day fund.
South Carolina	Revenue Adjustments: Transfer-out (\$795.9) to Tax Relief Trust Fund; Transfer-in \$72.6 from COVID-19 Response Reserve and \$72.8 from Litigation Recovery. Expenditure Adjustments: Transfer-out \$209.2 FY23 Capital Reserve to agencies. Ending Balance: Rainy Day Funds: \$715.1 General Reserve, \$209.2 Capital Reserve, and \$524.9 projected Contingency Reserve; Reserved/Designated: \$1,434.4 projected agency carryforward appropriations.
Tennessee	Adjustments (Revenues): -\$250M transfer to Rainy Day Fund, -\$250M transfer to OPEB, -\$300M transfer to Retirement System Trust Fund, -\$0.8M rounding adjustment. Adjustments (Expenditures): \$1,802.1M transfer to Capital Outlay Projects Fund, \$12.3M transfer to State Office Buildings and Support Facilities Fund, \$3.3M to Debt Service Fund, \$1.0M transfer to reserves for dedicated revenue appropriations.

Texas	Fiscal 2024 figures represent enacted fiscal 2024–2025 biennial budget, since the Texas Governor released a policy budget only with no top-line spending information. The revenue adjustment amount represents total FY 2024 reduction in General Revenue Fund (GR) Revenue as a result of transfer and/or allocations to the funds/accounts outside GR and revenue adjustments due to the passage of the various revenue legislations by the 88th Legislature, Regular Session. Projected rainy day fund balance represents the projected balance in the Economic Stabilization Fund at the end of the fiscal 2024–2025 biennium as of the January 2023 Biennial Revenue Estimate, which assumed no new appropriations by the legislature and is subject to change.
U.S. Virgin Islands	Adjustments include appropriated transfers from other state funds as contribution to General Fund.
Utah	FY 2024 revenue adjustments include transfers to the General Fund and Income Tax Fund, the amount set aside for economic development cash incentives, and other revenue adjustments. Based on FY 2024 revenue projections when the FY 2024 Governor’s budget proposal was released.
Vermont	Expenditure adjustments reflect net GF transfers to/(from) other funds
Virginia	Fiscal 2024 figures represent enacted fiscal 2023-2024 biennial budget with enacted revisions. Total revenue includes 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.
West Virginia	Total Revenue is the official estimate for FY 2024 Total General Revenue collections. FY 2024 appropriated expenditures are \$4,884 m.
Wisconsin	Revenue adjustments include Tribal Gaming, \$0; and Other Revenue, \$715.6. Expenditure adjustments include Transfers, \$3,325.1; Lapses, -\$281.2; and Compensation Reserves, \$365.3.
Wyoming	The State of Wyoming budgets on a biennial basis. To arrive at annual figures certain assumptions and estimates are required. Fiscal 2024 figures represent enacted fiscal 2023-2024 biennial budget with Governor’s proposed revisions/supplemental items.

Notes to Table 6: General Fund Nominal Percentage Expenditure Change, Fiscal 2022 to Fiscal 2024

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: Fiscal 2023 Mid-Year / Post-Enacted Spending Actions (Recommended or Enacted)

Alaska	Proposed spending actions are pending approval by the legislature.
California	<p>The Governor’s Budget forecasts lower General Fund revenues compared to the 2022 Enacted Budget and proposes various adjustments to address the budget deficit.</p> <p>The recommended actions for Fiscal 2023 require legislative approval. Estimated General Fund revenues led to a decrease of approximately \$3.2b based on the updated Proposition 98 calculation (minimum funding guarantee for K-14 education). The mid-year changes also include proposed adjustments to address an estimated budget deficit including \$1.6b for funding delays, \$1b for trigger reductions, \$1b for various reductions and pullbacks, and \$0.8b for shifting funding from the General Fund to other funds. These adjustments primarily pair down significant one-time investments, with scheduled expenditures over multiple fiscal years and do not reduce or impact core programs and services.</p>
Guam	Of the amount noted, the following breakdown applies: 1) \$31,846,823 was proposed and adopted by the Guam Legislature from FY 2022 General Fund revenues collected in excess of adopted levels via P.L. 36-119, P.L. 36-123, and P.L. 36-124; 2) \$21,358,877 & \$21,032,670 were passed by the Guam Legislature from FY 2023 GF revenues collected in excess of adopted levels as of 3/21/23 (Bill No. 32-37) and 3/24/23 (Bill No. 24-37) respectively; and 3) the collective amount of \$26,920,181 is currently proposed, but not yet deliberated, by the Guam Legislature via Bills No. 23-37, 75-37, and 80-37, all of which are utilizing FY 2023 General Fund revenues.

Hawaii	Some restrictions may have been released.
Indiana	In a special legislative session called by the Governor in July 2022, the Indiana General Assembly appropriated an additional \$74.2 million for various health and human service related programs. Also, during the special session, the legislature enhanced the automatic taxpayer refunds by an additional \$200/taxpayer resulting in an estimated \$935 million in additional taxpayer refunds.
Kansas	Governor recommendation pending legislative approval
Michigan	Total of \$2,423 million includes enacted supplementals totaling \$1,702 million, and proposed supplementals of \$722 million
Minnesota	Mid-year spending actions reported, as recommended by the governor.
Missouri	FY 2023 Supplemental budget recommended an increase of \$598.2 million from FY 2023 enacted budget.
New Jersey	The net total change includes a \$2.35b proposed supplemental appropriation for the State's Debt Defeasance and Prevention Fund.
Pennsylvania	The -\$1.658 billion is a net funding change. The reductions were largely due to enhanced FMAP being available longer than anticipated when the budget was enacted.
Puerto Rico	During FY23, several reprogrammings have been made after the General Fund budget was certified on 06/30/22, pursuant to PROMESA. However, said reprogrammings have not increased nor decreased the original total certified amount of \$12,426,459,000 (i.e., reprogrammings have been limited to specific budgetary line items).
Tennessee	The FY23 proposed mid-year spending actions require the legislature's passing of this year's appropriation bill.

Notes to Table 8: Strategies Used to Manage Budget (Mid-Year/Post-Enacted), Fiscal 2023

California	<p>The 2023–24 Governor's Budget proposes various budget management strategies in Fiscal 2023 including:</p> <p>Targeted Cuts — \$969 million for various reductions and pullbacks</p> <p>Other Fund Transfers — \$754.8 million funding shifts from the General Fund to other funds</p> <p>Deferred Payments— \$1,583.5 million in funding delays</p> <p>Other — \$1,006.7 million in trigger reductions</p>
Guam	<p>Other Fund Transfers: There are currently several Government of Guam Special Revenue Funds that are tracking below adopted levels, and it is likely that the General Fund would have to cover any funding shortfalls in these Special Revenue Funds. Such transfers are conducted on an "as needed" basis at the end of the fiscal year.</p> <p>Prior Year Balance: The Guam Legislature appropriated a total of \$71,423,699 from the balance of General Fund revenues collected via P.L. 36-107, P.L. 36-119, P.L. 36-123, and P.L. 36-124.</p> <p>Revenue Increase: It is likely that Bills No. 24-37 (relative to 22% GPP Pay Adjustments) and 32-37 (relative to GDOE CIPs) will be signed into law by Governor Leon Guerrero in the next several business days. These Bills would increase the adopted FY2023 GF level by \$21,358,877 and \$21,032,670 respectively.</p>
Indiana	<p>Indiana's State Budget Director, Zac Jackson, issued a memo on May 20, 2022 asking all executive branch agencies to hold back a similar reserve on their appropriations from what they held in FY 2022. This resulted in many allotments being reduced by 1-2% from the appropriation amount. Many of these have been released with justification prior to the close of the fiscal year. These are targeted though and not across every agency or appropriation. Use of a dedicated contingency fund has and will be used to address unforeseen and unbudgeted expenditure increases (e.g., salary increases from a Personnel Department led compensation study in the fall of 2022).</p>

Kansas	Governor's recommendation includes depositing \$500.0 million into the Budget Stabilization Fund in FY 2023.
Louisiana	Executive Order Hiring Freeze
Maine	The mid-year budgetary actions included further use of available prior year unspent appropriations that had built up in various General Fund accounts that are authorized to carry balances, as well as surplus liquor operation revenues that were transferred to the General Fund. Additionally, adjustments to the Federal Medical Assistance Percentage (FMAP) resulted in an overall reduced need for state General Funds.
Massachusetts	Caps on Full-Time Equivalent employees are in effect for executive department agencies. A portion of FY23 and FY24 expenditures are supported by prior-year fund balances largely driven by federal support. This spending is primarily one-time in nature and reflects our ongoing efforts to fully expend ARPA funds in line with federal guidance.
Nebraska	Utilize Cash Reserve Fund for Capital Construction projects; Usual and Customary Cash Transfers to/from General Fund; Continued increases to Property Tax Relief. Medicaid program changes include increased appropriation for healthcare provider rates and nursing facility rates.
New Jersey	Rainy Day Fund — per statute, excess revenues will be placed into the State's Surplus Revenue Fund, or Rainy Day Fund, at the end of FY2023. Other Fund Transfers — The FY23 budget assumes a \$2.35b general fund transfer to the State's Debt Defeasance and Prevention Fund.
Puerto Rico	Note: given the sui-generis restructuring proceedings under PROMESA, post Plan of Adjustments Confirmation please refer to the following attached documents for specific details on Items 55 to 73: (A) FY23 Certified Fiscal Plan under PROMESA; & (B) Plan of Adjustments Confirmation Order.
Rhode Island	Prior-year Fund Balance: As of October 2022, the Budget Office projected an operating surplus of \$610.0 million in FY 2023. This unusually large surplus is the result of several factors — strong revenue collections, lower agency spending from unfilled personnel positions, and FEMA and temporarily enhanced Medicaid reimbursements. The FY 2023 surplus largely represents one-time revenues and as such, the Governor's budget uses these funds to go as responsible one-time investments to help address long-standing problems and to reduce future operating costs.
Tennessee	Other: 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 FY22-23 budget cycle and agencies started with a 5% cut to their base.

Notes to Table 9: Strategies Used to Manage Budget (Recommended), Fiscal 2024

California	The 2023–24 Governor's Budget proposes various budget management strategies in Fiscal 2024 including: Targeted Cuts — \$4,571.1 million for various reductions and pullbacks Other Fund Transfers — \$3,539 million funding shifts from the General Fund to other funds Deferred Payments — \$5,428.5 million in funding delays Revenue Increase — \$1,196.5 million in revenue and borrowing Other — \$2,858 million in trigger reductions
Colorado	In FY 2023–24 Colorado used "prepays" which consists of General Fund or ARPA funds to provide one-time General Fund offset in order to address the structural deficit.

Florida	<p>Governor recommended 3% Employer Contribution increase in Defined Contribution Plan</p> <p>Governor recommended transfer \$300m to BSF</p> <p>Governor recommended transfer of \$1b to state's Emergency Preparedness and Response Fund and \$1b to a new State Investment Fund</p>
Kansas	Governor's recommendation includes changing the State General Fund revenue transfer for Capital Improvement Aid to a demand transfer, thus moving from revenue event to expenditure; Governor's recommendation includes Medicaid expansion.
Louisiana	Executive Order Hiring Freeze
Maine	Consistent with past budgets, there was budgeted savings from an increased attrition rate of 5% compared to the 1.6% set out in statute. The Governor's recommended budget includes further use of available prior year unspent appropriations that had built up in various General Fund accounts that are authorized to carry balances, as well as projected surplus liquor operation revenues that would be transferred to the General Fund. Additionally, a decrease in the Federal Medical Assistance Percentage (FMAP) resulted in increased General Fund obligations.
Massachusetts	Caps on Full-Time Equivalent employees are in effect for executive department agencies. A portion of FY23 and FY24 expenditures are supported by prior-year fund balances largely driven by federal support. This spending is primarily one-time in nature and reflects our ongoing efforts to fully expend ARPA funds in line with federal guidance.
Nebraska	Utilize Cash Reserve Fund for Capital Construction projects; Usual and Customary Cash Transfers to/from General Fund; Continued increases to Property Tax Relief. Medicaid program changes include increased appropriation for healthcare provider rates. The "Other" category reflects TEEOSA school aid formula allocation adjustments.
New Hampshire	Governor's recommended budget appropriates \$224.5M of FY23 balance in the budget trailer bill.
New Jersey	<p>Other Fund Transfers — per historical practice, a list of fund transfers from other funds to the General Fund print at the end of the Schedule I revenues.</p> <p>Medicaid Program Changes — Hiring project management consultants for large-scale program implementation needs allowing for efficiency and cost savings in FY24.</p>
New York	Other - The FY 2024 Executive Budget includes prepaying \$900 million in debt in FY 2024 from previously projected levels. This will reduce projected debt service expenditures by \$900 million in FY 2025.
North Carolina	Budget recommends accessing \$200 million of the Savings Reserve in FY 2024 for childcare purposes. Budget appropriates unappropriated balances from the previous Fiscal Year. Currently the State has phased in tax-rate reductions for individual and corporate income taxes in law that this budget recommends adjusting to provide additional availability (and holding a transfer of sales tax revenues from the General Fund to the Highway Fund and Highway Trust Fund at 2% rather than phasing up to 6%). The budget recommends expanding the Medicaid Program under the Affordable Care Act and subsequent Federal legislation.
North Dakota	There are bills that were introduced to close our defined benefit plan. The Governor supports the closure of the plan and included a one-time infusion of \$250.0 million of funding into the plan to help with the unfunded liability. The Governor's recommendation also included a proposed change to the amount required to be retained in our Budget Stabilization Fund (rainy day fund). Currently the fund is to maintain a balance of 15% of most recently approved General Fund appropriation, his plan is to use 15% of just the ongoing General Fund appropriation minus the amount for the state student aid as that funding already has its own rainy day fund.
Oregon	The Governor's Recommended Budget for the 2023–25 biennium includes targeted budget reductions and makes targeted reductions to vacant positions (either eliminating the position or increasing the vacancy savings factor in agency budgets). For the Rainy Day Fund, the Governor's budget recommends reallocating projected interest earnings of \$118.7 million and the anticipated deposit of \$358.3 million to serve Oregonians. For the Education Stability Fund, the Governor's budget recommends reallocating \$228.2 million in projected new Lottery Fund deposits to the Higher Education Coordinating Commission to support Oregon Opportunity Grants and Public Universities. The Governor's budget also proposes to transfer \$90.0 million from the Public Employee's Revolving Fund to the General Fund.

Puerto Rico	Note: given the sui-generis restructuring proceedings under PROMESA, post Plan of Adjustments Confirmation please refer to the following attached documents for specific details on Items 55 to 73: (A) FY23 Certified Fiscal Plan under PROMESA; & (B) Plan of Adjustments Confirmation Order.
Rhode Island	<p>Reorganize Agencies: Creation and funding allocation/appropriation for the Department of Housing, which was established as a separate department within the Executive Branch.</p> <p>Rainy Day Fund: The Governor proposes creating an additional fund to supplement the existing rainy day fund with \$55.0 million in surplus funds (approximately 1 percent of state general revenues).</p> <p>Revenue Increase: The Governor proposes amending the Hospital Licensing Fee (HLF) as authorized by Rhode Island General Law to include an average 6.0 percent inpatient and outpatient three-tiered hospital tax as allowed by CMS, generating an additional \$38.1 million in state revenues.</p> <p>Medicaid Program Changes: The Governor proposes Managed Care Direct Payments to Hospitals at an increase of \$91.4 million in general revenue financing for new managed care organizations direct payments to hospitals to promote systematic access and quality; The Governor proposes a reduction of \$54.7 million in general revenue financing for the annual Disproportionate Share Hospitals (DSH) payments to hospitals. This total is compliant with the DSH cap reduction anticipated in federal FY 2024.</p>
South Carolina	Pension –1% employer retirement rate increase. Rainy Day Funds – Increased General Reserve funding from 5.5% to 6.0%
Tennessee	Other: Agency reserves, base budget reductions, and carryforwards.
Texas	No budget cuts were recommended for FY24–25.
U.S. Virgin Islands	Vacant positions budgeted at 50%

STATE REVENUE DEVELOPMENTS

CHAPTER TWO

Overview

After multiple years of revenues considerably beating projections in virtually all states and record-setting annual increases in collections, revenue growth is showing signs of returning to more normal levels. For fiscal 2023, current revenue estimates at the time of data collection were running ahead of original enacted revenue forecasts by 6.5 percent, still a considerable uptick compared to historical norms but not nearly as extreme a difference as states experienced the last couple of outlier years. By comparison, fiscal 2022 revenues exceeded original forecasts by 20.5 percent, according to NASBO's *Fall 2022 Fiscal Survey*.

Regarding year-over-year general fund revenue growth trends, states are estimating a slight decline of 0.3 percent in fiscal 2023 followed by a 0.7 percent decline in fiscal 2024. These declines are from a high baseline established following two consecutive years of extraordinary double-digit percentage growth in revenue of 16.6 percent in fiscal 2021 and 16.3 percent in fiscal 2022. Adjusted for inflation, general fund revenue grew 12.7 percent in fiscal 2021, 7.6 percent in fiscal 2022, and is on track to decline 8.5 percent in fiscal 2023.

The slower revenue growth estimated for fiscal 2023 and forecasted for fiscal 2024 reflects the impact of recently enacted or proposed tax cuts (both one-time and recurring), a slowdown in the pace of economic growth, and weaker stock market performance and capital gains. For fiscal 2024, governors recommended a decrease in general fund taxes and fees, with a net impact of -\$13.8 billion. Revenue forecasts used in governors' budgets for fiscal 2024 take these proposed reductions into account.

Fiscal 2024 revenue forecasts are also generally conservative in light of the ongoing economic uncertainty amidst high interest rates, inflationary pressures, weakening consumer spending, and a possible recession on the horizon.

Among the states reporting more current estimates for fiscal 2024 than those used in governors' budgets, states were fairly evenly split between those making upward versus downward revisions. This speaks to how recent state revenue performance has been more mixed and varied depending on differences in tax structures, prevalent industries, demographic shifts, tax policy changes, and the timing of one-time revenues, following the nearly universal substantial growth experienced by states in recent years.

Total General Fund Revenue and Annual Growth

Fiscal 2024 Forecasts. Recommended budgets for fiscal 2024 are based on general fund revenues totaling \$1.17 trillion, which would represent a slight decline of 0.7 percent compared to estimated fiscal 2023 levels. For a significant majority of states, the current estimates reported for fiscal 2023 were developed at the same time as the projections for fiscal 2024 used in governors' budgets. Ten states separately reported more current revenue projections for fiscal 2024, in addition to the estimates used in governors' budgets. Among those states, five reported upward revisions, four reported downward revisions, and one maintained roughly the same estimates compared to the estimates used in recommended budgets, with a median upward revision of 0.4 percent from recommended to most current. Overall, recent revenue performance and its impact on fiscal 2024 projections has been mixed across states.

Fiscal 2023 Current Estimates. States reported in this survey fiscal 2023 general fund revenues totaling \$1.18 trillion based on their most current estimates, representing a decrease of 0.3 percent compared to actual fiscal 2022 levels. This marks a slight decline from a very high baseline following two consecutive years of double-digit percentage increases in revenue in fiscal 2021 and fiscal 2022. This reflects a slowdown in the pace of economic growth, a weaker stock market performance in calendar year 2022, and the impact of state tax cuts (both one-time and recurring) that took effect in fiscal 2023. Based on the number of states

reporting collections are coming in higher than current estimates, actual revenues for fiscal 2023 may come in higher than estimated in this survey. Furthermore, the 0.3 percent decrease estimated year-over-year represents a smaller decline than the 3.2 percent decrease projected for fiscal 2023 in NASBO's *Fall 2022 Fiscal Survey*; this reflects how revenue collections for fiscal 2023 have outperformed revenue forecasts used in enacted budgets.

Fiscal 2022 Actual Collections. States reported in this survey fiscal 2022 general fund revenues totaling \$1.19 trillion, representing a sharp 16.3 percent year-over-year increase. This marks the second consecutive year of double-digit percentage growth in revenues, after general fund collections grew 16.6 percent in fiscal 2021 year-over-year. The annual revenue growth experienced in fiscal 2021 and fiscal 2022 represent the two highest growth rates recorded in NASBO's *Fiscal Survey* since its inception in 1979. (See [Tables 12 and 14](#))

In fiscal 2021, the strong revenue growth was attributed in part to certain one-time or temporary factors — including the impact of the tax deadline shift in spring 2020, the inclusion of federal aid, borrowing and other non-tax sources in revenue totals in at least a few states, and federal stimulus measures pumping a lot of additional money into the economy and directly boosting personal income. The inclusion of federal aid as well as the impact of federal stimulus likely contributed to revenue growth in fiscal 2022 as well. Employment growth and high consumer demand, as well as a strong stock market performance in calendar year 2021, likely helped to further drive revenue gains in fiscal 2022. The impacts of inflation on both consumer prices and wages also contributed to revenue growth; adjusted for inflation, general fund revenues grew 7.6 percent in fiscal 2022.

Variation By State. In fiscal 2022, significant nominal growth in general fund revenues was widespread, with a majority of states (34) seeing increases greater than 10 percent, while another 11 states saw revenue increases between 5 and 10 percent. Meanwhile, in fiscal 2023, a slim majority of states (26) are estimating revenue declines while

14 states are expecting growth between 0 and 5 percent, seven states project growth between 5 and 10 percent, and just three states are estimating increases of 10 percent or more. The story looks very similar in the projections used in governors' recommended budgets for fiscal 2024, with 26 states forecasting year-over-year declines (compared to current estimates for fiscal 2023), 18 states projecting growth between 0 and 5 percent, four states expecting growth between 5 and 10 percent, and just two states forecasting growth above 10 percent.

As is true every year, variation state-to-state in revenue growth can be explained partially by differences across states in tax structures, their most prevalent industries, demographic shifts, tax policy changes, and other factors. How and when some states account for one-time receipts and/or transfers can also have an impact on annual revenue growth. (See [Table 13](#))

Revenues in the Territories and District of Columbia. In Fiscal 2023, the District of Columbia (DC) estimates double-digit percentage growth in general fund revenue, while Guam, Puerto Rico and the U.S. Virgin Islands (USVI) are on track for declines compared to fiscal 2022 levels. In recommended budgets for fiscal 2024, DC forecasts a decline in general fund revenue, while Guam and USVI expect modest increases after the estimated drops in fiscal 2023. When including the territories and DC, general fund revenue totaled \$1.21 trillion in fiscal 2022 and an estimated \$1.21 trillion in fiscal 2023 and is projected to total \$1.20 trillion in fiscal 2024 recommended budgets.³

General Fund Revenue Performance Compared to Original Revenue Projections

Fiscal 2023 Collections to Date. For a third consecutive year, the vast majority of states are on track to see revenue surpluses compared to original revenue forecasts. At the time of data collection, general fund collections for fiscal 2023 from all revenue sources including sales, personal income, corporate income, and other revenues were coming in higher than the revenue projections used to adopt budgets in 45 states, lower

³ Puerto Rico was not able to report on a proposed general fund spending figure for fiscal 2024. To allow for year-over-year comparisons, the fiscal 2024 general fund spending total (including territories and DC) was adjusted to include Puerto Rico's fiscal 2023 general fund spending estimate.

in four states, and on target in one state. Comparing collections to revised forecasts for fiscal 2023, the story is somewhat more mixed across states, with 23 states reporting collections running ahead of current forecasts, six states running behind, and 15 states on target. (See Table 14)

Fiscal 2023 Revenue Forecast Updates. Comparing original revenue estimates to most current estimates at the time of data collection, in the aggregate the revised estimates were coming in ahead of original projections for fiscal 2023 across every revenue type. Compared to original revenue estimates, sales and use tax estimates were revised up 7.3 percent, personal income taxes were up 2.0 percent, corporate income taxes were up 12.8 percent, and all other general revenue was up 14.6 percent. Totaling up the four revenue categories, revised general fund estimates were up 6.5 percent compared to the original estimates, as reported in this survey. It should be noted that original estimates for some biennial budget states used for these comparisons were developed as long ago as calendar year 2021. (See Tables 15 and 16)

General Fund Collection Growth By Revenue Type

In fiscal 2024 revenue forecasts used in governors' recommended budgets, personal income taxes account for 44.0 percent of all forecasted general fund revenues, sales and use taxes for 30.3 percent, corporate income taxes for 9.5 percent, and all other revenues at 16.1 percent. Below is discussion of recent trends in state general fund collections by revenue source.

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 a robust 14.5 percent in fiscal 2022 and is on track to grow an additional 4.9 percent in fiscal 2023. Continued pent-up consumer demand and the impact of high inflation on prices

likely contributed to the high growth rate in fiscal 2022, while the lower growth rate in fiscal 2023 can be attributed to the high baseline established in fiscal 2022 (after two years of accelerated growth), some slowing in consumption and consumers shifting to spend more on services (which are less often taxed) relative to goods. Sales and use tax collections in fiscal 2024 are projected to total \$356.3 billion; this would essentially represent flat (0.1 percent) growth from estimated levels for fiscal 2023. Projections based on more recent data for fiscal 2024 are higher. Among 10 states reporting original proposed and more current estimates for fiscal 2024 sales and use tax collections, revised forecasts are up 3.7 percent compared to projections used in governors' budgets.

Personal Income Taxes. Forty-one states collect a broad-based personal income tax. Personal income taxes in recent years have been bolstered by employment growth, wage increases (driven in part by inflation), and the strong stock market performance in calendar years 2020 and 2021. After growing 14.2 percent in fiscal 2022, personal income tax collections are estimated to decline 3.6 percent in fiscal 2023. This decline can be attributed to the high baseline in fiscal 2022 that was partially driven by one-time factors, some recent slowing in economic growth and a weaker stock market performance in calendar year 2022, and the impact of tax policy changes (including both recurring and one-time changes). Tax deadline extensions in some states due to the impact of natural disasters may have contributed to the estimated decline in fiscal 2023 as well. Personal income taxes are forecasted to total \$517.7 billion in fiscal 2024 governors' budgets, which would represent flat growth of 0.0 percent over estimated fiscal 2023 levels. Only seven states provided more current estimates for fiscal 2024 personal income tax collections, with those revised forecasts down 0.9 percent in the aggregate compared to projections used in governors' budgets.

Corporate Income Taxes. For the 45 states that collect a corporate income tax, total corporate income tax revenues — which tend to be a more volatile revenue source — increased 44.8 percent in fiscal 2022 after seeing similar growth in fiscal 2021 due to high corporate profits. In fiscal 2023,

corporate income tax collections are estimated to decline 5.4 percent. Despite this decrease, corporate tax collections are running ahead of original forecasts — current general fund estimates for corporate income taxes were revised up 12.8 percent in the aggregate compared to original revenue forecasts used to adopt fiscal 2023 budgets. In fiscal 2024 recommended budgets, corporate income tax collections are forecasted to total \$111.8 billion, a 3.2 percent decline compared to current estimates for fiscal 2023. Eight states reported revised projections for fiscal 2024, which in the aggregate are running 9.6 percent ahead of estimates used in governors' budget proposals.

Other General Fund Revenues. All other general fund revenues may include collections from cigarette and other excise taxes, severance taxes, gaming and lottery revenue, insurance taxes, fees, and other sources. Some states may also use this category to record revenue transfers in and out of the general fund from/to other state fund sources (and federal funds in some cases), which can contribute to large fluctuations year-over-year for some states in this category. All other general fund revenues increased 11.4 percent in fiscal 2022 and are estimated to record a 1.1 percent decline in fiscal 2023. They are projected to total \$189.4 billion in fiscal 2024, a slight increase of 0.4 percent compared to current estimates for fiscal 2023. Ten states reported updated projections for fiscal 2024, which in the aggregate are running 2.0 percent behind the estimates used in governors' budgets. *(See Tables 17 and 18)*

TABLE 11**State Nominal and Real Annual Revenue Increases,
Fiscal 1979 to Fiscal 2024**

Fiscal Year	State General Fund	
	Nominal Increase	Real Increase
2024	-0.7%	
2023	-0.3	-8.5%
2022	16.3	7.6
2021	16.6	12.7
2020	-0.6	-2.2
2019	5.7	2.6
2018	6.9	3.3
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
1979–2023 average	5.5%	1.5%

Notes: The state and local government implicit price deflator quarterly data provided by the Bureau of Economic Analysis National Income and Product Account Tables, Table 3.9.4., Line 33 (last updated on May 25, 2023) is used to determine real changes in state revenue. Fiscal Year (July to June for most states) real changes are based on quarterly averages. Fiscal 2023 figures are based on the change from fiscal 2022 actuals to fiscal 2023 estimates. Fiscal 2024 figures are based on the change from fiscal 2023 estimates to fiscal 2024 recommended figures.

TABLE 12
State General Fund Revenue Growth,
Fiscal 2022 to Fiscal 2024

Revenue Growth	Fiscal 2022 (Actual)	Fiscal 2023 (Estimated)	Fiscal 2024 (Recommended)
0% or less	3	26	26
> 0.0% but < 5.0%	1	14	18
> 5.0% but < 10.0%	11	7	4
10% or more	34	3	2

NOTE: See Table 13 for state-by-state data.

TABLE 13**General Fund Nominal Percentage Revenue Change,
Fiscal 2022 to Fiscal 2024**

State/Territory	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	17.8%	1.3%	3.0%
Alaska	132.3	-7.9	-24.5
Arizona	18.3	-17.8	7.2
Arkansas	8.8	-11.1	-0.4
California	19.0	-6.0	-0.4
Colorado	23.7	-4.1	-1.6
Connecticut	7.1	5.9	-3.9
Delaware	8.2	7.0	-3.5
Florida	18.8	4.3	-10.6
Georgia	22.2	-12.3	0.4
Hawaii	25.0	6.5	0.4
Idaho	23.7	-5.3	-5.5
Illinois	12.2	0.5	-1.3
Indiana	8.6	-2.2	3.2
Iowa	11.4	-1.9	0.1
Kansas	-10.7	12.3	12.5
Kentucky	14.5	3.2	-0.6
Louisiana	20.6	-7.2	-4.4
Maine	19.3	-6.5	2.9
Maryland	15.4	-1.3	5.7
Massachusetts	20.1	-1.8	2.2
Michigan	17.5	-10.5	-1.4
Minnesota	14.0	-1.5	-15.1
Mississippi	9.6	-5.4	7.7
Missouri	14.6	1.4	0.7
Montana	31.3	-5.5	-20.4
Nebraska	6.5	1.5	0.5
Nevada	23.7	2.4	-0.7
New Hampshire	8.0	-2.1	-0.2
New Jersey	8.3	2.6	-0.5
New Mexico	-0.3	14.4	14.5
New York	23.6	13.1	-0.1
North Carolina	11.8	1.7	1.1
North Dakota	27.3	-7.1	3.1
Ohio	7.2	-0.1	2.1
Oklahoma	15.8	3.9	2.0
Oregon	-2.9	-6.7	-19.1
Pennsylvania	9.7	-0.8	-1.6
Rhode Island	17.4	0.1	1.2
South Carolina	23.1	-8.7	-2.4
South Dakota	10.5	5.3	-3.1
Tennessee	16.7	5.1	0.6
Texas	26.4	5.3	0.8
Utah	14.5	1.1	1.3
Vermont	9.2	-2.8	-7.1
Virginia	24.9	-2.7	-0.1
Washington	11.9	3.1	-0.2
West Virginia	18.1	-21.1	5.1
Wisconsin	5.0	3.9	1.8
Wyoming	0.0	6.3	0.0
Total	16.3%	-0.3%	-0.7%
Median	15.0%	-0.4%	-0.1%
District of Columbia	N/A	16.6	-7.0
Guam	N/A	-1.6	2.8
Puerto Rico	N/A	-4.3	N/A
U.S. Virgin Islands	N/A	-0.4	2.2

Fiscal 2022 reflects changes from fiscal 2021 revenues (actual) to fiscal 2022 revenues (actual). Fiscal 2023 reflects changes from fiscal 2022 revenues (actual) to fiscal 2023 revenues (estimated). Fiscal 2024 reflects changes from fiscal 2023 revenues (estimated) to fiscal 2024 revenues (recommended).

TABLE 14

General Fund Revenue Collections Compared to Projections, Fiscal 2023

State/Territory	Compared to Original Fiscal 2023			Compared to Most Recent Fiscal 2023			N/A
	On Target	Lower	Higher	On Target	Lower	Higher	
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	1	4	45	15	6	23	6
District of Columbia			X		X		
Guam			X			X	
Puerto Rico			X			X	X
U.S. Virgin Islands		X		X			

NOTES: Original Fiscal 2023 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 2023 budget. Most Recent Fiscal 2023 reflects whether collections thus far have been coming in higher, lower, or on target with a state's most recent revenue projections. *See Notes to Table 14 at the end of the chapter.

TABLE 15

Fiscal 2023 General Fund Revenue Current Estimates Compared to Original Estimates in Fiscal 2023 Enacted Budgets (Millions)

State/Territory	Sales Tax		Personal Income Tax		Corporate Income Tax		All Other Revenue	
	Original Estimate	Current Estimate	Original Estimate	Current Estimate	Original Estimate	Current Estimate	Original Estimate	Current Estimate
Alabama	\$3,458	\$3,661	\$4,469	\$6,013	\$661	\$1,187	\$2,318	\$2,506
Alaska					125	105	4,845	3,514
Arizona	7,291	7,689	5,946	6,156	1,133	1,480	-2,047	-1,589
Arkansas	3,167	3,298	3,907	3,790	642	636	609	609
California	33,992	32,851	137,506	128,905	38,464	38,482	6,404	8,003
Colorado*	4,373	4,606	10,983	10,788	1,059	1,483	224	96
Connecticut*	4,778	5,058	11,707	11,832	1,294	1,382	4,609	5,010
Delaware			2,062	2,116	183	283	3,552	3,841
Florida	31,391	35,401			3,328	5,168	5,471	5,695
Georgia	7,402	8,366	14,102	14,934	1,396	1,883	5,734	5,465
Hawaii	4,329	4,186	3,861	4,029	461	150	1,860	2,275
Idaho	2,242	2,319	2,457	2,151	309	960	315	438
Illinois	10,080	10,390	22,577	23,881	4,608	5,723	9,164	10,602
Indiana	9,366	10,483	6,966	7,432	1,059	1,124	1,706	1,943
Iowa	3,993	3,985	5,387	5,577	829	952	-1,074	-899
Kansas	3,414	3,566	4,662	5,100	650	773	182	-552
Kentucky	5,283	5,681	5,342	5,831	910	1,279	2,224	2,400
Louisiana	4,467	4,829	4,325	4,511	600	600	1,648	2,025
Maine	2,115	2,132	2,054	2,293	336	336	254	281
Maryland	5,807	6,150	13,426	13,253	1,686	1,478	2,607	2,859
Massachusetts	8,844	9,268	22,897	22,852	4,158	4,290	8,643	9,058
Michigan	2,250	2,299	8,813	8,610	1,055	673	1,856	1,586
Minnesota	6,555	7,409	13,922	15,494	1,603	2,764	3,644	4,188
Mississippi	2,971	2,971	2,250	2,250	735	735	1,032	1,032
Missouri	2,775	2,842	7,670	8,857	575	763	399	600
Montana	86	106	1,588	2,034	174	284	889	1,376
Nebraska	2,344	2,400	2,795	3,200	462	575	223	270
Nevada	1,355	1,802					3,071	3,796
New Hampshire					623	758	1,033	1,190
New Jersey	13,417	14,003	19,985	20,412	5,330	5,852	11,094	13,238
New Mexico	3,047	3,792	2,039	2,393	68	292	3,896	3,563
New York	15,391	16,641	64,354	68,289	9,751	10,248	6,548	8,715
North Carolina	10,183	10,787	15,471	16,748	1,156	1,693	3,700	4,532
North Dakota	920	1,094	297	453	108	270	372	403
Ohio	12,460	13,431	9,522	10,429	1,880	2,128	3,042	2,756
Oklahoma	2,980	3,074	2,821	3,399	279	461	909	3,027
Oregon			10,885	11,677	609	1,233	633	798
Pennsylvania	13,815	13,994	18,164	17,668	4,900	5,517	6,701	6,748
Rhode Island	1,509	1,575	1,775	1,910	215	252	1,403	1,474
South Carolina*	3,853	4,501	5,648	5,888	560	751	1,209	1,329
South Dakota	1,332	1,468					735	801
Tennessee	11,471	12,964			3,696	4,679	4,732	4,900
Texas	35,823	41,760					27,792	38,750
Utah	2,833	3,268	5,731	6,781	529	802	632	796
Vermont			1,103	1,263	187	221	700	806
Virginia	4,498	4,498	16,733	16,732	1,737	1,737	1,904	1,904
Washington	15,129	15,717					14,423	13,630
West Virginia	1,510	1,510	2,190	2,190	150	150	786	786
Wisconsin	6,845	7,480	9,116	9,610	2,160	2,910	1,338	1,353
Wyoming	531	600					610	683
Total	\$331,674	\$355,899	\$507,506	\$517,729	\$102,431	\$115,501	\$164,551	\$188,611
District of Columbia*	1,773	1,930	3,097	3,123	714	775	4,636	4,684
Guam	4	7	94	98	86	89	627	661
Puerto Rico	2,109	2,653	2,213	3,000	1,927	3,037	5,507	5,417
U.S. Virgin Islands			472	481	117	85	345	344

NOTES: Unless otherwise noted, original estimates reflect the figures used when the fiscal 2023 budget was adopted. *See Notes to Tables 15 and 16 at the end of the chapter.

TABLE 16

Fiscal 2023 General Fund Revenue Current Estimates Compared to Original Estimates in Fiscal 2023 Enacted Budgets (Percentage Above or Below)

State/Territory	Sales Tax	Personal Income Tax	Corporate Income Tax	All Other Revenue
Alabama	5.9%	34.5%	79.7%	8.1%
Alaska	N/A	N/A	-16.0	-27.5
Arizona	5.5	3.5	30.7	-22.3
Arkansas	4.1	-3.0	-1.0	0.0
California	-3.4	-6.3	0.0	25.0
Colorado*	5.3	-1.8	40.0	-57.1
Connecticut*	5.9	1.1	6.8	8.7
Delaware	N/A	2.6	54.5	8.1
Florida	12.8	N/A	55.3	4.1
Georgia	13.0	5.9	34.9	-4.7
Hawaii	-3.3	4.4	-67.5	22.3
Idaho	3.4	-12.5	210.7	39.2
Illinois	3.1	5.8	24.2	15.7
Indiana	11.9	6.7	6.2	13.9
Iowa	-0.2	3.5	14.9	-16.3
Kansas	4.4	9.4	18.9	-404.0
Kentucky	7.5	9.1	40.6	7.9
Louisiana	8.1	4.3	0.0	22.9
Maine	0.8	11.6	0.0	10.6
Maryland	5.9	-1.3	-12.3	9.7
Massachusetts	4.8	-0.2	3.2	4.8
Michigan	2.2	-2.3	-36.2	-14.5
Minnesota	13.0	11.3	72.4	14.9
Mississippi	0.0	0.0	0.0	0.0
Missouri	2.4	15.5	32.6	50.3
Montana	22.5	28.0	63.4	54.9
Nebraska	2.4	14.5	24.4	20.9
Nevada	32.9	N/A	N/A	23.6
New Hampshire	N/A	N/A	21.7	15.3
New Jersey	4.4	2.1	9.8	19.3
New Mexico	24.4	17.4	328.8	-8.5
New York	8.1	6.1	5.1	33.1
North Carolina	5.9	8.3	46.5	22.5
North Dakota	18.9	52.3	151.4	8.4
Ohio	7.8	9.5	13.2	-9.4
Oklahoma	3.2	20.5	65.3	232.8
Oregon	N/A	7.3	102.4	26.0
Pennsylvania	1.3	-2.7	12.6	0.7
Rhode Island	4.4	7.6	17.3	5.1
South Carolina*	16.8	4.2	34.1	9.9
South Dakota	10.2	N/A	N/A	9.1
Tennessee	13.0	N/A	26.6	3.5
Texas	16.6	N/A	N/A	39.4
Utah	15.4	18.3	51.6	26.0
Vermont	N/A	14.5	18.1	15.3
Virginia	0.0	0.0	0.0	0.0
Washington	3.9	N/A	N/A	-5.5
West Virginia	0.0	0.0	0.0	0.0
Wisconsin	9.3	5.4	34.7	1.2
Wyoming	13.0	N/A	N/A	12.0
Total	7.3%	2.0%	12.8%	14.6%
On target	4.0	4.0	6.0	4.0
Higher	39.0	30.0	34.0	36.0
Lower	2.0	7.0	5.0	10.0
District of Columbia*	8.8	0.8	8.6	1.0
Guam	81.4	4.6	3.4	5.5
Puerto Rico	25.8	35.6	57.6	-1.6
U.S. Virgin Islands	N/A	1.7	-27.3	-0.2

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 15 and 16 at the end of the chapter.

TABLE 17

Comparison of General Fund Revenue Collections in Fiscal 2022, Fiscal 2023, and Recommended Fiscal 2024 (\$ in millions)

State/Territory	Sales Tax			Personal Income Tax		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	\$3,531	\$3,661	\$3,770	\$5,985	\$6,013	\$6,254
Alaska	0	0	0	0	0	0
Arizona	7,209	7,689	7,651	7,530	6,156	5,932
Arkansas*	3,155	3,298	3,307	4,172	3,790	3,692
California*	32,915	32,851	33,599	136,762	128,905	126,725
Colorado*	4,322	4,606	4,639	11,718	10,788	10,918
Connecticut*	4,818	5,058	5,265	12,132	11,832	11,497
Delaware	0	0	0	1,909	2,116	2,150
Florida*	34,040	35,401	31,850	0	0	0
Georgia	8,317	8,366	8,366	18,287	14,934	14,707
Hawaii*	3,980	4,186	3,916	3,760	4,029	4,712
Idaho	2,195	2,319	2,078	2,603	2,151	2,163
Illinois	10,234	10,390	10,415	24,839	23,881	24,659
Indiana	9,991	10,483	10,632	8,181	7,432	7,751
Iowa	3,854	3,985	4,204	5,780	5,577	5,248
Kansas	3,534	3,666	3,360	4,836	5,100	5,268
Kentucky*	5,063	5,681	5,625	6,048	5,831	5,249
Louisiana*	4,886	4,829	4,634	4,556	4,511	4,486
Maine	2,079	2,132	2,130	2,581	2,293	2,392
Maryland*	5,967	6,150	6,195	13,548	13,253	14,668
Massachusetts*	8,765	9,268	9,680	24,337	22,852	23,637
Michigan	2,389	2,299	2,158	9,199	8,610	8,753
Minnesota	6,644	7,409	7,264	16,873	15,494	11,485
Mississippi	2,983	2,971	2,723	2,500	2,250	2,835
Missouri	2,692	2,842	2,857	9,010	8,857	8,920
Montana	93	106	126	2,393	2,034	2,087
Nebraska	2,133	2,400	2,500	3,243	3,200	3,250
Nevada*	1,680	1,802	1,920	0	0	0
New Hampshire	0	0	0	0	0	0
New Jersey	13,447	14,003	14,159	20,738	20,412	20,884
New Mexico*	3,491	3,792	3,771	2,328	2,393	2,322
New York	13,815	16,641	17,870	59,519	68,289	69,836
North Carolina	10,201	10,787	10,875	17,568	16,748	16,679
North Dakota	976	1,094	1,102	456	453	322
Ohio*	13,030	13,431	13,656	10,752	10,429	10,518
Oklahoma	2,933	3,074	3,122	3,149	3,399	3,489
Oregon	0	0	0	12,458	11,677	9,294
Pennsylvania*	13,914	13,994	13,795	18,126	17,668	18,051
Rhode Island	1,511	1,575	1,550	1,986	1,910	1,978
South Carolina	4,402	4,501	4,433	6,828	5,888	5,834
South Dakota	1,385	1,468	1,409	0	0	0
Tennessee*	12,092	12,964	13,405	4	0	0
Texas	38,827	41,760	42,816	0	0	0
Utah	3,099	3,268	3,390	6,772	6,781	6,841
Vermont	0	0	0	1,268	1,263	1,138
Virginia*	4,558	4,498	4,479	20,410	16,732	19,082
Washington*	14,898	15,717	15,718	0	0	0
West Virginia*	1,655	1,510	1,702	2,503	2,190	2,210
Wisconsin	6,978	7,480	7,603	9,214	9,610	9,738
Wyoming	563	600	618	0	0	0
Total***	\$339,243	\$355,899	\$356,335	\$536,857	\$517,729	\$517,653
District of Columbia*	1,814	1,930	1,995	3,117	3,123	3,228
Guam	5	7	6	108	98	101
Puerto Rico*	2,686	2,653	N/A	2,806	3,000	N/A
U.S. Virgin Islands	0	0	0	462	481	468

NOTES: Unless otherwise noted, fiscal 2022 figures reflect actual tax collections, fiscal 2023 figures reflect estimated tax collections, and fiscal 2024 figures reflect the projections used in governors' recommended budgets. *See Notes to Tables 17 and 18 at the end of the chapter.

Table 17 continues on next page.

TABLE 17 (CONTINUED)

Comparison of General Fund Revenue Collections in Fiscal 2022, Fiscal 2023, and Recommended Fiscal 2024 (\$ in millions)

State/Territory	Corporate Income Tax			All Other Revenue		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	\$1,198	\$1,187	\$1,246	\$2,484	\$2,506	\$2,502
Alaska	112	105	125	3,817	3,514	2,606
Arizona	1,164	1,480	1,178	802	-1,589	30
Arkansas*	837	636	493	610	609	577
California*	45,298	38,482	39,308	6,474	8,003	7,806
Colorado*	1,569	1,483	1,151	90	96	-12
Connecticut*	1,401	1,382	1,422	3,640	5,010	4,195
Delaware	314	283	235	3,606	3,841	3,637
Florida*	3,762	5,168	4,898	6,234	5,695	5,760
Georgia	2,510	1,883	1,402	5,821	5,465	6,310
Hawaii*	256	150	161	2,216	2,275	2,355
Idaho	1,039	960	873	360	438	434
Illinois	5,407	5,723	5,548	9,854	10,602	9,322
Indiana	1,540	1,124	1,182	1,732	1,943	2,088
Iowa	919	952	911	-749	-899	-737
Kansas	806	773	646	-1,261	-552	720
Kentucky*	933	1,279	964	2,660	2,400	2,313
Louisiana*	600	600	570	1,692	2,025	1,753
Maine	416	336	372	316	281	293
Maryland*	1,700	1,478	1,623	2,829	2,859	2,605
Massachusetts*	4,577	4,290	4,528	8,626	9,058	8,602
Michigan	1,529	673	490	1,592	1,586	1,584
Minnesota	2,823	2,764	2,317	3,978	4,188	4,276
Mississippi	855	735	898	1,050	1,032	1,068
Missouri	711	763	727	468	600	648
Montana	294	284	266	1,111	1,376	1,262
Nebraska	715	575	475	258	270	250
Nevada*	0	0	0	3,759	3,796	3,708
New Hampshire	750	758	801	1,242	1,190	1,144
New Jersey	5,800	5,852	5,436	12,150	13,238	12,748
New Mexico*	344	292	265	2,610	3,563	5,637
New York	8,482	10,248	8,816	10,064	8,715	7,239
North Carolina	1,626	1,693	1,681	3,815	4,532	4,913
North Dakota	213	270	252	745	403	614
Ohio*	1,996	2,128	2,174	2,986	2,756	2,993
Oklahoma	527	461	378	2,981	3,027	3,174
Oregon	1,539	1,233	1,076	922	798	875
Pennsylvania*	5,324	5,517	5,347	10,770	6,748	6,036
Rhode Island	288	252	260	1,418	1,474	1,487
South Carolina	1,129	751	626	1,295	1,329	1,271
South Dakota	0	0	0	770	801	791
Tennessee*	4,309	4,679	4,739	5,048	4,900	4,955
Texas	0	0	0	37,646	38,750	38,300
Utah	937	802	759	717	796	809
Vermont	223	221	181	865	806	809
Virginia*	1,979	1,737	1,785	1,988	1,904	1,941
Washington*	0	0	0	14,892	13,630	14,789
West Virginia*	366	150	152	1,363	786	820
Wisconsin	2,960	2,910	3,057	1,396	1,353	1,333
Wyoming	0	0	0	929	683	783
Total***	\$122,074	\$115,501	\$111,791	\$190,680	\$188,611	\$189,417
District of Columbia*	728	775	734	5,007	4,684	4,602
Guam	87	89	107	669	661	664
Puerto Rico*	2,608	3,037	N/A	6,644	5,417	N/A
U.S. Virgin Islands	109	85	77	342	344	385

NOTES: Unless otherwise noted, fiscal 2022 figures reflect actual tax collections, fiscal 2023 figures reflect estimated tax collections, and fiscal 2024 figures reflect the projections used in governors' recommended budgets. *See Notes to Tables 17 and 18 at the end of the chapter.

TABLE 18

Percentage Change in General Fund Revenue Collections in Fiscal 2022, Fiscal 2023, and Recommended Fiscal 2024

State/Territory	Sales Tax			Personal Income Tax		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	9.1%	3.7%	3.0%	24.7%	0.5%	4.0%
Alaska	N/A	N/A	N/A	N/A	N/A	N/A
Arizona	15.4	6.7	-0.5	15.3	-18.2	-3.6
Arkansas*	9.4	4.5	0.3	5.1	-9.1	-2.6
California*	13.2	-0.2	2.3	6.1	-5.7	-1.7
Colorado*	19.0	6.6	0.7	23.6	-7.9	1.2
Connecticut*	0.5	5.0	4.1	17.3	-2.5	-2.8
Delaware	N/A	N/A	N/A	1.1	10.8	1.6
Florida*	25.3	4.0	-10.0	N/A	N/A	N/A
Georgia	19.7	0.6	0.0	28.6	-18.3	-1.5
Hawaii*	30.3	5.2	-6.4	12.1	7.2	16.9
Idaho	9.5	5.6	-10.4	6.4	-17.4	0.6
Illinois	9.2	1.5	0.2	10.3	-3.9	3.3
Indiana	10.1	4.9	1.4	8.6	-9.2	4.3
Iowa	9.7	3.4	5.5	6.4	-3.5	-5.9
Kansas	13.1	0.9	-5.8	5.4	5.5	3.3
Kentucky*	11.0	12.2	-1.0	17.6	-3.6	-10.0
Louisiana*	18.3	-1.2	-4.1	15.2	-1.0	-0.5
Maine	12.0	2.5	-0.1	24.7	-11.1	4.3
Maryland*	19.6	3.1	0.7	15.7	-2.2	10.7
Massachusetts*	11.9	5.7	4.4	24.0	-6.1	3.4
Michigan	6.7	-3.8	-6.1	19.3	-6.4	1.7
Minnesota	7.7	11.5	-2.0	19.6	-8.2	-25.9
Mississippi	12.4	-0.4	-8.3	12.3	-10.0	26.0
Missouri	14.2	5.5	0.6	15.7	-1.7	0.7
Montana	67.4	13.5	19.4	35.5	-15.0	2.6
Nebraska	6.1	12.5	4.2	3.6	-1.3	1.6
Nevada*	21.7	7.3	6.6	N/A	N/A	N/A
New Hampshire	N/A	N/A	N/A	N/A	N/A	N/A
New Jersey	10.4	4.1	1.1	18.7	-1.6	2.3
New Mexico*	19.8	8.6	-0.5	22.2	2.8	-3.0
New York	23.8	20.5	7.4	35.2	14.7	2.3
North Carolina	13.0	5.8	0.8	11.0	-4.7	-0.4
North Dakota	14.4	12.1	0.7	-2.0	-0.8	-28.8
Ohio*	6.9	3.1	1.7	5.4	-3.0	0.9
Oklahoma	-11.6	4.8	1.6	6.8	7.9	2.6
Oregon	N/A	N/A	N/A	-2.5	-6.3	-20.4
Pennsylvania*	8.4	0.6	-1.4	11.3	-2.5	2.2
Rhode Island	12.7	4.2	-1.6	22.9	-3.8	3.6
South Carolina	15.1	2.2	-1.5	25.9	-13.8	-0.9
South Dakota	13.3	5.9	-4.0	N/A	N/A	N/A
Tennessee*	15.6	7.2	3.4	-92.7	-100.0	N/A
Texas	20.4	7.6	2.5	33.3	2.9	-1.2
Utah	18.0	5.5	3.7	10.8	0.1	0.9
Vermont	N/A	N/A	N/A	18.5	-0.4	-9.9
Virginia*	9.4	-1.3	-0.4	18.0	-18.0	14.0
Washington*	12.1	5.5	0.0	N/A	N/A	N/A
West Virginia*	7.7	-8.8	12.7	11.0	-12.5	0.9
Wisconsin	9.5	7.2	1.6	-0.7	4.3	1.3
Wyoming	14.2	6.6	3.0	N/A	N/A	N/A
Total***	14.5%	4.9%	0.1%	14.2%	-3.6%	0.0%
Median	12.7%	5.0%	0.7%	13.7%	-3.7%	1.2%
District of Columbia*	N/A	6.4	3.4%	N/A	0.2	3.3
Guam	N/A	41.0	-11.6	N/A	-9.1	3.7
Puerto Rico*	N/A	-1.2	N/A	N/A	6.9	N/A
U.S. Virgin Islands	N/A	N/A	N/A	N/A	3.9	-2.7

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 2022 figures reflect actual Tax collections, fiscal 2023 figures reflect estimated Tax collections, and fiscal 2024 figures reflect the projections based on governors' recommended budgets. *See Notes to Tables 17 and 18 at the end of the chapter.

Table 18 continues on next page.

TABLE 18 (CONTINUED)

Percentage Change in General Fund Revenue Collections in Fiscal 2022, Fiscal 2023, and Recommended Fiscal 2024

State/Territory	Corporate Income Tax			All Other Revenue		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	41.9%	-0.9%	5.0%	6.8%	0.9%	-0.2%
Alaska	9.1	-6.4	19.0	140.3	-7.9	-25.8
Arizona	37.4	27.2	-20.4	63.0	-298.1	-101.9
Arkansas*	28.4	-24.1	-22.5	-1.0	-0.1	-5.3
California*	100.5	-15.0	2.1	15.0	23.6	-2.5
Colorado*	32.6	-5.5	-22.4	428.8	7.1	-112.1
Connecticut*	21.5	-1.4	2.9	-14.3	37.6	-16.3
Delaware	49.8	-9.9	-17.1	9.5	6.5	-5.3
Florida*	10.8	37.4	-5.2	8.9	-8.7	1.1
Georgia	43.4	-25.0	-25.5	2.6	-6.1	15.5
Hawaii*	37.2	-41.4	7.3	-7.9	2.7	3.5
Idaho	197.9	-7.7	-9.1	71.5	21.6	-1.0
Illinois	51.8	5.8	-3.1	4.9	7.6	-12.1
Indiana	11.1	-27.0	5.1	-1.4	12.2	7.5
Iowa	-6.6	3.6	-4.4	-33.7	-19.9	-18.0
Kansas	23.6	-4.1	-16.4	353.2	-56.2	-230.5
Kentucky*	5.6	37.1	-24.6	18.7	-9.8	-3.6
Louisiana*	-25.5	0.0	-5.1	7.7	19.6	-13.4
Maine	46.3	-19.3	10.8	1.7	-11.2	4.3
Maryland*	16.3	-13.1	9.8	5.7	1.0	-8.9
Massachusetts*	26.2	-6.3	5.6	15.5	5.0	-5.0
Michigan	26.3	-56.0	-27.1	17.9	-0.3	-0.2
Minnesota	18.2	-2.1	-16.2	1.4	5.3	2.1
Mississippi	1.1	-13.9	22.0	3.2	-1.7	3.5
Missouri	4.9	7.2	-4.6	12.6	28.2	8.0
Montana	10.2	-3.2	-6.6	26.8	23.9	-8.3
Nebraska	25.2	-19.6	-17.4	4.0	4.9	-7.4
Nevada*	N/A	N/A	N/A	21.5	1.0	-2.3
New Hampshire	18.6	1.2	5.6	2.4	-4.1	-3.9
New Jersey	15.9	0.9	-7.1	-9.9	8.9	-3.7
New Mexico*	129.7	-15.1	-9.4	-16.3	36.5	58.2
New York	32.1	20.8	-14.0	-20.8	-13.4	-16.9
North Carolina	4.8	4.1	-0.7	15.6	18.8	8.4
North Dakota	45.4	26.7	-6.9	80.6	-45.9	52.3
Ohio*	19.7	6.6	2.2	8.2	-7.7	8.6
Oklahoma	-6.2	-12.6	-17.9	105.7	1.5	4.9
Oregon	4.1	-19.9	-12.8	-11.5	-13.5	9.6
Pennsylvania*	20.3	3.6	-3.1	57.2	-37.3	-10.6
Rhode Island	42.9	-12.6	3.2	11.4	3.9	0.9
South Carolina	68.8	-33.5	-16.7	10.5	2.6	-4.3
South Dakota	N/A	N/A	N/A	5.9	4.1	-1.3
Tennessee*	33.0	8.6	1.3	8.9	-2.9	1.1
Texas	N/A	N/A	N/A	33.3	2.9	-1.2
Utah	26.2	-14.4	-5.4	21.8	11.1	1.6
Vermont	67.4	-0.9	-18.1	-9.3	-6.7	0.3
Virginia*	30.5	-12.2	2.8	5.0	-4.2	1.9
Washington*	N/A	N/A	N/A	4.5	-8.5	8.5
West Virginia*	14.3	-59.0	1.3	55.6	-42.4	4.4
Wisconsin	15.6	-1.7	5.0	2.9	-3.0	-1.5
Wyoming	N/A	N/A	N/A	1.6	-26.5	14.6
Total***	44.8%	-5.4%	-3.2%	11.4%	-1.1%	0.4%
Median	25.2%	-5.5%	-5.1%	7.9%	0.9%	-1.1%
District of Columbia*	N/A	6.5	-5.3	N/A	-6.4	-1.8
Guam	N/A	2.0	20.8	N/A	-1.1	0.4
Puerto Rico*	N/A	16.4	N/A	N/A	-18.5	N/A
U.S. Virgin Islands	N/A	-22.1	-9.4	N/A	0.8	11.8

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 2022 figures reflect actual Tax collections, fiscal 2023 figures reflect estimated Tax collections, and fiscal 2024 figures reflect the projections based on governors' recommended budgets. *See Notes to Tables 17 and 18 at the end of the chapter.

Recommended Fiscal 2023 (Mid-Year) and Fiscal 2024 Revenue Actions

According to recommended budgets, governors in 28 states proposed net decreases in general fund taxes and fees while net increases were recommended in nine states, reducing state general fund revenue on net by \$13.8 billion in fiscal 2024. This impact is equivalent to roughly 1.2 percent of forecasted general fund revenues in fiscal 2024 recommended budgets. If governors' net tax cuts are enacted, this would mark the second largest net tax reduction on record in the history of the *Fiscal Survey*, measured in nominal dollars. (See [Tables 20 and Figure 3](#)) Measured as a share of general fund revenue, the percentage cut would be similar to the reductions recorded in the late 1990s and fiscal years 2000–2001.

Additionally, governors' proposed tax changes would reduce general fund revenue for the current fiscal year (fiscal 2023) by an additional \$2.3 billion, after states already enacted reductions last year that were set to reduce fiscal 2023 general fund revenue by an estimated \$15.5 billion, according to NASBO's *Fall 2022 Fiscal Survey of States*. Mid-year changes reported in this survey impacting fiscal 2023 revenue include both recurring actions that were recommended for fiscal 2024 that would also affect fiscal 2023 collections depending on their effective date as well as standalone mid-year changes (especially one-time or temporary actions) that do not carry over to fiscal 2024.

The scale and scope of tax reductions recommended by governors in their fiscal 2024 budgets reflect continued strong fiscal conditions. Recommended tax cuts include measures to return part of states' revenue surplus to taxpayers, provide inflation relief to families, support businesses, and promote prosperity and economic opportunity. Tax reductions ranged from targeted, one-time tax relief measures to permanent, broad-based rate reductions — often phased in over a series of years.

Given the increasing number of one-time tax relief measures that have been proposed and adopted by states recently, supported with budget surplus funds, this survey asked

states to identify whether proposed revenue changes were one-time/temporary in nature, as opposed to recurring. In fact, more than half of the estimated revenue impact of recommended changes reported in this survey (-\$1.2 billion in fiscal 2023 and -\$7.3 billion in fiscal 2024) is attributable to temporary revenue actions. This means that the recurring revenue impacts of proposed changes in this survey total an estimated -\$1.1 billion in fiscal 2023 and -\$6.5 billion in fiscal 2024.

Below is a summary of the revenue impacts of tax policy and fee changes by source. More detailed, state-by-state information on tax and fee changes recommended by governors for fiscal 2023 (mid-year) and fiscal 2024 is available in the Appendix of this report. (See [Tables 20 and 21, Appendix Table A-1](#))

Sales Taxes. Governors in two states recommended sales and use tax increases, while decreases were proposed in 12 states, which will reduce general fund revenue on net by \$2.5 billion in fiscal 2024. Two of these changes would also reduce revenue in fiscal 2023 by an estimated \$53 million. For fiscal 2024, roughly -\$1.1 billion of the total revenue impact is attributable to one-time changes, with the remaining -\$1.4 billion impact being recurring.

Some of the more impactful changes recurring changes to sales taxes include proposals to eliminate state sales taxes on groceries in Kansas, Oklahoma, and South Dakota. Another common trend in this category was exempting baby and/or feminine hygiene products from taxation in Arizona, Florida, Kansas, Ohio, and Wisconsin. Among the one-time changes, Florida's governor recommended a host of temporary exemptions and sales tax holidays, while Tennessee's governor proposed a three-month food tax holiday.

Personal Income Taxes. Governors in five states proposed net increases to personal income taxes, while 24 governors proposed net decreases in this category. These changes have a net general fund revenue impact of -\$10.0 billion in fiscal 2024. Additionally, recommended changes in this survey would result in mid-year revenue impact for fiscal 2023 of -\$1.5 billion. For fiscal 2024, roughly half the estimated

revenue impact (-\$4.9 billion) is one-time in nature, while the changes affecting fiscal 2023 include -\$507 million in one-time impacts.

Governors in numerous states reported proposed reductions to personal income tax rates, including Arkansas, Connecticut, Kentucky, Missouri, Montana, Nebraska, Oklahoma, South Carolina, Utah, and West Virginia, while North Dakota's governor proposed moving to a flat tax. Mississippi's governor proposed to eliminate the state income tax over four years, though an estimate of the revenue impact of this proposal was not available at the time of data collection and therefore not included in this survey. Several states proposed expanding their earned income tax credits (EITCs), creating or enhancing child and/or dependent tax credits and exemptions, as well as proposing other tax breaks. States including Georgia, Minnesota, and Utah also proposed one-time tax refunds or rebates in fiscal 2023 and/or fiscal 2024. On the other hand, the most significant increases to personal income taxes reported included Massachusetts implementing a surtax on income over \$1 million that was passed as a ballot initiative (with the impact partially offset by targeted income tax reductions), as well as a proposed surtax on capital gains and dividend income in Minnesota.

Corporate Income Taxes. Two states reported proposed corporate income tax increases, while 11 states reported proposed decreases, for a positive net general fund revenue impact of \$152 million in fiscal 2024. Just three states reported modest changes that affect fiscal 2023 revenue in the mid-year, with an impact of -\$27 million. Among the fiscal 2024 changes reported, only one state (Tennessee) reported some actions that were one-time in nature, with a net revenue impact of -\$71 million.

An update to Wisconsin's corporate income tax code and a manufacturing credit limitation were mainly responsible for the net positive revenue impact. Nearly all the other changes reported in this category consisted of decreases, which were modest in size for the most part. A proposed onshoring Clean Energy Supply Chain tax credit in Michigan had the largest negative impact on revenues among the corporate income tax changes reported in this survey.

All Other General Fund Revenue. Governors in five states proposed net increases to all other general fund revenue while 11 states proposed decreases, for a net impact of -\$1.5 billion in fiscal 2024. Most of that net impact (-\$1.2 billion) is one-time in nature and attributable to property tax relief in Georgia and tax rebates in New Mexico. Other changes in this category involve estate taxes, cannabis taxes, gaming taxes and sports betting, excise taxes on cigarettes and alcohol, miscellaneous tax credits, and changes to various program fees. Two states reported recommended changes in this category with a mid-year impact on fiscal 2023 general fund revenue of -\$702 million, with most of that impact driven by one-time tax rebates in New Mexico.

Recommended Revenue Measures. In addition to tax and fee changes, some states also reported on revenue measures affecting general fund revenue, with a total net impact of -\$2.1 billion in fiscal 2023 (mid-year) and -\$1.9 billion in fiscal 2024. These measures 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. A couple states reported on temporary tax cuts in this section as well. (*See Appendix Table A-2*)

TABLE 19**Enacted General Fund Revenue Changes, Fiscal 1979 to Fiscal 2023 and Recommended Fiscal 2024**

Fiscal Year	Revenue Change (Billions)
2024	-\$13.8
2023	-15.5
2022	-1.7
2021	4.1
2020	0.7
2019	2.7
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 1988-2024 data provided by the National Association of State Budget Officers. Figures previously printed in this table for fiscal 2019-2023 have been revised to only show total general fund revenue impact.

FIGURE 3:
Enacted State Revenue Changes, Fiscal 1979 to Fiscal 2023

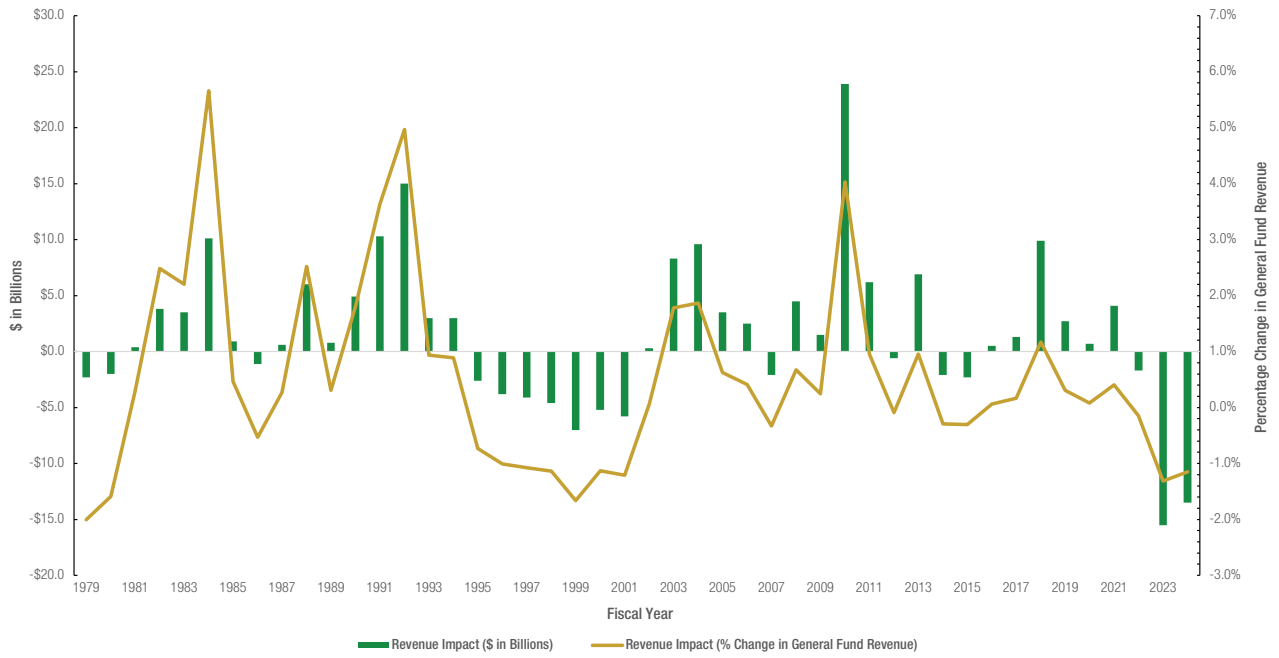


TABLE 20

Recommended General Fund Revenue Actions by Type of Revenue, Fiscal 2023 Mid-Year (Millions)

State/Territory	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Other General Fund Revenue	Total	One-time
Alabama		\$3.6			\$3.6	
Alaska						
Arizona						
Arkansas		-104.0	-\$24.0		-128.0	
California						
Colorado*						
Connecticut						
Delaware						
Florida						
Georgia						
Hawaii						
Idaho						
Illinois						
Indiana						
Iowa						
Kansas	-\$44.3				-44.3	
Kentucky	-8.9	-2.7			-11.6	
Louisiana						
Maine*		-141.8	-0.1		-141.9	
Maryland						
Massachusetts						
Michigan*		-442.0			-442.0	
Minnesota						
Mississippi*		TBD				
Missouri		-130.6			-130.6	
Montana						
Nebraska						
Nevada						
New Hampshire						
New Jersey						
New Mexico		-0.3		-\$666.1	-666.4	-\$666.6
New York						
North Carolina						
North Dakota		-114.3			-114.3	-107.0
Ohio						
Oklahoma						
Oregon*						
Pennsylvania						
Rhode Island				-35.6	-35.6	-35.6
South Carolina						
South Dakota						
Tennessee						
Texas						
Utah		-400.0	-3.3		-403.3	-400.0
Vermont						
Virginia		-0.2			-0.2	
Washington						
West Virginia		-161.8			-161.8	
Wisconsin						
Wyoming						
Total	-\$53.2	-\$1,494.1	-\$27.4	-\$701.7	-\$2,276.4	-\$1,209.3
Increases		1.0			1.0	
Decreases	2.0	10.0	3.0	2.0	12.0	
District of Columbia						
Guam				3.7	3.7	69.3
Puerto Rico						
U.S. Virgin Islands						

NOTE: See Appendix Table A-1 for details on specific revenue changes. *See Notes to Table 20 at the end of the chapter.

TABLE 21

Recommended General Fund Revenue Actions by Type of Revenue, Fiscal 2024 (Millions)

State/Territory	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Other General Fund Revenue	Total	One-time
Alabama		\$35.6			\$35.6	
Alaska						
Arizona	-\$40.0	-50.0			-90.0	
Arkansas		-204.3	-\$40.0		-244.3	
California		30.0	-1.1		28.9	
Colorado*						
Connecticut		-220.6	77.9	\$10.0	-132.7	
Delaware		-24.9			-24.9	
Florida	-1,124.1				-1,124.1	-\$858.3
Georgia		-1,000.0		-1,000.0	-2,000.0	-2,000.0
Hawaii						
Idaho						
Illinois						
Indiana						
Iowa						
Kansas	-290.1	-33.5			-323.6	
Kentucky	-21.9	-325.4			-347.3	
Louisiana						
Maine*						
Maryland		-204.0			-204.0	
Massachusetts		325.0		-184.0	141.0	
Michigan*	-48.0	-631.0	-200.0		-879.0	
Minnesota	-177.3	-4,494.5	-0.7	-7.5	-4,680.0	-3,902.2
Mississippi*						
Missouri		-335.4			-335.4	
Montana		-31.2		-1.0	-32.2	
Nebraska		-89.1	-6.1	-25.0	-120.2	
Nevada				-20.1	-20.1	
New Hampshire				-28.9	-28.9	
New Jersey				-11.7	-11.7	
New Mexico		-2.8		-148.1	-150.9	-150.0
New York				-58.3	-58.3	
North Carolina		67.0			67.0	
North Dakota		-251.0	-1.5		-252.5	
Ohio	-10.7	-196.6			-207.3	
Oklahoma	-351.1	-260.9	-43.7		-655.7	
Oregon*		-13.4		98.7	85.4	
Pennsylvania	-20.9	-24.7		-129.4	-175.0	
Rhode Island	-28.7		-1.0	38.1	8.4	
South Carolina		-135.5			-135.5	
South Dakota	-102.4				-102.4	
Tennessee	-291.1		-123.1		-414.2	-360.4
Texas						
Utah		-304.8	-16.9		-321.7	
Vermont	2.6	-32.9	-12.2	2.6	-39.9	
Virginia		23.4			23.4	
Washington						
West Virginia		-1,084.5			-1,084.5	
Wisconsin	4.4	-482.5	520.2	11.5	53.6	
Wyoming						
Total	-\$2,499.3	-\$9,952.5	\$151.8	-\$1,453.1	-\$13,753.1	-\$7,270.9
Increases	2.0	5.0	2.0	5.0	8.0	
Decreases	12.0	24.0	11.0	11.0	29.0	
District of Columbia						
Guam				-64.3	-64.3	
Puerto Rico						
U.S. Virgin Islands						

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

CHAPTER 2 NOTES

Notes to Table 13: General Fund Nominal Percentage Revenue Change, Fiscal 2022 to Fiscal 2024

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

Notes to Table 14: General Fund Revenue Collections Compared to Projections, Fiscal 2023

Colorado Revenues for FY 2022-2023 are coming in higher compared to the March 2022 Governor's Office of State Planning and Budgeting (OSPB) forecast and the March 2022 Legislative Council Staff (LCS) forecast (i.e., the figures reported in this survey). However, note that the Joint Budget Committee balanced the original budget for FY 2022-2023 to the Legislative Council Staff (LCS) forecast; revenues are coming in higher compared to that forecast.

Notes to Tables 15 and 16: Fiscal 2023 General Fund Revenue Collections Compared with Projections Used in Adopting Fiscal 2023 Budgets (\$ Amounts and Percentage Change)

Colorado The General Assembly selected the Legislative Council Staff (LCS) forecast for the FY 2022-23 budget. The Joint Budget Committee selected the Governor's Office of State Planning and Budgeting (OSPB) forecast for the FY 2023-24 budget — therefore figures reported here are comparing OSPB forecast March 2022 to OSPB March forecast 2023

Connecticut FY 2023 Estimates When Adopted: "All Other General Fund Revenue" and the "Total GF Revenue" include Federal Grant revenue of \$2,059.0 million. Without accounting for Federal Grant Revenue, "All Other General Fund Revenue" would equate to \$2,550.3 million and "Total GF Revenue" would equate to \$20,329.2 million. Federal Grants figures do not include any Coronavirus Relief Fund dollars or Coronavirus State and Local Fiscal Recovery Fund dollars.

FY 2023 Current Estimates: "All Other General Fund Revenue" and the "Total GF Revenue" include Federal Grant revenue of \$2,210.1 million. Without accounting for Federal Grant Revenue, "All Other General Fund Revenue" would equate to \$2,800.0 million and "Total GF Revenue" would equate to \$21,071.4 million. Federal Grants figures do not include any Coronavirus Relief Fund dollars or Coronavirus State and Local Fiscal Recovery Fund dollars.

District of Columbia Fiscal 2023 original estimates include policy proposals enacted to support the original FY2023 budget.

South Carolina FY2023 Enacted Budget Revenue: personal income tax and corresponding transfer-out to Tax Relief Trust Fund (revenue adjustment) were understated by \$106.1M

Notes to Tables 17 and 18: Comparison of Tax Collections in Fiscal 2022, Fiscal 2023, and Recommended Fiscal 2024 (\$ Amounts and Percentage Change)

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

California The Governor's Budget forecast for personal income tax revenues includes credits derived from the Pass-Through Entity (PTE) Elective Tax payments, reducing revenues by \$13.7b in Fiscal 2022, \$14b in Fiscal 2023, and \$14.9b in Fiscal 2024. The 2022 Budget Act projected a reduction of \$15b in Fiscal 2023.

The Governor's Budget forecast for corporate income tax revenues includes payments related to the Pass-Through Entity (PTE) Elective Tax, increasing revenues by \$20.4b in Fiscal 2022, \$14.3b in Fiscal 2023, and \$15b in Fiscal 2024. The 2022 Budget Act projected an increase of \$16b in Fiscal 2023.

All Other General Fund Revenue excludes cost recoveries from wildfires and COVID-19, as well as transfers and loans:

A. Fiscal 2022 does not include \$10.7b in revenue transfers and loans to the General Fund or \$1.7b in cost recoveries from COVID-19 and wildfires.

B. Fiscal 2023 estimate adopted in the 2022 Budget Act does not include \$3.3b in revenue transfers and loans from the General Fund or \$6.7b in cost recoveries from COVID-19 and wildfires.

C. Fiscal 2023 does not include \$1.9b in revenue transfers and loans from the General Fund or \$2.5b in cost recoveries from COVID-19 and wildfires.

D. Fiscal 2024 does not include an expected \$0.5b in revenue transfers and loans to the General Fund or \$2.3b in cost recoveries from COVID-19 and wildfires.

Colorado These numbers are pulled from TABLE 3 of the OSPB March forecasts — since there is a diversion of money that is collected from Individual and Corporate income taxes to the State Education Fund (SEF) and starting in FY 23-24 Prop 123 fund — the “Other income” shows a negative because it is impossible to determine of Individual or Corporate Income taxes which amount should be reduced to account for the transfer to the SEF. That transfer is large enough to reduce the other sources.

Connecticut FY 2022 Actual: “All Other General Fund Revenue” and the “Total GF Revenue” include Federal Grant revenue of \$1,934.9 million. Without accounting for Federal Grant Revenue, “All Other General Fund Revenue” would equate to \$1,704.9 million and “Total GF Revenue” would equate to \$20,056.0 million. Federal Grants figures do not include any Coronavirus Relief Fund dollars or Coronavirus State and Local Fiscal Recovery Fund dollars.

FY 2023 Current Estimates: “All Other General Fund Revenue” and the “Total GF Revenue” include Federal Grant revenue of \$2,210.1 million. Without accounting for Federal Grant Revenue, “All Other General Fund Revenue” would equate to \$2,800.0 million and “Total GF Revenue” would equate to \$21,071.4 million. Federal Grants figures do not include any Coronavirus Relief Fund dollars or Coronavirus State and Local Fiscal Recovery Fund dollars.

FY 2024 Recommended Budget: “All Other General Fund Revenue” and the “Total GF Revenue” include Federal Grant revenue of \$1,809.4 million. Without accounting for Federal Grant Revenue, “All Other General Fund Revenue” would equate to \$2,385.7 million and “Total GF Revenue” would equate to \$20,570.5 million. Federal Grants figures do not include any Coronavirus Relief Fund dollars or Coronavirus State and Local Fiscal Recovery Fund dollars.

District of Columbia All Other General Fund revenue includes Unincorporated business tax, Property Tax, gross receipts tax, deed and inheritance tax, and general purpose non-tax revenue all before earmarks. Figures here exclude special purpose revenue.

Florida Figures show revenue from taxes, fees, licenses and charges for services, but do not include FEMA reimbursements, reversions, and legal settlements.

Hawaii Revenue estimates for FY 2023 do not include Renewable Energy Technologies Income Tax Credit and FEMA State Department of Health bridge loan. Revenue estimates for FY 2024 do not include FEMA State Department of Health bridge loan and 2023 Leg proposed revenue impact bills.

Kentucky Revenue figures exclude Tobacco Settlement Funds.

Louisiana State general fund (SGF) revenue figures for FY2022 reflected here are from the Revenue Estimating Conference (REC). This number reflects corporate income tax revenue only up to a maximum of \$600 million, as dictated in legislation. Actual certified collections from corporate income taxes came in at \$1,402 million in FY2022. The \$802 million in excess of the \$600 threshold was transferred to the Revenue Stabilization Trust Fund per state law.

Maryland The State of Maryland revenue forecast for FY 2023 forecast includes -\$100 million for revenue volatility and assumes \$50 million in General Fund recoupment from behavioral health providers who were paid erroneously for services. The forecast for FY 2024 includes -\$120 million for revenue volatility. These amounts have been incorporated into “All Other Revenues.”

Massachusetts Updated categorization of what counted as sales tax revenues relative to Fall 2022 Fiscal Survey to better reflect intent of question. Previously reported figures for FY 2021, used to calculate annual percentage change for FY 2022, have been adjusted according to new categorization to allow for year-over-year comparison.

Personal income tax figure for FY 2024 includes estimate of additional 4% surtax on income over \$1 M starting in FY24.

Nevada	S.B. 124 amends the provisions originally approved in S.B. 3 of the 31st Special Session (July 2020), which required the prepayment of the State General Fund portion of the Net Proceeds of Minerals Tax for FY 2021, FY 2022, and FY 2023 based on the estimated mining activity during each of those calendar years, to revert the payment of the tax back to its former method (tax due based on actual mining activity from the preceding calendar year) of taxing net proceeds on July 1, 2022, rather than on July 1, 2023, as originally approved in S.B. 3. This action is estimated to reduce revenue for the State General Fund by \$70,311,000 in FY 2023. The passage of S.B. 124 will require these tax proceeds to be paid based on actual calendar year 2023 mining activity during FY 2024, and the proceeds will be deposited in the State Education Fund, pursuant to A.B. 495 (2021); thus, the resultant forecast for this tax remains zero in FY 2024 and FY 2025, based on current law.
New Mexico	Fiscal 2024 revenue represents December 2022 consensus revenue estimate before proposed tax changes.
Ohio	Corporate Income Tax: Ohio doesn't have a corporate income tax and instead has a commercial activities tax (CAT).
Pennsylvania	All Other General Fund Revenue for FY 2022 includes the \$3.841 billion transfer of SLFRF funds into the General Fund. The figures as shown here are as they appear in the Governor's Executive Budget. Estimates for FY 2023 listed here are the ones included in the 2023-24 Governor's Executive Budget (released in March 2023).
Puerto Rico	FY24 revenue projections are not currently available and will be provided in the Fall 2023 Fiscal Survey once a final budget is certified. See Puerto Rico's note to Table 5 for more details.
Tennessee	The FY24 revenue estimates do not include the proposed tax legislation (as reported on in Table 21) that is included in the FY 24 revenue estimate shown in Table 5.
Virginia	Revenue figures exclude transfers.
Washington	Total revenue figures reported here are before transfers and other adjustments.
West Virginia	Governor's Official Revenue Estimate set to match budget rather than a projection of actual revenues to be collected.

Notes to Tables 20 and 21: Recommended Fiscal 2023 (Mid-Year) and Fiscal 2024 Revenue Actions by Type of Revenue and Net Increase or Decrease

Colorado	Any change in tax policy in Colorado requires a vote of the people. The most recent vote of the people was approval of Prop FF in 2022 and Prop 123 in 2022 — neither of these ballot measures were requested as part of the Governor's budget.
Maine	The tax increase/decrease actions impacting FY23 have ongoing impacts into FY24 as well. Bureau of the Budget does not have readily available information on the discrete amounts as these actions were done in budget bills for the 2022-2023 biennial budget and the out-year impacts are captured each time a new revenue forecast is done. FY24 revenue impacts have, therefore, become part of the baseline revenue for the upcoming biennium.
Michigan	Public Act 4 provides for EITC increase to 30% effective tax year 2022, retirement tax rollback beginning tax year 2023, diversion of Corporate Income Tax revenue to housing, revitalization, and economic development. Because the bill did not get 2/3s vote for immediate effect, it will not take effect until 90 days after sine die/adjournment of the legislative session. The revenue impact of these changes will likely be delayed until FY24.
Mississippi	Fiscal 2024 revenue impact of personal income tax change not determined/disclosed.
Oregon	Revenue impact amounts are for the biennium (FY 2024-2025).

TOTAL BALANCES

CHAPTER THREE

Overview

Most states are on track to end fiscal 2023 with larger rainy day fund balances than the previous year, building on two years of substantial increases in reserves in fiscal 2021 and fiscal 2022. From fiscal 2020 to fiscal 2022, rainy day fund balances more than doubled from \$77.0 billion to \$164.3 billion, as states deposited a portion of their revenue surpluses into these reserve funds. In fiscal 2023, 39 states are estimating further increases to their rainy day funds, though in the aggregate balances in nominal dollars and as a percentage of total general fund expenditures are expected to drop slightly. For the median state, rainy day funds as a share of general fund spending continue to rise from 11.5 percent in fiscal 2022 to 12.0 percent (estimated) in fiscal 2023 and 13.5 percent (recommended) in fiscal 2024. As states face ongoing economic uncertainty, these high rainy day fund levels, coupled with other recent steps states have taken to bolster their fiscal resiliency, leave states well-prepared to manage their budgets through a possible downturn.

Meanwhile, states are beginning to draw down on their general fund balances, with states' total balances (rainy day funds combined with general fund ending balances) on track to decline in fiscal 2023 and again in fiscal 2024. Total balances saw tremendous growth in fiscal 2021 and fiscal 2022 as a result of revenues far exceeding enacted budget forecasts in the aggregate in those years. By the end of fiscal 2022, total balances had reached \$398.8 billion, more than 3.5 times their aggregate level at the end of fiscal 2020. In governors' budgets for fiscal 2024, combined ending balances and rainy day funds are projected to total 22.8 percent as a share of proposed general fund spending, which still well exceeds the 14.0 percent aggregate level reached in fiscal 2019 before the pandemic. These elevated total balance levels provide a budgetary cushion for states amidst some signs of an economic slowdown.

Rainy Day Funds

All 50 states report 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).⁴ 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.

Since the Great Recession, governors and state lawmakers focused on rebuilding their states' rainy day funds, or budget stabilization funds. At their lowest point during the Great Recession, rainy day fund balances totaled \$27.4 billion in fiscal 2010, with a median balance of just 2.0 percent as a share of general fund expenditures. After substantial growth, those balances reached \$79.1 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 pandemic. By comparison, when states entered the Great Recession crisis in fiscal 2008, the median rainy day fund balance was 4.8 percent. *(See Tables 24 and Figure 4)*

Some states turned to their rainy day funds to close shortfalls in fiscal 2020, leading balances to decline slightly in the aggregate that year. Then, in fiscal 2021 and again in fiscal 2022, total rainy day fund balances and the median balance as a share of general fund spending both rose to new all-time highs, largely the result of significantly stronger than anticipated revenue growth for those two consecutive years. By fiscal 2022, total rainy day fund balances reached \$164.3 billion, representing 15.4 percent as a share of total general fund spending, with a median balance of 11.5 percent.

⁴ For more details on states' budget stabilization or rainy day funds, see NASBO's Budget Processes in the States (2021), Table 13.

Based on current estimates, rainy day fund balances are on track to end fiscal 2023 representing 13.2 percent as a share of general fund expenditures. In the aggregate, combined rainy day funds are estimated to total \$154.9 billion, but this excludes data from one state. Accounting for this exclusion, rainy day fund balances are estimated to decline by \$4.2 billion in fiscal 2023, with this aggregate decline attributable to a substantial decrease estimated in one large state. The median rainy day fund balance as a share of general fund spending is on track to rise in fiscal 2023 to 12.0 percent, with most states expecting to increase the size of their rainy day funds this fiscal year.

According to governors' budgets, rainy day fund balances are projected to total \$159.0 billion at the end of fiscal 2024, excluding data from three states. Accounting for these exclusions, projected rainy day fund balances in fiscal 2024 are up compared to fiscal 2022 actuals. The median balance as a share of general fund spending is expected to tick up further to 13.5 percent in fiscal 2024, reflecting how most states are forecasting continued increases to their rainy day funds in the next fiscal year. (See Table 24)

Rainy Day Fund Levels Vary Across States. Rainy day fund levels as a share of expenditures vary across states, ranging in fiscal 2022 from a low of 0 percent to a high of 96 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 2023, 39 states are on track to record year-over-year increases in their rainy day fund balances. At the end of fiscal 2023, 32 states estimate rainy day fund balances greater than 10 percent as a share of their general fund expenditures, 13 states had balances between 5 percent and 10 percent, and four states had balances between 1 percent and 5 percent (one state was not able to report estimated balance information for that year). In governors' fiscal 2024 budget projections, this breakdown is similar and a majority of states are forecasting increases in rainy day fund balance levels measured in dollars. (See Table 23)

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, also 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 25). For more details on how these funds are structured, as well as information on other more targeted state rainy day 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 and fiscal 2010, 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 an 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 expenditures. 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 sharp increases in fiscal 2021 and again in fiscal 2022. By the end of fiscal 2022, total balances had reached nearly \$400 billion, or 37.3 percent as a share of total general fund expenditures. (See Table 26, Figure 5)

In fiscal 2023, state total balance levels are estimated to decline to \$349.6 billion as states plan to spend down some of their surplus funds stored in their general fund balances, largely on one-time investments or transfers to other state funds. As a share of general fund spending, estimated total balances are equivalent to 29.0 percent of total general fund spending in fiscal 2023.

In governors' proposed budgets for fiscal 2024, total balance levels are projected to drop considerably to \$273.7 billion, though this figure excludes data from two states. Excluding two states with incomplete data, aggregate total balances are projected to drop by roughly \$66.4 billion in fiscal 2024. That said, balances are projected to represent 22.8 percent of general fund expenditures, which is still considerably higher than their pre-COVID-19 high in fiscal 2019 and roughly double their level going into the Great Recession in fiscal 2007/2008.

In fiscal 2023, 47 states reported estimated total balances greater than 10 percent as a share of their general fund expenditures, with two states reporting total year-end balances between 5 percent and 10 percent and one state with a total balance between 1 percent and 5 percent. According to governors' budgets, 14 states are projecting increases to their total balance levels in fiscal 2024 while 31 states are projecting declines and three states are projecting no change (data are unavailable for two states). *(See Tables 27–28)*

TABLE 22**Rainy Day Fund Balances, Fiscal 1988 to Fiscal 2024**

Fiscal Year	RDF Balance (Billions)	Total RDF Balance (Percentage of Expenditures)	Median RDF Balance (Percentage of Expenditures)
2024*	\$159.0	14.5%	13.5%
2023*	154.9	13.2	12.0
2022	164.3	15.4	11.5
2021	121.8	13.3	10.3
2020	77.0	8.6	8.4
2019	79.1	9.1	7.9
2018	68.1	8.3	6.5
2017	55.7	6.9	5.6
2016	52.0	6.6	5.3
2015	48.2	6.4	4.9
2014	48.1	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	27.4	4.4	2.0
2009	29.4	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 2023 are Estimated; figures for fiscal 2024 are projected based on governors' recommended budgets. Figures for fiscal 2023 exclude Georgia, and figures for fiscal 2024 exclude Georgia, Mississippi, 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 23**Rainy Day Fund Balances as a Percentage of Expenditures,
Fiscal 2022 to Fiscal 2024**

Percentage	Number of States		
	Fiscal 2022 (Actual)	Fiscal 2023 (Estimated)	Fiscal 2024 (Recommended)
Less than 1%	1	0	0
> 1% but < 5%	5	4	4
> 5% but < 10%	15	13	10
10% or more	29	32	33
N/A	0	1	3

NOTE: See Table 24 for state-by-state data.

FIGURE 4:

Rainy Day Fund Balances as a Percentage of Expenditures Fiscal 2000 to Fiscal 2024

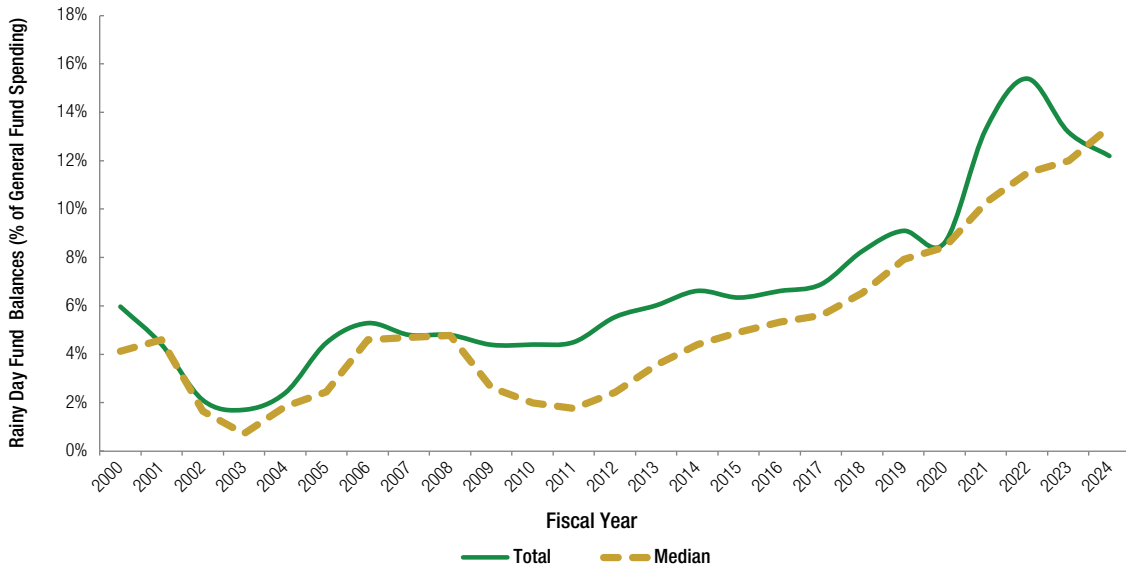


FIGURE 5:

Total Balances as a Percentage of Expenditures, Fiscal 2000 to Fiscal 2024

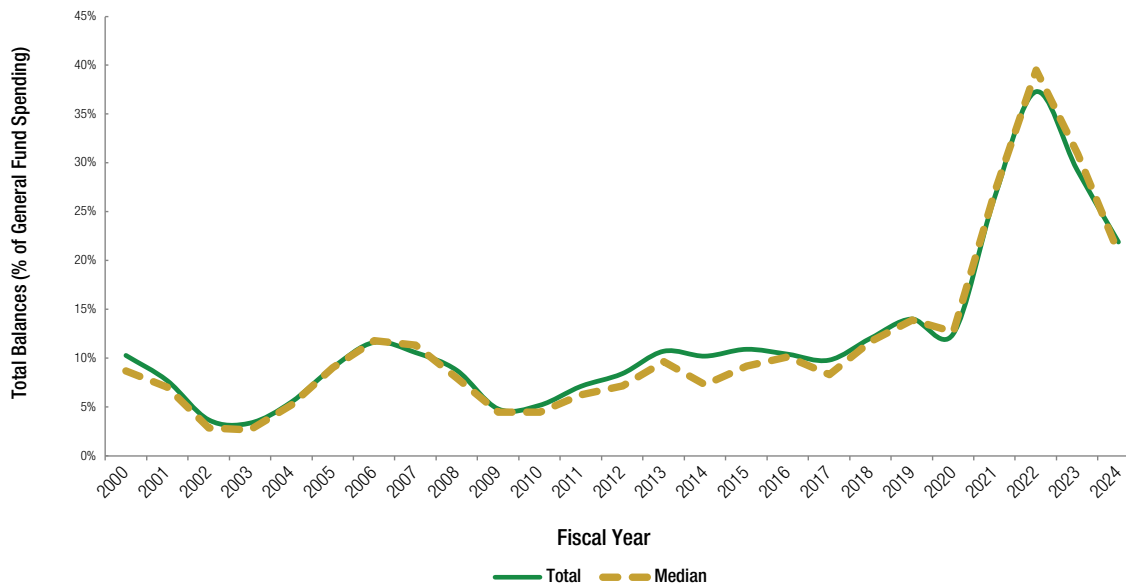


TABLE 24

Rainy Day Fund Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2022 to Fiscal 2024

State/Territory	Rainy Day Fund Balances (\$ in Millions)			Rainy Day Fund Balances as a Percent of General Fund Expenditures		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	\$1,429	\$1,586	\$1,771	13.4%	14.0%	15.4%
Alaska	2,626	2,060	1,182	48.4	36.5	24.0
Arizona	982	1,427	1,697	7.6	9.2	9.9
Arkansas	1,212	1,363	1,363	20.7	22.6	20.7
California	76,217	47,740	35,577	34.3	19.9	15.9
Colorado	1,612	1,992	2,174	9.0	11.1	12.8
Connecticut	3,313	3,343	3,359	16.0	15.3	15.2
Delaware	280	316	326	5.5	5.5	4.9
Florida	2,730	3,140	3,440	7.2	5.8	7.6
Georgia	5,240	N/A	N/A	18.5	N/A	N/A
Hawaii	326	973	1,502	3.7	9.1	13.5
Idaho	883	1,100	1,162	20.0	23.6	22.4
Illinois	752	1,926	2,064	1.6	3.8	4.1
Indiana	1,617	2,264	2,272	8.8	11.4	10.4
Iowa	830	895	963	10.2	10.9	11.3
Kansas	969	1,484	1,514	11.8	16.1	16.0
Kentucky	1,034	3,600	4,800	7.9	24.9	33.7
Louisiana	721	722	904	5.7	6.3	7.9
Maine	907	907	907	22.3	20.4	17.9
Maryland	1,662	2,916	2,510	7.8	10.3	9.3
Massachusetts	6,938	8,513	9,143	17.3	16.9	19.7
Michigan	1,589	1,888	1,997	13.9	10.8	13.3
Minnesota	3,252	3,568	3,202	13.2	13.2	9.2
Mississippi	558	579	N/A	9.7	9.2	N/A
Missouri	772	887	894	7.4	6.8	6.2
Montana	118	118	300	4.3	2.3	10.7
Nebraska	928	1,688	1,622	19.9	32.9	31.6
Nevada	340	904	1,218	7.5	14.2	20.5
New Hampshire	160	254	254	9.9	15.7	14.4
New Jersey	0	1,603	1,603	0.0	3.0	3.1
New Mexico	3,230	2,839	3,282	37.9	28.3	27.4
New York	3,319	6,468	6,468	3.9	7.0	6.2
North Carolina	3,116	4,750	4,550	12.1	17.0	13.8
North Dakota	717	602	602	26.2	26.7	19.9
Ohio	2,706	3,479	3,525	10.0	11.9	10.3
Oklahoma	1,453	1,675	2,675	19.5	18.7	26.9
Oregon	1,598	2,051	2,330	11.7	14.4	15.7
Pennsylvania	4,969	5,117	5,271	12.6	12.0	11.9
Rhode Island	279	271	276	5.3	5.4	5.2
South Carolina	1,847	1,999	1,630	19.3	15.2	12.5
South Dakota	307	220	220	15.0	9.7	10.0
Tennessee	1,550	1,800	2,050	9.8	8.6	8.2
Texas	10,615	13,717	27,100	17.3	18.5	30.5
Utah	1,187	1,187	1,187	11.6	9.8	8.9
Vermont	266	288	358	11.4	14.1	15.4
Virginia	2,647	3,801	4,245	10.0	12.0	14.6
Washington	335	651	983	1.2	2.1	3.0
West Virginia	957	1,015	1,025	20.2	21.6	21.0
Wisconsin	1,734	1,734	N/A	8.9	8.8	N/A
Wyoming	1,478	1,491	1,491	95.8	84.0	84.0
Total**	\$164,305	\$154,913	\$158,987	15.4%	13.2%	14.5%
<i>Median</i>				11.5%	12.0%	13.5%
District of Columbia	746	553	640	6.6	4.1	5.0
Guam	15	30	46	2.2	3.7	5.9
Puerto Rico	304	77	N/A	2.7	0.7	N/A
U.S. Virgin Islands	16	21	26	1.2	1.9	2.3

NOTES: N/A indicates data not available. Fiscal 2022 are actual figures, fiscal 2023 are estimated figures, and fiscal 2024 are recommended figures. **Total Rainy day fund balances for fiscal 2023 exclude Georgia, while total rainy day fund balances for 2024 exclude Georgia, Mississippi, Texas, and Wisconsin, as balance projections were unavailable for those states.

TABLE 25

State Rainy Day Fund Names*

State/Territory	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*	Catastrophic Reserve Fund
California*	Special Fund for Economic Uncertainties (SFELU) Budget Stabilization Account (BSA) Safety Net Reserve Public School System Stabilization Account (PSSSA)
Colorado	General Fund Reserve
Connecticut	Budget Reserve Fund
Delaware*	Budget Reserve Account
Florida	Budget Stabilization Fund
Georgia	Revenue Shortfall Reserve
Hawaii	Emergency and Budget Reserve Fund
Idaho	Budget Stabilization Fund, Public Education Stabilization Fund, Higher Education Stabilization Fund, 27th Payroll 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, Cashflow 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	Savings Reserve
North Dakota	Budget Stabilization Fund
Ohio	Budget Stabilization Fund
Oklahoma*	Constitutional Reserve Fund, Revenue Stabilization Fund; Oklahoma Legacy Fund
Oregon	Rainy Day Fund, Education Stability Fund
Pennsylvania	Budget Stabilization Reserve Fund
Rhodelsland	Budget Reserve and Cash Stabilization Fund
South Carolina*	5.5% General Reserve, 3% 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, Income Tax Fund 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)
District of Columbia	Emergency Cash; Contingency Cash Reserve; Fiscal Stabilization Reserve
Guam	Rainy Day Fund
Puerto Rico	Budgetary Reserve & PROMESA Authorized Reprogrammings
U.S.VirginIslands	GVI Budget Stabilization Fund

Notes: *See Notes to Table 25 at the end of the chapter. *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* (2023), Table 13.

TABLE 26**Total Balances, Fiscal 1979 to Fiscal 2024**

Fiscal Year	Total Balance (Billions)	Total Balance (Percentage of Expenditures)
2024*	\$273.7	22.8%
2023*	349.6	29.0
2022	398.8	37.3
2021	241.3	26.4
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 2023 are Estimated; figures for fiscal 2024 are projected based on governors' recommended budgets. Figures for fiscal 2024 exclude Mississippi, Virginia 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 27**Total Balances as a Percentage of Expenditures,
Fiscal 2022 to Fiscal 2024**

Percentage	Number of States		
	Fiscal 2022 (Actual)	Fiscal 2023 (Estimated)	Fiscal 2024 (Recommended)
Less than 1%	0	0	0
> 1% but < 5%	1	1	0
> 5% but < 10%	2	2	6
10% or more	47	47	42
N/A	0	0	2

NOTE: See Table 28 for state-by-state data.

TABLE 28

Total Balances, Dollar Amount and Percentage of Expenditures, Fiscal 2022 to Fiscal 2024

State/Territory	Total Balances (\$ in Millions)			Total Balances as a Percent of General Fund Expenditures		
	Fiscal 2022	Fiscal 2023	Fiscal 2024	Fiscal 2022	Fiscal 2023	Fiscal 2024
Alabama	\$4,852	\$6,969	\$9,389	45.5%	61.4%	81.4%
Alaska	3,265	1,842	278	60.2	32.6	5.7
Arizona	5,692	4,361	1,970	44.2	28.1	11.5
Arkansas	2,810	1,961	1,363	48.0	32.6	20.7
California	80,493	52,016	39,853	36.2	21.7	17.8
Colorado	3,202	2,461	2,202	18.0	13.8	13.0
Connecticut	3,313	3,343	3,359	16.0	15.3	15.2
Delaware	2,605	3,129	2,445	51.5	54.7	36.5
Florida	25,533	13,910	10,340	67.0	25.9	22.8
Georgia	12,285	12,285	12,285	43.3	39.6	39.9
Hawaii	2,945	3,453	3,283	33.3	32.4	29.5
Idaho	2,216	1,310	1,382	50.2	28.2	26.7
Illinois	2,062	2,106	2,967	4.3	4.1	6.0
Indiana	6,125	4,073	2,996	33.3	20.5	13.8
Iowa	2,745	2,498	2,961	33.8	30.4	34.9
Kansas	2,804	2,966	3,498	34.2	32.1	36.9
Kentucky	2,912	5,414	6,034	22.1	37.5	42.3
Louisiana	1,448	2,377	904	11.4	20.8	7.9
Maine	941	929	914	23.1	20.9	18.0
Maryland	7,161	5,231	3,330	33.8	18.5	12.3
Massachusetts	18,200	13,400	13,351	45.3	26.7	28.7
Michigan	9,052	4,790	2,928	79.2	27.3	19.6
Minnesota	12,969	16,053	6,327	52.5	59.5	18.2
Mississippi	563	579	N/A	9.8	9.2	N/A
Missouri	5,671	6,005	4,948	54.2	46.2	34.4
Montana	1,972	619	937	71.8	12.3	33.6
Nebraska	3,422	2,962	1,895	73.2	57.8	37.0
Nevada	2,182	1,512	1,552	48.1	23.8	26.1
New Hampshire	413	254	300	25.7	15.7	17.0
New Jersey	8,319	9,526	10,015	15.9	17.7	19.1
New Mexico	3,231	2,838	3,282	38.0	28.3	27.3
New York	33,053	38,924	35,706	39.2	42.2	34.1
North Carolina	10,282	8,760	5,566	39.9	31.4	16.9
North Dakota	1,676	1,874	1,344	61.2	83.2	44.5
Ohio	9,253	9,485	4,409	34.3	32.5	12.8
Oklahoma	3,775	4,570	5,473	50.7	51.1	55.0
Oregon	6,727	6,679	3,354	49.3	47.0	22.6
Pennsylvania	10,506	12,975	10,909	26.7	30.3	24.6
Rhode Island	489	521	279	9.3	10.5	5.3
South Carolina	6,866	4,783	3,065	71.5	36.3	23.5
South Dakota	423	220	220	20.6	9.7	10.0
Tennessee	8,982	6,857	2,127	57.0	32.7	8.5
Texas	36,857	35,481	29,565	60.0	47.8	33.2
Utah	4,407	2	2,364	43.0	33.0	17.8
Vermont	443	664	358	19.0	32.4	15.4
Virginia	7,380	5,251	5,093	27.9	16.5	17.5
Washington	5,829	4,059	2,128	20.8	12.9	6.5
West Virginia	2,951	2,956	2,966	62.2	63.1	60.7
Wisconsin	6,033	8,833	N/A	31.1	44.7	N/A
Wyoming	1,478	1,491	1,491	95.8	84.0	84.0
Total**	\$398,812	\$349,551	\$273,705	37.3%	29.0%	22.8%
Median				39.5%	30.9%	21.6%
District of Columbia	5,638	5,033	4,317	50.0	37.6	33.5
Guam	132	79	95	19.5	9.6	12.2
Puerto Rico	3,415	2,914	N/A	30.1	26.0	N/A
U.S. Virgin Islands	27	83	82	2.1	7.5	7.1

NOTES: Total balances include both the ending balance and Rainy Day Funds. Fiscal 2022 are actual figures, fiscal 2023 are estimated figures, and fiscal 2024 are recommended figures. N/A indicates data not available. **Total balances for fiscal 2024 exclude Texas, Mississippi, and Wisconsin as complete data were unavailable for those states. ***Ending Balance includes Rainy Day Fund.

CHAPTER 3 NOTES

Notes to Table 24: Rainy Day Fund Balances, Dollar Amount and as a Percentage of Expenditures, Fiscal 2011 to Fiscal 2023

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

Notes to Table 25: State Rainy Day Fund Names

Arkansas	Due to Act 2 of the 2nd Extraordinary Session of 2021, Arkansas's rainy day fund name changed from Long Term Reserve Fund to Catastrophic Reserve Fund.
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.
Delaware	Additionally, the state has a Budget Stabilization Fund with a balance of \$287.3 as of 6/30/2022; this fund is included in the ending balance but not in the reported rainy day fund balance.
Oklahoma	Oklahoma Legacy Fund is a new fund proposed for FY 2024.
South Carolina	Beginning FY2024, constitutional amendments were passed to increase General Reserve by one-half percent each year from 5% until reaching 7% as well as to increase annual Capital Reserve funding from 2% to 3%.
Utah	The Income Tax Fund Budget Reserve Account was previously named the Education Fund Budget Reserve Account.

Notes to Table 28: Total Balances, Dollar Amount and as a Percentage of Expenditures, Fiscal 2022 to Fiscal 2024

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

APPENDIX

TABLE A-1

Recommended Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
SALES & USE TAXES					
Arizona	TPT Exemption — Diapers	07-23		-\$16.0	
	TPT Exemption — Feminine Hygiene	07-23		-24.0	
	Baby and Toddler Necessities Exemption	07-23		-107.2	
	Cribs and Strollers Exemption	07-23		-3.0	
	Pet Medications Exemption	07-23		-25.9	
	Gas Stoves Exemption	07-23		-5.3	
	Cosmetic and Toilet Articles Exemption	07-23		-50.8	X
	Oral Hygiene Products Exemption	07-23		-31.8	X
	Children's Books Exemption	07-23		-12.0	X
	Children's Toys Exemption	07-23		-93.1	X
Florida	Children's Athletic Equipment Exemption	07-23		-30.2	X
	Household items priced \$25 or lower Exemption	07-23		-96.8	X
	Pet Foods Exemption	07-23		-119.4	X
	Energy Star Appliances Exemption	07-23		-58.4	X
	Back to School Tax Holiday	07-23		-162.3	X
	Disaster Preparedness Tax Holiday	07-23		-20.8	X
	Freedom Summer Tax Holiday	07-23		-172.6	X
	Skilled Worker Tool Holiday	07-23		-10.1	X
	Collection Allowance	07-23		-124.4	
Kansas	0.0 % state rate on food & food ingredients; Exempts diapers and feminine hygiene products	04-23	-\$44.3	-284.6	
	Back-to-School Sales Tax Holiday	07-23	0.0	-5.5	
Kentucky	Small change to applicable services	01-23	-8.9	-21.9	
Michigan	Electric Vehicle Exemption	10-23		-48.0	
Minnesota	23, Gov Rev — Sales Tax, Exemption for Local Govt and Non Profit Construction	07-23		-177.1	
	23, Gov Rev — Sales Tax, Legalizing Adult-Use Cannabis	07-23		-0.2	
Ohio	Exempt baby products	10-23		-10.7	
Oklahoma	Eliminate the 4.5% state portion of sales tax on groceries	07-23		-351.1	
Pennsylvania	Elimination of Sale and Use Tax on cell phone services	01-24		-20.9	
Rhode Island	Reduce SUT rate from 7% to 6.85%	10-23	0.0	-25.0	
	Exempt trade-in value of trucks under 14,000 lbs from SUT	10-23	0.0	-3.7	
South Dakota	Eliminate sales tax on groceries.	07-23	0.0	-102.4	
Tennessee	Sales — Three-month holiday on food and food ingredients	07-23		-288.3	X
	Sales — Technical update	07-23		-2.0	
	Sales — Technical machinery exemption	07-23		-0.8	X

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
SALES & USE TAXES					
Vermont	Sports Betting Legalization			2.6	
Wisconsin	Sales Tax Exemption for Diapers, Feminine Hygiene and Incontinence Products	09-23		-13.7	
	Broaden Imposition of Sales Tax on Prewritten Software	01-24		18.1	
Total Revenue Changes—Sales & Use Tax			-\$53.2	-\$2,499.3	
One-Time Changes Only			\$0.0	-\$1,147.4	
PERSONAL INCOME TAXES					
Alabama	To provide that up to \$6,000 of taxable retirement income is exempt from state income tax for individuals who are 65 years of age or older.	04-22		\$28.2	
	To provide an annual state income tax credit to a qualified volunteer firefighter or a qualified member of an organized rescue squad.	04-22	\$3.6	3.6	
	To expand the income tax credit available to individuals who adopt a child.	04-22		3.8	
Arizona	Child Tax Credit	07-23		-50.0	
Arkansas	Provides income tax credit to individuals or business equal to 100% of contributions to scholarship-granting organizations	03-23	-4.0	-4.3	
	Reduction in individual tax income by 0.2%	01-23	-100.0	-200.0	
California	Incomplete Non-Grantor Trusts	01-23	0.0	30.0	
Connecticut	Reduce 5% Rate to 4.5% & 3% Rate to 2.0%	01-24	0.0	-193.6	
	Restore PET Credit from 87.5% to 93.01%	01-24	0.0	-27.0	
Delaware	EITC/Standard Deduction Increase	01-23		-24.9	
Georgia	Special tax refund	03-23		-1,000.0	X
Kansas	Smooth Social Security Income Tax Cliff	07-23	0.0	-20.5	
	Job Retention Credit (PEAK)	07-23	0.0	-3.0	
	Creative Industries (Film) Tax Credit	07-23	0.0	-10.0	
Kentucky	Reduction in flat tax rate from 4.5% to 4.0%	01-24		-312.4	
	SALT workaround	01-23	-2.7	-13.0	
Maine	Increases the earned income tax credit for tax years beginning on or after January 1, 2022	04-22	-26.2		
	Increases the maximum property tax fairness credit for tax years beginning on or after January 1, 2022	04-22	-6.7		
	Replaces the current credit for educational opportunity with a broader and simpler fully refundable credit of up to \$2,500 for an individual's student loan repayments for tax years beginning on or after January 1, 2022.	04-22	-55.7		
	Increases pension deduction amount to \$25,000 for tax years beginning in 2022, \$30,000 for tax years beginning 2023 and \$35,000 for tax years beginning in 2024.	04-22	-35.0		
	Adjust revenue to conform to federal Covid-related tax measures authorized in ARPA	07-21	-0.9		
	Increase maximum property tax fairness credit for tax years 2022 and later	07-21	-17.3		
Maryland	Extends the expansion of the Earned Income Tax Credit that had been temporarily enacted in 2021. It was set to expire in calendar year 2023.	06-23		-151.0	
	Extends and alters the State Child Tax Credit for low-income families originally enacted in 2021. It was set to expire in calendar year 2023.	06-23		-20.0	
	Increasing amount of military retirement income excluded from income tax.	07-23		-33.0	

TABLE A-1

Recommended Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
PERSONAL INCOME TAXES					
Massachusetts	Proposed a \$600 credit per qualifying dependent, including children, disabled adults, and seniors, uncapped regardless of number of dependents, fully refundable, and available at all income levels. Simultaneously eliminates two related dependent credits under current law (\$180 credit for dependents in household, or alternatively a \$240 credit available for demonstrated dependent care expenses).	01-23	N/A	-458.0	
	Proposed increasing the cap on the rental deduction to \$4,000. The current deduction is currently 50% of rent, capped at \$3,000.	01-23	N/A	-40.0	
	Proposed doubling the maximum Senior Circuit Breaker credit from \$1,200 annually to \$2,400. This credit provides relief to low-income homeowners and renters aged 65 or older, equal to the amount by which a homeowner's property tax payments in the current tax year exceeds 10% of the taxpayer's total income, up to a maximum credit.	01-23	N/A	-60.0	
	Proposed reducing the tax rate on short term capital gains from 12% to 5%, aligning the short term rate with the long term rate.	01-23	N/A	-117.0	
	Ballot initiative passed surtax on income over \$1 M of 4%, for a total income tax of 9% on income above that threshold.				1,000.0
Michigan	Earned Income Tax Credit — 30%	See notes	-384.0	-384.0	
	Roll Back Retirement Tax	See notes	-58.0	-223.0	
	Child Care Educators Tax Credit	10-23		-24.0	
Minnesota	23, Gov Rev — IncTax, Federal Conformity	07-23		4.4	
	23, Gov Rev — IncTax, Child Tax Credit	07-23		-547.6	
	23, Gov Rev — IncTax, Child & Dependent Care Credit Expan w/ Newborn Cr	07-23		-268.3	
	23, Gov Rev — IncTax, K-12 Education Credit Update	07-23		-10.0	
	23, Gov Rev — IncTax, Direct Payments — Advance Refundable Credit	07-23		-3,902.0	X
	23, Gov Rev — IncTax, Social Security Subtraction	07-23		-105.6	
	23, Gov Rev — IncTax, Working Family Credit Expansion for ITINs	07-23		-9.8	
	23, Gov Rev — IncTax, Payment Agreement Fee Removal	07-23		-1.5	
	23, Gov Rev — IncTax, Military Credit Due Date Change	07-23		-0.2	X
	23, Gov Rev — IncTax, Capital Gains and Dividend Income Surtax	07-23		362.3	
	23, Gov Rev — IncTax, Angel Tax Credit	07-23		-10.0	
	23, Gov Rev — IncTax, Electric Vehicle Tax Credit	07-23		-8.9	
	23, Gov Rev — IncTax, Federal Update for SECURE Act 2.0	07-23		2.7	
Mississippi	Eliminate the state income tax by immediately reducing the income tax to 4 percent and by an additional 1 percent each year over the next four years	07-23		TBD	
Missouri	Individual Income Tax Cut	01-23	-130.6	-335.4	
Montana	Reduce top marginal rate	01-24		-28.3	
	Revise income tax rates for net-long term capital gains	01-24		-3.0	
Nebraska	Individual Income Tax Rate	01-24	0.0	-72.4	
	Social Security Exemption	01-24	0.0	-16.7	
New Mexico	SB 147: Tax Changes	07-23	-0.3	-2.8	
North Carolina	Implements two tiered bracket at \$200K for MFJ — rate remains at 4.75% for income above this level for tax year 2024 and beyond.	01-24		67.0	

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
PERSONAL INCOME TAXES					
North Dakota	Flat tax proposal	07-23		-250.0	
	Automation credit	07-23		-1.0	
	Second year of tax credit	11-22	-107.0		X
	Exemption of Social Security	11-22	-7.3		
Ohio	Low Income Housing Credit	07-23		-10.0	
	Single Family Housing Credit	07-23		-5.0	
	\$2,500 exemption for dependents	07-23		-131.2	
	Home purchase savings account	07-23		-50.4	
Oklahoma	Reduce rate by 0.76% to 3.99%	07-23		-260.9	
Oregon	Extends tax credits that would otherwise expire.	01-23		-13.4	
Pennsylvania	Individual Recruitment and Retention Tax Credit	01-23		-24.7	
South Carolina	Incremental tax rate reduction (from 6.5% to 6.4%)	01-24		-87.5	
	\$2,000 tax credit for first responders	01-24		-38.5	
	Police/Firefighters retirement income exemption	01-24		-9.5	
Utah	One-time rebate	05-23	-400.0		X
	10 basis point rate cut	01-23		-207.7	
	Social security tax credit expansion	01-23		-15.4	
	Pregnancy double exemption	01-23		-4.5	
	Make taxpayer tax credit partially refundable			-77.2	
Vermont	Military Pension Income Tax Exemption			-3.2	
	Social Security Tax Exemption Increase			-8.0	
	VT EITC Expansion to 45% of Federal EITC			-5.3	
	Military Pension Income Tax Exemption			-3.2	
	Social Security Tax Exemption Increase			-8.0	
	VT EITC Expansion to 45% of Federal EITC			-5.3	
Virginia	Conformity		-0.2	23.4	
West Virginia	Cut Tax Rates by 30% in TY23 & 10% in TY24	01-23	-161.8	-1,084.5	
Wisconsin	10% reduction to individual income tax liability for filers under specified income thresholds	01-23		-418.7	
	Caregiver Tax Credit	01-23		-96.7	
	Child/Dependent Care Credit Expansion	01-23		-27.3	
	Homestead Credit Expansion	01-23		-43.2	
	Earned Income Tax Credit Expansion	01-23		-60.7	
	Veterans and Surviving Spouses Credit Eligibility Expansion	01-23		-21.1	
	Capital Gains Exclusion Limit	01-23		185.2	
Total Revenue Changes—Sales & Use Tax			-\$1,494.1	-\$9,952.5	
One-Time Changes Only			-\$507.0	-\$4,902.2	

TABLE A-1

Recommended Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
CORPORATE INCOME TAXES					
Arkansas	Reduction in corporate tax income by 0.2%	01-23	-\$24.0	-\$40.0	
California	New Employment Credit Expansion for CHIPS	01-23	0.0	-1.1	
Connecticut	Increase Human Capital Credit from 5% to 10%; 25% for Child Care	01-24	0.0	-2.1	
	Maintain 10% Corp. Tax Surcharge for IY 2023 through IY 2025	01-23	0.0	80.0	
Maine	Adjust revenue to conform to federal Covid-related tax measures authorized in ARPA	07-21	-0.1		
Michigan	Onshoring Clean Energy Supply Chain Tax Credit	See notes		-200.0	
Minnesota	23, Gov Rev — CorpTax, Reinstate the Historic Rehabilitation Tax Credit	07-23		-0.7	
Montana	Revise corporate income tax apportionment	01-25		0.0	
Nebraska	Corporate Income Tax Rate	01-24	0.0	-6.1	
New Jersey	2.5% CBT surcharge expiration	07-23	0.0	0.0	
North Dakota	Automation credit	07-23		-1.5	
Oklahoma	Reduce rate by 0.75%	07-23		-43.7	
Rhode Island	Reduce corporate minimum tax from \$400 to \$375	01-24	0.0	-1.0	
Tennessee	Franchise & Excise — Transition to single sales factor	07-23		17.0	
	Excise — Bonus depreciation coupling	07-23		-64.0	X
	Excise — Small business deduction first \$50K	07-23		-37.8	
	Excise — Paid family leave tax credit	07-23		-7.3	X
	Franchise — Exempt first \$500K owned in TN	07-23		-20.3	
	Business — Manufacturer storage exemption	07-23		-0.8	
	Franchise — Top rate reduction from 0.3% to 0.1%	07-23		-0.2	
	Business — Technical update	07-23		-0.8	
	Business — Increase exemption to \$100K per jurisdiction	07-23		-7.9	
Franchise & Excise — Rural Brownfields Investment Act	07-23		-1.0		
Utah	10 basis point rate cut	01-23	-3.3	-16.9	
Vermont	Home Health Agency Tax Assessment			-6.1	
	Home Health Agency Tax Assessment			-6.1	
Wisconsin	Refundable Research Credit Increase	01-23		-16.1	
	Internal Revenue Code Update	01-23		187.6	
	Manufacturing Credit Limitation	01-23		348.7	
Total Revenue Changes—Sales & Use Tax			-\$27.4	\$151.8	
One-Time Changes Only			\$0.0	-\$71.3	

Table A-1 continues on next page.

TABLE A-1 (CONTINUED)

Recommended Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
ALL OTHER GENERAL FUND REVENUE					
Connecticut	Increase EITC Rate from 30.5% to 40% for IY 2023	01-23	\$0.0	-\$44.6	
	Repeal Cannabis Expansion of Angel Investor Tax Credit	07-23	0.0	12.5	
	DCP Drug Prescription Monitoring Program	Passage	0.0	1.1	
	Reduce PIT 5% Rate to 4.5% & 3% Rate to 2% (Subject to volatility cap transfer)	01-24	0.0	19.4	
	Restore PET Credit from 87.5% to 93.01% (Subject to volatility cap transfer)	01-24	0.0	21.6	
Georgia	Homeowner property tax relief grant	07-23		-1,000.0	X
Massachusetts	Proposed a \$182,000 non-refundable credit which would have the effect of eliminating all taxes on estates up to \$3 M in size, and represent a flat \$182 K in tax relief for larger estates.	01-23	N/A	-167.0	
	Proposed a variety of other minor tax changes, including creating a student loan repayment tax exemption for employers, adding regional transit and bike expenses to the list of deductible commuter transit benefits, increasing lead paint abatement and septic tank repair credits, establishing a live theater tax credit, and increasing the dairy tax credit cap.	01-23	N/A	-17.0	
Minnesota	23, Gov Rev — CGRTax, Legalizing Adult-Use Cannabis	07-23		6.0	
	23, Gov Rev — LawfulGamblingTax, Charitable Gaming Rate Reduction	07-23		-13.6	
	23, Gov Rev — CigTax, Preserving Funding for Medical Education and Research Costs	07-23		0.1	
Montana	Increase business equipment tax exemption	01-24		-1.0	
Nebraska	Education Tax Credits	01-24	0.0	-25.0	
Nevada	Increasing the standard exemption for the Commerce Tax from \$4 million per year to \$6 million per year	07-23		-20.1	
New Hampshire	Repeal Communications Services Tax	07-23	N/A	-28.9	
New Jersey	Park entrance fees waived extended to FY24	07-22	0.0	-2.7	
	Teacher certification fees waived	07-23	0.0	-5.0	
	Public defender fees waived	12-01	0.0	-4.0	
New Mexico	SB 251: Metro Development Act Changes	07-23 to 07-24		-1.0	
	HB 462: NUISANCE PENALTIES & PROCEDURES	06-23	0.6	2.9	
	Tax Changes (rebates)	01-23 and 04-23	-666.6	-150.0	X
New York	Increase the State Excise Tax on Cigarettes	04-23	0.0	-6.9	
	Lead the Way for a Tobacco-Free Generation	04-23	0.0	-51.4	
Oregon	Alcohol tax: Add \$1.00 surcharge to all distilled spirits purchases, Store Expansion	07-23		90.5	
	Alcohol tax: Retail Store Expansion	07-23		2.2	
	Alcohol tax: Regulate Home Delivery of Distilled Spirits	07-23		6.1	
Pennsylvania	Elimination of Gross Receipts Tax on cell phone service	01-24		-41.1	
	Local Resource Manufacturing Tax Credit — multiple tax types (enacted)	01-23		-28.3	
	PA Milk Processing Tax Credit — multiple tax types (enacted)	01-23		-15.0	
	Regional Clean Hydrogen Tax Credit — multiple tax types (enacted)	01-23		-25.0	
	Semiconductor and Biomedical Manufacturing Tax Credit — multiple tax types (enacted)	01-23		-20.0	

TABLE A-1

Recommended Revenue Changes, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
ALL OTHER GENERAL FUND REVENUE					
Rhode Island*	Suspend collection of public utilities gross earnings tax for four months	12-22	-35.6	0.0	X
	Hospital Licensing Fee Restructuring	07-23	0.0	38.1	
Vermont	Sports Betting Legalization			2.6	
Wisconsin	Tax Little Cigars as Cigarettes	09-23		2.3	
	Tax Vapor Products as Tobacco Products	09-23		9.2	
Total Revenue Changes—Sales & Use Tax			-\$701.7	-\$1,453.1	
One-Time Changes Only			-\$702.3	-\$1,150.0	
Guam	Increase in GF Adopted Level (Bill No. 32-37)	03-23	21.4	0.0	X
	Increase in GF Adopted Level (Bill No. 24-37)	03-23	21.0	0.0	X
	Increase in GF Adopted Level (Bills No. 23-37 / 75-37 / 80-37)	Pending	26.9	0.0	X
	Proposed decrease in Business Privilege Tax (i.e. Gross Receipt Tax) from 5% to 4%	One Month After Enactment	-65.6	-64.3	

* See Notes to Table A-1 at the end of the appendix.

TABLE A-2

Recommended Revenue Measures, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
SALES TAXES					
District of Columbia	Decrease tax revenue earmarked for transit subsidy	10-24		-\$1.6	
	Increases in compliance audit initiatives	10-24		7.5	
Idaho	HB292 + HB376	01-23	\$0.0	-117.1	
New Mexico	HB 78: Aviation Fund GRT Distribution Sunset	07-23		3.0	
North Carolina	Reduce sales tax transfer to Highway Fund/Highway Trust Fund from 4% in FY24 and 6% in FY25 to 2% in each fiscal year of biennium	07-24		210.0	
Ohio	Increase Public Library Fund percentage of revenue	07-23		-6.0	
Pennsylvania	Transfer certain taxes to new Public Safety and Protection Funds	07-23		-400.0	
Rhode Island*	Pawtucket Economic Activity Taxes Transfer	07-23	0.0	-1.6	
Washington	DOR — Inflation Adjusters	07-23	0.3	0.7	
PERSONAL INCOME TAXES					
Idaho	Conformity HB021	01-23	0.0	1.7	
	HB059	01-23	0.4	0.4	
	HB288	01-23	0.0	-9.7	
Ohio	Increase Local Government Fund percentage of revenue	07-23		-12.0	
Pennsylvania	Transfer to Environmental Stewardship Fund (debt service)	07-23		-10.5	
	Increase in threshold for estimated tax payments (enacted)	01-23		-13.7	
Rhode Island	Pawtucket Economic Activity Taxes Transfer	07-23	0.0	-1.2	
Wisconsin	Additional Delinquent Tax Collection Positions	10-23		4.0	
CORPORATE INCOME TAXES					
District of Columbia	Increases in compliance audit initiatives	10-24		3.5	
Michigan	Divert from GF	See notes	-560.0	-565.0	
New Hampshire	Change in Allocation of Business Profits Tax b/w General Fund & Education Trust Fund	07-23	N/A	-131.6	
	Change in Allocation of Business Enterprise Tax b/w General Fund & Education Trust Fund	07-23	N/A	206.6	
Rhode Island	Pawtucket Economic Activity Taxes Transfer	07-23	0.0	-0.1	

TABLE A-2

Recommended Revenue Measures, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
OTHER GENERAL FUND REVENUE					
Arkansas	Extends time period for motor vehicle registration	07-23		-3.2	
Connecticut	Match Federal Estate Filing Timeline from 6 to 9 Months	07-23	0.0	-38.0	X
	Restructure Higher Education Fringe Benefits	Passag	0.0	-85.0	
	OHS Staff to Monitor Certificate of Need Compliance	Passage	0.0	0.2	
	DSS Quality Assurance Efforts	Passage	0.0	1.0	X
	Suspend GAAP Payment	Passage	0.0	120.8	
	Reduce Tobacco & Health Trust Fund Transfer from \$12M to \$6M	07-23	0.0	6.0	X
	Eliminate Use of ARPA for FY 2023 Revenue Replacement	Passage	-314.9	0.0	
	Transfer to Municipal Revenue Sharing Fund (MRSF) — Stabilization	Passage	0.0	-94.2	
	Elim. Transfer of iLottery Rev. to Debt Free Community College Acct.	Passage	0.0	2.0	
District of Columbia	Enhanced Automated Traffic Enforcement program and decreases in earmarks	10-24	7.0	18.2	
	Decrease Tax Revenue earmarked for various special funds	10-24		7.5	
Florida	Inmate Welfare Trust Fund — Retention Cap Increase to \$30 million	07-23		-27.5	
	Redirect to State Investment Fund	07-23		-100.0	
	Redirect to State Transportation Trust Fund	07-23		-43.2	
	Redirect to State Transportation Trust Fund	07-23		-76.3	
	Exemption of Rental Car Surcharge Proceeds from GR Service Charge	07-23		-14.8	
Georgia	Gas tax suspension	03-22	-1,100.0		
Indiana	Changes destination to General Fund for certain court fees that fund Court Technology	07-23	N/A	10.7	
	Changes destination to holding account for local alcoholic beverage tax distributions	07-23	N/A	-11.5	
	Changes distribution of portion of cigarette taxes to General Fund	07-23	N/A	2.5	
Kentucky	Shifting of certain fees from the General Fund to the Road Fund	07-23		-0.8	
Minnesota	23, Gov Rev — DE, MDH Trauma System Fee Adjustment	07-23		-0.4	
	23, Gov Rev — DE, DNR Improve Visitor Services at State Parks & Recreation Areas	07-23		0.2	
	23, Gov Rev — DE, AG Licensing Modernization	07-23		-3.8	
	23, Gov Rev — DE, CMB Legalizing Adult-Use Cannabis	07-23		2.0	
	23, Gov Rev — DE, Comm Energy Resources and Planning	07-23		1.3	
	23, Gov Rev — DE, Comm Energy Security	07-23		0.2	
	23, Gov Rev — DE, LI Earned Sick Leave	07-23		0.1	
	23, Gov Rev — DE, State Auditor Operating Adjustment	07-23		0.3	
	23, Gov Rev — SOS, DHS DCT Program Enhancements	07-23		8.0	
23, Gov Rev — SOS, DHS DCT Maintain Current Service Levels	07-23		16.5		

Table A-2 continues on next page.

TABLE A-2 (CONTINUED)

Recommended Revenue Measures, Fiscal 2023 (Mid-Year) and Fiscal 2024

State	Tax Change Description	Effective Date	Revenue Impact (\$ in millions)		
			Fiscal 2023	Fiscal 2024	One-Time
OTHER GENERAL FUND REVENUE					
Nebraska	DMV Fee Reallocation	07-24	0.0	4.3	
	Workers Comp Assessment	07-23	0.0	2.0	
Nevada	The Legislature approved and Governor Lombardo signed that bill, which moved the end of the prepayment of the Net Proceeds of Minerals Tax from FY 2024 to FY 2023. As a result of the passage of that bill, mining companies, who were required under the law to make their prepayment of the General Fund portion of the NPM on or before March 1 for calendar year 2023, were not required to make this payment on or before Wednesday of this last week – instead, they will be required to pay their calendar year 2023 taxes based on actual activity on or before May 10, 2024, and no NPM payments will be required for the State General Fund in FY 2023 other than those payments that must be made to true up actual activity for calendar year 2022 to the estimated payment that was made in FY 2022.	02-23	-70.3		X
	SB 6: Hermits Peak-Calf Canyon Fire Recovery Funds	02-23		25.0	
New Mexico	SB 336: Use of Racetrack Funds for Insurance (gaming excise)	04-23	-0.8	-3.1	
	South Campus TIDD	04-23		-5.5	
North Dakota	Transfer portion of motor vehicle tax revenue and move to another fund	07-23		-40.0	
Ohio	Increase Public Library Fund percentage of revenue	07-23		-6.0	
Pennsylvania	Elimination of Enhanced Revenue Collections Account (various tax type)	01-23		21.1	
	Transfer certain taxes to new Public Safety and Protection Funds	07-23		-617.3	
	Transfer from Medical Marijuana Program Fund	07-23		31.9	
	Transfer to Tobacco Settlement Fund (debt service)	07-23		-115.3	
	Increased transfer of realty transfer tax to PHARE Fund (enacted)	07-23		-20.0	
Rhode Island	Restore duplicate driver license fees to Highway Maintenance Account	07-23	0.0	-1.0	
	Lottery Accounting Change	06-23	-13.5	-12.8	X
Vermont	Tax Computer System Modernization Fund Funding Restructure - 0.21% of total revenue collected by Dept. of Taxes redirected to Tax Computer System Modernization Fund			-2.7	
Vermont	Tax Computer System Modernization Fund Funding Restructure - 0.21% of total revenue collected by Dept. of Taxes redirected to Tax Computer System Modernization Fund			-2.7	
Washington	L&I — Self-Insured Pensions	07-23	0.6	0.6	
Total Revenue Changes — Fees			-\$2,051.2	-\$1,875.4	\$0.0

* See Notes to Table A-2 at the end of the appendix.

TABLE A-3**Fiscal 2025 State General Fund, Recommended (Millions)**

State	Beginning Balance	Revenues	Adjustments	Total Resources	Expenditures	Adjustments	Ending Balance	Rainy Day Fund Balance
Arkansas*	\$0	\$6,829.1		\$6,829.1	\$6,519.7		\$309.4	\$1,363.1
Indiana*	724	22,281	\$0	23,005	22,156	-\$22	871	2,280
Minnesota*	6,327	29,862	59	36,249	31,498	0	4,751	3,202
Montana	638	2,849		3,486	2,939		548	300
Nevada*	608	5,628	59	6,295	5,796	154	345	1,218
North Carolina*	1,016	34,449	1,012	36,477	34,234	2,232	11	4,250
North Dakota*	742	2,318	200	3,259	2,470		789	602
Ohio*	885	30,692	-109	31,467	30,918		549	N/A
Washington*	1,145	32,071	-423	32,793	33,676	0	-883	1,346
Wisconsin*	\$1,908	\$22,545	\$566	\$25,020	\$23,935	\$451	\$634	N/A

NOTES: The states listed above opted to provide fiscal 2025 data based on their governors' biennial budget recommendations. In addition, the governors of Connecticut, Hawaii, Maine, Nebraska, New Hampshire, Oregon, and Texas recommended fiscal 2024-2025 biennial budgets. *See Notes to Table A-3 on page 89.

NOTES TO APPENDIX

Notes to Table A-1: Recommended Revenue Changes by Type of Revenue, Fiscal 2023 (Mid-Year) and Fiscal 2024

Rhode Island The Hospital Licensing Fee (HLF) is re-enacted on an annual basis one fiscal year at-a-time. The number reported here is not the entire estimated HLF for FY 2024, but the marginal increase in the estimated HLF revenue from FY 2023 to the FY 2024 Governor's recommended budget. The Governor's FY 2024 budget recommends an increase in the HLF rate allowable under CMS.

Notes to Table A-2: Recommended Revenue Measures by Type of Revenue, Fiscal 2023 (Mid-Year) and Fiscal 2024

Maine The proposed 2024-2025 budget redirects liquor operations revenue to the General Fund and Highway Fund. This funding has been used to make required payments on revenue bonds that have now been retired.

Rhode Island Pawtucket Economic Activity Taxes Transfer is a single revenue measure with a total FY 2024 general revenue impact of -\$2,899,352. This represents a transfer of general revenues generated by an economic development district to support an infrastructure project. This transfer is pursuant to a pre-existing agreement. For the purposes of Question 8b, we report it on three separate lines (one of which is under the \$1 million reporting threshold for the question) to demonstrate how the impact is spread across three different tax types.

The lottery accounting change revenue measure is the result of a change in how two large, infrequently recurring contract payments from the State's third-party lottery contractor will be recognized as revenue, from being recognized all at once to being amortized over the 20-year term of the current contract. This measure is not a budget initiative, but the revenue adjustment was recognized in the Governor's FY 2024 recommended budget and impacts both FYs 2023 and 2024. It is given a June 2023 effective date for this survey because the first of the two lump-sum payments is due June 30, 2023.

Notes to Table A-3: Fiscal 2025 State General Fund, Recommended

Arkansas FY2025 biennial budget amounts are based on the budget report provided by the prior administration. The current administration will present the recommended 2025 budget the next presession budget hearing in 2024.

Indiana Revenue: revenue estimates are based on the December 16, 2022 forecast. A new forecast will be published April 19, 2023.
Expenditure adjustments include an estimated \$22.0 million in unspent prior year reversions.

Minnesota Rainy Day Fund balance includes cash flow account of \$350 million and a budget reserve of \$2.852 billion. Revenue Adjustments include; Dedicated Revenue, Transfers-In and Prior Year Adjustments.

Nevada Adjustments include: 1-Millennium Scholarship; 2-Live Entertainment Tax; 3-Transfer to Disaster Relief; 4-Transfer to Rainy Day Fund

North Carolina Adjustments to revenue include funds from the Savings Reserve and various agency receipts. Adjustments to expenditures include large transfers to a variety of above the line reserve such as the State Capital and Infrastructure Fund.

North Dakota Revenue adjustments are transfers of \$200.0 million from the strategic investment and improvements fund.

Ohio The 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 the actual ending fund balance. The FY 2025 expenditure estimate includes \$1,499.1 million in transfers out of the GRF.

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.

Wisconsin Revenue adjustments include Tribal Gaming, \$0; and Other Revenue, \$566.4. Expenditure adjustments include Transfers, \$173.4; Lapses, -\$304.2; and Compensation Reserves, \$581.6.



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