

# STATE EXPENDITURE REPORT

State Funds	Fiscal 2016 to 2017		All Funds	Fiscal 2017 to 2018	
	Federal Funds	%		Federal Funds	%
4.7	0.4	%	2.5	19.5	-1.5
-2.5	2.1		0.3	1.2	6.8
-0.8	4.1		1.8	8.4	7.6

13.1	-7.2	-0.5	73.3	34.7
5.2	1.7	2.6	10.3	-2.8
2.7	-0.8	0.2	5.9	4.6
1.5	-1.3	0.9	-9.5	45.1
2.9	4.2	3.6	3.8	3.5
-5.7	-11.9	-9.2	-2.0	9.0
1.6	0.8	1.2	7.5	3.1
-4.1	-2.2	-3.0	8.5	19.2
2.3	9.5	6.0	6.0	4.1
6.6	2.4	4.4	1.5	6.1
1.7	-5.6	-3.0	10.4	10.9
-2.1	8.7	4.0	-1.4	4.4
-0.3	3.2	2.1	0.7	5.5
11.7	8.5	9.2	-15.2	4.1
	8.9	8.6	7.0	8.5
		2.2	6.0	-0.4
				3.3

## 2018 STATE EXPENDITURE REPORT • FISCAL YEARS 2016-2018



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# Preface

Since its inception in 1987, the State Expenditure Report has developed into a definitive baseline for the analysis of state spending. This edition of the report includes data from actual fiscal 2016, actual fiscal 2017, and estimated fiscal 2018. Expenditures reflected in this report represent more than 99 percent of total state spending.

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

# Acknowledgments

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# Executive Summary

## Overview

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This edition of the *State Expenditure Report* includes data from estimated fiscal 2018, actual fiscal 2017, and actual fiscal 2016. The report includes 50-state data broken down by fund source and program area, as well as information on state general fund revenue collections.

Total state spending from all fund sources rose in fiscal 2018 to reach over \$2.0 trillion for the first time. In fiscal 2018 it is estimated that total state spending grew 4.6 percent, compared to 3.8 percent in fiscal 2017. However, in both years spending growth was below the 32-year NASBO survey historical average of 5.6 percent (not adjusted for inflation). Total state spending growth rates are lower on a median basis, at 3.2 percent in fiscal 2018 and 3.0 percent in fiscal 2017. All eight geographic regions saw at least a slight rise in total state spending in fiscal 2018, with the strongest growth reported in the Far West and the Southeast. Additionally, all program areas experienced an increase in total state spending, with the largest percentage increase in Medicaid, and the smallest in public assistance. Spending from both states' own funds (general funds and other state funds, excluding bonds) and federal funds rose in fiscal 2018, increasing 4.1 percent and 5.7 percent respectively. Transportation, Medicaid, and elementary and secondary education all experienced strong percentage spending growth from states' own funds in estimated fiscal 2018.

Total state spending grew by 3.8 percent in fiscal 2017. State funds increased by 4.3 percent while federal funds rose 2.9 percent. Although total state spending growth was somewhat slower in fiscal 2017 compared to fiscal 2018, all program areas except for public assistance saw at least a small increase in spending. In addition, all eight geographic regions experienced at least modest growth in total state spending in fiscal 2017, led by the Great Lakes Region. Expenditure growth in the Great Lakes region was impacted by Illinois, as spending in the state returned to more historical levels following enactment of a full-year budget after not having one in place for fiscal 2016.

General fund revenue, the largest source of state expenditures and the most discretionary, totaled an estimated \$837.7 billion in fiscal 2018, a 6.2 percent increase over fiscal 2017, representing the highest growth rate since fiscal 2011. In comparison, general fund revenues grew 2.5 percent in fiscal 2017.

Most states saw stronger revenue growth in fiscal 2018 led by unusually high tax payments from non-withholding income sources along with continued growth in the national economy. Specifically, states saw a significant uptick in their personal income tax collections in the last eight months. States have been analyzing their revenue collections to understand the amounts that may be of a one-time nature, such as higher than normal capital gains and dividend income, or repatriated income in response to the federal tax changes. Fiscal 2017's more modest revenue growth was likely impacted by a number of factors including some taxpayers deferring non-wage income in anticipation of a federal income tax rate cut, low inflation, the decline in prices for many tangible goods, and the impact of low oil and natural gas prices on energy-producing states.

## State Spending Trends

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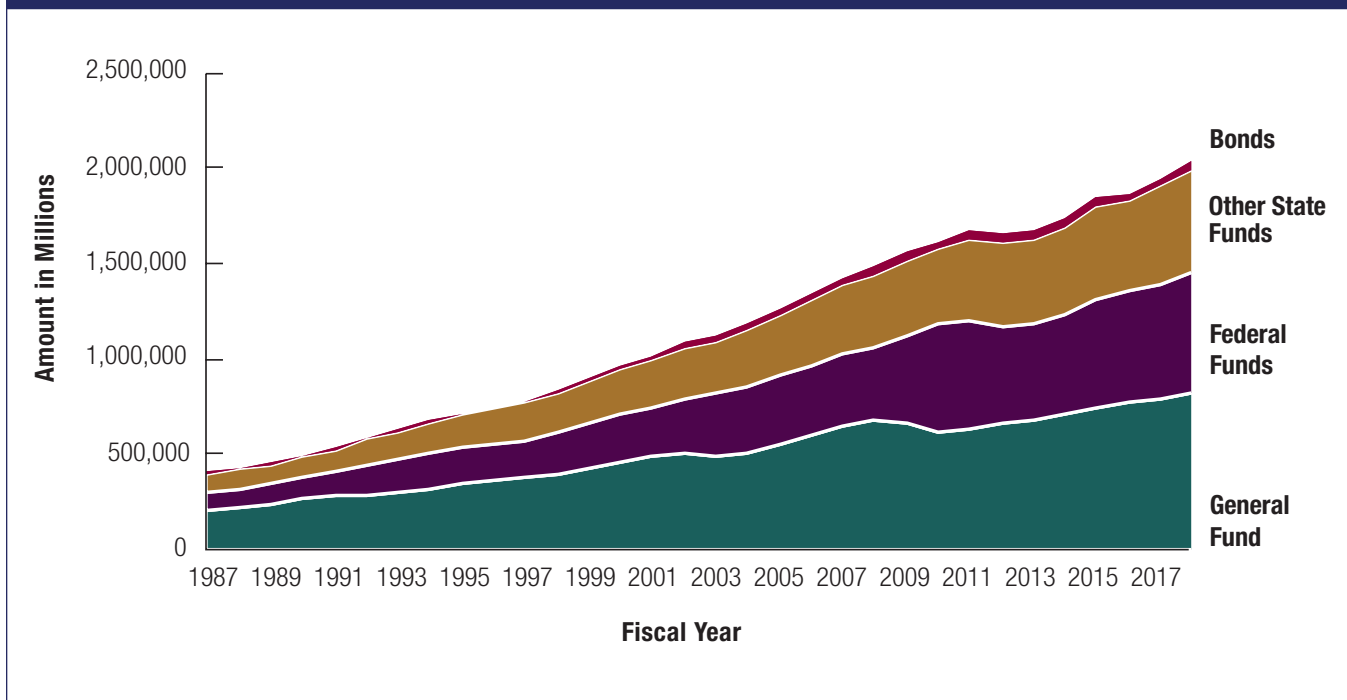
Total state spending has grown on a nominal basis each year since fiscal 2012, when total spending declined for the first time in the 32-year history of the State Expenditure Report, due to a wind-down in federal stimulus spending. Over 56 percent of that spending growth over the last six years is attributable to the Medicaid program. Medicaid annual spending growth from all fund sources has averaged 7.6 percent since fiscal 2013, while the rest of total state spending growth has averaged 2.1 percent annually.

While Medicaid has largely driven total state spending growth over the last five years, total state expenditures grew in nearly all program areas in both fiscal 2018 and fiscal 2017. In fiscal 2018, it is estimated that all seven program areas experienced at least moderate growth, ranging from the public assistance category at 0.7 percent to Medicaid at 7.3 percent. In fiscal 2017, elementary and secondary education, higher education, Medicaid, corrections, transportation, and the "all other" category all experienced growth, while public assistance declined.

Overall, total state expenditures (including general funds, other state funds, bonds and federal funds) declined 1.1 percent in fiscal 2012, and increased 1.0 percent in fiscal 2013, 3.8 percent in fiscal 2014, 6.4 percent in fiscal 2015, 1.4 percent in fiscal 2016, 3.8 percent in fiscal 2017, and are estimated to have grown 4.6 percent in fiscal 2018.



**FIGURE 1:**  
**TOTAL STATE SPENDING BY FUND SOURCE, FISCAL 1987 TO 2018**



Nearly all geographic regions experienced increased spending from state funds, federal funds, and total funds in both fiscal 2018 and fiscal 2017. In estimated fiscal 2018, the Far West and Southeast experienced the highest growth in total spending at 8.1 percent and 5.5 percent respectively. Only the Great Lakes region had a decline in state fund spending in estimated fiscal 2018. In fiscal 2017, the Great Lakes region had the largest increase in total spending primarily due to Illinois as spending in the state returned to more historical levels following enactment of a full-year budget after not having one in fiscal 2016. The Plains region had a slight decline in state fund spending in fiscal 2017, while the Great Lakes and Southwest regions experienced declines in federal funds.

### General Fund Spending Trends

General fund spending grew 3.8 percent in fiscal 2018 and 3.1 percent in fiscal 2017, with both years being below the historical average growth rate of 5.4 percent. Similar to total state expenditures, nearly all categories of general fund spending experienced gains in fiscal 2018 and fiscal 2017 with only the public assistance category declining in fiscal 2018 and transportation declining in fiscal 2017 (general funds make up a very small percentage of overall transportation spending). In estimated fiscal 2018, Medicaid experi-

enced the highest percentage growth at 6.6 percent, while in fiscal 2017 higher education had the highest growth level at 3.9 percent.

### Federal Funds Spending Trends

Total state spending growth has been heavily impacted by changes in the level of federal funds to states in recent years. Medicaid, an entitlement program, has become an increasingly growing share of federal dollars spent by state governments. In fiscal 2008, Medicaid made up 43 percent of the federal funds received by states, growing to 58 percent in fiscal 2018. Aside from the Medicaid program, education and transportation reflect the next largest areas of federal fund participation in state spending. State spending from federal funds, excluding Medicaid, are estimated to grow by 4.5 percent in fiscal 2018, following a 2.0 percent growth rate in fiscal 2017 and a 0.9 percent decline in fiscal 2016. The fiscal 2018 amount reflects the highest growth rate since fiscal 2005, notwithstanding the prime years of federal stimulus funding during the Great Recession. Total federal fund spending, including Medicaid, is estimated to grow by 5.7 percent in fiscal 2018 (the median growth rate is 3.3 percent), led by Medicaid at 6.6 percent and transportation at 6.3 percent. Total federal spending grew by 2.9 percent in fiscal 2017 and by 2.8 percent in fiscal 2016.

## States' Own Funds Spending Trends

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While the level of federal funding to states has fluctuated over the past several years, spending growth from states' own funding sources has been more stable as the national economy has gradually improved and states' revenues have slowly rebounded from the national recession. Spending from state funds (including general funds and other state funds, but not federal funds or bonds) increased 4.6 percent in fiscal 2011, 3.8 percent in fiscal 2012, 2.6 percent in fiscal 2013, 4.1 percent in fiscal 2014, 4.9 percent in fiscal 2015, 1.0 percent in fiscal 2016, 4.3 percent in fiscal 2017, and an estimated 4.1 percent in fiscal 2018. Removing Illinois, state funds increased 3.3 percent in fiscal 2017 and an estimated 4.2 percent in fiscal 2018. In fiscal 2018, it is estimated that general funds comprised 40.5 percent of all state spending, with other state funds at 26.5 percent, bonds at 1.8 percent, and federal funds to states consisting of 31.2 percent.

## Additional Report Highlights

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

- Since the beginning of the recent economic downturn and continuing through the enactment of the *Affordable Care Act*, **Medicaid** has risen as a percentage of total state spending, growing from 20.5 percent in fiscal 2008 to an estimated 29.7 percent in fiscal 2018. At the same time, **elementary and secondary education** has gone from representing 22.0 percent of total state spending in fiscal 2008 to an estimated 19.6 percent. The reason for elementary and secondary education representing a smaller share of total state spending is not because nominal elementary and secondary spending has declined; instead it is a result of its growth rate being slower than the growth in total Medicaid spending. For example, in fiscal 2018 it is estimated that total elementary and secondary education spending grew 4.6 percent while total Medicaid spending grew 7.3 percent.
- When looking only at general fund spending, **elementary and secondary education** remains the largest category in fiscal 2018, representing 35.8 percent of general fund expenditures, with **Medicaid** second at 20.2 percent. Those two categories, combined with **higher education** at 9.7 percent, account for nearly two-thirds of general fund spending.
- **Elementary and secondary education** total expenditures increased by 4.6 percent in estimated fiscal 2018 and by 2.8 percent in fiscal 2017. State funds for K-12 increased 3.4 percent in fiscal 2017 and 4.6 percent in fiscal 2018, while federal funds declined 0.1 percent in fiscal 2017 and increased 3.0 percent in fiscal 2018. As the national economy and state revenues grow moderately, elementary and secondary education continues to receive increased funding in state budgets. Some states are also taking targeted steps to increase teacher compensation to improve recruitment and retention, as well as in response to teacher shortages and walkouts. Other states are boosting spending levels and improving funding equity in response to court mandates. Early education is another area where states are investing greater resources.
- Total expenditures for **higher education** increased by 3.2 percent in estimated fiscal 2018 and by 3.1 percent in fiscal 2017. State funds for higher education increased by 4.1 percent in fiscal 2017 and are estimated to have increased by 3.5 percent in fiscal 2018, while federal funds declined 0.5 percent in fiscal 2017 and increased by an estimated 1.1 percent in fiscal 2018. After a series of significant reductions beginning in fiscal 2009 through 2012, which were somewhat offset by additional federal stimulus funds, the average higher education annual general fund spending growth has been 3.4 percent from fiscal 2013 to fiscal 2018. By comparison, total general fund spending on all program areas has grown by an average annual rate of 3.7 percent over the same period.
- Total **public assistance** increased by 0.7 percent in estimated fiscal 2018, after declining by 2.1 percent in fiscal 2017. Public assistance represented 1.3 percent of total state expenditures in fiscal 2018, and spending in this area tends to fluctuate with caseload adjustments. Public assistance data in this report is narrowly defined as spending on the Temporary Assistance for Needy Families (TANF) program and other cash assistance programs. Programs in the "other cash assistance" category, which includes optional state programs for Supplemental Security Income (SSI) and General Assistance, are not funded in all states, and when funded, are relatively small programs.
- Total **Medicaid** spending of \$603.2 billion for fiscal 2018 reflected an increase of \$41.0 billion over the \$562.2 billion spent in fiscal 2017, a 4.4 percent increase on a median basis. Spending from state funds increased by 4.8 percent and federal fund spending grew by 4.9 percent on a median basis. The timing of Medicaid expenditures may vary from year-to-year and may not reflect underlying program activity in a given year. Given large swings in some states — due in part to accounting issues — that can substantially influence average Medicaid spending growth rates, examining the median percentage change better reflects underlying trends. The

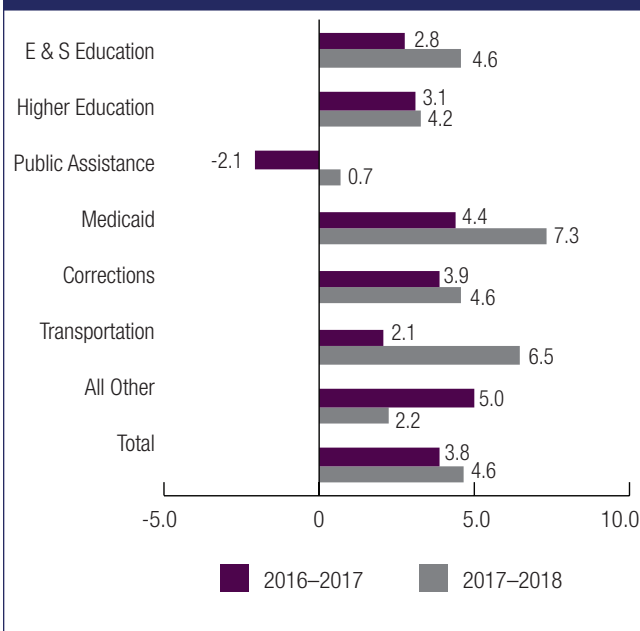
overall spending growth rate for total Medicaid expenditures was 7.3 percent in fiscal 2018 and 4.4 percent in fiscal 2017. Federal funds comprised 61.3 percent of total Medicaid spending, general funds 27.5 percent, and other state funds 11.2 percent, in fiscal 2018.

- Total **corrections** expenditures increased by 4.6 percent in estimated fiscal 2018 and by 3.9 percent in fiscal 2017 (the median growth rate was 1.6 percent in fiscal 2018 and 2.7 percent in fiscal 2017, with the higher average growth rate being largely driven by a few states). Federal funds comprise only about 1 percent of corrections spending in states. Corrections accounted for 3.1 percent of total state expenditures in fiscal 2018 and 6.8 percent of general funds. In recent years, state prisoner populations have slowly declined. Even as the number of prisoners continues a gradual decrease, state spending on corrections has seen annual growth. Higher state spending on corrections can be attributed to several factors including states having to increase salaries to attract applicants and retain employees, states continuing to invest in criminal justice reforms to reduce correctional populations and improve outcomes, and rising health care costs along with the aging of the prison population.
- Total **transportation** spending, representing 8.0 percent of total state expenditures, increased by 6.5 percent in estimated fiscal 2018 and by 2.1 percent in fiscal 2017. In fiscal 2018, it is estimated that state fund spending rose 8.8 percent and federal funds 6.3 percent. Other state funds, which are typically earmarked revenue sources such as fuel taxes, comprised 61.2 percent of total transportation spending in estimated fiscal 2018, with federal funds at 29.1 percent, bonds at 6.4 percent, and general funds only accounting for 3.3 percent. States are concerned that in the long-term, the current structure of state and federal fuel tax revenue will not be able to meet transportation needs as most gas taxes are set at fixed rates and do not rise with inflation, and the growth in vehicle miles traveled has leveled off. Over the past five years, more than half of the states have taken actions to raise their fuel tax revenues. Many of the actions were the result of multi-year transportation plans and were combined with other revenue-raising actions. One of the more notable recent actions has been the institution of registration fees on electric and hybrid vehicles to ensure that all vehicles pay their fair share of the transportation system. Thirty-two states have constitutional restrictions that dedicate transportation funds for transportation purposes.
- In this year's State Expenditure Report, for the first time states

were asked to detail transportation fund revenue sources, if their state has a **transportation fund**. Forty-six states reported having a separate transportation fund. Motor fuel taxes represented the largest revenue source for transportation funds at 41.1 percent, followed by license and registration fees (19.4 percent), vehicle sales and use taxes (8.8 percent), tolls (1.5 percent), and all other (29.2 percent). Transportation fund revenue sources totaled \$90.8 billion in fiscal 2016, \$96.7 billion in fiscal 2017, and \$103.6 billion in estimated fiscal 2018. Over the last two years, transportation fund revenues have grown at an average annual rate of almost 7 percent, and spending from state funds have grown accordingly.

- The **"all other"** category of state spending increased 2.2 percent in estimated fiscal 2018, with state funds (excluding bonds) rising 0.8 percent and federal funds increasing 5.4 percent. In fiscal 2017, "all other" spending rose 5.0 percent as state funds increased 4.8 percent and federal funds increased 5.9 percent. "All other" represented 28.3 percent of total state expenditures in estimated fiscal 2018 and 25.8 percent of general fund expenditures; over the last ten years, the "all other" category has declined as a share of both total spending and general fund spending. "All Other" spending in states includes the Children's Health Insurance Program (CHIP), care for the mentally ill and developmentally disabled, public health programs, child welfare and family services, constitutional officers, the legislative and judicial branches, some employer contributions to pensions and health benefits, economic development, state police, environmental protection, parks and recreation, other natural resources programs, unemployment insurance, housing, general aid to local governments, and debt service.
- In this year's report, states were asked to separately detail their debt service spending. States' spending on **debt service** totaled \$57.6 billion in fiscal 2016, \$59.7 billion in fiscal 2017, and \$62.8 billion in estimated fiscal 2018. In estimated fiscal 2018, other state funds represented 55.1 percent of total state spending on debt service, while general funds comprised the remaining 44.9 percent. Some states reflect no general fund spending for debt service because they earmark certain tax revenue streams to support bond repayments and direct those resources to state funds other than the general fund. In fiscal years 2016, 2017, and 2018, debt service represented 4.6 percent of spending from state funds (general funds and other state funds combined, excluding bonds).
- **Capital** expenditures are made for new construction, infrastructure, major repairs and improvements, land purchases, and the

**FIGURE 2:**  
**ALL FUNDS PERCENT CHANGES FROM PREVIOUS FISCAL YEAR FOR MAJOR SPENDING CATEGORIES, FISCAL 2017 AND 2018**



acquisition of major equipment and existing structures. States increased capital spending by an estimated 3.1 percent in estimated fiscal 2018 and 5.0 percent in fiscal 2017. States primarily use dedicated sources to finance capital spending like the transportation fund, higher education tuition and fees, set-aside funding for capital projects, federal funds, and fund surpluses. State cash sources represent 45.6 percent of capital spending in fiscal 2018, federal funds are 27.9 percent, and bonds are 26.5 percent. Most federal funds spent for capital purposes are for transportation (93.7 percent in fiscal 2018).

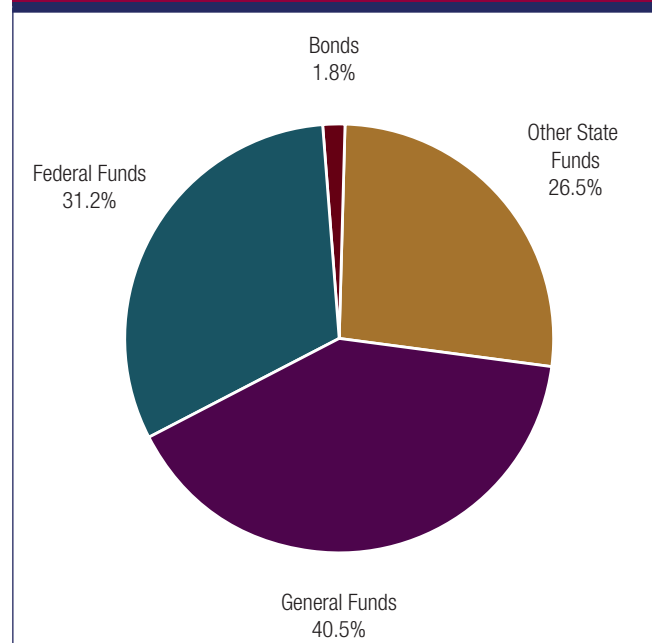
- **General fund revenue**, the largest source of state expenditures and the most discretionary, totaled an estimated \$837.7 billion in fiscal 2018, a 6.2 percent increase over fiscal 2017, and the highest growth rate since fiscal 2011. In comparison, general fund revenues grew 2.5 percent in fiscal 2017. Most states saw stronger revenue growth in fiscal 2018 led by unusually high-income tax payments from non-withholding income sources along with continued growth in the national economy. Specifically, states saw a significant uptick in their personal income tax collections in the last eight months. States have been analyzing their revenue collections to understand the amounts that may be of a one-time nature, such as higher than normal capital gains and dividend income, or repatriated income in response to the federal tax changes. Personal income taxes accounted for 45.6 percent,

sales and use taxes for 30.5 percent, and corporate income taxes for 5.6 percent of total general fund revenues in fiscal 2018. All other general fund revenue represented 17.3 percent of general fund revenues, while gaming and lottery revenue were just 0.9 percent. [Insert Figure 2 Here]

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

This report includes three years of state expenditure data: actual fiscal 2016, actual fiscal 2017, and estimated fiscal 2018. The report examines the seven main functional categories of state spending: elementary and secondary education, higher education, public assistance, Medicaid, corrections, transportation, and “all other.” “All other” is a broad category that includes state functions not tracked individually in this report, such as the Children’s Health Insurance Program (CHIP), care for the mentally ill and developmentally disabled, public health programs, child welfare and family services, constitutional officers, the legislative and judicial branches, some employer contributions to pensions and health benefits, economic development, state police, environmental protection, parks and recreation, other natural resources programs, unemployment insurance, housing, general aid to local governments, and debt service. Capital spending is included with operating expenditures within each functional category, unless noted otherwise. Capital expenditures also have been collected

**FIGURE 3:**  
**TOTAL STATE EXPENDITURES BY FUNDING SOURCE, FISCAL 2018**

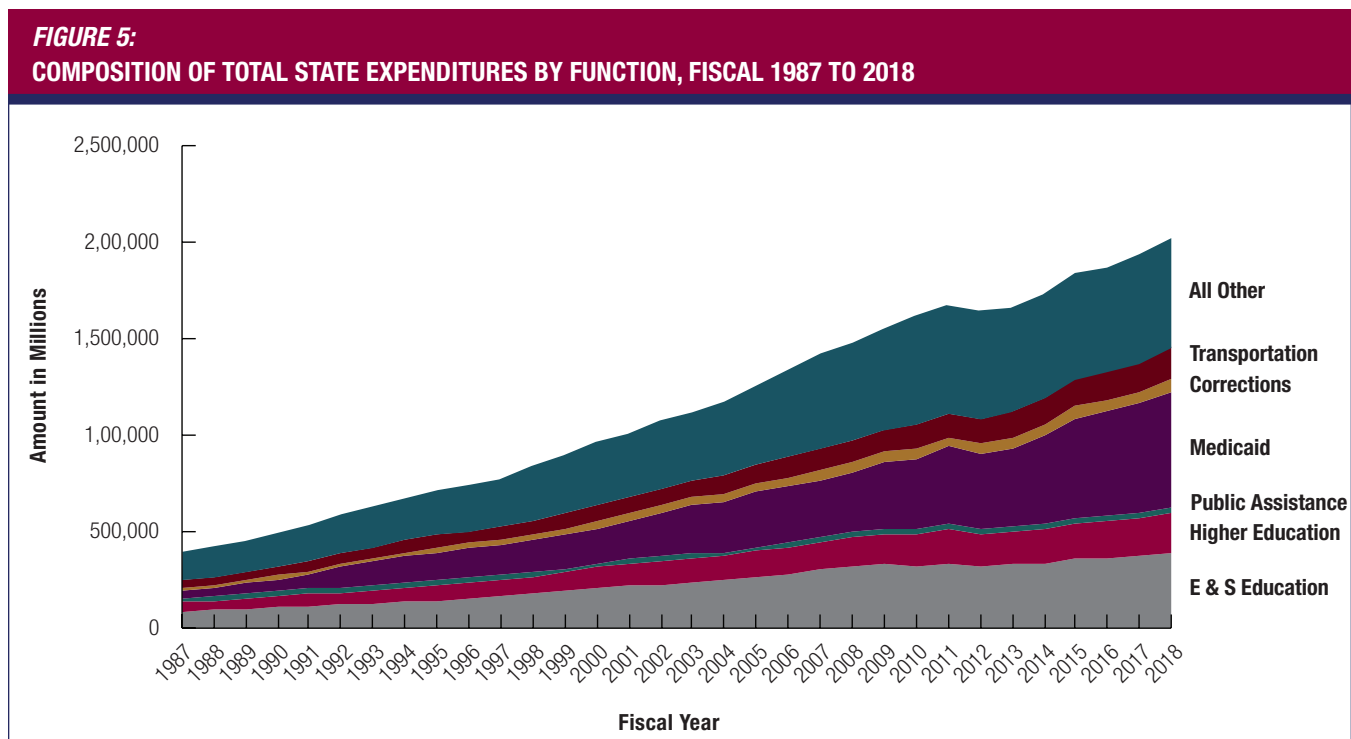
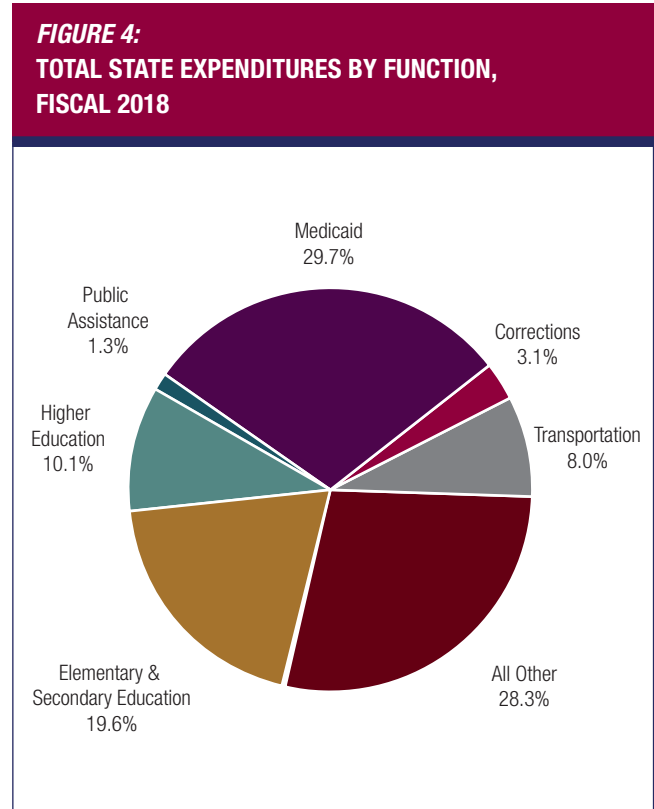


separately in the following categories: elementary and secondary education, higher education, corrections, transportation, environmental, housing, and “all other”. It should also be noted that 20 states use a biennial budget cycle, and in many cases funds are not expended evenly in the two-year cycle. This may affect total expenditures in some states from year to year.

In 2017, NASBO created a survey working group comprised of NASBO members to examine both the State Expenditure Report and the Fiscal Survey of States. The group was established to determine where revisions or additional instructions may be needed to ensure the data for these reports are as useful, timely, accurate, and consistent as possible. This edition of the State Expenditure Report is the first to incorporate changes recommended by the survey working group. Changes in this year’s survey and report include, but are not limited to: asking states to now include K-12 capital in their elementary and secondary education totals, more clearly defining TANF expenditures, separately listing transportation fund revenues, breaking out debt service expenditures, and clarifying revenue sources in the general fund.

State governments have specific functional responsibilities that vary among states depending on the role of local governments in providing services. For example, the provision of elementary and secondary education is constitutionally a state function, but, significant local revenues, mainly through property taxes, contribute to school budgets in many states. Some states are exceptions, such as Hawaii where the state government fully funds elementary and secondary education. A more complete understanding of

programs and service levels within a given state would require comparisons of spending by both state and local government, which is not the purpose of this report. In addition, because the data are self-reported by the states, some may be incomplete. These omissions can affect aggregate and regional tables.



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

### Explanation of Report Data: Definitions

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

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

**Other State Funds:** Expenditures from revenue sources that are restricted by law for governmental functions or activities. For example, a gasoline tax dedicated to a transportation fund would appear in the "Other State Funds" column. For higher education, other state funds can include tuition and fees. For Medicaid, other state funds include provider taxes, fees, donations, assessments, and local funds. Some states also have an education fund for elementary and secondary education separate from the general fund.

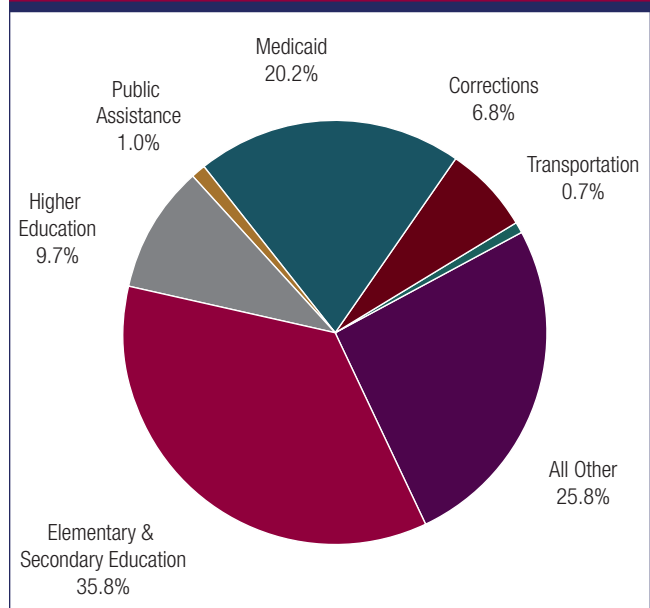
**Bonds:** Expenditures from the sale of bonds, generally for capital projects.

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

Spending by fund source is detailed in Figure 3. In fiscal 2018, general funds represented 40.5 percent of total state spending, with federal funds at 31.2 percent, other state funds at 26.5 percent, and bonds at 1.8 percent.

Figure 4 reflects total state expenditures by functional area. For fiscal 2018, total state spending shares are as follows: 29.7 percent for Medicaid; 19.6 percent for elementary and secondary education; 10.1 percent for higher education; 8.0 percent for transportation; 3.1 percent for corrections; 1.3 percent for public assistance; and 28.3 percent for all other.

**FIGURE 6:**  
**GENERAL FUND EXPENDITURES, FISCAL 2018**



The shares of state spending for the seven functional areas tracked in the *State Expenditure Report* have shifted since 1987, when the report was first published. For example, in total state spending, Medicaid surpassed higher education as the second largest state program in 1990, and in 2003 it became the largest, displacing elementary and secondary education. From 2003 to 2008, Medicaid and elementary and secondary education alternated as the largest share of total state spending. Since fiscal 2009, Medicaid has consistently been the largest spending category. In fiscal 2018, Medicaid continued to grow as a percentage of total state expenditures, representing 29.7 percent, while elementary and secondary education's share declined to 19.6 percent. Figure 5 documents the changes in state expenditures by category since 1987. Table 3 reflects shares of state spending in functional areas, by fund source, from 1995 to 2018. Also, Table 5, at the end of the Executive Summary, highlights the share of each state's budget represented by various programs in fiscal 2018 and shows the wide variation among states in their spending patterns.

### General Fund Expenditures

Expenditures for elementary and secondary education continue to constitute the largest share of state general fund spending. As Figure 6 shows, in fiscal 2018, 35.8 percent of general fund spending went to elementary and secondary education. Medicaid accounted for 20.2 percent and higher education accounted for 9.7 percent of general fund spending.



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

Region/State	Fiscal 2016 to 2017				Fiscal 2017 to 2018			
	General Funds	State Funds	Federal Funds	All Funds	General Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>								
Connecticut	-0.9 %	2.1 %	1.9 %	-0.5 %	4.7 %	5.2 %	-1.2 %	3.3 %
Maine	2.3	2.4	2.6	2.6	2.1	1.3	3.7	2.0
Massachusetts	2.7	2.4	-0.5	1.6	1.9	3.7	7.6	4.4
New Hampshire	9.2	1.5	2.9	2.7	0.9	4.2	3.1	3.2
Rhode Island	3.5	2.7	3.5	2.6	4.4	7.8	8.5	8.2
Vermont	2.8	3.3	-3.9	-0.1	5.9	2.5	0.6	2.1
<b>MID-ATLANTIC</b>								
Delaware	4.9	6.5	0.9	4.3	0.3	0.0	14.8	1.7
Maryland	5.6	6.1	7.8	6.2	-0.1	4.9	0.6	4.3
New Jersey	2.0	3.4	5.7	4.8	4.4	3.6	5.0	3.6
New York	0.1	2.2	7.1	4.2	2.4	2.6	7.2	4.3
Pennsylvania	6.0	4.2	7.1	5.2	0.2	2.0	2.6	2.4
<b>GREAT LAKES</b>								
Illinois	9.9	35.4	-6.6	23.8	19.2	-0.1	26.0	4.3
Indiana	5.6	3.1	1.1	2.3	-0.3	3.1	9.3	5.5
Michigan	-2.1	2.7	-2.8	0.3	3.5	-3.3	10.9	2.1
Ohio	2.6	1.1	0.8	1.1	-8.0	-2.6	20.0	2.1
Wisconsin	3.4	2.9	2.2	2.8	3.8	1.7	5.3	2.6
<b>PLAINS</b>								
Iowa	0.2	-2.8	1.0	-1.8	0.0	0.0	0.0	0.0
Kansas	2.6	3.1	3.4	3.0	6.6	6.1	1.6	4.9
Minnesota	4.7	0.2	-0.7	-0.7	7.5	10.2	14.3	10.5
Missouri	1.5	1.9	6.6	3.7	1.2	1.7	2.1	1.9
Nebraska	3.2	2.5	1.4	2.2	0.5	2.3	2.3	2.3
North Dakota	-13.7	-11.5	0.6	-8.9	-19.1	-12.3	-8.9	-11.1
South Dakota	5.9	2.8	3.6	1.3	2.8	8.9	-1.0	5.6
<b>SOUTHEAST</b>								
Alabama	4.7	3.2	1.5	3.0	-1.9	-2.2	2.8	0.0
Arkansas	1.9	3.8	6.2	4.6	2.0	0.0	3.7	1.0
Florida	5.0	6.6	4.2	5.6	4.1	12.9	9.1	11.2
Georgia	7.5	5.8	2.7	4.5	5.8	5.1	-2.2	3.3
Kentucky	8.3	5.0	1.4	3.6	1.5	5.8	0.7	3.9
Louisiana	4.8	-5.2	20.6	2.5	5.7	7.9	24.5	14.2
Mississippi	-0.5	-0.7	-0.8	2.3	-1.5	2.7	17.5	5.9
North Carolina	4.4	5.2	2.0	4.8	2.7	4.4	3.5	3.5
South Carolina	6.6	6.7	7.5	7.0	3.0	0.6	5.0	2.1
Tennessee	6.8	6.4	-2.4	1.5	11.7	9.6	11.1	10.2
Virginia	2.8	2.3	4.8	2.5	3.2	4.9	-1.4	3.5
West Virginia	0.9	9.0	-4.3	5.2	-22.6	-5.4	5.6	-2.6
<b>SOUTHWEST</b>								
Arizona	0.9	-0.1	-1.1	-0.3	0.5	2.3	5.8	3.1
New Mexico	-1.8	0.6	4.9	3.3	0.6	-0.2	-0.3	-1.1
Oklahoma	-3.1	7.6	-8.6	2.4	16.1	-6.2	4.7	-2.5
Texas	0.2	0.5	-1.2	0.5	3.7	2.6	1.3	1.1
<b>ROCKY MOUNTAIN</b>								
Colorado	0.7	0.7	-3.8	-0.4	7.6	-0.3	5.6	1.2
Idaho	7.5	7.1	0.4	4.6	6.5	9.6	0.1	6.2
Montana	4.3	3.3	18.6	9.0	-3.9	-1.4	1.9	-0.1
Utah	1.3	3.5	6.3	4.3	4.8	6.8	15.5	13.0
Wyoming	-18.7	5.5	18.2	7.9	0.0	0.0	-0.2	0.0
<b>FAR WEST</b>								
Alaska	-18.0	-11.4	14.9	-2.9	1.1	18.2	5.9	13.5
California	4.2	4.5	5.1	4.1	6.5	12.6	2.9	10.5
Hawaii	8.8	10.7	0.3	6.0	4.2	0.2	2.2	3.6
Nevada	10.8	13.9	5.7	12.0	0.3	-2.0	1.3	0.3
Oregon	-0.4	10.8	-1.2	7.4	13.7	0.9	2.8	1.4
Washington	6.5	7.6	3.9	7.0	6.1	4.4	0.2	2.5
<b>TOTAL*</b>	<b>3.1 %</b>	<b>4.3 %</b>	<b>2.9 %</b>	<b>3.8 %</b>	<b>3.8 %</b>	<b>4.1 %</b>	<b>5.7 %</b>	<b>4.6 %</b>
<b>MEDIAN</b>	<b>3.0</b>	<b>3.2</b>	<b>2.1</b>	<b>3</b>	<b>3</b>	<b>2.6</b>	<b>3.3</b>	<b>3.2</b>

Note: State funds are defined as general funds and other state funds (bonds are excluded). \*See General Notes for explanation. Source: National Association of State Budget Officers, 2018 State Expenditure Report



**TABLE 3**

**COMPARISON OF SHARES OF STATE SPENDING WITH FUND SOURCES, FISCAL 1995 TO 2018**

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

Table 3 continues on next page.

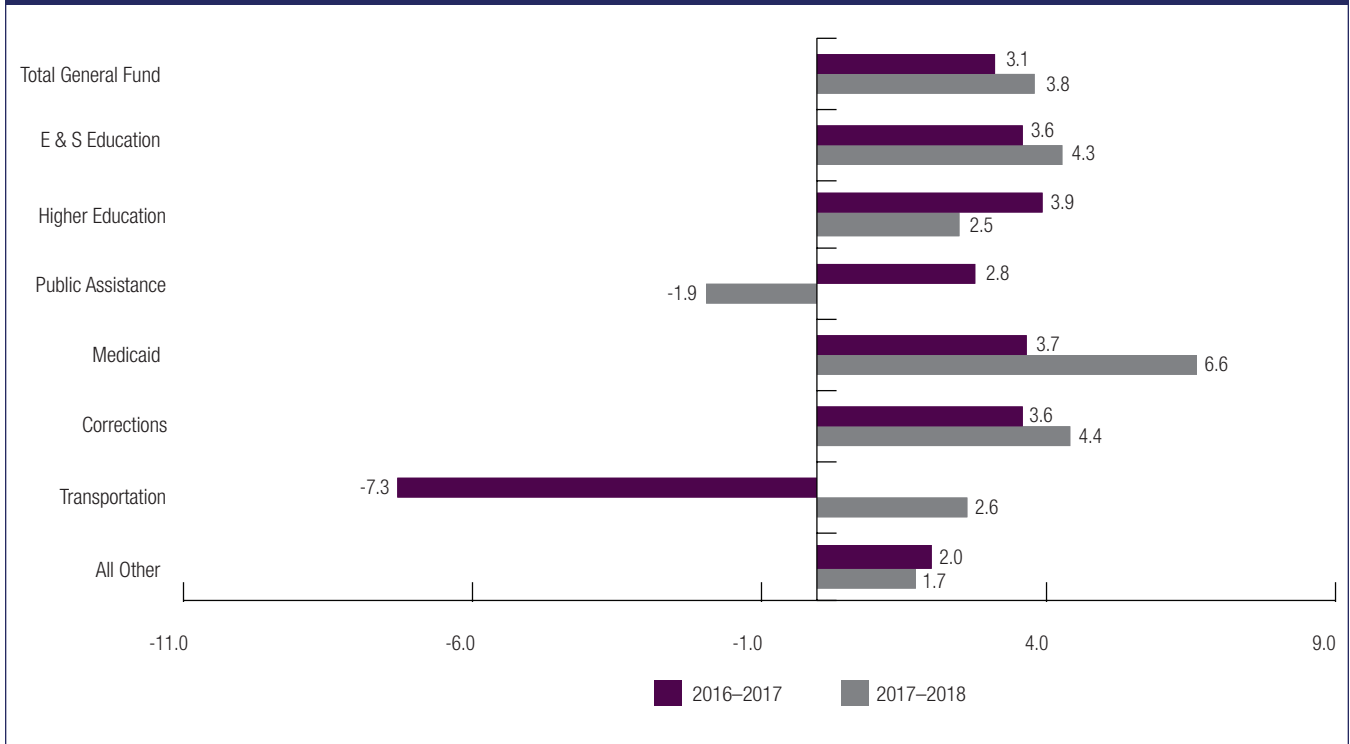
TABLE 3 (CONTINUED)

## COMPARISON OF SHARES OF STATE SPENDING WITH FUND SOURCES, FISCAL 1995 TO 2018

Fund Type & Year	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
<b>FY 2008:</b>								
General Funds	35.0	11.7	1.9	16.0	7.0	0.8	27.6	100.0
Other State Funds	10.2	15.2	0.1	7.3	0.7	17.5	49.0	100.0
Federal Funds	11.7	3.7	3.1	43.0	0.2	8.6	29.7	100.0
Bond Funds	9.6	19.2	0.0	0.0	2.7	30.5	37.9	100.0
<b>Total Funds</b>	<b>22.0</b>	<b>10.7</b>	<b>1.7</b>	<b>20.5</b>	<b>3.5</b>	<b>7.8</b>	<b>33.9</b>	<b>100.0</b>
<b>FY 2009:</b>								
General Funds	35.2	11.5	1.9	16.3	7.2	0.7	26.8	100.0
Other State Funds	10.1	15.2	0.1	6.8	0.6	16.4	50.8	100.0
Federal Funds	12.2	4.2	2.9	44.6	0.3	7.8	28.0	100.0
Bond Funds	15.0	20.9	0.0	0.0	3.0	30.0	31.0	100.0
<b>Total Funds</b>	<b>21.5</b>	<b>10.5</b>	<b>1.7</b>	<b>21.9</b>	<b>3.4</b>	<b>7.5</b>	<b>33.4</b>	<b>100.0</b>
<b>FY 2010:</b>								
General Funds	35.5	11.5	1.9	14.8	7.4	0.7	28.1	100.0
Other State Funds	9.8	16.7	0.1	7.6	0.7	16.1	49.0	100.0
Federal Funds	12.2	3.6	2.7	42.2	0.4	7.1	31.7	100.0
Bond Funds	8.3	20.3	0.0	0.0	3.0	34.6	33.8	100.0
<b>Total Funds</b>	<b>20.4</b>	<b>10.2</b>	<b>1.7</b>	<b>22.2</b>	<b>3.2</b>	<b>7.5</b>	<b>34.7</b>	<b>100.0</b>
<b>FY 2011:</b>								
General Funds	35.3	11.3	1.9	16.5	7.3	0.5	27.3	100.0
Other State Funds	8.7	18.0	0.1	9.8	0.6	15.8	47.1	100.0
Federal Funds	12.7	4.0	2.7	44.2	0.3	7.2	29.0	100.0
Bond Funds	12.3	16.8	0.0	0.0	1.6	33.9	35.4	100.0
<b>Total Funds</b>	<b>20.3</b>	<b>10.7</b>	<b>1.6</b>	<b>23.8</b>	<b>3.1</b>	<b>7.4</b>	<b>33.1</b>	<b>100.0</b>
<b>FY 2012:</b>								
General Funds	34.7	9.9	1.5	19.2	6.9	0.7	27.1	100.0
Other State Funds	7.8	18.1	0.1	8.8	1.2	15.5	48.5	100.0
Federal Funds	10.7	4.0	2.7	43.9	0.2	8.2	30.1	100.0
Bond Funds	8.3	16.0	0.0	0.0	1.9	35.0	38.8	100.0
<b>Total Funds</b>	<b>19.5</b>	<b>10.4</b>	<b>1.5</b>	<b>23.6</b>	<b>3.2</b>	<b>7.7</b>	<b>34.0</b>	<b>100.0</b>
<b>FY 2013:</b>								
General Funds	34.8	9.6	1.6	19.3	6.9	0.6	27.3	100.0
Other State Funds	9.0	18.1	0.3	10.2	1.0	15.8	45.7	100.0
Federal Funds	10.5	4.4	2.7	45.8	0.1	8.5	28.1	100.0
Bond Funds	6.5	14.8	0.0	0.0	1.6	38.3	38.7	100.0
<b>Total Funds</b>	<b>20.0</b>	<b>10.4</b>	<b>1.5</b>	<b>24.3</b>	<b>3.2</b>	<b>7.8</b>	<b>32.7</b>	<b>100.0</b>
<b>FY 2014:</b>								
General Funds	34.8	9.7	1.4	20.0	6.9	0.8	26.5	100.0
Other State Funds	8.5	17.8	0.4	10.5	1.0	16.6	45.3	100.0
Federal Funds	9.9	4.1	2.8	51.9	0.1	8.3	22.9	100.0
Bond Funds	7.0	14.1	0.0	0.0	1.6	36.5	40.6	100.0
<b>Total Funds</b>	<b>19.8</b>	<b>10.3</b>	<b>1.5</b>	<b>26.5</b>	<b>3.2</b>	<b>8.0</b>	<b>30.7</b>	<b>100.0</b>
<b>FY 2015:</b>								
General Funds	35.5	9.9	1.2	19.5	6.8	0.8	26.3	100.0
Other State Funds	8.8	18.5	0.5	10.7	0.9	17.6	43.0	100.0
Federal Funds	9.0	3.6	2.7	55.8	0.1	7.4	21.3	100.0
Bond Funds	7.1	14.7	0.0	0.0	1.5	34.8	41.9	100.0
<b>Total Funds</b>	<b>19.6</b>	<b>10.4</b>	<b>1.5</b>	<b>27.9</b>	<b>3.1</b>	<b>8.0</b>	<b>29.6</b>	<b>100.0</b>
<b>FY 2016:</b>								
General Funds	35.5	9.8	1.1	19.6	6.7	0.7	26.6	100.0
Other State Funds	8.9	19.0	0.5	11.0	1.0	17.9	41.7	100.0
Federal Funds	8.9	3.5	2.6	57.4	0.1	7.8	19.7	100.0
Bond Funds	8.1	15.0	0.0	0.0	1.6	32.5	42.7	100.0
<b>Total Funds</b>	<b>19.8</b>	<b>10.3</b>	<b>1.4</b>	<b>28.8</b>	<b>3.1</b>	<b>8.0</b>	<b>28.7</b>	<b>100.0</b>
<b>FY 2017:</b>								
General Funds	35.7	9.8	1.1	19.7	6.7	0.7	26.3	100.0
Other State Funds	8.6	18.6	0.5	11.5	1.0	17.6	42.2	100.0
Federal Funds	8.7	3.4	2.4	57.8	0.1	7.4	20.3	100.0
Bond Funds	6.7	12.5	0.0	0.0	2.1	34.1	44.5	100.0
<b>Total Funds</b>	<b>19.6</b>	<b>10.2</b>	<b>1.3</b>	<b>28.9</b>	<b>3.1</b>	<b>7.8</b>	<b>29.0</b>	<b>100.0</b>
<b>FY 2018:</b>								
General Funds	35.8	9.7	1.0	20.2	6.8	0.7	25.8	100.0
Other State Funds	8.8	18.6	0.4	12.5	1.0	18.5	40.3	100.0
Federal Funds	8.5	3.2	2.3	58.3	0.1	7.4	20.2	100.0
Bond Funds	8.8	12.0	0.0	0.0	2.5	28.0	48.7	100.0
<b>Total Funds</b>	<b>19.6</b>	<b>10.1</b>	<b>1.3</b>	<b>29.7</b>	<b>3.1</b>	<b>8.0</b>	<b>28.3</b>	<b>100.0</b>
<b>FY 1995–18 Combined Total:</b>								
General Funds	35.1	11.4	2.2	16.9	6.9	0.7	26.7	100.0
Other State Funds	9.0	15.5	0.3	8.1	0.8	19.2	47.0	100.0
Federal Funds	10.6	4.1	3.6	46.2	0.3	8.4	26.9	100.0
Bond Funds	13.0	18.2	0.0	0.0	3.6	29.9	35.3	100.0
<b>Total Funds</b>	<b>21.0</b>	<b>10.6</b>	<b>2.1</b>	<b>22.7</b>	<b>3.4</b>	<b>8.2</b>	<b>32.0</b>	<b>100.0</b>

Source: National Association of State Budget Officers, 2018 State Expenditure Report

**FIGURE 7:  
PERCENT CHANGE IN GENERAL FUND, FISCAL 2017 AND 2018**



**TABLE 4  
REGIONAL PERCENTAGE CHANGE IN TOTAL EXPENDITURES, FISCAL 2017 AND 2018**

Region	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	2.4 %	0.7 %	1.1 %	4.2 %	4.6 %	4.0 %
Mid-Atlantic	3.5	6.9	4.8	2.9	5.1	3.7
Great Lakes	9.4	-1.6	6.3	-0.7	14.5	3.1
Plains	-0.1	2.1	0.3	4.0	4.7	4.0
Southeast	4.3	3.6	4.0	5.3	6.6	5.5
Southwest	1.2	-1.3	0.8	1.2	2.4	0.9
Rocky Mountain	2.4	2.4	2.4	2.0	5.9	3.9
Far West	5.7	4.7	4.9	9.2	2.7	8.1
<b>ALL STATES</b>	<b>4.3 %</b>	<b>2.9 %</b>	<b>3.8 %</b>	<b>4.1 %</b>	<b>5.7 %</b>	<b>4.6 %</b>

Figure 7 reflects the percentage change for general fund spending in each of the functional categories. In fiscal 2018, public assistance was the only program area to experience a decline, while in fiscal 2017 transportation had a decline. Overall, general fund spending increased 3.8 percent in estimated fiscal 2018 and 3.1 percent in fiscal 2017.

### Other State Funds Expenditures

Trailing only the “all other” category, higher education and transportation account for the next largest portions of other state funds spending for fiscal 2018, at 18.6 percent and 18.4 percent respectively. Other state funds are expenditures from revenue sources which are restricted by law for particular governmental functions or activities. For transportation, these funds largely represent receipts from gasoline taxes earmarked for highways and other infrastructure projects, while for higher education, these funds include tuition and fees in most states (see Table 3).

TABLE 5

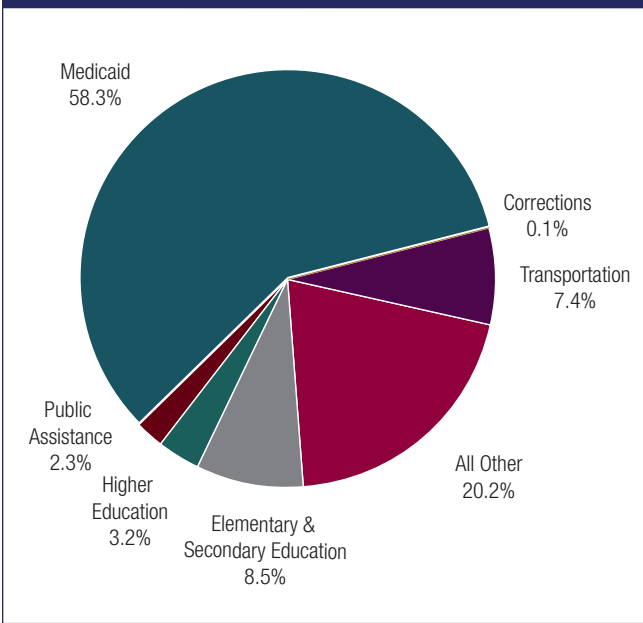
## STATE SPENDING BY FUNCTION AS A PERCENT OF TOTAL STATE EXPENDITURES, FISCAL 2018

Region/State	Elementary & Secondary Education	Higher Education	Public Assistance	Medicaid	Corrections	Transportation	All Other	Total
<b>NEW ENGLAND</b>								
Connecticut	12.7 %	8.9 %	1.2 %	24.7 %	1.9 %	9.6 %	41.0 %	100.0 %
Maine	17.6	3.7	2.3	33.1	2.2	8.5	32.5	100.0
Massachusetts	13.2	2.4	1.3	28.8	2.6	8.0	43.8	100.0
New Hampshire	20.3	2.3	1.5	35.6	2.2	9.1	29.1	100.0
Rhode Island	14.7	13.1	1.5	28.6	2.5	6.2	33.4	100.0
Vermont	32.9	1.8	1.6	28.2	2.7	10.0	22.7	100.0
<b>MID-ATLANTIC</b>								
Delaware	23.4	3.7	0.2	20.9	3.0	8.7	39.9	100.0
Maryland	17.7	13.9	2.8	25.5	3.4	11.3	25.3	100.0
New Jersey	23.2	8.3	0.3	24.7	2.7	11.2	29.6	100.0
New York	19.1	6.6	2.0	34.0	1.8	6.1	30.3	100.0
Pennsylvania	18.4	2.5	1.2	38.8	3.3	10.5	25.4	100.0
<b>GREAT LAKES</b>								
Illinois	14.7	2.9	0.1	33.6	2.9	7.2	38.6	100.0
Indiana	28.1	6.0	0.6	34.5	2.4	6.2	22.2	100.0
Michigan	26.6	4.1	0.4	32.1	4.0	7.4	25.5	100.0
Ohio	17.1	4.2	1.2	38.0	3.0	4.6	32.0	100.0
Wisconsin	16.3	14.3	0.2	20.4	2.5	6.7	39.5	100.0
<b>PLAINS</b>								
Iowa	16.9	27.0	0.4	21.9	1.9	7.9	24.0	100.0
Kansas	30.4	17.8	0.1	21.3	2.5	6.4	21.5	100.0
Minnesota	24.6	4.3	1.0	30.6	1.5	8.7	29.4	100.0
Missouri	22.5	4.5	0.5	39.1	2.7	7.9	22.8	100.0
Nebraska	14.1	23.9	0.4	17.9	2.9	7.2	33.7	100.0
North Dakota	19.1	23.5	0.1	20.4	1.8	11.1	24.1	100.0
South Dakota	16.4	21.0	0.4	20.4	2.4	13.2	26.1	100.0
<b>SOUTHEAST</b>								
Alabama	22.8	20.5	0.1	25.4	2.7	6.2	22.4	100.0
Arkansas	14.1	15.1	1.9	28.0	2.0	6.6	32.3	100.0
Florida	17.3	9.4	0.2	32.1	3.5	12.8	24.7	100.0
Georgia	24.5	19.1	0.1	20.1	3.6	7.3	25.3	100.0
Kentucky	17.1	24.0	0.5	30.3	2.0	6.9	19.2	100.0
Louisiana	16.8	8.8	0.4	34.5	2.7	4.4	32.4	100.0
Mississippi	15.9	18.4	4.9	23.6	1.6	6.8	28.9	100.0
North Carolina	22.3	13.2	0.3	28.0	4.5	12.1	19.6	100.0
South Carolina	19.8	19.1	0.3	26.4	2.6	8.7	23.1	100.0
Tennessee	17.4	14.0	0.3	32.2	2.9	5.7	27.4	100.0
Virginia	15.1	14.3	0.3	18.9	2.9	13.2	35.4	100.0
West Virginia	13.9	9.3	0.6	25.0	1.0	8.3	41.8	100.0
<b>SOUTHWEST</b>								
Arizona	17.3	14.5	0.5	29.1	2.8	7.4	28.4	100.0
New Mexico	17.4	15.2	0.7	29.3	1.7	6.9	28.8	100.0
Oklahoma	15.4	24.5	0.6	24.4	2.6	6.6	25.9	100.0
Texas	27.6	16.1	0.0	30.9	3.3	11.2	11.0	100.0
<b>ROCKY MOUNTAIN</b>								
Colorado	25.7	15.0	3.9	26.9	2.5	4.7	21.5	100.0
Idaho	26.4	9.3	0.2	27.1	3.9	8.8	24.4	100.0
Montana	14.6	9.6	0.6	26.4	3.2	9.9	35.7	100.0
Utah	25.7	12.3	0.6	18.9	4.0	12.3	26.2	100.0
Wyoming	20.1	8.0	0.0	14.2	2.9	2.4	52.4	100.0
<b>FAR WEST</b>								
Alaska	15.3	7.5	1.2	21.0	3.3	14.4	37.2	100.0
California	19.7	6.9	3.7	33.7	5.0	5.8	25.1	100.0
Hawaii	13.8	8.8	0.4	14.1	1.8	11.3	49.9	100.0
Nevada	16.4	6.8	0.3	28.5	2.5	9.1	36.4	100.0
Oregon	13.1	3.5	0.3	22.4	2.7	4.4	53.6	100.0
Washington	25.1	14.2	0.7	27.0	2.5	6.8	23.8	100.0
<b>ALL STATES</b>	<b>19.6 %</b>	<b>10.1 %</b>	<b>1.3 %</b>	<b>29.7 %</b>	<b>3.1 %</b>	<b>8.0 %</b>	<b>28.3 %</b>	<b>100.0 %</b>

Note: Percentages may not add to 100.

Source: National Association of State Budget Officers, 2018 State Expenditure Report

**FIGURE 8:  
FEDERAL FUND EXPENDITURES, FISCAL 2018**



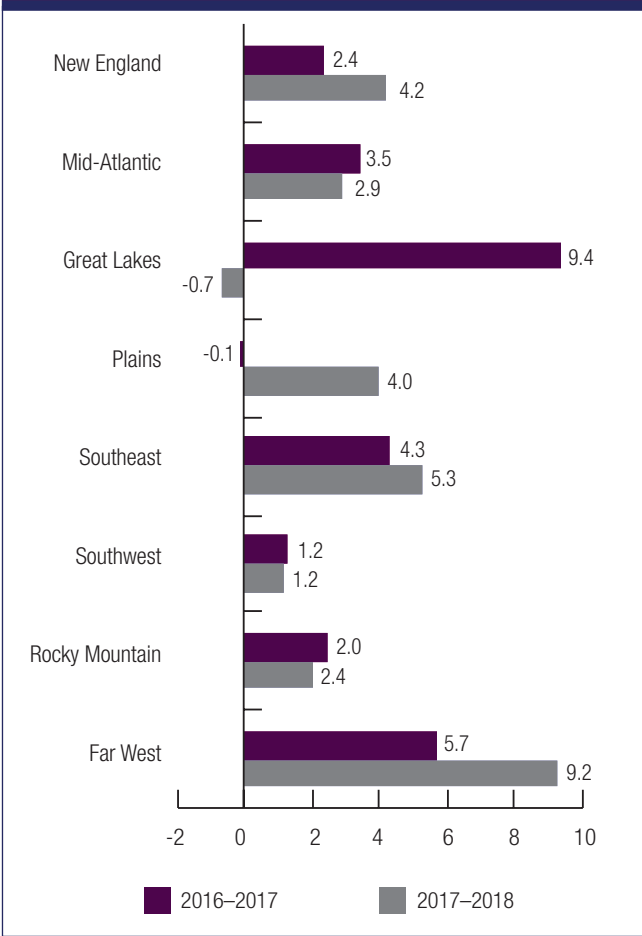
**Federal Fund Expenditures**

As reflected in Figure 8, Medicaid accounts for the largest portion of state spending from federal funds in fiscal 2018 at 58.3 percent. This continues a trend of Medicaid increasing as a share of federal funds to states; fiscal 2014 was the first year in the history of the *State Expenditure Report* that Medicaid represented over half of all federal funds to states. Elementary and secondary education at 8.5 percent and transportation at 7.4 percent were the next largest categories of federal funds in fiscal 2018.

**Regional Spending Trends**

Table 4 shows growth rates for each region of the United States, separated by state funds (general fund plus other state funds, not including bond funds) and federal funds. The growth rate for all states increased 3.8 percent in fiscal 2017, with all regions experiencing an increase in spending. The Great Lakes region had the largest increase in fiscal 2017, largely due to Illinois having a full-year budget after not passing a complete budget in fiscal 2016. In fiscal 2018, total estimated state spending increased 4.6 percent, with all eight regions recording

**FIGURE 9:  
REGIONAL PERCENT CHANGE IN STATE FUNDS,  
FISCAL 2017 AND 2018**



at least moderate growth, and the Far West region experiencing the largest growth.

Figure 9 shows the percentage change in state spending from state funds for fiscal 2017 and estimated fiscal 2018. In fiscal 2017, all regions except for the Plains experienced an increase in state fund spending, while in fiscal 2018, only the Great Lakes region had a slight decrease in state funds as Illinois experienced a decline in spending from Other State Funds.

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

## General Notes

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

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

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

**Alabama:** Amounts shown in fiscal years 2016 and 2017 are based on actual expenditures during these years, regardless of the year appropriated. Fiscal 2018 amounts shown are equal to actual expenditures through 9 months (June 30, 2018) and then annualized for the year. The State of Alabama implemented a new ERP system in FY16. This affected the accuracy of some reports for the 13th Accounting period of FY15. Those issues have been resolved, but there will be some variance for FY16 reported expenditures between last year’s survey and this survey. Regarding bond funds, there is a discrepancy between amounts reported in the 2016 survey and this one. When gathering expenditure data from Debt Management, it was discovered the transportation expenditures were counted by both Debt Management and Transportation. In addition, Alabama was able to sort the expenditures by category this year, which significantly decreased the “All Other” category for Bond Funds.

**Arizona:** Bonds payments information from Approps report Lease-Purchase and Bonding Summary section.

**Arkansas:** 2016 and 2017 amounts were modified to reflect actual final funding and were previously based on estimates.

**Illinois:** Illinois ended Fiscal Year 2016 without a fully enacted General Funds budget in place. Certain areas of the budget did not receive funding at the same levels as seen historically, including state employee health insurance, some agency operational costs, certain social service programs, and higher education.

**Georgia:** Bond Funds reflect appropriations for the given year. An adjustment was made to FY 2016 Actual General, Federal, and Other State Funds previously reported. Expenditures reflect actual expenditures as reported in the FY 2017 Budgetary Compliance Report.

**Massachusetts:** Figures for FY16-FY18 are re-stated to better align with the NASBO category definitions. Certain items that were previously counted (i.e. interfund transfers, bond refundings, certain administrative items) are now excluded.

**Ohio:** Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are contained in the General Fund number to be consistent with Ohio accounting practices and with other portrayals of Ohio’s general fund. This amounts to \$9,479.1 million in fiscal 2018. This will tend to make Ohio’s GRF expenditures look higher and conversely make Ohio’s federal expenditures look lower relative to most other states that don’t follow this practice.

Also, inherent in Ohio’s budgetary accounting environment are significant overstatements of total state spending due to two phenomena. First, fiduciary fund expenditures represent the distribution of funds collected by the state on behalf of other entities. These are not operating, program, or subsidy expenditures of the state. Examples of this would be the collection and distribution of county and local permissive sales taxes or motor vehicle registration taxes. Fiduciary fund group expenditures totaled \$7,445.5 million in fiscal 2018. Second, “double counting” of revenue and expenditures related to intrastate transactions overstates overall state expenditure activity. Intrastate transactions totaled \$755.2 million in fiscal 2018. These accounting practices will tend to make Ohio’s “All-Other” expenditures look higher, on a dollar and percentage basis, and conversely make Ohio’s other categories look lower, on a percentage basis, relative to other states that don’t follow similar practices.

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

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



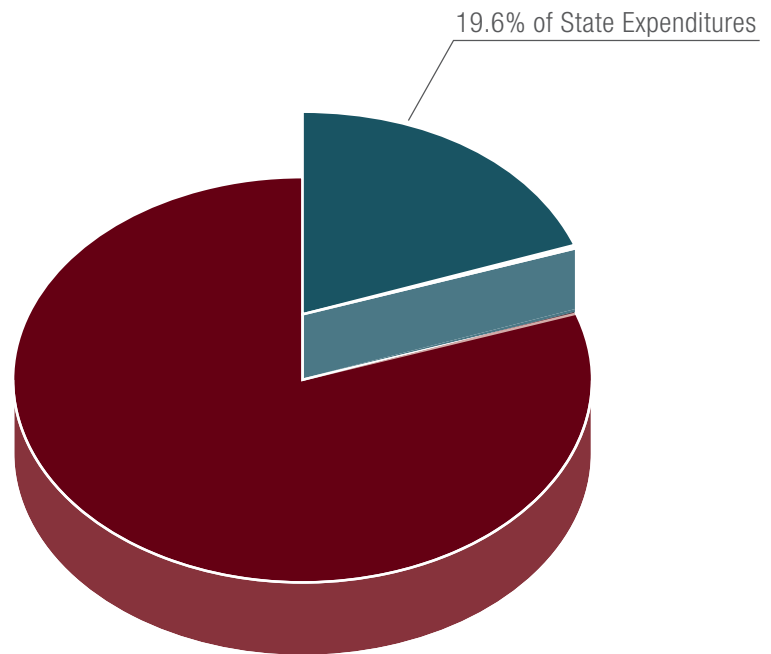
# 1

CHAPTER



## ELEMENTARY & SECONDARY EDUCATION

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## Elementary and Secondary Education Expenditures

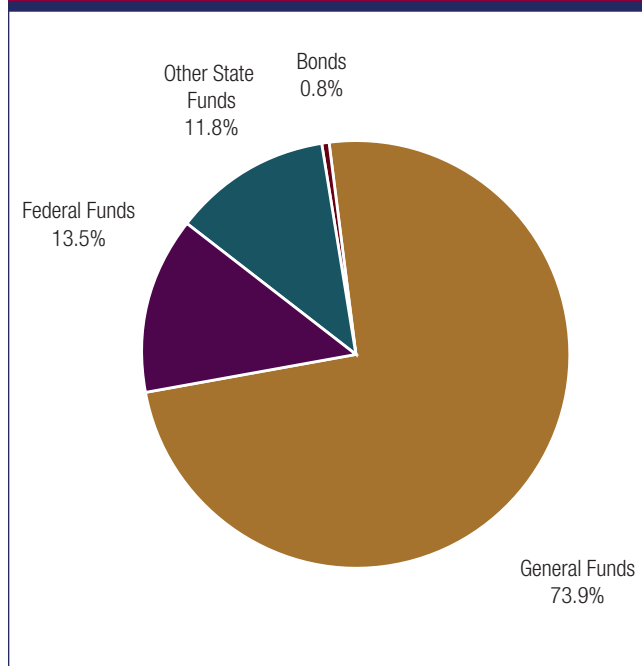
Overall state spending on elementary and secondary education totaled \$398.8 billion in fiscal 2018, an increase of 4.6 percent. State funds (general funds and other state funds combined, excluding bonds) increased by 4.6 percent and federal funds grew 3.0 percent. The growth rate in fiscal 2017 for elementary and secondary education was lower, at 2.8 percent; state funding grew by 3.4 percent, and federal funds declined by 0.1 percent.

As the national economy and state revenues grow moderately, elementary and secondary education continues to receive increased funding in state budgets. Some states are also taking targeted steps to increase teacher compensation to improve recruitment and retention, as well as in response to teacher shortages and walkouts. Other states are boosting spending levels and improving funding equity in response to court mandates. Early education is another area where states are investing greater resources. While average growth has been modest in recent years, K-12 spending changes in fiscal 2017 and fiscal 2018 vary by state due to differing economic and fiscal conditions, as well as demographic trends.

Elementary and secondary education continues to be the largest category of state general fund spending, comprising 35.8 percent of state general fund spending in fiscal 2018, 35.7 percent in fiscal 2017, and 35.5 percent in fiscal 2016. In fact, K-12 education as a share of general fund spending has remained markedly consistent over the years, being between 34 and 36 percent every year since fiscal 1996. Elementary and secondary education once represented the largest category of total state spending from all funds, but has consistently been the second largest category since fiscal 2009, when it was surpassed by Medicaid. In fiscal 2018, K-12 comprised 19.6 percent of total state spending, equivalent to its share in fiscal 2017.

The vast majority of states support K-12 education primarily through their general funds, though a few states segregate dedicated revenue sources into a separate education fund; examples include Michigan, New Hampshire and Wyoming. Other states with separate education funds combine their reporting in this survey with their general fund spending (Alabama and Utah). General funds comprised 73.9 percent of total state elementary and secondary education spending, federal funds comprised 13.5 percent, other state funds comprised 11.8 percent, and bonds comprised 0.8 percent (see Figure 10) in fiscal 2018. The general fund share has been gradually rising to levels above those prior to the Great Recession.

**FIGURE 10**  
**STATE EXPENDITURES FOR ELEMENTARY AND SECONDARY EDUCATION BY FUND SOURCE, ESTIMATED FISCAL 2018**



## Sources of Funding

State funding systems for education vary greatly. Over the years, some states have moved toward increasing their share of funding for elementary and secondary education by substituting state funds for local funds, often to reduce local governments' reliance on property taxes or to ensure equity in education funding across the state. Funds are distributed to schools both through general funds on a per-pupil basis and as categorical grants to support specific programs or needs. The federal share serves mainly as a source of supplemental funding for poor school districts and to help cover the cost of educating children with special needs, though the federal government has also provided competitive grants to states to encourage innovation and reforms at the state level.

According to the U.S. Census Bureau's latest report on public education finances, state governments contributed the largest share of elementary and secondary education revenue in fiscal 2016, with state funds comprising 47.4 percent of total revenue nationally, up slightly from the 47.1 percent share from state sources reported last year for fiscal 2015. Local government

**TABLE 6**  
**REGIONAL PERCENTAGE CHANGE IN STATE ELEMENTARY AND SECONDARY EDUCATION**  
**EXPENDITURES, FISCAL 2017 AND 2018**

Region	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	1.0 %	1.7 %	-2.3 %	1.3 %	2.2 %	2.8 %
Mid-Atlantic	4.4	-0.4	3.9	2.7	-3.0	2.1
Great Lakes	4.2	1.1	3.8	4.0	-0.8	3.5
Plains	4.0	2.1	3.7	3.5	4.0	3.6
Southeast	4.4	1.1	3.8	3.5	3.9	3.5
Southwest	-0.9	-8.3	-2.1	7.1	11.4	7.7
Rocky Mountain	5.8	0.0	5.3	5.2	6.5	5.3
Far West	3.2	3.0	3.2	7.5	3.5	7.6
<b>ALL STATES</b>	<b>3.4 %</b>	<b>-0.1 %</b>	<b>2.8 %</b>	<b>4.6 %</b>	<b>3.0 %</b>	<b>4.6 %</b>

revenue (mostly from property taxes) made up roughly 44.5 percent of total elementary-secondary school revenues, and the remaining 8.1 percent came from the federal government. The state-local funding split varies considerably by state, depending on differences in state constitutional requirements, school finance systems, local revenue structures, and other factors.

### Regional Expenditures

Table 6 shows percentage changes in expenditures for elementary and secondary education for fiscal 2016-2017 and fiscal 2017-2018 by region. In fiscal 2018, every region recorded increases in spending on K-12 education from state funds and all funds, and all but two regions reported increases in spending from federal funds. The regions reporting the fastest spending growth in fiscal 2018 include the Far West and Rocky Mountain regions, where economic and population growth have generally outpaced the national average, as well as the Southwest region, where several states saw revenues rebound in fiscal 2018 after steep energy price declines in the prior couple of years.

In fiscal 2017, New England and the Southwest regions recorded decreases in spending on K-12 education from all funds. In the case of New England, the decrease is mostly explained by reduced spending from bonds for K-12 education in Connecticut, a state that plays an especially large role in financing K-12

capital expenditures compared to most other states. In the Southwest, three states, each of which were negatively affected by declining energy prices, reported decreases in spending from state funds and all funds and either flat or declining spending from federal funds in fiscal 2017.

### Implementation of the Every Student Succeeds Act

The *Every Student Succeeds Act* (ESSA) was signed into law in December 2015, finally reauthorizing the *Elementary and Secondary Education Act*, eight years after the expiration of *No Child Left Behind*. Overall, the new law rolled back the federal role in determining measures of effectiveness and accountability actions, deferring those policy decisions to the states. States submitted their ESSA consolidated state plans to the U.S. Department of Education for review in 2017, and the federal government has now approved all states' plans. These plans primarily describe state approaches to school accountability and long-term goals for student achievement under the new law, which gives states more flexibility to measure school performance, fund programs, and improve low-performing schools. The plans were developed by the state education agency in consultation with the governor, lawmakers, state board of education, local school districts, and other key stakeholders.

## Capital Spending

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For the first time, this year's *State Expenditure Report* collected information on state capital expenditures for elementary and secondary education, which totaled an estimated \$2.9 billion in fiscal 2018, compared to \$2.3 billion in fiscal 2017, for the 24 states that were able to separately report on this category of capital spending (see Table 49). Previously, states were advised to exclude capital expenditures from their K-12 spending figures. States vary in the role they play in funding capital expenditures for elementary and secondary education, and in some states, local school districts are solely responsible for funding school construction. In many states, state funding provided for schools includes amounts eligible for local capital spending or debt service participation subsidies for local school bonds.

## Elementary and Secondary Education— Expenditure Exclusions

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When comparing resources spent on elementary and secondary education, it is important to understand the types of programs states exclude from these figures, either because the funding totals for such programs are not included in the data reported for the K-12 education chapter, or because the state does not provide that service or program. For this report, 15 states wholly or partially excluded employer contributions to teacher pensions and 17 states wholly or partially excluded contributions to health benefits. Additionally, most states wholly or partially excluded the following items: day care programs (42 states), school health care/immunization (40), Head Start (30), and libraries (30). Nineteen states wholly or partially excluded early education/preschool spending, and 22 states wholly or partially excluded capital expenditures for K-12 education.

Summary expenditure data can be found in Tables 7 through 9, accompanied by explanatory notes. Table 10 lists programs excluded from the expenditure data.



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

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	14.9 %	12.8 %	12.7 %
Maine	17.2	17.4	17.6
Massachusetts	13.3	13.3	13.2
New Hampshire	21.3	21.2	20.3
Rhode Island	15.0	15.2	14.7
Vermont	31.9	32.7	32.9
<b>MID-ATLANTIC</b>			
Delaware	23.5	23.8	23.4
Maryland	18.8	18.2	17.7
New Jersey	24.3	24.0	23.2
New York	19.6	19.4	19.1
Pennsylvania	18.1	18.1	18.4
<b>GREAT LAKES</b>			
Illinois	17.1	14.5	14.7
Indiana	29.1	28.9	28.1
Michigan	25.3	25.8	26.6
Ohio	16.7	17.1	17.1
Wisconsin	15.7	16.7	16.3
<b>PLAINS</b>			
Iowa	15.7	16.6	16.9
Kansas	29.4	29.5	30.4
Minnesota	24.7	26.0	24.6
Missouri	23.1	22.8	22.5
Nebraska	14.2	13.9	13.9
North Dakota	15.4	17.5	19.1
South Dakota	14.4	16.5	16.4
<b>SOUTHEAST</b>			
Alabama	20.9	21.2	22.8
Arkansas	14.7	14.1	14.1
Florida	18.7	18.3	17.3
Georgia	24.5	24.3	24.5
Kentucky	16.8	18.0	17.1
Louisiana	19.2	18.4	16.8
Mississippi	16.6	16.0	15.9
North Carolina	22.8	22.6	22.3
South Carolina	19.1	19.8	19.8
Tennessee	17.5	18.3	17.4
Virginia	14.8	15.1	15.1
West Virginia	15.2	13.9	13.9
<b>SOUTHWEST</b>			
Arizona	15.9	16.7	17.3
New Mexico	17.7	17.0	17.4
Oklahoma	15.4	14.8	15.4
Texas	26.6	25.5	27.6
<b>ROCKY MOUNTAIN</b>			
Colorado	23.7	24.8	25.7
Idaho	26.0	26.4	26.4
Montana	15.8	15.0	14.6
Utah	25.6	26.2	25.7
Wyoming	19.7	20.1	20.1
<b>FAR WEST</b>			
Alaska	16.8	17.1	15.3
California	20.7	20.3	19.7
Hawaii	14.2	13.8	13.8
Nevada	15.9	15.1	16.4
Oregon	12.4	12.0	13.1
Washington	23.6	23.6	25.1
<b>ALL STATES</b>	<b>19.8 %</b>	<b>19.6 %</b>	<b>19.6 %</b>

Source: National Association of State Budget Officers, 2018 State Expenditure Report

**TABLE 9**
**ANNUAL PERCENTAGE CHANGE IN ELEMENTARY AND SECONDARY EDUCATION EXPENDITURES**

Region/State	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-2.5 %	0.6 %	-14.7 %	-5.0 %	2.3 %	2.2 %
Maine	3.1	6.0	3.5	3.3	3.3	3.3
Massachusetts	1.7	0.7	1.7	3.3	2.4	3.4
New Hampshire	0.9	5.0	2.0	-0.9	-3.7	-1.3
Rhode Island	4.3	1.6	3.6	4.6	7.7	4.8
Vermont	2.3	3.2	2.4	3.1	-0.8	2.8
<b>MID-ATLANTIC</b>						
Delaware	5.2	-2.5	5.7	0.5	0.5	0.3
Maryland	2.7	1.5	2.7	1.3	-0.2	1.4
New Jersey	3.5	9.9	3.9	0.3	-1.6	0.1
New York	4.6	-3.7	3.6	4.0	-9.8	2.5
Pennsylvania	5.8	0.6	4.9	3.6	5.3	3.9
<b>GREAT LAKES</b>						
Illinois	7.2	-2.9	5.2	9.8	-3.9	6.1
Indiana	2.1	0.0	1.8	2.6	1.3	2.4
Michigan	2.2	2.3	2.2	4.9	8.2	5.3
Ohio	3.1	3.7	3.1	1.8	-6.2	2.0
Wisconsin	9.2	6.0	8.8	0.7	-0.7	0.6
<b>PLAINS</b>						
Iowa	4.7	0.4	4.1	1.1	5.0	1.6
Kansas	3.4	3.2	3.4	8.5	2.9	7.9
Minnesota	4.6	3.5	4.4	4.2	11.1	4.8
Missouri	2.1	3.6	2.4	1.4	-2.3	0.8
Nebraska	1.1	-4.7	-0.1	-1.1	17.3	2.6
North Dakota	3.5	3.6	3.5	-1.4	-13.1	-2.9
South Dakota	20.8	2.4	15.8	6.8	-0.6	5.0
<b>SOUTHEAST</b>						
Alabama	5.1	0.2	4.1	1.0	40.7	7.6
Arkansas	0.7	1.5	0.8	0.7	-0.9	0.5
Florida	4.1	-2.9	3.1	5.6	2.6	5.3
Georgia*	4.7	0.1	3.5	5.8	-0.4	4.5
Kentucky	11.6	4.8	10.5	-0.7	-2.8	-1.0
Louisiana	-4.6	9.9	-1.7	5.6	-1.5	4.0
Mississippi	-0.8	-4.6	-1.5	1.3	20.8	5.4
North Carolina	4.4	0.3	3.8	2.6	0.2	2.3
South Carolina	13.4	2.6	11.0	3.1	-1.9	2.1
Tennessee	6.2	4.3	5.8	6.0	0.1	5.0
Virginia	4.1	8.1	4.6	3.9	-0.6	3.3
West Virginia	-0.8	-18.2	-3.8	-3.5	1.2	-2.8
<b>SOUTHWEST</b>						
Arizona	5.6	1.5	4.7	8.1	1.6	6.8
New Mexico	-1.9	0.0	-0.7	1.5	0.0	0.8
Oklahoma	-1.7	-2.3	-1.8	2.3	-1.9	1.5
Texas	-2.2	-12.1	-3.8	8.0	17.2	9.4
<b>ROCKY MOUNTAIN</b>						
Colorado	4.9	-4.1	4.2	4.9	-1.2	4.5
Idaho	7.4	1.4	6.5	6.8	0.4	5.9
Montana	2.7	4.2	3.0	-4.3	4.6	-2.8
Utah	7.1	3.5	6.6	9.3	21.5	10.7
Wyoming	10.4	---	10.4	-0.1	---	-0.1
<b>FAR WEST</b>						
Alaska	-2.6	8.7	-1.2	0.3	10.2	1.7
California	2.5	4.3	2.5	6.5	3.9	7.3
Hawaii	1.3	12.8	2.6	6.0	-11.7	3.8
Nevada	7.4	0.0	6.4	9.4	7.1	9.2
Oregon	4.7	-4.1	3.5	11.9	4.8	11.0
Washington	6.8	-4.7	6.9	10.9	0.6	9.2
<b>ALL STATES</b>	<b>3.4 %</b>	<b>-0.1 %</b>	<b>2.8 %</b>	<b>4.6 %</b>	<b>3.0 %</b>	<b>4.6 %</b>
<b>MEDIAN</b>	<b>3.8</b>	<b>1.5</b>	<b>3.5</b>	<b>3.2</b>	<b>0.5</b>	<b>3.3</b>

Note: State funds are defined as general funds and other state funds (bonds are excluded). Source: National Association of State Budget Officers, 2018 State Expenditure Report

**TABLE 10**

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

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Head Start	Libraries	Day Care Programs	School Health Care/ Immunization	Early Education/ Pre-K	Capital Expenditures
<b>NEW ENGLAND</b>								
Connecticut	X	X		X		P		X
Maine					N/A			N/A
Massachusetts	X	X		X				P
New Hampshire			X	X	X		N/A	
Rhode Island			X	X	X	P		
Vermont			X	X	X	X		
<b>MID-ATLANTIC</b>								
Delaware					X	P		
Maryland				X		P		
New Jersey		P	X		X	P		
New York	P	P	X		X	X		
Pennsylvania				X	X	X		P
<b>GREAT LAKES</b>								
Illinois	P	P	X	X	P	X		
Indiana	P	P	X	P	P	P	X	N/A
Michigan*	P	P	P	P	P	P	P	N/A
Ohio*				X	P	X		
Wisconsin	N/A	N/A			P	N/A		N/A
<b>PLAINS</b>								
Iowa*	X	X	X	P	X	P	P	N/A
Kansas		X	X	X	X	X	P	
Minnesota	P	P				X		P
Missouri	X	X	X	X		X		
Nebraska					N/A		N/A	
North Dakota			X	X	X	X	X	X
South Dakota					X	X		
<b>SOUTHEAST</b>								
Alabama					X	P		
Arkansas			P		P	P	P	
Florida			X	X	X	X	X	
Georgia				X				
Kentucky				X	X			
Louisiana			X	X	X	X		
Mississippi			P		X			
North Carolina					X	X	X	N/A
South Carolina			P	P	X	X		
Tennessee					P	P	P	P
Virginia					X			N/A
West Virginia			X	X	X	X	X	X
<b>SOUTHWEST</b>								
Arizona	P	P	X		X	X	P	
New Mexico								
Oklahoma			X	X	X	X		X
Texas*			X	X	X	X	X	X
<b>ROCKY MOUNTAIN</b>								
Colorado*	P	P	X	P	X	P	P	P
Idaho			X	X	N/A	X	N/A	N/A
Montana	P	P	X	P	X	X		N/A
Utah			X		N/A	X		
Wyoming								
<b>FAR WEST</b>								
Alaska				X	X	X		
California			X		X	X	X	X
Hawaii	P	P	X		X	P		
Nevada			X	X	X	X	X	X
Oregon			X	P	X	X	X	X
Washington	P	P	X	N/A	N/A	N/A		
<b>ALL STATES</b>	<b>15</b>	<b>17</b>	<b>30</b>	<b>30</b>	<b>42</b>	<b>40</b>	<b>19</b>	<b>22</b>
District of Columbia				X	P	P		

Excluded=X Partially Excluded=P Not Applicable=N/A

Source: National Association of State Budget Officers, 2018 State Expenditure Report

## Elementary and Secondary Education Notes

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

**Alabama:** Federal Funds received directly by local school systems are not reported at state budget level. Totals include capital expenditures.

**Arizona:** Elementary expenditures included Board of Charter Schools, Schools for the Deaf and Blind, Dept. of Education, and School Facilities Board — all numbers from Appropriation Reports. Regarding early education, Arizona does pre-k programs only for children with blind/deaf disabilities.

**Colorado:** School personnel are paid at the school district level — state costs for employer contributions to employee pensions and health benefits only reflect Colorado Dept. of Education personnel. Funds library-related programs across the state. Regarding capital expenditures, some funding for school facilities certificates of participation are included.

**Georgia:** An adjustment was made to “Head start.” The Department of Early Care and Learning uses state funds to match federal funds for the Early Head Start grant.

**Illinois:** The reason for the change in FY16 GF/OSF is the Fund for the Advancement of Education and the Budget Stabilization Fund are now General Funds. For last year’s report, the funds were treated as OSF. FY16/FY17 have been restated everywhere in this report with these two funds and the Commitment to Human Services Fund as General Funds. FY16 FF adjusted down \$1M as last year incorrectly counted refunds towards the total expenditures. Payments to the Chicago Teacher’s Pension Fund for normal pension cost are included in the FY18 estimate due to the fact it ran out of Illinois State Board of Education’s appropriation in FY18. Historically, the appropriation has been part of the Teacher’s Retirement System appropriations. Illinois Math and Science Academy is included. Non-appropriated lines are not included. Bond fund expenditures were incorrect in last year’s report, these num-

bers now include spending from the School Construction Fund and the School Infrastructure Fund for construction projects as capital funding.

**Maryland:** The \$97 million increase in Elementary and Secondary Education Other State Funds from FY 2016 to FY 2017 is mostly due to increased Education Trust Fund revenues, generated by casino proceeds.

**Massachusetts:** Figures for FY16-FY18 are re-stated to better align with the NASBO category definitions. Certain items that were previously counted (i.e. interfund transfers, bond refundings, certain administrative items) are now excluded.

**Michigan:** Totals reflect K-12 education, the Michigan Department of Education (MDE), adult education, and pre-school. Employer contributions to current employees’ pensions and health benefits are reported for MDE and partially included for employees of K-12 schools. State funds partially offset employer-paid retirement obligations for employees of K-12 schools. FY 18 includes a one-time payment of \$200 million from restricted funds to reduce unfunded liabilities. General fund and state school aid fund resources are used interchangeably to support K-12 spending in Michigan.

**Mississippi:** Elementary and secondary education now included in Capital Expenditures. Amounts not captured in prior years.

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

**Texas:** The figures provided for Elementary and Secondary Education have been adjusted to match the current actuals creating the difference from the previous submissions due to the timing of the report.





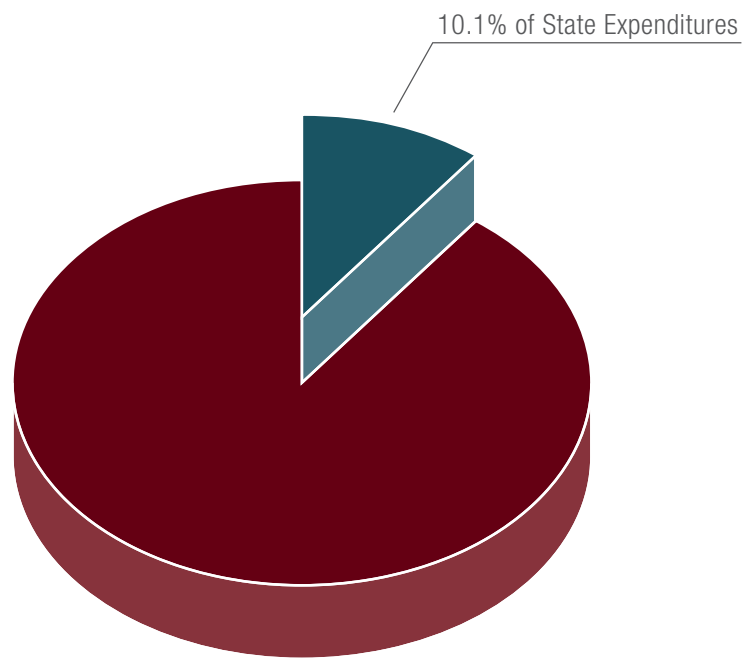
# 2

CHAPTER



## HIGHER EDUCATION EXPENDITURES

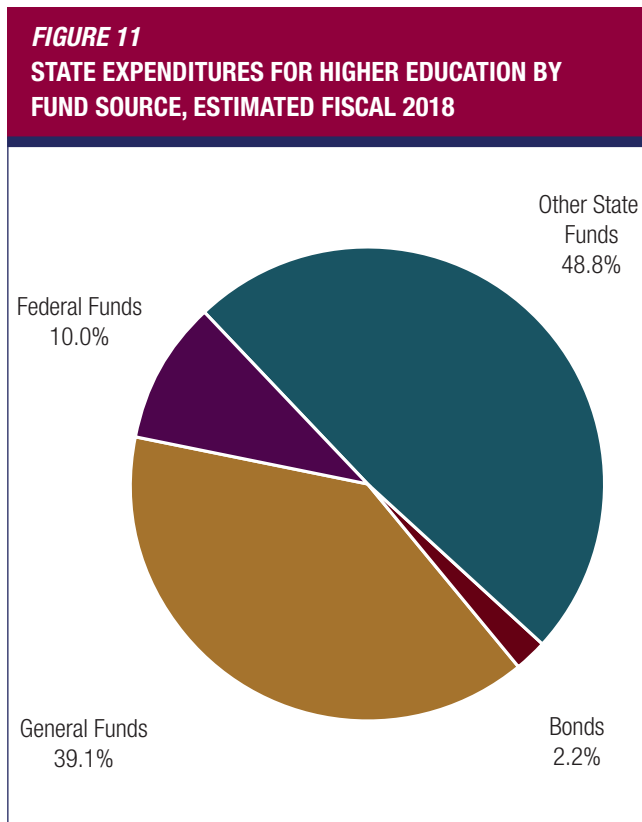
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## Higher Education Expenditures

State higher education spending reflects financial support of public university systems, community colleges, career and technical education institutions, and student financial aid. In fiscal 2018 states spent an estimated \$204.6 billion on higher education, an increase of 3.2 percent. The general fund portion grew by a modest 2.5 percent in fiscal 2018, and all state funds (general funds plus other state funds, excluding bonds) increased 3.5 percent, while spending from federal funds grew 1.1 percent. In fiscal 2017, states spent \$198.2 billion on higher education, an increase of 3.1 percent over fiscal 2016. General funds increased by 3.9 percent in fiscal 2017 while all state funds increased by 4.1 percent; federal funds, on the other hand, declined 0.5 percent.

After a series of significant reductions beginning in fiscal 2009 through 2012, which were somewhat offset by additional federal stimulus funds, the average annual general fund spending growth has been 3.4 percent from fiscal 2013 to fiscal 2018. By comparison, total general fund spending on all program areas has grown by an average annual rate of 3.7 percent over the same period. In addition, fiscal 2018 general fund spending has now exceeded fiscal 2008 in nominal terms.



Estimated higher education spending in fiscal 2018 represented 10.1 percent of total state spending, and 9.7 percent of general fund expenditures. General funds accounted for 39.1 percent of total state spending on higher education, other state funds 48.8 percent, federal funds 10.0 percent, and bonds 2.2 percent in fiscal 2018 (see Figure 11 and Table 12).

## Regional Expenditures

Table 11 shows regional percentage changes in expenditures for higher education for fiscal 2017 and fiscal 2018. In both years, nearly all regions saw net increases in spending from state funds and total state spending on higher education. In fiscal 2018, the Great Lakes region recorded slight net reductions in higher education spending from all funds and from state funds. Meanwhile, the Great Lakes reported the largest increase in higher education spending by far in fiscal 2017; this volatility can be explained by extreme spending fluctuations in Illinois as a result of the state's budget impasse in fiscal 2016 that affected the timing of expenditures.

New England saw a substantial decline in higher education spending from all funds in fiscal 2017, due primarily to significantly reduced higher education spending from bonds in Connecticut, as well as modest decreases in spending from all fund sources in Massachusetts. Several regions reported reductions in federal fund spending for higher education in either one or both years.

## Financing Issues

Higher education represents the third largest component of total state spending, and is also the third largest component of general fund spending. However, higher education expenditures have been shrinking as a share of general fund spending in recent decades, as spending in other program areas, particularly Medicaid, has been on the rise. For example, in fiscal 1995, higher education comprised 12.9 percent of general fund spending, while in fiscal 2018, higher education spending made up an estimated 9.7 percent of general fund expenditures. Over that same period, Medicaid went from representing 14.4 percent of general fund spending to 20.2 percent. Also over this period, general funds went from making up 58.2 percent of total state spending on higher education in fiscal 1995 to 39.1 percent in fiscal 2018. This has caused the "Other State Funds" source (which includes tuition and fees for the majority of states) to surpass the general fund

**TABLE 11**  
**REGIONAL PERCENTAGE CHANGE IN STATE HIGHER EDUCATION EXPENDITURES,**  
**FISCAL 2017 AND 2018**

Region	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-0.4 %	-0.6 %	-4.2 %	7.0 %	0.0 %	2.0 %
Mid-Atlantic	2.8	-1.8	2.0	2.4	6.3	3.0
Great Lakes	14.3	-0.1	11.9	-0.6	0.0	-0.2
Plains	2.0	-4.0	1.1	1.5	23.7	3.2
Southeast	5.2	-3.9	3.7	4.3	-7.2	4.0
Southwest	1.6	2.1	1.8	2.7	0.8	2.2
Rocky Mountain	0.7	-3.8	0.4	4.2	-18.5	3.2
Far West	3.4	0.3	3.1	5.9	2.9	5.1
<b>ALL STATES</b>	<b>4.1 %</b>	<b>-0.5 %</b>	<b>3.1 %</b>	<b>3.5 %</b>	<b>1.1 %</b>	<b>3.2 %</b>

as the largest funding source for state spending on higher education, making up 48.8 percent of total state higher education expenditures in fiscal 2018.

These trends reflect how an increasing share of the cost burden of higher education is being placed on students through higher tuition and fees. For decades, the cost of college has been rising at levels above the rate of inflation. According to The College Board, between 2008-09 and 2018-19, published in-state tuition and fees at public four-year institutions increased at an average annual rate of 2.6 percent per year, after adjusting for inflation. Notably, this growth rate is lower than the growth rate observed in the previous decade – 3.2 percent between 1998-99 and 2008-09. Nevertheless, published in-state tuition and fees at four-year institutions increased roughly 35 percent over the last decade beyond inflation, while published charges at public two-year colleges has risen 34 percent over the same period, adjusting for inflation.

Because of the important role played by student financial aid, looking at changes in average net price for in-state students can be a more meaningful measure of college affordability trends. Taking into account grant aid and federal education tax breaks, average net tuition and fees at public four-year institutions have increased 44 percent beyond inflation over the past decade, according to The College Board. Meanwhile, net tuition and fees at public two-year institutions have actually declined over the last decade, with grant aid and tax benefits, on average, now exceeding published tuition and fees for these institutions (excluding room and board charges). This reflects the movement towards greater public investment in financial assistance for community college students. Also of note, the average net price of four-year public institutions (for

tuition and fees, excluding room and board) has declined for the past two consecutive years, by 1.0 percent in 2017-18 and by 1.1 percent in 2018-19. Similarly, the average net price of public two-year institutions fell 2.6 percent (excluding room and board) in 2018-19.

These recent trends reflect how states have been working to address issues around college affordability and access, especially as they also try to boost educational attainment and better align postsecondary systems with workforce development goals. A growing number of initiatives led by governors, state legislatures, and public higher education systems are aiming to increase the affordability of public higher education by curbing institution costs, restricting tuition increases, and bolstering student financial aid programs, along with adopting strategies to hold institutions accountable for results such as through outcomes-based funding models. NASBO's resource, *A Guidebook on State Budgeting for Higher Education*, published in 2015, describes many of these strategies and provides state budget officers and analysts with key resources and tools to help them make informed, strategic decisions about the allocation of state resources for higher education.

## Capital Spending

State expenditures for higher education-related construction, renovation and other capital projects totaled an estimated \$11.8 billion in fiscal 2018, compared to \$12.4 billion in fiscal 2017 and \$11.9 billion in fiscal 2016 (see Table 50). State specific spending on capital projects has historically fluctuated from year-to-year due to the multi-year spending timeline of the projects.

## **Higher Education — Expenditure Exclusions**

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When comparing resources spent on higher education, it is important to understand the types of programs states exclude from these figures, either because the funding totals for such programs are not included in the data reported for the higher education chapter, or because the state does not provide funding for that service or program. In calculating higher education expenditures for this report, 16 states wholly or partial-

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

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

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$781	\$292	\$1,560	\$552	\$3,185	\$713	\$294	\$1,618	\$337	\$2,962	\$696	\$296	\$1,872	\$56	\$2,920
Maine	284	0	8	24	316	297	0	8	6	311	301	0	7	6	314
Massachusetts	1,195	12	19	208	1,434	1,167	9	10	175	1,361	1,177	8	15	197	1,397
New Hampshire	124	1	0	11	136	128	1	0	10	139	131	0	0	8	139
Rhode Island	181	15	886	27	1,109	198	14	877	53	1,142	221	14	948	74	1,257
Vermont	83	0	6	4	93	85	0	6	4	95	88	0	6	7	101
<b>MID-ATLANTIC</b>															
Delaware	236	51	118	16	421	241	47	115	16	419	238	51	113	5	407
Maryland	1,871	361	3,266	384	5,882	1,958	369	3,373	395	6,095	1,983	380	3,574	359	6,296
New Jersey	2,451	17	2,112	0	4,580	2,431	15	2,574	0	5,020	2,547	18	2,534	0	5,099
New York	2,991	334	6,672	696	10,693	2,876	318	6,745	632	10,571	2,834	347	6,995	645	10,821
Pennsylvania	1,619	0	158	126	1,903	1,659	0	121	67	1,847	1,675	0	125	255	2,055
<b>GREAT LAKES</b>															
Illinois*	605	194	48	0	847	2,035	224	115	44	2,418	1,707	188	114	58	2,067
Indiana	1,941	1	11	0	1,953	1,936	0	10	0	1,946	1,999	2	14	0	2,015
Michigan*	1,521	108	462	161	2,252	1,534	113	498	40	2,185	1,448	127	637	56	2,268
Ohio*	2,464	22	31	209	2,726	2,540	22	38	280	2,880	2,554	21	26	296	2,897
Wisconsin	1,653	1,689	3,355	0	6,697	1,700	1,652	3,411	0	6,763	1,713	1,672	3,520	0	6,905
<b>PLAINS</b>															
Iowa	862	520	4,552	0	5,934	843	472	4,727	0	6,042	817	495	4,808	0	6,120
Kansas	760	318	1,603	69	2,750	759	343	1,628	74	2,804	765	348	1,704	83	2,900
Minnesota	1,529	4	39	143	1,715	1,556	3	49	108	1,716	1,654	4	38	74	1,770
Missouri	910	1	228	32	1,171	901	1	240	83	1,225	853	1	237	76	1,167
Nebraska	745	365	1,661	0	2,771	756	336	1,782	0	2,874	652	544	1,670	0	2,866
North Dakota	523	117	635	7	1,282	443	112	651	2	1,208	418	192	781	25	1,416
South Dakota	256	68	421	90	835	235	70	450	19	774	240	70	614	14	938
<b>SOUTHEAST</b>															
Alabama*	1,493	1,175	2,634	2	5,304	1,566	1,183	2,817	0	5,566	1,597	1,055	2,816	0	5,468
Arkansas	772	9	2,692	0	3,473	772	9	2,891	0	3,672	772	7	3,065	0	3,844
Florida	3,839	90	3,088	12	7,029	4,022	98	3,324	45	7,489	4,558	109	3,197	104	7,968
Georgia	2,442	62	6,025	399	8,928	2,607	59	6,267	340	9,273	2,815	78	6,516	410	9,819
Kentucky	1,207	732	4,751	0	6,690	1,145	732	5,286	0	7,163	1,147	828	6,200	0	8,175
Louisiana	655	67	1,940	155	2,817	912	59	1,566	67	2,604	1,014	81	1,725	40	2,860
Mississippi	892	211	2,693	96	3,892	841	142	2,839	97	3,919	793	164	2,924	82	3,963
North Carolina	3,798	49	2,151	0	5,998	3,957	51	2,293	41	6,342	4,060	51	2,365	99	6,575
South Carolina	646	115	3,765	0	4,526	690	120	4,089	0	4,899	670	126	3,986	0	4,782
Tennessee	1,660	184	2,549	194	4,587	2,014	73	2,570	0	4,657	2,314	65	2,686	0	5,065
Virginia	1,785	1,142	3,796	666	7,389	1,963	1,164	3,838	445	7,410	1,862	859	4,184	528	7,433
West Virginia	397	26	1,495	54	1,972	383	20	1,473	54	1,930	114	20	1,360	54	1,548
<b>SOUTHWEST</b>															
Arizona	863	760	4,092	83	5,798	698	818	4,240	83	5,839	705	829	4,678	83	6,295
New Mexico	848	660	1,582	73	3,163	828	644	1,602	106	3,180	779	606	1,484	86	2,955
Oklahoma	803	1,024	3,840	23	5,690	653	998	3,997	23	5,671	651	954	3,930	11	5,546
Texas	7,588	3,860	5,477	0	16,925	7,842	3,976	5,640	0	17,458	8,093	4,098	5,856	0	18,047
<b>ROCKY MOUNTAIN</b>															
Colorado*	1,016	357	4,038	0	5,411	1,000	346	3,966	0	5,312	980	281	4,293	0	5,554
Idaho	389	6	252	0	647	427	2	289	0	718	445	5	287	0	737
Montana	242	41	399	0	682	233	42	409	0	684	224	31	414	0	669
Utah	1,062	11	786	0	1,859	1,110	9	816	0	1,935	1,102	8	866	0	1,976
Wyoming	355	1	7	0	363	327	1	25	0	353	327	1	24	0	352
<b>FAR WEST</b>															
Alaska	362	128	316	0	806	330	126	330	0	786	327	145	361	0	833
California	12,948	4,963	23	208	18,142	13,264	5,001	36	228	18,529	14,161	5,134	183	327	19,805
Hawaii	441	28	742	93	1,304	471	12	565	120	1,168	485	11	682	163	1,341
Nevada	531	3	315	8	857	554	3	331	9	897	605	3	327	15	950
Oregon*	924	42	253	58	1,277	863	41	573	29	1,506	1,022	40	286	69	1,417
Washington	1,507	6	4,317	240	6,070	1,536	5	4,595	302	6,438	1,578	4	4,811	94	6,487
<b>TOTAL</b>	<b>\$75,050</b>	<b>\$20,242</b>	<b>\$91,869</b>	<b>\$5,123</b>	<b>\$192,284</b>	<b>\$77,999</b>	<b>\$20,149</b>	<b>\$95,713</b>	<b>\$4,334</b>	<b>\$198,195</b>	<b>\$79,911</b>	<b>\$20,371</b>	<b>\$99,858</b>	<b>\$4,459</b>	<b>\$204,599</b>
District of Columbia	72	23	55	15	165	78	21	45	10	154					

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	10.0 %	9.3 %	8.9 %
Maine	3.9	3.8	3.7
Massachusetts	2.6	2.5	2.4
New Hampshire	2.4	2.3	2.3
Rhode Island	12.9	12.9	13.1
Vermont	1.7	1.7	1.8
<b>MID-ATLANTIC</b>			
Delaware	4.1	3.9	3.7
Maryland	14.4	14.1	13.9
New Jersey	8.1	8.5	8.3
New York	7.1	6.7	6.6
Pennsylvania	2.5	2.3	2.5
<b>GREAT LAKES</b>			
Illinois	1.5	3.6	2.9
Indiana	6.3	6.1	6.0
Michigan	4.2	4.0	4.1
Ohio	4.0	4.2	4.2
Wisconsin	14.6	14.4	14.3
<b>PLAINS</b>			
Iowa	25.7	26.6	27.0
Kansas	18.2	18.0	17.8
Minnesota	4.5	4.6	4.3
Missouri	4.8	4.8	4.5
Nebraska	23.9	24.2	23.6
North Dakota	17.2	17.8	23.5
South Dakota	20.0	18.3	21.0
<b>SOUTHEAST</b>			
Alabama	20.5	20.9	20.5
Arkansas	14.4	14.6	15.1
Florida	9.7	9.8	9.4
Georgia	18.8	18.7	19.1
Kentucky	21.1	21.8	24.0
Louisiana	10.2	9.2	8.8
Mississippi	19.5	19.2	18.4
North Carolina	13.1	13.2	13.2
South Carolina	19.7	20.0	19.1
Tennessee	14.2	14.2	14.0
Virginia	15.1	14.7	14.3
West Virginia	12.2	11.3	9.3
<b>SOUTHWEST</b>			
Arizona	13.8	13.9	14.5
New Mexico	16.7	16.2	15.2
Oklahoma	25.0	24.4	24.5
Texas	15.3	15.7	16.1
<b>ROCKY MOUNTAIN</b>			
Colorado	14.7	14.5	15.0
Idaho	9.1	9.6	9.3
Montana	10.7	9.8	9.6
Utah	13.6	13.6	12.3
Wyoming	8.8	8.0	8.0
<b>FAR WEST</b>			
Alaska	8.0	8.1	7.5
California	7.2	7.1	6.9
Hawaii	9.4	8.0	8.8
Nevada	6.9	6.4	6.8
Oregon	3.4	3.8	3.5
Washington	14.5	14.4	14.2
<b>ALL STATES</b>	<b>10.3 %</b>	<b>10.2 %</b>	<b>10.1 %</b>

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-0.4 %	0.7 %	-7.0 %	10.2 %	0.7 %	-1.4 %
Maine	4.5	---	-1.6	1.0	---	1.0
Massachusetts	-3.0	-25.0	-5.1	1.3	-11.1	2.6
New Hampshire	3.2	0.0	2.2	2.3	-100.0	0.0
Rhode Island	0.7	-6.7	3.0	8.7	0.0	10.1
Vermont	2.2	---	2.2	3.3	---	6.3
<b>MID-ATLANTIC</b>						
Delaware	0.6	-7.8	-0.5	-1.4	8.5	-2.9
Maryland	3.8	2.2	3.6	4.2	3.0	3.3
New Jersey	9.7	-11.8	9.6	1.5	20.0	1.6
New York	-0.4	-4.8	-1.1	2.2	9.1	2.4
Pennsylvania	0.2	---	-2.9	1.1	---	11.3
<b>GREAT LAKES</b>						
Illinois	229.2	15.5	185.5	-15.3	-16.1	-14.5
Indiana	-0.3	-100.0	-0.4	3.4	---	3.5
Michigan	2.5	4.6	-3.0	2.6	12.4	3.8
Ohio	3.3	0.0	5.6	0.1	-4.5	0.6
Wisconsin	2.1	-2.2	1.0	2.4	1.2	2.1
<b>PLAINS</b>						
Iowa	2.9	-9.2	1.8	1.0	4.9	1.3
Kansas	1.0	7.9	2.0	3.4	1.5	3.4
Minnesota	2.4	-25.0	0.1	5.4	33.3	3.1
Missouri	0.3	0.0	4.6	-4.5	0.0	-4.7
Nebraska	5.5	-7.9	3.7	-8.5	61.9	-0.3
North Dakota	-5.5	-4.3	-5.8	9.6	71.4	17.2
South Dakota	1.2	2.9	-7.3	24.7	0.0	21.2
<b>SOUTHEAST</b>						
Alabama	6.2	0.7	4.9	0.7	-10.8	-1.8
Arkansas	5.7	0.0	5.7	4.8	-22.2	4.7
Florida	6.0	8.9	6.5	5.6	11.2	6.4
Georgia	4.8	-4.8	3.9	5.1	32.2	5.9
Kentucky	7.9	0.0	7.1	14.2	13.1	14.1
Louisiana	-4.5	-11.9	-7.6	10.5	37.3	9.8
Mississippi	2.6	-32.7	0.7	1.0	15.5	1.1
North Carolina	5.1	4.1	5.7	2.8	0.0	3.7
South Carolina	8.3	4.3	8.2	-2.6	5.0	-2.4
Tennessee	8.9	-60.3	1.5	9.1	-11.0	8.8
Virginia	3.9	1.9	0.3	4.2	-26.2	0.3
West Virginia	-1.9	-23.1	-2.1	-20.6	0.0	-19.8
<b>SOUTHWEST</b>						
Arizona	-0.3	7.6	0.7	9.0	1.3	7.8
New Mexico	0.0	-2.4	0.5	-6.9	-5.9	-7.1
Oklahoma	0.2	-2.5	-0.3	-1.5	-4.4	-2.2
Texas	3.2	3.0	3.1	3.5	3.1	3.4
<b>ROCKY MOUNTAIN</b>						
Colorado	-1.7	-3.1	-1.8	6.2	-18.8	4.6
Idaho	11.7	-66.7	11.0	2.2	150.0	2.6
Montana	0.2	2.4	0.3	-0.6	-26.2	-2.2
Utah	4.2	-18.2	4.1	2.2	-11.1	2.1
Wyoming	-2.8	0.0	-2.8	-0.3	0.0	-0.3
<b>FAR WEST</b>						
Alaska	-2.7	-1.6	-2.5	4.2	15.1	6.0
California	2.5	0.8	2.1	7.8	2.7	6.9
Hawaii	-12.4	-57.1	-10.4	12.6	-8.3	14.8
Nevada	4.6	0.0	4.7	5.3	0.0	5.9
Oregon	22.0	-2.4	17.9	-8.9	-2.4	-5.9
Washington	5.3	-16.7	6.1	4.2	-20.0	0.8
<b>ALL STATES</b>	<b>4.1 %</b>	<b>-0.5 %</b>	<b>3.1 %</b>	<b>3.5 %</b>	<b>1.1 %</b>	<b>3.2 %</b>
<b>MEDIAN</b>	<b>2.5</b>	<b>-2.2</b>	<b>1.7</b>	<b>2.7</b>	<b>0.3</b>	<b>2.6</b>

Note: State funds are defined as general funds and other state funds (bonds are excluded).  
Source: National Association of State Budget Officers, 2018 State Expenditure Report



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

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Tuition and Fees	Student Loan Programs	University Research Grants	Vocational Education	Assistance To Private Colleges & Universities
<b>NEW ENGLAND</b>							
Connecticut					X	X	
Maine	P	P	P				N/A
Massachusetts*	P	P	P	X		P	
New Hampshire	N/A	N/A	N/A	N/A	P		X
Rhode Island				P		P	P
Vermont	N/A	N/A	N/A		N/A	X	
<b>MID-ATLANTIC</b>							
Delaware			X		X	X	X
Maryland							
New Jersey					X	X	
New York	P	P			P	P	P
Pennsylvania	P	P		P	X	X	
<b>GREAT LAKES</b>							
Illinois	P	P	X	P	P		X
Indiana	P	P	X		X	P	X
Michigan*	P	P	N/A	P	P		
Ohio*			N/A	N/A	N/A	P	N/A
Wisconsin					N/A		N/A
<b>PLAINS</b>							
Iowa							
Kansas							
Minnesota	P	P	X	X	X	X	X
Missouri	X	X	X		X	X	X
Nebraska			N/A	N/A	N/A		X
North Dakota						X	
South Dakota							X
<b>SOUTHEAST</b>							
Alabama							
Arkansas					P		
Florida			P		X		
Georgia				X	P		
Kentucky						N/A	
Louisiana					X		
Mississippi					P		N/A
North Carolina					X		
South Carolina							
Tennessee				N/A	X		
Virginia				X			
West Virginia				X	P	P	
<b>SOUTHWEST</b>							
Arizona			P		X		X
New Mexico							
Oklahoma				P	P	P	P
Texas							
<b>ROCKY MOUNTAIN</b>							
Colorado*	P	P		X	X		X
Idaho				X	X	X	N/A
Montana				X	X		
Utah					N/A		N/A
Wyoming							X
<b>FAR WEST</b>							
Alaska							X
California			X		P	P	P
Hawaii	P	P		X	X	X	X
Nevada					X	X	X
Oregon	P	P	P	P	P	P	P
Washington				N/A	X		N/A
<b>ALL STATES</b>	<b>14</b>	<b>14</b>	<b>16</b>	<b>20</b>	<b>34</b>	<b>21</b>	<b>26</b>
District of Columbia							

Excluded=X Partially Excluded=P Not Applicable=N/A

## Higher Education Notes

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

**Alabama:** Capital expenditures are not captured/available at state budget level. Reported Bond Funds for Higher Ed represent bond proceeds paid directly to vendors by the State's Debt Management division.

**Arizona:** Higher Ed I included Commission for Postsecondary Education, Community Colleges, Board of Regents, ASU, NAU, UA- Main, UA- Health Sciences.

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

**Idaho:** Expenditures for the University of Idaho, College of Agriculture, Agricultural Research and Extension are now included in Higher Education expenditures.

**Illinois:** FY16/FY17 restated to include Budget Stabilization Fund/ Fund for the Advancement of Education as GF. Included Illinois Math and Science Academy in K-12 rather than Higher Ed. There were no bonded capital expenditures in FY16, which is inconsistent with the \$2m that was reported in last year's survey.

**Massachusetts:** Figures for FY16-FY18 are re-stated to better align with the NASBO category definitions. Higher education spending supported by non-state sources is not included. Certain items that were previously counted (i.e. interfund transfers, bond refundings, certain administrative items) are now excluded.

**Michigan:** Operating expenditures increased in the periods reported. Federal fund support reflects expenditure of TANF revenue for student financial aid. State funds are used to partially offset employer-paid retirement obligations.

**Mississippi:** A correction was made to Higher Education FY2016 actual for prior year survey: a component in arriving at the total was not included, resulting in an understatement of expenditures for this category.

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

**Oklahoma:** Expenditure amounts are reported by the Oklahoma Regents for Higher Education based on budgets and campus master plan submissions. FY2017 & FY2016 have been adjusted to follow the same percentages.

**Texas:** The figures provided for Higher Education have been adjusted to match the current actuals creating the difference from the previous submissions due to the timing of the report.



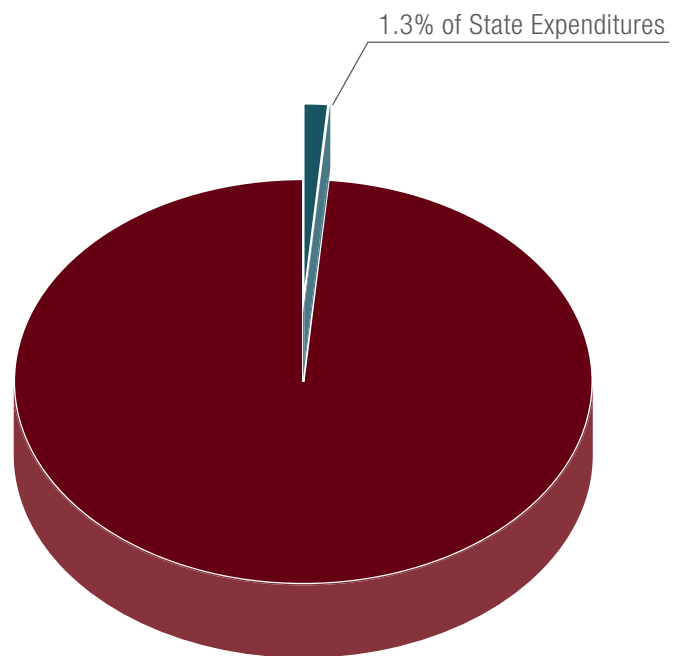
# 3

CHAPTER



## PUBLIC ASSISTANCE EXPENDITURES

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## Public Assistance Expenditures

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This chapter contains data primarily on the Temporary Assistance for Needy Families (TANF) program and other cash assistance programs. Spending for these categories totaled \$25.6 billion in fiscal 2018 and represented 1.3 percent of total state expenditures. Public assistance spending from all funds increased by 0.7 percent from fiscal 2017 to fiscal 2018, with spending from state funds decreasing by 1.1 percent and spending from federal funds increasing by 2.1 percent. Spending on public assistance from all funds decreased by 2.1 percent from fiscal 2016 to fiscal 2017 to total \$25.4 billion. State funds increased by 0.7 percent and federal funds declined by 4.1 percent. The primary sources of public assistance funding for fiscal 2018 are federal funds, providing 58.1 percent, followed by general funds at 32.7 percent and other states funds at 9.2 percent (see Figure 12).

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

## TANF

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The Temporary Assistance for Needy Families (TANF) Program is a \$16.5 billion block grant to states, territories, and eligible tribes to provide assistance to low-income families and support a range of services to improve employment and other child and family outcomes. States have broad flexibility in how they spend their TANF and maintenance-of-effort (MOE) funds and they report their expenditures quarterly to the federal Administration for Children and Families (ACF).

TANF was reauthorized through September 2010 under the Deficit Reduction Act of 2005. Since then, Congress has continued funding the program through short-term extensions, often through continuing resolutions. The Consolidated Appropriations Act of 2017 extended funding for TANF through fiscal 2018 and the program is currently operating under a continuing resolution.

The program includes specific definitions of work, work verification requirements, and penalties if states do not meet the requirements. Because of these changes, most states must significantly increase work participation rates. The Department of Health and Human Services, in consultation with the Department of Labor, is required to develop a database on proven and promising projects to move TANF recipients into work as part of the Consolidated Appropriations Act of 2017. Nationwide, in fiscal 2017, the overall work participation rate was 53 percent, while the two-parent rate was 69.5 percent.

This report primarily has information on the cash assistance benefit levels within the programs and in most cases does not reflect total TANF spending. Based on the most recent data from the federal Administration for Children and Families, states spent a total of \$31.1 billion in TANF and maintenance-of-effort (MOE) funds and transfers in federal fiscal year 2017. Cash assistance payments under TANF comprise approximately 22.7 percent of total TANF spending, with 10.5 percent used for work, education and training activities, and 16.1 percent used for child care. Families that have received federally funded assistance under TANF for five cumulative years are not eligible for federally funded assistance, though states have considerable flexibility in determining how time limits apply to individual families.

Since welfare reform was initially passed in 1996, states have focused on providing supportive services for families to achieve self-sufficiency. Since 1996, caseloads have declined significantly. The average monthly number of recipients fell from 12.8 million prior to the enactment of TANF to 2.5 million in 2017, a decrease of over three-quarters.

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

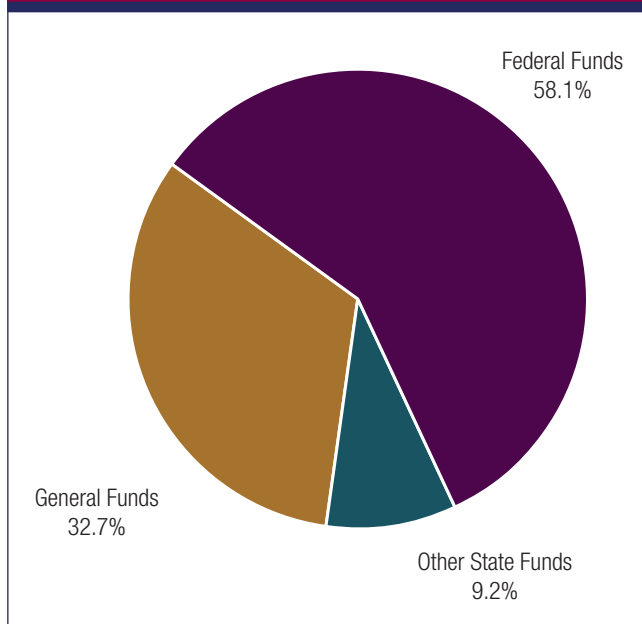
**TABLE 16**  
**REGIONAL PERCENTAGE CHANGE IN STATE TOTAL CASH ASSISTANCE EXPENDITURES,**  
**FISCAL 2017 AND 2018**

Region	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-1.8 %	9.0 %	-0.3 %	-0.6 %	14.9 %	1.7 %
Mid-Atlantic	-0.6	-15.8	-11.8	-1.2	-1.6	-1.5
Great Lakes	-7.0	8.1	2.3	-4.9	-1.5	-2.6
Plains	-8.1	2.2	-2.9	1.2	-1.1	0.0
Southeast	-0.8	-7.1	-5.6	-6.6	13.1	8.0
Southwest	15.0	1.1	4.0	-6.5	-9.9	-9.1
Rocky Mountain	8.9	0.1	0.4	-4.1	-0.7	-0.8
Far West	2.8	3.6	3.2	-0.3	3.4	1.4
<b>ALL STATES</b>	<b>0.7 %</b>	<b>-4.1 %</b>	<b>-2.1 %</b>	<b>-1.1 %</b>	<b>2.1 %</b>	<b>0.7 %</b>

## Fund Shares

Figure 12 provides fund shares for fiscal 2018.

**FIGURE 12**  
**STATE EXPENDITURES FOR TOTAL PUBLIC ASSISTANCE**  
**BY FUND SOURCE, ESTIMATED FISCAL 2018**



## Regional Expenditures

Table 16 shows regional percentage changes in expenditures for total cash assistance for fiscal 2016-2017 and 2017-2018 by region.

Expenditures for Temporary Assistance for Needy Families (TANF) Program

State and federal funds for TANF expenditures totaled \$14.8 billion in fiscal 2018, a decrease of 1.2 percent from 2017 to 2018 (see Table 23). State funds decreased by 6.1 percent and federal funds increased by 1.4 percent. For fiscal 2017, total spending for TANF cash assistance expenditures decreased by 2.8 percent to \$14.9 billion, with state funds increasing by 1.0 percent and federal spending decreasing by 4.6 percent. Cash assistance payments under TANF comprise approximately 23 percent of total TANF spending.

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

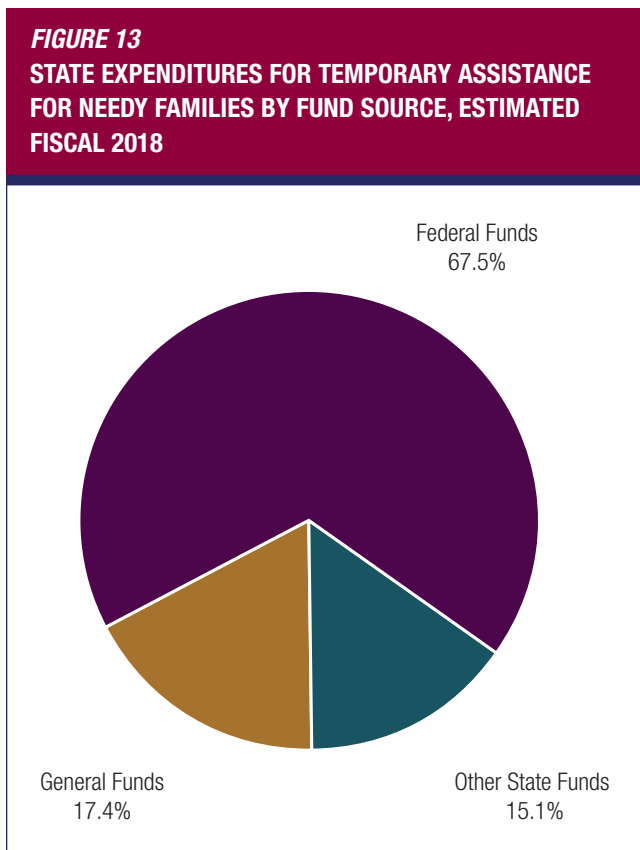
Expenditure data for TANF cash assistance can be found on Tables 21-23.

**TABLE 17**  
**REGIONAL PERCENTAGE CHANGE IN STATE TANF EXPENDITURES,**  
**FISCAL 2017 AND 2018**

Region	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-1.8 %	6.5 %	-0.5 %	0.8 %	15.3 %	3.2 %
Mid-Atlantic	8.6	-17.7	-16.0	-16.6	-5.3	-6.3
Great Lakes	-12.9	9.5	2.4	-5.4	-1.8	-2.8
Plains	-13.7	1.9	-3.4	0.0	-0.8	-0.6
Southeast	2.8	-7.9	-6.0	-5.7	17.2	12.9
Southwest	-1.1	2.3	1.7	0.0	-5.1	-4.1
Rocky Mountain	9.7	10.4	10.3	-5.9	5.3	3.9
Far West	3.8	3.4	3.6	-7.7	1.0	-3.0
<b>ALL STATES</b>	<b>1.0 %</b>	<b>-4.6 %</b>	<b>-2.8 %</b>	<b>-6.1 %</b>	<b>1.4 %</b>	<b>-1.2 %</b>

## Fund Shares

Figure 13 provides fund shares for fiscal 2018.



## Regional Expenditures

Table 17 shows percentage changes in expenditures for TANF cash assistance for fiscal 2016-2017 and 2017-2018 by region.

## Expenditures for Other Cash Assistance

The second component of cash assistance for public welfare is other cash assistance, including state participation in the Supplemental Security Income (SSI) program, which pays benefits to disabled adults and children, General Assistance (GA), and emergency assistance. Each state determines the structure of its own program, resulting in significant variations in programs and funding. Some have statewide uniform eligibility rules while others simply require some form of county participation. Thirty-three states spend some amount on other cash assistance.

Other cash assistance programs accounted for 0.5 percent of total state spending in fiscal 2018. States spent \$10.9 billion for other cash assistance, with 54.8 percent of that amount funded from state funds in fiscal 2018. Expenditure data for other cash assistance can be found on Tables 24-26.

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

Region/State	Actual Fiscal 2016				Actual Fiscal 2017				Estimated Fiscal 2018			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$388	\$0	\$0	\$388	\$386	\$0	\$0	\$386	384	0	0	384
Maine	44	29	90	163	43	42	93	178	41	60	92	193
Massachusetts*	753	0	0	753	731	2	0	733	727	1	0	728
New Hampshire	51	19	0	70	49	22	0	71	50	42	0	92
Rhode Island*	31	109	0	140	30	107	0	137	31	110	0	141
Vermont	22	65	6	93	26	69	2	97	25	65	2	92
<b>MID-ATLANTIC</b>												
Delaware	21	4	1	26	21	3	2	26	20	2	2	24
Maryland	57	1,220	11	1,288	64	1,100	12	1,176	59	1,196	12	1,267
New Jersey	184	139	0	323	159	58	0	217	153	32	0	185
New York	1,123	2,863	0	3,986	1,130	2,300	0	3,430	1,137	2,161	0	3,298
Pennsylvania	310	656	2	968	309	652	2	963	293	655	2	950
<b>GREAT LAKES</b>												
Illinois	125	0	0	125	93	0	0	93	100	0	0	100
Indiana	27	169	0	196	27	189	0	216	27	190	0	217
Michigan*	104	66	46	216	126	60	16	202	116	70	15	201
Ohio	162	641	0	803	162	710	0	872	150	685	0	835
Wisconsin	81	12	9	102	82	1	9	92	73	1	9	83
<b>PLAINS</b>												
Iowa	57	24	11	92	46	30	9	85	53	26	9	88
Kansas	0	17	0	17	0	15	0	15	0	13	0	13
Minnesota	191	192	0	383	175	216	0	391	175	229	0	404
Missouri	38	91	31	160	39	68	32	139	36	60	31	127
Nebraska	19	31	0	50	18	34	0	52	17	33	0	50
North Dakota	0	2	3	5	0	2	2	4	0	0	4	4
South Dakota	9	11	0	20	9	11	0	20	9	11	0	20
<b>SOUTHEAST</b>												
Alabama	0	33	0	33	0	25	0	25	0	25	0	25
Arkansas	159	322	30	511	158	297	30	485	164	296	13	473
Florida	141	66	0	207	137	56	0	193	126	61	0	187
Georgia*	0	37	0	37	0	35	0	35	0	43	0	43
Kentucky	52	113	1	166	64	99	0	163	56	105	0	161
Louisiana	0	140	0	140	0	141	0	141	0	140	0	140
Mississippi	33	909	4	946	27	842	5	874	24	1,023	5	1,052
North Carolina	60	48	61	169	58	44	58	160	58	44	58	160
South Carolina	21	56	1	78	19	62	1	82	15	58	1	74
Tennessee	14	52	0	66	14	43	0	57	14	99	0	113
Virginia	39	96	0	135	40	91	0	131	39	95	0	134
West Virginia	30	88	0	118	30	85	0	115	26	70	0	96
<b>SOUTHWEST</b>												
Arizona*	0	224	0	224	0	222	0	222	0	220	0	220
New Mexico	1	122	0	123	1	128	0	129	1	128	0	129
Oklahoma	68	104	0	172	87	106	0	193	78	64	0	142
Texas	51	9	0	60	50	8	0	58	50	6	0	56
<b>ROCKY MOUNTAIN</b>												
Colorado	0	1,453	0	1,453	0	1,434	0	1,434	0	1,423	0	1,423
Idaho	13	3	0	16	16	1	0	17	16	1	0	17
Montana	10	18	0	28	12	27	0	39	11	31	0	42
Utah	22	68	0	90	21	82	0	103	20	78	0	98
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>												
Alaska	90	11	15	116	83	20	15	118	88	23	18	129
California	3,555	4,593	2,147	10,296	3,826	4,800	2,029	10,655	3,738	4,858	2,088	10,684
Hawaii	48	19	0	67	45	25	0	70	48	10	0	58
Nevada	25	19	0	44	25	17	0	42	25	20	0	45
Oregon	39	93	0	132	57	63	2	122	39	89	0	128
Washington	48	144	0	192	51	132	0	183	71	227	0	298
<b>TOTAL</b>	<b>\$8,316</b>	<b>\$15,200</b>	<b>\$2,469</b>	<b>\$25,986</b>	<b>\$8,546</b>	<b>\$14,576</b>	<b>\$2,319</b>	<b>\$25,441</b>	<b>\$8,383</b>	<b>\$14,879</b>	<b>\$2,361</b>	<b>\$25,623</b>
District of Columbia	58	107	0	165	58	119	1	178				

Note: This table reflects TANF and other cash assistance expenditures.  
Source: National Association of State Budget Officers, 2018 State Expenditure Report



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

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	1.2 %	1.2 %	1.2 %
Maine	2.0	2.2	2.3
Massachusetts	1.4	1.3	1.3
New Hampshire	1.2	1.2	1.5
Rhode Island	1.6	1.5	1.5
Vermont	1.7	1.7	1.6
<b>MID-ATLANTIC</b>			
Delaware	0.3	0.2	0.2
Maryland	3.2	2.7	2.8
New Jersey	0.6	0.4	0.3
New York	2.6	2.2	2.0
Pennsylvania	1.3	1.2	1.2
<b>GREAT LAKES</b>			
Illinois	0.2	0.1	0.1
Indiana	0.6	0.7	0.6
Michigan	0.4	0.4	0.4
Ohio	1.2	1.3	1.2
Wisconsin	0.2	0.2	0.2
<b>PLAINS</b>			
Iowa	0.4	0.4	0.4
Kansas	0.1	0.1	0.1
Minnesota	1.0	1.0	1.0
Missouri	0.6	0.5	0.5
Nebraska	0.4	0.4	0.4
North Dakota	0.1	0.1	0.1
South Dakota	0.5	0.5	0.4
<b>SOUTHEAST</b>			
Alabama	0.1	0.1	0.1
Arkansas	2.1	1.9	1.9
Florida	0.3	0.3	0.2
Georgia	0.1	0.1	0.1
Kentucky	0.5	0.5	0.5
Louisiana	0.5	0.5	0.4
Mississippi	4.8	4.3	4.9
North Carolina	0.4	0.3	0.3
South Carolina	0.3	0.3	0.3
Tennessee	0.2	0.2	0.3
Virginia	0.3	0.3	0.3
West Virginia	0.7	0.7	0.6
<b>SOUTHWEST</b>			
Arizona	0.5	0.5	0.5
New Mexico	0.6	0.7	0.7
Oklahoma	0.8	0.8	0.6
Texas	0.1	0.1	0.0
<b>ROCKY MOUNTAIN</b>			
Colorado	4.0	3.9	3.9
Idaho	0.2	0.2	0.2
Montana	0.4	0.6	0.6
Utah	0.7	0.7	0.6
Wyoming	0.0	0.0	0.0
<b>FAR WEST</b>			
Alaska	1.2	1.2	1.2
California	4.1	4.1	3.7
Hawaii	0.5	0.5	0.4
Nevada	0.4	0.3	0.3
Oregon	0.4	0.3	0.3
Washington	0.5	0.4	0.7
<b>ALL STATES</b>	<b>1.4 %</b>	<b>1.3 %</b>	<b>1.3 %</b>
<b>MEDIAN</b>			

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

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

Region/State	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-0.5 %	---	-0.5 %	-0.5 %	---	-0.5 %
Maine	1.5	44.8	9.2	-2.2	42.9	8.4
Massachusetts	-2.9	---	-2.7	-0.5	-50.0	-0.7
New Hampshire	-3.9	15.8	1.4	2.0	90.9	29.6
Rhode Island	-3.2	-1.8	-2.1	3.3	2.8	2.9
Vermont	0.0	6.2	4.3	-3.6	-5.8	-5.2
<b>MID-ATLANTIC</b>						
Delaware	4.5	-25.0	0.0	-4.3	-33.3	-7.7
Maryland	11.8	-9.8	-8.7	-6.6	8.7	7.7
New Jersey	-13.6	-58.3	-32.8	-3.8	-44.8	-14.7
New York	0.6	-19.7	-13.9	0.6	-6.0	-3.8
Pennsylvania	-0.3	-0.6	-0.5	-5.1	0.5	-1.3
<b>GREAT LAKES</b>						
Illinois	-25.6	---	-25.6	7.5	---	7.5
Indiana	0.0	11.8	10.2	0.0	0.5	0.5
Michigan	-5.3	-9.1	-6.5	-7.7	16.7	-0.5
Ohio	0.0	10.8	8.6	-7.4	-3.5	-4.2
Wisconsin	1.1	-91.7	-9.8	-9.9	0.0	-9.8
<b>PLAINS</b>						
Iowa	-19.1	25.0	-7.6	12.7	-13.3	3.5
Kansas	---	-11.8	-11.8	---	-13.3	-13.3
Minnesota	-8.4	12.5	2.1	0.0	6.0	3.3
Missouri	2.9	-25.3	-13.1	-5.6	-11.8	-8.6
Nebraska	-5.3	9.7	4.0	-5.6	-2.9	-3.8
North Dakota	-33.3	0.0	-20.0	100.0	-100.0	0.0
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0
<b>SOUTHEAST</b>						
Alabama	---	-24.2	-24.2	---	0.0	0.0
Arkansas	-0.5	-7.8	-5.1	-5.9	-0.3	-2.5
Florida	-2.8	-15.2	-6.8	-8.0	8.9	-3.1
Georgia	---	-5.4	-5.4	---	22.9	22.9
Kentucky	20.8	-12.4	-1.8	-12.5	6.1	-1.2
Louisiana	---	0.7	0.7	---	-0.7	-0.7
Mississippi	-13.5	-7.4	-7.6	-9.4	21.5	20.4
North Carolina	-4.1	-8.3	-5.3	0.0	0.0	0.0
South Carolina	-9.1	10.7	5.1	-20.0	-6.5	-9.8
Tennessee	0.0	-17.3	-13.6	0.0	130.2	98.2
Virginia	2.6	-5.2	-3.0	-2.5	4.4	2.3
West Virginia	0.0	-3.4	-2.5	-13.3	-17.6	-16.5
<b>SOUTHWEST</b>						
Arizona	---	-0.9	-0.9	---	-0.9	-0.9
New Mexico	0.0	4.9	4.9	0.0	0.0	0.0
Oklahoma	27.9	1.9	12.2	-10.3	-39.6	-26.4
Texas	-2.0	-11.1	-3.3	0.0	-25.0	-3.4
<b>ROCKY MOUNTAIN</b>						
Colorado	---	-1.3	-1.3	---	-0.8	-0.8
Idaho	23.1	-66.7	6.3	0.0	0.0	0.0
Montana	20.0	50.0	39.3	-8.3	14.8	7.7
Utah	-4.5	20.6	14.4	-4.8	-4.9	-4.9
Wyoming	---	---	---	---	---	---
<b>FAR WEST</b>						
Alaska	-6.7	81.8	1.7	8.2	15.0	9.3
California	2.7	4.5	3.5	-0.5	1.2	0.3
Hawaii	-6.3	31.6	4.5	6.7	-60.0	-17.1
Nevada	0.0	-10.5	-4.5	0.0	17.6	7.1
Oregon	51.3	-32.3	-7.6	-33.9	41.3	4.9
Washington	6.3	-8.3	-4.7	39.2	---	62.8
<b>ALL STATES</b>	<b>0.7 %</b>	<b>-4.1 %</b>	<b>-2.1 %</b>	<b>-1.1 %</b>	<b>2.1 %</b>	<b>0.7 %</b>
<b>MEDIAN</b>	<b>0.0</b>	<b>-2.6</b>	<b>-2.3</b>	<b>-2.4</b>	<b>0.0</b>	<b>-0.2</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded). This table reflects TANF and other cash assistance expenditures.  
Source: National Association of State Budget Officers, 2018 State Expenditure Report

TABLE 21

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

Region/State	Actual Fiscal 2016				Actual Fiscal 2017				Estimated Fiscal 2018			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$267	\$0	\$0	\$267	\$266	\$0	\$0	\$266	\$266	\$0	\$0	\$266
Maine	22	26	89	137	17	33	92	142	21	38	92	151
Massachusetts*	434	0	0	434	424	0	0	424	427	0	0	427
New Hampshire	35	19	0	54	33	22	0	55	34	42	0	76
Rhode Island*	0	86	0	86	0	85	0	85	0	87	0	87
Vermont	8	22	2	32	8	23	2	33	8	21	1	30
<b>MID-ATLANTIC</b>												
Delaware	15	1	1	17	15	1	1	17	13	1	1	15
Maryland	12	111	5	128	21	92	5	118	16	87	5	108
New Jersey	31	60	0	91	43	12	0	55	19	5	0	24
New York	0	2,863	0	2,863	0	2,300	0	2,300	0	2,161	0	2,161
Pennsylvania	178	338	2	518	178	370	2	550	165	374	2	541
<b>GREAT LAKES</b>												
Illinois	125	0	0	125	93	0	0	93	100	0	0	100
Indiana	27	169	0	196	27	189	0	216	27	190	0	217
Michigan*	7	54	40	101	32	47	11	90	16	54	11	81
Ohio	152	641	0	793	152	710	0	862	148	685	0	833
Wisconsin	51	0	0	51	35	0	0	35	29	0	0	29
<b>PLAINS</b>												
Iowa	45	24	10	79	36	30	9	75	43	26	9	78
Kansas	0	17	0	17	0	15	0	15	0	13	0	13
Minnesota	103	192	0	295	88	216	0	304	85	229	0	314
Missouri	10	91	0	101	10	68	0	78	6	60	0	66
Nebraska	10	28	0	38	10	30	0	40	8	30	0	38
North Dakota	0	2	3	5	0	2	2	4	0	0	4	4
South Dakota	9	11	0	20	9	11	0	20	9	11	0	20
<b>SOUTHEAST</b>												
Alabama	0	33	0	33	0	25	0	25	0	25	0	25
Arkansas	19	63	2	84	24	59	1	84	28	55	3	86
Florida	130	25	0	155	127	20	0	147	116	31	0	147
Georgia*	0	37	0	37	0	35	0	35	0	43	0	43
Kentucky	52	113	1	166	64	99	0	163	56	105	0	161
Louisiana	0	140	0	140	0	141	0	141	0	140	0	140
Mississippi	33	909	4	946	27	842	5	874	24	1,023	5	1,052
North Carolina	0	47	0	47	0	43	0	43	0	43	0	43
South Carolina	3	25	1	29	3	23	1	27	0	24	1	25
Tennessee	14	52	0	66	14	43	0	57	14	99	0	113
Virginia	39	34	0	73	40	28	0	68	39	33	0	72
West Virginia	24	88	0	112	25	85	0	110	26	70	0	96
<b>SOUTHWEST</b>												
Arizona*	0	224	0	224	0	222	0	222	0	220	0	220
New Mexico	0	122	0	122	0	128	0	128	0	128	0	128
Oklahoma	39	31	0	70	39	37	0	76	39	21	0	60
Texas	51	9	0	60	50	8	0	58	50	6	0	56
<b>ROCKY MOUNTAIN</b>												
Colorado	0	133	0	133	0	135	0	135	0	148	0	148
Idaho	4	3	0	7	6	1	0	7	6	1	0	7
Montana	10	18	0	28	12	27	0	39	11	31	0	42
Utah	17	68	0	85	16	82	0	98	15	78	0	93
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>												
Alaska	14	10	0	24	7	20	0	27	11	21	0	32
California	669	3,097	2,147	5,913	882	3,240	2,029	6,151	587	3,165	2,088	5,840
Hawaii	23	19	0	42	19	25	0	44	21	10	0	31
Nevada	25	19	0	44	25	17	0	42	25	20	0	45
Oregon	39	88	0	127	57	58	2	117	39	84	0	123
Washington	5	144	0	149	11	132	0	143	28	227	0	255
<b>TOTAL</b>	<b>\$2,751</b>	<b>\$10,306</b>	<b>\$2,307</b>	<b>\$15,364</b>	<b>\$2,945</b>	<b>\$9,831</b>	<b>\$2,162</b>	<b>\$14,938</b>	<b>\$2,575</b>	<b>\$9,965</b>	<b>\$2,222</b>	<b>\$14,762</b>
District of Columbia	54	107	0	161	54	119	0	173				

Source: National Association of State Budget Officers, 2018 State Expenditure Report

**TABLE 22**  
**TANF EXPENDITURES AS A PERCENT OF TOTAL EXPENDITURES**

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	0.8 %	0.8 %	0.8 %
Maine	1.7	1.7	1.8
Massachusetts	0.8	0.8	0.7
New Hampshire	0.9	0.9	1.2
Rhode Island	1.0	1.0	0.9
Vermont	0.6	0.6	0.5
<b>MID-ATLANTIC</b>			
Delaware	0.2	0.2	0.1
Maryland	0.3	0.3	0.2
New Jersey	0.2	0.1	0.0
New York	1.9	1.5	1.3
Pennsylvania	0.7	0.7	0.7
<b>GREAT LAKES</b>			
Illinois	0.2	0.1	0.1
Indiana	0.6	0.7	0.6
Michigan	0.2	0.2	0.1
Ohio	1.2	1.3	1.2
Wisconsin	0.1	0.1	0.1
<b>PLAINS</b>			
Iowa	0.3	0.3	0.3
Kansas	0.1	0.1	0.1
Minnesota	0.8	0.8	0.8
Missouri	0.4	0.3	0.3
Nebraska	0.3	0.3	0.3
North Dakota	0.1	0.1	0.1
South Dakota	0.5	0.5	0.4
<b>SOUTHEAST</b>			
Alabama	0.1	0.1	0.1
Arkansas	0.3	0.3	0.3
Florida	0.2	0.2	0.2
Georgia	0.1	0.1	0.1
Kentucky	0.5	0.5	0.5
Louisiana	0.5	0.5	0.4
Mississippi	4.8	4.3	4.9
North Carolina	0.1	0.1	0.1
South Carolina	0.1	0.1	0.1
Tennessee	0.2	0.2	0.3
Virginia	0.1	0.1	0.1
West Virginia	0.7	0.6	0.6
<b>SOUTHWEST</b>			
Arizona	0.5	0.5	0.5
New Mexico	0.6	0.7	0.7
Oklahoma	0.3	0.3	0.3
Texas	0.1	0.1	0.0
<b>ROCKY MOUNTAIN</b>			
Colorado	0.4	0.4	0.4
Idaho	0.1	0.1	0.1
Montana	0.4	0.6	0.6
Utah	0.6	0.7	0.6
Wyoming	0.0	0.0	0.0
<b>FAR WEST</b>			
Alaska	0.2	0.3	0.3
California	2.4	2.4	2.0
Hawaii	0.3	0.3	0.2
Nevada	0.4	0.3	0.3
Oregon	0.3	0.3	0.3
Washington	0.4	0.3	0.6
<b>ALL STATES</b>	<b>0.8 %</b>	<b>0.8 %</b>	<b>0.7 %</b>

Source: National Association of State Budget Officers, 2018 State Expenditure Report

**TABLE 23**  
**ANNUAL PERCENTAGE CHANGE IN TANF EXPENDITURES**

Region/State	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-0.4 %	---	-0.4 %	0.0 %	---	0.0 %
Maine	-1.8	26.9	3.6	3.7	15.2	6.3
Massachusetts	-2.3	---	-2.3	0.7	---	0.7
New Hampshire	-5.7	15.8	1.9	3.0	90.9	38.2
Rhode Island	---	-1.2	-1.2	---	2.4	2.4
Vermont	0.0	4.5	3.1	-10.0	-8.7	-9.1
<b>MID-ATLANTIC</b>						
Delaware	0.0	0.0	0.0	-12.5	0.0	-11.8
Maryland	52.9	-17.1	-7.8	-19.2	-5.4	-8.5
New Jersey	38.7	-80.0	-39.6	-55.8	-58.3	-56.4
New York	---	-19.7	-19.7	---	-6.0	-6.0
Pennsylvania	0.0	9.5	6.2	-7.2	1.1	-1.6
<b>GREAT LAKES</b>						
Illinois	-25.6	---	-25.6	7.5	---	7.5
Indiana	0.0	11.8	10.2	0.0	0.5	0.5
Michigan	-8.5	-13.0	-10.9	-37.2	14.9	-10.0
Ohio	0.0	10.8	8.7	-2.6	-3.5	-3.4
Wisconsin	-31.4	---	-31.4	-17.1	---	-17.1
<b>PLAINS</b>						
Iowa	-18.2	25.0	-5.1	15.6	-13.3	4.0
Kansas	---	-11.8	-11.8	---	-13.3	-13.3
Minnesota	-14.6	12.5	3.1	-3.4	6.0	3.3
Missouri	0.0	-25.3	-22.8	-40.0	-11.8	-15.4
Nebraska	0.0	7.1	5.3	-20.0	0.0	-5.0
North Dakota	-33.3	0.0	-20.0	100.0	-100.0	0.0
South Dakota	0.0	0.0	0.0	0.0	0.0	0.0
<b>SOUTHEAST</b>						
Alabama	---	-24.2	-24.2	---	0.0	0.0
Arkansas	19.0	-6.3	0.0	24.0	-6.8	2.4
Florida	-2.3	-20.0	-5.2	-8.7	55.0	0.0
Georgia	---	-5.4	-5.4	---	22.9	22.9
Kentucky	20.8	-12.4	-1.8	-12.5	6.1	-1.2
Louisiana	---	0.7	0.7	---	-0.7	-0.7
Mississippi	-13.5	-7.4	-7.6	-9.4	21.5	20.4
North Carolina	---	-8.5	-8.5	---	0.0	0.0
South Carolina	0.0	-8.0	-6.9	-75.0	4.3	-7.4
Tennessee	0.0	-17.3	-13.6	0.0	130.2	98.2
Virginia	2.6	-17.6	-6.8	-2.5	17.9	5.9
West Virginia	4.2	-3.4	-1.8	4.0	-17.6	-12.7
<b>SOUTHWEST</b>						
Arizona	---	-0.9	-0.9	---	-0.9	-0.9
New Mexico	---	4.9	4.9	---	0.0	0.0
Oklahoma	0.0	19.4	8.6	0.0	-43.2	-21.1
Texas	-2.0	-11.1	-3.3	0.0	-25.0	-3.4
<b>ROCKY MOUNTAIN</b>						
Colorado	---	1.5	1.5	---	9.6	9.6
Idaho	50.0	-66.7	0.0	0.0	0.0	0.0
Montana	20.0	50.0	39.3	-8.3	14.8	7.7
Utah	-5.9	20.6	15.3	-6.3	-4.9	-5.1
Wyoming	---	---	---	---	---	---
<b>FAR WEST</b>						
Alaska	-50.0	100.0	12.5	57.1	5.0	18.5
California	3.4	4.6	4.0	-8.1	-2.3	-5.1
Hawaii	-17.4	31.6	4.8	10.5	-60.0	-29.5
Nevada	0.0	-10.5	-4.5	0.0	17.6	7.1
Oregon	51.3	-34.1	-7.9	-33.9	44.8	5.1
Washington	120.0	-8.3	-4.0	154.5	72.0	78.3
<b>ALL STATES</b>	<b>1.0 %</b>	<b>-4.6 %</b>	<b>-2.8 %</b>	<b>-6.1 %</b>	<b>1.4 %</b>	<b>-1.2 %</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded). Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Actual Fiscal 2016				Actual Fiscal 2017				Estimated Fiscal 2018			
	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total	General Fund	Federal Funds	Other State Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$121	\$0	\$0	\$121	\$120	\$0	\$0	\$120	\$118	\$0	\$0	\$118
Maine	22	3	1	26	26	9	1	36	20	22	0	42
Massachusetts*	319	0	0	319	307	2	0	309	300	1	0	301
New Hampshire	16	0	0	16	16	0	0	16	16	0	0	16
Rhode Island*	31	23	0	54	30	22	0	52	31	23	0	54
Vermont	14	43	4	61	18	46	0	64	17	44	1	62
<b>MID-ATLANTIC</b>												
Delaware	6	3	0	9	6	2	1	9	7	1	1	9
Maryland	45	1,109	6	1,160	43	1,008	7	1,058	43	1,109	7	1,159
New Jersey	153	79	0	232	116	46	0	162	134	27	0	161
New York	1,123	0	0	1,123	1,130	0	0	1,130	1,137	0	0	1,137
Pennsylvania	132	318	0	450	131	282	0	413	128	281	0	409
<b>GREAT LAKES</b>												
Illinois	0	0	0	0	0	0	0	0	0	0	0	0
Indiana	0	0	0	0	0	0	0	0	0	0	0	0
Michigan*	97	12	6	115	94	13	5	112	100	16	4	120
Ohio	10	0	0	10	10	0	0	10	2	0	0	2
Wisconsin	30	12	9	51	48	1	9	58	44	1	9	54
<b>PLAINS</b>												
Iowa	12	0	1	13	10	0	0	10	10	0	0	10
Kansas	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	88	0	0	88	88	0	0	88	90	0	0	90
Missouri	28	0	31	59	29	0	32	61	30	0	31	61
Nebraska	9	3	0	12	8	4	0	12	9	3	0	12
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>												
Alabama	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas	140	259	28	427	134	238	29	401	136	241	10	387
Florida	11	41	0	52	10	36	0	46	10	30	0	40
Georgia	0	0	0	0	0	0	0	0	0	0	0	0
Kentucky	0	0	0	0	0	0	0	0	0	0	0	0
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	0	0	0	0	0	0	0	0	0	0	0
North Carolina	60	1	61	122	58	1	58	117	58	1	58	117
South Carolina	18	31	0	49	16	39	0	55	15	34	0	49
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	0	63	0	63	0	63	0	63	0	63	0	63
West Virginia	6	0	0	6	5	0	0	5	0	0	0	0
<b>SOUTHWEST</b>												
Arizona*	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	1	0	0	1	1	0	0	1	1	0	0	1
Oklahoma	29	73	0	102	48	69	0	117	39	43	0	82
Texas	0	0	0	0	0	0	0	0	0	0	0	0
<b>ROCKY MOUNTAIN</b>												
Colorado	0	1,320	0	1,320	0	1,299	0	1,299	0	1,275	0	1,275
Idaho	9	0	0	9	10	0	0	10	10	0	0	10
Montana	0	0	0	0	0	0	0	0	0	0	0	0
Utah	5	0	0	5	5	0	0	5	5	0	0	5
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>												
Alaska	76	1	15	92	76	1	15	92	77	2	18	97
California	2,886	1,497	0	4,383	2,944	1,560	0	4,504	3,151	1,693	0	4,844
Hawaii	25	0	0	25	26	0	0	26	27	0	0	27
Nevada	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	5	0	5	0	5	0	5	0	5	0	5
Washington	43	0	0	43	40	0	0	40	43	0	0	43
<b>TOTAL</b>	<b>\$5,565</b>	<b>\$4,896</b>	<b>\$162</b>	<b>\$10,623</b>	<b>\$5,603</b>	<b>\$4,746</b>	<b>\$157</b>	<b>\$10,506</b>	<b>\$5,808</b>	<b>\$4,915</b>	<b>\$139</b>	<b>\$10,862</b>
District of Columbia	4	0	0	4	4	0	1	5				

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	0.4 %	0.4 %	0.4 %
Maine	0.3	0.4	0.5
Massachusetts	0.6	0.6	0.5
New Hampshire	0.3	0.3	0.3
Rhode Island	0.6	0.6	0.6
Vermont	1.1	1.2	1.1
<b>MID-ATLANTIC</b>			
Delaware	0.1	0.1	0.1
Maryland	2.8	2.4	2.6
New Jersey	0.4	0.3	0.3
New York	0.7	0.7	0.7
Pennsylvania	0.6	0.5	0.5
<b>GREAT LAKES</b>			
Illinois	0.0	0.0	0.0
Indiana	0.0	0.0	0.0
Michigan	0.2	0.2	0.2
Ohio	0.0	0.0	0.0
Wisconsin	0.1	0.1	0.1
<b>PLAINS</b>			
Iowa	0.1	0.0	0.0
Kansas	0.0	0.0	0.0
Minnesota	0.2	0.2	0.2
Missouri	0.2	0.2	0.2
Nebraska	0.1	0.1	0.1
North Dakota	0.0	0.0	0.0
South Dakota	0.0	0.0	0.0
<b>SOUTHEAST</b>			
Alabama	0.0	0.0	0.0
Arkansas	1.8	1.6	1.5
Florida	0.1	0.1	0.0
Georgia	0.0	0.0	0.0
Kentucky	0.0	0.0	0.0
Louisiana	0.0	0.0	0.0
Mississippi	0.0	0.0	0.0
North Carolina	0.3	0.2	0.2
South Carolina	0.2	0.2	0.2
Tennessee	0.0	0.0	0.0
Virginia	0.1	0.1	0.1
West Virginia	0.0	0.0	0.0
<b>SOUTHWEST</b>			
Arizona	0.0	0.0	0.0
New Mexico	0.0	0.0	0.0
Oklahoma	0.4	0.5	0.4
Texas	0.0	0.0	0.0
<b>ROCKY MOUNTAIN</b>			
Colorado	3.6	3.6	3.5
Idaho	0.1	0.1	0.1
Montana	0.0	0.0	0.0
Utah	0.0	0.0	0.0
Wyoming	0.0	0.0	0.0
<b>FAR WEST</b>			
Alaska	0.9	0.9	0.9
California	1.7	1.7	1.7
Hawaii	0.2	0.2	0.2
Nevada	0.0	0.0	0.0
Oregon	0.0	0.0	0.0
Washington	0.1	0.1	0.1
<b>ALL STATES</b>	<b>0.6 %</b>	<b>0.5 %</b>	<b>0.5 %</b>

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-0.8 %	---	-0.8 %	-1.7 %	---	-1.7 %
Maine	17.4	200.0	38.5	-25.9	144.4	16.7
Massachusetts	-3.8	---	-3.1	-2.3	-50.0	-2.6
New Hampshire	0.0	---	0.0	0.0	---	0.0
Rhode Island	-3.2	-4.3	-3.7	3.3	4.5	3.8
Vermont	0.0	7.0	4.9	0.0	-4.3	-3.1
<b>MID-ATLANTIC</b>						
Delaware	16.7	-33.3	0.0	14.3	-50.0	0.0
Maryland	-2.0	-9.1	-8.8	0.0	10.0	9.5
New Jersey	-24.2	-41.8	-30.2	15.5	-41.3	-0.6
New York	0.6	---	0.6	0.6	---	0.6
Pennsylvania	-0.8	-11.3	-8.2	-2.3	-0.4	-1.0
<b>GREAT LAKES</b>						
Illinois	---	---	---	---	---	---
Indiana	---	---	---	---	---	---
Michigan	-3.9	8.3	-2.6	5.1	23.1	7.1
Ohio	0.0	---	0.0	-80.0	---	-80.0
Wisconsin	46.2	-91.7	13.7	-7.0	0.0	-6.9
<b>PLAINS</b>						
Iowa	-23.1	---	-23.1	0.0	---	0.0
Kansas	---	---	---	---	---	---
Minnesota	0.0	---	0.0	2.3	---	2.3
Missouri	3.4	---	3.4	0.0	---	0.0
Nebraska	-11.1	33.3	0.0	12.5	-25.0	0.0
North Dakota	---	---	---	---	---	---
South Dakota	---	---	---	---	---	---
<b>SOUTHEAST</b>						
Alabama	---	---	---	---	---	---
Arkansas	-3.0	-8.1	-6.1	-10.4	1.3	-3.5
Florida	-9.1	-12.2	-11.5	0.0	-16.7	-13.0
Georgia	---	---	---	---	---	---
Kentucky	---	---	---	---	---	---
Louisiana	---	---	---	---	---	---
Mississippi	---	---	---	---	---	---
North Carolina	-4.1	0.0	-4.1	0.0	0.0	0.0
South Carolina	-11.1	25.8	12.2	-6.3	-12.8	-10.9
Tennessee	---	---	---	---	---	---
Virginia	---	0.0	0.0	---	0.0	0.0
West Virginia	-16.7	---	-16.7	-100.0	---	-100.0
<b>SOUTHWEST</b>						
Arizona	---	---	---	---	---	---
New Mexico	0.0	---	0.0	0.0	---	0.0
Oklahoma	65.5	-5.5	14.7	-18.8	-37.7	-29.9
Texas	---	---	---	---	---	---
<b>ROCKY MOUNTAIN</b>						
Colorado	---	-1.6	-1.6	---	-1.8	-1.8
Idaho	11.1	---	11.1	0.0	---	0.0
Montana	---	---	---	---	---	---
Utah	0.0	---	0.0	0.0	---	0.0
Wyoming	---	---	---	---	---	---
<b>FAR WEST</b>						
Alaska	0.0	0.0	0.0	4.4	100.0	5.4
California	2.0	4.2	2.8	7.0	8.5	7.5
Hawaii	4.0	---	4.0	3.8	---	3.8
Nevada	---	---	---	---	---	---
Oregon	---	0.0	0.0	---	0.0	0.0
Washington	-7.0	---	-7.0	7.5	---	7.5
<b>ALL STATES</b>	<b>0.6 %</b>	<b>-3.1 %</b>	<b>-1.1 %</b>	<b>3.2 %</b>	<b>3.6 %</b>	<b>3.4 %</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded).  
Source: National Association of State Budget Officers, 2018 State Expenditure Report



## Public Assistance Notes

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

**Arizona:** “Public Assistance” is defined as Cash Assistance, as per Department of Economic Security.

**Georgia:** TANF funds reflect only TANF funds used for cash assistance.

**Massachusetts:** Figures for FY16-FY18 are re-stated to better align with the NASBO category definitions. Certain items that were previously counted (i.e. interfund transfers, bond refundings, certain administrative items) are now excluded.

**Michigan:** Shifts between general fund and federal fund support for TANF public assistance expenditures reflect year-to-year adjustments based on General Fund need in other budget areas. FY 2016 federal spending for Other Cash Assistance was revised to reflect post-book closing adjustments.

**Oklahoma:** Amounts are reported by Oklahoma Department of Human Services.

**Rhode Island:** Regarding TANF, in last year’s report, total reported TANF expenditures represented only those attributable to direct cash assistance. This year, all years of the survey have been adjusted to reflect the totality of TANF expenditures which, in addition to cash assistance, includes portions of the block grant used towards child care assistance, child welfare programs, and training programs run by the Department of Labor and Training, among others. In prior years, these expenditures would have shown up in either the “Other Cash Assistance” category or the “All Other” category, depending on the nature of the expenditure (ex. that portion of TANF used to child care assistance would have shown up in “Other Cash Assistance” while TANF used towards child welfare services and training programs would have shown up in “All Other”). Regarding Other Cash Assistance, in last year’s report, total federal expenditures on Other Cash Assistance included the portion of the TANF block grant that is used toward child care assistance. In this year’s report, these expenditures are instead reflected under TANF.

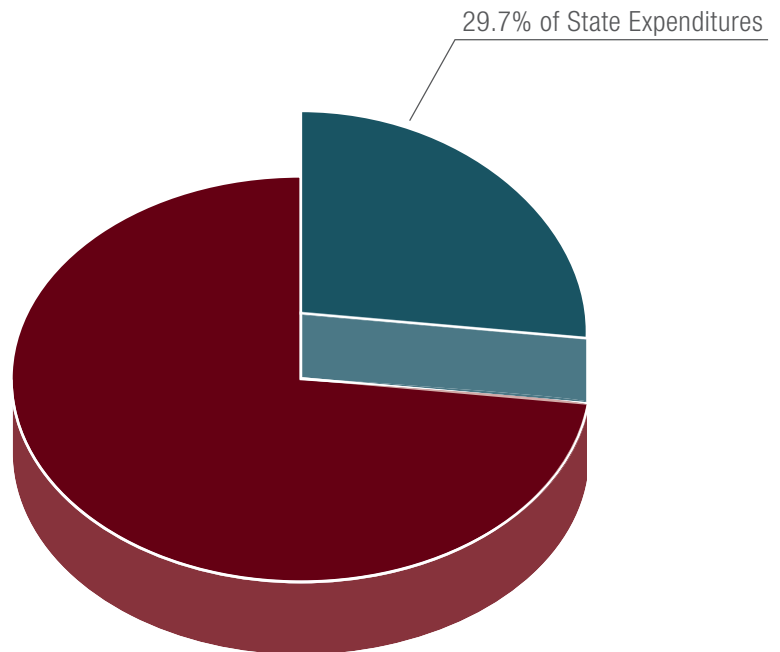
# 4

CHAPTER



## MEDICAID EXPENDITURES

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## Medicaid Expenditures

Medicaid, a means-tested entitlement program financed by the states and the federal government, provides comprehensive and long-term medical care for more than 75 million low-income individuals. Beginning January 1, 2017, states that expanded Medicaid began paying 5 percent of the costs for newly eligible individuals.

Total Medicaid benefits spending for fiscal 2018, which excludes administrative costs, was \$603.2 billion, with general fund spending of \$166.1 billion, other state fund spending of \$67.2 billion, and federal fund spending of \$369.9 billion. Total Medicaid spending increased by 4.4 percent (median) in fiscal 2018, with state funds increasing by a median of 4.8 percent, and federal funds increasing by a median of 4.9 percent.

Medicaid spending of \$562.2 billion for fiscal 2017 reflected an increase of \$23.8 billion over the \$538.4 billion spent in fiscal 2016, a 3.0 percent increase on a median basis. Spending from state funds increased by 3.7 percent and federal fund spending grew by 3.5 percent on a median basis. According to analysis by the Centers for Medicare & Medicaid Services (CMS) Office of the Actuary, growth decelerated in 2017 due to the slowdown in enrollment of expansion adults and decreases in per enrollee costs for expansion adults.

Medicaid spending accounted for 29.7 percent of total state spending in fiscal 2018, the single largest component of *total* state expenditures, and 20.2 percent of general fund expenditures. Medicaid benefits account for 58.3 percent of federal fund spending by states, compared to 43 percent in fiscal 2008. In fiscal 2017, Medicaid was 28.9 percent of total state spending and 19.7 percent of general fund expenditures. While Medicaid is the largest area of total state spending, elementary and secondary education remains the largest category of state general fund spending.

The timing of Medicaid expenditures may vary from year-to-year and may not reflect underlying program activity in a given year. Large swings in some states — due in part to accounting issues — can substantially influence average Medicaid spending growth rates; examining the median percentage change better reflects underlying trends. Federal funds comprised 61.3 percent of total Medicaid spending, general funds 27.5 percent, and other state funds 11.2 percent, in fiscal 2018.

NASBO's *Spring 2018 Fiscal Survey of States* collected additional detail from states about Medicaid spending trends and issues. In that survey, about one-third of the states reported having Medicaid expenditures from non-federal funding sourc-

es that are included in reporting to the Centers for Medicare and Medicaid Services (CMS) but are not included in state budgets, and therefore excluded from the figures in this report. These funds include certified public expenditures and other local funds used for services provided in schools or in county hospitals and are counted in the state share to draw down federal Medicaid funds. For fiscal 2018, the estimated amount of the non-federal share that did not flow through state budgets totaled roughly \$19 billion.

Also included in Medicaid spending are Medicare Part D “clawback” payments, statutorily known as the phased down state contribution. Beginning in January 2006, prescription drug costs for individuals eligible for both Medicare and Medicaid were no longer part of the Medicaid program. Instead these costs are now included in Medicare Part D. States finance these benefits by providing a payment to the federal Medicare trust fund—commonly known as “clawback” payments. As shown in Appendix Table A-3, these “clawback” payments totaled \$9.4 billion in fiscal 2016, \$10.9 billion in fiscal 2017, and are estimated at \$11.3 billion for fiscal 2018.

**Affordable Care Act.** Beginning January 1, 2014, state Medicaid programs had the option to expand eligibility to cover non-pregnant, non-elderly individuals with incomes up to 138 percent of the federal poverty level. The costs for those newly eligible for coverage were fully federally funded in calendar years 2014, 2015, and 2016. Beginning January 1, 2017, states that expanded Medicaid began paying 5 percent of the costs for the newly eligible individuals, with that amount increasing to 6 percent in January 1, 2018, 7 percent in January 1, 2019, and 10 percent in January 1, 2020 and thereafter. As of November 2018, 33 states and the District of Columbia have adopted Medicaid expansion; Additionally, voters in Idaho, Nebraska, and Utah approved Medicaid expansion during the recent election. While Maine voters adopted the Medicaid expansion through a ballot initiative in November 2017, the program has not yet been funded.

According to NASBO's *Spring 2018 Fiscal Survey of States*, in fiscal 2017 states reported total spending for Medicaid expansion at \$87.7 billion, including \$6.7 billion in state funds and \$81.1 billion in federal funds. In fiscal 2018, states estimated spending \$91.2 billion in all funds, \$10.3 billion in state funds, and \$80.9 billion in federal funds for Medicaid expansion.

Total state funds include both state general funds and other state funds. In addition to the general fund, states use a combination of revenue sources including insurance premium taxes, cigarette taxes, pharmaceutical rebates, intergovern-

mental transfers, provider assessments, and local funds to provide the state match.

**Medicaid Enrollment.** Average Medicaid enrollment is estimated to have increased 2.1 percent, reaching 73.8 million enrollees in 2017, with the majority of the enrollment growth attributed to adults gaining coverage through the Medicaid expansion under the ACA, according to the CMS Office of the Actuary.

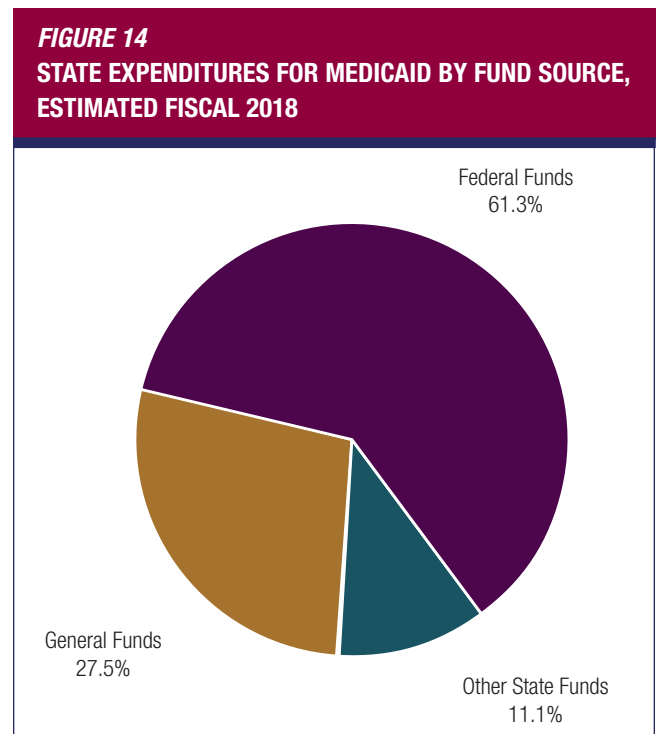
The implementation of the ACA has greatly increased the number of individuals served in the Medicaid program in 2014 and thereafter. Since October 2013, enrollment increased by more than 27.5 percent, compared with the July-September 2013 baseline based on the Centers for Medicare and Medicaid Services (CMS) August 2018 enrollment report. States that expanded Medicaid experienced enrollment gains of more than 35.9 percent, while states that did not expand Medicaid saw increases of 10.1 percent. According to the CMS Office of the Actuary, enrollment is projected to increase at an average annual rate of 1.3 percent with the growth in the number of aged adults expected to increase by 2.9 percent per year over the next 10 years. By 2026, Medicaid enrollment is projected to reach 82.3 million.

**Medicaid Program Changes.** Beyond enrollment, other cost drivers include rising costs of prescription drugs, especially for specialty drugs, long-term care, and behavioral health, as well as some provider rate increases, according to the Kaiser Family Foundation's annual Medicaid budget survey. States continue to use a variety of methods to expand the number of people served in home and community-based settings and are implementing housing related activities as part of long-term services and supports as well as working to address workforce shortages and turnover. States are also continuing to rely more on managed care. Other state actions include benefit enhancements, most commonly for mental health and substance abuse disorder, pharmacy cost-containment initiatives, and strategies to address the opioid epidemic.

**Health Care Spending Forecasts.** Medicaid spending, similar to overall health care spending, has historically increased faster than the economy as a whole. According to the *2017 Actuarial Report on the Financial Outlook for Medicaid*, the annual average growth rate of Medicaid expenditures from 2016 to 2025 is projected to be 5.7 percent, faster than the projection of average annual gross domestic product (GDP) growth of 4.1 percent during this same time period.

## Fund Shares

Figure 14 provides fund shares for fiscal 2018.



## Regional Expenditures

Table 27 shows percentage changes in expenditures for Medicaid for fiscal 2016-2017 and 2017-2018 by region. The Plains and Southwest regions reported decreases from fiscal 2016 to 2017 with the other regions reporting increases. All regions reported increases for fiscal 2018, with the largest increases in the Great Lakes and Rocky Mountain regions.

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

**TABLE 27**  
**REGIONAL PERCENTAGE CHANGE IN STATE MEDICAID EXPENDITURES,**  
**FISCAL 2017 AND 2018**

Region	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	1.4 %	3.1 %	2.3 %	9.7 %	4.2 %	6.7 %
Mid-Atlantic	5.8	6.8	6.4	6.9	7.4	7.2
Great Lakes	3.8	-1.4	1.0	8.6	15.8	12.4
Plains	-1.0	-0.1	-0.5	5.4	10.3	8.2
Southeast	5.5	7.2	6.6	1.4	5.4	4.0
Southwest	-1.0	-5.5	-4.0	3.4	7.0	5.8
Rocky Mountain	0.9	2.6	1.9	14.5	11.1	12.4
Far West	16.2	6.4	9.7	18.3	1.0	7.1
<b>ALL STATES</b>	<b>5.7 %</b>	<b>3.7 %</b>	<b>4.4 %</b>	<b>8.4 %</b>	<b>6.6 %</b>	<b>7.3 %</b>



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

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	22.6 %	23.3 %	24.7 %
Maine	33.0	32.3	33.1
Massachusetts	27.8	27.8	28.8
New Hampshire	34.7	36.6	35.6
Rhode Island	29.0	29.8	28.6
Vermont	29.5	28.8	28.2
<b>MID-ATLANTIC</b>			
Delaware	19.8	19.3	20.9
Maryland	24.3	26.1	25.5
New Jersey	25.0	24.5	24.7
New York	31.9	32.6	34.0
Pennsylvania	36.6	36.8	38.8
<b>GREAT LAKES</b>			
Illinois	29.2	23.4	33.6
Indiana	36.1	36.2	34.5
Michigan	31.2	31.2	32.1
Ohio	37.7	37.6	38.0
Wisconsin	20.1	20.2	20.4
<b>PLAINS</b>			
Iowa	22.8	21.1	21.9
Kansas	21.7	21.3	21.3
Minnesota	30.2	29.5	30.6
Missouri	37.2	38.0	39.1
Nebraska	17.1	17.5	17.7
North Dakota	15.4	16.4	20.4
South Dakota	20.6	21.1	20.4
<b>SOUTHEAST</b>			
Alabama	24.6	24.4	25.4
Arkansas	27.1	28.3	28.0
Florida	32.2	33.1	32.1
Georgia	20.9	20.4	20.1
Kentucky	30.3	30.2	30.3
Louisiana	28.4	35.7	34.5
Mississippi	25.8	25.3	23.6
North Carolina	30.0	29.4	28.0
South Carolina	27.3	26.7	26.4
Tennessee	33.9	33.7	32.2
Virginia	18.1	18.6	18.9
West Virginia	21.8	24.0	25.0
<b>SOUTHWEST</b>			
Arizona	27.5	28.1	29.1
New Mexico	28.5	28.6	29.3
Oklahoma	23.5	22.9	24.4
Texas	31.9	29.3	30.9
<b>ROCKY MOUNTAIN</b>			
Colorado	24.5	23.6	26.9
Idaho	26.8	26.3	27.1
Montana	20.3	25.3	26.4
Utah	18.7	18.7	18.9
Wyoming	14.5	13.9	14.2
<b>FAR WEST</b>			
Alaska	17.0	20.8	21.0
California	32.6	34.3	33.7
Hawaii	16.4	15.1	14.1
Nevada	26.0	25.5	28.5
Oregon	22.3	23.1	22.4
Washington	26.3	26.9	27.0
<b>ALL STATES</b>	<b>28.8 %</b>	<b>28.9 %</b>	<b>29.7 %</b>

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	4.7 %	0.4 %	2.5 %	19.5 %	-1.5 %	9.2 %
Maine	-2.5	2.1	0.3	1.2	6.8	4.6
Massachusetts	-0.8	4.1	1.8	8.4	7.6	8.0
New Hampshire	8.1	8.6	8.4	4.7	-2.5	0.4
Rhode Island	4.1	6.2	5.4	1.5	5.5	3.9
Vermont	1.8	-5.4	-2.4	1.2	-0.5	0.2
<b>MID-ATLANTIC</b>						
Delaware	7.6	-2.3	1.3	1.0	16.9	10.7
Maryland	16.7	12.7	14.2	2.4	1.4	1.8
New Jersey	4.1	1.6	2.5	4.5	4.2	4.3
New York	3.8	7.8	6.4	7.7	9.3	8.7
Pennsylvania	5.7	6.2	6.0	8.9	7.1	7.8
<b>GREAT LAKES</b>						
Illinois	13.1	-7.2	-0.5	73.3	34.7	49.3
Indiana	5.2	1.7	2.6	10.3	-2.8	0.5
Michigan	2.7	-0.8	0.2	5.9	4.6	4.9
Ohio	1.5	-1.3	0.9	-9.5	45.1	3.1
Wisconsin	2.9	4.2	3.6	3.8	3.5	3.6
<b>PLAINS</b>						
Iowa	-5.7	-11.9	-9.2	-2.0	9.0	4.1
Kansas	1.6	0.8	1.2	7.5	3.1	5.0
Minnesota	-4.1	-2.2	-3.0	8.5	19.2	14.7
Missouri	2.3	9.5	6.0	6.0	4.1	5.0
Nebraska	6.6	2.4	4.4	1.5	6.1	3.8
North Dakota	1.7	-5.6	-3.0	10.4	10.9	10.7
South Dakota	-2.1	8.7	4.0	-1.4	4.4	2.0
<b>SOUTHEAST</b>						
Alabama	-0.3	3.2	2.1	0.7	5.5	4.1
Arkansas	11.7	8.5	9.2	-15.2	4.1	-0.3
Florida	8.2	8.9	8.6	7.0	8.5	7.9
Georgia	-1.6	4.2	2.2	6.0	-0.4	1.6
Kentucky	6.9	2.2	3.2	8.3	3.3	4.4
Louisiana	13.6	36.3	28.6	-1.2	15.4	10.4
Mississippi	-0.6	0.5	0.2	-6.2	0.4	-1.3
North Carolina	3.0	2.9	2.9	-9.1	2.7	-1.6
South Carolina	4.2	5.0	4.7	-0.1	1.1	0.7
Tennessee	6.2	-2.3	0.9	1.5	7.7	5.3
Virginia	4.8	6.8	5.8	5.4	4.8	5.1
West Virginia	4.7	19.3	15.5	-3.9	3.5	1.7
<b>SOUTHWEST</b>						
Arizona	-3.6	3.6	1.8	7.0	6.4	6.6
New Mexico	-0.8	4.9	3.6	0.8	1.4	1.3
Oklahoma	-0.2	-0.2	-0.2	8.4	0.3	3.8
Texas	-0.5	-11.5	-7.6	1.9	9.6	6.6
<b>ROCKY MOUNTAIN</b>						
Colorado	-0.9	-5.9	-3.9	19.0	12.1	15.0
Idaho	1.3	3.5	2.7	11.5	7.9	9.2
Montana	8.3	47.4	35.8	-1.0	6.0	4.3
Utah	3.9	4.8	4.5	11.7	15.7	14.3
Wyoming	3.7	2.7	3.2	-1.0	5.0	2.0
<b>FAR WEST</b>						
Alaska	0.2	30.0	18.9	4.9	19.6	15.0
California	17.4	5.6	9.7	21.5	0.8	8.5
Hawaii	3.0	-5.0	-2.3	-13.3	1.8	-3.6
Nevada	11.3	9.8	10.1	11.9	11.7	11.7
Oregon	15.4	10.1	11.3	8.3	-4.3	-1.4
Washington	13.6	7.0	9.2	7.3	0.3	2.8
<b>ALL STATES</b>	<b>5.7 %</b>	<b>3.7 %</b>	<b>4.4 %</b>	<b>8.4 %</b>	<b>6.6 %</b>	<b>7.3 %</b>
<b>MEDIAN</b>	<b>3.7</b>	<b>3.5</b>	<b>3.0</b>	<b>4.8</b>	<b>4.9</b>	<b>4.4</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded). Source: National Association of State Budget Officers, 2018 State Expenditure Report



## Medicaid Notes

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

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

**Alabama:** Other State Funds includes Medicaid provider taxes in the amounts of: \$399M for FY16; \$372M for FY17; and \$381M for Estimated FY18.

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

**Illinois:** For fiscal 2018, Illinois borrowed approximately \$6 billion to address the backlog of bills; \$2.5 billion of the proceeds were deposited directly into the General Funds. A portion of the bond proceeds were used to pay prior year Medicaid bills, which generated \$1.2 billion in federal match to the General Funds.

**Maryland:** Medicaid expenditure totals reflect pharmacy rebates.

**Massachusetts:** Figures for FY16-FY18 are re-stated to better align with the NASBO category definitions. Certain items that were previously counted (i.e. interfund transfers, bond refundings, certain administrative items) are now excluded. Medicaid figures for FY16-FY18 are re-stated to exclude federal spending for the Community Choices program; this is now categorized as All Other spending. Massachusetts credits federal reimbursements for Medicaid to the General Fund. Per the NASBO guidelines, federal reimbursements are shown as federal funds.

**Michigan:** Other State Funds used to match federal Medicaid funds include local funds of \$68 million and provider revenues of \$1,140 million for FY 2016, local funds of \$67 million and provider revenues of \$1,136 for FY2017, and estimated local funds of \$66 million and provider revenues of \$1,227 for FY 2018. Public health and community and institutional care for mentally and developmentally disabled persons are partially reported in the Medicaid totals.

**Ohio:** Federal reimbursements for Medicaid expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Federal reimbursements for Medicaid expenditures from non-GRF sources are deposited into the appropriate federal fund. Expenditures of federal funds are contained in the General Fund number to be consistent with Ohio accounting practices and with other portrayals of Ohio’s general fund. This amounts to \$9,479.1 million in fiscal 2018. This will tend to make Ohio’s GRF expenditures look higher and conversely make Ohio’s federal expenditures look lower relative to most other states that don’t follow this practice.

**Rhode Island:** In last year’s report, CHIP was included in total Medicaid expenditures. This year, CHIP has been removed from all years of the survey and is instead reflected in the “All Other” total per the instructions.

**Tennessee:** Premium revenue: fiscal 2016 totals \$323 million, fiscal 2017 totals \$323 million, and fiscal 2018 totals \$323 million. Certified Public Expenditures – Local fund from Hospitals: fiscal 2016 totals \$211 million, fiscal 2017 totals \$200 million, and fiscal 2018 totals \$204 million. Nursing Home Tax: fiscal 2016 totals \$107 million, fiscal 2017 totals \$121 million, and fiscal 2018 totals \$121 million. ICF/MR 6 percent Gross Receipts Tax: fiscal 2016 totals \$11 million, fiscal 2017 totals \$11 million, and fiscal 2018 totals \$11 million. Intergovernmental Transfers: fiscal 2016 totals \$100 million, fiscal 2017 totals \$100 million, and fiscal 2018 totals \$100 million.

**Texas:** Medicaid figures in this survey submission reflect only programs which the non-federal share is state General Revenue. Medicaid supplemental payments (i.e. uncompensated care, delivery system reform incentive program), funded primarily through local intergovernmental transfers, are excluded from this survey.

**Vermont:** The breakdown of local funds, etc. included in Other State Funds is as follows for fiscal 2016 (in millions): provider tax \$152; employee assessment \$18; local match provided by schools \$22; tobacco litigation settlement funds \$30; other \$119. The breakdown is as follows for fiscal 2017: provider tax \$159; employee assessment \$19; local match provided by schools \$23; tobacco litigation settlement funds \$30, other \$131. The breakdown is as follows for estimated fiscal 2018: provider tax \$164; employee assessment \$20; local match provided by schools \$27; tobacco litigation settlement funds \$21, other \$149.

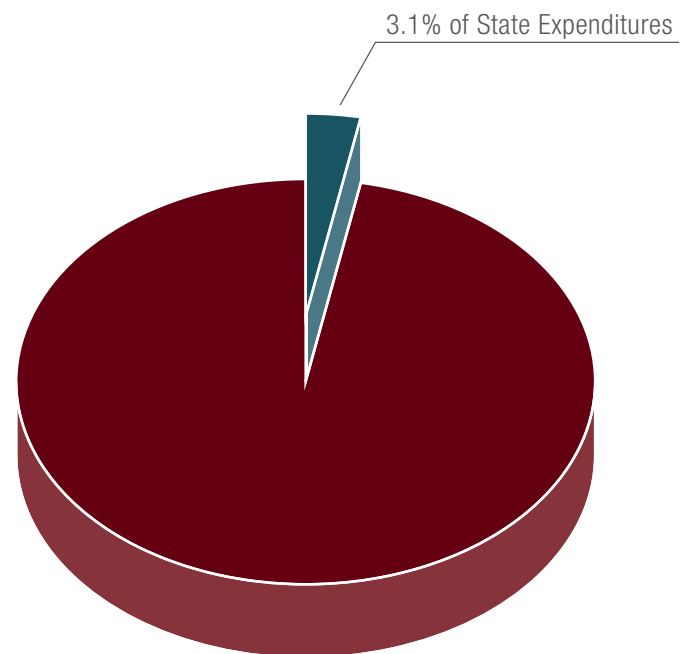
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CHAPTER



## CORRECTIONS EXPENDITURES

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## Corrections Expenditures

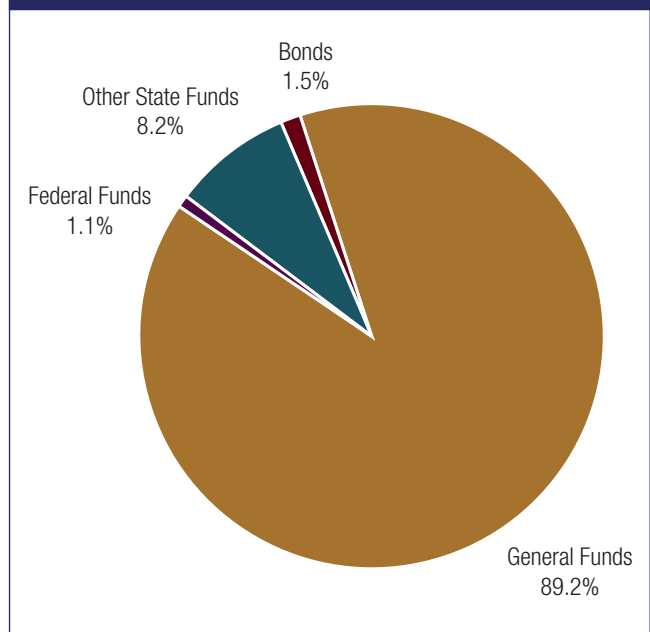
State spending on corrections reflects the costs to build and operate prison systems and may include spending on juvenile justice programs and alternatives to incarceration such as probation and parole. Total state spending on corrections in fiscal 2018 increased 4.6 percent over fiscal 2017, to \$62.5 billion, with a median growth rate of just 1.6 percent. This difference is mostly explained by Illinois and California. Excluding Illinois, where the timing of spending was affected by prior budget completion delays, and California, which had nearly 40 percent of all corrections spending increases, the remaining 48-state average is similar to the 1.6 percent median growth. State general funds comprised more than 89 percent of corrections spending in fiscal 2018. No other major area of state government spending is so heavily reliant upon the state general fund. General fund spending for corrections increased 4.4 percent in estimated 2018. In fiscal 2017, total state spending for corrections totaled \$59.8 billion, compared to \$57.6 billion in fiscal 2016, a 3.9 percent increase in total spending and a 3.6 percent increase for general fund spending.

The trendline for state prisoner populations continues to slowly decline. States held 10,108 fewer prisoners at yearend 2016 than in 2015, a decline of 0.8 percent, and over 77,000 fewer than in 2009 (Bureau of Justice Statistics). Thirty states had a decrease in their prison population in 2016. Even as the number of prisoners continues a gradual decrease, state spending on corrections has seen annual growth.

Higher state spending on corrections can be attributed to several factors. First, several states have included additional funds to raise the compensation for existing and new correctional officers in recent budgets, to improve the recruitment and retention of these vital security positions. As the economy improves and the job market tightens, states are having to increase salaries to attract applicants and retain employees. Second, states continue to invest in criminal justice reforms to reduce correctional populations and improve outcomes; these reforms include alternatives to incarceration, earning sentence credits for good behavior, parole reforms, and increased treatment to address mental health and substance abuse disorders.

While the number of prisoners is declining, states will not capture significant savings until the population is reduced enough to close a prison unit or facility, which decreases the number of

**FIGURE 15**  
**STATE EXPENDITURES FOR CORRECTIONS BY FUND SOURCE, ESTIMATED FISCAL 2018**



staff needed. The primary cost drivers in corrections are personnel costs, care and support for inmates including health care, contract costs for community-based programs, and maintenance of a large physical plant. Related to these cost drivers, the mix of prisoners is also changing, with an increasing number of inmates aged 55 or older. In 2011, the percentage of sentenced prisoners under the jurisdiction of states and the federal government in this age group was 7.9 percent; by 2016, that number had risen to 11.3 percent. Having a larger percentage of older inmates often translates to increased health care costs as well as necessary facility changes to accommodate an aging population.

In fiscal 2018, corrections spending represented 3.1 percent of total state spending and 6.8 percent of general fund spending. Corrections share of total general fund spending has not changed much over the last 20 years. State funds (general funds and other state funds combined, but excluding bonds) accounted for 97.4 percent of total state corrections spending in fiscal 2018. Federal funds accounted for 1.1 percent and bonds accounted for 1.5 percent.

Data on capital expenditures for corrections are displayed in Chapter Eight (Table 51).

**TABLE 31**  
**REGIONAL PERCENTAGE CHANGE IN STATE CORRECTIONS EXPENDITURES,**  
**FISCAL 2017 AND 2018**

Region	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	-0.3 %	0.0 %	1.4 %	3.2 %	-11.1 %	1.7 %
Mid-Atlantic	2.2	1.2	2.4	-1.1	11.9	-0.3
Great Lakes	6.0	-44.6	5.3	10.6	23.5	10.8
Plains	1.7	-20.0	1.3	1.6	15.0	1.9
Southeast	4.3	19.4	4.9	3.5	18.3	4.0
Southwest	-0.4	-10.0	-0.5	-1.1	11.1	-1.1
Rocky Mountain	-1.2	16.7	-1.1	4.4	71.4	16.5
Far West	5.6	14.0	6.3	7.2	5.7	6.5
<b>ALL STATES</b>	<b>3.5 %</b>	<b>1.8 %</b>	<b>3.9 %</b>	<b>4.2 %</b>	<b>15.5 %</b>	<b>4.6 %</b>

### Regional Expenditures

Table 31 shows changes in corrections expenditures by region between fiscal 2016 and fiscal 2017 and between fiscal 2017 and estimated fiscal 2018. In fiscal 2017, all regions except for the Southwest and Rocky Mountain experienced an increase in total corrections spending, while in fiscal 2018 it is estimated that the Mid-Atlantic and Southwest regions experienced a decline.

### Corrections — Expenditures Exclusions

Some states exclude certain items when reporting corrections expenditures. Twenty-one states wholly or partially excluded juvenile delinquency counseling from their corrections figures and 18 states wholly or partially excluded spending on juvenile institutions. Some states wholly or partially excluded spending, or do not provide state spending, on drug abuse rehabilitation centers (17), institutions for the criminally insane (36), and aid to local governments for jails (20). For details, see Table 36.

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

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$667	\$3	\$25	\$6	<b>\$701</b>	\$608	\$3	\$24	\$21	<b>\$656</b>	\$604	\$3	\$23	\$7	<b>\$637</b>
Maine	177	2	3	0	<b>182</b>	182	2	3	0	<b>187</b>	179	1	2	0	<b>182</b>
Massachusetts*	1,353	2	7	33	<b>1,395</b>	1,387	1	6	43	<b>1,437</b>	1,451	1	5	35	<b>1,492</b>
New Hampshire	107	0	5	5	<b>117</b>	109	0	5	28	<b>142</b>	115	0	5	14	<b>134</b>
Rhode Island	208	1	3	0	<b>212</b>	212	2	4	0	<b>218</b>	231	2	10	0	<b>243</b>
Vermont	142	1	7	0	<b>150</b>	148	1	7	0	<b>156</b>	147	1	8	0	<b>156</b>
<b>MID-ATLANTIC</b>															
Delaware	290	1	5	3	<b>299</b>	305	0	5	4	<b>314</b>	320	0	5	6	<b>331</b>
Maryland*	1,412	33	85	36	<b>1,566</b>	1,443	33	79	26	<b>1,581</b>	1,426	38	84	9	<b>1,557</b>
New Jersey	1,508	7	47	0	<b>1,562</b>	1,535	11	48	0	<b>1,594</b>	1,593	11	42	0	<b>1,646</b>
New York*	2,697	25	24	238	<b>2,984</b>	2,646	23	33	271	<b>2,973</b>	2,635	28	9	348	<b>3,020</b>
Pennsylvania	2,515	17	118	0	<b>2,650</b>	2,677	17	119	0	<b>2,813</b>	2,544	17	131	0	<b>2,692</b>
<b>GREAT LAKES</b>															
Illinois*	1,006	0	70	17	<b>1,093</b>	1,333	0	53	12	<b>1,398</b>	2,000	0	61	23	<b>2,084</b>
Indiana	744	3	49	0	<b>796</b>	744	3	59	0	<b>806</b>	755	3	56	0	<b>814</b>
Michigan*	2,037	77	54	0	<b>2,168</b>	2,114	40	48	0	<b>2,202</b>	2,133	49	56	1	<b>2,239</b>
Ohio*	1,819	10	68	70	<b>1,967</b>	1,880	7	61	77	<b>2,025</b>	1,940	11	60	83	<b>2,094</b>
Wisconsin	1,112	2	107	0	<b>1,221</b>	1,086	1	109	0	<b>1,196</b>	1,122	0	98	0	<b>1,220</b>
<b>PLAINS</b>															
Iowa	384	1	63	0	<b>448</b>	379	1	65	0	<b>445</b>	374	2	61	0	<b>437</b>
Kansas	347	8	24	4	<b>383</b>	347	5	20	5	<b>377</b>	370	4	27	5	<b>406</b>
Minnesota	529	3	15	13	<b>560</b>	567	3	12	4	<b>586</b>	585	5	14	4	<b>608</b>
Missouri	645	2	30	0	<b>677</b>	654	2	30	2	<b>688</b>	664	2	28	9	<b>703</b>
Nebraska	312	2	27	0	<b>341</b>	319	1	28	0	<b>348</b>	318	1	33	0	<b>352</b>
North Dakota	100	4	11	0	<b>115</b>	102	4	12	0	<b>118</b>	101	5	1	0	<b>107</b>
South Dakota	93	5	12	0	<b>110</b>	98	4	4	0	<b>106</b>	100	4	3	0	<b>107</b>
<b>SOUTHEAST</b>															
Alabama	478	25	94	0	<b>597</b>	497	26	91	0	<b>614</b>	567	27	120	0	<b>714</b>
Arkansas	443	0	77	0	<b>520</b>	433	0	76	0	<b>509</b>	456	0	57	0	<b>513</b>
Florida	2,553	56	111	0	<b>2,720</b>	2,622	59	115	0	<b>2,796</b>	2,730	90	140	0	<b>2,960</b>
Georgia*	1,558	13	47	44	<b>1,662</b>	1,678	12	86	67	<b>1,843</b>	1,722	8	14	89	<b>1,833</b>
Kentucky	594	13	43	0	<b>650</b>	626	11	45	0	<b>682</b>	640	9	40	0	<b>689</b>
Louisiana*	730	2	75	0	<b>807</b>	738	1	87	1	<b>827</b>	775	1	94	5	<b>875</b>
Mississippi	327	1	32	0	<b>360</b>	315	0	22	0	<b>337</b>	311	0	25	0	<b>336</b>
North Carolina	1,850	81	100	0	<b>2,031</b>	1,965	99	141	4	<b>2,209</b>	2,020	106	123	7	<b>2,256</b>
South Carolina	497	6	88	0	<b>591</b>	544	6	82	0	<b>632</b>	570	6	85	0	<b>661</b>
Tennessee	874	0	38	0	<b>912</b>	904	1	36	0	<b>941</b>	994	0	52	0	<b>1,046</b>
Virginia	1,264	14	71	17	<b>1,366</b>	1,295	37	72	24	<b>1,428</b>	1,345	51	66	26	<b>1,488</b>
West Virginia	195	0	6	0	<b>201</b>	191	0	11	0	<b>202</b>	157	0	9	0	<b>166</b>
<b>SOUTHWEST</b>															
Arizona	1,115	6	93	0	<b>1,214</b>	1,029	8	94	0	<b>1,131</b>	1,068	9	122	0	<b>1,199</b>
New Mexico	297	0	30	6	<b>333</b>	294	0	31	9	<b>334</b>	297	0	34	6	<b>337</b>
Oklahoma	376	2	185	0	<b>563</b>	425	1	150	0	<b>576</b>	487	1	95	0	<b>583</b>
Texas	3,620	22	119	5	<b>3,766</b>	3,662	18	127	1	<b>3,808</b>	3,510	20	134	1	<b>3,665</b>
<b>ROCKY MOUNTAIN</b>															
Colorado*	729	4	95	0	<b>828</b>	764	6	91	0	<b>861</b>	788	5	115	0	<b>908</b>
Idaho	241	3	36	0	<b>280</b>	252	3	42	0	<b>297</b>	265	3	40	0	<b>308</b>
Montana	199	1	14	0	<b>214</b>	200	1	13	0	<b>214</b>	199	10	16	0	<b>225</b>
Utah	453	4	1	0	<b>458</b>	384	4	8	0	<b>396</b>	394	6	21	220	<b>641</b>
Wyoming	131	0	9	0	<b>140</b>	124	0	7	0	<b>131</b>	123	0	7	0	<b>130</b>
<b>FAR WEST</b>															
Alaska	330	7	28	0	<b>365</b>	323	8	36	0	<b>367</b>	339	9	20	0	<b>368</b>
California	10,064	80	2,553	0	<b>12,696</b>	10,772	93	2,635	0	<b>13,500</b>	11,665	100	2,766	0	<b>14,531</b>
Hawaii	241	1	13	0	<b>255</b>	255	1	15	0	<b>271</b>	259	1	13	0	<b>273</b>
Nevada	253	1	30	10	<b>294</b>	266	2	36	13	<b>317</b>	290	1	44	19	<b>354</b>
Oregon	950	15	51	3	<b>1,019</b>	956	15	61	38	<b>1,070</b>	1,024	15	32	11	<b>1,082</b>
Washington	1,003	3	6	23	<b>1,035</b>	1,033	3	6	91	<b>1,133</b>	1,071	3	47	14	<b>1,135</b>
<b>TOTAL</b>	<b>\$51,569</b>	<b>\$569</b>	<b>\$4,904</b>	<b>\$533</b>	<b>\$57,574</b>	<b>\$53,422</b>	<b>\$579</b>	<b>\$5,050</b>	<b>\$741</b>	<b>\$59,792</b>	<b>\$55,773</b>	<b>\$669</b>	<b>\$5,153</b>	<b>\$942</b>	<b>\$62,537</b>
District of Columbia	222	0	18	6	246	225	0	21	2	248					

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	2.2 %	2.1 %	1.9 %
Maine	2.3	2.3	2.2
Massachusetts	2.6	2.6	2.6
New Hampshire	2.0	2.4	2.2
Rhode Island	2.5	2.5	2.5
Vermont	2.7	2.8	2.7
<b>MID-ATLANTIC</b>			
Delaware	2.9	2.9	3.0
Maryland	3.8	3.6	3.4
New Jersey	2.8	2.7	2.7
New York	2.0	1.9	1.8
Pennsylvania	3.5	3.5	3.3
<b>GREAT LAKES</b>			
Illinois	2.0	2.1	2.9
Indiana	2.6	2.5	2.4
Michigan	4.0	4.0	4.0
Ohio	2.9	3.0	3.0
Wisconsin	2.7	2.5	2.5
<b>PLAINS</b>			
Iowa	1.9	2.0	1.9
Kansas	2.5	2.4	2.5
Minnesota	1.5	1.6	1.5
Missouri	2.7	2.7	2.7
Nebraska	2.9	2.9	2.9
North Dakota	1.5	1.7	1.8
South Dakota	2.6	2.5	2.4
<b>SOUTHEAST</b>			
Alabama	2.3	2.3	2.7
Arkansas	2.2	2.0	2.0
Florida	3.8	3.7	3.5
Georgia	3.5	3.7	3.6
Kentucky	2.1	2.1	2.0
Louisiana	2.9	2.9	2.7
Mississippi	1.8	1.7	1.6
North Carolina	4.4	4.6	4.5
South Carolina	2.6	2.6	2.6
Tennessee	2.8	2.9	2.9
Virginia	2.8	2.8	2.9
West Virginia	1.2	1.2	1.0
<b>SOUTHWEST</b>			
Arizona	2.9	2.7	2.8
New Mexico	1.8	1.7	1.7
Oklahoma	2.5	2.5	2.6
Texas	3.4	3.4	3.3
<b>ROCKY MOUNTAIN</b>			
Colorado	2.3	2.4	2.5
Idaho	3.9	4.0	3.9
Montana	3.4	3.1	3.2
Utah	3.4	2.8	4.0
Wyoming	3.4	3.0	2.9
<b>FAR WEST</b>			
Alaska	3.6	3.8	3.3
California	5.1	5.2	5.0
Hawaii	1.8	1.8	1.8
Nevada	2.4	2.3	2.5
Oregon	2.7	2.7	2.7
Washington	2.5	2.5	2.5
<b>ALL STATES</b>	<b>3.1 %</b>	<b>3.1 %</b>	<b>3.1 %</b>

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	3.7 %	3.4 %	3.2 %
Maine	5.4	5.4	5.2
Massachusetts	4.9	4.9	5.0
New Hampshire	7.7	7.2	7.5
Rhode Island	5.9	5.8	6.0
Vermont	9.7	9.9	9.3
<b>MID-ATLANTIC</b>			
Delaware	7.4	7.4	7.8
Maryland	8.7	8.4	8.3
New Jersey	4.5	4.5	4.5
New York	4.0	3.9	3.8
Pennsylvania	8.3	8.4	8.0
<b>GREAT LAKES</b>			
Illinois	3.8	4.5	5.7
Indiana	4.9	4.7	4.7
Michigan	20.2	21.4	20.8
Ohio	5.4	5.5	6.1
Wisconsin	7.2	6.8	6.8
<b>PLAINS</b>			
Iowa	5.3	5.2	5.2
Kansas	5.7	5.5	5.5
Minnesota	2.6	2.7	2.6
Missouri	7.2	7.1	7.2
Nebraska	7.4	7.4	7.3
North Dakota	3.3	3.9	4.8
South Dakota	6.4	6.3	6.3
<b>SOUTHEAST</b>			
Alabama	6.0	6.0	7.0
Arkansas	8.6	8.2	8.5
Florida	8.9	8.7	8.7
Georgia	7.4	7.4	7.2
Kentucky	5.8	5.7	5.7
Louisiana	8.4	8.1	8.0
Mississippi	5.8	5.6	5.6
North Carolina	8.7	8.9	8.9
South Carolina	6.8	7.0	7.1
Tennessee	6.6	6.4	6.3
Virginia	6.4	6.4	6.4
West Virginia	4.6	4.5	4.8
<b>SOUTHWEST</b>			
Arizona	11.5	10.5	10.9
New Mexico	4.8	4.8	4.8
Oklahoma	7.2	8.4	8.3
Texas	6.7	6.8	6.3
<b>ROCKY MOUNTAIN</b>			
Colorado	7.0	7.3	7.0
Idaho	8.0	7.7	7.6
Montana	8.9	8.6	8.9
Utah	7.3	6.1	6.0
Wyoming	7.0	8.1	8.0
<b>FAR WEST</b>			
Alaska	6.0	7.2	7.5
California	8.8	9.0	9.2
Hawaii	3.5	3.4	3.3
Nevada	7.0	6.7	7.2
Oregon	10.6	10.7	10.1
Washington	5.5	5.3	5.2
<b>ALL STATES</b>	<b>6.7 %</b>	<b>6.7 %</b>	<b>6.8 %</b>

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	-8.7 %	0.0 %	-6.4 %	-0.8 %	0.0 %	-2.9 %
Maine	2.8	0.0	2.7	-2.2	-50.0	-2.7
Massachusetts	2.4	-50.0	3.0	4.5	0.0	3.8
New Hampshire	1.8	---	21.4	5.3	---	-5.6
Rhode Island	2.4	100.0	2.8	11.6	0.0	11.5
Vermont	4.0	0.0	4.0	0.0	0.0	0.0
<b>MID-ATLANTIC</b>						
Delaware	5.1	-100.0	5.0	4.8	---	5.4
Maryland	1.7	0.0	1.0	-0.8	15.2	-1.5
New Jersey	1.8	57.1	2.0	3.3	0.0	3.3
New York	-1.5	-8.0	-0.4	-1.3	21.7	1.6
Pennsylvania	6.2	0.0	6.2	-4.3	0.0	-4.3
<b>GREAT LAKES</b>						
Illinois	28.8	---	27.9	48.7	---	49.1
Indiana	1.3	0.0	1.3	1.0	0.0	1.0
Michigan	3.4	-48.1	1.6	1.2	22.5	1.7
Ohio	2.9	-30.0	2.9	3.0	57.1	3.4
Wisconsin	-2.0	-50.0	-2.0	2.1	-100.0	2.0
<b>PLAINS</b>						
Iowa	-0.7	0.0	-0.7	-2.0	100.0	-1.8
Kansas	-1.1	-37.5	-1.6	8.2	-20.0	7.7
Minnesota	6.4	0.0	4.6	3.5	66.7	3.8
Missouri	1.3	0.0	1.6	1.2	0.0	2.2
Nebraska	2.4	-50.0	2.1	1.2	0.0	1.1
North Dakota	2.7	0.0	2.6	-10.5	25.0	-9.3
South Dakota	-2.9	-20.0	-3.6	1.0	0.0	0.9
<b>SOUTHEAST</b>						
Alabama	2.8	4.0	2.8	16.8	3.8	16.3
Arkansas	-2.1	---	-2.1	0.8	---	0.8
Florida	2.7	5.4	2.8	4.9	52.5	5.9
Georgia	9.9	-7.7	10.9	-1.6	-33.3	-0.5
Kentucky	5.3	-15.4	4.9	1.3	-18.2	1.0
Louisiana	2.5	-50.0	2.5	5.3	0.0	5.8
Mississippi	-6.1	-100.0	-6.4	-0.3	---	-0.3
North Carolina	8.0	22.2	8.8	1.8	7.1	2.1
South Carolina	7.0	0.0	6.9	4.6	0.0	4.6
Tennessee	3.1	---	3.2	11.3	-100.0	11.2
Virginia	2.4	164.3	4.5	3.2	37.8	4.2
West Virginia	0.5	---	0.5	-17.8	---	-17.8
<b>SOUTHWEST</b>						
Arizona	-7.0	33.3	-6.8	6.0	12.5	6.0
New Mexico	-0.6	---	0.3	1.8	---	0.9
Oklahoma	2.5	-50.0	2.3	1.2	0.0	1.2
Texas	1.3	-18.2	1.1	-3.8	11.1	-3.8
<b>ROCKY MOUNTAIN</b>						
Colorado	3.8	50.0	4.0	5.6	-16.7	5.5
Idaho	6.1	0.0	6.1	3.7	0.0	3.7
Montana	0.0	0.0	0.0	0.9	900.0	5.1
Utah	-13.7	0.0	-13.5	5.9	50.0	61.9
Wyoming	-6.4	---	-6.4	-0.8	---	-0.8
<b>FAR WEST</b>						
Alaska	0.3	14.3	0.5	0.0	12.5	0.3
California	6.3	16.1	6.3	7.6	7.8	7.6
Hawaii	6.3	0.0	6.3	0.7	0.0	0.7
Nevada	6.7	100.0	7.8	10.6	-50.0	11.7
Oregon	1.6	0.0	5.0	3.8	0.0	1.1
Washington	3.0	0.0	9.5	7.6	0.0	0.2
<b>ALL STATES</b>	<b>3.5 %</b>	<b>1.8 %</b>	<b>3.9 %</b>	<b>4.2 %</b>	<b>15.5 %</b>	<b>4.6 %</b>
<b>MEDIAN</b>	<b>2.4</b>	<b>0.0</b>	<b>2.7</b>	<b>1.8</b>	<b>0.0</b>	<b>1.6</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded).  
Source: National Association of State Budget Officers, 2018 State Expenditure Report



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

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Juvenile Delinquency Counseling	Juvenile Institutions	Aid to Local Govts. for Jails	Drug Abuse Rehab. Centers	Institutions for the Criminally Insane
<b>NEW ENGLAND</b>							
Connecticut	X	X	P	P	X	P	X
Maine							N/A
Massachusetts*	X	X				P	
New Hampshire			X	X	X		
Rhode Island			X	X	X		X
Vermont			X	X	X		X
<b>MID-ATLANTIC</b>							
Delaware					X		
Maryland						X	X
New Jersey							X
New York*	P	P	P	X	X		X
Pennsylvania							
<b>GREAT LAKES</b>							
Illinois*	X	X					X
Indiana					P	P	X
Michigan*			P				X
Ohio*						P	X
Wisconsin							
<b>PLAINS</b>							
Iowa				X			
Kansas							
Minnesota			P		X	P	X
Missouri	X	X	X	X		P	X
Nebraska					N/A		
North Dakota							X
South Dakota					X		X
<b>SOUTHEAST</b>							
Alabama					X		X
Arkansas			X	X			X
Florida					X	P	X
Georgia*						P	X
Kentucky							X
Louisiana*							
Mississippi			X	X			X
North Carolina							
South Carolina					X	X	X
Tennessee			X	X			P
Virginia							
West Virginia		X	X	X	X	X	X
<b>SOUTHWEST</b>							
Arizona			X	X	X		X
New Mexico			X	X	X		
Oklahoma			X	X		X	X
Texas	P	P					X
<b>ROCKY MOUNTAIN</b>							
Colorado*			X	P			P
Idaho						P	X
Montana						P	X
Utah			X			X	N/A
Wyoming							
<b>FAR WEST</b>							
Alaska			P			X	X
California							X
Hawaii	P	P	X	X	N/A		X
Nevada			X	X	X		X
Oregon	P	P	P	P	P	P	P
Washington					N/A		
<b>ALL STATES</b>	<b>8</b>	<b>9</b>	<b>21</b>	<b>18</b>	<b>20</b>	<b>17</b>	<b>36</b>
District of Columbia					N/A	P	N/A

Excluded=X Partially Excluded=P Not Applicable=N/A

Source: National Association of State Budget Officers, 2018 State Expenditure Report

## Corrections Notes

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

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

**Georgia:** An adjustment was made to “Drug abuse rehabilitation programs.” The state funds some services in the Corrections chapter and additional services in other chapters. An adjustment was made to “Institutions for the criminally insane.” The Department of Behavioral Health and Developmental Disabilities operates forensic units that house individuals found not guilty by reason of insanity or individuals that are trying to regain competency to stand trial, but Corrections departments do not operate such institutions.

**Illinois:** FY16/FY17 restated to include Budget Stabilization Fund as GF. Department of Juvenile Justice included in Corrections.

**Louisiana:** Funding is provided to local governments for housing state offenders in local jails.

**Maryland:** FY 2016 GFs revised from \$1,411 to \$1,412 and FY 2016 SFs revised from \$90 to \$85. These corrections are due to clerical errors.

**Massachusetts:** Figures for FY16-FY18 are re-stated to better align with the NASBO category definitions. Certain items that were previously counted (i.e. interfund transfers, bond refundings, certain administrative items) are now excluded.

**Michigan:** Totals include adult inmate and juvenile justice program expenditures.

**New York:** Prior years surveys included spending from the Division of Criminal Justice Services (DCJS). Based upon the provided definition of Corrections expenditures, we have determined these costs should be excluded, as such, this year's survey no longer includes DCJS spending in the reported 2016, 2017 and 2018 totals for Corrections expenditures.

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



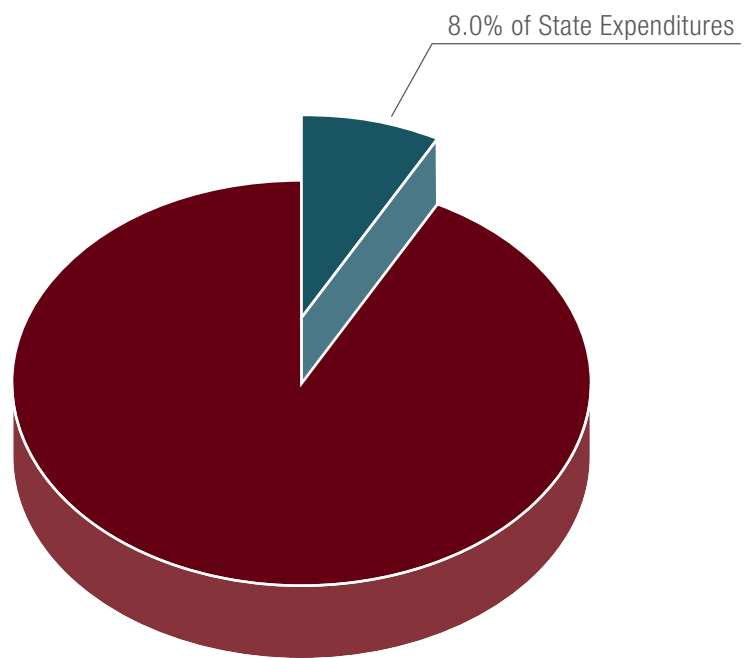
# 6

CHAPTER



## TRANSPORTATION EXPENDITURES

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## Transportation Expenditures

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Transportation expenditures totaled \$162.1 billion in estimated fiscal 2018, 8.0 percent of total state spending and an increase of 6.5 percent over the previous year. State funds (general funds and other state funds combined, excluding bonds) for transportation increased 8.8 percent in fiscal 2018, while federal funds rose 6.3 percent. Median growth levels for fiscal 2018 were state funds (3.3 percent), federal funds (3.9 percent), and all funds (2.3 percent). In fiscal 2017, total state expenditures for transportation grew 2.1 percent. State funds increased 3.9 percent, while federal funds declined 2.6 percent.

State governments contributed 70.9 percent of transportation expenditures in fiscal 2018, while federal dollars accounted for 29.1 percent. Approximately 61.2 percent of fiscal 2018 transportation expenditures are funded from earmarked revenues placed in special transportation funds, captured in the “Other State Funds” category in this report. The largest earmarked revenue source is states’ motor fuel excise taxes. States also contribute to transportation spending through both bonds (accounting for 6.4 percent of total transportation expenditures) and general funds (3.3 percent).

## Transportation Fund

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In this year’s State Expenditure Report, states for the first time were asked to detail transportation fund revenue sources, if their state has a transportation fund. Forty-six states reported having a separate transportation fund. All of the 46 states deposit some or all of motor fuel tax receipts into their transportation fund, 42 include vehicle license and registration fees and 24 include vehicle sales and use taxes. Motor fuel taxes represented the largest revenue source for transportation funds at 41.1 percent, followed by license and registration fees (19.4 percent), vehicle sales and use taxes (8.8 percent), tolls (1.5 percent), and all other (29.2 percent). Table A-5 in the Appendix shows transportation fund revenue sources totaled \$90.8 billion in fiscal 2016, \$96.7 billion in fiscal 2017, and \$103.6 billion in estimated fiscal 2018.

## State Transportation Financing Issues

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In recent year states have been responding to the diminishing buying power of fuel tax revenues resulting from more fuel-efficient vehicles. States are concerned that in the long term, the current structure of state and federal fuel tax revenue will not be

able to meet transportation needs as most gas taxes are set at fixed rates and do not rise with inflation, and the growth in vehicle miles traveled has leveled off. Over the past five years, over half of the states have taken actions to raise their fuel tax revenues. Many of the actions were the result of multi-year transportation plans and were combined with other revenue-raising actions. One of the more notable recent actions has been the institution of registration fees on electric and hybrid vehicles to ensure that all vehicles pay a share of transportation system costs. Thirty-two states have constitutional restrictions that dedicate transportation funds for transportation purposes.

The combination of state actions to raise revenue and the very limited changes in federal transportation resources has caused the state share of transportation spending to rise from 67.1 percent in 2010 to 70.9 percent in 2018.

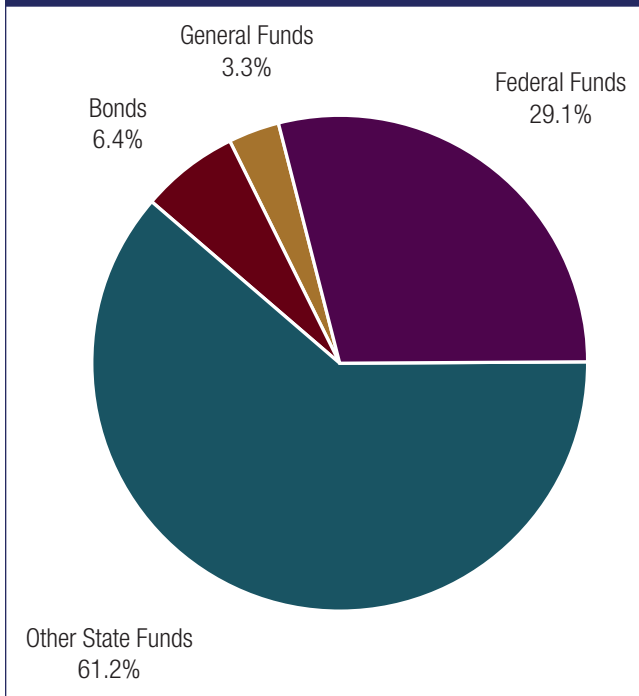
## Federal Transportation Funding

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On December 4, 2015, President Obama signed into law the *Fixing America’s Surface Transportation (FAST) Act*. The FAST Act marks the first federal transportation reauthorization since 2012. The legislation (P.L. 114-94) reauthorizes surface transportation spending for five years at a cost of approximately \$305 billion. The bill includes funding for highway and transit programs, including Amtrak, and is funded by the federal gas tax, which remains at 18.4 cents per gallon, and \$70 billion in offsets from other parts of the federal government.

Key provisions in the bill include: establishing a National Surface Transportation and Innovative Finance Bureau to help states with project delivery; streamlining the environmental review and permitting process; increasing dedicated bus funding by 89 percent over the reauthorization period; establishing a pilot program for communities to expand transit through the use of public-private partnerships; increasing the percentage of the National Priority Safety Program states can spend on traditional safety programs; creating a new formula grant program, the National Highway Freight Program, and a new competitive grant program, the Nationally Significant Freight and Highway Projects Program; converting the Surface Transportation Program to a block grant program; increasing the amount of Surface Transportation Program funding that is distributed to local governments from 50 percent to 55 percent; and requiring certain railroads to provide information on the identity, quantity, and location of crude oil movements to emergency responders.

**FIGURE 16**  
**STATE EXPENDITURES FOR TRANSPORTATION BY FUND SOURCE, ESTIMATED FISCAL 2018**



## Fund Shares

Figure 16 provides fund shares for estimated fiscal 2018.

## Regional Expenditures

Table 37 shows percentage changes in transportation expenditures by region between fiscal 2016 and fiscal 2017 and between fiscal 2017 and estimated fiscal 2018. In both years, most regions experienced growth in total spending on transportation.

## Transportation – Expenditure Exclusions

Forty-two states wholly or partially exclude state police and highway patrols from the transportation expenditures contained within the report. Additionally, 40 states wholly or partially exclude port authority operations, 18 states exclude truck enforcement regulation programs, 23 states omit motor vehicle licensing, and 13 states exclude gasoline tax and fee collections. For details, see Table 41.

**TABLE 37**  
**REGIONAL PERCENTAGE CHANGE IN STATE TRANSPORTATION EXPENDITURES, FISCAL 2017 AND 2018**

Region	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	5.0 %	-6.4 %	4.0 %	6.0 %	4.5 %	0.1 %
Mid-Atlantic	3.4	5.3	6.7	6.6	6.0	5.4
Great Lakes	2.4	0.2	2.0	0.5	10.1	0.5
Plains	-8.1	12.9	-4.7	3.0	-3.8	0.2
Southeast	9.1	-6.6	4.4	10.4	7.3	7.6
Southwest	-6.0	-8.8	-7.0	9.4	11.4	6.3
Rocky Mountain	5.7	4.5	5.2	5.6	1.7	11.2
Far West	11.4	-3.0	2.0	20.6	3.2	15.8
<b>ALL STATES</b>	<b>3.9 %</b>	<b>-2.6 %</b>	<b>2.1 %</b>	<b>8.8 %</b>	<b>6.3 %</b>	<b>6.5 %</b>

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

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$774	\$1,422	\$963	<b>\$3,159</b>	\$0	\$779	\$1,447	\$1,273	<b>\$3,499</b>	\$0	\$743	\$1,519	\$897	<b>\$3,159</b>
Maine	0	222	423	60	<b>705</b>	0	224	440	92	<b>756</b>	0	233	415	69	<b>717</b>
Massachusetts*	171	1,000	2,442	872	<b>4,485</b>	140	860	2,543	841	<b>4,384</b>	177	934	2,736	812	<b>4,659</b>
New Hampshire	1	267	196	5	<b>469</b>	1	247	269	14	<b>531</b>	1	236	313	8	<b>558</b>
Rhode Island	0	254	233	5	<b>492</b>	0	240	296	0	<b>536</b>	0	283	305	1	<b>589</b>
Vermont	0	284	256	1	<b>541</b>	0	272	266	0	<b>538</b>	0	311	259	0	<b>570</b>
<b>MID-ATLANTIC</b>															
Delaware	0	218	585	0	<b>803</b>	5	217	567	129	<b>918</b>	5	347	584	3	<b>939</b>
Maryland*	0	810	3,738	0	<b>4,548</b>	0	953	3,619	0	<b>4,572</b>	0	1,176	3,945	0	<b>5,121</b>
New Jersey	1,413	1,459	879	1,174	<b>4,925</b>	1,529	1,571	1,101	1,735	<b>5,936</b>	1,635	1,647	1,572	2,000	<b>6,854</b>
New York	130	1,830	6,295	1,180	<b>9,435</b>	107	2,095	6,748	1,559	<b>10,509</b>	118	1,688	6,899	1,340	<b>10,045</b>
Pennsylvania	2	2,278	5,801	350	<b>8,431</b>	2	2,108	5,800	175	<b>8,085</b>	2	2,500	5,999	175	<b>8,676</b>
<b>GREAT LAKES</b>															
Illinois	0	108	4,732	723	<b>5,563</b>	0	90	4,679	770	<b>5,539</b>	4	75	4,714	290	<b>5,083</b>
Indiana	242	936	714	0	<b>1,892</b>	571	931	776	0	<b>2,278</b>	47	1,010	1,034	0	<b>2,091</b>
Michigan*	400	1,245	1,967	8	<b>3,620</b>	9	1,256	2,414	7	<b>3,686</b>	205	1,340	2,564	4	<b>4,113</b>
Ohio*	11	1,411	1,694	340	<b>3,456</b>	11	1,465	1,534	338	<b>3,348</b>	15	1,382	1,408	391	<b>3,196</b>
Wisconsin	97	784	1,869	0	<b>2,750</b>	107	752	1,909	0	<b>2,768</b>	120	1,139	1,963	0	<b>3,222</b>
<b>PLAINS</b>															
Iowa	0	537	1,347	0	<b>1,884</b>	0	676	1,340	0	<b>2,016</b>	0	563	1,231	0	<b>1,794</b>
Kansas	10	277	530	178	<b>995</b>	10	479	413	195	<b>1,097</b>	10	350	481	211	<b>1,052</b>
Minnesota	135	335	2,186	404	<b>3,060</b>	140	265	2,487	263	<b>3,155</b>	162	537	2,790	134	<b>3,623</b>
Missouri	18	91	1,779	0	<b>1,888</b>	20	89	1,916	0	<b>2,025</b>	12	79	1,961	0	<b>2,052</b>
Nebraska	0	367	598	0	<b>965</b>	0	340	552	0	<b>892</b>	0	329	661	0	<b>990</b>
North Dakota	544	246	1,036	0	<b>1,826</b>	46	303	620	0	<b>969</b>	18	251	403	0	<b>672</b>
South Dakota	1	348	315	0	<b>664</b>	1	332	263	0	<b>596</b>	1	280	309	0	<b>590</b>
<b>SOUTHEAST</b>															
Alabama	0	882	638	220	<b>1,740</b>	0	834	605	314	<b>1,753</b>	0	746	560	340	<b>1,646</b>
Arkansas	1	553	878	0	<b>1,432</b>	1	650	1,079	0	<b>1,730</b>	1	734	942	0	<b>1,677</b>
Florida	0	2,536	5,827	379	<b>8,742</b>	3	2,281	6,418	398	<b>9,100</b>	0	2,804	7,775	275	<b>10,854</b>
Georgia*	1,270	1,641	415	186	<b>3,512</b>	1,612	1,438	454	115	<b>3,619</b>	1,927	1,593	90	110	<b>3,720</b>
Kentucky	6	883	1,908	0	<b>2,797</b>	13	900	1,502	0	<b>2,415</b>	13	816	1,509	0	<b>2,338</b>
Louisiana	38	831	577	171	<b>1,617</b>	3	745	621	129	<b>1,498</b>	13	724	585	91	<b>1,413</b>
Mississippi*	0	547	640	91	<b>1,278</b>	0	566	739	122	<b>1,427</b>	0	595	780	91	<b>1,466</b>
North Carolina	0	1,336	3,320	131	<b>4,787</b>	0	1,330	3,574	431	<b>5,335</b>	0	1,494	4,409	110	<b>6,013</b>
South Carolina	289	642	1,092	0	<b>2,023</b>	120	855	1,179	0	<b>2,154</b>	60	988	1,138	0	<b>2,186</b>
Tennessee*	0	859	795	0	<b>1,654</b>	0	874	854	0	<b>1,728</b>	0	996	1,080	0	<b>2,076</b>
Virginia	68	1,269	4,944	22	<b>6,303</b>	40	1,252	4,892	123	<b>6,307</b>	40	1,096	5,680	68	<b>6,884</b>
West Virginia	12	1,176	20	0	<b>1,208</b>	12	563	1,083	0	<b>1,658</b>	11	593	775	0	<b>1,379</b>
<b>SOUTHWEST</b>															
Arizona	0	817	2,186	373	<b>3,376</b>	0	645	2,207	402	<b>3,254</b>	2	693	2,278	250	<b>3,223</b>
New Mexico	0	689	462	9	<b>1,160</b>	0	748	453	11	<b>1,212</b>	48	776	484	30	<b>1,338</b>
Oklahoma	0	890	677	0	<b>1,567</b>	0	698	740	119	<b>1,557</b>	0	673	737	90	<b>1,500</b>
Texas*	226	4,832	6,236	1,405	<b>12,699</b>	276	4,498	5,519	1,170	<b>11,463</b>	310	5,196	6,198	814	<b>12,518</b>
<b>ROCKY MOUNTAIN</b>															
Colorado*	0	744	1,186	0	<b>1,930</b>	0	731	1,242	0	<b>1,973</b>	0	702	1,026	0	<b>1,728</b>
Idaho*	0	212	302	0	<b>514</b>	0	195	347	0	<b>542</b>	0	266	429	0	<b>695</b>
Montana	10	410	288	0	<b>708</b>	10	382	279	0	<b>671</b>	7	395	284	0	<b>686</b>
Utah	0	306	853	0	<b>1,159</b>	3	406	964	0	<b>1,373</b>	1	382	1,261	332	<b>1,976</b>
Wyoming	30	25	68	0	<b>123</b>	6	59	42	0	<b>107</b>	5	59	41	0	<b>105</b>
<b>FAR WEST</b>															
Alaska	308	1,122	201	7	<b>1,638</b>	275	1,216	262	0	<b>1,753</b>	208	1,081	302	0	<b>1,591</b>
California	262	4,787	7,572	1,355	<b>13,976</b>	203	4,816	7,953	427	<b>13,399</b>	232	5,203	11,002	401	<b>16,838</b>
Hawaii*	0	185	931	157	<b>1,273</b>	0	137	1,152	42	<b>1,331</b>	0	174	1,209	329	<b>1,712</b>
Nevada	0	451	283	65	<b>799</b>	0	369	406	180	<b>955</b>	0	368	567	333	<b>1,268</b>
Oregon	11	47	1,602	29	<b>1,689</b>	11	46	2,123	20	<b>2,200</b>	13	39	1,720	13	<b>1,785</b>
Washington	1	793	1,832	271	<b>2,897</b>	1	577	2,104	398	<b>3,080</b>	2	526	2,222	373	<b>3,123</b>
<b>TOTAL</b>	<b>\$5,707</b>	<b>\$45,546</b>	<b>\$86,770</b>	<b>\$11,134</b>	<b>\$149,157</b>	<b>\$5,288</b>	<b>\$44,355</b>	<b>\$90,792</b>	<b>\$11,792</b>	<b>\$152,227</b>	<b>\$5,425</b>	<b>\$47,145</b>	<b>\$99,148</b>	<b>\$10,385</b>	<b>\$162,103</b>
District of Columbia	330	132	219	204	<b>885</b>	317	210	250	195	<b>972</b>					

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	9.9 %	11.0 %	9.6 %
Maine	8.8	9.2	8.5
Massachusetts	8.2	7.9	8.0
New Hampshire	8.1	8.9	9.1
Rhode Island	5.7	6.1	6.2
Vermont	9.7	9.7	10.0
<b>MID-ATLANTIC</b>			
Delaware	7.8	8.6	8.7
Maryland	11.2	10.6	11.3
New Jersey	8.7	10.0	11.2
New York	6.3	6.7	6.1
Pennsylvania	11.0	10.1	10.5
<b>GREAT LAKES</b>			
Illinois	10.1	8.1	7.2
Indiana	6.1	7.1	6.2
Michigan	6.7	6.8	7.4
Ohio	5.1	4.9	4.6
Wisconsin	6.0	5.9	6.7
<b>PLAINS</b>			
Iowa	8.2	8.9	7.9
Kansas	6.6	7.0	6.4
Minnesota	8.1	8.4	8.7
Missouri	7.7	7.9	7.9
Nebraska	8.3	7.5	8.2
North Dakota	24.5	14.3	11.1
South Dakota	15.9	14.1	13.2
<b>SOUTHEAST</b>			
Alabama	6.7	6.6	6.2
Arkansas	6.0	6.9	6.6
Florida	12.1	11.9	12.8
Georgia	7.4	7.3	7.3
Kentucky	8.8	7.4	6.9
Louisiana	5.8	5.3	4.4
Mississippi	6.4	7.0	6.8
North Carolina	10.4	11.1	12.1
South Carolina	8.8	8.8	8.7
Tennessee	5.1	5.3	5.7
Virginia	12.8	12.5	13.2
West Virginia	7.5	9.7	8.3
<b>SOUTHWEST</b>			
Arizona	8.0	7.7	7.4
New Mexico	6.1	6.2	6.9
Oklahoma	6.9	6.7	6.6
Texas	11.5	10.3	11.2
<b>ROCKY MOUNTAIN</b>			
Colorado	5.3	5.4	4.7
Idaho	7.2	7.3	8.8
Montana	11.1	9.6	9.9
Utah	8.5	9.7	12.3
Wyoming	3.0	2.4	2.4
<b>FAR WEST</b>			
Alaska	16.3	18.0	14.4
California	5.6	5.1	5.8
Hawaii	9.2	9.1	11.3
Nevada	6.4	6.9	9.1
Oregon	4.5	5.5	4.4
Washington	6.9	6.9	6.8
<b>ALL STATES</b>	<b>8.0 %</b>	<b>7.8 %</b>	<b>8.0 %</b>

Source: National Association of State Budget Officers, 2018 State Expenditure Report



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

Region/State	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	1.8 %	0.6 %	10.8 %	5.0 %	-4.6 %	-9.7 %
Maine	4.0	0.9	7.2	-5.7	4.0	-5.2
Massachusetts	2.7	-14.0	-2.3	8.6	8.6	6.3
New Hampshire	37.1	-7.5	13.2	16.3	-4.5	5.1
Rhode Island	27.0	-5.5	8.9	3.0	17.9	9.9
Vermont	3.9	-4.2	-0.6	-2.6	14.3	5.9
<b>MID-ATLANTIC</b>						
Delaware	-2.2	-0.5	14.3	3.0	59.9	2.3
Maryland	-3.2	17.7	0.5	9.0	23.4	12.0
New Jersey	14.7	7.7	20.5	21.9	4.8	15.5
New York	6.7	14.5	11.4	2.4	-19.4	-4.4
Pennsylvania	0.0	-7.5	-4.1	3.4	18.6	7.3
<b>GREAT LAKES</b>						
Illinois	-1.1	-16.7	-0.4	0.8	-16.7	-8.2
Indiana	40.9	-0.5	20.4	-19.7	8.5	-8.2
Michigan	2.4	0.9	1.8	14.3	6.7	11.6
Ohio	-9.4	3.8	-3.1	-7.9	-5.7	-4.5
Wisconsin	2.5	-4.1	0.7	3.3	51.5	16.4
<b>PLAINS</b>						
Iowa	-0.5	25.9	7.0	-8.1	-16.7	-11.0
Kansas	-21.7	72.9	10.3	16.1	-26.9	-4.1
Minnesota	13.2	-20.9	3.1	12.4	102.6	14.8
Missouri	7.7	-2.2	7.3	1.9	-11.2	1.3
Nebraska	-7.7	-7.4	-7.6	19.7	-3.2	11.0
North Dakota	-57.8	23.2	-46.9	-36.8	-17.2	-30.7
South Dakota	-16.5	-4.6	-10.2	17.4	-15.7	-1.0
<b>SOUTHEAST</b>						
Alabama	-5.2	-5.4	0.7	-7.4	-10.6	-6.1
Arkansas	22.9	17.5	20.8	-12.7	12.9	-3.1
Florida	10.2	-10.1	4.1	21.1	22.9	19.3
Georgia*	22.6	-12.4	3.0	-2.4	10.8	2.8
Kentucky	-20.8	1.9	-13.7	0.5	-9.3	-3.2
Louisiana	1.5	-10.3	-7.4	-4.2	-2.8	-5.7
Mississippi	15.5	3.5	11.7	5.5	5.1	2.7
North Carolina	7.7	-0.4	11.4	23.4	12.3	12.7
South Carolina	-5.9	33.2	6.5	-7.8	15.6	1.5
Tennessee	7.4	1.7	4.5	26.5	14.0	20.1
Virginia	-1.6	-1.3	0.1	16.0	-12.5	9.1
West Virginia	3,321.9	-52.1	37.3	-28.2	5.3	-16.8
<b>SOUTHWEST</b>						
Arizona	1.0	-21.1	-3.6	3.3	7.4	-1.0
New Mexico	-1.9	8.6	4.5	17.4	3.7	10.4
Oklahoma	9.3	-21.6	-0.6	-0.4	-3.6	-3.7
Texas	-10.3	-6.9	-9.7	12.3	15.5	9.2
<b>ROCKY MOUNTAIN</b>						
Colorado	4.7	-1.7	2.2	-17.4	-4.0	-12.4
Idaho	14.9	-8.0	5.4	23.6	36.4	28.2
Montana	-3.0	-6.8	-5.2	0.7	3.4	2.2
Utah	13.4	32.7	18.5	30.5	-5.9	43.9
Wyoming	-51.0	136.0	-13.0	-4.2	0.0	-1.9
<b>FAR WEST</b>						
Alaska	5.5	8.4	7.0	-5.0	-11.1	-9.2
California	4.1	0.6	-4.1	37.7	8.0	25.7
Hawaii	23.7	-25.9	4.6	4.9	27.0	28.6
Nevada	43.5	-18.2	19.5	39.7	-0.3	32.8
Oregon	32.3	-2.1	30.3	-18.8	-15.2	-18.9
Washington	14.8	-27.2	6.3	5.7	-8.8	1.4
<b>ALL STATES</b>	<b>3.9 %</b>	<b>-2.6 %</b>	<b>2.1 %</b>	<b>8.8 %</b>	<b>6.3 %</b>	<b>6.5 %</b>
<b>MEDIAN</b>	<b>4.0</b>	<b>-1.9</b>	<b>4.3</b>	<b>3.3</b>	<b>3.9</b>	<b>2.3</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded). Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Employer Contributions to Pensions	Employer Contributions to Health Benefits	Port Authority Operations	Gasoline Tax & Fee Collections	Truck Enforcement Reg. Programs	Train/Railroad Subsidy Programs	Road Assist. Subsidy Prog. for Local Govts.	Motor Vehicle Licensing	State Police/Highway Patrol
<b>NEW ENGLAND</b>									
Connecticut			X	X	X			X	X
Maine					N/A			X	X
Massachusetts*	P	P	X	X					
New Hampshire								X	X
Rhode Island			X				X		X
Vermont			N/A						X
<b>MID-ATLANTIC</b>									
Delaware			X						
Maryland									X
New Jersey			X						X
New York	P	P	N/A	X					X
Pennsylvania			N/A	N/A					X
<b>GREAT LAKES</b>									
Illinois		P	X					X	P
Indiana			X		X			X	X
Michigan			N/A						X
Ohio*			X		X		P	X	X
Wisconsin			N/A						
<b>PLAINS</b>									
Iowa			X						X
Kansas			N/A		X			X	X
Minnesota			X						
Missouri				X			X	X	X
Nebraska			N/A	P		N/A	N/A		
North Dakota			X		X				X
South Dakota			X		X			X	X
<b>SOUTHEAST</b>									
Alabama			X		P	N/A		X	X
Arkansas			X			X		X	X
Florida			X	X	X			X	X
Georgia*			X		X			X	X
Kentucky			X						X
Louisiana			X		P	X		X	X
Mississippi*			X	X		X		X	X
North Carolina			X						X
South Carolina			X			X			X
Tennessee					X			X	X
Virginia									
West Virginia			P	X	X	N/A	N/A		X
<b>SOUTHWEST</b>									
Arizona									X
New Mexico			X		X	X	X	X	X
Oklahoma	X		X	P	X			X	X
Texas	X	X	X		P	P	P	P	X
<b>ROCKY MOUNTAIN</b>									
Colorado*			X	X	X	X	X	X	X
Idaho*							X		X
Montana			X						X
Utah						N/A	P	P	X
Wyoming									
<b>FAR WEST</b>									
Alaska			X	X		X	P		X
California			X						X
Hawaii*			N/A			N/A	N/A	N/A	N/A
Nevada			N/A	X	X	X		X	X
Oregon			X						X
Washington			N/A						
<b>ALL STATES</b>	<b>4</b>	<b>4</b>	<b>40</b>	<b>13</b>	<b>18</b>	<b>14</b>	<b>12</b>	<b>23</b>	<b>42</b>
District of Columbia			N/A					X	X

Excluded=X Partially Excluded=P Not Applicable=N/A

Source: National Association of State Budget Officers, 2018 State Expenditure Report

## Transportation Notes

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

**Colorado:** Port authority operations, gasoline tax and fee collections, and motor vehicle licensing are at Dept. of Revenue. State police/highway patrol is funded at the Dept. of Public Safety. SB18-001 transferred \$2.5 million to the SW Chief/Front Range Passenger Rail Fund to fund planning efforts for a Front Range Passenger Rail line in FY 2018-19.

**Georgia:** An adjustment was made to "Gasoline tax and fee collections." Gasoline tax and fee collections are "Included" in the Transportation chapter.

**Hawaii:** Transportation expenditures are expenditures from Airports, Harbors, Highways, and Administration.

**Idaho:** Transportation revenue provided to local entities is not included in Transportation expenditures. Transportation Capital Expenditures include Capital Construction and Right-of-Way and Capital Facilities.

**Maryland:** Includes federal funding for transportation and New Starts funding.

**Massachusetts:** Figures for FY16-FY18 are re-stated to better align with the NASBO category definitions. Certain items that were previously counted (i.e. interfund transfers, bond refundings, certain administrative items) are now excluded.

**Michigan:** FY 2017 restricted fund totals reflect partial year of increased fuel and registration revenues from road funding package. FY 2018 estimate reflects full year of increase. FY 2018 general fund estimated expenditures include \$175 million in accelerated funding for roads.

**Mississippi:** A correction was made to Bond Funds FY2016 actual for prior year survey: Transportation included waterway (port) projects that should have been excluded, resulting in an overstatement of bond expenditures for this category.

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

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

**Texas:** The figures provided for Transportation have been adjusted to match the current actuals creating the difference from the previous submissions due to the timing of the report.

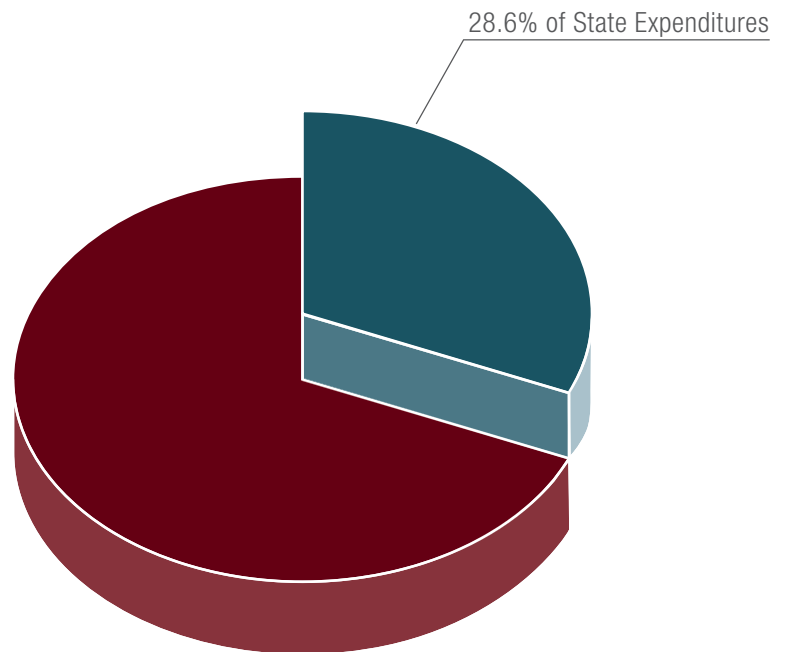
# 7

CHAPTER



## ALL OTHER EXPENDITURES

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## All Other Expenditures

The “All Other” category reflects a substantial amount of state spending not included in the categories described in previous chapters. It includes the bulk of state government agencies. “All Other” spending in states includes the Children’s Health Insurance Program (CHIP), care for the mentally ill and developmentally disabled, public health programs, child welfare and family services, constitutional officers, the legislative and judicial branches, some employer contributions to pensions and health benefits, economic development, state police, environmental protection, parks and recreation, other natural resources programs, unemployment insurance, housing, general aid to local governments, and debt service (a list of the items excluded from the “All Other” category is displayed in Table 46).

The “All Other” category of expenditures totaled \$575.5 billion for estimated fiscal 2018, or 28.3 percent of total state spending. The “All Other” category has decreased as a share of total state spending in recent years, peaking at 34.7 percent in fiscal 2010. Total spending in the “All Other” category increased by 5.0 percent in fiscal 2017 and by 2.2 percent in estimated fiscal 2018. The median growth rates for both years was more similar, however, with the median growth at 2.7 percent for fiscal 2017 and 2.1 percent for fiscal 2018. In fiscal 2017, state funds for “All Other” increased by 4.8 percent while federal funds increased 5.9 percent, and in estimated fiscal 2018 state funds increased 0.8 percent while federal funds rose 5.4 percent. One reason state funds for the “All Other” category rose more sharply in fiscal 2017 was that spending grew by over \$10 billion in Illinois following passage of a full-year budget for fiscal 2017, after not having a fully enacted budget in fiscal 2016.

## Children’s Health Insurance Program

Enacted as part of the *Balanced Budget Act of 1997*, the State Children’s Health Insurance Program (SCHIP) expanded health care coverage for previously uninsured children. The program was targeted toward children from families with incomes too high to qualify for Medicaid but too low to afford private insurance. The current Children’s Health Insurance Program (CHIP) provides health coverage to eligible children through both Medicaid and separate CHIP programs. The program is funded jointly by states and the federal government. According to the Centers for Medicare and Medicaid Services (CMS), approximately 9.4 million children were enrolled under CHIP in 2017. As shown in Appendix Table A-2, total spending for CHIP was \$12.9 billion in fiscal 2016, \$14.4 billion in fiscal 2017, and is estimated at \$16.3 billion in fiscal 2018.

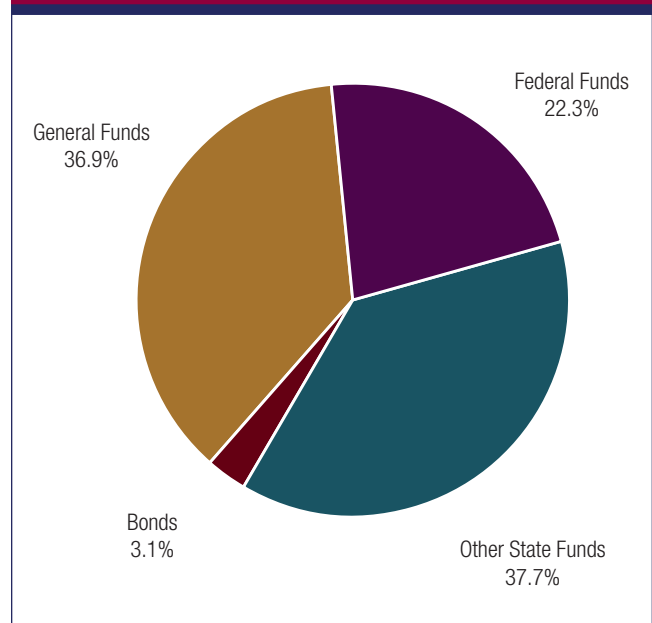
## Debt Service

As in years past, states included debt service in the “All Other” category of the State Expenditure Report. However, in this year’s report, states also separately detailed their debt service spending. As shown in Appendix Table A-4, states’ spending on debt service totaled \$57.6 billion in fiscal 2016, \$59.7 billion in fiscal 2017, and \$62.8 billion in estimated fiscal 2018. In estimated fiscal 2018, other state funds represented 55.1 percent of total state spending on debt service, while general funds comprised the remaining 44.9 percent. In fiscal years 2016, 2017, and 2018, debt service represented 4.6 percent of spending from state funds (general funds and other state funds combined, excluding bonds). Some states reflect no general fund spending for debt service because they earmark certain tax revenue streams to support bond repayments and direct those resources to state funds other than the general fund. Additionally, a few other states were unable to provide debt service data.

## Fund Shares

Figure 17 illustrates fund shares for estimated fiscal 2018. Other state funds comprised the largest percentage of the “All Other” category at 37.7 percent, with general funds representing 36.9 percent, federal funds 22.3 percent, and bonds 3.1 percent.

**FIGURE 17**  
**STATE EXPENDITURES FOR ALL OTHER PROGRAMS BY FUND SOURCE, ESTIMATED FISCAL 2018**



## Regional Expenditures

Table 42 shows percentage changes for “All Other” expenditures for fiscal 2016-2017 and 2017-2018 by region. Several regions saw declines in either state or federal funds in fiscal 2017 and estimated fiscal 2018.

**TABLE 42**  
**REGIONAL PERCENTAGE CHANGE IN STATE ALL OTHER EXPENDITURES,**  
**FISCAL 2017 AND 2018**

Region	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
New England	3.7 %	-3.2 %	1.8 %	2.8 %	6.4 %	4.0 %
Mid-Atlantic	2.0	16.4	5.2	0.6	2.4	1.3
Great Lakes	16.4	-4.7	12.9	-9.1	23.7	-4.4
Plains	-2.1	5.0	-0.4	5.8	-6.9	2.1
Southeast	1.6	2.1	1.8	8.3	12.1	8.8
Southwest	7.9	31.6	15.0	-10.0	-25.5	-15.1
Rocky Mountain	0.7	3.5	1.3	-7.9	0.3	-6.0
Far West	2.9	3.5	2.4	6.2	6.9	9.4
<b>ALL STATES</b>	<b>4.8 %</b>	<b>5.9 %</b>	<b>5.0 %</b>	<b>0.8 %</b>	<b>5.4 %</b>	<b>2.2 %</b>



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

Region/State	Fiscal 2016	Fiscal 2017	Fiscal 2018
<b>NEW ENGLAND</b>			
Connecticut	39.1 %	40.2 %	41.0 %
Maine	32.7	33.0	32.5
Massachusetts	44.2	44.6	43.8
New Hampshire	30.3	27.4	29.1
Rhode Island	33.3	32.1	33.4
Vermont	22.9	22.6	22.7
<b>MID-ATLANTIC</b>			
Delaware	41.4	41.2	39.9
Maryland	24.3	24.7	25.3
New Jersey	30.6	29.9	29.6
New York	30.5	30.5	30.3
Pennsylvania	27.0	28.0	25.4
<b>GREAT LAKES</b>			
Illinois	39.9	48.2	38.6
Indiana	19.3	18.4	22.2
Michigan	28.2	27.8	25.5
Ohio	32.3	31.9	32.0
Wisconsin	40.6	40.1	39.5
<b>PLAINS</b>			
Iowa	25.3	24.5	24.0
Kansas	21.5	21.6	21.5
Minnesota	30.0	29.0	29.4
Missouri	24.0	23.3	22.8
Nebraska	33.2	33.6	33.3
North Dakota	26.0	32.3	24.1
South Dakota	25.9	27.0	26.1
<b>SOUTHEAST</b>			
Alabama	24.8	24.6	22.4
Arkansas	33.5	32.1	32.3
Florida	23.2	23.0	24.7
Georgia	24.9	25.6	25.3
Kentucky	20.3	20.1	19.2
Louisiana	33.0	28.1	32.4
Mississippi	25.1	26.6	28.9
North Carolina	18.9	18.8	19.6
South Carolina	22.2	21.9	23.1
Tennessee	26.2	25.5	27.4
Virginia	36.2	35.9	35.4
West Virginia	41.3	39.2	41.8
<b>SOUTHWEST</b>			
Arizona	31.4	30.3	28.4
New Mexico	28.5	29.6	28.8
Oklahoma	25.9	27.9	25.9
Texas	11.2	15.7	11.0
<b>ROCKY MOUNTAIN</b>			
Colorado	25.6	25.3	21.5
Idaho	26.8	26.2	24.4
Montana	38.3	36.7	35.7
Utah	29.6	28.3	26.2
Wyoming	50.5	52.6	52.4
<b>FAR WEST</b>			
Alaska	37.1	31.1	37.2
California	24.8	23.9	25.1
Hawaii	48.4	51.7	49.9
Nevada	42.1	43.5	36.4
Oregon	54.3	52.7	53.6
Washington	25.7	25.3	23.8
<b>ALL STATES</b>	<b>28.7 %</b>	<b>29.0 %</b>	<b>28.3 %</b>

Source: National Association of State Budget Officers, 2016 State Expenditure Report



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

Region/State	Fiscal 2016 to 2017			Fiscal 2017 to 2018		
	State Funds	Federal Funds	All Funds	State Funds	Federal Funds	All Funds
<b>NEW ENGLAND</b>						
Connecticut	4.2 %	9.0 %	2.4 %	2.7 %	0.0 %	5.3 %
Maine	3.9	1.0	3.3	2.3	-10.0	0.7
Massachusetts	4.3	-10.1	2.6	1.8	9.9	2.5
New Hampshire	-7.9	-6.5	-7.2	5.8	21.7	9.7
Rhode Island	-0.7	2.7	-1.3	13.1	12.2	12.7
Vermont	7.3	-4.0	-1.3	5.2	-3.2	2.5
<b>MID-ATLANTIC</b>						
Delaware	9.3	15.7	3.8	-1.1	-5.2	-1.6
Maryland	10.8	5.0	7.9	9.4	-12.9	6.8
New Jersey	-0.5	19.9	2.8	3.9	10.1	2.5
New York	-0.1	16.4	3.9	-0.4	14.7	3.8
Pennsylvania	3.7	20.0	9.0	-3.9	-15.1	-7.1
<b>GREAT LAKES</b>						
Illinois	54.9	-8.4	49.6	-18.6	23.3	-16.5
Indiana	-2.6	-1.9	-2.4	6.9	83.7	27.2
Michigan	3.4	-9.0	-1.1	-24.0	28.0	-6.6
Ohio	0.1	-0.3	0.1	2.3	2.6	2.2
Wisconsin	1.2	2.4	1.3	1.3	0.0	1.1
<b>PLAINS</b>						
Iowa	-15.1	17.8	-5.1	1.8	-7.9	-1.9
Kansas	12.1	-17.7	3.4	2.0	19.4	4.6
Minnesota	-6.1	3.2	-4.1	19.1	-4.1	12.0
Missouri	-0.9	2.9	0.9	-1.0	0.1	-0.3
Nebraska	1.5	10.0	3.4	10.1	-26.0	1.5
North Dakota	16.8	-1.9	13.2	-28.0	-62.9	-33.8
South Dakota	5.2	6.2	5.5	0.2	5.2	2.0
<b>SOUTHEAST</b>						
Alabama	1.2	2.3	2.1	-12.0	-7.6	-9.1
Arkansas	0.7	-5.8	0.1	2.7	-0.9	1.8
Florida	7.4	2.3	4.4	32.9	7.0	19.7
Georgia*	6.9	9.4	7.2	6.9	-12.8	2.4
Kentucky	4.4	-1.8	2.4	2.3	-7.6	-0.7
Louisiana	-14.7	-0.3	-12.8	14.6	85.8	31.8
Mississippi	-7.2	3.9	8.4	10.3	55.2	15.2
North Carolina	6.2	0.9	4.2	9.8	3.7	7.5
South Carolina	4.8	7.0	5.4	4.6	15.7	7.8
Tennessee	5.2	-2.5	-1.1	17.5	19.7	18.4
Virginia	1.5	3.8	1.6	2.1	3.9	2.1
West Virginia	-0.2	1.6	-0.2	2.3	62.7	4.0
<b>SOUTHWEST</b>						
Arizona	-1.3	-11.4	-3.7	-6.6	6.6	-3.4
New Mexico	3.7	7.5	6.9	0.2	-4.3	-3.7
Oklahoma	30.2	-20.2	10.4	-25.4	26.1	-9.6
Texas	10.1	1,137.0	40.6	-10.1	-92.5	-29.5
<b>ROCKY MOUNTAIN</b>						
Colorado	-1.9	2.3	-1.5	-15.8	0.5	-14.1
Idaho	5.6	-1.2	2.1	15.1	-17.9	-1.0
Montana	5.2	2.3	4.3	-0.9	-5.9	-2.6
Utah	-1.0	1.8	-0.2	-2.1	22.0	4.6
Wyoming	9.6	21.8	12.3	0.5	-3.0	-0.4
<b>FAR WEST</b>						
Alaska	-24.6	6.4	-18.5	46.4	5.0	35.7
California	-1.6	6.7	0.2	12.4	8.3	16.3
Hawaii	18.0	18.5	13.3	-2.6	5.6	-0.1
Nevada	17.5	8.2	15.7	-13.9	-27.9	-16.1
Oregon	9.4	-23.4	4.4	0.5	23.2	3.1
Washington	6.1	8.1	5.4	-5.7	-1.7	-3.7
<b>ALL STATES</b>	<b>4.8 %</b>	<b>5.9 %</b>	<b>5.0 %</b>	<b>0.8 %</b>	<b>5.4 %</b>	<b>2.2 %</b>
<b>MEDIAN</b>	<b>3.8</b>	<b>2.3</b>	<b>2.7</b>	<b>2.1</b>	<b>3.1</b>	<b>2.1</b>

Notes: State funds are defined as general funds and other state funds (bonds are excluded). Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Employers Contribution to Pensions	Employer Contributions to Health Benefits	Child Health Insurance Program	Public Health	Community and Institutional for Mental Health	Community and Institutional for Dev. Disabled	Environmental Programs	Parks and Recreation	Housing	General Aid to Local Government
<b>NEW ENGLAND</b>										
Connecticut					P	P				
Maine										
Massachusetts*										
New Hampshire										
Rhode Island*									P	
Vermont				P	P	P				
<b>MID-ATLANTIC</b>										
Delaware										
Maryland										
New Jersey										
New York	P	P								
Pennsylvania										
<b>GREAT LAKES</b>										
Illinois										P
Indiana										
Michigan*				N/A	N/A	N/A				
Ohio*			X						P	
Wisconsin										
<b>PLAINS</b>										
Iowa									P	
Kansas									N/A	
Minnesota										
Missouri									X	
Nebraska									P	
North Dakota										
South Dakota										X
<b>SOUTHEAST</b>										
Alabama									N/A	X
Arkansas										
Florida										
Georgia										
Kentucky										
Louisiana									X	
Mississippi									X	
North Carolina										
South Carolina										
Tennessee										X
Virginia										
West Virginia										
<b>SOUTHWEST</b>										
Arizona			X		X					
New Mexico										
Oklahoma									P	P
Texas				X		X		N/A	P	
<b>ROCKY MOUNTAIN</b>										
Colorado*										
Idaho			X						N/A	X
Montana										
Utah										
Wyoming										
<b>FAR WEST</b>										
Alaska										
California										
Hawaii	P	P								
Nevada			N/A							
Oregon										
Washington										X
<b>ALL STATES</b>	<b>2</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>0</b>	<b>1</b>	<b>12</b>	<b>7</b>
District of Columbia										N/A

Excluded=X Partially Excluded=P Not Applicable=N/A  
Source: National Association of State Budget Officers, 2018 State Expenditure Report

## All Other Expenditures Notes

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

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

**Georgia:** Capital expenditures for debt service are included under All Other State Expenditures.

**Idaho:** All Other Capital Expenditures includes all expenditures from the Capital Budget (Permanent Building Fund). Repairs and improvements to existing facilities, as well as the construction of new facilities, are mainly funded here. The expenditures from this budget for higher education, correction, and other facilities cannot be separated.

**Massachusetts:** Figures for FY16-FY18 are re-stated to better align with the NASBO category definitions. Certain items that were previously counted (i.e. interfund transfers, bond refundings, certain administrative items) are now excluded.

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

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

**Rhode Island:** In last year’s report, CHIP was included in total Medicaid expenditures. This year, CHIP has been removed from all years of the survey and is instead reflected in the “All Other” total per the instructions.

# 8

CHAPTER



## CAPITAL EXPENDITURES

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## Capital Expenditures

Capital expenditures are made for new construction, infrastructure, major repairs and improvements, land purchases and the acquisition of major equipment and existing structures. Minor repairs and routine maintenance are reported as operating expenses. The nature of capital spending often includes multi-year construction timetables and unforeseen or delayed project costs, which explains why state specific spending on capital projects can fluctuate from year to year. For greater detail on states' capital spending practices, see NASBO's report *Capital Budgeting in the States*, available at [www.nasbo.org](http://www.nasbo.org). The report contains information on defining capital and maintenance expenditures, the organization of the capital budget, capital budget development and execution, capital financing and debt management, and capital asset management.

The following chapter details capital expenditures for elementary and secondary education, higher education, corrections, transportation, environmental projects, housing, and "all other". Tables 47-55 display capital expenditure data.

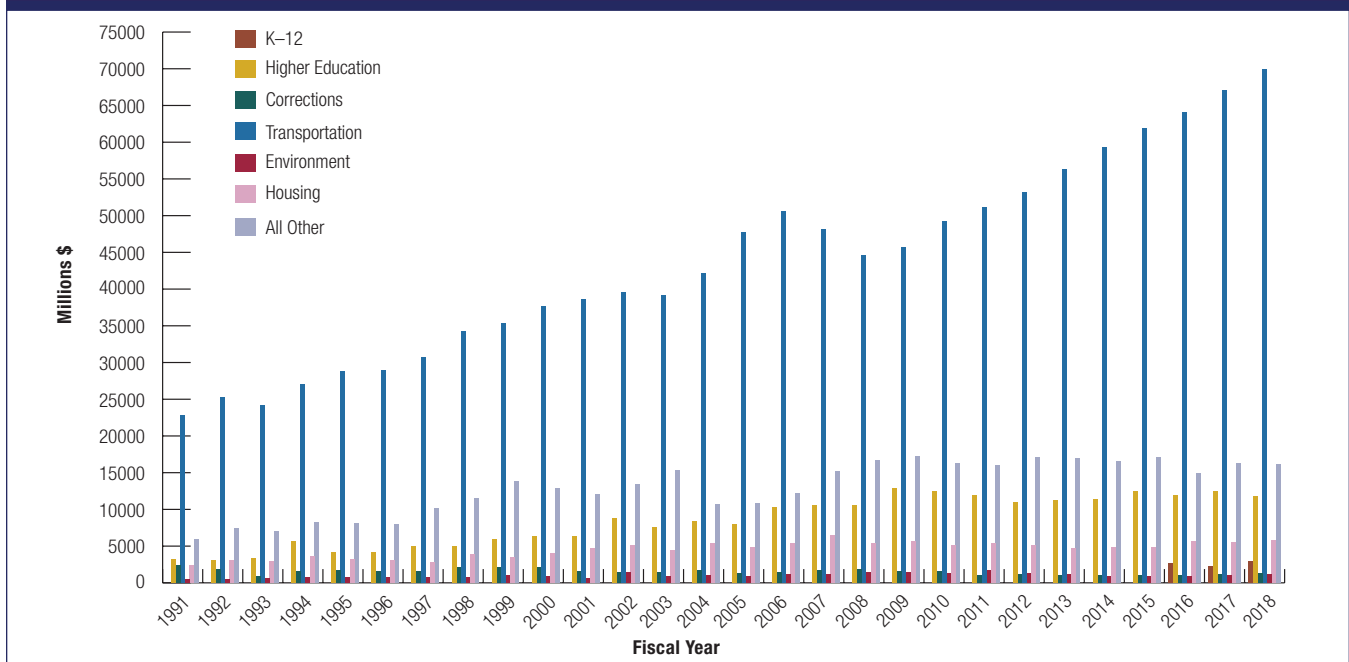
## Total Capital Expenditures

States increased capital spending by an estimated 3.1 percent in estimated fiscal 2018, 5.0 percent in fiscal 2017 and 2.6 percent in fiscal 2016. While capital spending can fluctuate from year-to-year, the historical average level of growth since 1991 is 4.1 percent. Overall, state capital spending totaled \$100.7 billion in fiscal 2016, \$105.7 billion in fiscal 2017, and is estimated to total \$109.0 billion in fiscal 2018.

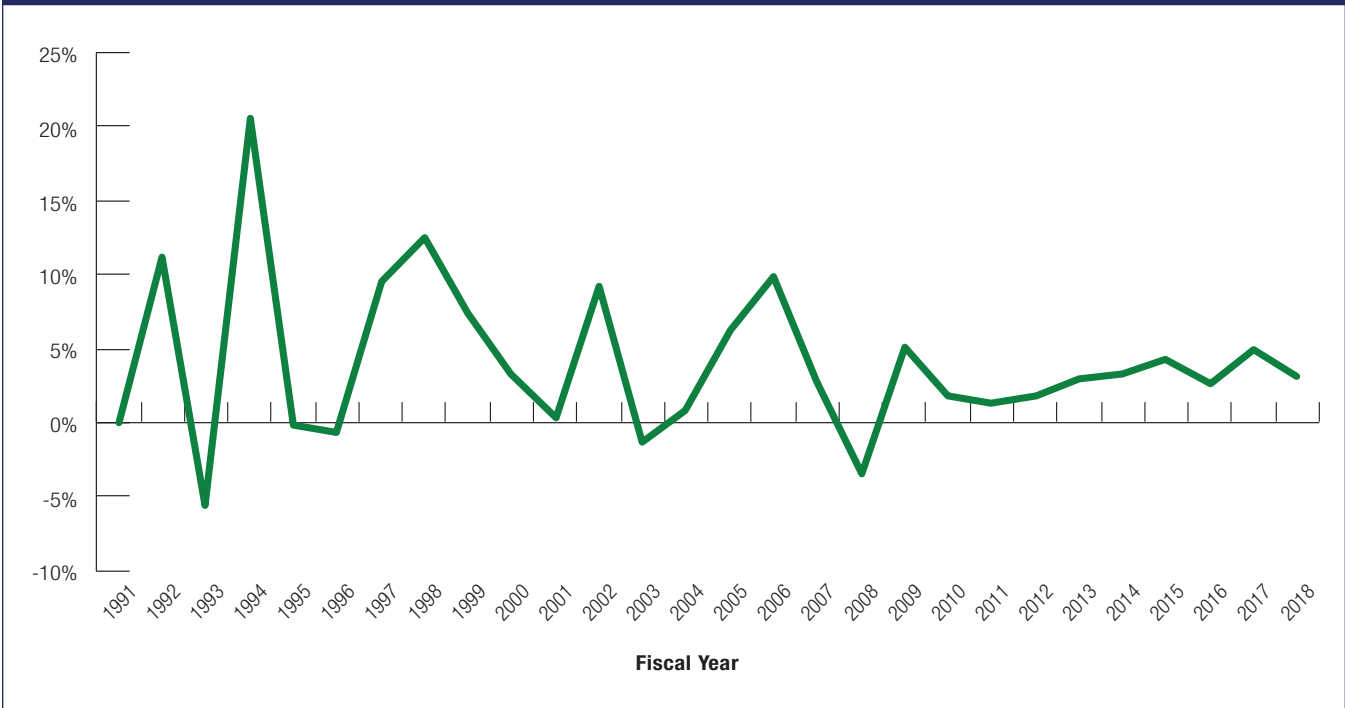
## Capital Fund Sources

Approximately 73 percent of state spending on capital projects is on a pay-go, or cash basis. The other 27 percent is from debt financing. States primarily use dedicated sources like the transportation fund, higher education tuition and fees, set-aside funding for capital projects, federal funds, and fund surpluses to finance capital spending. State cash sources represent 45.6 percent of capital spending in fiscal 2018, federal funds are 27.9 percent, and bonds are 26.5 percent. Most of federal funds spent for capital purposes is for transportation (93.7 percent in fiscal 2018).

**FIGURE 18:**  
**CAPITAL EXPENDITURES BY TYPE, FISCAL 1991 TO 2018**



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



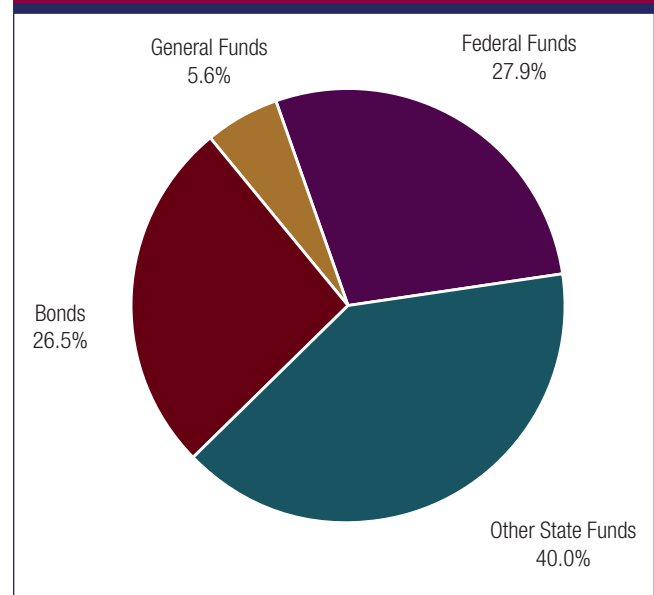
**Capital Funds by Use**

Comprising 64.1 percent (\$69.9 billion) of all capital expenditures in fiscal 2018, **transportation** is the largest category of state capital expenditures, rising from 54.1 percent in fiscal 2009. Capital spending for transportation increased by 4.1 percent in fiscal 2018, and by 4.7 percent in fiscal 2017. Since 2010, transportation capital spending has increased by an annual average of 4.9 percent, reflecting states’ efforts at addressing both the maintenance and expansion of its transportation systems.

For the first time in the State Expenditure report, states were asked to isolate capital expenditures for **elementary and secondary education**. States vary greatly in the extent that they provide capital funds for elementary and secondary information, with 22 states either fully or partially excluding capital expenditures from K-12 spending. In many states, funding provided for schools includes amounts eligible for local capital spending or debt service participation subsidies for local school bonds. In fiscal 2018, elementary and secondary education capital spending is estimated to represent 2.7 percent of overall capital spending.

**Higher education** capital expenditures are estimated to decline by 4.8 percent in fiscal 2018, totaling \$11.8 billion, and account for 10.8 percent of total state capital outlays. Higher education is the second largest category of state capital expenditures. In fiscal 2017, higher education capital spending increased by 4.0 percent.

**FIGURE 20**  
**TOTAL CAPITAL EXPENDITURES BY FUNDING SOURCE, FISCAL 2018**



**Corrections** capital spending increased by 15.6 percent in fiscal 2018 after increasing by 18.4 percent in fiscal 2017. Corrections accounted for only 1.2 percent of total state capital expenditures. Capital spending for corrections reflects the year-to-year fluctuations as the largest changes in spending from a prior year are normally due to major institutional construction and renovation projects. From an historical trend view, capital spending for corrections peaked twenty years ago reflecting a surge of institutional expansions at that time.

**Housing** capital expenditures account for just 1.0 percent of total fiscal 2018 capital spending, at approximately \$1.1 billion. Housing capital spending increased by 14.5 percent in fiscal 2018, and rose by 9.9 percent in fiscal 2017. About 25 percent of states report capital spending for housing and over 65 percent of the funding is from debt financing.

State capital spending for **environmental** purposes in fiscal 2018 totaled \$5.8 billion, 5.3 percent of total capital spending, reflecting an increase of 3.7 percent from fiscal 2017. Environmental capital expenditures increased by 5.3 percent in fiscal 2017. Environmental capital spending may include, but is not limited to, projects for environmental cleanup, drinking water, clean water, air quality, hazardous waste management, and river revitalization.

State spending for **“all other”** purposes totaled an estimated \$16.2 billion in fiscal 2018, or 14.8 percent of total capital spending. This includes capital expenditures not classified into one of the other categories. Examples of expenditures in the “all other” category may include items such as behavioral health and hospital facilities, parks and tourism, large information technology systems, other state facilities, community and economic development projects, and other criminal justice facilities. In fiscal 2018, “all other” capital spending is estimated to decline by 0.7 percent.

**TABLE 47**  
**CAPITAL EXPENDITURES BY PROGRAM AREA (\$ IN MILLIONS)**

Year	K-12	Higher Education	Corrections	Transportation	Housing	Environment	All Other	Total
1991		3,222	2,321	22,845	411	2,358	5,898	\$ 37,055
1992		3,075	1,882	25,245	515	3,027	7,476	41,221
1993		3,274	940	24,234	599	2,881	6,948	38,876
1994		5,681	1,564	27,041	761	3,594	8,232	46,872
1995		4,183	1,725	28,765	816	3,186	8,131	46,805
1996		4,133	1,618	28,869	802	3,065	8,003	46,491
1997		5,021	1,592	30,727	713	2,791	10,114	50,957
1998		5,028	2,117	34,239	711	816	11,446	57,488
1999		5,875	2,092	35,399	959	3,530	13,775	61,630
2000		6,325	2,084	37,596	837	3,968	12,865	63,675
2001		6,369	1,575	38,555	630	4,736	12,027	63,892
2002		8,733	1,434	39,542	1,469	5,115	13,466	69,759
2003		7,594	1,384	39,184	923	4,434	15,293	68,812
2004		8,439	1,726	42,115	963	5,404	10,739	69,386
2005		7,946	1,357	47,790	912	4,883	10,832	73,720
2006		10,241	1,466	50,629	1,192	5,338	12,162	81,028
2007		10,570	1,743	48,184	1,090	6,406	15,235	83,228
2008		10,556	1,880	44,542	1,362	5,401	16,615	80,356
2009		12,803	1,558	45,644	1,406	5,700	17,277	84,388
2010		12,514	1,554	49,184	1,289	5,076	16,287	85,904
2011		11,954	1,019	51,113	1,661	5,332	15,971	87,050
2012		10,979	1,158	53,140	1,226	5,090	17,079	88,672
2013		11,224	978	56,269	1,110	4,761	16,899	91,241
2014		11,356	1,072	59,355	946	4,883	16,574	94,186
2015		12,441	1,010	61,894	900	4,885	17,024	98,153
2016	2,614	11,923	956	64,092	899	5,629	14,953	100,708
2017	2,265	12,401	1,132	67,101	988	5,550	16,287	105,723
2018	2,926	11,810	1,309	69,882	1,131	5,757	16,170	\$ 108,984





**TABLE 49**

**ELEMENTARY & SECONDARY EDUCATION CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$896	\$896	\$0	\$0	\$0	\$278	\$278	\$0	\$0	\$0	\$518	\$518
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	4	4	0	0	0	18	18	0	0	0	29	29
New Hampshire	0	0	0	5	5	0	0	0	12	12	0	0	0	12	12
Rhode Island	0	0	4	6	10	0	0	3	3	6	0	0	4	0	4
Vermont	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	0	0	0	0	0	0	0	0	0	0	129	129
Maryland	0	0	0	314	314	0	0	0	337	337	0	0	0	362	362
New Jersey	0	0	0	0	0	1	1	1	0	3	0	0	0	0	0
New York	0	0	4	17	21	0	0	4	50	54	0	0	7	111	118
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	0	13	17	30	0	0	13	60	73	0	0	13	14	27
Indiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Michigan*	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Ohio	0	0	91	233	324	0	0	60	237	297	0	0	40	420	460
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	0	0	0	0	0	0	0	0	2	2	0	0	0	5	5
Missouri	0	0	4	0	4	0	0	1	1	2	0	0	1	3	4
Nebraska	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>															
Alabama*	3	0	177	58	238	2	0	178	60	240	3	0	182	28	213
Arkansas	0	0	2	0	2	0	0	0	0	0	0	0	1	0	1
Florida	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Georgia	0	0	0	272	272	0	0	0	252	252	0	0	0	252	252
Kentucky	0	0	6	0	6	0	0	4	0	4	0	0	7	0	7
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi*	1	0	0	0	1	0	0	0	5	5	0	1	0	5	6
North Carolina	0	0	0	0	0	0	6	0	0	6	0	0	0	0	0
South Carolina	1	2	1	0	4	15	0	7	0	22	4	2	0	0	6
Tennessee	0	0	0	0	0	0	0	0	0	0	28	0	0	3	31
Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Virginia	0	0	0	0	0	1	0	0	0	1	0	0	0	0	0
<b>SOUTHWEST</b>															
Arizona	2	0	0	0	2	24	0	0	0	24	87	0	0	0	87
New Mexico	0	0	0	214	214	0	0	0	244	244	0	0	0	233	233
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>ROCKY MOUNTAIN</b>															
Colorado*	1	0	0	0	1	4	0	0	0	4	9	0	0	0	9
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	14	0	19	0	33	14	0	22	0	36	25	0	19	0	44
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	46	0	0	0	46	11	0	7	0	18	0	0	0	0	0
California	0	0	0	0	0	0	0	0	0	0	1	0	0	0	1
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nevada	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Washington	0	0	16	171	187	0	0	41	286	327	0	0	146	222	368
<b>TOTAL</b>	<b>\$68</b>	<b>\$2</b>	<b>\$337</b>	<b>\$2,207</b>	<b>\$2,614</b>	<b>\$72</b>	<b>\$7</b>	<b>\$341</b>	<b>\$1,845</b>	<b>\$2,265</b>	<b>\$157</b>	<b>\$3</b>	<b>\$420</b>	<b>\$2,346</b>	<b>\$2,926</b>
District of Columbia	0	0	3	301	304	0	0	0	407	407					

Source: National Association of State Budget Officers, 2018 State Expenditure Report

**TABLE 50**

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

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$552	\$552	\$0	\$0	\$0	\$337	\$337	\$0	\$0	\$0	\$56	\$56
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	0	0	208	208	0	0	0	175	175	0	0	0	197	197
New Hampshire	0	1	0	10	11	0	0	0	9	9	0	0	0	8	8
Rhode Island	3	0	50	27	80	1	0	40	53	94	5	0	46	74	125
Vermont	0	0	0	4	4	0	0	0	4	4	0	0	0	7	7
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	16	16	0	0	0	16	16	0	0	0	5	5
Maryland	0	0	0	439	439	0	2	0	420	422	0	0	0	392	392
New Jersey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	0	0	283	696	979	0	0	165	632	797	0	0	336	645	981
Pennsylvania	0	0	0	126	126	0	0	0	67	67	0	0	0	255	255
<b>GREAT LAKES</b>															
Illinois	0	0	0	0	0	0	0	0	44	44	0	0	0	58	58
Indiana	46	0	27	0	73	46	0	0	0	46	68	0	0	0	68
Michigan*	160	0	0	161	321	157	0	0	40	197	166	0	0	56	222
Ohio	0	0	0	209	209	0	0	0	280	280	0	0	0	296	296
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	39	0	39	0	0	42	0	42	0	0	76	0	76
Kansas	2	0	131	38	171	0	0	122	40	162	0	0	128	34	162
Minnesota	0	0	0	143	143	0	0	0	108	108	0	0	0	74	74
Missouri	4	0	0	32	36	23	0	0	83	106	3	0	0	76	79
Nebraska	25	0	274	0	299	23	1	275	0	299	24	0	162	0	186
North Dakota	100	0	52	7	159	47	0	42	2	91	25	0	14	25	64
South Dakota	1	0	0	90	91	1	0	34	19	54	0	0	1	14	15
<b>SOUTHEAST</b>															
Alabama*	0	0	0	2	2	0	0	0	0	0	0	0	0	0	0
Arkansas	0	0	18	0	18	0	0	7	0	7	0	0	6	0	6
Florida	0	0	286	12	298	11	0	408	45	464	138	0	211	104	453
Georgia	0	0	0	399	399	0	0	0	340	340	0	0	0	410	410
Kentucky	0	0	558	0	558	0	0	562	0	562	0	0	665	0	665
Louisiana	6	1	78	116	201	5	0	17	67	89	2	1	73	40	116
Mississippi	18	6	101	96	221	7	5	103	97	212	6	7	85	82	180
North Carolina	5	0	0	0	5	10	0	0	41	51	53	0	0	99	152
South Carolina	60	45	224	220	549	69	25	445	595	1,134	14	2	146	133	295
Tennessee	39	0	44	194	277	271	4	36	0	311	440	0	113	0	553
Virginia	20	0	77	614	711	39	0	80	401	520	-36	0	66	478	508
West Virginia	0	3	154	54	211	1	0	149	55	205	0	1	88	55	144
<b>SOUTHWEST</b>															
Arizona	0	0	377	0	377	0	0	475	0	475	0	0	433	0	433
New Mexico	0	0	31	73	104	0	0	88	106	194	0	0	60	86	146
Oklahoma	0	0	333	75	408	0	11	422	23	456	0	7	291	11	309
Texas	144	85	2,529	0	2,758	134	91	2,763	0	2,988	138	100	3,112	0	3,350
<b>ROCKY MOUNTAIN</b>															
Colorado	159	0	14	0	173	130	0	72	0	202	85	0	75	0	160
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	108	0	0	0	108	99	0	0	0	99	51	0	0	0	51
Wyoming	24	0	0	0	24	9	0	1	0	10	9	0	1	0	10
<b>FAR WEST</b>															
Alaska	3	0	0	0	3	0	0	0	0	0	5	0	0	0	5
California	0	0	0	13	13	0	0	0	31	31	0	0	0	56	56
Hawaii	0	0	3	93	96	0	0	0	120	120	0	0	3	163	166
Nevada	0	0	6	8	14	4	0	0	9	13	2	0	0	15	17
Oregon	0	0	0	58	58	0	0	0	29	29	0	0	0	69	69
Washington	0	0	141	240	381	0	0	237	302	539	0	0	136	94	230
<b>TOTAL</b>	<b>\$927</b>	<b>\$141</b>	<b>\$5,830</b>	<b>\$5,025</b>	<b>\$11,923</b>	<b>\$1,087</b>	<b>\$139</b>	<b>\$6,585</b>	<b>\$4,590</b>	<b>\$12,401</b>	<b>\$1,198</b>	<b>\$118</b>	<b>\$6,327</b>	<b>\$4,167</b>	<b>\$11,810</b>
District of Columbia	0	0	0	15	15	0	0	0	10	10					

Source: National Association of State Budget Officers, 2018 State Expenditure Report

**TABLE 51**  
**CORRECTIONS CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$6	\$6	\$0	\$0	\$0	\$21	\$21	\$0	\$0	\$0	\$7	\$7
Maine	7	0	0	0	7	8	0	0	0	8	1	0	0	0	1
Massachusetts	0	0	0	33	33	0	0	0	43	43	0	0	0	35	35
New Hampshire	0	0	0	5	5	0	0	0	28	28	0	0	0	14	14
Rhode Island	0	0	3	0	3	1	0	4	0	5	0	0	10	0	10
Vermont	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	3	3	0	0	0	4	4	0	0	0	6	6
Maryland	0	0	0	36	36	0	0	0	26	26	0	0	0	9	9
New Jersey	33	2	0	0	35	13	1	0	0	14	6	0	0	0	6
New York	0	0	22	238	260	0	0	32	271	303	0	0	8	348	356
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	0	0	17	17	0	0	0	12	12	0	0	0	23	23
Indiana	38	0	11	0	49	37	0	10	0	47	39	0	11	0	50
Michigan	20	0	0	0	20	18	0	0	0	18	19	0	0	1	20
Ohio	0	0	0	70	70	0	0	0	77	77	0	0	0	83	83
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	8	0	8	0	0	2	0	2	0	0	0	0	0
Kansas	0	0	8	4	12	0	0	5	5	10	0	0	7	5	12
Minnesota	0	0	0	13	13	0	0	0	4	4	0	0	0	4	4
Missouri	0	0	0	0	0	0	0	0	2	2	0	0	0	9	9
Nebraska	0	0	3	0	3	1	0	5	0	6	0	0	12	0	12
North Dakota	1	0	0	0	1	3	0	0	0	3	2	0	0	0	2
South Dakota	3	0	0	0	3	1	0	0	0	1	6	0	0	0	6
<b>SOUTHEAST</b>															
Alabama	3	0	2	0	5	0	0	2	0	2	0	0	3	0	3
Arkansas	0	0	18	0	18	0	0	10	0	10	0	0	2	0	2
Florida	14	0	0	0	14	22	0	0	0	22	12	0	0	0	12
Georgia	0	0	0	44	44	0	0	0	67	67	0	0	0	89	89
Kentucky	0	0	8	0	8	0	0	4	0	4	0	0	3	0	3
Louisiana	5	0	0	0	5	0	0	0	1	1	0	0	1	5	6
Mississippi	4	0	0	0	4	4	0	0	0	4	2	0	1	0	3
North Carolina	1	0	14	0	15	7	6	0	4	17	31	0	0	7	38
South Carolina	4	0	1	0	5	5	0	1	0	6	7	0	3	0	10
Tennessee	0	0	19	0	19	0	0	14	0	14	0	0	37	0	37
Virginia	0	0	1	17	18	0	0	0	24	24	1	0	0	26	27
West Virginia	3	0	0	0	3	5	0	0	0	5	2	0	0	0	2
<b>SOUTHWEST</b>															
Arizona	0	0	5	0	5	0	0	6	0	6	0	0	7	0	7
New Mexico	0	0	2	6	8	0	0	2	9	11	0	0	2	6	8
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas	23	0	25	5	53	18	0	43	1	62	21	1	43	1	66
<b>ROCKY MOUNTAIN</b>															
Colorado	12	0	0	0	12	15	0	0	0	15	13	0	0	0	13
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	80	0	0	0	80	0	0	0	0	0	0	0	0	220	220
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	1	0	0	0	1	3	0	0	0	3	0	0	0	0	0
California	19	0	0	0	19	83	0	0	0	83	54	0	0	0	54
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nevada	0	0	0	10	10	0	0	0	13	13	0	0	0	19	19
Oregon	0	0	0	3	3	0	0	0	38	38	0	0	0	11	11
Washington	0	0	0	23	23	0	0	0	91	91	0	0	0	14	14
<b>TOTAL</b>	<b>\$271</b>	<b>\$2</b>	<b>\$150</b>	<b>\$533</b>	<b>\$956</b>	<b>\$244</b>	<b>\$7</b>	<b>\$140</b>	<b>\$741</b>	<b>\$1,132</b>	<b>\$216</b>	<b>\$1</b>	<b>\$150</b>	<b>\$942</b>	<b>\$1,309</b>
District of Columbia	0	0	0	4	4	0	0	1	2	3					

Source: National Association of State Budget Officers, 2018 State Expenditure Report

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

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$487	\$23	\$963	\$1,473	\$0	\$491	\$14	\$1,273	\$1,778	\$0	\$478	\$12	\$897	\$1,387
Maine	0	144	134	55	333	0	148	122	90	360	0	143	100	67	310
Massachusetts	0	697	513	872	2,082	0	607	447	841	1,895	0	911	670	812	2,393
New Hampshire	0	10	196	5	211	0	12	269	14	295	0	12	313	9	334
Rhode Island	0	131	19	5	155	0	148	44	0	192	0	143	146	0	289
Vermont	0	212	38	1	251	0	222	56	0	278	0	232	57	0	289
<b>MID-ATLANTIC</b>															
Delaware	0	218	233	0	451	0	217	217	129	563	0	347	234	3	584
Maryland*	0	683	1,512	0	2,195	0	783	1,775	0	2,558	0	1,006	1,598	0	2,604
New Jersey	1,220	1,442	151	1,174	3,987	1,276	1,542	388	1,735	4,941	1,312	1,623	852	2,000	5,787
New York	0	1,781	1,557	1,180	4,518	0	2,013	1,782	1,559	5,354	0	1,601	1,911	1,340	4,852
Pennsylvania	0	0	0	350	350	0	0	0	175	175	0	0	0	175	175
<b>GREAT LAKES</b>															
Illinois	0	108	2,614	723	3,445	0	89	2,210	770	3,069	0	74	2,165	289	2,528
Indiana	0	0	13	0	13	0	0	13	0	13	0	0	18	0	18
Michigan	0	1,177	69	6	1,252	0	1,178	206	1	1,385	0	1,259	442	4	1,705
Ohio	0	1,185	1,002	340	2,527	0	1,260	876	338	2,474	0	1,180	711	391	2,282
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	358	585	0	943	0	470	724	0	1,194	0	438	504	0	942
Kansas	9	277	115	103	504	10	477	0	107	594	10	350	59	108	527
Minnesota	0	0	0	404	404	0	0	0	263	263	0	0	0	134	134
Missouri	0	0	0	0	0	8	0	0	0	8	0	0	0	0	0
Nebraska	0	339	512	0	851	0	322	456	0	778	0	0	638	0	638
North Dakota	0	201	559	0	760	0	247	355	0	602	0	201	217	0	418
South Dakota	0	0	26	0	26	0	0	23	0	23	0	0	20	0	20
<b>SOUTHEAST</b>															
Alabama	0	272	131	220	623	0	228	128	314	670	0	344	172	340	856
Arkansas	0	364	533	0	897	0	468	722	0	1,190	0	498	622	0	1,120
Florida	0	2,536	5,140	379	8,055	3	2,281	5,721	398	8,403	0	2,804	6,985	275	10,064
Georgia	548	1,342	362	186	2,438	836	1,144	380	115	2,475	1,045	1,308	57	110	2,520
Kentucky	0	0	8	0	8	0	0	22	0	22	0	0	17	0	17
Louisiana	38	678	182	171	1,069	3	593	215	129	940	13	572	164	91	840
Mississippi	0	307	264	91	662	0	309	349	122	780	0	331	341	91	763
North Carolina	0	1,114	1,750	131	2,995	0	1,134	1,898	431	3,463	0	1,372	2,494	110	3,976
South Carolina	0	0	5	0	5	9	0	4	9	22	8	0	5	15	28
Tennessee	0	859	387	0	1,246	0	874	415	0	1,289	0	996	579	0	1,575
Virginia	0	0	45	22	67	0	0	51	123	174	0	0	98	68	166
West Virginia	3	572	26	0	601	2	550	210	0	762	3	599	292	0	894
<b>SOUTHWEST</b>															
Arizona	0	538	100	52	690	0	503	107	131	741	2	540	208	42	792
New Mexico	0	283	6	9	298	0	368	7	11	386	48	375	10	30	463
Oklahoma	0	631	578	0	1,209	0	463	675	95	1,233	0	441	643	90	1,174
Texas	0	4,200	2,276	1,015	7,491	0	3,408	2,324	852	6,584	0	3,929	2,193	697	6,819
<b>ROCKY MOUNTAIN</b>															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho*	0	180	94	0	274	0	163	128	0	291	0	233	193	0	426
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	264	586	0	850	3	359	665	0	1,027	0	284	978	332	1,594
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	71	1,121	37	7	1,236	57	1,215	95	0	1,367	73	1,078	73	0	1,224
California	0	2,514	452	1,133	4,099	0	2,199	1,033	261	3,493	0	1,907	1,047	201	3,155
Hawaii	0	174	85	157	416	0	121	195	42	358	0	163	197	329	689
Nevada	0	383	125	65	573	0	292	249	180	721	0	303	358	333	994
Oregon	0	2	0	29	31	0	1	0	20	21	0	4	0	13	17
Washington	0	641	616	271	1,528	0	600	899	398	1,897	0	448	679	373	1,500
<b>TOTAL</b>	<b>\$1,889</b>	<b>\$28,425</b>	<b>\$23,659</b>	<b>\$10,119</b>	<b>\$64,092</b>	<b>\$2,207</b>	<b>\$27,499</b>	<b>\$26,469</b>	<b>\$10,926</b>	<b>\$67,101</b>	<b>\$2,514</b>	<b>\$28,527</b>	<b>\$29,072</b>	<b>\$9,769</b>	<b>\$69,882</b>
District of Columbia	0	128	92	204	424	0	201	108	195	504					

Source: National Association of State Budget Officers, 2018 State Expenditure Report

**TABLE 53**  
**HOUSING CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$146	\$146	\$0	\$0	\$0	\$144	\$144	\$0	\$0	\$0	\$167	\$167
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	3	0	182	185	0	3	0	210	213	0	3	0	211	214
New Hampshire	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Rhode Island	0	0	0	9	9	0	0	0	3	3	0	0	0	3	3
Vermont	0	0	0	1	1	0	0	0	2	2	0	0	0	2	2
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	8	8	0	0	0	16	16	0	0	0	10	10
Maryland	15	35	35	48	133	51	16	44	7	118	0	16	35	84	135
New Jersey	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New York	0	0	0	84	84	0	0	35	96	131	0	0	175	104	279
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Indiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Michigan	0	0	55	7	62	0	0	50	9	59	0	0	46	8	54
Ohio	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	0	0	0	3	3	0	0	0	10	10	0	0	0	3	3
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>															
Alabama	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Arkansas	0	0	6	0	6	0	0	0	0	0	0	0	0	0	0
Florida	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Georgia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Kentucky	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
South Carolina	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Tennessee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
West Virginia	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHWEST</b>															
Arizona	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	0	40	0	14	54	0	42	0	14	56	0	45	0	15	60
Oklahoma	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Texas*	0	18	2	74	94	0	16	3	124	143	0	20	2	85	107
<b>ROCKY MOUNTAIN</b>															
Colorado	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	19	34	3	0	56	15	17	5	0	37	19	22	3	0	44
California	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Hawaii	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nevada	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oregon	0	0	0	0	0	0	0	0	0	0	0	0	11	11	
Washington	0	0	1	57	58	0	0	1	55	56	0	0	2	40	42
<b>TOTAL</b>	<b>\$34</b>	<b>\$130</b>	<b>\$102</b>	<b>\$633</b>	<b>\$899</b>	<b>\$66</b>	<b>\$94</b>	<b>\$138</b>	<b>\$690</b>	<b>\$988</b>	<b>\$19</b>	<b>\$106</b>	<b>\$263</b>	<b>\$743</b>	<b>\$1,131</b>
District of Columbia	0	0	87	1	88	0	0	124	20	144					

Source: National Association of State Budget Officers, 2019 State Expenditure Report

**TABLE 54**  
**ENVIRONMENTAL PROJECTS CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$318	\$318	\$0	\$0	\$0	\$39	\$39	\$0	\$0	\$0	\$338	\$338
Maine	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Massachusetts	0	55	0	184	239	0	46	0	156	202	0	59	0	198	257
New Hampshire	0	0	0	11	11	0	0	0	6	6	0	0	0	9	9
Rhode Island	0	4	7	21	32	0	3	7	12	22	0	8	11	16	35
Vermont	0	0	0	11	11	0	0	0	11	11	0	0	0	18	18
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	17	17	0	0	0	14	14	0	0	0	14	14
Maryland*	1	51	213	161	426	1	53	309	65	428	1	46	342	410	799
New Jersey	98	155	14	204	471	120	132	9	185	446	58	0	0	0	58
New York	0	166	277	237	680	0	218	328	298	844	0	163	332	342	837
Pennsylvania	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>GREAT LAKES</b>															
Illinois	0	0	625	1	626	0	0	744	10	754	0	0	720	12	732
Indiana	33	0	2	0	35	29	0	2	0	31	35	0	3	0	38
Michigan	7	10	50	22	89	5	11	60	23	99	22	17	116	28	183
Ohio	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	0	14	0	14	0	0	15	0	15	0	0	28	0	28
Kansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Minnesota	0	0	0	17	17	0	0	0	4	4	0	0	0	49	49
Missouri	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Nebraska	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
North Dakota	4	3	33	0	40	8	4	28	0	40	2	1	21	0	24
South Dakota	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>SOUTHEAST</b>															
Alabama*	0	0	21	0	21	0	0	44	0	44	0	0	21	0	21
Arkansas	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Florida	147	350	583	192	1,272	190	317	776	178	1,461	167	270	659	180	1,276
Georgia	0	0	0	10	10	0	0	0	15	15	0	0	0	8	8
Kentucky	0	0	18	0	18	0	0	19	0	19	0	0	3	0	3
Louisiana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mississippi	0	6	8	3	17	0	8	10	4	22	0	6	8	0	14
North Carolina	5	0	6	0	11	10	54	0	10	74	14	58	0	0	72
South Carolina	0	0	0	0	0	1	3	9	0	13	0	2	1	0	3
Tennessee	16	0	0	9	25	52	0	0	0	52	58	0	1	0	59
Virginia	0	11	4	21	36	1	5	2	13	21	2	13	2	12	29
West Virginia	0	0	1	0	1	0	0	0	0	0	0	1	0	0	1
<b>SOUTHWEST</b>															
Arizona	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
New Mexico	0	15	1	24	40	1	48	31	66	146	6	32	16	46	100
Oklahoma	2	3	22	80	107	0	25	67	0	92	0	17	53	1	71
Texas	5	0	12	0	17	4	0	13	0	17	4	0	12	0	16
<b>ROCKY MOUNTAIN</b>															
Colorado	3	0	4	0	7	0	0	3	0	3	0	0	22	0	22
Idaho	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Wyoming	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>FAR WEST</b>															
Alaska	18	75	12	0	105	13	68	7	0	88	12	60	7	0	79
California	0	0	6	0	6	0	0	0	0	0	0	0	154	0	154
Hawaii	0	0	0	17	17	0	0	0	14	14	0	0	0	17	17
Nevada	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0
Oregon	0	1	0	34	35	0	0	0	27	27	0	0	0	27	27
Washington	0	95	254	148	497	0	69	259	159	487	0	66	148	152	366
<b>TOTAL</b>	<b>\$339</b>	<b>\$1,000</b>	<b>\$2,187</b>	<b>\$1,743</b>	<b>\$5,269</b>	<b>\$435</b>	<b>\$1,064</b>	<b>\$2,742</b>	<b>\$1,309</b>	<b>\$5,550</b>	<b>\$381</b>	<b>\$819</b>	<b>\$2,680</b>	<b>\$1,877</b>	<b>\$5,757</b>
District of Columbia	0	5	2	7	14	0	3	2	10	15					

Source: National Association of State Budget Officers, 2018 State Expenditure Report

**TABLE 55**  
**ALL OTHER CAPITAL EXPENDITURES (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2016					Actual Fiscal 2017					Estimated Fiscal 2018				
	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total	General Fund	Federal Funds	Other State Funds	Bonds	Total
<b>NEW ENGLAND</b>															
Connecticut	\$0	\$0	\$0	\$811	\$811	\$0	\$0	\$0	\$862	\$862	\$0	\$0	\$0	\$930	\$930
Maine	4	21	11	3	39	4	21	8	4	37	5	11	7	2	25
Massachusetts	0	124	10	815	949	0	120	9	816	945	0	156	12	786	954
New Hampshire	0	25	0	26	51	0	5	0	34	39	0	26	0	21	47
Rhode Island*	3	5	28	54	90	4	60	20	21	105	5	54	80	21	160
Vermont	0	0	0	74	74	0	0	0	32	32	0	0	0	37	37
<b>MID-ATLANTIC</b>															
Delaware	0	0	0	200	200	0	0	0	219	219	0	0	0	88	88
Maryland	5	20	1	203	229	11	4	1	281	297	0	44	1	198	243
New Jersey	272	34	21	232	559	241	24	13	246	524	340	15	2	0	357
New York	0	90	1,053	1,296	2,439	0	95	1,054	1,525	2,674	0	91	1,306	1,820	3,217
Pennsylvania	0	0	0	41	41	0	0	0	271	271	0	0	0	272	272
<b>GREAT LAKES</b>															
Illinois	0	0	3	17	20	0	0	11	7	18	0	0	2	62	64
Indiana	170	0	55	0	225	178	0	21	0	199	163	0	33	0	196
Michigan	76	9	21	11	117	57	5	11	2	75	77	14	75	15	181
Ohio	0	4	58	423	485	0	4	55	403	462	0	3	51	439	493
Wisconsin	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>PLAINS</b>															
Iowa	0	32	31	10	73	0	30	25	3	58	0	23	30	6	59
Kansas	12	18	16	27	73	20	15	24	2	61	30	13	28	17	88
Minnesota	0	0	0	299	299	0	0	0	249	249	0	0	0	140	140
Missouri	9	15	81	39	144	3	9	62	78	152	29	14	32	102	177
Nebraska	5	4	38	0	47	3	34	54	0	91	0	30	56	0	86
North Dakota	28	12	15	0	55	80	6	38	0	124	8	4	9	0	21
South Dakota	43	3	16	1	63	6	28	20	1	55	2	19	15	6	42
<b>SOUTHEAST</b>															
Alabama*	1	0	8	52	61	1	0	11	86	98	0	0	12	168	180
Arkansas	0	0	61	0	61	0	3	58	0	61	0	0	96	0	96
Florida	139	0	371	1,071	1,581	169	0	368	1,046	1,583	126	0	273	1,035	1,434
Georgia	0	0	0	188	188	0	0	0	161	161	0	0	0	297	297
Kentucky	0	0	224	0	224	0	0	163	0	163	0	0	243	0	243
Louisiana	37	27	244	256	564	3	3	104	107	217	4	3	21	120	148
Mississippi	4	8	166	330	508	6	5	102	896	1,009	7	29	139	469	644
North Carolina	6	0	14	87	107	0	0	0	62	62	56	0	0	32	88
South Carolina	9	17	59	1	86	25	9	79	13	126	218	11	36	27	292
Tennessee	80	10	7	235	332	97	9	15	0	121	49	7	14	0	70
Virginia	1	6	2	106	115	0	23	18	75	116	0	24	27	68	119
West Virginia	25	8	87	0	120	17	13	85	0	115	11	11	90	0	112
<b>SOUTHWEST</b>															
Arizona	6	0	277	0	283	105	0	327	0	432	5	0	389	0	394
New Mexico	0	17	15	134	166	0	12	34	212	258	23	15	25	85	148
Oklahoma	1	32	142	15	190	2	37	141	148	328	2	30	71	119	222
Texas	0	0	361	0	361	0	0	1,323	0	1,323	0	0	735	0	735
<b>ROCKY MOUNTAIN</b>															
Colorado	54	0	34	0	88	74	0	34	0	108	45	0	31	0	76
Idaho*	0	0	56	0	56	0	0	56	0	56	0	0	85	0	85
Montana	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Utah	293	18	642	0	953	246	20	666	0	932	193	20	427	0	640
Wyoming	43	33	39	0	115	4	4	5	0	13	4	3	5	0	12
<b>FAR WEST</b>															
Alaska	26	45	16	0	87	25	35	29	0	89	46	28	51	0	125
California	47	10	78	295	430	221	18	-58	274	455	77	83	96	832	1,088
Hawaii	0	49	121	694	864	27	19	46	506	598	73	36	26	622	757
Nevada	2	1	1	25	29	2	10	4	21	37	13	6	1	25	45
Oregon	0	1	0	18	19	0	10	0	24	34	0	17	0	32	49
Washington	0	35	98	149	282	0	35	183	25	243	0	15	39	142	196
<b>TOTAL*</b>	<b>\$1,401</b>	<b>\$733</b>	<b>\$4,581</b>	<b>\$8,238</b>	<b>\$14,953</b>	<b>\$1,631</b>	<b>\$725</b>	<b>\$5,219</b>	<b>\$8,712</b>	<b>\$16,287</b>	<b>\$1,611</b>	<b>\$855</b>	<b>\$4,671</b>	<b>\$9,033</b>	<b>\$16,170</b>
District of Columbia	0	32	20	302	354	0	23	40	221	284					

Source: National Association of State Budget Officers, 2018 State Expenditure Report



## Capital Spending Notes

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**Alabama:** Higher education capital expenditures are not captured/available at state budget level. Reported Bond Funds for Higher Ed represent bond proceeds paid directly to vendors by the State's Debt Management division. Environmental and All Other capital expenditures from Federal and Other State Funds are not reported separately; combined amounts are included in the Other State Funds.

**Arkansas:** 2016 and 2017 amounts were modified to reflect actual final funding and were previously based on estimates.

**Colorado:** Regarding K-12 capital expenditures, some funding for school facilities certificates of participation are included.

**Georgia:** Capital expenditures for debt service are included under All Other State Expenditures.

**Idaho:** Transportation Capital Expenditures include Capital Construction and Right-of-Way and Capital Facilities. All Other Capital Expenditures includes all expenditures from the Capital Budget (Permanent Building Fund). Repairs and improvements to existing facilities, as well as the construction of new facilities, are mainly funded here. The expenditures from this budget for higher education, correction, and other facilities cannot be separated.

**Maryland:** Capital expenditure figures reflect authorizations. Meaningful data for expenditures by fiscal year are not available. Total for bonds is not net of de-authorizations. "Bond Funds"

include GO and Academic Revenue Bonds and Environmental Revenue Bonds. Bond funds include new projects funded with de-authorizations of prior year appropriations. FY 2016 Transportation Capital Expenditures in last year's report erroneously included \$40 million more in Federal Funds that should be Other State Funds. FY 2018 Environment Bond Funds include \$349 million in revenue bond authorizations that will be issued and expended over several years.

**Massachusetts:** Figures for FY16-FY18 are re-stated to better align with the NASBO category definitions. Certain items that were previously counted (i.e. interfund transfers, bond refundings, certain administrative items) are now excluded.

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

**Mississippi:** Elementary and secondary education now included in Capital Expenditures. Amounts not captured in prior years.

**Oklahoma:** Capital spending totals are estimated.

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

**Texas:** Regarding housing capital expenditures, other state funds capital expenditures include purchases of Mortgage Backed Securities or Loans Issued as reflected in the Audited Financial Statements. Federal capital expenditures include Federal Loans Issued as reflected in the Audited Financial Statements. No bond funds for FY15 due to TMP Program.

# 9

CHAPTER



## REVENUE SOURCES IN THE GENERAL FUND

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## Revenue Sources in the General Fund

General fund revenue, the largest source of state expenditures and the most discretionary, totaled an estimated \$837.7 billion in fiscal 2018, a 6.2 percent increase over fiscal 2017, representing the highest annual growth rate since fiscal 2011. In comparison, general fund revenues grew 2.5 percent in fiscal 2017. The three main sources of general fund revenue — personal income taxes, sales and use taxes, and corporate income taxes — accounted for 81.7 percent of state general fund collections in estimated fiscal 2018. Specifically, personal income taxes accounted for 45.6 percent, sales and use taxes for 30.5 percent, and corporate income taxes for 5.6 percent of total general fund revenues in fiscal 2018. All other general fund revenue represented 17.3 percent of general fund revenues, while gaming and lottery revenue were just 0.9 percent. The major sources of general fund revenues are displayed by state in Table 56, year-over-year revenue percentage changes can be found in Table 57.

Depending on the state, “all other general fund revenue” may include cigarette and tobacco taxes, alcoholic beverage taxes, insurance premium taxes, severance taxes, franchise taxes, gaming taxes, interest income, licenses and fees for permits, inheritances taxes, and charges for state-provided services.

States use a variety of taxes and fees to finance programs, not all of which are reflected in the general fund. These include some gaming taxes, lottery proceeds, and motor vehicle fees, which often are earmarked for special purposes or specific funds, such as education or roads. In addition to collecting information on state general fund revenues, this year’s State Expenditure Report for the first time contains detailed information on transportation fund revenues, which can be found in Table A-5 in the Appendix.

Table 58 illustrates the major items that are excluded from general fund revenue sources. For example, property taxes are a mainstay of local government finance and the majority of states do not impose a state property tax. However, many states help reduce the amount of property taxes local governments collect through their elementary and secondary education funding formulas, as well as other aid and subsidies to local governments.

## State Tax Collection Trends

Most states saw stronger revenue growth in fiscal 2018 led by unusually high income tax payments from non-withholding income sources along with continued growth in the national economy. Specifically, states saw a significant uptick in their personal income tax collections in the last eight months. Information from NASBO’s *Spring 2018 Fiscal Survey of States* shows that 39 states were seeing fiscal 2018 revenues above projections or on target at the time of data collection, with that figure expected to rise when updated data is compiled in NASBO’s *Fall 2018 Fiscal*

*Survey of States*. As a result of revenues coming in above forecast, many states ended fiscal 2018 with a budget surplus. States have been analyzing their revenue collections to understand the amounts that may be of a one-time nature, such as higher than normal capital gains and dividend income, or repatriated income in response to the federal tax changes.

Not surprisingly, personal income taxes experienced the strongest gains in fiscal 2018, growing 8.7 percent. Both corporate income taxes and sales taxes also rose in fiscal 2018, increasing 4.4 percent and 3.4 percent respectively. Gaming and lottery revenue, on the other hand, declined 10.6 percent, while all other general fund revenue increased 6.6 percent. On a median basis, personal income tax collections once again experienced the largest gains at 6.4 percent, followed by corporate income taxes (4.6 percent), sales taxes (3.9 percent), all other general fund revenue (2.4 percent), and gaming and lottery revenue (0.4 percent).

According to NASBO’s *Fall 2017 Fiscal Survey of States*, 27 states saw revenues come in below original projections in fiscal 2017, while in 5 states revenues were on target, and in 18 states revenues were above projections. Both personal income taxes and sales taxes grew 3.1 percent in fiscal 2017, while corporate income taxes and gaming/lottery revenue both experienced declines at 3.8 percent and 2.1 percent respectively. All other general fund revenue grew 2.6 percent in fiscal 2017. Fiscal 2017’s modest revenue growth was likely impacted by a number of factors including some taxpayers deferring non-wage income in anticipation of a federal income tax rate cut, low inflation, the decline in prices for many tangible goods, and the impact of low oil and natural gas prices on energy-producing states.

**FIGURE 21**  
**REVENUE SOURCES IN THE GENERAL FUND,**  
**ESTIMATED FISCAL 2018**

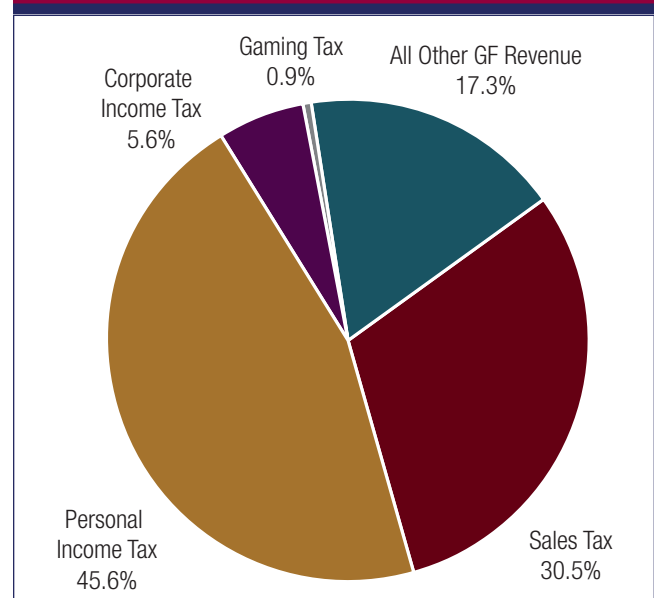




TABLE 57

## REVENUE SOURCES IN THE GENERAL FUND (YEAR-OVER-YEAR PERCENTAGE CHANGE)

Region/state	Actual Fiscal 2017						Estimated Fiscal 2018					
	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Gaming/Lottery Tax	All Other GF Revenue	Total	Sales & Use Tax	Personal Income Tax	Corporate Income Tax	Gaming/Lottery Tax	All Other GF Revenue	Total
<b>NEW ENGLAND</b>												
Connecticut	0.2%	-2.1%	18.0%	-1.3%	-1.5%	-0.4%	0.7%	2.2%	-10.1%	1.5%	32.1%	6.0%
Maine	6.0	-1.2	27.7		-3.2	2.6	5.3	2.0	-1.7		-17.3	1.5
Massachusetts	3.1	2.0	-5.0	3.7	3.7	2.1	4.5	10.6	8.4	-4.9	7.6	8.2
New Hampshire			-9.7		1.7	-1.6			20.0		1.4	6.3
Rhode Island	2.7	2.2	-11.9	-1.9	-1.0	0.	5.4	9.1	17.6	0.5	3.8	6.1
Vermont	1.7	1.2	-17.9		17.3	3.2%	5.7	10.1	0.0		3.3	7.0
<b>MID-ATLANTIC</b>												
Delaware		3.6	-16.0		1.8	1.7		7.1	-25.6		12.3	9.5
Maryland	2.1	5.9	-9.0		1.6	3.1	1.6	3.0	2.4		-5.0	1.9
New Jersey	3.5	4.5	-6.7	0.8	6.7	3.8	8.5	8.6	-3.3	-100.0	5.9	4.0
New York	3.9	1.1	-15.7	-5.9	-13.0	-0.5	4.5	8.3	3.3	-6.3	7.0	7.2
Pennsylvania	2.1	1.3	-3.2	21.0	8.3	2.5	4.0	5.8	9.4	1.7	27.5	9.7
<b>GREAT LAKES</b>												
Illinois	-0.2	-1.1	-32.5	3.8	-2.9	-3.1	-2.9	29.7	51.4	0.1	33.2	21.8
Indiana	3.7	4.2	-0.5	-2.0	-1.6	3.1	2.3	7.0	-32.6	0.0	6.5	1.9
Michigan	-27.9	0.3	833.3		-1.5	-1.9	-2.2	10.7	-81.2		-30.4	-1.8
Ohio*	2.6	-2.5	0.9		1.1	0.7	-4.4	10.6	17.2		-15.5	-5.0
Wisconsin	3.1	3.9	-4.4		0.4	2.8	4.3	5.5	-2.9		-0.8	4.0
<b>PLAINS</b>												
Iowa	0.4	3.0	14.6		26.2	4.6	2.8	4.5	-5.1		-24.1	0.4
Kansas	0.5	2.4	-8.5		28.3	4.4	2.9	46.4	20.6		-24.8	15.1
Minnesota	3.3	1.8	-18.2	14.1	1.7	0.8	1.5	4.8	7.9	11.4	-2.1	3.0
Missouri	2.4	1.9	-1.8		22.3	2.6	3.0	5.8	8.7		1.5	5.0
Nebraska	1.3	0.2	-14.3		-9.2	-1.0	3.6	6.1	18.6		27.2	7.1
North Dakota	-11.9	-11.6	-29.6	-30.8	4.8	-5.7	3.9	16.3	33.3	11.1	-22.7	-5.9
South Dakota	10.5			1.8	-3.6	4.9	4.0			4.4	0.6	2.9
<b>SOUTHEAST</b>												
Alabama	3.4	3.6	14.7	0.0	4.2	4.2	3.0	6.8	-1.3	0.0	-6.3	2.1
Arkansas	2.1	2.1	-10.9	7.5	6.8	1.5	4.6	3.2	9.5	0.0	-9.4	3.1
Florida	4.5		4.1	-40.1	7.3	4.5	5.0		-1.9	115.1	3.8	4.8
Georgia	4.3	5.2	-0.9		5.0	4.6	3.0	4.7	4.8		-1.7	2.7
Kentucky	0.6	2.6	1.9		-0.6	1.3	3.5	4.8	0.9		0.7	3.4
Louisiana	30.6	2.8	56.1	0.7	27.9	19.4	1.2	4.0	-9.9	-1.9	2.7	1.7
Mississippi	-0.5	0.7	-5.4	-0.7	-0.8	-0.7	2.2	2.5	1.5	-2.3	-7.3	0.6
North Carolina	6.7	0.5	-29.3		10.3	2.1	4.8	4.6	-1.2		2.5	4.2
South Carolina	2.8	7.2	-22.1		7.5	4.1	5.0	4.6	7.5		2.3	4.6
Tennessee	3.2	-22.2	18.5		3.3	4.3	1.5	-18.2	-7.6		-2.6	-0.9
Virginia	2.8	2.9	3.8		3.0	2.9	2.1	4.5	10.0		2.6	4.1
West Virginia	1.2	2.8	-20.8		-15.1	-2.8	-2.0	-2.8	-20.4		17.2	0.9
<b>SOUTHWEST</b>												
Arizona	4.8	4.4	-33.0		-31.8	0.2	6.2	8.2	1.3		-3.2	6.3
New Mexico	2.0	4.0	-41.0	-5.6	6.0	3.0	6.3	0.0	49.6	0.2	8.6	6.2
Oklahoma	-1.2	-1.6	-49.6	-11.1	3.3	-3.1	16.2	10.7	47.2	3.8	23.9	16.1
Texas	2.3				4.4	3.0	5.5				13.9	9.0
<b>ROCKY MOUNTAIN</b>												
Colorado	6.6	3.6	-22.0		9.2	3.1	10.3	12.1	53.6		25.7	14.1
Idaho	6.1	9.1	14.4		11.0	8.3	7.8	10.7	11.7		-12.9	8.2
Montana	-6.5	-1.4	13.2	-4.1	4.1	1.0	-0.1	11.1	24.7	2.1	14.1	12.3
Utah	4.4	7.1	-3.0		4.8	5.5	7.2	7.8	4.6		6.1	7.3
Wyoming	-5.8				34.6	17.2	8.6				-16.8	-8.0
<b>FAR WEST</b>												
Alaska			-13.7	3.9	-11.7	-11.7			859.4%	1.9	57.0	72.6
California	0.0	5.8	5.4	-18.0	-54.7	3.7	2.1	10.5	2.1%	-88.3	100.3	8.2
Hawaii	1.0	3.6	-17.2		10.6	3.8	4.8	13.7	-10.4%		-7.6	4.2
Nevada*	5.3			1.3	6.3	5.1	5.8			7.9	-4.3	0.9
Oregon		11.3	0.8		44.3	12.6		3.8	21.6%		-20.8	3.0
Washington	12.6				-0.5	6.2	1.4				19.9	9.8
<b>ALL STATES</b>	<b>3.1%</b>	<b>3.1%</b>	<b>-3.8%</b>	<b>-2.1%</b>	<b>2.6%</b>	<b>2.5%</b>	<b>3.4%</b>	<b>8.7%</b>	<b>4.4%</b>	<b>-10.6%</b>	<b>6.6%</b>	<b>6.2%</b>
MEDIAN	2.6	2.5	-5.4	-0.3	3.5	2.8	3.9	6.4	4.6	0.4	2.4	4.4
Puerto Rico												

**TABLE 58**  
**ITEMS EXCLUDED FROM REVENUE SOURCES**

Region/State	Sales and Use Taxes	Personal Income Taxes	Corporate Income Taxes	Gaming Taxes	Lottery Funds	Cigarette and Tobacco Taxes	Motor Fuel Taxes	Alcoholic Beverage Taxes	Insurance Premium Taxes	Property Taxes	Utility Taxes	Severance Taxes	Federal Funds	Licenses and Fees	Other
<b>NEW ENGLAND</b>															
Connecticut	P						X			X		X	P		
Maine*							N/A			N/A		N/A	N/A		
Massachusetts*										N/A		N/A	P		
New Hampshire	N/A	N/A		X	X		X			X		N/A	X		
Rhode Island							X			X		X	X		
Vermont	P			X	X	X	X			P	P	X	X		
<b>MID-ATLANTIC</b>															
Delaware	N/A			N/A			X			X		N/A	N/A		
Maryland*				X			P			X		X	X		
New Jersey*	P		P	X	X	P		P	P	X		X	X	P	
New York	P		P		X	P	X		P	N/A	P	N/A	X		
Pennsylvania	P			P	X	P	X		P	P		X	X	P	P
<b>GREAT LAKES</b>															
Illinois					P	P	X			X		X		P	
Indiana					X	P	X	P		X	N/A	N/A	X	P	
Michigan	P	P		X	X	P	X	P		X			P	P	P
Ohio*	P	P	P	X	X		X		P	X	P	P	P	P	P
Wisconsin				X	X		X			X		X	X	X	N/A
<b>PLAINS</b>															
Iowa				X		X	X			X			X	P	P
Kansas				P	P		X			X	X		X	P	P
Minnesota										P	X	P	P		
Missouri	P			X	X	X	X	P	P	X	X	X	P	P	P
Nebraska				N/A	P	P	X		P	X	X	N/A	X	X	
North Dakota							X			X	X		X		
South Dakota		N/A	N/A				X			X	X		X		
<b>SOUTHEAST</b>															
Alabama					N/A	P	X	P		P			X	P	
Arkansas	P				X		P			X	X	P	X	P	
Florida		X			X	P	X			X	X		X	P	P
Georgia				N/A	X						N/A	N/A	X		
Kentucky							X						X		
Louisiana				P	X		X		P	N/A	N/A		X	P	N/A
Mississippi					N/A		X			N/A			N/A		
North Carolina				X	X		X			X		X	X		
South Carolina				X	X		X			X		X	X		
Tennessee				N/A	P					N/A					
Virginia				X	X	P				X	X	X	X	P	
West Virginia				N/A	P		X				X		X		
<b>SOUTHWEST</b>															
Arizona				P	P	P	X	P		N/A	N/A		X	P	P
New Mexico					X		X			X			X		
Oklahoma		P	P	P	X	P	P	P	P	N/A	N/A	P	X	P	P
Texas		N/A	N/A	N/A	X					N/A			N/A	P	
<b>ROCKY MOUNTAIN</b>															
Colorado				X	X	P	X			X	X	X	X	P	
Idaho	P			N/A	X	P	X	P		N/A		X	X	P	
Montana							X						X		
Utah				N/A	N/A		X			X			X		
Wyoming		X	X												
<b>FAR WEST</b>															
Alaska	X	X			X						X	X	X		
California	P	P		P	X	P	X			X	X	N/A	X	P	P
Hawaii	P			N/A	N/A	P	X		P	N/A	P	N/A	P	P	P
Nevada		N/A	N/A		N/A		X			X	X	X	X		
Oregon	N/A			X	X	P	X	P		X	X		X		
Washington		N/A	N/A	N/A	X	P	X			P		N/A	X	P	
<b>ALL STATES</b>	<b>16</b>	<b>12</b>	<b>9</b>	<b>30</b>	<b>37</b>	<b>21</b>	<b>41</b>	<b>9</b>	<b>9</b>	<b>44</b>	<b>24</b>	<b>31</b>	<b>47</b>	<b>24</b>	<b>13</b>
District of Columbia				X			X		P			N/A	X		

Excluded=X Partially Excluded=P Not Applicable=N/A

## Revenue Sources in the General Fund Notes

**Alabama:** Regarding other taxes and fees, FY16 includes \$50M in BP Settlement funds, and FY17 includes \$50M in BP Settlement funds.

**Arkansas:** Revenue sources reflect gross numbers which includes special payments/dedications.

**Illinois:** 2016 Actual and 2017 Actual: These amounts have been restated to include three additional funds (Fund for the Advancement of Education, Commitment to Human Services Fund, Budget Stabilization Fund), which as of FY 2018 are now part of the general funds definition. 2018 Estimated: The significant increase in revenues is due primarily to three factors: 1) Income tax rates were increased, effective July 1, 2017; Individual from 3.75% to 4.95% and corporate from 5.25% to 7.00%. 2) The State borrowed approximately \$6 billion to address the backlog of bills; \$2.5 billion of the proceeds were deposited directly into the General Funds. 3) A portion of the bond proceeds were used to pay prior year Medicaid bills, which generated \$1.2 billion in federal match to the General Funds.

**Iowa:** FY2017 Other Revenues include \$131 million transfer from the Cash Reserve fund and \$13 million transfer from the Economic Emergency Fund.

**Maryland:** Lottery revenues were reported as an "All Other General Fund" revenue source in the prior years reports. The fiscal year 2016 GAAP audit of the Local Income Tax Reserve account found that the account was overfunded by \$47.4 million. This revenue is recognized in "All Other General Fund" revenue in FY 2017. In general, Casino revenues are not directed to the General Fund. However, the Budget Reconciliation and Financing Act of the 2017 Legislative Session directed certain Casino revenues to the General Fund in FY 2018. The State estimates this revenue to

be \$14.8 million in FY 2018 and the revenue is recognized in the "Gaming/Lottery Revenue" category. Per statute, property taxes are not included in general fund revenues. However, Maryland has reverted part of the Transfer Tax to the general fund in recent years as part of the budget balancing plan.

**Massachusetts:** Totals exclude federal reimbursements and grants credited to the General Fund, other Medicaid-related revenue, and certain interfund transfers.

**Michigan:** Actual totals for FY 16 and FY 17 reflect general fund general purpose revenue as contained in the State of Michigan Comprehensive Annual Financial Reports. Revenue figures have been adjusted to put them on a basis comparable to the consensus estimates. FY 2018 estimates are from May consensus revenue forecast.

**New Jersey:** For the fiscal year 2018, lottery revenue became excluded from general fund revenue, and utility tax revenue became fully included in general fund revenue.

**Ohio:** Federal reimbursements for expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF. Also, Ohio does not have a corporate income tax but instead has a commercial activities tax which is a business privilege tax.

**Texas:** The updated certification revenue estimate was referenced for the 2018 general fund estimated expenditure amount using the current year appropriation authority.

**Washington:** Fiscal 2016 totals are based on the June 2017 revenue forecast, fiscal 2017 on the November 2017 revenue forecast, and estimated fiscal 2018 on the June 2018 revenue forecast.

# APPENDIX

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TABLE A-1

## TOTAL STATE EXPENDITURES BY FUND SOURCE (EXCLUDES BONDS) (\$ IN MILLIONS)

Region/State	Actual Fiscal 2016			Actual Fiscal 2017			Estimated Fiscal 2018		
	State Funds	Federal Funds	State & Federal Funds	State Funds	Federal Funds	State & Federal Funds	State Funds	Federal Funds	State & Federal Funds
<b>NEW ENGLAND</b>									
Connecticut	\$21,964	\$6,216	\$28,180	\$22,434	\$6,331	\$28,765	\$23,596	\$6,253	\$29,849
Maine	5,402	2,536	7,938	5,533	2,601	8,134	5,607	2,697	8,304
Massachusetts	39,910	12,462	52,372	40,884	12,401	53,285	42,380	13,347	55,727
New Hampshire	3,555	2,158	5,713	3,609	2,221	5,830	3,760	2,289	6,049
Rhode Island	5,628	2,877	8,505	5,781	2,977	8,758	6,230	3,231	9,461
Vermont	3,479	1,992	5,471	3,594	1,914	5,508	3,685	1,926	5,611
<b>MID-ATLANTIC</b>									
Delaware	7,608	2,151	9,759	8,106	2,171	10,277	8,108	2,492	10,600
Maryland	27,544	12,034	39,578	29,215	12,971	42,186	30,661	13,053	43,714
New Jersey	40,576	14,354	54,930	41,943	15,172	57,115	43,459	15,937	59,396
New York	97,483	49,476	146,959	99,599	52,985	152,584	102,226	56,808	159,034
Pennsylvania	48,764	27,073	75,837	50,810	29,001	79,811	51,801	29,768	81,569
<b>GREAT LAKES</b>									
Illinois	38,268	15,875	54,143	51,811	14,833	66,644	51,765	18,689	70,454
Indiana	18,920	12,289	31,209	19,507	12,421	31,928	20,120	13,578	33,698
Michigan	33,125	20,871	53,996	34,019	20,291	54,310	32,897	22,499	55,396
Ohio	52,467	12,493	64,960	53,037	12,596	65,633	51,656	15,113	66,769
Wisconsin	34,971	10,759	45,730	35,999	10,993	46,992	36,624	11,575	48,199
<b>PLAINS</b>									
Iowa	16,753	6,328	23,081	16,292	6,389	22,681	16,292	6,389	22,681
Kansas	11,073	3,637	14,710	11,421	3,759	15,180	12,115	3,818	15,933
Minnesota	26,370	10,484	36,854	26,421	10,406	36,827	29,119	11,891	41,010
Missouri	16,880	7,677	24,557	17,200	8,186	25,386	17,489	8,360	25,849
Nebraska	8,621	2,989	11,610	8,837	3,030	11,867	9,040	3,101	12,141
North Dakota	5,845	1,607	7,452	5,174	1,616	6,790	4,539	1,472	6,011
South Dakota	2,710	1,371	4,081	2,787	1,420	4,207	3,036	1,406	4,442
<b>SOUTHEAST</b>									
Alabama	15,796	9,738	25,534	16,300	9,885	26,185	15,941	10,159	26,100
Arkansas	16,562	7,416	23,978	17,192	7,875	25,067	17,190	8,168	25,358
Florida	45,411	25,254	70,665	48,394	26,320	74,714	54,653	28,706	83,359
Georgia	32,538	13,896	46,434	34,433	14,266	48,699	36,174	13,956	50,130
Kentucky	19,477	12,182	31,659	20,448	12,354	32,802	21,627	12,441	34,068
Louisiana	17,897	9,256	27,153	16,959	11,159	28,118	18,294	13,894	32,188
Mississippi	11,507	7,884	19,391	11,431	7,819	19,250	11,739	9,184	20,923
North Carolina	31,236	14,487	45,723	32,850	14,778	47,628	34,287	15,296	49,583
South Carolina	15,334	7,614	22,948	16,369	8,184	24,553	16,468	8,592	25,060
Tennessee	19,336	12,567	31,903	20,579	12,261	32,840	22,552	13,627	36,179
Virginia	38,149	9,838	47,987	39,032	10,308	49,340	40,954	10,163	51,117
West Virginia	11,589	4,506	16,095	12,628	4,314	16,942	11,940	4,557	16,497
<b>SOUTHWEST</b>									
Arizona	26,500	14,927	41,427	26,485	14,765	41,250	27,086	15,615	42,701
New Mexico	10,756	7,730	18,486	10,819	8,105	18,924	10,795	8,083	18,878
Oklahoma	14,634	7,862	22,496	15,747	7,186	22,933	14,769	7,522	22,291
Texas	71,944	36,683	108,627	72,330	36,255	108,585	74,227	36,714	110,941
<b>ROCKY MOUNTAIN</b>									
Colorado	27,210	9,484	36,694	27,410	9,120	36,530	27,328	9,627	36,955
Idaho	4,472	2,670	7,142	4,790	2,681	7,471	5,248	2,683	7,931
Montana	4,014	2,370	6,384	4,147	2,810	6,957	4,089	2,863	6,952
Utah	10,061	3,582	13,643	10,414	3,809	14,223	11,124	4,398	15,522
Wyoming	3,318	784	4,102	3,499	927	4,426	3,499	925	4,424
<b>FAR WEST</b>									
Alaska	6,749	3,276	10,025	5,981	3,763	9,744	7,070	3,985	11,055
California	156,565	90,690	247,255	163,540	95,337	258,877	184,214	98,107	282,321
Hawaii	10,312	2,563	12,875	11,413	2,571	13,984	11,440	2,628	14,068
Nevada	8,160	4,158	12,318	9,298	4,393	13,691	9,114	4,448	13,562
Oregon	26,807	10,317	37,124	29,713	10,189	39,902	29,971	10,476	40,447
Washington	28,913	11,807	40,720	31,098	12,270	43,368	32,451	12,293	44,744
<b>TOTAL</b>	<b>\$1,253,163</b>	<b>\$583,250</b>	<b>\$1,836,413</b>	<b>\$1,307,312</b>	<b>\$600,389</b>	<b>\$1,907,701</b>	<b>\$1,360,449</b>	<b>\$634,802</b>	<b>\$1,995,251</b>

Note: State funds are defined as general funds and other state funds (bonds are excluded). Source: National Association of State Budget Officers, 2018 State Expenditure Report

TABLE A-2

## CHILDREN'S HEALTH INSURANCE BLOCK GRANTS (\$ IN MILLIONS)

Region/State	Actual Fiscal 2016				Actual Fiscal 2017				Estimated Fiscal 2018			
	General Fund	Other State Funds	Federal Funds	Total	General Fund	Other State Funds	Federal Funds	Total	General Fund	Other State Funds	Federal Funds	Total
<b>NEW ENGLAND</b>												
Connecticut	\$ 6	\$ 0	\$ 27	\$ 33	\$ 5	\$ 0	\$ 34	\$ 39	\$ 5	\$ 0	\$ 37	\$ 42
Maine	1	0	11	12	0	0	13	13	0	0	15	15
Massachusetts	87	0	609	696	92	0	677	769	93	0	684	777
New Hampshire	6	0	24	30	4	0	31	35	4	0	32	36
Rhode Island	11	0	55	66	8	0	59	67	10	0	78	88
Vermont	1	0	16	17	1	0	30	31	1	0	27	28
<b>MID-ATLANTIC</b>												
Delaware	0	4	25	29	0	3	29	32	0	3	37	40
Maryland*	34	19	238	291	38	1	276	315	40	0	291	331
New Jersey*	8	72	368	448	13	17	489	519	13	10	540	563
New York	0	381	855	1236	0	223	1076	1299	0	295	1676	1971
Pennsylvania	16	37	275	328	11	33	358	402	11	36	411	458
<b>GREAT LAKES</b>												
Illinois	62	7	372	441	27	4	279	310	45	4	389	438
Indiana	0	8	162	170	0	1	201	202	0	2	240	242
Michigan	3	0	240	243	4	0	252	256	4	0	250	254
Ohio*	377	0	0	377	461	0	0	461	507	0	0	507
Wisconsin	18	7	184	209	4	10	219	233	11	4	238	253
<b>PLAINS</b>												
Iowa	20	0	126	146	10	0	119	129	8	0	123	131
Kansas	0	15	99	114	0	8	95	103	0	9	99	108
Minnesota	6	0	22	28	1	0	10	12	2	0	17	19
Missouri	8	8	56	72	15	8	71	94	14	8	67	89
Nebraska	4	7	63	74	2	7	66	75	3	7	79	89
North Dakota	1	0	6	7	0	0	6	6	1	0	7	8
South Dakota	4	0	23	27	3	0	27	30	3	0	30	33
<b>SOUTHEAST</b>												
Alabama	0	0	175	175	0	0	203	203	0	0	240	240
Arkansas*	8	0	173	181	0	0	144	144	0	0	171	171
Florida	31	27	341	399	17	15	371	403	17	18	423	458
Georgia*	11	2	230	243	0	0	276	276	0	0	427	427
Kentucky	31	0	277	308	0	0	233	233	0	0	203	203
Louisiana	48	1	277	325	9	1	363	374	10	1	371	382
Mississippi	8	0	171	179	0	0	157	157	0	0	124	124
North Carolina	11	1	161	173	1	1	190	192	0	1	198	199
South Carolina	7	0	128	135	0	0	138	138	0	0	164	164
Tennessee	60	3	393	456	8	3	233	244	3	5	213	221
Virginia	31	14	228	273	23	14	281	318	30	14	337	381
West Virginia	11	0	45	56	0	0	48	48	0	4	46	50
<b>SOUTHWEST</b>												
Arizona	0	0	2	2	0	0	58	58	0	0	185	185
New Mexico	23	0	86	109	0	0	109	109	0	0	107	107
Oklahoma	17	3	180	200	10	2	220	231	12	2	223	236
Texas	107	0	1187	1294	134	0	1624	1758	113	0	1458	1571
<b>ROCKY MOUNTAIN</b>												
Colorado*	26	26	223	275	19	43	252	313	18	25	298	341
Idaho	0	0	71	71	0	0	73	73	0	0	75	75
Montana	0	4	90	94	0	1	98	99	0	1	94	95
Utah	4	10	114	128	0	7	130	137	0	7	129	136
Wyoming	2	0	8	10	1	0	9	10	1	0	10	11
<b>FAR WEST</b>												
Alaska	5	0	23	28	5	0	33	38	4	0	32	36
California	468	0	1872	2340	294	0	2741	3035	397	0	3093	3490
Hawaii	7	0	45	52	7	0	58	65	6	0	58	64
Nevada	2	2	40	44	1	2	44	47	1	1	47	49
Oregon	13	0	163	176	4	0	195	199	5	0	231	236
Washington	10	1	54	65	10	1	79	90	13	1	96	110
<b>TOTAL</b>	<b>\$1,612</b>	<b>\$660</b>	<b>\$10,613</b>	<b>\$12,884</b>	<b>\$1,243</b>	<b>\$405</b>	<b>\$12,778</b>	<b>\$14,425</b>	<b>\$1,534</b>	<b>\$587</b>	<b>\$14,548</b>	<b>\$16,282</b>
District of Columbia	0	0	37	37	0	0	36	36				

## Children's Health Insurance Block Grants Notes

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**Arkansas:** Amounts include amounts reported on the CMS-21 Report and do not represent any CHIP dollars used for individuals identified as Medicaid-CHIP.

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

**Georgia:** The Actual FY 2017 and Estimated FY 2018 amounts reflect exclusively federal funds. This is due to the enhanced FMAP of 100 percent that Georgia currently receives from the federal government. Because the federal share is 100 percent, the state share is 0 percent.

**Maryland:** CHIP expenditure totals include CHIP premiums but do not reflect CHIP pharmacy rebates.

**New Jersey:** In 2017 and 2018, the Federal Funds amounts reflect an approximate increase of \$33m and \$45m respectively, due to a shift in support from Other State Funds, as a result of enhanced federal matching funds retroactive to prior fiscal years.

**Ohio:** Federal reimbursements for CHIP expenditures funded from the General Revenue Fund (GRF) are deposited into the GRF.

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

Region/State	Actual Fiscal 2016			Actual Fiscal 2017			Estimated Fiscal 2018		
	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total
<b>NEW ENGLAND</b>									
Connecticut	\$ 146	\$ 0	\$ 146	\$ 161	\$ 0	\$ 161	\$ 167	\$ 0	\$ 167
Maine	50	0	50	54	0	54	63	0	63
Massachusetts*	362	0	362	415	0	415	442	0	442
New Hampshire	35	0	35	38	0	38	40	0	40
Rhode Island	53	0	53	59	0	59	64	0	64
Vermont	29	0	29	32	0	32	34	0	34
<b>MID-ATLANTIC</b>									
Delaware	17	0	17	20	0	20	22	0	22
Maryland	138	0	138	159	0	159	167	0	167
New Jersey	376	0	376	427	0	427	461	0	461
New York	972	0	972	1120	0	1120	1159	0	1159
Pennsylvania	585	0	585	732	0	732	658	0	658
<b>GREAT LAKES</b>									
Illinois	481	0	481	591	0	591	591	0	591
Indiana	144	0	144	152	0	152	136	0	136
Michigan	214	0	214	249	0	249	269	0	269
Ohio	306	0	306	419	0	419	462	0	462
Wisconsin	206	0	206	216	0	216	236	0	236
<b>PLAINS</b>									
Iowa	100	0	100	109	0	109	111	0	111
Kansas	0	58	58	0	64	64	0	70	70
Minnesota	207	0	207	218	0	218	234	0	234
Missouri	193	0	193	198	13	211	211	0	211
Nebraska	55	0	55	62	0	62	66	0	66
North Dakota	14	0	14	16	0	16	17	0	17
South Dakota	19	0	19	21	0	21	22	0	22
<b>SOUTHEAST</b>									
Alabama	55	11	66	54	19	73	62	13	75
Arkansas	41	4	45	46	5	51	40	3	43
Florida	464	0	464	549	0	549	575	0	575
Georgia*	128	0	128	142	0	142	158	0	158
Kentucky	7	82	90	0	96	96	0	102	102
Louisiana	142	0	142	130	0	130	136	0	136
Mississippi	49	0	49	54	0	54	56	0	56
North Carolina	260	0	260	295	0	295	324	0	324
South Carolina	82	2	84	92	3	95	100	3	103
Tennessee	189	0	189	237	0	237	226	0	226
Virginia	218	0	218	233	0	233	254	0	254
West Virginia	35	0	35	42	0	42	43	0	43
<b>SOUTHWEST</b>									
Arizona	70	18	88	82	19	101	86	22	108
New Mexico	37	0	37	44	0	44	49	0	49
Oklahoma	85	0	85	99	0	99	112	0	112
Texas	406	0	406	463	0	463	478	0	478
<b>ROCKY MOUNTAIN</b>									
Colorado	114	0	114	130	0	130	144	0	144
Idaho	26	0	26	27	0	27	33	0	33
Montana	18	0	18	21	0	21	22	0	22
Utah	34	0	34	39	0	39	42	0	42
Wyoming	12	0	12	14	0	14	16	0	16
<b>FAR WEST</b>									
Alaska	18	0	18	34	0	34	35	0	35
California	1671	N/A	1671	1992	N/A	1992	2095	N/A	2095
Hawaii	35	0	35	33	0	33	36	0	36
Nevada	25	1	26	29	2	31	32	2	34
Oregon	74	0	74	102	0	102	111	0	111
Washington	187	0	187	187	0	187	187	0	187
<b>TOTAL</b>	<b>\$9,184</b>	<b>\$176</b>	<b>\$9,361</b>	<b>\$10,638</b>	<b>\$221</b>	<b>\$10,859</b>	<b>\$11,084</b>	<b>\$215</b>	<b>\$11,299</b>
District of Columbia	16	0	16	19	0	19			

## Medicare Part D Clawback Notes

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**Georgia:** The \$158 million reflected for the Estimated FY 2018 payment is actual not estimated.

**Massachusetts:** Totals reflect invoiced amounts, not cash spending.

**TABLE A-4**  
**DEBT SERVICE (\$ IN MILLIONS)**

Region/State	Actual Fiscal 2016			Actual Fiscal 2017			Estimated Fiscal 2018		
	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total	General Fund	Other State Funds	Total
<b>NEW ENGLAND</b>									
Connecticut*	\$ 1968	\$ 494	\$ 2462	\$ 2058	\$ 543	\$ 2601	\$ 2316	\$ 615	\$ 2931
Maine	104	0	104	103	0	103	115	0	115
Massachusetts	2210	120	2330	2335	67	2402	2371	60	2431
New Hampshire	117	32	149	108	32	140	106	34	140
Rhode Island	123	75	198	136	76	212	169	68	237
Vermont	67	6	73	71	6	77	68	5	73
<b>MID-ATLANTIC</b>									
Delaware	169	257	426	179	242	421	187	227	414
Maryland	252	857	1109	259	920	1179	260	976	1236
New Jersey	3648	0	3648	3724	0	3724	3786	0	3786
New York*	0	5598	5598	0	5514	5514	0	5873	5873
Pennsylvania	1128	162	1290	1111	160	1271	1120	151	1271
<b>GREAT LAKES</b>									
Illinois*	0	3619	3619	0	3906	3906	0	3986	3986
Indiana	0	218	218	0	231	231	0	241	241
Michigan	149	0	149	130	0	130	108	0	108
Ohio	1356	130	1486	1371	138	1509	1380	125	1505
Wisconsin	507	339	846	566	354	920	543	360	903
<b>PLAINS</b>									
Iowa	0	71	71	0	71	71	0	71	71
Kansas	88	415	503	123	397	520	134	406	540
Minnesota	732	1242	1974	651	1156	1807	687	1254	1941
Missouri	91	380	471	101	509	610	102	373	475
Nebraska									
North Dakota	7	1	8	6	1	7	6	1	7
South Dakota	12	27	39	12	29	41	12	29	41
<b>SOUTHEAST</b>									
Alabama*	49	20	69	62	12	74	64	17	81
Arkansas	0	234	234	5	230	235	5	186	191
Florida	300	10920	11220	395	11539	11934	443	12796	13239
Georgia	1113	65	1178	1077	101	1178	1211	0	1211
Kentucky*	637	298	934	687	325	1013	718	343	1061
Louisiana	293	64	357	520	58	578	547	109	656
Mississippi	392	10	402	392	19	411	385	18	403
North Carolina	709	69	778	711	79	790	718	56	774
South Carolina*	187	0	187	173	0	173	180	0	180
Tennessee	230	0	230	246	0	246	245	0	245
Virginia	673	49	721	720	48	768	733	62	794
West Virginia	40	204	244	40	223	263	41	241	282
<b>SOUTHWEST</b>									
Arizona	326	621	947	340	559	899	354	550	904
New Mexico	4	233	237	4	402	406	4	347	351
Oklahoma									
Texas	944	700	1644	1015	741	1756	1234	864	2098
<b>ROCKY MOUNTAIN</b>									
Colorado*	59	372	430	57	353	410	72	245	317
Idaho	4	8	12	4	8	12	4	7	11
Montana	19	7	26	16	4	20	14	4	18
Utah	86	380	466	86	376	462	72	336	408
Wyoming									
<b>FAR WEST</b>									
Alaska	224	54	278	200	63	263	228	88	316
California	5448	1348	6796	5388	1520	6908	5361	1789	7150
Hawaii	691	459	1150	711	325	1036	712	515	1227
Nevada	1	193	194	1	242	243	1	336	337
Oregon	201	113	315	219	115	333	264	127	391
Washington	1076	729	1805	1116	781	1897	1125	725	1850
<b>TOTAL</b>	<b>\$26,434</b>	<b>\$31,193</b>	<b>\$57,627</b>	<b>\$27,229</b>	<b>\$32,475</b>	<b>\$59,704</b>	<b>\$28,204</b>	<b>\$34,614</b>	<b>\$62,818</b>
District of Columbia	609	13	622	658	13	671			

## Debt Service Notes

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**Alabama:** Total does not include debt service payments made on revenue obligation bonds (\$407M in FY16, \$435M in FY17, \$496M Estimated in FY18). Only general obligation debt service is appropriated and calculated in the state's total expenditure reports. Revenue obligation debt service has not been reported in previous surveys, so we remained consistent with that.

**Colorado:** Debt Service for Other State Funds includes "enterprise" programs, such as higher education institutions and the unemployment insurance system. These are state entities that receive less than 10% of their funds from the state. Much of this enterprise debt service is from higher education institutions.

**Connecticut:** Other State Funds include the transportation fund only.

**Illinois:** Debt service out of the General Funds is blank, because technically GRF transfers debt service money to GOBRI before the money is actually spent out on debt service. Counting these transfers in the General Funds would essentially double-count the debt service. Total transfers from the General Funds to GOBRI: \$1,979M (FY16), \$2,235M (FY17), and \$2,807M (FY18 est).

**Kentucky:** Other State Funds for debt service include (in millions): fiscal 2016 — road fund \$158, agency fund \$139; fiscal 2017 — road fund \$169, agency fund \$157; estimated fiscal 2018 — road fund \$170, agency fund \$172.

**New York:** All debt service is paid from Other State Funds (Debt Service Funds). Certain Debt Service Funds are supported by transfers from the General Fund. General Fund transfers supporting Debt Service Spending totaled (in millions): \$1,196; \$924; \$1,047 for 2016; 2017; and 2018, respectively.

**South Carolina:** South Carolina only includes general fund related debt service in the annual Appropriations Act.

**TABLE A-5  
TRANSPORTATION FUND REVENUE SOURCES (\$ IN MILLIONS)**

Region/state	Actual Fiscal 2016						Estimated Fiscal 2017						Estimated Fiscal 2018					
	Motor Fuel Taxes	License & Registration Fees	Vehicle Sales & Use Taxes	Tolls	Other	Total	Motor Fuel Taxes	License & Registration Fees	Vehicle Sales & Use Taxes	Tolls	Other	Total	Motor Fuel Taxes	License & Registration Fees	Vehicle Sales & Use Taxes	Tolls	Other	Total
<b>NEW ENGLAND</b>																		
Connecticut	\$ 518	\$ 252	\$ 109	\$ 0	\$ 474	\$ 1353	\$ 499	\$ 243	\$ 188	\$ 0	\$ 465	\$ 1395	\$ 501	\$ 253	\$ 328	\$ 0	\$ 535	\$ 1617
Maine*	221	90	0	0	16	327	229	91	0	0	15	335	224	88	0	0	16	328
Massachusetts	766	661	536	0	31	1994	768	667	548	0	62	2045	769	686	563	0	65	2083
New Hampshire	124	92	0	0	1	217	125	96	0	0	14	235	126	98	0	0	0	224
Rhode Island*	150	54	0	0	7	211	148	71	0	0	5	224	151	77	0	0	8	236
Vermont*	78	88	67	0	50	283	78	93	69	0	49	289	78	95	73	0	51	297
<b>MID-ATLANTIC</b>																		
Delaware	125	200	0	192	14	531	130	214	0	198	14	555	132	215	0	203	17	567
Maryland	1018	381	891	0	2115	4405	1079	389	918	0	2621	5007	1059	388	903	0	2753	5103
New Jersey*	529	0	461	12	215	1217	533	0	200	12	862	1607	503	0	200	12	1442	2157
New York*	503	1071	874	0	3901	6349	519	1107	903	0	3927	6456	512	1169	942	0	3960	6583
Pennsylvania*	3321	975	0	0	37	4333	3515	1013	0	0	26	4554	3862	1050	0	0	48	4960
<b>GREAT LAKES</b>																		
Illinois	1277	111	0	0	2803	4191	1274	110	0	0	2875	4259	1292	108	0	0	2472	3873
Indiana	422	134	39	0	42	637	455	131	3	0	40	629	741	138	0	0	37	916
Michigan*	1011	1060	84	0	96	2251	1360	1255	88	0	105	2808	1451	1333	90	0	166	3040
Ohio*	1031	38	0	0	2186	3255	1060	43	0	0	2097	3199	1069	48	0	0	2356	3472
Wisconsin*	1038	505	0	0	163	1706	1052	505	0	0	169	1726	1064	534	0	0	186	1784
<b>PLAINS</b>																		
Iowa*	655	987	0	0	7	1649	699	1019	0	0	9	1727	667	980	0	0	7	1654
Kansas*	447	214	518	0	271	1450	455	220	515	0	-2	1188	454	218	525	0	103	1300
Minnesota	899	6	773	0	1175	2853	911	10	821	0	1399	3140	922	7	858	0	1430	3218
Missouri*	512	289	343	0	0	1143	511	286	361	0	0	1158	518	297	367	0	0	1182
Nebraska*	244	38	114	0	83	479	247	43	117	0	135	542	259	45	121	0	86	511
North Dakota	192	98	106	0	24	420	184	96	115	0	22	417	192	101	114	0	26	433
South Dakota	173	0	109	0	25	307	177	0	109	0	31	317	174	0	115	0	26	315
<b>SOUTHEAST</b>																		
Alabama*	338	99	0	0	1173	1610	373	99	0	0	1216	1688	386	103	0	0	1212	1701
Arkansas*	282	92	N/A	0	192	566	286	86	N/A	0	207	579	291	89	N/A	0	212	592
Florida*	2,209	1114	N/A	957	3397	7678	2273	1163	N/A	1016	3518	7970	2290	1182	N/A	1022	3643	8136
Georgia	1655	0	0	0	160	1815	1741	0	0	0	183	1924	1799	0	0	0	182	1981
Kentucky	750	224	484	0	23	1481	761	224	499	0	23	1507	765	225	493	0	27	1510
Louisiana	621	51	0	0	38	710	635	53	0	0	33	721	616	53	0	0	35	704
Mississippi																		
North Carolina*	1923	631	729	34	192	3509	1914	712	784	39	223	3673	1979	707	797	44	232	3759
South Carolina	0	0	0	0	0	0	503	26	152	8	1301	1990	568	46	17	9	1462	2102
Tennessee	468	226	23	0	6	723	476	230	25	0	7	738	601	261	23	0	7	892
Virginia	848	321	930	0	1256	3356	858	326	970	0	1298	3452	844	328	955	0	1330	3457
West Virginia	396	87	206	0	27	716	381	104	204	0	26	715	420	149	227	0	52	848
<b>SOUTHWEST</b>																		
Arizona*	736	399	882	0	1294	3311	777	340	940	0	1148	3205	802	318	990	0	1254	3364
New Mexico	208	85	0	0	104	397	213	83	0	0	105	401	226	84	0	0	111	420
Oklahoma*	215	1	1	0	0	217	215	1	1	0	0	217	220	1	1	0	0	222
Texas*	2581	1438	0	6	584	4609	2630	1437	0	12	888	4967	2676	1496	0	14	1195	5381
<b>ROCKY MOUNTAIN</b>																		
Colorado	610	243	0	0	332	1185	626	250	0	0	346	1221	645	262	0	0	363	1269
Idaho*	183	86	0	0	0	269	191	91	0	0	11	293	198	94	0	0	40	332
Montana	222	0	0	0	0	222	227	0	0	0	0	227	255	0	0	0	0	255
Utah*	421	90	251	1	509	1272	484	90	274	2	523	1373	499	94	290	2	573	1458
Wyoming																		
<b>FAR WEST</b>																		
Alaska																		
California*	5465	3862	N/A	0	1050	10377	5270	4060	N/A	0	1092	10422	7611	5124	N/A	0	1117	13852
Hawaii*																		
Nevada*	285	182	0	0	227	694	294	223	0	0	223	740	303	244	0	0	177	724
Oregon*	543	362	0	0	423	1327	554	371	0	0	812	1736	602	423	4	0	512	1541
Washington*	1062	660	77	174	1202	3175	1317	612	81	192	946	3148	1233	926	86	196	758	3199
<b>TOTAL</b>	<b>\$37,275</b>	<b>\$17,596</b>	<b>\$8,607</b>	<b>\$1,376</b>	<b>\$25,926</b>	<b>\$90,780</b>	<b>\$39,006</b>	<b>\$18,282</b>	<b>\$8,886</b>	<b>\$1,479</b>	<b>\$29,068</b>	<b>\$96,720</b>	<b>\$42,547</b>	<b>\$20,138</b>	<b>\$9,083</b>	<b>\$1,502</b>	<b>\$30,283</b>	<b>\$103,553</b>
District of Columbia*	23	0	0	0	154	177	27	0	0	0	122	149						



## Transportation Fund Notes

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**Alabama:** “Other” includes Petroleum Commodities Inspection fees, interest income on investments, insurance recoveries, all federal grants and reimbursements, and other miscellaneous revenue.

**Arizona:** The Transportation Fund Revenue Sources excludes bond proceeds. “Other” category includes federal grants and aid, local excise tax revenue dedicated to transportation, and reimbursements from local governments.

**Arkansas:** Vehicle Sales and Use Tax are not designated for use in the Transportation Fund. ‘Other’ includes Severance Tax for Natural Gas and the ½ cent Sales Tax to fund the State’s Four-Lane Highway Construction and Improvement Project.

**California:** Vehicle sales and uses taxes are included in overall sales tax figures.

**District of Columbia:** At the ‘State’ level, the District of Columbia’s FHWA match (in 2016 and 2017, exclusively from Motor Fuel Tax) is called the Highway Trust Fund. In addition, they also have a Local Transportation Fund, which supports all local transportation needs.

**Florida:** The State Transportation Trust Fund is the state’s primary trust fund used to manage non-toll transportation related revenues. Toll related revenues are managed in separately established trust funds for applicable toll facilities. Other revenue sources include federal aid, documentary stamp and rental car surcharge proceeds, and reimbursements from other entities such as expressway authorities.

**Hawaii:** Transportation fund revenues are revenues from Airports, Harbors, Highways, and Administration.

**Idaho:** Other includes revenue for the Transportation and Congestion Mitigation Fund and the Strategic Initiatives Fund. The Transportation Expansion and Congestion Mitigation Fund is funded with portions of the state tax and cigarette and tobacco taxes. The Strategic Initiatives Program is funded by a General Fund surplus eliminator which sunsets in 2019.

**Iowa:** Iowa does not collect sales/use tax on vehicle sales, it is called “New Fee for Registration” and shown under Registration Fees.

**Kansas:** The transportation fund receives a portion of all sales and use taxes. The Other category above includes transfers made from the transportation fund to the general fund.

**Maine:** Transportation Fund Other revenue consists of Motor Vehicle Inspection Fees, Other Taxes and Fees, Fines, Forfeits and Penalties, Income from Investments and Other Highway Revenues.

**Michigan:** In Michigan, a portion of auto-related sales tax goes to public transportation.

**Missouri:** Missouri has the State Highways and Transportation Department Fund made up of revenues from motor vehicle registrations, driver’s license and other fees, and motor fuel taxes. Missouri also has a State Road Fund that incorporates State Highways and Transportation Department Funds and revenues from motor vehicle sales taxes and state road bond funds.

**Nebraska:** FY 2016-18 Other: Includes 1/4 of 1¢ sales tax revenue that is credited to the State Highway Capital Improvement Fund monthly (~63-65mil annually), other items include excess limit permits, highway overload fines, fund transfers in, ect. FY 2017 Other: Also includes a one time \$50 mil transfer from the Cash Reserve Fund to the Transportation Infrastructure Bank to support and expedite transportation infrastructure projects in the State.

**Nevada:** All revenue belongs to the State Highway Fund, but some of the revenue is expended by the Department of Motor Vehicles and Department of Public Safety.

**New Jersey:** Regarding vehicle/operator license and registration fees, although these fees exist and are collected by the NJ Motor Vehicle Commission, none are deposited for use into the Transportation Trust Fund. Other includes the Petroleum Products Gross Receipts tax, which was raised during fiscal year 2017 through enacted legislation on 11/1/16.

**New York:** Other transportation fund revenue includes auto rental taxes, petroleum business taxes, highway use tax, transit dedicated business taxes, MTA payroll tax, and taxicab surcharge.

**North Carolina:** North Carolina has two Highway Funds — Highway Fund is largely for administration, DMV, and maintenance, and the Highway Trust Fund is new construction projects.

**Ohio:** Other includes Bond Revenue, Investment income, Federal Revenue, Local Revenue, Revolving Loan Repayments, General Revenue, and Miscellaneous

**Oklahoma:** Oklahoma has three major funds for transportation funding — Oklahoma State Transportation Fund; ROADS

Fund; County Improvement for Roads and Bridges Fund. Revenue sources of the OK State Transportation Fund are detailed in the report. The ROADS Fund receives funding from personal income tax collections diverted from the General Revenue Fund in an amount determined by statute. [FY-16, \$452.3 Mil; FY-17, \$452.3 Mil; FY-18, \$511.9 Mil]. The County Improvement Fund for Roads and Bridges Fund receives funding from Vehicle/operator license & registration fees, capped by statute at \$120 Mil annually. Smaller state funds, such as the State Highway Construction & Maintenance Fund, the Weigh Station Improvement Fund, the Public Transit Fund, the OK Tourism & Passenger Rail Fund, and the Railroad Maintenance Fund, also receive funding annually from some of these sources. Additional funding is provided to counties for local transportation projects from many of the same sources, as well. Tolls collected in Oklahoma are revenues of the Oklahoma Turnpike Authority and are not appropriated or authorized annually by the Legislature.

**Oregon:** Other includes Weight Mile Taxes and MCTD Fees.

**Pennsylvania:** Other includes vehicle code fines, interest, sale of unserviceable property, fees for reclaiming abandoned vehicles, highway bridge income, highway encroachment permits, miscellaneous revenue, recovered damages, sale of inspection stickers, sale of maps & plans, and fare evasion.

**Rhode Island:** Other revenues include Third Party Reimbursements, Land Sale Revenue, and Environmental Protection Fee.

**Texas:** Other revenues include Lubricant Sales Tax, Special Vehicle Permit Fees, Motor Vehicle Certificates, Land Sales, Judgments & Settlements, and Other Miscellaneous Government Revenues.

**Utah:** The “other” category consists of sales tax earmarks that are deposited into the Transportation Investment Fund.

**Vermont:** Other revenues include other taxes; fees; rents and leases; fines, forfeitures, and penalties; and other revenues.

**Washington:** Washington State has 45 transportation accounts. The three largest transportation accounts are: 108 Motor Vehicle Account; 218 Multimodal Account and 20H Connecting Washington Account.

**Wisconsin:** Other revenue includes an annual transfer from the state's general fund.

## Transportation Fund Names

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**Alabama** — Public Road and Bridge Fund

**Arizona** — Arizona Highway User Revenue Fund

**Colorado** — Highway Users Trust Fund, State Highway Fund, and many others

**Connecticut** — The Special Transportation Fund

**Delaware** — Delaware Transportation Authority Trust Fund

**District of Columbia** — Highway Trust Fund, Local Transportation Fund

**Florida** — State Transportation Trust Fund

**Idaho** — State Highway Fund, Transportation Expansion and Congestion Mitigation, Strategic Initiatives Program

**Illinois** — Road Fund and Motor Fuel Tax Fund

**Indiana** — State Highway Fund

**Iowa** — Road Use Tax Fund

**Kansas** — State Highway Fund

**Louisiana** — Transportation Trust Fund

**Maine** — Highway Fund

**Maryland** — Transportation Trust Fund

**Massachusetts** — Commonwealth Transportation Fund

**Michigan** — Michigan Transportation Fund

**Minnesota** — Transit Assistance Fund, Municipal State Aid Street Fund, County State Aid Highway Fund, Trunk Highway Fund, Highway Users Tax Distribution Fund, State Airports Fund

**Missouri** — State Highways and Transportation Department Fund, State Road Fund

**Nebraska** — Highway Trust Fund, State Highway Capital Improvement Fund

**Nevada** — State Highway Fund

**New Hampshire** — Highway Fund

**New Jersey** — Transportation Trust Fund

**New Mexico** — State Road Fund

**New York** — Metropolitan Transportation Authority Financial Assistance Fund, Mass Transportation Operating Assistance Fund, Dedicated Mass Transportation Trust Fund, Dedicated Highway and Bridge Trust Fund, Highway Use Tax Administration Fund

**North Carolina** — Highway Fund, Highway Trust Fund

**North Dakota** — Highway Tax Distribution Fund

**Ohio** — Highway Operating Fund

**Oklahoma** — Oklahoma State Transportation Fund; ROADS Fund; County Improvement for Roads and Bridges Fund

**Oregon** — Highway Fund

**Pennsylvania** — Motor License Fund

**Rhode Island** — Intermodal Surface Transportation Fund

**South Dakota** — Highway Fund

**Tennessee** — Highway Fund

**Texas** — State Highway Fund

**Utah** — Transportation Fund, Transportation Investment Fund

**Vermont** — Transportation Fund

**Washington** — The three largest transportation accounts are: 108 Motor Vehicle Account; 218 Multimodal Account and 20H Connecting Washington Account

**Wisconsin** — Transportation Fund



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